

IMPROVED ENTREPRENEURIAL PERFORMANCE OF GINGER PROCESSOR BASED ON LOCAL WISDOM'S POTENTIAL

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ABSTRACT

This investigation was conducted for six months in Mallawa District, Maros Regency, South Sulawesi Province. Using questionnaires to apply the case study method to the business of processing ginger into beverages. Sample stability by use of targeted sampling. The study of data employs descriptive analysis with cross-tabulation and percentages, value-added analysis based on the Hayami Method, and correlation analysis. Results indicated that the values of local knowledge that shape the entrepreneurial spirit of ginger processing in Mallawa District, Maros Regency are honesty, self-confidence, courage to take risks, never giving up, innovative thinking, persistence, patience, hard effort, and teamwork. The entrepreneurial behavior of ginger processors demonstrates that the entrepreneur's cognitive behavior is fairly good, his affective behavior is good, and his psychomotor behavior is excellent. The association between entrepreneurial activity and corporate performance is significant. Processing raw ginger into "instant sarabba"

ABSTRAK

Penelitian ini dilaksanakan di Kecamatan Mallawa, Kabupaten Maros, Provinsi Sulawesi Selatan, berlangsung selama 6 (enam) bulan. Menggunakan metode studi kasus terhadap usaha pengolahan jahe menjadi minuman dengan alat bantu kuesioner. Pengambilan sampel dengan purposive sampling. Analisis data menggunakan analisis deskriptif dengan tabulasi silang dan persentase, analisis nilai tambah Metode Hayami, dan analisis korelasi. Hasil penelitian menunjukkan bahwa nilai-nilai kearifan lokal yang membentuk jiwa berwirausaha pengolah jahe di Kecamatan Mallawa, Kabupaten Maros adalah kejujuran, percaya diri, keberanian mengambil resiko, pantang menyerah, berfikir kreatif, gigih, kesabaran, kerja keras dan mampu bekerjasama/bergotong royong. Perilaku kognitif wirausaha cukup baik, perilaku afektif wirausaha baik, dan perilaku psikomotorik wirausaha sangat baik. Terdapat hubungan yang signifikan perilaku wirausaha dengan kinerja usaha. Nilai tambah pengolahan jahe mentah menjadi "sarabba instan"

INTRODUCTION

Data from the BPS in 2021 indicates that the increase in population parallels the rise in the Indonesian labor force. In February 2021, there were 139.81 million people in the labor force, 1.59 million more than in August 2020. In February 2021, the unemployment rate for young people reached 18.03%. This number is 1.72 percent higher than it was in February 2020. The sectors with the greatest percentage increase in employment were accommodations and food and beverage service.

Since the beginning of 2020, the global crisis due to the outbreak of the COVID-19 virus has exacerbated the state of the business world. The government imposed social interaction restrictions and self-quarantine. The two superior programs have an undeniable effect on business conditions and the local economy. In order to maintain efficiency and business viability, layoffs are a common practice for many organizations. Consequently, entrepreneurship plays a crucial role in keeping the wheels of the economy turning. Entrepreneurship is believed to be the engine of economic growth, as well as an economic development pioneer. If a country has a high proportion of entrepreneurs, then the nation's economy will flourish (Casson M, et al, 2006)

The role of entrepreneurship is to increase the workforce's capacity, empower employees, and stimulate the economic conditions of the Indonesian people. The empowerment of micro and small-scale entrepreneurs is crucial due to their great potential to drive community economic activities and serve as a pivotal source of income to enhance community welfare. According to research (Bosma, 2011), the emergence of *wirusaha* in Indonesia is a result of economic pressures; therefore, a person is compelled to create his own job because he has been unemployed for too long and was unhappy in his previous position. Given this context, it is not surprising that many micro and small businesses have sprung up like mushrooms during the rainy season, but that their development has been challenging.

The processing of agricultural products, particularly ginger, into instant beverages was one of the businesses that began to flourish. The majority of farmers in the Maros Regency of South Sulawesi cultivate ginger, making it one of the locally accessible products. Ginger has many applications and benefits for human life. Because of the favorable climate and soil conditions, ginger grows and develops well in Indonesia. Ginger flourishes in soils that are rich, loamy, and humus-rich, and are suitable for planting on soils that receive sufficient precipitation. In addition, ginger thrives in Indonesia and requires little care, so it is commonly grown in home gardens.

The demand for ginger has increased alongside the development of micro, small, and medium-sized businesses that use ginger as a raw material for processed goods, such as the business of producing traditional instant ginger drinks, which are in high demand due to their broad market. In addition, business is booming for *dodol* ginger, herbal medicine, instant cooking spices, and ginger-based traditional medicines packaged in a modern way (Rukmana, 2002). Table 1 presents the following production and productivity data for *jahe* in southern Sulawesi.

Table 1. Data on Ginger Production and Productivity in South Sulawesi Province

No.	Year	Harvest Area (Ha)	Production (Tons)	Productivity (Tons/Ha)
1.	2014	5.747.379	11.644.307	2,03
2.	2015	15.426.735	44.312.610	2,87
3.	2016	8.588.988	19.785.431	2,30
4.	2017	4.107.804	12.040.602	2.93
5.	2018	3.449.492	10.489.584	3.04

Source: BPS Data, 2019.

The processing of ginger into beverage products is still a small-scale household business with limited capital, but it continues to thrive. The majority of these business actors are women

with strong local business acumen, namely the nature of mutual assistance, cooperation in togetherness, mutual cooperation, and perseverance in business management.

Consequently, these characteristics and behaviors are the foundation of this research plan. Due to the unique local nature and character of the community, this study focuses on the characteristics and behavior of micro- and small-scale entrepreneurs as compared to medium- and large-scale entrepreneurs. This business continues to operate despite the fact that it is not in line with the development of its business performance, despite the difficulty in obtaining business capital and the limited market opportunities caused by government policy restrictions due to the Covid-19 Pandemic.

Based on the background information, the following issues will be investigated: 1) What are the characteristics of local wisdom among entrepreneurs who process ginger into drinks in Mallawa District, Maros Regency? What is the added value (value added) and profit of the ginger into beverage processing business?

RESEARCH METHODS

This investigation was carried out in the Mallawa District of the Maros Regency in South Sulawesi. The location of the study was determined by sampling on purpose, taking into account the region's prominence in ginger farming. Even on yard land, garden-grown ginger plants thrive. Multiple groups of women in the region are also involved in the small-scale business of transforming ginger into beverages.

To analyze the data, Household Income and Expenditure Analysis is utilized. For this study, the following data analysis methods were used: 1) Quantitative Descriptive Analysis, Using the following variables and indicators, a quantitative descriptive analysis is conducted to describe the characteristics of local wisdom and entrepreneurial behavior in ginger drink production. Analysis of Added Value and Business The Hayami method (Hayami et al., 1987) is a technique for estimating changes in the value of raw materials after processing. The value added during processing is the difference between the value of the product and the cost of raw materials and other inputs. Then, calculate the value-added using the Hayami method. The value added is the difference between the price of the output and other input contributions and the price of the raw materials.

Correlation Analysis

Correlation analysis is a statistical technique utilized to examine the quantitative relationship between two or more quantitative variables (X2). Chi-squared analysis is a non-parametric statistical method for examining the relationship between variables, according to (Sugiyono, 2009).

Chi Squared Formula: = X^2

$$X_h^2 = \sum_{i=1}^k \frac{(fo - fe)^2}{fe}$$

Information:

- X_h^2 = calculated chi-squared value
- Fo = Frequency of observations/observations
- Fe = Expectations

RESULTS AND DISCUSSION

Characteristics of Respondents

The business management activities of entrepreneurship are influenced by a variety of factors. The process of decision-making is influenced by the social factors inherent to an entrepreneurial personality. Age, level of education, farming experience, and land ownership are among the characteristics of the farmers who responded to the survey. The age range of respondents in all vacant strata is, on average, between 22 and 58 years old. The majority are high school educated housewives.

Characteristics of Local Wisdom

Local wisdom is an outlook on life and knowledge, as well as various life strategies embodied in the activities of local communities. Local knowledge is highly esteemed and has its own advantages for individuals. Regarding entrepreneurial activities as ginger processors, the Barugae Village, Mallawa District, Maros Regency community has a number of local proverbs, including mutual cooperation, honesty, a willingness to take risks, and a sense of leadership.

Table 2. Characteristics of Local Entrepreneurial Wisdom

No.	Characteristics of Entrepreneurship	Local Wisdom	Score	Category
1	Confident	Honesty	150	Strong
		Confident	116	Strong
2	Risk Taking	Courage	123	Strong
		Never give up	118	Strong
3	Innovative	Think creatively	112	Strong
		Act innovatively	107	Keep
4	Diligent	Persistence/Tenacity	112	Strong
		Patience	117	Strong
5	Leadership	Responsibility	103	Keep
		Able to make decisions	101	Keep
6	Motivation	Strive	138	Strong
		Collaborate	139	Strong

Source: primary data processed, 2022

Among the values of local wisdom that are vital in molding an entrepreneurial spirit are honesty, self-confidence, the bravery to take chances, never giving up, the ability to think creatively, perseverance, patience, hard effort, and the capacity / ability to work together.

Pay attention to the rules and roles, know your responsibilities, be able to tell the difference between right and wrong, have leadership potential, work well with others, avoid giving up easily, make sacrifices for the greater good, be vigilant, be willing to take risks and accept the consequences of his decisions, be generous, respect one's teammates and adversaries, be self-disciplined, and know your limits.

Business Performance

When analyzing the performance of a company, operating profits or operating profits per month are two important metrics to consider. A combination of sending out questionnaires and conducting interviews with respondents was used to arrive at an estimate of the amount of profit the company made. The monthly profit made by the company is detailed in the table that

can be found below. According to Table 20, the profit that the ginger drink manufacturing business makes on average each month comes to IDR 6,688,333.

Table 2. Average Profit of Ginger-based Beverage Manufacturing Business at KWTH Barugae

No	Business Profits (Rp)	Sum (person)	Percentage (%)
1	3.360.000 – 6.000.000	17	56,67
2	6.000.001 – 8.700.000	8	26,67
3	8.700.001 – 11.400.000	5	16,67
Sum		30	100,00
Minimum profit : 3.360.000			
Maximum profit : 11.400.000			
Average profit : 6.688.333			

Source: primary data processed, 2022

Value Added Analysis

Product value measurement attempts to put a number on the extra profit made by companies off of their wares. This research hopes to answer the question of whether or not the addition of instant sarabba to ginger increases its overall worth.

An evaluation of ginger's contribution to instant sarabba's value is performed using the Hayami technique. It is possible to estimate the post-treatment transformation of raw materials using the Hayami approach, among other methods or procedures. During the processing phase, a product's value is increased relative to the cost of its raw ingredients and other inputs. The purpose of the calculation is to ascertain the significance of numerous elements, such as the value of other inputs and the price of raw materials. Instant sarabba can't be made with low-quality ginger powder. It calls for ginger, palm sugar, pepper, xanthan gum, vegetable crimper, granulated sugar, water, and salt.

Table 4. Value Added Analysis of Ginger Processing into Beverages

	Basic Components	Formula	Value
I. Output, Input and Pricing			
1	Output instant Sarabba products (kg)	(1)	162
2	Raw material inputs (kg)	(2)	50
3	Workforce (HOK)	(3)	24
4	Conversion factors	(4)=(1)/(2)	3,24
5	Labor coefficient(HOK/kg)	(5)=(3)/(2)	0,48
6	Output price of "instant sarabba per kg" (Rp)	(6)	148.148
7	Labor wages (Rp/HOK)	(7)	45.000
II. Added Value and Revenue			
8	Raw material input prices (Rp/kg)	(8)	30.000
9	Other input donations (Rp/kg)	(9)	98.435
10	The output value of "instant sarabba" (Rp)	(10)=(4)x(6)	480.000
11	a. Added value (Rp/kg)	(11a)=(10)-(9)-(8)	351.565
	b. Value-added ratio (%)	(11b)=(11a/10)x100%	73,24
12	a. Labor income	(12a)=(5) x (7)	21.600
	b. Labor share (%)	(12b)=(12a/11a)x 100%	6,14
13	a. Profit (Rp/kg)	(13a)=11a-12a	329.965
	b. Profit rate	(13b)=(13a/11a) x 100%	93,86
III. Repayment of The Owner of The Production Factor			

14.	Margin (Rp/kg)	(14)=(10)-(8)	450.000
	a. Labor income (%)	(14a)=(12a/14) x 100%	4,80
	b. Other input donations (%)	(14b)=(9/14) x 100%	21,87
	c. The advantages of the entrepreneur (%)	(14c)=(13a/14) x 100%	73,33

Source: primary data processed, 2022

Processing ginger into instant sarabba results in a net gain for the industry since the benefit exceeds the cost by more than the amount of kerja energy expended in the process. At a production cost of Rp.1,000,000, the profit margin for instant sarabba is 93.86 percent, or Rp.329,965 per kilogram. In this case, business owners kept 73.33 percent of the money they made.

With an added value ratio of 73.24 percent, the value of raw red ginger is increased by Rp 351,55 per kilogram by processing into "instant sarabba." The calculated value added ratio comes out at 73.34%.

Correlation Between Entrepreneurial Behavior and Business Performance

For this study, we used a chi-square test to examine whether or not there was a connection between entrepreneurial attitudes and the success of the Ginger-based Beverage Making Business in Barugae KWTH in Barugae Village, Mallawa District, Maros Regency. The chi-square test outcomes are also displayed in the table below.

Table 5. Correlation of Entrepreneurial Behavior with Business Performance

No.	Categories Company Performance	Criteria for Entrepreneurial Behavior			Sum
		Enough	Good	Excellent	
1.	Low	0 (0,0)	0 (0,0)	0 (0,0)	0
2.	Keep	7 (4,3)	6 (6,5)	0 (0,0)	13
3.	Tall	3 (5,7)	9 (8,5)	5 (2,8)	17
Sum		10	15	5	30

Source: Primary Data After Processing, 2022

CONCLUSION

The local values of honesty, self-confidence, risk-taking, never giving up, creative thinking, persistence, patience, hard work, and the ability to work together / work together are what have contributed to the development of an entrepreneurial spirit in the Mallawa District of the Maros Regency. This spirit is responsible for the processing of ginger into drinks. The transformation of raw ginger into "instant sarabba" results in an increase in value of Rp 351,55 per kilogram, which corresponds to an added value ratio of 73.24 percent. This figure represents the proportion of increased value relative to the output value of raw red ginger. The derived tambah value had a ratio value that was 73.24 percent of its original value.

At KWTH Barugae in Barugae Village, Mallawa District, Maros Regency, the average monthly profit from the production of "instant sarabba" ginger drinks is Idr 6,688,333. The value of chisquare was determined to be 5,158 after doing an analysis using Chi-square with SPSS version 20. This number has a significance level of 0.026, and it has an asymmetric value. When

Sig (2-tailed) is greater than level ($=0.05$), the hypothesis is considered to be valid. This demonstrates that entrepreneurial conduct has a significant relationship with the profitability of businesses.

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