

INHIBITING FACTORS FOR EMPOWERING COMMUNITY OF LEATHER SHOES CRAFTSMEN BY COOPERATION INDUSTRIAL AND TRADE DEPARTMENT OF ASAHAN REGENCY, INDONESIA

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ABSTRACT: *Leather shoemaker society empowering was one of the important aspect which was a part of development in Asahan Regency needs to develop to maintain development increasing and also promote the Asahan Regency trademark. The purpose of this research were to understand how the shoemaker society empowering, supporting and inhibiting factors in shoemaker society empowering and the effort of the Cooperation Industrial and Trade Department of Asahan Regency in shoemaker society empowering on Asahan Regency. Methods used in this study was a qualitative methodology. As for data collection techniques used in this research was observation, in-depth interviews, the study literature available and documentation. Technic data analysis used in this research was started from data reduction step, data rendering stage, the stage of conclusion (verification), and triangulation. The result of the study based on the theory of Totok Mardikanto, which according to Mardikanto in his empowerment theory, the empowering held based on human build, company build, environment build, and the community build. However, the shoemaker society empowerment by the Cooperation Industrial and Trade Department of Asahan Regency is well-conformed though still finding the obstacles on the empowerment. But the Cooperation Industrial and Trade Department of aAsahan Regency still in effort of handling the obstacles of the shoemaker society's obstacles.*

KEYWORDS: *society empowering; leather; shoemaker*

INTRODUCTION

The implementation of regional autonomy policy based on Law Number 32 of 2004 concerning Regional Government which has been amended by Law Number 23 of 2014, has brought about a change in the paradigm of governance implementation and administration. The Regional Government is given greater authority and responsibility in managing the household to advance the welfare of the community. This encourages each region that can develop reliable products so that it can be a source of income for the region. With the regional autonomy policy, the regency or city and province have very broad authority to regulate and manage the interests of the community through the management and utilization of industrial potential to increase local revenue so that the welfare of the community is achieved.

The development of SMEs must be directed to small industries in the area both home industry and rural industry. Because by developing in small industries can increase employment for the people and goods and services that can be exported outside the region and abroad which finally to improve people's welfare. Law Number 3 of 2014 concerning Industry regulates regulations concerning business fields and types of industries, where the government classifies industries into two types of industries, namely:

- a. Small industries that include traditional skills and craftsmen who produce art.
- b. In addition to the small industry, the government also establishes a special industry for investment, while for regulation, guidance and development.

Asahan Regency geographically has enormous potential, especially in the trade in goods and services, this is due to the lack of natural resources owned, only the plantation sector which is a growing sector in Asahan Regency. Since 2011, the small and medium-sized industrial companies in Asahan Regency are 660 units. However, in 2012 small and medium industries grew to 669 units and in 2015 increased to 722 units, up to 744 units in 2017. For more detailed data on small and medium industries in Asahan Regency, the following table is presented.

Table 1
MSME Development Data 2011-2017

No	Description	2011	2012	2013	2014	2015	2016	2017
1	Bussiness unit (unit)	660	669	703	711	722	731	744
2	Labor (orang)	3.052	3.132	3.345	3.653	3.987	3.998	4.034
3	Investation (Rp.million)	14.763	15.276	15.643	16.058	17.034	17.105	17.363

Source: Central Statistics Body of Asahan Regency

But keep in mind, that the small shoe industry has been growing rapidly in Asahan Regency. Even in the past, artificial leather shoes made by craftsmen at Asahan were known for their quality in North Sumatra and locally.

LITERATURE REVIEW

Empowerment Concept

Empowerment comes from the word "power" which gets the prefix to be empowered which means to have or have power. Empowerment which is empowerment in English has the term "empowerment process change from powerless to powerful". So, empowerment is the process of changing from something that is powerless to being empowered. Empowerment can be interpreted as a process to increase individual capacity and improve the individual's ability to be a qualified person to earn a large income. In that sense, Djohani in Anwas (2012: 49) said that empowerment means the improvement of the quality of life or the well-being of each individual and society, among other things in the sense of:

- a. Economic improvement, especially food sufficiency;
- b. Improvement of social welfare (education and health);
- c. Independence from all forms of oppression;
- d. Security guaranteed;
- e. Guaranteed human rights that are free from fear and concern.

According to Suharto (2014: 58): Empowerment shows the ability of people, especially vulnerable and weak groups so that they have the power or ability in:

- a. Meet their basic needs so that they have freedom, in the sense that they are not only free to express their opinions, but are free from hunger, free from hunger, free from ignorance, free from pain;

- b. Reach productive resources that enable them to increase their income and obtain the goods and services they need;
- c. Participate in the development process and decisions that affect them

Wasistiono (2001: 71) said that: Empowerment is an effort to make people, groups or communities become empowered so that they can take care of their own interests independently. Thus the core of empowerment is to create independence, both from individuals, groups and communities. According to Djohani in Anwas (2012: 49): Empowerment is a concept related to power. Empowerment is a process to provide power to parties who are weak (powerless), and reduce power (disempowerd) to parties who are too powerful (powerful) so that a balance occurs. Whereas Bennis and Mische (1995: 45) in Sedarmayanti (2001: 3) explained that: Empowerment means eliminating boundaries that box people and making them use as effectively as possible the skills, experience, energy, and ambition. This means allowing them to develop a feeling of having parts of the process, especially those that are their responsibility. Meanwhile, the time that requires them to accept a portion of responsibility and ownership is broader than the whole process.

Of the three opinions above regarding empowerment, there are similarities that empowerment aims to make people more empowered in an independent sense. Persons in Suharto (2010: 66) states that: "the empowerment process is generally carried out collectively, in some situations empowerment can be done individually, although in turn the strategy remains related to collectivity, in the sense of linking clients with other sources or systems outside of themselves. "Persons in Suharto (2010: 66) further stated that: In the context of social work, empowerment can be done through three levels of empowerment namely micro, mezzo, and macro which are described as follows:

- a. Micro level is empowerment for individual clients through guidance, counseling, stress management, crisis intervention.
- b. Aras Mezzo is empowerment carried out on a group of clients by using groups as a medium of intervention.
- c. Aras Mekro is empowerment that targets change directed at a broad environmental system.

In this study, the author uses the concept of community empowerment by Mardikanto as a reference in analyzing community empowerment of leather shoe craftsmen by the Office of Industry and Trade Cooperatives of the Asahan Regency. Mardikanto (2013: 28) formulated four points in each community empowerment, namely:

- a. Human Development, is the first and foremost effort that must be considered in every effort of community empowerment. Human development is empowerment in an effort to increase / develop individual capacity.
- b. Business Development, Business Development includes the selection of commodities and types of business, establishment of business entities, investment planning and determination of financing sources.
- c. Community Development, including social responsibility and environmental responsibility.
- d. Institutional Development, including production facilities, counseling and coaching, and capital.

Formal and Informal Economic Concepts

Formal Business Sector is a field or business field that has permission from authorized officials and registered in government offices. The business entity, if seen in the tax office or trade and industry offices, is registered with the name and field of business.

As stated by Keith Hart (2000), there are two types of informal sectors when viewed from the opportunity to earn income, namely:

Legitimate, which consists of:

- a. Primary and secondary activities, for example; agricultural business, market-oriented plantations, building contractors, and so on.
- b. Tertiary business with relatively large capital, for example; housing, transportation, businesses for the public interest, and so on.
- c. Small distribution, including; street vendors, market traders, grocery traders, hawkers, and so on.
- d. Personal transactions, such as borrowing, begging or scavengers.
- e. Other services, for example; buskers, shoeshine, barber, garbage disposal, and so on.

Not valid, consisting of:

- a. Illegal activities and trade services in general; picking up stolen goods, loan sharks, drug / drug trafficking, smuggling, prostitution, and so on.
- b. Small theft transactions (pickpocketing), big thefts (armed robberies), money forgery, gambling, and so on.

Small Industry

Understanding further what small industry is, according to Hendarsyah quoted by Baratha (1982), small industry is, "As an effort to avail physical and chemical forms of an item so that it can meet needs", while according to Kusumanto in Baratha (1982) states that, industry is as an effort in the production process in which there is a change in the shape or nature of goods in the process that human factors with a more decisive calculation of natural factors.

Based on the above quotation, it can be seen that there is an activity process, where the intended activity is intended to achieve results that have added value and use value, while the small industry itself is a form of simple company in formal and non-formal businesses.

Small industry is a development support and can develop as expected as a joint life of the Indonesian economy, according to Baratha (1982) the benefits include:

- a. Small industry provides employment for people who have their own skills.
- b. Small industries can provide goods that are affordable for low-income people.
- c. Small industry is the spearhead of national industry.
- d. Small industries can be implemented using simple technology that is easily understood by the public.

The Central Statistics Bureau in (Mudrajat Kuncoro, 1997: 314) provides an industry classification based on the scale of the use of its workforce, namely:

- a. Large Industry when using a workforce of more than 100 people.
- b. Medium Industry when using labor between 20 to 99 people.
- c. Small industry if using labor between 5 and 19 people.
- d. Home Industry when using less than 5 workers.

Concept of Empowering Small Industries

M. Anwas (2013: 124) argues that: "In general, small businesses have characteristics as businesses that are classified as weak economies, both in terms of: knowledge, skills, technology used, capital, marketing, promotion, and also cooperation is still low. This business group is difficult to compete with giant companies. Therefore small businesses need to be empowered to be able to compete and be independent. " The development of small industries can create jobs and increase people's income.

According to Saleh (1986 :) mentions that, the success of small industry development is influenced by several factors, namely:

a. Regional Potential Factors

Regional potential factors are very potential in the context of preparation, procurement and development of small industries. The natural production factors include land, agricultural products in the form of agriculture and many other natural factors of production. These natural production factors are not simply provided by nature to be directly exploited by humans, but humans are required to process it so that it can be utilized.

b. Factors of Labor

The factor of labor is the most important factor in the effort to process development with sufficient human resources. In this case not all humans can do it, but what is meant here is that humans are full of adequate knowledge and skills. The human factor is the most important factor, it does not mean that animal and machine labor is useless, but here it means that it is a determining factor to increase the use value of an object from natural production. For this reason, skilled and tenacious and diligent human resources are needed to explore and utilize available natural resources.

c. Capital Factors

Further processing of both natural production factors and labor factors is the capital production factor. The capital production factor can be in the form of fixed capital factors such as land, machinery, buildings and other simple tools that support the implementation of the production process. While current capital can be in the form of cash and deposits at the Bank. Therefore, capital production factors are absolutely necessary to maintain the continuity of industrial procurement and development.

According to Hadi Prayitno (1985: 50), there are several reasons why small industrial development is needed, namely:

- a. Because it is located in a rural area, it will not increase migration to the city or in other words reduce / stop the rate of urbanization.
- b. Its labor-intensive nature will provide greater absorption capacity per unit that is invoked.
- c. It is still possible for workers who are absorbed in adjacent locations to return to farming in farming, especially before and during busy times.
- d. The use of simple technology is easy to learn and implement.

Cooperation Industrial and Trade Department of Asahan Regency

District / City Regional Offices are implementing elements of the Regency / City government led by a Head who is under and responsible to the Regent / Mayor through the Regional Secretariat. The Office of Cooperatives and Industry and Trade functions to formulate technical policies for the scope of Cooperatives and Small and Medium Enterprises which include institutions, financing facilitation and control of financial services businesses, as well as empowerment of cooperatives and small and medium enterprises. In addition, it can also organize government affairs and public services, fostering, and implementing tasks and technical policy makers in accordance with the scope of cooperatives and small and medium enterprises. To carry out government duties, in Asahan District Regulation No. 8 of 2013 concerning the Organizational Structure of the Industry and Trade Office of the Asahan Regency, the Office of Cooperative Industry and Trade has the functions:

- a. Managing personnel affairs, general finance and equipment;
- b. Formulation of formulations and technical policies and operational implementation in the field of Industry and Trade Cooperatives;
- c. Planning which includes all businesses and activities to plan, archive, manage, review and formulate technical policies and programs in the field of Industry and Trade Cooperatives;

- d. Coordination which includes all efforts and activities to realize awareness related to the improvement of tasks in the field of Industry and Trade Cooperatives;
- e. Preparation which includes all businesses and activities to carry out technical procurement or the execution of basic tasks in accordance with the policies that have been established by the government and contain the applicable laws and regulations;
- f. Research and development which includes all business activities and activities to organize, manage and develop and foster relationships to carry out and improve tasks in the field of Industry and Trade;
- g. Formulate and elaborate technical policies and provide guidance in the field of financing and savings and loan facilities;
- h. Guidance, regulation and monitoring of the implementation of industrial and small business operations;
- i. Carry out other tasks given by the regent.

RESEARCH METHOD

Type of Research

The method used in this study is a qualitative research method, which is research that produces descriptive data in the form of written or verbal words from people and observable behavior. Case studies are a type of approach that has been carried out on a particular focus that is carried out intensively continuously, in depth and comprehensively, so that answers or research questions are complete and transparent.

Research Location

This research activity was carried out at the Office of Cooperatives, Industry and Trade in Asahan Regency, as well as kiosks of leather shoes craftsmen.

Data Source

In this study using purposive sampling according to Sandjaja and Heriyanto (2006) that this method is based on subjective decisions of researchers based on certain considerations. In this way, the researchers initially identified and studied all the characteristics of the informants they wanted to study. The informants from the study of Leather Shoes Small Industry Empowerment by the Office of Industry and Trade Cooperatives of the Asahan Regency of North Sumatra Province are:

- a. Head of Cooperation Industrial and Trade Department of Asahan Regency
- b. Head of Industry Division of Cooperation Industrial and Trade Department of Asahan Regency
- c. Head of Production Business Guidance Section of Cooperation Industrial and Trade Department of Asahan Regency
- d. Small-scale leather shoes entrepreneurs
- e. The community as consumers.

Data Collection Techniques

Data collection is a systematic and standard procedure to obtain the data needed. There is always a relationship between methods of collecting data with the problems that the research wants to solve. The problem is giving direction and influencing data collection methods. In research, it is necessary to have information that can support the author in developing his research.

According to Silalahi (2010: 289): Source of data is divided into primary data sources and secondary data sources. Primary data is an object or original or raw document from the researcher actor from the main source in the form of historical and legal documents the results of an experimental statistical data

While secondary data is data collected from second hand or from other sources available before the research is carried out in the form of articles found in scientific journals, magazines, books, documentation in the form of pictures.

The primary data obtained in this study were obtained through several sources, including the Head of the Industry and Trade Cooperative Service of the Asahan Regency, the apparatus of the Industry and Trade Cooperative Office, entrepreneurs and small-scale industrial craftsmen and the public as consumers.

Secondary data obtained in this study include the Law concerning Small Industries, Strategic Plan Documents (RENSTRA), conditions of facilities and infrastructure and others.

Data collection is done in various settings, various sources, and various ways. In general there are four types of data collection techniques, namely interviews, documentation, observation and combination / triangulation. As for this study the author uses interview techniques, documentation, observation, and triangulation.

The interview is one of the efforts in collecting data through face-to-face and direct communication with informants who are believed to be able to assist in the preparation of this report. Data acquisition in terms of its implementation according to Arikunto (2010: 198) is distinguished by:

- a. Interview is free, wants an interview, where the interviewer is free to ask anything, but also remembers what data will be collected. The good of this method is that the respondent does not realize that he is being interviewed. The weakness of this technique is that the questions are sometimes uncontrolled.
- b. Guided interviews, guided interviews, which are interviews conducted by the interviewer by bringing a series of complete and detailed questions as intended in a structured interview.
- c. Guided free interview, which is a combination of free interviews and guided interviews. In conducting an interview, the interviewer carries guidelines that are only an outline of the things that will be asked.

Author interview method used in this study are free guided interview method to collect data where the author uses the broad guidelines to be developed so the question is asked and answered problems encountered in achieving the objectives of the study.

Based on the explanation above, the informant from observing the Small Leather Shoes Industry Empowerment by the Department of Industry and Trade of the Asahan Regency of North Sumatra Province, namely:

- a. Head of the Asahan Regency Office of Industry and Trade Cooperatives
- b. The Head of Industry Division of the Industry and Trade Office of the Asahan Regency
- c. The Head of the Production Business Guidance Section of the Industrial Cooperative and Trade Office of the Asahan Regency
- d. Small-scale leather shoes entrepreneurs
- e. Society as consumers, taken by purposive sampling.

Table 1: Interview Guidelines

Title	Theme	Sub Theme	Sub-sub Theme	Question Item	Informant
1	2	3	4	5	6
Cooperation Industrial and Trade Department of Asahan Regency by Cooperation Industrial and Trade Department of Asahan Regency	1. Cooperation Industrial and Trade Department of Asahan Regency by Cooperation Industrial and Trade Department of Asahan Regency	1.1 Human Development	1.1.1 Increasing society's ability	1	1,2,4
			1.1.2 Organizing	2	2,3
		1.2 Bina Usaha	1.2.1 Technical Knowledge	3	1,2
			1.2.2 Management	4	2,3
		1.3 Environment development	1.3.1 Social Responsibility	5	5
	1.4 Institutional development	1.4.1 Craftsman Community Structure	6	2,4	
	2. Inhibiting Factors for Empowering Community of Leather Shoes Craftsmen by Cooperation Industrial and Trade Department of Asahan Regency	2.1 Inhibiter	2.2.1 Internal	9	1,2,3
			2.2.2 External		1,2,5

DISCUSSION

In the activity of empowering leather shoe craftsmen it was not always running smoothly and in accordance with the plan, often in these activities face with factors that hindered the process of developing small industries. These factors certainly cause the objectives of the small industry development program not to be achieved optimally. Based on an interview with the Head of the Office of Industrial and Trade Cooperatives of the Asahan Regency on Monday, April 15, 2018, the Asahan Regency Office of Industry and Trade said that:

"Capital limitations are one of the factors that hinder the process of empowering the community of small-scale leather shoes industries. In the implementation of government programs on providing soft credit loans to shoe craftsmen, it has not gone well. The second is the lack of infrastructure such as the availability of parking lots for buyers. The Cooperatives and Industry and Trade Service has coordinated with the Public Works Agency to budget funds for the manufacture of parking location facilities in the RAPBD, but it has not become a budget priority in the Asahan District APBD. "

The results of the interview with the Head of Industry Division of Cooperation Industrial and Trade Department of Asahan Regency on Wednesday April 17, 2018 at the Department of Industry and Trade:

"The obstacle is the production of leather shoes made by shoe craftsmen has no clear marketing. Craftsmen produce leather shoes and sell them directly in front of their homes. Only some craftsmen want to market outside the district. The second constraint is that the group of craftsmen's organizations did not go well. Supposedly, the craftsmen organization functioned as a vehicle for communication between fellow craftsmen and between craftsmen and the government. This inactive organization makes an impact, one of them is the difference in the price of the same shoe product that the craftsman has set."

From the results of the interviews conducted by the authors on the informants and based on observations observed in the field, the authors conclude that the inhibiting factors of empowering leather shoes craftsmen:

a. Capital limitations

Capital limitations are the first inhibiting factor. The provision of soft credit loans has not gone well. Usually shoe craftsmen provide motorized vehicle certificates as collateral, but with a larger loan value with the vehicle. This has caused shoe craftsmen to be lazy to pay off their loan loans, so that a loan installment is made in installments which naturally disrupts the system that should work well.

b. Lack of Support Facilities and Infrastructure

Facilities and infrastructure are important factors in the development of an industry. Supporting infrastructure for empowering leather shoes is minimal. The absence of a special parking location for leather shoe buyers while the location of small leather shoes industry is the Sumatran crossing, so buyers have not felt comfortable when buying leather shoes.

c. Low craftsmanship

Shoe makers in the interview admitted that their expertise in making shoes was still not good. This is because their expertise in making shoes is obtained through a short and simple learning process from parents and those around them.

d. Technology limitations

Constraints faced in the empowerment of leather shoe craftsmen are limited equipment and production technology. Based on the observations made by the authors, the technology used by shoe craftsmen is not sufficient, the equipment used by leather shoe craftsmen includes suction machines, crochet, oven cabinets, sewing machines, Vulcan / lasting and press tools. With the limitations of this production equipment, the quality of leather shoes products is not high.

e. Market Access Not Extensive

The main problem often face in empowering leather shoe craftsmen is related to marketing problems. If market access is wide, sales will be smooth and production will be increased. Conversely, if market access is not extensive, sales will be stalled and have an impact and production will also be stalled.

So far, most of the footwear products have been marketed directly in Kota Kisaran Barat sub-district. Leather shoe craftsmen open shops to market their products. Only a small portion of leather shoes products are marketed outside the Asahan Regency, such as Medan, Rantau Prapat, Duri, Dumai and Pekanbaru. And several times shoe craftsmen market their products to Jakarta and Kalimantan, of course, get strong competition with other products that have high quality.

CONCLUSION

Leather shoes empowerment carried out by the Cooperation Industrial and Trade Department of Asahan Regency has been carried out in the form of human development, business development, community development, and institutional development. It's just that there are certain factors that hinder the empowerment process. Inhibiting factors empowering leather shoe craftsmen are:

- a. capital limitation,
- b. lack of supporting facilities and infrastructure,
- c. low craftsmanship,
- d. technological limitations,
- e. market access is not yet extensive.

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