

THE ROLE OF HR DEVELOPMENT ON SMEs CALLIGRAPHY GOAT LEATHER IN CENTRAL JAVA, INDONESIA

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ABSTRACT

Lack of knowledge and skills often become benchmarks weakness of SMEs to evolve. The small industry has a huge potential to accelerate equitable economic growth and improving the welfare of the community, but there are still many problems faced, including the quality of human resources. So that the business can continue then the employer requires a set of skills, competence and expertise are crucial for the survival of their business. Therefore, research is needed on the role of human resources development of SMEs calligraphy goat leather as the ability to be possessed and is a set of interactive resources activities to achieve competitive advantage and to realize the independence of SMEs calligraphy craftsman goat leather as creative industries and products superior. The purpose of this study were (1) to determine how much influence the empowerment of SMEs calligraphy activities goat leather against the adoption of existing technologies, (2) how big the role of HR in SMEs increased revenue calligraphy craftsman goat leather. The research method is based on the theory of human resources management, which is essentially used to improve the effectiveness and SMEs working efficiency calligraphy goat leather. The study was designed with a survey conducted on the SMEs calligraphy or craftsman goat leather. Respondent taken by simple random sampling of 30 people craftsman SMEs calligraphy goat leather. The data used are primary data, while secondary data is used as supporting data. Data analysis technique is qualitative descriptive analysis. The results showed that the majority of SMEs calligraphy goat leather craftsmen have adopted the technology, tanning, production technology, drying technology and materials processing goat leather. The conclusion that can be drawn are (1) SMEs calligraphy goat leather craftsmen strive to raise the knowledge and skills in various ways, among others, participated in the training, participated in exhibitions at home and abroad (2) conditions that result in increasing the number of sales turnover of 10-15%, (3) increase revenues by 10-15%.

Keywords: *human resources development, roles, SMEs of goat leather calligraphy, craftsman*

Introduction

Efforts to build SMEs become tough and have high competitiveness in the future, must be aware of the trends are and will occur in the future. Challenges or the greatest tendency SMEs are facing globalization, democratization, and decentralization or autonomy, as well as avoiding food crisis, the energy and impact of world recession spread to the national economy will indirectly affect the development and growth of SMEs. On the other hand, should realize the position and condition of SMEs which require a wide range of support in its development. Increased productivity of SMEs is indispensable in order to address the imbalances between actors, between income groups and between regions, including in the context of poverty reduction, in addition to simultaneously boost national competitiveness.

SMEs have limited capabilities and limited knowledge and skills often become benchmarks weakness of SMEs to flourish. The results of previous empirical research on the problems of SMEs is the lack of human resources SMEs craftsmen (Tambunan, 1996; LPPM UI, 2006). It reinforced the opinion Megginson *et al.* (2000) small industry has a huge potential to accelerate equitable economic growth and improving the welfare of the community, but there are still many problems faced, including the quality of human resources. So that the business can continue then the employer requires a set of skills, competence and expertise are crucial for the survival of his business. Therefore, research is needed on the role of human resources

development of SMEs calligraphy goat leather as the ability to be possessed and is a set of interactive resources activities to achieve competitive advantage (Hitt, 1997) and to realize the independence of SMEs calligraphy craftsman goat leather as creative industries and products superior. The purpose of this study were (1) to determine how much influence the empowerment of SMEs calligraphy activities goat leather toward the adoption of existing technologies, (2) how big the role of HR in SMEs increased revenue calligraphy craftsman goat leather.

Research Methods

The research method is based on the theory of human resources management, which is essentially used to improve the effectiveness and SMEs working efficiency calligraphy goat leather. Effectiveness of the work is defined as a state of well achieve when resources have been used as well as possible by the ability of humans, while the work efficiency is a situation where a person is able to obtain high yields with the smallest sacrifice. The study was designed with a survey conducted on the SMEs calligraphy craftsman or goat leather. Respondent by simple random sampling of 30 people craftsman SMEs calligraphy goat leather. The data used are primary data, secondary data is used as supporting data. Data analysis technique is qualitative descriptive analysis.

Results and Discussion

a) Regional Situation Analysis

Sonorejo village is one of the villages in the sub-district of Sukoharjo City consisting of 12 pillars of citizens (RW) and 40 Neighborhood (RT). Administratively, the sub-district Sukoharjo is one of 12 sub-districts in the Sukoharjo regency which has an area of 44.58 km² with a distance from district to district 2 kilometers. Sukoharjo sub-district is located on a plateau, with a height of 95 m above sea level. In topography Sonorejo village consists of plains and hills. Lowland area is an area in the north, the hills is an area in the south and east. In accordance with the geography, climate influenced tropical regions affected by monsoons with 2 seasons, the dry season in April-September and rainy season between the months of October to March. Annual rainfall average of 2790 mm, the air temperature ranges from 23°C to 34°C, with an annual humidity average of 77%.

The number of non-productive age population in the village Sonorejo as many as 1,900 people, while the number of productive age population in the village is as much as 3,233 Sonorejo soul. Based on the calculation of the village Sonorejo, dependency ratio value obtained by 58.77 percent, meaning that for every 100 people in the productive age population in the region had to endure 59 nonproductive age population. Education majority of the villagers Sonorejo only at primary school level is not even complete primary school. This is evident from the large number of residents who do not complete primary school which amounted to 1,053 inhabitants. Based on these data it can be said that the level of education in the village Sonorejo still relatively low. The condition can be caused by various factors such as economic conditions do not allow it to proceed to a higher level and the distance of schools. Low economic conditions such as Sonorejo villagers are farmers with small land, therefore the majority of the additional job search that much engaged in non-agricultural namely SMEs Calligraphy goat leather, so that the welfare of the population is still low and it is difficult to continue their education. This condition is supported from existing data in the village Sonorejo that the livelihoods of the majority of the population in the agricultural sector either as farmers 781, farm workers 179 people, 306 industrial workers, construction workers 167 people, traders 217 people and working in other sectors 1,661 people.

b). Analysis of HR Craftsmen Calligraphy Goat Leather

Analysis of HR craftsmen can be seen from the level of education, which is generally the level of education is very important for everyone, both in daily life and in relation to the ability of craftsmen receive new technology and information. In practice craftsmen become more open to the advances in technology that could help ease the technical conduct of business in the field of calligraphy. Education level craftsmen will affect the management of the business, results of the study showed that the majority of respondents had attended elementary school, middle to middle and upper (formal education ranged from 9 to 12 years), on average 8.7 years of their education (high school equivalent), this will affect the insight knowledge, ways of thinking and acting in the business management of calligraphy. The higher the education the higher ability in managing the business, the higher likelihood of success in the operations of the craftsmen.

The number of family members will affect the level of labor productivity is associated with the amount of use labor on the business activities of calligraphy. The more the number of family members so the more workers can assist in the production activities of calligraphy so that productivity will be higher, and vice versa. The number of family members will also affect the number of family or household consumption levels. The number of family members ie the number of people who are in every family craftsman calligraphy, productive age and at non-productive age. The number of non-earning family members is also a factor that can affect the family burden. On the whole, the results of the study showed that the respondents have the family members of three to six people, on average, a family member respondents 4.63 or about 5 people per family. Experience craftsmen between 5 to 35 years, the average experience of 15.93 years, which have long experience will affect the quality of products and better understand the market demand for the products produced craft, which will affect the sale value and the quantity sold. Sonorejo village because it is central craft producer of goat leather has a group, the group consists of 25 people who act as administrators and members of the group, the Status respondents who entered as a group member, there is a caretaker and there is no entry in the members of the group. Craftsmen in the village there are only 9 Sonorejo specific person makes the craft of calligraphy, the other as a means besides calligraphy craftsman mixture also makes products puppets, wall hangings and others.

Crafts calligraphy divided into three according to the size are smaller calligraphy, medium calligraphy and large calligraphy. Most production is the product of smaller calligraphy in a month average of 1,308 pieces of calligraphy respondents making small size, for medium calligraphy was on average per month producing as many as 1,113 pieces and a large calligraphy per month for an average of 990. Total production output is affected by the selling price, the greater the size of calligraphy will be more expensive so that calligraphy with a small size is more desirable. Training related to the craft of calligraphy has been widely held, only the respondent has never participated in any training relating to his routine as a craftsman of calligraphy, while 21 other respondents had attended training there are even a few respondents have followed some kind of training. Training which have been followed by craftsmen calligraphy, among others, training tanning and marketing training, ways of borrowing, accounting, management, communication, quality and quality, craft and industry. Venture capital sources calligraphy craft there are 2 of its own capital and outside capital, foreign capital is loan capital from banks. Among the 30 respondents, 26 people conduct business calligraphy craft of its own capital, while the other four capital from bank loans. Origin of capital will affect revenue, which own capital would generate more revenue than the external capital in this capital from bank loans. Only 13.33% calligraphy craftsman who moved capital from banks. The small producers' access to banking due to lack understood how or does not have the knowledge to access banking. It can also because of the tight requirements established banking should refer to the five C which cannot be met by craftsmen. Conditions will have an impact on business development efforts and calligraphy.

Calligraphy craft production capacity of SMEs in the village Sonorejo varies between 100 to 400 units / day. Design and calligraphy in accordance with the order. Orders can be derived from the natural country or abroad. Domestic orders are usually sold in tourist destination areas, while orders from abroad most of the Middle East (Saudi Arabia, etc.), Egypt, Cairo etc. Booking come directly to the place of production and strengthened with the contract of sale and delivery. Because the product process depends on the process of drying in the sun, then the number of products depending on the season. In the dry season production greater than the production in the rainy season. Type of craft calligraphy produced include calligraphy writing Allah and Muhammad, Bismillah calligraphy, calligraphy holy verses in the Qur'an like the verse Chair, and so forth. Calligraphy is available in various designs, sizes. Total craft calligraphy produced approximately 12,000 units / month for large-scale enterprises and small volume average production of 2,500 units / month. Specifications craft calligraphy are using materials from goat leather for basic calligraphy, frame used comes from mahogany and calligraphy used to cover the clear plastic. Marketing area calligraphy craft products produced there are two kinds of purposes (1) market / domestic and (2) the export market. To the consumer / home market including Jakarta, Yogyakarta, Medan, Kalimantan, and while for overseas customers / markets, especially export destination of Turkey, Iran and Malaysia.

Marketing techniques that do are still largely conventional, meaning that buyers from abroad come directly every month to select the products to be purchased as can directly view and select the condition and type of product to be ordered. The selling price of the product varies depending on the craft of calligraphy size (large / small) and the kind of writing that exists (letters long or short), but as a description of the product price low for the smallest size with the price of IDR. 15,000.00 per package consisting of two pieces of craft.

Craftsmen potential problems and the factors that affect the performance of SMEs calligraphy craft goat leather have been analyzed with multiple linear regression (multiple regression) in the first year of the study and the results showed that the factors that affect the empowerment is social capital, human capital, physical capital of SMEs and craftsmen capital empowerment actors 75.3%, the other will be influenced by other outside factors. Significant factor is human capital, physical capital and empowering actors. Among the three factors that influence was only noticed significant actors on the confidence level of 99%, while the two other variables significant at 95% confidence level. Human capital consists of indicators of the level of education, age, health, ability to interact.

c). Cost and Revenue Analysis SMEs Calligraphy Goat Leather

Each craftsman average require two workers to help calligraphic. Costs expenditure for one person ranges between IDR. 15,000 to IDR. 120,000, the average wage of IDR. 34 095 and worked an average of over 284 days a year. Average labor costs incurred by craftsmen IDR. 16,515,449. In addition to the cost of raw materials, cost of facilities, the cost of the engine, vehicle costs and labor costs become craftsmen expenditure calligraphy are common costs are costs for maintenance, spare parts, electricity / water and buildings. Among the four common costs are the largest expenditure is for the building which is an average of IDR. 139,655 as shrinkage, the second largest spare parts an average of IDR. 110,172 and then maintaining an average of IDR. 106,552 and the smallest is electricity and water for an average of IDR. 100,690.

Calligraphy crafts made from goat leather sometimes produce waste, the waste can be resold. Amounting to 56.60% of the respondents sell their calligraphy waste, with prices ranging from IDR. 150,000 up to IDR. 2,000,000/pieces and revenue of waste an average of IDR. 234,483.3. Price calligraphy goat leather categorized by size, namely small, medium and intermediate range between IDR. 10,000 up to IDR. 500,000 or more given the size and level of difficulty of the calligraphy. Calligraphy small size of the average size of 23x10 cm or 24x24 cm on average priced at IDR. 10,000 until IDR. 12,500, calligraphy medium size 50x70 cm valued IDR. 35,000 until IDR. 45,000 whereas a large size can be worth up to IDR. 500,000 per calligraphy.

Revenue from calligraphy goat leather per month on average IDR. 299,758,333 contributed from calligraphy large size IDR. 247,708,333.33, calligraphy medium size IDR. 38,966,667 and the small size calligraphy IDR. 13,083,333.33.

Conclusions and Recommendations

From this study it can be concluded that (1) SMEs calligraphy goat leather craftsmen strive to raise the knowledge and skills in various ways, among others, participated in the training, participated in exhibitions at home and abroad (Dubai) (2) conditions that result in increasing the number of sales turnover 10- 15%, (3) increase the income of 10-15%. It is suggested that (1) need to strengthening institutional and craftsmen calligraphy capital goat leather, (2) improved performance of

SMEs calligraphy goat leather through the adoption of production technologies, (3) an increase in knowledge and skills through training and actual information in ensuring business continuity.

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