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ANALYSIS OF EMPOWERMENT MODELS FACTORS OF SMALL AND MEDIUM ENTERPRISES (SME) COMMUNITY FACTORS TO IMPROVING COMMUNITY WELFARE

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ABSTRACT

Development has a dynamic nature, continues to develop and process. One of the development focuses of a society or country is Community Development. That assumption appears based on the fact that society continues to develop and process, therefore there should be a dynamic Community Development Model that can assist the community development process. This study aims to describe tangible and intangible factors for the community empowerment model. Through tangible factor variables (physical capital, human capital, social capital, financial capital, environmental capital and intangible factor variables (motivation, trust, mentoring) can increase empowerment which has implications for the level of community welfare. The method used is descriptive method using Structural Equation Modeling (SEM). To find out which tangible and intangible factors can improve empowerment which has implications for the level of understanding of the community, the method used to solve problems. Tangible and intangible factors that are significant are good or strategic factors to empower the community. while the most dominant factor is the variable of physical capital with a total effect of 0.312 on empowerment compared to the others. this is because its influence on empowerment is very dominant. and variables that have the greatest total effect on welfare are assistance variables with a total effect of 0.416. this is due to its dominant influence on welfare.

Keywords: Tangible, Intangible Factor , Empowerment, Community Welfare.

INTRODUCTION

Most of the poor in Indonesia are rural farmers. Statistical data in 2013 shows that out of the 29 million poor people of Indonesia, around 18 million of them are poor people in rural areas whose sources of livelihood are agriculture. Although the agricultural sector has contributed 39.68% of the total 104.87 million people who work, but it still remains a significant contributor to poverty. PKPU Humanitarian Foundation develop community based Economi program by community empowerment by community empowerment specific, Micro-economic empowerment program in the form of village industry building specific intervention and activities at Keteguhan Village, Teluk Betung Timur, Indonesia. This program stimulate local community participation from assessment phase by participatory rural appraisal of problem and potential community. Community is main subject of organizing program in implementation. The activities program consist of health education for mother of children under-five years, feeding for children under-five years, and family vegetable garden that is organized by local community. This study is purpose to evaluate the effectiveness of program. and to identify tangible and intuitive factors in improving the welfare of business groups in constancy.

Referring to the 2003 World Development Report, the poor in the environment faced several obstacles that affected its development. These challenges include; limited or even damage to natural resources, limited infrastructure (transportation, communication, health, education, clean water and electricity) and limited opportunities for local economy (off-farm, non-agricultural employment opportunities). Where all of that becomes a barrier to rural communities from real economic activities. The description of the above conditions is a reality that is also experienced by the people of Keluraha Keteguhan Village, Teluk Betung Timur Bandar Lampung. Village is determined to focus on managing local ingredients Melinjo. In its implementation various processed melinjo such as chips, sticks and cookies. Coaching that is currently running is still limited to the Sinar Mulya business group. The process of economic empowerment is done by looking at the potential of Melinjo processing which is one of the region's local potentials. In practice this activity involves the surrounding community in the production process up to marketing.

One source of community problems that is believed by the author is the powerlessness of a community, both socially, culturally, economically, health, ecologically, and others. This was also in line with Jim Ife & Frank Tesoriero in his 2006 paper. Jim Ife and Frank said that the powerlessness of the community was caused by the previous community development process that did not accommodate the voices and interests of marginal communities. The solution is to activate an empowerment approach that

aims to increase the empowerment of those who are disadvantaged. Zeithaml. et. Al. 1985 Aviliani and Wilfridus, 1997: 10) tangible are customer needs that discuss physical facilities such as buildings and rooms, availability of parking lots, cleanliness, neatness and comfort of the room, means of communication and employee appearance. Tangible Factors (Physical Capital, Human Capital, Social Capital, Financial Capital, and Environmental Capital).

Musanto 2004: 125 Services are intangible, meaning that services are not visible, cannot be kissed, heard, touched or tried before being purchased and consumed. Assessment for the quality of services before and after purchase is more difficult than goods, because the service is intangible or intangible. Intangible Factors (Motovation, Trust and Assistance) that can increase Empowerment which has implications for the level of welfare.

Research conducted by Kesi Widjajanti in Sumber Rahayu Village, Limbangan Sub-District in Kendal, Central Java, that the process of increasing community empowerment through an empowerment process manifested from social capital, human capital, physical capital and the ability of actors. The empowerment process in Sumber Rahayu village has a significant effect on community empowerment.

The role of the actor needs to improve his knowledge and skills better in order to be able to provide support in facilitating the success of empowerment, so as to increase sustainable community independence. The second pattern is a gradual pathway that can be passed for community empowerment. Increasing community empowerment can be achieved through the empowerment process because of the role of human capital and physical capital. This finding provides a solution that business capital which includes physical and human capital does not automatically generate community empowerment. Development of physical capital will stimulate the development of human capital that will support the empowerment process which will ultimately improve community empowerment.

RESEARCH METHOD

At the beginning program, we did baseline survey to find out the local potential at Keteguhan village. Community consultation is intended to explore community participation and agreements before activities begin. We found Melinjo processing potential is one of the region's local potentials. In practice this activity involves the surrounding community in the production process up to marketing. This study used descriptive method using Structural Equation Modeling (SEM). To find out which tangible and intangible factors can improve empowerment which has implications for the level of understanding of the community, the method used to solve problems. The sample study was the business group of UKM Sinar Mulya village of perseverance.

This research uses data analysis method using Smart PLS version 2.0 software that is run with computer media.PLS (Partial Least Square) is a structural equation analysis (SEM) based on variants that can simultaneously test measurement models while testing structural models. Sample is selected in total sampling. The subjects of this study were 50 members of the Sinar Mulya SME group in the village of Kelurahan Keteguhan Teluk Betung Timur Bandar Lampung.

The intervention provided was the Village Industrial Build Economic Program initiated by the PKPU Human Initiative, which is a community-based economic program carried out with a specific approach in Building Village Industry. Specific approaches to Tangible Factors (Physical Capital, Human Capital, Social Capital, Financial Capital, and Environmental Capital) and Intangible Factors (Motovation, Trust and Assistance). carried out directly targeting the Teluk Betung Outgoing Keteguahn community in Bandar Lampung. Measurement results of each indicator in each variable. The Economic Program through the Village Industrial Development Approach emphasizes community empowerment. variable ing. Before the intervention was given to the Sinar Mulya SME group members were given training and assistance to all members. The training materials provided included about how to teach, how to clean the production house, speaking skills. Each member is tasked with completing the pretest and posttest before and after the training and monitoring the appropriate changes in marketing patterns.

1. Results

After 12 month intervention   Tangible and intangible factors that are significant are good or strategic factors to empower the community. while the most dominant factor is the variable of physical capital with a total effect of 0.312 on empowerment compared to the others. this is because its influence on empowerment is very dominant. and variables that have the greatest total effect on welfare are assistance variables with a total effect of 0.416. this is due to its dominant influence on welfare. Based on the table, it can be seen that loading variable indicators of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, mentoring, empowerment and welfare are greater than 0.6. Thus indicators that measure variables of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, assistance, empowerment and welfare are declared valid.

Tabel 1. Uji Validitas

Variabel	Indikator	Loading Factor	Standard Error	T Statistics
Modal Fisik	X1.1	0.767	0.063	12.140
	X1.4	0.870	0.048	18.145

Modal Manusia	X2.3	1.000		
Modal Sosial	X3.2	0.745	0.121	6.153
	X3.4	0.848	0.097	8.695
Modal Finansial	X4.3	1.000		
Modal Lingkungan	X5.1	1.000		
Motivasi	X6.1	0.730	0.077	9.484
	X6.2	0.937	0.025	37.194
Kepercayaan	X7.1	0.922	0.016	59.037
	X7.2	0.916	0.015	63.098
Pendampingan	X8.1	0.918	0.014	66.905
	X8.3	0.912	0.013	67.807
	Y1	0.795	0.028	28.618
	Y2	0.888	0.016	54.934
Pemberdayaan	Y3	0.824	0.028	29.081
	Y4	0.599	0.045	13.329
	Y5	0.870	0.017	51.869
Kesejahteraan	Z	1.000		

Source : Data processed in 2018

Based on the table, it can be seen that the variables of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, mentoring, empowerment and welfare result in the value of Average Variance Extracted (AVE) greater than 0.5. Thus indicators that measure variables of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, assistance, empowerment and welfare are declared valid.

Tabel 2. Test results for convergent validity

Variabel	AVE
Modal Fisik	0.672
Modal Manusia	1.000
Modal Sosial	0.637
Modal Finansial	1.000
Modal Lingkungan	1.000
Motivasi	0.706
Kepercayaan	0.845
Pendampingan	0.837
Pemberdayaan	0.643
Kesejahteraan	1.000

Source : Data processed in 2018

Furthermore discriminant validity is calculated using cross Loading with criteria that if the value of the loading factor is greater than the correlation between indicators with other variables, then the indicator is declared valid in measuring the corresponding variable. Cross Loading calculation results are presented in the following table:

Tabel 3. Discriminant Validity Value (Cross Loading)

	M_Fisik	M_Manusia	M_Sosial	M_Finansial	M_Lingkungan	Motivasi	Kepercayaan	Pendampingan	Pemberdayaan	Kesejahteraan
X1.1	**0.767**	-0.010	0.194	0.066	-0.002	0.094	0.006	0.011	0.264	0.134
X1.4	**0.870**	0.224	0.357	0.029	-0.020	0.036	0.205	0.000	0.373	0.083
X2.3	0.149	**1.000**	0.222	-0.076	-0.048	0.012	0.053	-0.174	0.022	-0.248
X3.2	0.196	0.072	**0.745**	-0.041	-0.016	0.114	0.028	0.051	0.188	0.041
X3.4	0.344	0.263	**0.848**	-0.001	-0.005	0.060	0.183	0.162	0.234	0.062
X4.3	0.054	-0.076	-0.023	**1.000**	0.342	0.272	0.253	0.057	0.255	0.286
X5.1	-0.014	-0.048	-0.012	0.342	**1.000**	0.502	0.372	0.242	0.280	0.195
X6.1	0.029	0.141	0.119	-0.033	0.361	**0.730**	0.163	0.252	0.240	0.164
X6.2	0.082	-0.056	0.076	0.373	0.473	**0.937**	0.434	0.258	0.504	0.258
X7.1	0.117	0.128	0.134	0.204	0.375	0.324	**0.922**	0.205	0.434	0.142
X7.2	0.148	-0.034	0.129	0.262	0.307	0.403	**0.916**	0.147	0.353	0.268
X8.1	-0.014	-0.228	0.095	0.013	0.286	0.285	0.273	**0.918**	0.260	0.483
X8.3	0.026	-0.089	0.164	0.092	0.155	0.254	0.075	**0.912**	0.353	0.397
Y1	0.284	-0.021	0.302	0.292	0.175	0.335	0.470	0.144	**0.795**	0.254
Y2	0.314	-0.108	0.187	0.283	0.370	0.375	0.393	0.276	**0.888**	0.441
Y3	0.339	0.264	0.298	0.107	0.148	0.422	0.295	0.286	**0.824**	0.207
Y4	0.177	0.035	-0.059	0.156	0.107	0.330	0.104	0.351	**0.599**	0.433
Y5	0.437	-0.039	0.306	0.174	0.276	0.446	0.418	0.289	**0.870**	0.298
Z	0.127	-0.248	0.065	0.286	0.195	0.261	0.222	0.482	0.409	**1.000**

Source : Data processed in 2018

Based on cross loading measurements in the table above, it can be seen that indicators that measure variables of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, mentoring, empowerment and welfare result in a greater loading factor than cross loading. on other variables.

Thus it can be stated that the indicator is declared valid to measure the variables of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, mentoring, empowerment and welfare.

Calculations that can be used to test construct reliability are cronbach alpha and composite reliability. The test criteria states that if the reliability composite is worth greater than 0.7 and the cronbach alpha is greater than 0.6, the construct is declared reliable. The calculation results of composite reliability and cronbach alpha can be seen through the summary presented in the following table:

Tabel 4. Reliability

Variabel	Composite Reliability	Cronbachs Alpha
Modal Fisik	0.803	0.519
Modal Manusia	1.000	1.000
Modal Sosial	0.777	0.434
Modal Finansial	1.000	1.000
Modal Lingkungan	1.000	1.000
Motivasi	0.825	0.616
Kepercayaan	0.916	0.816
Pendampingan	0.911	0.805
Pemberdayaan	0.899	0.856
Kesejahteraan	1.000	1.000

Source : Data processed in 2018

Based on the table above it can be seen that the value of composite reliability on the variables of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, mentoring, empowerment and welfare is greater than 0.7.

Thus, based on the calculation of composite reliability all indicators that measure the variables of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, assistance, empowerment and welfare are declared reliable.

Furthermore, the value of Cronbach's Alpha on the variables of physical capital and social capital is smaller than 0.6. Thus, based on Cronbach's Alpha calculation, indicators that measure the variables of physical capital and social capital are declared unreliable. While the Cronbach's Alpha value on the variables of human capital, financial capital, environmental capital, motivation, trust, mentoring, empowerment and welfare is greater than 0.6 so that it can be said that indicators measure variables of reliable empowerment and welfare.

Tabel 5. Goodness of Fit Model

Variabel	R^2
Pemberdayaan	0.455
Kesejahteraan	0.375

$Q^2 = 1 - (1 - R_1^2)(1 - R_2^2)$ →
$Q^2 = 1 - (1 - 0.455)(1 - 0.375) = 0.659$

Source : Data processed in 2018

Empowerment R-square is worth 0.455 or 45.5%. This can show that empowerment diversity can be explained by physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust and assistance at 45.5%, or in other words the contribution of physical capital, human capital, social capital, financial capital , environmental capital, motivation, trust and assistance to empowerment amounted to 45.5%, while the remaining 54.5% was the contribution of other factors not addressed in this study.

The welfare R-square is worth 0.375 or 37.5%. This can indicate that welfare diversity can be explained by physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, mentoring and empowerment by 37.5%, or in other words the contribution of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, mentoring and empowerment of welfare by 37.5%, while the remaining 62.5% is the contribution of other factors not addressed in this study.

Q-Square predictive relevance (Q2) is 0.659 or 65.9%. This can indicate that welfare diversity can be explained by the overall model by 65.9%, or in other words the contribution of physical capital, human capital, social capital, financial capital, environmental capital, motivation, trust, assistance and empowerment to overall welfare (influence direct and indirect) amounting to 65.9%, while the remaining 34.1% is the contribution of other factors not addressed in this study.

Tabel 6. The results of testing hypotheses can be known through the following table:

Eksogen	Endogen	Path Coefficient	Standard Error	T Statistics
Modal Fisik	Pemberdayaan	0.312	0.069	4.559
Modal Manusia	Pemberdayaan	-0.016	0.070	0.224

Modal Sosial	Pemberdayaan	0.077	0.055	1.384
Modal Finansial	Pemberdayaan	0.104	0.058	1.807
Modal Lingkungan	Pemberdayaan	-0.019	0.076	0.248
Motivasi	Pemberdayaan	0.291	0.053	5.463
Kepercayaan	Pemberdayaan	0.202	0.054	3.724
Pendampingan	Pemberdayaan	0.193	0.060	3.219
Modal Fisik	Kesejahteraan	0.059	0.053	1.110
Modal Manusia	Kesejahteraan	-0.179	0.080	2.250
Modal Sosial	Kesejahteraan	-0.026	0.060	0.441
Modal Finansial	Kesejahteraan	0.199	0.060	3.330
Modal Lingkungan	Kesejahteraan	-0.045	0.063	0.712
Motivasi	Kesejahteraan	0.004	0.059	0.075
Kepercayaan	Kesejahteraan	0.025	0.066	0.388
Pendampingan	Kesejahteraan	0.374	0.068	5.475
Pemberdayaan	Kesejahteraan	0.220	0.063	3.499

Source : Data processed in 2018

Tabel 7. Indirect Influence Hypothesis Testing

Eksogen	Mediasi	Endogen	Indirect Coefficient	SE	T Statistics
Modal Fisik	Pemberdayaan	Kesejahteraan	0.069	0.025	2.776
Modal Manusia	Pemberdayaan	Kesejahteraan	-0.003	0.015	-0.223
Modal Sosial	Pemberdayaan	Kesejahteraan	0.017	0.013	1.287
Modal Finansial	Pemberdayaan	Kesejahteraan	0.023	0.014	1.606
Modal Lingkungan	Pemberdayaan	Kesejahteraan	-0.004	0.017	-0.247
Motivasi	Pemberdayaan	Kesejahteraan	0.064	0.022	2.946
Kepercayaan	Pemberdayaan	Kesejahteraan	0.045	0.017	2.550
Pendampingan	Pemberdayaan	Kesejahteraan	0.042	0.018	2.369

Source : Data processed in 2018

Tabel 8. Convert Path Diagrams into Structural Models

Eksogen	Mediasi	Endogen	Direct Coefficients	Indirect Coefficients	Total Coefficient
Modal Fisik		Pemberdayaan	0.312*		0.312

Modal Manusia		Pemberdayaan	-0.016		-0.016
Modal Sosial		Pemberdayaan	0.077		0.077
Modal Finansial		Pemberdayaan	0.104		0.104
Modal Lingkungan		Pemberdayaan	-0.019		-0.019
Motivasi		Pemberdayaan	0.291*		0.291
Kepercayaan		Pemberdayaan	0.202*		0.202
Pendampingan		Pemberdayaan	0.193*		0.193
Modal Fisik	Pemberdayaan	Kesejahteraan	0.059	0.069*	0.127
Modal Manusia	Pemberdayaan	Kesejahteraan	-0.179*	-0.003	-0.182
Modal Sosial	Pemberdayaan	Kesejahteraan	-0.026	0.017	-0.010
Modal Finansial	Pemberdayaan	Kesejahteraan	0.199*	0.023	0.222
Modal Lingkungan	Pemberdayaan	Kesejahteraan	-0.045	-0.004	-0.049
Motivasi	Pemberdayaan	Kesejahteraan	0.004	0.064*	0.069
Kepercayaan	Pemberdayaan	Kesejahteraan	0.025	0.045*	0.070
Pendampingan	Pemberdayaan	Kesejahteraan	0.374*	0.042*	0.416
Pemberdayaan		Kesejahteraan	0.220*		0.220

Source : Data processed in 2018

Equation 1:
Empowerment = 0.312 Physical Capital - 0.016 Human Capital + 0.077 Social Capital + 0.104 Financial Capital - 0.019 Environmental Capital + 0.291 Motivation + 0.202 Trust + 0.193 Assistance

Equation 2:
Welfare = 0.059 Physical Capital - 0.179 Human Capital - 0.026 Social Capital + 0.199 Financial Capital - 0.045 Environmental Capital + 0.004 Motivation + 0.025 Trust + 0.374 Assistance + 0.220 Empowerment

2. Discussion

Exogenous variables that have a dominant influence on endogenous variables can be known through the greatest total effect. The results of the analysis inform variables that have the greatest total effect on empowerment are physical capital with a total effect of 0.312. Thus physical capital is a variable that has the most dominant influence on empowerment.

Then the variable that has the greatest total effect on welfare is assistance with a total effect of 0.416.Thus mentoring is a variable that has the most dominant influence on welfare. Village industry development program which is a community-based economic program with an emphasis on empowering the community. Notoatmodjo (2012) said that the mainstream in the development model in many countries today is community empowerment. In the concept of empowerment, community participation is a key success factor. Community participation, namely the participation of all community members in solving their problems. In this program, the community, which consists of local health officials, health cadres, is involved starting from the planning, implementation, to program monitoring and evaluation. Practitioners also act as executors of the process of organizing business group members, while members play the role of implementing the community organizing process. With the participation of the community learning to be responsible for the health of the community so that empowerment programs that have implications for the level of welfare can be effective.

Assessed from the Rothman community organizing category, the Village Industry Build Economic Program is a combination of local development and social planning. Local development is an activity that is berorioriasi in the process, emphasizing the importance of consensus among members of the community, cooperation, building identity and pride as members of the community and a feeling of caring as part of society, while social planning is an activity that emphasizes the achievement of goals, emphasizes the importance of solving methods the problem is rational empirical. The local development approach is given to the community, while the social planning approach is given to officers and practitioners, and local stakeholders.

CONCLUSION

Community based Economi program by community empowerment by community empowerment specific that is developed by PKPU is effective to increase empowerment which has implications for the level of community welfare. Tangible and intangible factors for the community empowerment model. Through tangible factor variables (physical capital, human capital, social capital, financial capital, environmental capital and intangible factor variables (motivation, trust, mentoring) can increase empowerment which has implications for the level of community welfare.
The Village Industry Development Program combines the concept of integrated economic education with a community empowerment approach.
This program, as a community-based Bangun Desa Industry developed by PKPU has proven to be able to increase empowerment which has implications for the level of prosperity in the Village of Keteguhan Village,

Teluk Betung, East Bandar Lampung. Integrated Economic Education is able to show tangible and intangible factors provided and the ability of members to implement positive behaviors based on recommended indicators.

The empowerment approach encourages a sense of collective responsibility while building the motivation and skills of the community in solving the economic problems of the community independently. This is important to grow because the people are the people who know the problems and potential that are in their area.

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