

Seizing Opportunities to Improve Family Businesses on PKK Cadres

Memanfaatkan Peluang untuk Meningkatkan Bisnis Keluarga pada Kader PKK

Ellen Rusliati^{*1}, Mulyaningrum², Ruslina Lisda³, Liza Laila Nurwulan⁴, Mujibah A Sufyani⁵

^{1,2,3,4,5}Fakultas Ekonomi dan Bisnis, Universitas Pasundan

*e-mail: ellen_rusliati@unpas.ac.id¹, mulyaningrum.unpas@gmail.com², ruslinalisda@gmail.com³, lizanurwulan@unpas.ac.id⁴, mujibah1962@gmail.com⁵

Abstract

PKK members need to take advantage of their opportunities and potential to run a family business professionally. This community service (PPM) aims to motivate and increase the entrepreneurial spirit of PKK cadres to run a family business so that it can improve welfare. PPM is carried out with technical training in the form of lectures, discussions, practices, and assistance on family business management, which is carried out at the Village Hall and visits to production sites. The training participants consisted of 25 cadres and 10 Dasa Wisma. The implementation time is for 4 (four) months, namely from September to December 2023. The results show an increased understanding of the use of business opportunities, entrepreneurial spirit, and the desire to change to meet the demands of competition. Furthermore, support from the village government, and PKK Administrators. Village-owned enterprises (VOEs), and universities were needed to improve management capabilities, facilitate PIRT and halal certification, as well as assist in managing family businesses. The importance of this PPM is to provide knowledge, motivation, and assistance so that family businesses are guaranteed sustainability.

Keywords: *PKK, opportunity, family business, digital*

Abstrak

Anggota PKK perlu memanfaatkan peluang dan potensi yang dimiliki agar dapat menjalankan bisnis keluarga secara profesional. Pengabdian pada masyarakat (PPM) ini bertujuan memotivasi dan meningkatkan semangat wirausaha kader PKK untuk menjalankan bisnis keluarga sehingga dapat meningkatkan kesejahteraan. PPM dilakukan dengan teknis pelatihan berbentuk ceramah, diskusi, praktek, serta pendampingan tentang pengelolaan bisnis keluarga, yang dilaksanakan di Balai Desa dan kunjungan ke lokasi produksi. Peserta pelatihan terdiri dari para kader sebanyak 25 orang dan Dasa Wisma 10 orang. Waktu pelaksanaan selama 4 (empat) bulan, yakni pada bulan September sampai dengan Desember 2023. Hasilnya menunjukkan adanya peningkatan pemahaman tentang pemanfaatan peluang bisnis, semangat berusaha, dan keinginan untuk berubah memenuhi tuntutan persaingan. Selanjutnya dukungan dari pemerintah desa, Pengurus PKK, BUM Desa, dan perguruan tinggi diperlukan untuk meningkatkan kemampuan manajemen, fasilitasi PIRT dan sertifikasi halal, serta pendampingan pengelolaan bisnis keluarga. Pentingnya PPM ini adalah memberikan pengetahuan, motivasi, dan pendampingan agar bisnis keluarga terjamin keberlanjutannya.

Kata kunci: *PKK, peluang, bisnis keluarga, digital*

1. INTRODUCTION

Family Welfare Empowerment (PKK) is a community movement that grows from below with the principle of participatory work, inviting active participation of all levels of society in development so that it is more equitable and qualified in carrying the burden and responsibility of development, as well as in enjoying the results of development (Direktorat Jenderal Bina Pemerintahan Desa dan Tim Penggerak PKK Pusat, 2021). Data from Purwakarta (2022a) showed that the total labor force in Purwakarta in 2021 was 438.37 thousand people and 10.7% of them were unemployed. Wanayasa District is one of the sub-districts in Purwakarta Regency which consists of 13 villages (Purwakarta, 2022b). Furthermore, the population in Wanasari Village is

3.67 thousand. The area of fruit plants (trees) in Wanasari Village is dominated by mangosteen (5,413 trees) and bananas (13,725 trees).

This PPM was carried out in Wanasari Village by utilizing the village's potential and processing it into derivative products to enrich food diversity and improve family business. The participants were PKK cadres and Dasawisma. The implementation of the program was by the sixth main program of the PKK, namely education and training. Research results by Ramadani (2020) showed that many of the supporting and inhibiting factors of PKK's efforts in empowering women. Furthermore, efforts need to be made to overcome obstacles (Herlina, 2019).

Based on a survey conducted on September 4, 2023, information was obtained that empowerment is needed to increase the economic movement of the community through improving the skills and education of PKK cadres to be passionate about running family businesses by utilizing village potential. Wanasari Village has the potential to process banana/cassava/taro/sweet potato chips, *rangginang*, *keremes*, *opak*, and scallops with simple packaging, does not have a PIRT permit and MUI halal certification, markets directly also through VOs Berkah Amanah. Improving family business management through the PKK movement is expected to motivate cadres to own and manage family businesses with the hope that family income will increase. This PPM activity is focused on training and mentoring to take advantage of opportunities by utilizing their potential to run a sustainable family business.

An improved family business means improved well-being, but motivational factors and management basics need to be considered when starting to build one (Gagné et al., 2021). Blending family attributes with management will help to form a family business (Combs et al., 2020), by focusing on the effects of religious orientation on business and family, as well as on the values, norms, and goals that exist in the family business system, you will gain a more meaningful understanding between religious beliefs and sustainable ethical behavior in family businesses (Astrachan et al., 2020).

Family businesses benefit more from non-family enterprises from local entanglements resulting in higher growth rates and more pronounced effects in rural areas (Baù et al., 2019). Research results by Adomako et al. (2019) showed that the impact of ESO (*Environmental Sustainability Orientation*) i.e. the business philosophical attitude to conduct friendly operations in an environmentally friendly manner on company performance is reinforced for non-family companies but not significant for family businesses. Taking advantage of opportunities to improve a family business can involve leveraging the knowledge, skills, and experience one gains to offer value, identify niche markets, and diversify income streams. Research results by Boso et al. (2019) showed that there is a relationship between experience, business failure, learning from failure, alertness to new business opportunities, and new business performance.

Ciasullo et al. (2022) stated that CI (co-innovation) was a viable strategy and shows how SMEs are better able to recognize business opportunities. CI refers to the process that allows the active participation of various actors (i.e. users, customers, suppliers, partner organizations, universities, etc.) in a collaborative network to create value in terms of new products, services, processes, or business models. This includes changes in communication patterns and interactions of the innovation agents involved, assessment of opportunities, and consideration of resources as part of a comprehensive and ongoing innovation process (Satalkina & Steiner, 2020). This leads to the enrichment of collective learning and reasoning activities that put new knowledge into innovative practices actualized in new products, services, processes, solutions, value propositions, markets, and business models (Ciasullo et al., 2022). Food delivery platform operators can identify key factors that drive consumers to use their services to formulate effective management strategies and create greater business opportunities (Chen et al., 2020).

The mechanism of digital entrepreneurship plays a role in the innovation system, especially transformation and continuous transition. Include changes in communication patterns and interactions of the innovation agents involved, opportunity assessment, and resource consideration as part of a comprehensive and ongoing innovation process (Satalkina & Steiner,

2020). Women entrepreneurs are motivated to take advantage of business opportunities or with a need for professional autonomy and personal achievement (Llados-Masllorens & Ruiz-Dotras, 2022). Safety and health benefits for customers and employees, opportunity motivation, and indirect social effects of environmental efforts show that green entrepreneurship makes a significant contribution to society. A higher share of entrepreneurial activity is beneficial to social development (Neumann, 2022).

The search phase includes the development of unique ideas, opportunity detection, and due diligence. The planning phase includes measuring the ability to develop activities to turn ideas into realistic business plans for new ventures and evaluating the skills needed to pool resources to bring the business to life. The implementation phase reflects management's competence and ability to solve problems quickly and efficiently, launch new businesses, and ensure that the business can survive and generate profits (Llados-Masllorens & Ruiz-Dotras, 2022). In addition, investment policies transforming the agricultural sector, supporting women and youth, and promoting digital infrastructure can help increase incomes and reduce inequality of economic opportunity.

Women in addition to their main job as housewives can use their free time to add value to produce some food that sells well. Research results by Khan et al. (2021) showed that internal factors including the need for achievement, risk-taking courage, and self-confidence, as well as external factors including economic, social, and cultural factors, have a positive and significant influence on the success of women-owned businesses. Companies that are women-run and operate in female-dominated sectors are significantly smaller and less efficient than those operating in male-dominated sectors (Chaudhuri et al., 2020). The gender gap in entrepreneurship can result in missed opportunities for poverty reduction, job creation, growth, and innovation that have implications for macroeconomic growth (Matulevich & Iacovone, 2021).

Taking advantage of opportunities for entrepreneurship requires strong motivation, due to the complexity of running a business, capital, funds, marketing, and experience. Research results by Ngoasong & Kimbu (2019) demonstrate that policy implications are important for creating regional networks or clusters specifically targeting growth-oriented women entrepreneurs, hence the need for family business public policy education on how best to reap the full benefits of ESOs (Adomako et al., 2019).

The level of local entanglement is a dimension that influences the trade-off between economic and noneconomic goals, i.e. efforts to achieve community-related noneconomic goals are also a way to build resources that support the competitive advantage of family businesses (Baù et al., 2019). This value-based conceptualization of family business can enrich understanding and support family business behavior (Astrachan et al., 2020). Research results by Khan et al. (2021) showed that women entrepreneurs need motivation and confidence to start a business. The use of new digital technology is limited to communication, not yet support business. Research results by Westerlund (2020) demonstrated that SMEs wishing to thrive through digitalization need to develop a set of capabilities in terms of partnerships, customer relations, and business process management, as well as invest in information and communication (ICT) resources. Nwaiwu et al. (2020) found that there is a lack of a generally accepted theoretical framework for Industry 4.0 that can serve as a guiding tool for entrepreneurs interested in migrating processes through the adoption and implementation of digital technologies in manufacturing, logistics, and supply chain operations. Empirical results showed that digitalization has enabled SMEs to respond effectively to crises by leveraging their dynamic capabilities. In addition, digitalization can help improve the performance of SMEs (Guo et al., 2020), however, the integration of digital technologies requires investment and change in the internal practices of the company through the mobilization of new resources, as well as application-specific capabilities to manage them (Dethine et al., 2020).

This PPM was important because taking advantage of opportunities can improve family businesses. Strong motivation and support from VOs for marketing and quality improvement

can increase the enthusiasm of PKK mothers. The purpose of the activity is to realize the sixth main program of PKK, namely education and skills. Skills are focused on increasing food diversification and running a sustainable family business. The hope is that in the long run, the family business can create additional job opportunities for residents, especially mothers, and increase the knowledge of managing family businesses

2. METHOD

The implementation of PPM is carried out with technical training in the form of lectures and discussions as well as practices on managing family businesses. The technical implementation uses a model of active participation and mentoring, which is carried out at the Village Hall and visits to processed product craftsmen. Pretests and posttests for cadres are also carried out to understand the management of family businesses and their development opportunities. Training materials include papers and PowerPoint presentations with training participants consisting of 25 cadres and 10 Dasawisma. The implementation time is for 4 (four) months, namely from September to December 2023.

3. RESULTS AND DISCUSSION

Based on the results of training and material presentation as well as analysis of pre-test and post-test results, it was found that participants generally already know that: (1) bananas can be processed into derivative products other than chips but also sponges, *nugets*, and *bolen* for consumption by families and will generate income when sold. (2) family business management can increase income, (3) simple packaging and has not included PIRT and halal certification, has not included the composition, expiration period, or brand (Figure 1), and has not utilized social media as an obstacle in developing the business, (4) has not been able to process ingredients around the house into food that is worth selling to run a family business.



Figure 1. Products Marketed by Themselves

Participants were enthusiastic to increase their knowledge in various PKK program activities, especially education and skills programs related to improving family business. Post-test results showed that banana products and other variants processed by Wanasari residents until now have not been packaged properly and use social media as a medium for business and product promotion. PPM activities, especially training were carried out by inviting participants to ask various opinions and information about family business management practices that have been carried out, shared experiences, and solutions that have been done.

Utilization of resources around the house requires creativity to produce products that can be used as the beginning of the establishment of a family business. Many factors need to be considered comprehensively, including functional management that will be undertaken.

Marketing management with the marketing mix to be undertaken, products to be produced, prices set, distribution channels, and promotions to be carried out. Financial management includes the assets needed, sources of funds to be accessed, and management of assets owned to be able to generate profits. Furthermore, HR management, who will run the business, and how the production process will be carried out.

The many factors that must be considered make PKK cadres feel unable to run a family business in limited time and capabilities. In this PPM, PKK cadres who already have family businesses are used as role models by sharing experiences in running a business from the beginning to the present. Furthermore, improving the quality of packaging is needed so that products can reach a wider market by utilizing VOEs Berkah Amanah as a promotion and sales agent (Figure 2).



Figure 2 Products Marketed Through VOEs Berkah Amanah

Support from the Village Government to facilitate PIRT registration and halal certification is needed by entrepreneurs to meet the expectations of a wider market segment and expect product quality and halal assurance. The management of VOEs Berkah Amanah representing the millennial generation understands well the promotion and communication efforts by utilizing digital technology, but support from various parties is always needed so that the family business becomes stronger in the future.

The effort to run a business begins when there is a desire to actualize the potential possessed by producing products with its family segment then extends to neighbors and local villagers. The results of this dedication strengthen the results of research by Khan et al. (2021) that women entrepreneurs need motivation and confidence to start a business. Value-based conceptualization of family businesses is necessary to increase understanding and support family business behavior (Astrachan et al., 2020).

A family business that grows well can provide opportunities for increased employment opportunities. An understanding of internal factors (functional management, achievement needs, risk-taking courage, self-confidence) and external factors (economic, social, political, cultural, and technological) is necessary to support the success of a family business (Khan et al., 2021). Competition forces PKK cadres who run family businesses to operate efficiently (Chaudhuri et al., 2020) without regard to gender so that it can reduce poverty, create jobs, develop, and always make innovations that have an impact on economic growth (Matulevich & Iacovone, 2021).

Taking advantage of opportunities for entrepreneurship requires strong motivation, due to the complexity of running a business, capital, funds, marketing, and experience. Policy support creates networks necessary for entrepreneurs to grow (Ngoasong & Kimbu, 2019), similarly, education about running a family business by utilizing environmental sustainability (Adomako et al., 2019). Rural family businesses are not only established for economic but also non-economic purposes related to the community as well as a way to build resources that support the competitive advantage of family businesses (Baù et al., 2019).

The use of digital technology to run a business can be done through VOEs because it requires the ability to establish partnerships, customer relations, and business process management, as well as invest in ICT resources (Westerlund, 2020). Furthermore, VOE administrators need to understand the theoretical framework so that they can utilize Industry 4.0 as a guide to migrate processes technology in manufacturing, logistics, and supply chain operations (Nwaiwu et al., 2020). This includes investments and changes in the company's internal practices through the mobilization of new resources, as well as implementing specific capabilities to manage them (Dethine et al., 2020). The use of digital technology, resulting in communication and transactions can be carried out at any time and reach a wider range of customers. The increase in social media users opens up opportunities to use smartphones to run their businesses (Meylianingrum et al., 2023). The results of this PPM enable the establishment of cooperation between PKK administrators, cadres and Dasawisma, village governments, VOEs, and educational institutions to jointly utilize digitalization so that family businesses can respond to market needs by utilizing their dynamic capabilities, to improve performance (Guo et al., 2020).

4. CONCLUSION

Opportunities in the era of digitalization can be obtained through the use of information technology. Creative ideas can be developed into a family business, but adequate management support is needed. The willingness to change by utilizing their potential, learning from failure, strong motivation, and support from VOEs for marketing and quality improvement can increase the enthusiasm of PKK cadres and Dasawisma. The realization of the sixth main PKK program, namely education and skills, can be done with collaboration with various parties so that diversification of food and family businesses can run sustainably, and create additional job opportunities, and welfare for the community.

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