

UMKM In Improving The Economy Of Rural Communities.

N Karniawati, N Nurfatin, E Cristian, Y Karyana
Program Studi Ilmu Pemerintahan, Universitas Komputer Indonesia, Indonesia

Email : nia.karniawati@email.unikom.ac.id

Abstract. The purpose of this study is to examine about the role of UMKM in the economy of rural communities. UMKM are micro, small and medium enterprises which are managed by the community on a small scale. However, it turn out that UMPK have very important role in the community's economy. This study uses a descriptive method with a qualitative approach. The results of the study show that UMKM are the choice of rural communities in improving the family economy. This shows that UMKM are the main basis in the people's economic sector. To increase the independence of rural communities, especially in the economic field.
Key word: UMKM, rural communities.

1. Introduction

UMKM (micro, small and medium enterprises) are productive business and carried out by individuals or business entities in all economic sectors. UMKM are a foundation of economic activity that is able to restore economic conditions. In this case, the role of UMKM is very large contribution to the Indonesian economy. UMKM have an extensive network to various parts of the country that are able to embrace and realize the potential of the wider community, so that people will get a progressive life for the better [1]. UMKM sector has an important role in driving Indonesia's economic growth. MSMEs contribute around 87% to a number of business entities in Indonesia and have a share of 85% in employment [2].

UMKM play an important role in regional development, economic growth, and income distribution, creating jobs and poverty alleviation. UMKM in Indonesia are classified into four groups. First, informal sector UMKM, for example, street vendors. Second, micro UMKM, for example craftsmen. The three Dynamic Small UMKM, for example, UMKM groups that are able to establish cooperation. Fourth, Fast Moving Enterprise, for example UMKM that are ready to transform into big businesses.

This research was conducted in Santosa Village, Bandung Regency, West Java Province. The livelihoods of the people on average are tea leaf pickers. However, the unique thing is, not all people dedicate their lives as a tea garden worker. Many of them choose to be self-employed at home. They play a role in the economy in the village. The purpose of this research is to find out the role of UMKM in the economy of the people of Santosa Village.

2. Method

The method used in this study is a qualitative descriptive research method with a qualitative approach. This study explains how UMKM can improve the economy of rural communities. Data collection techniques used are observation, interviews and literature studies. Observations were made by observing the business activities of the Santosa Village community. Starting from the product manufacturing process, product packaging to product marketing. Interviews were conducted with business owners. The literature study was carried out by studying the literature related to UMKM and the economy of rural communities.

3. Result and Discussion

The role of UMKM is not only meaningful for growth in big cities but also for economic growth in rural areas [3]. UMKM in villages are seen as having good future prospects.

Santosa Village was originally a division of Cibereum Village, Kertasari District in 1976. This was because the coverage of Cibereum Village was too broad and dense and to make it easier to regulate government, economy and so on. So based on the Regent's Decree, Cibereum Village was divided into 2

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villages, namely Santosa Village and Cibeureum Village. The population of Santosa Village totaled 4,877 people with a population of 2,391 women and 2,496 men.

The people of Santosa Village have an average livelihood as pickers in the tea plantations of PT. Perkebunan Nusantara. For generations, picking tea has become commonplace in this village. However, as time goes by, many people choose the path of home-based entrepreneurship. Many people want to change the stigma that the people in Santosa Village will always be tea pickers. They want to become an economically independent society. So they open their own home business called home industry.

Santosa Village has many potential UMKM products. Especially in the food sector. Examples Putu ayu, gehu,bugis,risoles,dadar gulung,cendol,kicimpring,kue ali, gemblong and so on. UMKM, which were founded by the people of Santosa Village, are a form of entrepreneurship. The existence of these UMKM has increased the economy of the people of Santosa Village. The establishment of UMKM is inseparable from the enthusiasm and strong desire of entrepreneurs.

Product marketing is done by entrusting it to stalls or markets. There is a great opportunity to turn UMKM in villages into dynamic UMKM with fast moving enterprises. The types of products they produce are products that are popular and sought after in urban areas. Like a wet cake type market snack. Where in urban areas the price of this product is more expensive than the price in the village. But in this case there must be assistance to become a dynamic UMKM.

Currently, the UMKM community in Santosa Village needs motivation and encouragement to increase MSME awareness in developing business potential. Support from the village government is also very much needed. Provision of facilities and infrastructure that support UMKM activities. Activities aimed at increasing the potential of UMKM are urgently needed. The village government must be able to accommodate input from UMKM actors, provide facilities and infrastructure aimed at increasing the potential of UMKM, provide training, provide capital, provide markets, assist collaboration with partners[4]. As the name suggests, this UMKM is usually done by someone who doesn't have a lot of capital to start a business. Apart from not requiring a large amount of capital, starting this business also does not require a certain level of education, does not require special skills or abilities [5].

4. Conclusion

Becoming an UMKM actor is the choice of the Santosa village community in improving the family economy. This shows that UMKM are the main basis in the people's economic sector, increasing their ability to increase the independence of rural communities, especially in the economic field. Of course, support from the village government is needed. So that the potential of UMKM can continue to increase.

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Nia Karniawati, Nafisa Nurfatin, Enrico Christian, Yayan Karyana

Universitas Komputer Indonesia

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Keywords: UMKM, rural communities

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