
IMPLICATION OF EMPOWERING PARTNERSHIP PROGRAM FOR GROUP OF MANUFACTURERS OF VIRGIN COCONUT OIL IN KELEYAN SUB DISTRICT SOCAH MADURA EAST JAVA

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Abstract. The Community Partnership program has two partners, namely Group of Manufacturers of Virgin Coconut Oil in Keleyan Village, Socah Sub-district, Bangkalan Madura. The problems of partners in terms of production are (1) So far, to extract coconut still using manual tool so that ineffective and efficient not yet have scooping machine. (2) To scrape coconut still using manual tool which Takes a long time so inefficient and effective does not yet have a solvent engine. (3) Problems in terms of marketing management: (a) VCO marketing area is still local because it only covers Madura city (b) Promotion is still limited. (4) From the aspect of HR management the condition of the quality of human resources is still low (5) No business diversification. The effects are: (1) To separate coconut shell from coconut meat is very inefficient (consuming time and effort), (2) to grind coconut meat which is ready to be taken by coconut is very inefficient, (3) Market penetration and turnover of VCO business group product sales is still low. (4) Have problems if there is more demand than usual. (5) Development product does not exist. Objectives are: (1) improving the quality, energy efficiency and processing time of the VCO through the design of the coconut sculpture. (2) Improve the quality, Power efficiency and VCO processing time through the design of a coconut scar machine. (3) Improving design capabilities and updating product information through the website to add insight and expand the marketing of VCO products online outside Madura and even outer islands. (4) Increase productivity through human resource capability (5) concentric diversification of coconut dregs into delicious snacks. Solutions / Methods: (1) Design, build, training, practice and mentoring the manufacturing, use, maintenance of coconut shrinking machines. (2) Design, build, training, practice and mentoring the process of manufacture, use, maintenance of scar machines coconut. (3) Training, practice and assistance in improving the design and updating of VCO information through the website to the VCO group of librarians in Keleyan village (4) Training, practice and assistance in improving the competence of skilled and skilled human resources in processing VCO for community in the village Keleyan...

Keywords: community empowering program, innovation orientation, market orientation.

1 INTRODUCTION

Indonesia is an archipelago country stretching from Sabang to Merauke, Flanked by two continents of Asia and Africa so as to make Indonesia has resources Nature is abundant, let alone natural resources nabatinya many plants that Live in the virgin and the sea. A lot of these vegetable natural resources can Used as sources, clothing, food and boards. Anything that can be processed into other products to cultivate these very vegetable natural resources It takes science about the utilization of these plants. Some people do not yet know the benefits of the plants that exist in surrounding for example coconut tree. Many people lack creativity

and Skills to process existing resources. There are people who deliberately not to utilizing because of constrained knowledge, technology, funds and time. Bangkalan Is one of the producers of coconut trees in Madura that has great potential? Coconut can be utilized and processed into various types of products, such as oil raw materials Pure coconut (VCO) and its waste called Blondo can be processed into a delicious snack and has economic value.

Chairman of the coconut oil making group is Mr. Abdul Hadi who started the business after attending training held by the Office of Cooperatives and SMEs. Derived from attempts at coconut oil produced and sold around the city of Bangkalan. Making coconut cooking oil with a simple way is easy, because the tools needed are not difficult to find. The method of manufacture is schematically shown Fig. 1.

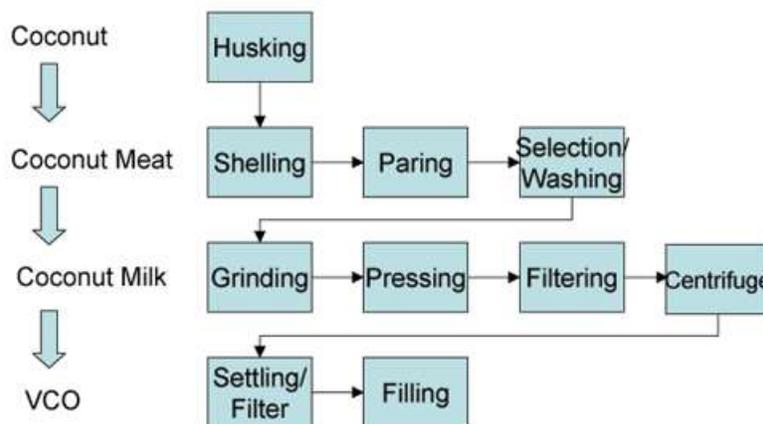


Fig 1. Virgin Coconut Oil Production Process

Based on the situation analysis in above, partner issues cover aspects of production and management. Partner Problems Reviewed from Management, Production and Marketing Aspects. Problems experienced by the partner of this program is a group of coconut oil makers Keleyan Village District Socah Bangkalan - Madura - East Java in terms of production aspects include:

1. The coconut oil producing group of Keleyan Village, Socah Subdistrict of Bangkalan - Madura - East Java does not have coconut shredding tool. So far, the process of packaging is done by manual process is very inefficient because it is time-consuming and labor-intensive, especially when serving the demand for coconut oil more than the daily amount of production. So this program is to make (design) technology of coconut shredding machine to release coconut shell with coconut meat more effective and efficient to replace manual way. The activities of this are the tools of coconut sculpting. With coconut shredding tools it is expected that group members are able to operate, maintain and repair coconut removal tools if the tool is damaged. Innovation is considered a new application (Rogers, 2003). Innovation is different from innovation. Innovation is a characteristic of an individual or organization whereas innovation is a new product, a new process or a new business system (Boer & Duringa, 2004). The innovation orientation is a change in a product offering, service, business model or operation that significantly enhances the experience of a large number of stakeholders. Changes in the connotation of Greenfield development. A change reflects that there is a way people do things before and now there are different ways. It is also possible for

existing practices or technologies in other sectors to be applied to specific sectors (Hovgaard & Hansen, 2004).

2. The coconut oil production group of Keleyan Village, Socah Subdistrict of Bangkalan - Madura - East Java does not have coconut scar. During this process scar done by manual process is very inefficient because it is time-consuming and labor-intensive, especially when serving the demand for coconut oil is more than the number of daily production. So this program is to make (design) technology of coconut scarring more effective and efficient to replace manual way. The activities of this program are coconut scar. With the coconut scar is expected to group members able to operate, maintain and repair the coconut removal tool if the tool is damaged.

3. Group of coconut oil producers Keleyan Village District Socah Bangkalan - Madura - East Java during this marketing and promotion activities are still around the city Bangkalan only. So for the expansion of marketing activities is done with assistance, training and practice of making website design as well as updating coconut oil production information through the means. The outcomes of this activity are cheap and free website of information media and promotion of coconut oil so that it can expand the marketing area, increasing the sales figures which ultimately increase the prosperity of coconut oil producing group and the people around Keleyan village. Uncles (2000) defines market orientation as a process and activity related to customer creation and satisfaction by assessing customer needs and wants continuously. Application of market orientation will bring improved performance for the company. Martin (2006) simply says that market orientation is a superior skill in understanding and satisfying customers. Thus, market orientation is a set of beliefs that place customers in the first stage, while excluding from all other stakeholders, such as owners, managers, and employees, to develop a profitable long-term business (Deshpande et al., 1993). Keskin (2006) explains that within the framework of marketing culture and adopts a strategic view, it leads to three components of market orientation: (1) Obtaining and using customer information; (2) develop a strategic plan based on that information, and (3) implement a plan to respond to customer needs. Martin (2006) goes further and explains that the heart of market orientation is the focus of corporate customers. To create a superior value for buyers continues to require a seller to understand the buyer's value chain, not only because of today but also because it evolves over time. Other authors add that competitive advantage is not just a function of how well a company plays an existing rule (Govindarajan and Gupta, 2001). More importantly, it depends on the company's ability to radically change the rules.

4. The coconut oil producing group of Keleyan Village, Socah Subdistrict of Bangkalan - Madura - East Java, has difficulty finding labor or human resources with expertise to make coconut oil. On the other hand around the coconut oil business group of Keleyan Village, Socah District, Bangkalan District - Madura - East Java. Many housewives (only working husbands) and nonproductive women (55 or older or retired) have plenty of free time. These mothers can be empowered by the coconut oil group The coconut oil producers of Keleyan Village of Socah Subdistrict of Bangkalan - Madura - East Java to do the making of coconut oil as well as earn additional income without having to leave work at home. In connection with the fourth issue, this program is to practice, mentoring, training on making coconut oil for housewives, retired mothers, non-productive age mothers. To facilitate the coordination of activities and meet administrative requirements, the activities of this will also involve the group of women from Keleyan Village as the second partner to accommodate housewives, retired mothers, non-productive age mothers in Keleyan village. It is expected that coconut oil orders will be completed more quickly / on time, increasing sales turnover, which ultimately

leads to an increase in the welfare and living standards of the coconut oil producing group in Kaleyan village. Viewed from the environmental aspect of being a superior product of Bangkalan or "*One Village One Product*". This to enhance the entrepreneurship in the community. Lumpkin and Dess (1996), provides a clear distinction between Entrepreneurial Orientation entrepreneurial orientation and entrepreneurship. Entrepreneurship is defined as a "new entry" that can be done by entering a fixed market or a new market with existing or new products or services or launching a new company. Based on the results of Frese, Brantjes, and Hoorn (2002) research, the company's tendency to innovate positively related to the success of the company, because, with the new idea, the company can capture important segments in the market. A high level of innovation will improve the company's performance (Marino and Weaver, 2002).

2. RESEARCH METHODOLOGY

This research is conducted on small and medium enterprises located in the Keleyan sub distric of Socah, Madura, East Java, Indonesia. The number of the community is around 40 person. The methodology used is Focus Group Discussion, to help the community in Keleyan to identify the problem

2.1. Data Analysis Techniques

Structural Equation Modeling (SEM) is a statistical technique that performs a relatively complex and simultaneous set of relationships. The relationship can be constructed between one or several variables depending on one or more independent variables and can take the form of a factor or construction, constructed from several indicator variables. The variables can be either a single variable that is observed or measured directly (Ferdinand, 2002).

The variable in this research are the adaptability of the community against new technology, entrepreneurship orientation, market orientation and innovation orientation to create a new product and reduce the manufacturing process. The data collected using questionnaire and direct observation. This data collecting to ensure the objectivity of the data.

3. RESULT AND DISCUSSION

3.1. Result of the variables

Based on the research process and data analysis can be described the result from Structural Equation Model as shown in fig 2. Based on the result can be described that the adaptability is closely affected by the innovation in the community and support each other.

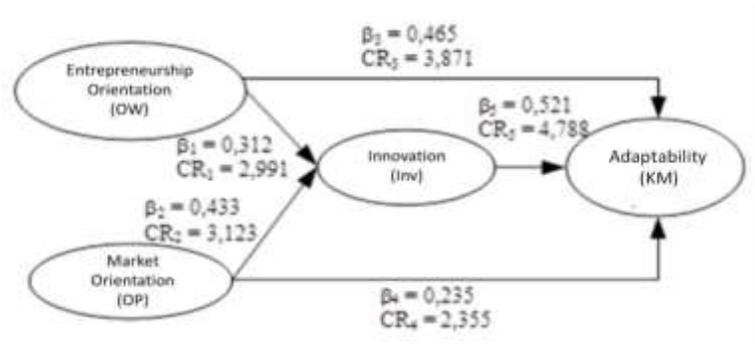


Fig. 2. Result of Structural Equation Model

The detail result from the Fig 2. Can be described as follows:

1. The value of the coefficient of orientation path of entrepreneurship → an innovation of 0.312 and the critical ratio value of $2.991 > 1.96$, indicating that the orientation of entrepreneur has a significant effect on innovation.
2. The value of market orientation coefficient → an innovation of 0.433 and the critical ratio value of $3.123 > 1.96$, indicating that market orientation has a significant effect on innovation.
3. The value of the coefficient of the orientation path of entrepreneurship → Adaptability of 0.465 and the critical ratio of $3.871 > 1.96$, indicating that the entrepreneurial orientation has a significant effect on community adaptability in new technology.
4. The value of market orientation coefficient → adaptability of 0.235 and critical ratio value of $2.355 > 1.96$, indicating that market orientation has a significant effect on community adaptability in new technology.
5. The value of the coefficient of innovation path → adaptability of 0.521 and the critical ratio value of $4.788 > 1.96$, indicating that innovation has a significant effect on community adaptability in new technology.

3.2. Discussion

The real results of activities that have been implemented are as follows:

1. Preliminary visit to Empowering partnership program partners ie coconut oil producing group Keleyan Village, Socah District Bangkalan - Madura - East Java and PKK family group of RT 07 RW 02 Keleyan Village / women farmer "Sekar Wangi"
 - A. Conduct initial communication about the activity plan between the implementing team and the two partners of empowering partnership program.
 - B. Determine the agreed implementation schedule of empowering partnership program between the Implementing Team and the two partners of empowering partnership program.
 - C. Determine and discuss the types of partner participation to support any activities proposed by the implementing team empowering partnership program.
2. Improvement of quality, energy efficiency and time of making coconut oil through design of coconut milk extractor. To replace the manual way. The activity is designing the design, training, practice and assistance to the coconut oil producing group in Keleyan village.
3. Improved quality, energy efficiency and time of making coconut oil through design tool designs Coconut scar machine (stainless steel product, iron frame elbow, dimensions 500 x 400 x 900mm, driving 1 HP 220 V 1Ph, capacity 300 piece / hour)
4. Improved design capability of design and updating of coconut oil making information through website to expand coconut oil distribution. Activities are training, practice, and assistance to the Coconut Oil Producers Group in Keleyan Village, Socah District, Bangkalan District - Madura - East Java. Activities are training, practice, assistance to coconut oil production group In Keleyan Village, Socah Sub-district, Bangkalan - Madura - East Java.

5. Increased ability of human resources who have expertise to make coconut oil. Activities are training, practice and mentoring to PKK women's group in Keleyan village.
6. From the above activities also prepared a study that discusses the relation of the ability of a community to adapt to new technology, based on entrepreneurial orientation, ability to innovate and see opportunities in the market.

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