



Andalasian International Journal of Social and Entrepreneurial Development (AIJSED)

ISSN: 2808-6732 (Online)

Available at: <http://aijsed.lppm.unand.ac.id/index.php/aijsed>

DOI: <https://doi.org/10.25077/aijsed.3.01.21-25.2023>



Article

Community Service to Develop Businesses in the 'Tuah Negri' Enterprise to Enhance National Competitiveness in Collaboration with the Ministry of Cooperatives and SMEs

Danny Hidayat

Institute for Research and Community Service (LPPM), Andalas University, Padang, Indonesia

Article Information

Received : 2023-02-01
Revised : 2023-02-23
Accepted : 2023-03-13
Published: 2023-04-21

Keywords

Keyword: Community service, Small and medium-sized enterprises, National competitiveness, Operational efficiency, Technology adoption

*Corresponding Author

dannyhidayat@unand.ac.id

Abstract

The community service project at "Tuah Negri" aims to enhance national competitiveness through collaboration with the Ministry of Cooperatives and SMEs. It focuses on improving operational efficiency, expanding markets, and adopting technology. The project designs strategies to enhance the well-being of small and medium-sized enterprises at the local level through needs identification, training programs, and coaching. We integrate technology, strengthen operational management, and enhance marketing. The evaluation indicates positive achievements, yet challenges in financial management and optimization of financial structure require further attention. Collaboration with the Ministry of Cooperatives and SMEs brings strategic benefits, and monitoring provides a foundation for continuous adjustment and learning. In conclusion, this project contributes to the development of local businesses and establishes a foundation for sustainable strategy development. These challenges become the focal point for future considerations, with additional efforts in understanding and improving financial management. The project establishes a strong basis for closer partnerships and plans for disseminating results and best practices through seminars and workshops. With these measures, the project is expected to deliver a sustainable positive impact and inspire similar initiatives in various regions.

INTRODUCTION

Business development Community service is a form of commitment in making a real contribution to economic development and social welfare. In this context, this report will discuss community service efforts aimed at helping businesses develop at the "Tuah negri" Business Entity. The success of this effort is expected to have a positive impact on increasing national competitiveness, especially in the cooperative and small and medium enterprise (SME) sectors. Efforts in the development and empowerment of SMEs are currently receiving considerable attention from various parties, including the government, non-governmental organizations, the community and others (Kurniawan, et al., 2023). The partnership with the Ministry of Cooperatives and SMEs is one of the key aspects in order to achieve this goal.

The "Tuah negri" enterprise as the subject of service has great potential to contribute to the local and national economy. By involving the Ministry of Cooperatives and SMEs, this service effort is directed at providing strategic support, capacity building, and access to

necessary resources. Through synergy between the community, government, and business sector, it is hoped that optimal synergy can be realized to improve the performance of the “Tuah negeri” business entity.

The concrete steps that will be taken in this service include in-depth analysis of the needs and potential of the “Tuah negeri” Business Entity, preparation of strategic plans, implementation of development programs, and continuous monitoring and evaluation. Thus, it is expected that this service project will have a significant positive impact on the growth and sustainability of the “Tuah negeri” Business Entity, and be able to increase national competitiveness in the realm of cooperatives and SMEs.

Business Entity “Tuah negeri” was chosen as the focus of the service because of its significant role in advancing the local economy. Tuah negeri is not only an economic actor, but also a social pillar in the local community. The development of this business is expected to be an inspiring model for the cooperative and SME sector across the country. Through this service, we seek to deeply understand the challenges faced by the “Tuah negeri” enterprise and create sustainable solutions to improve its competitiveness in the national market.

Current conditions show that the cooperative and SME sector has a crucial role in building an inclusive and sustainable economy. In this case, the sector is a top priority for national economic development, because its objectives are in line with the constitutional mandate, namely: improving welfare and social justice for all Indonesian people (Sulistiyo, et al., 2020). “Tuah negeri” as a representative entity in this sector faces various challenges that are generally faced by similar businesses, such as access to capital, understanding the changing market, and developing products that meet customer needs. Therefore, involving this business entity in community service activities is a strategic step in supporting the growth of the cooperative and SME sector as a whole.

Cooperation with the Ministry of Cooperatives and SMEs not only opens the door for “Tuah negeri” Enterprises to receive institutional support, but also serves as a bridge for the transfer of knowledge and experience. With the resources provided by the ministry, the “Tuah negeri” Enterprise has greater opportunities to optimize its potential, increase productivity, and face market competition with more confidence. In addition, the partnership allows the ministry to gain a deeper understanding of the dynamics and challenges faced by businesses at the local level, which can inform more targeted and impactful policies.

In the end, this report is not just a documentation of the implementation of community service. More than that, this report is expected to be a source of inspiration for related parties, both from the business sector and government, to be actively involved in similar initiatives to encourage inclusive economic growth, empower small businesses, and make the cooperative and SME sector a major pillar in improving national competitiveness.

The problem formulations of the implementation of this community service are: (1) How to improve the operational efficiency of the “Tuah negeri” Business Entity to optimize production and use of resources; (2) Expand market access and improve marketing of Tuah negeri products through appropriate branding, promotion and market penetration strategies.

The implementation of this community service aims to improve the managerial and technical skills of business actors in Tuah Negeri through training and mentoring programs. In addition, another goal is to expand market access and improve marketing of Tuah Negeri products through appropriate branding, promotion and market penetration strategies. From this implementation, it is expected that benefits will arise in the form of increased income and welfare of business actors in Tuah Negeri through increased productivity and efficiency. In addition, this service is also expected to provide an example of a business development model that can be adopted by similar entities in various regions, having a positive impact on the cooperative and SME sector as a whole.

RESEARCH METHODS

Andalas University can play an important role in helping the “Tuah negeri” Business

Entity to overcome the problems and obstacles they face with training and strategy development with a location at the Science Techno Park. Activities started from July to October.

Through the community service project at “Tuah Negri”, we identified the needs and weaknesses of the enterprise and identified the opportunities and challenges faced. By involving business owners, management, employees, and other relevant parties, we designed a strategic plan to improve operational efficiency, marketing, technology adoption, and financial management. Training and coaching programs were developed specifically to meet Tuah Negri's needs, including aspects of management, marketing, technology, and finance.

Implementation of the strategic plan and technology adoption was carried out with a focus on the priority steps that had been set. Periodic monitoring and evaluation is conducted to evaluate the effectiveness of the implemented measures, and cooperation with the Ministry of Cooperatives and SMEs is strengthened to take advantage of guidance and coaching programs that may be available. Regular progress reports were prepared covering achievements, obstacles, and recommendations, while positive results and best practices were publicized to the local community, industry, and other relevant parties.

The project implementation method involved identification of needs and opportunities through surveys and interviews, planning and design of development programs in consultation with Andalas University and external partners, implementation of development programs involving in-house training, online marketing, and collaboration with Ministry of Cooperatives and SMEs agencies. Evaluation and monitoring of progress is done through data collection, regular evaluation meetings, and the preparation of periodic evaluation reports. All of these steps are geared towards creating a sustainable positive impact and inspiring similar projects in other regions.

RESULT AND DISCUSSION

Activity Results and Documentation

Through a series of activities that have been carried out, there are several positive results that have been achieved in supporting the development of the “Tuah negri” Business Entity. Improved operational efficiency is one of the significant achievements, where the new management strategy has succeeded in optimizing the production process and reducing operational costs. In addition, the marketing strategy implemented also had a positive impact by increasing business visibility, attracting new customers, and expanding market reach to previously untapped areas.

Technology adoption has also been key to success with the integration of inventory management systems and utilization of digital platforms, contributing greatly to increased operational efficiency and improved customer service quality (Arif, 2022). In addition, efforts in strengthening the financial structure through diversification of funding sources and improved financial management have successfully strengthened Tuah negri's financial position, creating a more solid foundation for long-term growth.

Training and coaching activities implementing human resource management strategies based on innovation and sustainability help organizations maximize the potential of human resources and create a good working environment, which has a positive impact, namely the formation of increased employee and business owner involvement in business management (Sudiantini, et al., 2023). This creates a more collaborative and productive work environment. Close collaboration with the Ministry of Cooperatives and SMEs has also proven successful, with valuable strategic direction and coaching programs being utilized.

The regular monitoring and evaluation process has played a crucial role in identifying changing business conditions and enabling the necessary strategy adjustments to make the project more responsive to environmental dynamics. All of these results are not only reflected in the progress reports, but have also been shared through sharing and dissemination sessions with the local community, industry, and relevant stakeholders,

forming the foundation for the sustainable growth of “Tuah negeri” Enterprises.



Figure 1: Training to Enterprises.

Evaluation

The evaluation of the community service project at the “Tuah negeri” enterprise reflects a number of significant achievements, but also identifies some aspects that require improvement in the future. Improved operational efficiency, expanded market reach, and technology adoption have been the positive points of the project. New management strategies reduced production costs, while marketing efforts increased popularity and market penetration. Technology integration had a positive impact on efficiency and service quality.

Nonetheless, the evaluation also revealed some challenges faced, particularly in financial management and optimization of the financial structure. While there have been improvements, further steps are needed to ensure financial sustainability and continued growth. Increased engagement of employees and business owners through training and coaching has shown positive results, but efforts need to be made to ensure that understanding and commitment can be applied continuously in daily activities.

Cooperation with the Ministry of Cooperatives and SMEs has proven useful, but the evaluation revealed that coordination could be improved to maximize the benefits of available coaching programs. Periodic monitoring and evaluation processes have provided valuable insights, but there is a need to further improve the evaluation system to be more responsive to rapid changes in the business environment.

Overall, this evaluation not only views the project as a step towards sustainable development but also as a basis for learning for similar projects in the future. With appropriate adjustments, the project can continue to have a positive impact on the “Tuah negeri” Enterprise and the local community.

CONCLUSION AND CLOSING

The conclusion of the implementation of the strategy development of the “Tuah Negeri” Enterprise with the assistance of Andalas University is that this activity has brought positive changes to the enterprise. Here are some conclusion points: First, there was improved performance covering sales, product quality, and financial management, resulting in significant growth in revenue and profit. Second, there was member empowerment with increased participation in decision-making and business management, creating a more inclusive and democratic environment. Third, income diversification was successfully undertaken, reducing the risk of dependence on a single source of income. Fourth, the quality of products and services is improved, making them more competitive in the market.

In order to improve the effectiveness of the support program, several suggestions can be

made based on the evaluation results. First, it is important to keep and maintain these achievements by implementing effective strategies and strengthening financial management. Second, it is necessary to continue providing education and training to businesses to improve their understanding of business management principles. Third, remain focused on continuous product innovation and marketing strategies to remain competitive in a rapidly changing market. By implementing these suggestions, it is hoped that the “Tuah Negeri” Enterprise can maintain and increase its positive impact in the future.

REFERENCES

- Arif Rahman Hakim, A. 2022. Pengaruh Manajemen Pengetahuan Terhadap Kinerja Usaha UKM di Nagari Koto Tuo, Kecamatan Sungai Tarab, Kabupaten Tanah Datar (Doctoral dissertation, Universitas Andalas).
- BPS. 2022. Batusangkar, Tanah Datar Sumatera Barat. sumbar.bps.go.id Badan Pusat Statistik Provinsi Sumatera Barat - BPS
- Kurniawan, A., Alinda, T., Ramdhani, F., & Alawi, M. (2023). Pendampingan UMKM Kripik Pisang dan Talas melalui Packaging dan Digital Marketing di Kelurahan Rakam, Kabupaten Lombok Timur, NTB. *Komatika: Jurnal Pengabdian Kepada Masyarakat*, 3(1), 20-28.
- Sudiantini, D., & Zidane, A. (2023). Mengoptimalkan Modal Manusia: Strategi Manajemen Sumber Daya Manusia Yang Efektif Untuk Pertumbuhan Organisasi Yang Berkelanjutan. *Triwikrama: Jurnal Ilmu Sosial*, 1(4), 10-20.
- Sulistiyono, H., & Putra, R. A. K. (2020). Strategi Pengembangan Usaha Kecil Menengah Sektor Industri Pengolahan Kabupaten Bekasi. *Eqien-Jurnal Ekonomi dan Bisnis*, 7(2), 38-48.