

CAPACITY BUILDING FOR VILLAGE GOVERNMENT AND UMKM THROUGH COMMUNITY SERVICE (CASE STUDY: COMMUNITY SERVICE BY UNIVERSITAS TERBUKA)

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Abstract

The village government, as a public organization that is close to the community and micro, small, and medium enterprises (UMKM), has a role in empowering UMKM but the limited capacity of the Village Government needs assistance from universities in increasing the organizational capacity of the Village Government and UMKM. UMKM data in 2019 amounted to 65.47 million. In detail, as many as 64.6 million units are micro-enterprises. A total of 798,679 units are small businesses. The proportion is 1.22% of the total UMKM in the country. Small enterprises are UMKM that need to be assisted and facilitated by universities in community service because few UMKM businesses are thriving and need to be empowered. With other similar products. This study aims to determine the contribution of the Open University in the aspect of the Tri Dharma College of community service by increasing the capacity of the Village Government and empowering UMKM through increasing business capital, product innovation, digital marketing, branding, bookkeeping, customer loyalty, and business licenses. The method used in this research is descriptive qualitative. Primary data is collected through discussion group forums and dialogues at the Village Government and UMKM workshop locations, and secondary data through websites, mass media, journals, books, and others. Data analysis involves data reduction steps, data presentation, and drawing conclusions or verification. The results of the study show that the capacity of the village government increases, and the empowerment of UMKM businesses by the Open University develops by the problems of UMKM and can compete with other similar products.

Keywords : *Community dedication, Capacity, Empowerment.*

Introduction

The village is the leading government structure that interacts directly with the community; the village government is the level of government with the smallest area in the government system in Indonesia. By Law number 30 of 2014 concerning Government administration, the function of government is a function to carry out government administration, including: regulation, service, development, empowerment, and community protection. Village officials in the Village Government hold a strategic position in serving and protecting the community or the public.

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Community service is the main task of the Village government in carrying out the wheels of village government because the existence of village government is to organize government affairs and the interests of the local community.

The capacity of village governments in Indonesia needs to be empowered due to the limited quantity and quality of village human resources, facilities, and infrastructure. The number of human resources of village officials is still insufficient in community services, and poor competence in serving the community in the field of public services and UMKM. This problem also applies to the capacity of the Tonjong village government, Tajur Halang District, and Bogor Regency; there is still no need to increase multi-talented governance and excellent service to the community and UMKM.

The problem of the capacity of villages and UMKM needs to be empowered. For this reason, there needs to be a party or institution that is willing and helpful. Open University aims to organize community service to empower and prosper the community through applying science and technology to produce service work for the community in using science and technology to realize a prosperous society and respond to global problems. Hope: Community Service activities are based on research results, innovative works, and community needs. The approach is taken: a. Utilization of resources that produce an appropriate (simple) technology b. Development and improvement of the quality of Human Resources (HR) through training programs and guidance c. Empowerment of human resources and resources (facilities and land) to produce a work, successfully use it, and be marketed. The Open University PCM Program is carried out in the form of National PCM and Lecturer PCM. National PCM is a community service activity directed at the development of Partner Villages and increasing the capacity and role of the Open University. Meanwhile, the Lecturer / Community PCM is a community service activity that is by the scientific field of lecturers and is directed in the area around UPBJJ-UT or at the lecturer's residence. The strategic objectives of activities capable of empowering communities in all strata, for a. Community empowerment in creating appropriate technology; b. Community empowerment in improving the quality of life to acquire knowledge, attitudes, and skills, and improving the health and welfare of the community; Optimization of people's ability to develop businesses for survival (*Attachment Regulation Rector Open University Number: 1006 the Year 2021 Date 29 October 2021, 2021*) UMKM data in 2019 amounted to 65.47 million; this number reached 99.99% of the total business in Indonesia. Meanwhile, large-scale businesses only as many as 5,637 units or equivalent to 0.01%. In detail, as many as 64.6 million units are micro-enterprises. The amount is equal to 98.67% of the total UMKM throughout Indonesia. A total of 798,679 units are small businesses. The proportion is 1.22% of the total UMKM in the country.

Meanwhile, medium-sized enterprises are only 65,465 units. This amount contributes 0.1% of the total UMKM in Indonesia. Check business is an UMKM that needs to be assisted and facilitated by universities in community service because few UMKM businesses are thriving and need to be empowered to increase income, products, financial administration, and competitiveness with other similar products. ([Government, 2019](#))

The problem of UMKM observed during the implementation of community service in Kuripan village, Ciseeng district, Bogor Regency, about Digital Marketing Education is a product that cannot compete with similar products that are already on the market and are still

marketed limited to local villages. For this reason, it is necessary to diversify products and packaging to compete with similar products and be placed in modern stores.

The services of village officials and UMKM are influenced by organizational capacity; according to Amstrong (2009: 226), "*Organizational capacity is the capacity of an organization to function effectively. It is about its ability to guarantee a high level of performance, achieve its purpose (a sustained competitive advantage in a commercial business), deliver results, and, importantly, meet the needs of stakeholders*". Another expert, Goggin et al. (1990:120), defines it as a unity of organizational elements involving (a) Structure; (b) the mechanism of work or coordination between member units involved in implementation; (c) existing resources within the organization; and (d) the financial support and resources needed to work.

Prawiranegara ([Suryanita, 2006](#)) stated that small entrepreneurs often experience internal obstacles, namely: a. The low quality of Human Resources (HR); b. Access and; c. development of weak market share; d. Soft capital structure.; e. Limited mastery of technology; f. Vulnerable organization and management; g. They fixed business networks and cooperation with other economic actors. This condition dramatically interferes with the development of their business. To face these obstacles, small entrepreneurs need to be strengthened in the foundation of their business, namely their internal aspects. One of the fundamental ones is regarding the strengthening of their entrepreneurial orientation to face the competition and market pressures that will continue to increase. ([Dervish et al., 2020](#); [Slamet, F., Gift, HT; Je, 2014](#))

From The village potential development study conducted by Ruslan et al. (2020) analyzed the development of village potential through quality improvement in Tunjungtirto Village, Singosari District, Malang Regency. The author analyzes that the development of village potential through capacity building has five main elements, namely knowledge in the form of developing educational potential, religious potential, agricultural potential and village libraries, leadership by village heads, cooperation between villages, Village-Owned Enterprises (BUMDesa), tourism awareness groups and farming groups. ([Singosari et al., 2020](#)); studies conducted by [Wartini S. et al. \(2021\)](#) about The village as a center for government services to the community at the grassroots level is the government's principal development priority. This research resulted in the development of an online public service administration system based on open source and utilizing a cloud computing method for population administration, moving, business permits, building permits, and letter issuance with ease and efficiency ([Watini et al., 2021](#)); study conducted by [Astuti SJW et al. \(2021\)](#) This study aims to describe village governance based on the principles of good management and to reconstruct a more effective capacity building model based on local wisdom values ([Astuti et al., 2021](#)); Research conducted by [Kurniawan A et al. \(2019\)](#) that the purpose of this community service is to improve the ability of village officials to utilize digital literacy for the efficiency of the village service system, accelerate the delivery of village information, and open village information. The results and conclusions of community service activities are significant to be carried out by universities to help rural communities use information technology. Especially assisting the village in the village administration process through the use of email and Microsoft word. Then conveying village public information to the community through the

village website regarding the village profile, openness of the village budget, village apparatus structure, document management procedures, availability of documents online to the disclosure of Village performance reports. ([Kurniawan et al., 2021](#)); In the Study on The Improvement and Empowerment of UMKM conducted by [Diningrat DS et al \(2017\)](#) the Community Service Program (PPKM) is to assist partners in solving the problems they face in their efforts to develop their business, ranging from aspects of production and business management to the main thing is in terms of marketing based on digitalization UMKM which is expected to create economic independence and increase their business income; ([Diningrat et al., 2017](#))Based on the study of [Hafel et al. \(2021\)](#) the results of the implementation of Community Service (PKM) Lecturers at the Open University at Mekar Jaya UKM in Tobololo Village, Ternate City, from the effects of observations in the field, it can be concluded that Mekar Jaya SMEs have a lot of potentials that can be developed t erythema on spice-based products from the ternate city, such as nutmeg and cloves, this potential is still significantly it may be set through on going training and mentoring programs. Training on this PKM activity provides solutions related to sustainable managerial aspects in managing SMEs and marketing aspects by utilizing existing social media to increase sales and partner revenue. ([Hafel et al., 2021](#)); The research conducted by [Azman et al \(2021\)](#) on the problems faced by UMKM's Efforts to solve the UMKM problem are steps that must be considered. An integrated collaboration model is a necessity to solve problems in UMKM. There are four (4) main actors who are identified as playing an essential role in advancing UMKM. Academician / Academics serves as a center of excellence, Business / Business as a business actor, Government / Government as an accelerator program, and Community / Community as a support for activities. Ideal collaboration through the ABGC (Academician, Business, Government, Community) approach is believed to be able to support UMKM so that they get out of existing problems. ; The research conducted by ([Azman et al., 2021](#)) [Qiram I \(2018\)](#) Community Partnership Program (PKM) aims to increase the knowledge and productivity of the Bread and Cake Micro Business Group in the village Pesucen and Kalipuro Village, Kalipuro District, Banyuwangi Regency. This PKM activity is carried out by holding a vertical mixer dough mixer and an automatic heat control bread oven. The next step is to carry out with production management and bookkeeping training activities as well as training on operation and equipment tools. With the support of this activity, it is expected to be able to increase the productivity of the business being developed. This assistance is expected to improve production and management capacity to accelerate business development. This development is also likely to be able to

open up job opportunities. ; Research conducted by Saudah S et al. ([Qiram, 2018](#)) about digital marketing training for small industries provides a measurable support system due to tactical steps to market products or services to consumers with new breakthroughs. The purpose of this training is to provide more manageable efforts to implement digital marketing applications based on information and communication technology to create consumer attraction for products. Implementing this activity is discussion and practice of making captions on social media, online marketing, practicing product photos, and forming working groups and presentations. The result of this training is that the participants have an awareness of the application of digital marketing to improve the quality of product marketing for small industries more easily. ; Research conducted by [Jonathan MA et al. \(2022\)](#) ([Saudah et al., 2021](#))The purpose of this program is to develop UMKM actors . The problem faced by business partners

are the lack of optimal use of Instagram social media to market products. Problems related to production are production equipment that is no longer functioning properly and product packaging constraints for out-of-town shipments. The research team conducted online assistance due to the social distancing regulations of the COVID-19 pandemic. Efforts to increase partner capacity in production, activities are carried out by improving packaging using cardboard for packaging outside the city, as well as enhancing the the appearance of logos and stickers. This partner development activity has succeeded in increasing the number of insights on Instagram social media and updating the appearance of Instagram feeds. The result of the production aspect is the design of new logos and stickers for packaging as well as the use of boxes and bubble wrap for packaging. ([Angelina et al., 2022](#))

Meanwhile, this research aims to determine the contribution of the Open University to community service programs by increasing the Capacity of the Village Government and empowering UMKM through increasing business capital, product innovation, digital marketing, branding, bookkeeping, customer loyalty, and business licenses.

From the above problems, this research is expected to overcome the capacity problems of village governments and UMKM by the Open University through the Community Service Program by providing the best solutions and can contribute to strengthening the economy and improving community welfare.

Methodology

The research method used is qualitative with case studies and is descriptive. ([Sugiono \(2017\)](#)). Primary data studies through data collection techniques with interviews with village government staff and UMKM actors during the implementation of Community Service and sekunder data studies through data collected through websites, social media, books, presentation materials, and others.

The data analysis technique used in this study is descriptive research like what was proposed by ([Sugiyono \(2003\)](#)), where the purpose is to analyze data by describing or describing the data that has been collected as it is without using analysis that is usually proposed based on statistical analysis techniques ([Rachaaman, 2018](#))

The phenomenon that will be studied is the problem of services for village government officials and UMKM businesses. The wonders of the problem will be described systematically, factually, and accurately.

Discussion

In the Implementation of Community Service in Kuripan village, Ciseeng District, Bogor Regency, about Digital Marketing Education and Development of the Potential of Cikahuripan Maju Bumdes with guidance and assistance to UMKM by with Table 1 and community service in the Tonjong Village Government, Tajur Halang District, Bogor Regency is carried out to increase multi-talented administrative governance and excellent service to the community with an emphasis on health, social services, access to livestock services, and postal/delivery services which are still not optimal according to Table 2 below :

Table 1
Number and Types of PKM UMKM in Kuripan Village

Capacity Building For Village Government And UMKM Through Community Service (Case Study: Community Service By Universitas Terbuka)

No	Activities	Activity Methods	Coaching	UMKM Participation
1	Discussion Group Forum	Training	Brain storming UMKM problems	UMKM can find out business development
2	Tempe UMKM field review	Business diversification practices	Packaging Production and Marketing of Products	Business diversification and the number of marketing increases
3	Field review of UMKM Crackers	Business diversification practices	Forms and marketing	More attractive forms and increased marketing
4	Field review of UMKM Rengginang	Business diversification practices	Forms and marketing	More attractive forms and increased marketing

Source: analysis results 2022

Table 2
Public Services in Tonjong Village

No	Types of Services	condition	Coaching
1	Healthcare	To do not have a doctor, either a general practitioner or a specialist, there are only health human resources in the form of 3 village midwives.	Request request to the Health Office for a Doctor
2	Social security/environmental services	the highest number of security/order disturbances in Tajurhalang District (7 cases	Improvement of Social security services is necessary in view of the potential for disruptions that will reappear
3	Increased access to health services for farm animals	with one of its potentials in the form of ownership of 40 dairy cows	Improvement of health services for farm animals in line with the outbreak of FMD disease in cattle
4	Postal/Delivery Services	do not yet have supporting facilities / infrastructure related to postal and delivery activities	increased facilitation of postal or delivery services in the Tonjong Village area.

Source: Central Statistics Agency of Bogor Regency (accessed 2022)

The community service program implemented by universities (PT) is the implementation of Tridharma College. The program is implemented in various forms, for example, community education and training, community services, and a review of acts from science and technology produced by the College. The purpose of this program is to apply the results of science and technology for community empowerment to create changes in the knowledge, skills, and attitudes of the target community group. (Lian, 2019)

Implement community service in Kuripan village, Ciseeng district, Bogor Regency through economic empowerment by conducting a Discussion Group Forum (FGD) with UMKM facilitated by the village head. The FGD meeting was conducted by socializing the government's regulations on Business Identification.

Numbers (NIB), increasing UMKM business by explaining the importance of business development through business diversification, product packaging, marketing, and capital increase. This service emphasizes digital marketing education and the potential effect of Kahuripan Maju Bumdes with coaching and mentoring for UMKM. The approach through digital marketing collaboration and bumdes development, as well as the empowerment of UMKM, distinguishes it from previous community service programs.

Economic empowerment, namely community service activities, to improve welfare and income ([Syahza, 2016](#)). The objectives of the movement provide an understanding and how to utilize resources that have potential and economic value ([Irianti et al., 2018](#); [Shahrul et al., 2018](#); [Soverda et al., 2018](#)). Activities can be carried out through the empowerment of business opportunities from existing potential. It could be in the form of counseling activities and improving business skills from existing ones carried out by the Community. ([Syahza, 2019](#))

The economic empowerment of UMKM by solving the problems faced by UMKM is community service in Kuripan village, Ciseeng district, Bogor Regency, about Digital Marketing Education and Development of the Potential of Cikahuripan Maju Bumdes. Here business development is carried out by verifying products to be smaller and more attractive, so buyers reach them economically.

Meanwhile, in the previous research conducted by [Diningrat et al. \(2017\)](#) on digital-based business development; [Hafiz et al. \(2021\)](#) on the development of products made from local raw materials with production marketing training; Azman et al. (2021) solving UMKM problems with the ABGC collaboration model (Academic, Business, Government, and Community); [Saudah \(2021\)](#) increase in UMKM players in digital marketing; Jonathan MA (2022) Development of microenterprises with Instagram social media.

Improving excellent service in Tonjong Village is carried out by improving the quality of public services, improving hr competence through various pieces of training, enhancing shutter and supporting infrastructure / supporting facilities and infrastructure including Technology communication. Improvement of policies that are not too procedural / avoid complex bureaucracy and evaluation of existing services with the assistance of village and community officials, namely community service activities that are carried out intensively and participatory to achieve independence from the community or partner groups, this is what [Ruslan has done et al. \(2020\)](#), [Wartini et al. \(2021\)](#) and [Astuti SJW et al. \(2021\)](#) and [Kurniawan et al. \(2019\)](#). Meanwhile, the UT Lecturer Community Service in Tanjong village emphasizes excellent service and changes in the talents of village officials in serving the Community.

Mentoring activities aim to increase business competitiveness so that these community groups can become independent ([Riadi, 2017](#)). Village assistants have an essential function in increasing the participation of communities and institutions in rural areas in development activities. Community participation can be considered a benchmark in assessing activities in rural areas ([Syahza, 2015](#)). On the other side, it can also be done through community learning, advocacy, and community services. ([Syahza, 2019](#)).

Community service is one of the obligations of lecturers to contribute to the nation. Research and community service activities are elements of the Tri Dharma of Higher Education. Universities can convince lecturers that the Tri Darma of Higher Education Program ([Kemenristekdikti, 2018](#)) community dedication can help the community deal with the permawrong of the Community and small and medium enterprises of the Community.

Community service should be downstream of research. Research results are science and technology (especially appropriate technology) and social and economic studies. Devotion is one of the reflections of the successful implementation of the tri dharma for universities. So that service activities that are innovative, competitive, and able to provide a state defense identity can provide the characteristics of the individuality of the university concerned. ([Syahza, 2019](#)).

Community service carried out by UT Lecturers in Tanjong Village Related to the problem of Excellent service by assisting the Village aparat so that community services can be carried out and community service in Kuripan village, Ciseeng District, Bogor Regency about Digital Marketing Education and Development of the Potential of Cikahuripan Maju Bumdes with the empowerment of UMKM.

With this PKM Activity, UT lecturers can carry out the contents of the Community - prosperous and sustainable, through UT's excellence in the PTJJ system with hope: Community Service Activities based on research results, innovative work, and community needs. With the approach taken to provide ask an expert in the resources of lecturers who produce an appropriate (simple) technology with the development and improvement of the quality of Human Resources (HR) a village part and UMKM actors through training and guidance programs and empowering human resources and resources (facilities and infrastructure) to produce a UMKM work successfully, and can be marketed products by competing with similar productions.

Community Service carries implications for the Open University, namely: a. achieving the vision of becoming a world-class distance university and the third mission of community service and being known to the public; b. can see the needs of the Community and become the work of the Open University for the future in producing better work by utilizing the latest technology; c. This Community Service improves the Main performance indicators (IKU) and the Results of Lecturers' Work used by the Community, d. increase the dissemination and defusion of research results and science and technology products so that they are beneficial to the community group; e. can improve disseminated outputs in journals, mass media, and products recognized and applied by the Community.

Conclusions

Based on the results and discussion can be concluded as follows :

1. Village Government capacity building is carried out with excellent service to the community, and UMKM brings changes in the talents of the village apparatus in serving the community.
2. UMKM empowerment is carried out by training and mentoring UMKM to improve the competence and development of UMKM through product diversification, product development, additional capital, equipment assistance, product packaging, and marketing.

3. The contribution of the Open University in Increasing the Capacity of Village Governments and UMKM by playing a full role by using potential and resources through community service programs.
4. The implications for the Open University with the Community Service Program are: a. Get the achievement of the vision of the Open University and the mission of Community service and being known to the public; b. Lecturers' Work Are used by the community; d. increase the dissemination and defusion of research results and science and technology products so that they are beneficial to the community group; e. can improve the disseminated output in journals, mass media, and products recognized and applied by the community.

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