Empowering local economic potential post COVID-19 pandemic

Siti Ridloah, Desti Ranihusna, Vini Wiratno Putri, Vitradesie Noekent, Nury Ariani Wulansari

Department of Management, Faculty Economics and Business, Universitas Negeri Semarang
UNNES Sekaran Campus, Gunungpati, Semarang, 50229, Indonesia

ARTICLE INFO:
Received: 2023-11-15
Revised: 2023-12-12
Accepted: 2024-01-19
Published: 2024-02-29

ABSTRACT
Karanganyar Regency still has 25 villages in five sub-districts that are categorized as extremely poor. This condition has an impact on the high unemployment rate (5.70%) and the percentage of the population who are no longer in school (72.21%), coupled with the COVID-19 pandemic which has an increasing impact on people's low incomes. This service activity aims to develop productive economic empowerment for households to mitigate poverty due to the COVID-19 pandemic in Jatisari District, Karanganyar Regency. Methods for implementing activities include a preliminary study of problems, brainstorming with partners, training, and post-activity assistance with the Dasa Wisma women’s group and local MSMEs. The training includes knowledge about village potential maps, entrepreneurial motivation, training on creating products with local wisdom potential, and assistance in packaging superior village products. This activity had a positive impact in increasing community awareness by 90% of the need to improve their economic conditions and 64% of participants after participating in the activity had business ideas to try opportunities for developing local village potential products. This activity can significantly improve the economy of the target community by empowering the household economy based on local village potential.


1. INTRODUCTION

Extreme poverty in Indonesia has shown a downward trend since 2014-2019 (BPS, 2023). However, this trend was then corrected up in 2020-2021 which was suspected to be the impact of the Covid-19 pandemic (Suryahadi et al., 2020). In fact, the Government targets the extreme poverty rate in 2024 to reach 0% or be six years faster when compared to the SDGs target. The national extreme poverty rate in 2021 is 4% (10.86 million people). Therefore, starting in 2021, the government through the National Team for the Acceleration of Poverty Reduction (Tim Nasional Percepatan Penanggulangan Kemiskinan-TNP2K) focuses on alleviating extreme poverty in seven provinces, including Central Java Province. However, as of October 2022, based on field verification, Karanganyar Regency still has 25 villages in five sub-districts that are categorized as extreme poor with a total of 122,141 people. The unsuccessful efforts to eradicate extreme poverty in Karanganyar Regency have contributed to the high open unemployment rate (5.70%) and the percentage of the population who are no longer in school (72.21%) (BPS, 2022).
The problem of poverty in Karanganyar Regency in the last three years has actually raised a gap considering that the Karanganyar area is in a fertile area part of the foot of Mount Lawu (Yudana et al, 2015) and is economically independent even since the early days of Hindu-Buddhist influence (Maziyah, 2012). There are even 5 (five) villages in Karanganyar Regency that are categorized as extreme poor, one of which is Karangsari village, Jatiyoso District (Bram, 2023). If observed in the following Figure 1, it can be seen that Karangsari village has a location close to Mount Lawu where it is known that the Mount Lawu area has high tourism potential (Rachmanto & Aliah, 2019). A lot of tourism activities are developed in the area (Pratidina, 2022). Furthermore, questions arise regarding the potential of Karangsari village, whether the potential is actually not developed properly or even the community does not understand the potential it has.

Geographically, Karangsari village is located at an altitude of 800 – 1800 meters above sea level so that the average temperature in the village is 18°C. The landscape in Karangsari village is dominated by hills so that land use is dominant in the form of forests, gardens and rice fields. Karangsari Village is surrounded by many tourism objects around Mount Lawu. However, Karangsari village is faced with the problem of economic conditions that are not very good or even fall into the category of extreme poor.

### Problem Analysis

<table>
<thead>
<tr>
<th>Problems</th>
<th>Solutions to Target Community Problems</th>
<th>Receiving Parties</th>
</tr>
</thead>
</table>
| Extreme poverty levels that occurred after the Covid-19 pandemic | Map of local potential both in terms of geographical potential and other economic potential (knowledge and skills of the community). | - Village officials.  
- Guyub Rukun business women's group.  
- Dasa Wisma (Dawis) group. |
| Lack of community participation in improving household economy | Productive Economic Empowerment Activities of Households as Poverty Mitigation Due to the Covid-19 Pandemic. | - Women's business group Guyub Rukun  
- Dasa Wisma (Dawis) group. |
| The lack of business development of based on local potential, so that the uniqueness / distinctiveness of local products has not been found | - Providing training and mentoring for MSMs based on local potential.  
- Save product packaging training. | - Women's business group Guyub Rukun  
- Dasa Wisma (Dawis) group. |
| Construction of a reservoir in Jatisari Village that has business opportunities but the community is not ready | Sharing of knowledge about tourism village business as an initial description and the need for supporting infrastructure that must be prepared. | - Village officials.  
- Guyub Rukun business women's group.  
- Dasa Wisma (Dawis) group. |

The economic condition of Karanganyar Regency before the Covid-19 pandemic showed an increase in several leading sectors, such as tourism, agriculture, agro-tourism products (red guava, biopharma product, spices), and industry (Arianti & Harinta, 2020; Kurniawan et al., 2021; Sriyanto, 2020). These sectors weakened after being impacted by the Covid-19 pandemic. Many people were affected by layoffs because factories closed, food security weakened, and the number of tourist visits decreased drastically. So, these conditions give rise to extreme poverty rates in Karanganyar Regency. Nationally, the government has carried out a number of policies to accelerate extreme poverty alleviation and
improvement, including: collaborative interventions, data validation, and database collection. The Karanganyar Regency Government has also set policies, implemented strategies, and coordinated both with the central government and related stakeholders to alleviate extreme poverty in rural areas. However, these efforts have weaknesses, including: (1) Targeted and top-down approaches resulting in discrepancies in poverty data between the central government and field verification results; (2) Unscrupulous behavior is found to impoverish the community in order to obtain assistance; (3) Lack of community participation; and (4) A partial and less holistic approach. To solve the problem of alleviating rural extreme poverty. A holistic strategy of three pillars is needed (Khair et al., 2020), such as quality data documentation – community involvement in a productive economy based on local potential – education for local society. Improving post-pandemic economic conditions by empowering local potential can be started through housewives who are members of business women’s groups and Dasa Wisma. With support from the village government, various possibilities for empowerment activities will be opened. Similar activities in housewives empowerment has also been carried out after the Covid-19 pandemic (Atmojo et al., 2023; Cahyantini & Endayani, 2022; Kusumaningrum et al., 2021). These activities result many advantages for local society. Table 1 shows solutions to the community problems.

2. METHODS

Based on the solution of the problem to be carried out in this community service activity, the implementation method is carried out with an active participation approach (Nikkhah & Redzuan, 2009) between the service and the target community. This community service activity will be carried out for 8 months. Participants in this community service activity were 2 (two) groups of homestead women and MSMEs producing local products (instant herbal medicine and processed meat foods). Table 2 presents the method of implementing community service which is divided into three stages: planning, implementation, evaluation, and reporting.

<table>
<thead>
<tr>
<th>Table 2. Implementation method</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Planning Phase</strong></td>
</tr>
<tr>
<td>- Team discussion.</td>
</tr>
<tr>
<td>- Problem mapping survey and situation analysis.</td>
</tr>
<tr>
<td>- Preparation of activities proposals.</td>
</tr>
<tr>
<td>- Pre-activity survey to obtain supporting data for service after passing the 2023 funding.</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
3. RESULTS AND DISCUSSION

Jatisari District, Karanganyar Regency is a spice and secondary crop producing area which provides raw material needs for areas outside Karanganyar. As a region with the livelihood majority as farmers, it opens up opportunities for more massive development of the agricultural and plantation sectors. Every empty land in this area has been planted with secondary crops and spices. Geographically, this local potential gives product advantages that can be used as selling points by local MSMEs. Among the MSMEs that have grown but have not yet developed are the MSMEs for instant herbal drink and food made from processed meat. Some people started herbal drink businesses and others chose to continue skills passed down from generation to generation, namely producing food from processed meat such as meatballs. However, this business is still managed with limited skills, simple tools, and sporadic marketing. Thus, MSME products made from local potential raw materials are not widely known. By looking at these conditions, the community service team designed several intervention which are expected to have a significant impact. The following intervention activities have been carried out:

Initial Community Service Survey Activities

The first stage of this intervention is the introductory stage which is expected to be a bridge for communication and coordination with parties to be actively involved in this activity. This active-based community design is very powerful for the purpose of increasing the participation of the target community. This initial service survey activity is aimed at conducting the second stage of communication and coordination (after making a service proposal). The initial survey consisted of the following two activities: Communication with the Karangsari Village youth assistance group. This communication to obtain some data supporting the service. This activity was carried out on June 16, 2023 at the Jatisari sub-district office, where the team came to the partner location together with the student team who were in charge of documenting the location of the village and each activity of the service team. The village assistance group is a group of young people who have a role in accompanying every village development and development activity. This youth group is a party (7-10 members) that helps from preparation to the final stage of service activities, as well as being a liaison or communication connector with service partners. Some of the information obtained through village youth assistance are: (1) The potential of the village already exists, namely agriculture and trade; (2) The potential of villages that can be developed, namely agriculture, trade, and tourism; (3) Participants of service activities that are right on target, namely women’s business groups and potential dasa wisma (dawis) groups.

Coordination with several stakeholders of Karangsari Village. This communication to determine important dates for the implementation of activities. This activity held on June 17, 2023. This activity was carried out at the Jatisari District office, Karanganyar Regency. The stakeholders referred to here, namely First, Village Government. The village government consists of the Head of Karangsari Village, Head of Druju Area, Head of Tlobo Sempon Area along with their staff and fields related to service activities. Such as community empowerment, agriculture, environmental empowerment, women’s empowerment and MSMEs.

Second, Women’s Business Group. There is only one women’s business group that has been formed in Karangsari Village, namely the Guyub Rukun women’s business group, consisting of 8-12 housewives. This business group was formed because it was driven by the passion to empower housewives and develop local potential so as to produce something productive. The establishment of a productive economic women’s business group in Karangsari Village utilizes surrounding natural resources to be processed into instant herbal products.
Based on a study from a research team from the Department of Geography, Universitas Negeri Semarang, several plants that have the potential to thrive in the Karangsari Village area, namely red ginger, white turmeric, cardamom, pepper, and several crops (vanilla, corn, taro, cucumber, long beans, and cassava). The women of the women’s business group Guyub Rukun process empon-empon plants into herbal powder drink products, such as instant ginger. Even so, the scale of the business is still very micro. The main obstacles faced by the Guyub Rukun women's business group are capital and market access. This capital is what makes some means of production that should be needed but do not yet exist. For example, such as dryers, granulators, and empon-empon grater squeezers. So far, women’s business groups still use household appliances with conventional processing methods.

The next obstacle is market access or access to be able to get consumers. Currently the scale of production is still micro, the incoming demand is only to serve the needs of the surrounding community (neighbors and friends). This difficulty affects the production volume which is still relatively small (under 30 packs of herbs every day), sometimes even only serving orders (pre-order). In addition, the women’s business group Guyub Rukun also have a lack of knowledge about good sales and packaging strategies. It becomes an obstacle that cannot be overcome.

Third, Dasa Wisma Group. The Dasa Wisma group that is seen as having the potential to be empowered is the Dasa Wisma in Druju Hamlet. Village Head saw that this Dasa Wisma group consisted of young mothers of productive age who were potential, technologically literate, and had the same spirit to make something that could bring additional income to improve the family’s economic level. This Dasa Wisma group has also often received training and assistance in various activities from village officials and village assistance youth groups. Among the trainings that have been received by this Dasa Wisma are training on the use of the internet to help children’s learning activities at home, training on the use of the internet to support online sales (such as creating an online store), composting training, entrepreneurship training, business credit socialization, and others. However, this Dasa Wisma group has not decided on the type of business or product that is of mutual interest.

**Brainstorming with Village Government**

The team held an open discussion to brainstorm with village officials about digging deeper into the village potential map and the obstacles faced by the village today related to efforts to increase the productive economy. This discussion was held on June 17, 2023 with several representatives of village officials, namely: the Head of Karangsari Village, the Head of Druju Hamlet, the Head of Tlobo Sempon Hamlet, the Head of the Economic and Women’s Empowerment Section, and the Head of the Agriculture Section.

The Village Head conveyed information that currently, there is a Jlantah Reservoir construction project in Karangsari Village, Jatiyoso District, which has been started since 2022. Like most reservoir or dam construction projects, the government reimburses profits from people’s land used in accordance with price estimates by independent price estimators. In the construction of the Jlantah Reservoir, there are two affected villages with a total area of 729 fields or 198 hectares. Purpose The construction of this reservoir is used for irrigation of an area of 1,400 hectares. Jlantah Reservoir in the future will also be projected to become a tourist attraction.

Karangsari Village in the future with the Jlantah Reservoir will bring major changes to the social and economic life of its people. Although building construction will be carried out for 4 (four) years or more, it needs to be balanced with community preparation in facing this change. Among the preparations needed anticipate leakage of reservoir construction, negative environmental impacts (e.g. air and noise
pollution) during construction, the mechanism for utilizing reservoirs, including freshwater fish farming, potential tourist attractions, flood control, and agricultural irrigation, the changes in social life, such as farming communities who switch professions in fisheries, trade, and even services. Psychologically, it must be prepared so that people do not experience cultural shock to these changes.

Village officials must immediately start preparing and assisting the community in facing changes in social life from the presence of the Jlantah Reservoir. Village officials can cooperate with related institutions for community assistance cooperation such as universities or NGOs. Some preparatory designs, for example, the preparation of future village potential maps, the design of Jlantah Reservoir tourist attractions, predictions of changes in natural resource yields, and plans for economic empowerment and women’s empowerment.

Training Activities for Empowering Local Potential

From the results of communication and discussion with service partners, the team plans activities in accordance with the needs of the target community, namely training on empowering local potential (both from natural and processing products) in an effort to improve the community’s economy. The theme of the activity is training on empowering local potential of Karangsari Village, Jatiyoso District, Karanganyar Regency. The participants consisted of 15 members of the women’s business group Guyub Rukun and 13 members of Dawis Group. The invited guests consisted of the Head of Karangsari Village, the Head of Druju Area, and the Head of Tlobo Sempon Area. The Speakers and materials: (1) Vina Nurul Husna, S.Si., M.Si: The potential of Karangsari Village based on natural geographical conditions. One way that can be used to find out the potential of an area from its geographical conditions is through the Geographic Information System (GIS). A Geographic Information System (GIS) is a computer-based mapping information system used to enter, store, recall, process, analyze and generate geo-referenced data or geospatial data, to support decision-making in planning and management of land use, natural resources, the environment, transportation, municipal facilities, and other public services (Esty et al., 2023; Maskun et al., 2021). Geographic Information Systems technology can also be used for scientific investigation, resource management, development planning, cartography and route planning. The end result of the GIS process is embodied in a map or graph. Maps are very effective for storing, visualizing and providing geographic information. Vina said that the results of research on the geographical conditions of Karangsari Village using the Geographic Information System (GIS) found several plants that have the potential to be developed in Karangsari Village because they are considered in accordance with the climate, geographical conditions, and soil contours, including: empon-empon (red ginger, white turmeric, galangal), crops (cassava, corn, vanilla, gembili). The geographical conditions of the area will greatly determine the local potential map that can be utilized by the surrounding community. By knowing the geographical potential of the region, people can use it as a main activity for livelihood, business and industrial development. Land that has been well cultivated should be maintained and managed professionally under the coordination and supervision of local village officials. In the long term, this will create economic benefits to the area.

The next speaker are: (2) Nury Ariani W, SE., M.Sc: community economic empowerment based on utilizing local potential. Nury’s material starts from the current conditions where there is the construction of the Jlantah reservoir which is possible to bring changes to the social and economic life of the local community. One of them is the change in livelihood from farming communities to freshwater fish breeders. In addition, the existence of the Jlantah reservoir opens up various tourist opportunities. The speaker gave several examples of exposure to the concept of tourism villages (Muafi et al., 2018; Enri et al., 2022; Risdanareni et al., 2023). A tourism village is a community or community consisting of residents
of a limited area who can interact directly with each other under a management and have care, as well as awareness to play a role together according to their respective skills and abilities, empowering the potential conducive to the growth and development of tourism in the region. As the main actor, the community or community seeks to increase tourism potential or tourist attraction in its area. Furthermore, the community or society prepares itself as a good host for tourists when visiting. All activities carried out by communities or communities in tourism villages have the aim of improving the economic welfare of the community by utilizing the assets and potentials owned. The speaker explained several examples of tourism villages that have been successful in their implementation, able to attract many tourists, and bring income to the economy of their communities. Furthermore, material was presented on how service participants could have superior products from Karangsari Village to be sold as preparation for welcoming the tourism village opportunity. One of the potential specialties of Karangsari Village is its people who make meatball food famous outside the area. The material continued with an understanding of how to sell wet food so that it lasts a long time and can be used as a typical souvenir from Karangsari Village if later many tourists visit. One way that can be used is to use the vacuum sealer method and packaged attractively (Ferdyansyah et al., 2022; Primadewi et al., 2020; Syahputra et al., 2023). An attractive and informative product packaging design will add selling value which also create a special memory for consumers. In addition, attractive packaging is accompanied by complete information about the product including production date, expiration date, basic food ingredients, how to serve, PIRT No, manufacturer description. Therefore, the service team also presents examples of similar food products that are in accordance with standards such as “Tahu Aci Sultan”.

![Figure 2. Utilizing local potential training for productive economic enterprises](image)

![Figure 3. Deep discussion of empowering local potential](image)

**Save Product Packaging Training**

Participants practice to use vacuum sealer as one of save frozen food product packaging. If there are those who have not succeeded, they are still welcome to try again until they succeed. Participants brought home “Tahu Aci” and meatballs used for vacuum sealer practice as souvenirs of the activity.

The activity was closed by providing equipment assistance to use vacuum sealer. The tool was given to the women’s business group Guyub Rukun and the dawis group. The team expect that this tool can be used to support the readiness of the target community in making special products of Karangsari Village, such as meatballs that are packaged complete with sauce seasonings. Furthermore, customers can enjoy special Karangsari meatballs not limited to the place, but cooked by themselves at home. This will bring a new experience for consumers. To guarantee the sustainable activity, the team also made an agreement with the village government regarding further assistance in empowering the community’s local potential (Figure 5).
The goal is to find out how high the level of understanding related to: (1) Understanding the customers can enjoy special Karangsari meatballs not limited to the place, but cooked by themselves Karangsari Village, such as meatballs that are packaged complete with sauce seasonings. Furthermore, at home. This will bring a new experience for consumers. To guarantee the sustainable activity, the empowering the community’s local potential (Figure 5). The team also made an agreement with the village government regarding further assistance in evaluation.

Participants brought home “Tahu Aci” and meatballs used for vacuum sealer practice as souvenirs of tool can be used to support the readiness of the target community in making special products of importance yet (24%). After the training activities were carried out, the team conducted another survey pandemic.

Both geographically and the socio-economic conditions to improve their economic condition post empowerment activities were very important, while the rest participants still do not know the importance of local economic empowerment.

A total of 90% of participants answered that already have a business idea after this training activities. A further agreement between village government and team, A total of 64% of participants answered that there was already a business idea after this training activities. If participants practice to use vacuum sealer as one of save frozen food product packaging. I f there are those who have not succeeded, they are still welcome to try again until they succeed.

Evaluation

The team conducted a survey of participants understanding before the activity was carried out. The goal is to find out how high the level of understanding related to: (1) Understanding the importance of local economic empowerment.

As many as 76% of the 30 participants who attended the activity stated that economic empowerment activities were very important, while the rest participants still do not know the importance yet (24%). After the training activities were carried out, the team conducted another survey to find out if there was an participants’ understanding increase about awareness of village potential both geographically and the socio-economic conditions to improve their economic condition post pandemic.

A total of 90% of participants answered that after being explained about the results of the local potential research survey, their understanding increased. Previously, they did not know and realize that their village had a map of economic, geographical, and even tourism potential that could bring income and improve the standard of living of their people. Lastly, the team asked the participants whether they already have a business idea after this training activities.

A total of 64% of participants answered that there was already a business idea after this training activities. A total of 24% of participants stated that they were still undecided about what business to plan,
and the remaining (12%) around 3-4 participants stated that they do not interest to have a business. After talking in more depth with participants who did not yet have a business idea, they said that a lack of business skills was the dominant factor that made them worried and afraid to start, even though there was a need to increase their income and family welfare.

![Business Idea after the Training Activities](image)

**Figure 8. Business idea after training**

4. **CONCLUSION AND RECOMMENDATIONS**

During 4 (four) months of conducted community service activities, problems have been identified in the participants. The problem of extreme poverty that makes villages less able to develop optimally. On the one hand, the construction of the Jiantah Reservoir has opened up new opportunities for the social and economic life of the Karangsari Village Community. The utilization of reservoirs for irrigation, freshwater fish livestock, and potential opportunities for tourism villages will create an opportunity and a challenge. Therefore, preparing residents to face this opportunity in terms of utilizing the local potential of the region to produce products that can be sold is one of the steps that is expected to increase the standard of living and income of the local community. Empowering the household economy through developing MSMEs that sell products based on local potential will really help the community welfare. They develop the potential of their region without leave the area. The concept of citizens for citizens will be strengthened for community empowerment as a strategy to mitigate extreme poverty in Karanganyar Regency.

Based on the activity conducted by the team, there are still some limitations that need to be addressed. **First**, the difficulty of the team to provide an understanding of the changes that will occur in Jatisari Village during the construction of the Jiantah Reservoir. The target community has not fully understood the changing patterns of social and economic life and how to anticipate these changes. **Second**, access constraints to share knowledge and new things into the business world are limited even though Jatisari Village already has an internet access conducted by the local community. From these limitations, it is necessary to recommend a further plan to support this activity. **First**, creating an online mentoring class. The purpose of a mentoring class is to consult and discuss a business issue, how to manage product, how to arrange the budget, and how to sell by online easily from home. This mentoring class was well received by participants because they really needed a discussion place that facilitated their every question about how to market Karangsari Village products. A mentoring class are conducted online through WhatsApp groups. **Second**, training for the local community about tourism village to face the future opportunity. Training is to provide an understanding of the concept of tourism villages. This request was conveyed by the Head of Village as a form of preparation after the construction has finished.
ACKNOWLEDGMENTS

The author would like to thank Institute for Research and Community Services as a research and community service of Universitas Negeri Semarang (UNNES) for providing funding for Community Service in 2023. Acknowledgments are also addressed to all Jatisari Village officials who have provided support and cooperation during the implementation of activities.

REFERENCES


