

Empowerment of Communities Affected by Covid 19 Through Strengthening Management and Technology Aspects Marketing For SMEs

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ABSTRACT

In Gorontalo Province, the COVID-19 pandemic has lasted for approximately one year. One of the affected areas is North Gorontalo Regency which is directly adjacent to Central Sulawesi Province and North Sulawesi Province. This area has a lot of marine wealth potential that has not been managed. One of them is the great potential of seaweed. In this area the level of seaweed production reaches \pm 28,866 tons/year. Of this amount, only about 20% is used by local processing industries as food processing materials, while 80% is sent to processing factories in the cities of Manado, Makassar and Surabaya . This happens because of two things: 1) the application of functions and elements of management has not been maximized, 2) there is no concept of center development and group development. Therefore, assistance from related parties, including universities in the transfer of management technology and standardization of product processing diversification for the development of SME centers is highly expected. In general, the purpose of the activity this is to reduce the negative impact of the spread of covid 19, especially for the community of seaweed SMEs in Katialada village. The method used is technical guidance on the management of processed seaweed diversification and assistance in the application of management functions and elements, industrialization and product standardization as well as the development of processed products to local and national markets. The results of the service are expected to increase economic added value for coastal community groups directly affected by COVID-19.

Keywords: Empowerment, Management, Independence

PRELIMINARY

COVID-19 has triggering changes in all aspects of life , including changes in business and consumer behavior patterns. Business as the wheel of life suddenly changed the whole course. Starting from work processes, business strategies to the most basic things such as interactions have changed. The impact of Covid-19 on changes in the SME market, which can be seen from changes in consumer behavior. The shift in consumption patterns has led to a decline in sales to SMEs in Indonesia , including seaweed processing SMEs . Seaweed has long been used by the community as food and medicine (Adriana Monica Sahidu, Akhmad Taufiq Mukti, Woro Hastuti Satyantini: 2019). Seaweed is still only sold in the form of dried seaweed (2019: Alfi Suciyati, Ratna Yulinda, Nursia). Furthermore, Hikmah (2015) states that currently around 80% of Indonesian seaweed is only exported as a primary raw material (raw material) in the form of dried seaweed at a relatively low price, and only 20% is processed domestically.

Kwandang District, North Gorontalo Regency , seaweed production and processing is centered in the fishing village of Katialada village. This village has 5 seaweed processing community groups who have also been affected by covid 19. The processing of seaweed into products has been carried out, one of them by the Lotus Indah UKM group with a period of more than 5 years ago. The group, which is dominated by housewives, specifically produces a variety of seaweed products, including seaweed lunkhead, seaweed crackers, seaweed syrup and seaweed pudding. The Teratai Indah UKM consists of ten people, dominated by housewives. Since the COVID-19 pandemic hit, this group has experienced difficulties in carrying out production and marketing activities, and has even stopped for some time to produce. The lack of

management capacity, production capabilities and the absence of online marketing technology are the basic problems faced. Therefore, the assistance of the PKM team from the State University of Gorontalo is very much needed in the transfer of management and technology. The hope, willingness and seriousness of the coastal community group for seaweed processing became one of the motivations for the PKM team to identify and develop a program work plan with other expert teams at the State University of Gorontalo. Seaweed remains a relatively untapped resource with great potential as a nutrient-rich food ingredient, feed ingredient, cosmetic, agrichemical, biomaterial and bioenergy molecule (Chopin, 2012). This seaweed cultivation business is more profitable, considering that the cultivation process only takes 45 days (Salman: 2019) .

The Teratai Indah UKM is an active group in the production of processed seaweed, but since the last six months the activities of this group have decreased drastically as a result of the COVID-19 impact. Based on the results of the analysis, this condition is caused by several aspects which can be seen in detail in the following table.

Table 1. Factors causing the decline in the activities of the Lotus Indah UKM group

| No. | Causative factor | Information |
|-----|---|-------------|
| 1 | Social restrictions by the government as a result of Covid 19 | |
| 2 | Consumer behavior shift | |
| 3 | Shift shift in business patterns | |
| 4 | The supply of raw materials has stopped as a result of the decline in seaweed cultivation activities by farmers/fishermen | |
| 5 | Decrease in the amount of working capital | |
| 6 | Reduced group production activities | |
| 7 | Starting to decline in product quality and quantity | |
| 8 | Demand for products from consumers decreased drastically | |
| 9 | Distribution is not running normally | |
| 10 | Drastic decline in marketing activities and sales turnover | |

Source: The results of the identification of the PKM Team

SME management is still experiencing various obstacles. The low level of community knowledge and skills regarding various processed seaweeds can occur due to a lack of information and training on good and proper management standards (2018: Rizky Dwi Putri, Rizky Megasari, Dian Rachmawati, Annur Ahadi). Katialada Village is one of the seaweed-producing villages. Some of the facilities available in this area are assistance from the Department of Fisheries and Marine Affairs of the Gorontalo Province which have not been utilized properly. These facilities include: 1) a production house and packaging of processed products, 2) a set of seaweed processing equipment, 3) boat/catinine assistance for fishermen. Besides that, other supporting potentials are: 1) the potential of the fishing village of Katialada village which is also a strategic marine port location as one of the marketing areas for processed seaweed products, 2) the financing scheme available at the Koperindag Service, North Gorontalo Regency, 3) the scheme. financing available at the Gorontalo District Fisheries and Marine Service, 4) financing schemes from the Gorontalo Provincial Fisheries Service, 5) financing schemes from other government institutions, which essentially requires the readiness of business groups to access, and develop their businesses in a productive and sustainable manner. Seaweed farmers as one of the actors in marine and fisheries development that produce export commodities need to receive serious and continuous attention and guidance in order to produce quality products. To be able to produce seaweed products that can compete in the market, professional business management is needed (2017: Sulistyarningsih, and Puryantoro).

The COVID-19 pandemic which has lasted for approximately six months in North Gorontalo has had an impact on the seaweed processing SME group in Katialada Village. Utilization of seaweed can be maximized by diversifying processed seaweed products which is an effort to increase the usability and economic value of seaweed (Yanti Meldasari Lubis, Novia Mehra Erfiza,

Ismaturrehmi, Fahrizal: 2013). Furthermore, Kirby (2003) states that small and medium enterprises have several problems in their growth. This problem is caused by the lack of entrepreneurial, financing, and market values. Other external factors such as the macroeconomic environment, government policies and regulations, and the availability of physical infrastructure also affect growth. The main problem faced is increasing the value of abundant seaweed raw materials into a variety of products that have high economic value through the application of product diversification management aspects. While the second problem is after the product is produced, what about the marketing. Therefore, the scope that will be handled in this program consists of two, namely: 1) management aspects, and 2) development and application of marketing technology. There needs to be an activity that integrates all the diversification of processed seaweed products so that the processed product outputs have a brand that can be recognized by the wider community considering that there are so many types of processed products that have been tried by farmers and processors.). Based on the synergy of superior programs and the results of field observations, the potential and identification of seaweed processing management problems faced by coastal community groups in North Gorontalo Regency are described in detail in the following table .

Table 2. Priority of SME Managerial Aspects

| No | Problem | Details of Seaweed Processing management issues | Note: |
|----|--------------|---|-------|
| 1 | Raw material | Sources of seaweed raw materials are abundant, but only as much as 20% is processed into food products and 80% is still sent out of the region | |
| 2 | Production | It takes diversification, reconstruction and standardization of seaweed syrup production stages and seaweed pudding production stages according to the needs of the modern market as partners | |
| 3 | Distribution | There is no mapping and distribution plan for seaweed syrup and pudding products according to market demand. Product distribution channels are required. | |
| 4 | Management | The business group does not yet understand the concept of scientific management. Have not practiced the management function and its elements in the success of the seaweed syrup and pudding product business | |
| 5 | Marketing | A survey is needed to ensure the market for processed food products and the cooperation of modern market partners in downtown Gorontalo | |
| 6 | HR | Efforts to develop human resources for business groups have not been carried out in a planned manner according to standard requirements. The members of the group consisting of 25 (twenty five) people produce syrup and seaweed pudding based solely on experience from generation to generation. | |
| 7 | Facility | The facilities available to partner business groups are still very simple. Need help with syrup and pudding processing equipment as seaweed food processed products | |
| 8 | Financial | It requires learning that business capital management is still simple, and it doesn't even have the proper administrative completeness. This was born from the group's assumption because the capital used was also still limited, so that ordinary records could still be used. | |

Source: The results of the identification of the PKM Team

Based on the potential and synergies as well as the identification of the underlying problems against the above background, the focus of the PKM community empowerment program is carried out according to the needs of the Teratai Indah SMEs in the form of the application of science and technology as follows:

- 1) Strengthening the capacity of functions and management elements of the SME governance of the seaweed craftsman group, guided by the standard covid 19 procedure .
- 2) Industrialization and standardization of various processed seaweed products based on the standard covid 19 procedures .
- 3) Product market expansion SME production to local and national markets through the application of online marketing science and technology, guided by the standard covid 19 procedure .

IMPLEMENTATION METHOD

In this activity the materials used are raw materials and supporting materials. The raw material used is seaweed and the supporting material can be in the form of a complement according to the needs and composition standards. Based on the focus of activities and the situation of the COVID-19 pandemic, an effective activity method is needed according to the protocol for activities in Covid 19. This aspect is divided into three, namely, preparation, implementation, empowerment methods, operational steps and program sustainability, which can be explained as follows.

In achieving the results as targeted, the methods of the PKM service program activities are in the form of:

Table 3. Methods used in empowering target groups

| No | Priority Issues | Troubleshooting Method |
|-----------|------------------------|---|
| 1 | Management | Discussions, questions and answers and comprehensive business management strengthening practices were carried out through business management application practices by presenting experts and practitioners from universities, partners and related agencies. |
| 2 | HR | Provide technical reinforcement/guidance for partner business groups and their members regarding production techniques and compliance with product quality standards, finance, distribution and marketing, |
| 3 | Raw material | Discussion, question and answer and practice of raw material preparation, standardization of raw materials and use of raw materials for healthy and hygienic seaweed food processing |
| 4 | Production | Discussion, question and answer and practice of standardization of processed food production. Fulfillment of the stage of production activities. Use of production facilities for the quality of processed seaweed products |
| 5 | Marketing; | Discussion, question and answer and practice of mapping market objectives, setting targets, compiling sales/purchase contracts and online marketing. |
| 6 | Facilities | Discussion, question and answer and practice of using production facilities, admin/office facilities and marketing facilities |
| 7 | Financial | Discussions, questions and answers and financial governance practices. Develop sources and uses of finance. Simple bookkeeping. Financial reports and so on |

| No | Priority Issues | Troubleshooting Method |
|----|-----------------|---|
| 8 | Distribution | Discussions, questions and answers and the practice of product distribution mechanisms to consumers remain in accordance with contracts and delivery of products from online sales. |

Source: The results of the identification of the PKM Team

The next stage of the activity consists of three parts, namely the stage of capacity building, the stage of diversification and online marketing and the stage of evaluation and strengthening. The three stages were carried out for three months, namely September, October and November. The stages of applying science and technology to SMEs are based on a field needs analysis conducted by the PKM team with the target SMEs, which can be described as follows.

RESULTS

In the implementation of this activity, targets and outcomes have been set. The target results of community service activities can be seen in the following table.

Table 4. Problems, solutions, outcomes and percentage of Managerial Aspects

| No | Problem | Solution | outside | Percentage Achievements |
|----|--------------|--|---|-------------------------|
| 1 | HR | Implement technical guidance and mentoring for SME governance, product diversification, utilization of information technology, etc. | Increased capacity of human resources in business planning practices, financial governance practices, seaweed processing, product labeling and the use of marketing information technology | 90% |
| 2 | Management | Carry out technical guidance and assistance as well as the practice of functions and management elements | Increased ability of management functions and elements, business plans, Operationalization of the division of work, and re-improvement of management aspects | 90% |
| 3 | Raw material | Carry out technical guidance and assistance in the preparation of raw materials, utilization and standardization of raw materials, etc | Increased capacity of raw and processed materials according to standards, healthy and hygienic according to BPOM Gorontalo standards | 90% |
| 4 | Facility | Carry out technical guidance and assistance in fulfilling the facilities needed in carrying out the Teratai Indah SME business activities according to needs | There is improvement of facilities and fulfillment of production facilities, secretariat, use of facilities according to standard operational activities, maintenance and care of work facilities | 90% |
| 5 | Production | Carry out technical guidance and production assistance, standardize quality and quantity according to market needs and business | Improvement of production aspects, Fulfillment of production standardization according to BPOM standards, | 90% |

| No | Problem | Solution | outside | Percentage Achievements |
|----|--------------|---|---|-------------------------|
| | | contracts with marketing partners | Use of facilities to improve product quality/quantity. | |
| 6 | Financial | Implement technical guidance and assistance in financial governance, financial access to third parties and effective and efficient use of finance. | Improved financial governance capabilities of SMEs, preparation of financial operational work plans, Use of financial governance standards, Analysis of financial sources and uses, Development and re-improvement of financial governance | 90% |
| 7 | Marketing | Implement technical guidance and assistance in marketing governance, buying and selling contracts with partners, utilizing information technology. | The existence of marketing program capabilities, Implementation of marketing programs, effective product marketing work, Use of online media for product marketing, Development and re-improvement of online product marketing programs | 90% |
| 8 | Distribution | Carry out technical guidance and assistance for product distribution governance to consumers according to contracts, online distribution and guarantee product delivery in accordance with sales contracts. | The existence of a product distribution program in collaboration with online drivers, online delivery, Use of facilities as needed for product distribution, Product distribution according to contracts with partners/outlets, Assistance in local and online market distribution strategies | 90% |

Source: The results of the identification of the PKM Team

DISCUSSION

In an effort to achieve the program targets and outcomes that have been described previously, it is necessary to evaluate the implementation of the program. To get maximum results, evaluation is carried out at each stage . The evaluation can be detailed as follows:

1) Management Aspect

Evaluate: 1) all program plans in the field of management are implemented well, whether the program targets in the management aspect are met and whether the outputs of the management aspect in the two SMEs are successful. If there are obstacles in the implementation of improvement in management aspects, as far as possible solutions for improvements can be found so that improvements can be continued for the next year's program. 2) Are the human resources that have been recruited and employed able to achieve the targets that have been set, namely being able to carry out administrative and management arrangements in a professional manner, able to carry out the production process in accordance with the targets and quality in question, able to achieve product sales targets in the local market throughout Gorontalo Province? and national . If there are obstacles encountered in the aspect of human resources, to ensure the

sustainability of the program in the coming year, a scientific analysis of improvements is needed to find concrete solutions for improvement. 3) evaluate the supply of raw materials, availability and use of raw materials to ensure production targets based on market needs. If there are obstacles encountered, a study and the formulation of concrete solutions are immediately carried out to ensure the sustainability of the program.

2) Aspects of online market diversification and expansion

The evaluation of the program for implementing the diversification and expansion of the online market by UKM Teratai Indah is carried out in the form of: 1) knowing and ensuring that computer equipment and its applications run effectively as set targets. If there are problems, the PKM team together with SME partners Teratai Indah find real, effective solutions so that the device runs well. 2) perform routine checks and maintenance on computer equipment to ensure its effectiveness according to the business plan. 3) check and update/update regularly on the use of all social media applications. 4) Measure the effectiveness of social media applications on the sales results of the Teratai Indah SME products. 5) evaluate and ensure market expansion to the audience with new consumer segments.

Program Sustainability.

This community empowerment through PKM is expected to be able to make a real contribution to the Teratai Indah SMEs affected by COVID-19, not only during temporary activities but can be implemented sustainably by local community groups to continue running their business through adapting new habits. Therefore, a scientific concept that is operational in nature is needed to ensure the sustainability of the program. For this purpose, the PKM team cooperates with the village government and related agencies, which can be detailed in the table as follows:

Table 5. Program sustainability plan

| No | Form of cooperation | Objective |
|----|---|--|
| 1 | Ensure that all concrete solutions and stages of problem solving have been carried out according to standards. | Familiarize the target group to work in a planned and measured way |
| 2 | Propose a follow-up program in the form of another scheme in the Higher Education program | Ensuring the sustainability of programs and technology transfer from universities |
| 3 | Cooperation with the village government to continue to guide and develop the two target groups | Ensuring that the village government pays attention to the development of its potential |
| 4 | Collaborating with the Koperindag Office of North Gorontalo Regency to continue to provide guidance and development, especially regarding financial, product, and marketing aspects | Integrating seaweed processing business potential in the Perindagkop Service Office program to continue to receive regular coaching every year |
| 5 | In collaboration with the Department of Fisheries and Marine Affairs of North Gorontalo Regency to continue to provide guidance and development from the aspect of processing fishery raw materials | Integrating the potential of seaweed as the main product processing program with two pilot groups to stimulate other business groups |

Source: Analysis results PKM Team

CONCLUSIONS AND SUGGESTIONS

The community partnership program through diversification of seaweed processing in Katialada village is a transfer of science and technology according to the needs of community groups. Therefore, this activity has provided benefits from aspects of implementing functions and elements of management for small and medium enterprises processing seaweed. This activity

also provides value for benefits, especially for marketing seaweed products online using social media. With the online marketing method, it is expected to be able to increase sales turnover, so that it will increase group income.

In an effort to continue to increase people's income, collaboration and follow-up programs are needed. Therefore, it is suggested that group development can be carried out periodically by the Office of Cooperatives and Small and Medium Enterprises, as well as the Department of Fisheries and Marine Affairs of North Gorontalo Regency.

THANK-YOU NOTE

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