

## REVITALIZATION OF TRAINING AND EDUCATION TO INCREASE THE PRODUCTIVITY OF MSMEs IN KWALA SEFRAGILE VILLAGE, LANGKAT

Suwarno<sup>1\*</sup>

Rindi Andika<sup>2</sup>

David Arifin<sup>3</sup>

Nia Deniati Lumbangaol<sup>4</sup>

<sup>\*1, 2, 3, 4</sup>Universitas Pembangunan Panca Budi, Indonesia

<sup>\*1</sup>email: [warno@dosen.pancabudi.ac.id](mailto:warno@dosen.pancabudi.ac.id)

**Abstract:** Micro, small and medium enterprises (MSMEs) are one of the important sectors in the Indonesian economy, including in villages. MSMEs have an important role in absorbing labor, increasing people's income, and reducing poverty. The development of MSMEs in rural communities can be done through various efforts, one of which is through training and education. Training and education can improve the skills and knowledge of MSME actors, so as to increase MSME productivity. This study aims to analyze the effect of revitalization of training and education on increasing the productivity of MSMEs in Kuala Sefragile village, Langkat. This research uses qualitative methods with a survey approach. The study population is the MSME community of Kuala Sefragile village. The study sample amounted to 50 people taken by simple random sampling method. The research data were collected using questionnaires. Data analysis was carried out using literature studies. The results showed that the revitalization of training and education had an effect on increasing the productivity of MSMEs in Kuala Sefragile village. This shows that revitalizing training and education can be one of the effective efforts to increase the productivity of MSMEs in rural communities.

**Keywords:** Kwala Village Sefragile, MSMEs, Productivity, Ravitalization, Training, Education

### Introduction

The economic development of a region is influenced by the resources owned by the region, both natural resources (SDA) and human resources (HR). According to (Arsyad, 2019) said regional economic development is a process where local governments and their communities manage existing resources and form a pattern of partnership between local governments and the private sector to create new jobs and stimulate the development of economic activities (economic growth) in the region. Currently with the paradigm of placing the population as the subject of development, it can actively participate in economic activities as labor. MSME empowerment policies are generally directed to support efforts to reduce poverty and inequality, create job opportunities and increase exports, as well as agricultural and rural revitalization, which became national development priorities in 2006. Within that framework, the development of small and medium enterprises (SMEs) is directed to make a significant contribution to job creation, increased exports and increased competitiveness, while the development of micro-scale enterprises is

directed to contribute to increasing the income of low-income people, especially in the agricultural and rural sectors. The most prominent tangible performance faced by most micro, small and medium enterprises (MSMEs) in Indonesia is the low level of productivity, low added value, and low product quality. Although it is also recognized that MSMEs are employment for most workers in Indonesia, the contribution to national output is in the low category. This is because MSMEs, especially micro-enterprises and the agricultural sector (which absorb a lot of labor), have very low productivity. When wages are used as productivity, the average wage in micro and small enterprises is generally below the minimum wage. This condition reflects the low productivity of the micro and small sectors when compared to larger businesses. The partial development of MSMEs so far has not provided maximum results for improving the performance of MSMEs, wider economic development has resulted in our level of competitiveness lagging behind compared to our neighboring countries such as Malaysia. Therefore, the policy for MSMEs is not because of their small size, but because of their low productivity. Increasing productivity in MSMEs will have a broad impact on improving people's welfare because MSMEs are places where many people depend on their sources of life. One alternative in increasing MSME productivity is to modernize the business system and its systemic policy tools so that it will have a wider impact in increasing regional competitiveness.

In general, SMEs or commonly known as small and medium enterprises is a term that refers to a type of business that was founded by individuals and has a net worth of at most IDR 200,000,000.00 (excluding land and buildings) (Akifa P. Nayla, 2014). With Indonesia's population currently reaching approximately 265 million people, some of whom are of productive age, it can become a giant productive engine if we are able to create a competitive and productive Indonesian workforce. For this reason, increasing the competitiveness and productivity of the Indonesian workforce must be carried out systematically and integrated, through improving the quality of labor, involving all ministries, and government institutions, industries/companies, and professional associations.

In order to accelerate the spread of the productivity improvement movement, the Directorate General of Training and Productivity Development, Ministry of Manpower has prepared a Productivity Improvement Service System. This system is intended to bring together productivity improvement stakeholders from the Government sector, Companies, Academics and productivity observers. In Indonesia, productivity is one of the development issues that is part of the current government's agenda, so that productivity improvement is specifically listed in the 2020-2024 National Medium-Term Development Plan (RPJMN) as part of the national priority agenda contained in Nawacita, point 6 "Increasing Community Productivity and Competitiveness in the International Market". Productivity has actually been a national development agenda since the enactment of the Presidential Instruction in 1968 concerning the Establishment of Productivity Institutions in Indonesia, since then policies and efforts to increase productivity have been carried out in the form of programs and activities that can increase productivity. Although efforts to increase productivity have been carried out for more than thirty years, based on existing data and information, Indonesia's productivity level does not seem satisfactory enough when compared to the productivity level of neighboring countries.

Increasing productivity means working harder and faster, improving the quality of products, work and life. To increase economic growth, reasonable wages and to improve working conditions, it is necessary to consider productivity as the largest contributing factor. Because humans are an important resource and are the goal of development, we must increase productivity not on their cost but on the cost of wasted time, employee reduction, unnecessary bureaucracy, and so on (Sedarmayanti, 2014). One way that can be done is to improve training and education. Education and training held in improving the economy of the community both by an institution that

specifically organizes these education and training activities and carried out by an organization itself. In this empowerment, there are certainly many community abilities that can be developed, such as the ability to do business, the ability to find information, the ability to manage activities, the ability to manage activities, the ability to be in agriculture and much more in accordance with the needs and problems faced by the community (Hamzah, 2017).

Community behavior that needs to be changed is certainly behavior that harms the community or that hinders the improvement of community welfare. Here empowerment always refers to community groups at the bottom who because of their position are often victims of education. This community group suffers from weak conditions and deficiencies in the quality and standard of living, education, skills, self-reliance and so on (Fathoni, 2006). Therefore, they need to be empowered. Education is able to improve our human resources (HR) and national identity in developing democracy to foster national unity. This education is to break down human insight or unite human insight and education produces authoritarian humans or produces democratic humans. The community has the right to provide community-based education, by developing and implementing educational curriculum and evaluation, as well as management and funding in accordance with national education standards (Adianto & Ferdryansyah, 2018).

## Literature Review

### MSMEs

Micro, Small and Medium Enterprises or often abbreviated as MSMEs are one of the important parts of the economy of a country and region, as well as the Indonesian state. Micro, Small and Medium Enterprises are small and medium scale people's economic activities and need to be protected to prevent unfair business competition. MSMEs in Indonesia contributed significantly during the crisis experienced in the period 1998 to 2000. MSMEs in Indonesia have received attention and guidance from the government by creating a ministerial portfolio, namely the Minister of Cooperatives and SMEs. According to (Tambunan, 2013) MSMEs are productive business units that stand alone, carried out by individuals or business entities in all sectors of the economy. According to (Undang-Undang Nomor 20 Tahun 2008, n.d.) concerning Micro, Small and Medium Enterprises are:

- a. Micro Business is a productive business owned by individuals and/or individual business entities that meet the criteria for Micro Business as stipulated in this Law.
- b. Small Business is a productive economic business that stands alone, carried out by individuals or business entities that are not subsidiaries or branches of companies owned, controlled or become part either directly or indirectly of Medium Enterprises or Large Enterprises that meet the criteria for Small Business as referred to in this Law.
- c. Medium Enterprises are productive economic enterprises that stand alone, carried out by individuals or business entities that are not subsidiaries or branches of companies owned, controlled or become part either directly or indirectly with Small Enterprises or Large Enterprises with total net worth or annual sales proceeds as stipulated in this Law.

### Productivity

Work productivity is an individual's success in carrying out their duties which can be seen in terms of the dimensions of attachment, planning skills, business power in work and overall employee work productivity (Sukardi, 2021). According to (Setiawan, 2021), stated that work productivity is a comparison between output (results with input). If productivity rises this is only possible by an increase in efficiency (time-material-energy) and work systems, production techniques and an increase in the skills of the workforce. (Kustini & Sari, 2020) stated that work productivity is the ability to produce goods or services from various resources and abilities

possessed by each worker or employee. (Wirawan, 2019) stated that work productivity is a comparison between the results achieved with the labor market per unit time and as a benchmark if the expansion and activity of the source attitude used during productivity takes place by comparing the amount produced with each source used (Nitayani et al., 2017) stated that work productivity is a mental attitude that always tries and has the view that a life today Better than yesterday and tomorrow is better than today.

### **Revitalizing**

Revitalization according to the Big Indonesian Dictionary (KBBI), means the process, way, and act of reviving things that were previously less empowered or used properly (Setiawan, 2012). This revitalization program is carried out by reactivating through various planned activities that make repairs something that needs to be done and is very important. The scale of a revitalization program can take place at a very small level, such as on a street or even on the architectural scale of a city. However, revitalization can also include urban areas that are more revitalized Revitalization is an effort to encourage growth by linking the organization to its environment including changes made by Quantum Leap or large leaps that not only include gradual changes but directly towards goals that are different from the initial conditions of a building in scope. According to Gouillart & Kelly, Revitalization is an effort to encourage growth by linking the organization with its environment, including changes made by Quantum Leap or a big leap that not only includes gradual changes but directly towards goals that are different from the initial condition of a building (Ganis Yuni Saputri & Fitrah Sari Islami).

### **Training**

Training refers to the company's planned efforts to facilitate the learning of competencies, knowledge, skills, and behaviors related to employee work, which aims to make employees master the knowledge, skills, and behaviors emphasized in training and apply them in daily activities (Noe, 2020). And according to (Mathis & John H. Jackson, 2016), training has the main objective to improve performance in the near future and in certain jobs by increasing employee competence. Training aims to improve employee performance from the last task, training is a planned process in changing attitudes, knowledge or behavior that produces expertise with experience in order to achieve effective performance, training is useful in developing individual and organizational capabilities in the future. According to (Dessler, 2017), training is a process in pursuing the skills needed by employees in carrying out their work, where employee training provides practical knowledge and its application in the world of corporate work to increase work productivity in achieving the desired goals of the company's organization.

### **Education**

According to (Djumali et al., 2014), "education is to prepare humans to solve life problems in the present and in the future". According to (Sutrisno, 2016), education is a linked activity, and includes various elements that are closely related to one element to another. Education also has a juridical definition in (Undang-Undang Republik Indonesia Nomor 20, 2003) concerning the National Education System which states "Education is a conscious and planned effort to create a learning atmosphere and learning process so that students actively develop their potential to have religious spiritual strength, self-control, personality, intelligence, noble character, and skills needed for themselves, society, and nation". According to (Kurniawati, 2020), education is transferring values, knowledge, experience and skills to the younger generation as an effort by the older generation in preparing the life functions of the next generation, both physical and spiritual.

## Method

This research approach is based on a study on revitalizing training and education to increase the productivity of MSMEs in Kwala Sefragile Village, Langkat. This paper is an idea writing based on the stages of literature study. The literature study carried out is a study whose object of research is in the form of literary works, both in the form of books, articles in scientific journals and popular journals in the mass media. Literature study is a study of theoretical, reference and scientific literature related to the situation under study. These literature sources then explain the productivity of MSMEs in Kwala Sefragile Langkat.

## Result and Discussion

### Training and Education Conditions for MSME Communities in Kwala Sefragile Village, Langkat

Based on the results of the study, the condition of training and education in the MSME community in Kwala Sefragile Village, Langkat is still not optimal in increasing MSME productivity. The following is a detailed explanation, namely:

1. Training and Education Materials:
  - a. The training and education materials that have been provided have not fully met the needs of MSMEs.
  - b. This has led to a lack of relevance between training materials and MSME business practices.
  - c. Training materials generally focus on theory and less on hands-on practice and application.
  - d. Lack of training that focuses on developing the technical and managerial skills needed by MSMEs, such as; digital marketing, financial management, product development and customer service.
2. Quality of Teaching Staff and Trainers:
  - a. There is a shortage of competent and experienced teaching staff and trainers in the field of MSMEs.
  - b. Limited qualifications and experience of teachers can lead to a lack of training effectiveness.
  - c. Lack of training and development for teachers and trainers to improve their skills and knowledge.
3. Training Facilities and Infrastructure:
  - a. Training facilities and infrastructure are still limited and inadequate.
  - b. Training facilities such as classrooms, equipment, and training materials are lacking.
  - c. Inadequate infrastructure conditions can hamper the teaching and learning process.
4. Follow-up after Training:
  - a. Lack of mentoring and monitoring after training.
  - b. This leads to a lack of application of knowledge gained from training in MSME business practices.
  - c. Lack of evaluation and follow-up on training results to measure their effectiveness and impact.

As a result of suboptimal training and education conditions

- a. MSME productivity is still low.



- b. Product quality and MSME competitiveness are still low.
- c. Difficulty in accessing new markets and business opportunities.

### **Efforts that need to be made**

Revitalization of MSME training and education with a focus on, namely:

1. Develop training and education programs that suit the needs of MSMEs:
  - a. Conduct an analysis of the training and education needs of MSMEs.
  - b. Develop a training and education curriculum based on the needs of MSMEs.
2. Improve the quality of teaching staff and trainers:
  - a. Conduct training and education for teaching staff and trainers.
  - b. Recruiting competent and experienced teaching staff and trainers.
3. Improve training facilities and infrastructure:
  - a. Build and provide adequate training facilities and infrastructure.
  - b. Provide quality training equipment and materials.
4. Providing assistance and monitoring after training:
  - a. Provide assistance and monitoring to MSMEs in applying the knowledge gained from training.
  - b. Evaluate and follow up on training results.

### **Impact of Revitalization**

Revitalization of training and education is expected to have a positive impact on the MSME Community, namely:

1. Improve the skills and knowledge of MSME actors.
2. Improve product quality and MSME competitiveness.
3. Increase MSME income and profits.
4. Creating new jobs.
5. Increase the economic growth of the village.

### **Cooperation and participation of Stakeholders**

Cooperation and participation from various parties are needed, including:

1. Village government
2. Educational and training institutions
3. Corporate world
4. MSME Community

### **Conclusion**

The condition of training and education in the MSME community in Kwala Sefragile Village, Langkat still needs to be optimized to increase MSME productivity. Revitalization of training and education by involving various parties is expected to be a solution to improve the quality and competitiveness of MSMEs in the village. Village governments need to allocate sufficient budget for MSME training and education revitalization programs. It is necessary to establish cooperation between village governments, education and training institutions, and the business world to support MSME training and education revitalization programs.

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