

 **Go-Digital Management Strategy for Women MSME Actors for Poverty Alleviation in Indonesia**

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**Abstract**

As consumer behavior changes in the digital era, it becomes an opportunity for small and medium-sized enterprises (MSMEs) in expanding market access and becomes a challenge to adapt. This study aims to analyze the strategy of empowering MSME actors to *go-digital* through social actions, namely Volunteers, MSME Community, Digital Economy Clinics, Smart Village Models and Economic Heroes by providing ongoing assistance and collaborating with various parties. This study uses a systematic review approach through several stages, namely identifying questions research, establishing a *data base* of research results, selecting relevant and indexed research results, extracting data, citing results using narrative methods and presenting data. From the results of the analysis of the role of social communities in contributing and providing solutions to the problems faced to reduce the gap in the flow of digitalization between villages and cities. The benefits of this research can be used as reference material in designing curriculum development and empowerment of MSME actors towards digitalization in the context of alleviating poverty in Indonesia.

**Keywords**: Strategy, MSMEs, Digital Economy.

**INTRODUCTION**

The concept of Marhaenism is a very good concept that was initiated by the first President of the Republic of Indonesia, Ir. Soekarno was the inspiration for students in writing a research dissertation on Public Sector Management for poverty alleviation in Indonesia. Often there is an error in interpreting the actual concept of Marhaenism. One of the goals of the Marhaenism concept is to alleviate poverty in Indonesia, which is an important problem and must be resolved immediately because it involves the welfare of the people (Mulkhan, 2010). In terms of poverty alleviation in Indonesia, not only the Government must work hard to overcome poverty in Indonesia quickly, but the support of all Indonesian people to advance the Unitary State of the Republic of Indonesia and the people of Indonesia must be realized by every individual. Awareness of the importance of love for the Unitary State of the Republic of Indonesia by contributing and adding value to the State is the most important key in making the Unitary State of the Republic of Indonesia a leading country in the economy. The awareness that must exist in each individual is the social responsibility of each individual to determine attitudes so that they can provide benefits to many people and open up the future prospects of the Unitary State of the Republic of Indonesia.

Socialism in practice is a guideline that must be held by every individual in order to contribute not only in words, but also in action. One example of action that can be taken is to become a volunteer in the MSME movement for Indonesian women, especially housewives, so that their business can move up to a class that is more export-oriented. Currently the world needs an economic model that can be applied to improve the welfare of its population and researchers hope that this dissertation can provide a new perspective for all countries in the world and the understanding of socialism in practice can be an alternative for other countries to improve the welfare of all people, especially people in rural areas. and other remote locations.

In line with the targets that the Government wants to achieve in 2020 - 2024 to eradicate poverty in Indonesia, one of them is by developing the MSME sector that leads to Go-Digital technology in 2020. The MSME contribution target is 18% for exports and in 2024 the MSME export target is by 30.2%.

Although in achieving this target there are challenges faced, namely the risk of parties playing in the realm of the Digital E-Commerce platform in price competition for selling MSME products made locally in Indonesia, the Government continues to educate MSME actors in terms of digital literacy and product quality. . The concept of Marhaenism and Culture becomes a reference in the development of MSME products so that they are identical to the uniqueness of Indonesia and are exotic. Indonesia's very exotic culture makes Indonesia a strength to introduce Indonesian culture around the world.

To increase the awareness of MSME actors in Indonesia in doing business that leads to Go-Digital, it is necessary to have policies and strategies that are right on target, one of which is by developing the capability of MSME economic actors in terms of improving product quality and managerial capabilities in managing business digitally.

MSME actors are targeted to contribute 61% of Gross Domestic Product, while in 2024 MSMEs are targeted to contribute 65% of Gross Domestic Product, where the contribution of women is still very minimal, which is only 9% of the total existing MSME actors.

The demand for exports also continues to increase every year so that MSME players still have a huge opportunity to increase their export-oriented sales turnover.

The implementation of the strategy is MSME Go-Digital still not effective for MSME economic actors in remote and remote areas due to network constraints and internet quotas.

With the problem of the location of MSMEs, solid collaboration with the BUMN and private sectors is needed to accelerate the expansion of network access and the provision of free quotas for MSME actors who have limited capital and are affected by the COVID-19 pandemic.

The growth of MSMEs Go-Digital in the future will open up opportunities for national and global market access so that intensive assistance and guidance is needed in each region to prevent a game in determining prices on the MSME digital e-commerce platform.

Collaboration between the government and the private sector is needed so that MSME players can continue to improve product quality and compete globally. Collaboration by prioritizing targeted economic policies for MSME actors is no less important.

This study aims to analyze the effect of MSMEs' financial performance on company valuations in the Indonesian Capital Market as the effect of the digital progress of MSME actors in running the business wheel to make MSMEs in Indonesia more competitive and sustainable.

**RESEARCH METHOD**

Qualitative method by conducting education starting with interactive communication between the Government and MSME actors regarding digital policies and government programs.

*"Synergy between the Government of Digital Policy Makers and MSME Actors"*

The qualitative method used to develop digital capabilities and knowledge for MSME actors is the persuasive approach method through dialogue forums and direct interviews with MSME actors.

**RESULTS AND DISCUSSION**

With the majority of the Indonesian population transitioning to online purchasing behavior, the total internet users in Indonesia are 93.4 million and 71 million smartphone users.

Appropriate decision-making methods related to legal regulations based on statutory regulations are no less important elements in making policies for implementing technology in the MSME sector.

Social action contributes to helping MSME actors towards digitization, more and more social communities in providing assistance will have a significant impact on business sustainability during the digitalization period, thus empowerment programs are a strategy in helpingactors MSME *go digital*. Strategy for empowering MSME actors, based on the first literature (Rahadi, 2017). In supporting the sustainability of social entrepreneurship, collaboration between the government, entrepreneurs and the community is needed through sustainable assistance and policies that favor MSMEs. based on community participation to foster community independence so that a spirit of mutual cooperation, mutual assistance, teamwork and awareness and responsibility in developing business will emerge. In creative economy-based social entrepreneurship, the challenges faced are (1)not optimal design is Product, (2) Low skills

(3) Creative and innovative ideas in developing products need to be improved, (4) Product marketing is still limited so digitalization marketing strategies are needed. to increase sales.

Step - step in empowering SMEs is to improve the management sector and community involvement in design,

product marketing and financial management to develop quality products help the social community role in the marketing of products so as to provide broad market access for businesses.

Furthermore, based on the second literature (Gregori & Holzmann, 2020) marketplace aims to provide a better and more convenient alternative in buying products through digital markets in the form of applications *smartphone* and *websites* that are efficient in inspiring them to develop sustainable business models. For example, they can take advantage of the importance of digital tools. for the formation of a community that channels multiple contributions between business actors and consumers to achieve Common goals.

Based on the third literature (Heri Eko Prasetyo, 2019), efforts to improve human resources through the Digital Economy clinic as a strategy service to the community in developing skills to assist and improve product and service innovation, development of human resources and the use of technology and expansion of marketing access can be carried out by holding seminars, training and providing infrastructure in the hope of increasing the value of competitive products. Empowerment strategy through collaboration between the government with the concept of developing the quality of human resources in the digital economy by observing, imitating and modifying (ATM) patterns. There are three series of strategies in empowering MSME actors, namely:

(1) Making high-quality products with small capital, (2) Developing innovation in making products, (3) Encouraging MSME actors to have focus on one product, (4) Have an information center with adequate infrastructure in obtaining business capital.

Factor - factors, inhibiting namely:

(1) Lack of venture capital that has not been able to produce in large quantities, (2) .The quality of human resources is low in understanding based sales *e - commerce* and financial technology, (3) Training unsustainable and lack supervision or control system as a result that has been trained. The coaching pattern is (1) Formal Education Model, (2) Informal (activity) and (3) Non-formal Education Model.

Based on the fourth article (Ella, 2019), the Smart Village model is an innovative solution that puts forward technological innovation to transform villages to become independent by empowering the generation millennial as the actor main in village development so that they can reduce the digital divide. The strategy for empowering MSME actors through Smart Villages is to facilitate the development of a *marketplace* in stages; (1) Standardizing products that are potential Villages, (2) Selecting products MSME, (3) Conduct socialization with technical guidance, training, and promotion so that business actors are able to operate the marketplace, (4) Provide assistance to business actors to input product data into the marketplace, (5) Procedure for consumer complaints related to products that are not appropriate .

The steps in developing MSME actors through Smart Villages are; (1) Developing a formal and informal education system by designing a curriculum that is in accordance with the needs of the digital economy, (2) Increasing digital literacy through the generation millennial as the actor main through counseling, seminars, courses and technical guidance, (3) Fostering the entrepreneurial spirit of the generation millennial through entrepreneurship classes either through training, seminars, technical guidance and *e-learning* (4) Providing a platform for business development through BUMDes, (5) forming a community as a forum for joint learning in the development of the digital economy.

Based on the article fifth (Rachman, 2019), the Economic Hero program aims to provide training for MSME actors by empowering housewives from poor families who are active at home every day to open businesses to help the family economy. With the training provided, namely promotion and marketing both online and *offline* through the *marketplace* and social media. The participation of the Surabaya City government has prepared internet network access in every area in the form of *Broadband Learning Centers* and officers who are ready to assist in facilitating actors business to create social media and accounts *e-commerce.* The hero of the economy opening builds partnerships from various e-commerce companies, facebook and google. The synergy of the economic hero program is assisted by partners who provide assistance *Corporate Social Responsibility* from the Surabaya City government. The social impact caused is the improvement in the economic conditions of the community so that social disparities can be crushed. factors Community cultural also affect the tendency to buy MSME products. The Heroes of the Economy Program can be used as an example for the development of the digital economy to help actors business with collaboration between the government and the community.

Based on the sixth article (Darto Wahidin, 2014), the role of the internet is a necessity for MSME actors in transforming their business to increase sales which can strengthen business resilience. In the process of transforming from conventional sales to digital, it requires an awareness process and does not necessarily become easy and is taken for granted by business actors, a socialization and empowerment stage is needed in collaboration with PT Telekomunikasi Indonesia, the factors constraining in the socialization process are concerns, doubts, and lack of awareness. acceptance in economic digitization but after going through the empowerment process everything can change and can be accepted by business actors. Supporting the empowerment process requires (1) a telecommunications infrastructure network that reaches all regions, (2) the existence of a community as a forum for exchanging information or MSME volunteers, (3) Optimizing the use of information and communication technology services as a solution in MSME villages. The awareness of business actors is influenced by the knowledge provided by the social community which has provided empowerment and encouragement from the millennial generation who are active in providing information to improve digital literacy for actors business. Various *marketplaces* that are used by actors business in promoting their sales are through; Facebook, Instagram, Twitter, Bukalapak, WhatsApp, and other social media that an have effect on increasing sales, making the transformation easier, more efficient and reducing costs operational for actors business and making it easier for consumers to make purchases. Collaboration is needed in empowering business actors, namely; (l) Involvement of the government and related parties to expand internet access in each region, (2) participation of the wise community in internet use, (3) Optimization of actors business in developing online sales through the marketplace and social media.

Based on the results of the literature review, the results of the analysis regarding Strategy for Empowering MSMEs Go digital through social actions as follows:

Table 1. Analysis strategy of empowerment MSMEs Go Digital through social action

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| --- | --- | --- |
| No | Aspect | Analysis Results |
| 1 | Identification | * Collaboration is needed between the government, private sector and self-help groups in assistance to MSME actors
* providing Social community contributes to problems faced by MSME actors in facing economic digitization
* The concept of social entrepreneurship is oriented to the problems faced.
* needed *Volunteers are* MSME to assist business actors towards digitization
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| 2 | Factors - Opportunitiesand obstacles in facing digitization for MSME actors | Opportunities:* Open wider market access
* Assist MSME actors to upgrade
* *Marketplace* provides convenience for consumers to buy products
* Changes in behavior consumer provide market opportunities for MSME actors

Barriers:* Human resources are still low on understanding the digital economy Inadequate
* training unsustainable and lack of a monitoring system as a follow-up to the results of the training
* Uneven internet access
 |
| 3 | Empowerment Strategy | * Community participation-based approach to foster self-reliance
* Creating *a platform* social community to facilitate the needs of MSME actors as a forum for joint learning
* Through the Digital Economy Clinic in developing human resources in Utilization of technology
 |
|  |  | * Through the Smart Village Model as a solution to transforming technology in the village so that it can reduce the digital divide.
* enterprises owned Village-can be used as partners in developing the digital economy as a social institution in embracing business actors towards digitization.
* Through economic heroes as a form of social community in empowering and facilitating actors

MSME towards digital economy |
| 4  | The pattern of fostering MSME actors to go digital | * Develop a formal, non-formal and informal education system by designing a curriculum according to the needs in economic development digital noodles for MSME actors
* Improving digital literacy skills through the generation millennial as the main actor because they are more technology literate and can be used as agents of change
* Conduct training, focus group discussions, courses and ongoing technical guidance for the development of MSME actors
* Create learning media in the form of online motivational videos in supporting independent learning for business actors
* Providing assistance in product marketing through technical applications in the application of e- commerce
* Fostering the entrepreneurial spirit of the generation millennial through entrepreneurship classes through training, seminars, technical guidance and e-learning
* Conducting ongoing training and monitoring out of training
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 Source: Research results processed

technology can change the paradigm of people to always innovate, so that they become more efficient and effective and have an impact on the online marketing system so that technological advances are very influential influence the economy (Anton Wardaya., 2020) (Susanti, 2018). The process of transformation to digitalization requires awareness, empowerment and collaboration so that it can be accepted by business actors. Empowerment aims to motivate and provide guidance for SMEs (Muzdalifah,Novie, and Zaqiyah, 2020). In the empowerment process, it does not necessarily become easy and is taken for granted by business actors, it requires a stage of socialization and collaboration. There are three basic strategies in empowerment, namely: (1) Empowerment through policies, (2) Empowerment through social and political action, (3) Empowerment through Education (Achmad Hufad, 2017). That is to empower SMEs to the economic digitizing required collaboration with various parties, both from the government, private sector and communities in providing independence and policies that favor the UMKM. The Government target 30 million of 64 SMEs go digital or integrated systems electronic in 2023 (Indonesia , 2021). There are still many challenges facing SMEs towards digitization, namely:

(1) The production of goods is still limited and is unable to meet the demands of the digital market, (2) Resilience effort SMEs are limited to compete with businesses enterprises, large (3) Education and literacy of business actors is still very low.

The empowerment process is the biggest challenge, which is influencing the community to be empowered, in this case the MSME actors to be able to accept new ideas from traditional to digitalization with a community approach strategy according to Bratha 1992 in (Achmad Hufad, 2017) as follows: (a)Strategy *Persuasive* with the aim of changing the attitude of a person or group, (b)Strategy, *Compulsion* namely changing the situation in such a way that there is a change in attitude, (c)Strategy *Persuasive* namely repeating what is expected to enter the subconscious field so that it changes itself according to what is repeated. The MSME empowerment strategy requires the involvement of empowerment targets so that they can open up the aspirations of needs with strategies *bottom up* there is direct involvement between empowerment targets in identifying the desired needs.

The role of the social community can contribute to the problems faced by MSME actors towards the digital economy, the empowerment process must have actors who provide assistance, the role of professional social workers as *change agents* in empowering MSMEs can help business people towards *e-commerce business* (Ujang Muhyidin, 2019). With the existence of social actions that can assist in facilitating the needs of factors MSME as well as an awareness process in the form of training and education that has a positive impact on social efforts carried out in empowering MSMEs.

To suppress the digital divide between the Village and the City ,needed a Smart Village model movement is that involves youth as a driver in developing Villages to become independent, according to (Ella, 2019) examples of best practice in developing a digital economy in the Village through strategies, namely: (1) Revitalizing businesses rural which is a business from and for the community which includes MSMEs and enterprises owned Village-(BUMDes), (2) Optimizing the use of information and communication technology in supporting economic activities rural, for example. to increase the *value* of local products; through buying and selling transactions and marketing of local products; and disseminate information to consumers and *stakeholders*, (3) Provision of adequate and appropriate information and communication technology infrastructure through the construction of an internet network in collaboration with the village government, (4) Increasing digital literacy both for village communities, business people in the village, and village government. Regarding the introduction of information technology and its use in economic activities from both Enterprises Owned Village-and actors MSME in skills in managing *e-commerce applications,* (5) Increasing the generation millennial village as village economic actors as a productive generation and more literate to the digital world can acting as a drafter, assistant, facilitator and actor to develop a digital economy based on local potential, 6) Collaboration between *stakeholders* including actors. Standardization of local products can be carried out starting from the production, processing, and packaging processes so that the quality of the products sold is guaranteed and gains consumer trust and the use of commerce. *e-commerce* that is able to increase local economic growth.

The role of social action contributes to helping business actors towards digitization. There are several empowerment programs and strategies that can be adopted to be applied by various regions that involve the participation of business actors as a solution to the problems faced. Thus, the implementation of empowering MSME actors must begin with the conditions and problems experienced so that the program that has been designed is in accordance with the desired expectations. These problems can be overcome by combining business and social activities so as to provide independence for MSME actors. In the MSME mentoring program towards digitization, several materials were presented, namely: (1) Product Marketing, namely providing assistance in marketing strategies to namely providing assistance in focus on the market desired so as to obtain the desired results, (2) *Branding* Product, selection brand in business improvement and collaboration. in the copyright of brand selection, (3) Brand Design is increasingly unique and good in design the brand will give a good impression to consumers so that a needed design is brand creative, (4) Business development plan, in the mentoring process must provide a stimulus to business actors to increase business levels, both contained in short, medium and long term plans so that there is a target from business actors to increase business levels or advance class from business micro to small businesses and so on, (5). Packaging*(Packaging),*to understand how to package the product well and improve packaging so that the product seem more attractive, (6) Pricing in a product that is by determining the base price of the products as well as to identify the cost in the manufacture of products such as the supply of raw materials, labor , operational, marketing, production costs so that they can determine the price to be marketed and can compete with business competitors, (7) Product Promotion, a needed strategy is to promote a good product so that it can get optimal results, (8) Utilization of information technology, namely using ICT as a means of promotion either through e-commerce, social media, *google ads* and other information technology in optimizing marketing.

Every mentoring or training program should take place continuously so that there is a control over the training results that have been achieved. Various programs that have been implemented as a form of social action towards awareness in helping business actors have a positive impact in improving the economic conditions of the community and can create a healthy business climate. The following are the positive impacts of social action activities for MSME actors; (1). Economically can help and create profit from the increase in the sale of products online to businesses assisted, (2) Socially impacts resulting from development activities through social action in terms of side businesses their education to foster creativity and innovation in using technology ( 3) In policy, the public impact of empowerment through social action provides input to policy makers as a basis for implementing regulations that favor MSMEs, (4) provides education to consumers through communities social by socializing "I am proud to buy MSME products".

**CONCLUSION**.

Empowerment through social action aims to provide independence for business actors with a participation-based approach and collaborate with various parties including the government, the private sector and the community in providing assistance to MSME actors. There are still many challenges and problems faced towards a digital economy, a mentoring strategy is needed in empowering MSME actors from the results of the analysis of the six manuscripts based on the analyzed aspects, namely; identification, factors opportunity and obstacle, empowerment strategies, and development patterns for MSME actors. Various development strategies undertaken include: (1) Develop System Formal Education, Non-formal and informal in designing the curriculum needs of the development of the digital economy, (2) Make the generation of millenials as actor the main in assisting SMEs go digital, (3) Conducting Training, Focus Group discussion and technical guidance, (4) Creating online learning media to support independent learning for business actors, (5) Fostering an entrepreneurial spirit through entrepreneurial classes for the younger generation, (6) Conducting ongoing training and monitoring the results of the training.

Various programs that can be used as examples in helping MSMEs towards digitization are; (1) Creating a MSME social community platform, (2) Through the digital Economy Clinic in developing human resources in the use of technology, (3) Through the Smart Village Model as a technology transformation solution in the Village so that it can suppress the digital divide in the Village,

(4) Collaborating with Village-Owned Enterprises in developing MSMEs to go digital, (5) Through economic heroes as a form of social community in empowering MSMEs towards a digital economy. The role of social action contributes to MSME actors in providing assistance and has a significant impact on business sustainability in the digital era. The benefits of research this as a reference material in developing a pattern of coaching through formal, non-formal and informal education in designing a curriculum according to the needs of digital economy development.

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