

# The Role of PKK: Driving MSMEs in Realizing a Creative Economy

Aryuni Shilvanawati <sup>1\*</sup>, Putri Chahya Nigrum <sup>2</sup>, Omar Syarifudin<sup>3</sup>

<sup>1-3</sup> Walisongo State Islamic University Semarang, Indonesia <u>shilvanawatiaryuni@gmail.com</u> 1\*

# Address: Jl. Walisongo No.3-5, Tambakaji, Kec. Ngaliyan, Semarang City, Central Java 50185

Author correspondence: <a href="mailto:shilvanawatiaryuni@gmail.com">shilvanawatiaryuni@gmail.com</a>

Abstract. This study aims to analyze how Family Empowerment and Welfare (PKK) plays a role as a driver of Micro, Small and Medium Enterprises (MSMEs) in realizing a creative economy in Gubugsari Village. This study uses a qualitative approach by collecting data through interviews, observation, and documentation review. The results show that the PKK in Gubugsari Village plays an important role in empowering MSMEs through various programs, such as skills training, capital provision, and marketing assistance. These programs have encouraged the growth of creative industries in the village, such as handicrafts, culinary, and fashion. In addition, the PKK also plays a role in facilitating cooperation between MSMEs and other stakeholders to develop the creative economy ecosystem in Gubugsari Village. In conclusion, PKK has a significant role as a driver of MSMEs in realizing the creative economy in Gubugsari Village through various empowerment programs implemented.

Keywords: The Role of PKK, MSMEs, Creative Economy.

# 1. BACKGROUND

The Indonesian government has made the development of the economy at the village level one of the main priorities in its efforts to improve the welfare of the community. One of the strategies pursued is through the development of Micro, Small, and Medium Enterprises (MSMEs), which are believed to be the main pillar of the economy at the village level. Gubugsari Village, located in one of the regencies in Central Java, is an example of a village that has successfully empowered MSMEs based on the creative economy through the active role of the Family Welfare Empowerment (PKK) movement.

The Family Welfare Movement (PKK) is a national movement in community development that grows from the grassroots level, with management by, of, and for the community, towards the realization of families who are faithful and pious towards God Almighty, have noble character and virtuous behavior, are healthy, prosperous, advanced and independent, and know, understand, and implement the eight family functions. (Ministry of Women's Empowerment and Child Protection of the Republic of Indonesia. (2015)). The Family Welfare Empowerment (PKK) organization in Gubugsari Village plays a crucial role in promoting the development of creative economy-based MSMEs in the village. PKK is the primary driver in increasing the capacity and competitiveness of MSME players in Gubugsari Village.

#### THE ROLE OF PKK: DRIVING MSMES IN REALIZING A CREATIVE ECONOMY

Through various programs and activities, PKK in Gubugsari Village has made a significant contribution to the empowerment of MSMEs, such as: 1. Providing training and developing skills for MSME players. 2. Providing business assistance to MSMEs. 3. Facilitating the marketing of MSME products. 4. Forming business groups. Through these strategic roles, PKK has made a significant contribution to promoting the development of creative economy-based MSMEs in Gubugsari Village. This has had a positive impact on increasing community income, expanding business opportunities, and sustaining the economy at the village level. Gubugsari Village has significant potential in the development of creative economy-based MSMEs. In general, MSME players in Gubugsari Village are dominated by housewives and the younger generation. They have a strong motivation to develop their businesses and improve family welfare through the creative economy. However there are still some challenges faced, such as limited capital, limited market access, as well as managerial and marketing capabilities that need to be continuously improved.

According to Asmie (2008), the characteristics of MSMEs in Indonesia include: A relatively simple bookkeeping system that tends not to follow the applicable accounting standards, A thin profit margin due to intense competition, Limited capital, Limited managerial experience, and A scale of economy that is too small to effectively control costs. In the empowerment efforts carried out by PKK, it is hoped that MSMEs in Gubugsari Village will continue to develop and become more competitive. Thus, these MSMEs will be able to become the main drivers of the creative economy at the village level.

The following are some of the main activities of PKK in Gubugsari Village: 1. Creative Economy-Based Skills Training. 2. PKK regularly organizes training to improve the skills of members and MSME players in Gubugsari Village. 3. Business Mentoring and Consultation 4. PKK provides business mentoring and consultation services for MSME players. 5. Business Group Formation. PKK facilitates the formation of business groups based on product or interest similarities. Through these activities, PKK strives to support the capacity building and competitiveness of creative economy-based MSMEs in Gubugsari Village. PKK in Gubugsari Village plays an active role in promoting the development of creative economy-based MSMEs. These efforts have had a positive impact on improving the welfare of the village community.

Based on the explanation above, the role of PKK is very important in pursuing the creative economy in Gubugsari Village, so the author wants to elaborate further on:

- a. How does PKK play a role in supporting and mobilizing MSMEs in Gubugsari Village?
- b. What is the impact of PKK's role on the growth and development of the creative economy in Gubugsari Village?

#### 2. METHODS

This study employed a qualitative approach with a case study design. The qualitative approach was chosen because the purpose of this research is to deeply understand and analyze the role of the Family Welfare and Empowerment (PKK) as a driver of MSMEs in realizing a creative economy in Gubugsari Village.

The research was conducted in Gubugsari Village, Pegandon District, Kendal Regency. The research subjects consisted of the Gubugsari Village PKK management, MSME owners who are mentored by PKK, and related village officials. The research data were collected through several techniques, namely:

- a. In-depth interviews with PKK management, MSME owners mentored by PKK, and village officials.
- Participatory observation to observe PKK activities and MSME mentoring in Gubugsari Village.
- Documentation study by reviewing related documents, such as village profiles,
  PKK activity reports, and MSME documents.

The data obtained were analyzed using the interactive data analysis model of Miles and Huberman, which consists of data reduction, data display, and conclusion drawing/verification stages.

## 3. RESULT AND DISCUSSION

Family Welfare Empowerment (PKK) is one of the community organizations that has an important role in empowering women at various levels of society. This organization aims to encourage women to actively participate in the development process, both in the family environment and the wider community. Thus, family welfare is the main priority that PKK wants to achieve through various programs and activities held. One of the great potentials that can be developed to improve the family economy in Gubugsari Village is through Micro, Small, and Medium Enterprises (MSMEs). In this village, PKK members in collaboration with the Women Farmers Group (KWT) have successfully utilized various local resources to create a variety of MSME products with high economic value. The products produced by the women of this village include snack bouquet making, which is not only visually appealing but also has a high selling value. In addition, they also produce various types of cookies made from natural and local ingredients such as onion flour, mocaf (cassava flour), carrots, bananas, and corn. These products not only help increase family income, but also strengthen the economic independence of the community in Gubugsari Village.

#### THE ROLE OF PKK: DRIVING MSMES IN REALIZING A CREATIVE ECONOMY

Family Empowerment and Welfare (PKK) activities in Gubugsari Village include a variety of activities aimed at improving the skills and welfare of members, especially mothers. One of the activities organized was a snack bouquet-making training, which was enthusiastically welcomed by the PKK women. This training not only teaches techniques to make attractive and creative bouquets, but also provides opportunities for participants to develop home-based businesses that have the potential to increase family income. In addition to the bouquet snack training, another important activity was the training on making cookies using local ingredients such as onion flour, mocaf, corn, banana, and carrot. This training was designed to utilize natural ingredients that are easily found around the village, as well as teach techniques for making high-value food products.

With these new skills, the women are expected to produce food products that are not only delicious but also economical, which can be an additional source of income for the family not only focusing on the economic skills aspect, the Family Empowerment and Welfare (PKK) activities in Gubugsari Village also include physical activities such as gymnastics, which are routinely participated in by the empowerment and family welfare (PKK) women. This gymnastics aims to maintain the health and fitness of the participants, as well as strengthen the sense of togetherness among them. Through joint gymnastics, the women not only exercise but also strengthen social bonds that can support their emotional and psychological well-being. Overall, the various activities organized by the Gubugsari Village Family Empowerment and Welfare (PKK) seek to make a real contribution to improving the quality of life of the community, especially women, both in terms of economy and health. With skills training and regular physical activity, it is hoped that the women can be more empowered and prosperous, and be able to improve the welfare of their families.

In conclusion, Family Empowerment and Welfare (PKK) in Gubugsari Village has a very important role as a driver of Micro, Small and Medium Enterprises (UMKM) in the village. The activities initiated by the PKK, such as training in making bouquet snacks and food products based on local ingredients, not only provide knowledge and skills to its members, but also open up opportunities to develop home-based businesses. With these trainings, PKK women not only gain new skills, but also get the opportunity to start and manage businesses that can support their families' economy. The PKK's role in driving these MSMEs is crucial, especially in villages like Gubugsari, where business opportunities may be limited. By utilizing easy-to-find local ingredients, such as onion flour, mocaf, corn, bananas, and carrots, the PKK not only helps its members create high-value products, but also supports village sustainability

and self-reliance. In addition, PKK's support for UMKM is also evident in its efforts to build a strong network and community among members. Through regular activities such as joint gymnastics and group meetings, the PKK creates a space for sharing experiences and business ideas, which in turn strengthens the entrepreneurial spirit among its members. In this way, the Gubugsari Village PKK not only functions as an organization focused on family welfare, but also as a key catalyst in driving the growth and development of UMKM in the village.

Overall, the PKK in Gubugsari Village acts as the main driving force to improve the economic welfare of the community through the development of MSMEs. Through various initiatives and trainings organized, the PKK makes a significant contribution in creating business opportunities and improving the quality of life of the community, especially the women. Therefore, the role of the PKK as a driver of MSMEs in Gubugsari Village is very important in creating an independent and prosperous village.

#### The Impact of PKK's Role on Creative Economy Development in Gubugsari Village

The Gubugsari Village PKK is one of the PKKs that is active in empowering the community, as seen from the PKK which is one of the drivers and facilitators in the activities in Gubugsari Village, in its creative economy program such as processing various agricultural products into processed food. PKK, especially those who are also members of the women farmer group (KWT), have succeeded in making a new product, namely flour produced from shallots, carrots, cassava, and bananas. The PKK's role as a facilitator has an impact on the creative economy in Gubugsari Village itself, including the following itself:

### **Enhancing Human Resources Skills and Capacity**

PKK often organizes skills training, such as handicrafts, culinary, or technology, which can improve family members' abilities and encourage them to start creative businesses. Improved skills and capacity building is one of the main impacts of the PKK's role in the regenerative economy. PKK actively conducts training on various

skills relevant to market needs and individual potential. For example, training in handicrafts provides an opportunity for family members to learn new techniques and develop creative products, such as bouquet making or locally made handicrafts. In this case, the KKN team collaborated with the PKK to organize a training on making bouquet from snacks. Through this training, it is hoped that it can equip the knowledge of local residents and increase their creativity and provide new ideas in creating creative home businesses.



Image 1. Bouquets training

The training not only provides technical skills but also builds participants' confidence in producing high-quality goods that can compete in the market. In addition to handicrafts, PKK also conducts training in the culinary field. This training often includes cooking techniques, recipe development, and culinary business management. With these new skills, family members can start unique and interesting food businesses, such as catering, small restaurants, or selling regional specialty food products. Culinary training in the village Gubugsari can be seen in the PKK group which is also incorporated in the KWT of Gubugsari Village holding regular meetings, in the meeting discussing new findings, namely making flour from various agricultural products such as carrots, cassava (mocaf), bananas, corn and the most interesting flour made from shallots. KWT members who participated in a kind of training with the Kendal Agriculture Office, in the meeting also explained and shared knowledge about how to make the flour Then the findings of the flour recipe from shallots were processed into a unique food product, namely cookies.



Image 2. Sharing knowledge & making cookies from shallots.

On the other hand, technology training organized by PKK opens up access for family members to understand and utilize digital technology in their businesses. On the other hand, technology training organized by PKK opens up access for family members to understand and utilize digital technology in their businesses. With technology skills, they can utilize digital tools for online marketing, business management, and improved operational efficiency.

Technology also facilitates access to a wider market through e-commerce platforms and social media, so that their creative products can be recognized and sold further from their location. For example, the utilization of technology can be seen in the marketing of cookies through WhatsApp and Facebook Through these various trainings, the PKK not only improves the skills of the technical skills of family members, but also broaden their horizons about existing economic opportunities. With their new capacities, family members become better equipped to face market challenges and more innovative in developing their products and businesses. This creates a positive chain effect, where the improved skills not only benefit the individual but also the positive chain effect, where improved skills not only benefit the individual but also contribute to local economic growth and economic development.

#### **Micro and Small Business Development**

Support from the PKK is able to encourage small and micro enterprises to grow, such as through management training, marketing, and access to wider markets. Micro and Small Enterprise (MSE) development plays an important role in the local and national economy. With support from organizations such as Pembinaan Kesejahteraan Keluarga (PKK), small and micro enterprises can experience significant growth. This support can be in the form of management training, which provides business owners with skills in planning, organizing and controlling various aspects of their business operations. This training not only improves operational efficiency, but also assists in better and more strategic decision-making. Which in turn contributes to the long-term sustainability of the business.

In addition to management training, PKK can also provide guidance in marketing, which is crucial for MSEs. Effective marketing allows small businesses to reach more customers and increase sales. Marketing training can include digital marketing strategies, branding, and sales techniques that can optimize their market reach. With a better understanding of how to market their products or services, small and micro enterprises can compete more effectively in an increasingly competitive marketplace.

Access to broader markets is another aspect of support that can be provided by PKK. Through the networks and relationships held by PKK, small businesses can expand their market reach, both locally and can expand their market reach, both locally and nationally. PKK can assist in connecting MSEs with distributors, retailers, and potential customers that were previously hard to reach. This not only opens up opportunities for increased sales, but also helps in diversification of products and services, as well as strengthening the business's position in the wider market. Overall, PKK's support in MSE development has been invaluable. By

facilitating management and marketing training and expanding market access, PKK plays an important role in helping small and micro enterprises to grow and develop. This not only provides direct benefits to business owners but also contributes to the local economy through job creation and strengthening the economic base of the community.

# 4. CONCLUSION

The Family Welfare and Empowerment (PKK) is one of the community organizations that plays an important role in empowering women across various levels of society. One of the great potentials that can be developed to improve the family economy in Gubugsari Village is through Micro, Small, and Medium Enterprises (MSMEs). In this village, the PKK members have collaborated with the Farmers' Women Group (KWT) to successfully utilize various local resources to create a variety of high-economic-value MSME products.

The Family Welfare and Empowerment (PKK) activities in Gubugsari Village include a variety of activities aimed at improving the skills and welfare of the members, especially the mothers. One of the activities organized is training on making snack bouquets, which was enthusiastically welcomed by the PKK mothers. This training not only taught the technique of making attractive and creative bouquets, but also provided an opportunity for the participants to develop a home-based business that has the potential to increase family income. Overall, it can be concluded that the PKK plays a strategic role as a driver of MSMEs in realizing a creative economy in Gubugsari Village. The PKK's contribution is expected to serve as a model for other villages in empowering MSMEs and promoting the growth of a creative economy in their respective regions.

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