

# SMEs Empowerment Strategy Sector of Fisheries Marine Based on Fish Flour in District Tojo Una-Una

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**Keywords:** Strategy, SME Empowerment and Fish Meal.

**Abstract:** First year research has purpose to identify potential of empowerment of SMES and to formulate strategy of empowering SMES of marine fishery sector based on fish meal as a supplier of local feed mixed ration of livestock in Tojo Una-Una Regency. Samples of the study were taken by SMES by purposive sampling which has done fish processing business in the form of fish and dried fish abon product. The analytical method used descriptive analysis and SWOT analysis. The results showed that (a) descriptive results SMES sector-based fisheries and marine fish meal in Tojo Una-Una, potential revealed from the response of SMEs to the motivation to increase the added value into fish meal is high (81.00%) , (b) empowerment fish meal-based SMEs, the highest dimension of awareness. Next followed respectively by the dimensions of the organization, management system, technical support and the lowest is the regeneration assistance, (c) s Strategy MSME sector of fisheries and marine-based fishmeal in Tojo Una-Una, more focused on strategy S - O and Strategies -T. Furthermore, the map position score IFAS (3,134) and EFAS (3,375) are strength /weakness and opportunity/treat too high.

## 1 INTRODUCTION

Tojo Una-Una District as one of the marine fish-producing districts in Central Sulawesi, with an average production of 14933.70 tons / year and the number of fishery 4,528 units (BPS Sulawesi, 2014). The production of fisherman is partly marketed directly to the nearest areas and exports. While small fish such as anchovies, flat fish, and single fish in certain seasons of production abundant and this is not utilized maximally, even by fishermen still catch the sea has been discarded, because according to fishermen the price is not balanced with the cost of production (Ishak, 2005; Suhal, 2014).

On the other hand, if observed that the market potential of fish flour is so large, because approximately 75% of Indonesia still imports fish meal for the poultry feed industry. By looking in the MP3EI, one vision of his is enhancement value added and expansion of the value chain of the production process and distribution of asset management and access to (potential) natural resources, geographic region, and human resources, through the creation of

economic activities that are integrated and synergistic in and inter-regional economic growth centers.

Efforts to reduce the imports, then one of them conducting coaching empowerment of fish-based SMEs. If observed results Balitbangda study (2013), explains that the potency poultry feed market big enough, where the needs of feed for broilers is high enough that 1,373,716.84 kg / cycle (22-30 days) or an average of 125 065 Central Sulawesi , 17 kg / cycle. For laying hens in Central Sulawesi as much as 57915.94 kg / month. If the feed ratio of 30% is a manufacturer of raw materials fish meal, then it is likely absorption of fish meal to be produced by SMEs Fishermen can be absorbed in Central Sulawesi. Empowerment of SMEs, will reduce the burden on government annually imports nearly 70% of fishmeal from other countries.

Based on the above description, and considering the market potential of fish meal is still high enough, then this opportunity needs to be achieved by encouraging the Empowerment of Small and Medium Enterprises of Sea Fishery Based Fishing Sector as Supplier of Local Poultry Feed Mixed for Production Efficiency and Increasing Fisherman Income in TojoUna Regency -Una. Thus empowerment can

answer the problem of income in the fisherman sector and other related sectors such as Mix Feed (Corn, Kedelei, and Dedak).

Urgency Research, The production target sector fisheries and marine Central Sulawesi has a direction of development, which is divided into three (3) zones, each Zone can take advantage of marketing opportunities of very high fish meal, including TojoUna-Una Regency, both locally and nationally. As has been explained previously that about 75 percent of the national fish meal needs are met through imports. Indonesia's dependence on imported fish is an ironic fact, given Indonesia's abundant marine resources, where fish meal is still a major component of protein sources in feed formulations.

## 2 LITERATURE REVIEW

### 2.1 Economic Empowerment Strategy of Fish-Based Starch Communities

#### 2.1.1 Community Economic Empowerment

Community empowerment, Subejo and Supriyanto (2004) mean community empowerment as follows: Community empowerment is a deliberate effort to facilitate local communities in planning, deciding and managing local resources owned through collective action and networking so that in the end they have the ability and economic, ecological and social independence.

Based on the above opinion, connected with the economic empowerment of the community is an effort to increase and strengthen the economy towards an economically independent society. The research related to economic empowerment has been done by Hilda Monoarfa, et al (2015) which concludes that the economic empowerment of local poultry-based feeding communities in Palu City, with locus of action research on Kaili Youth in ex-riot areas, shows that by utilizing local feed (Maize, Bran, and Fish Flour) the production efficiency rate reaches 35%, compared to commercial feed.

#### 2.1.2 Community Economic Empowerment Strategy

According Prabowo (2003) and Jaloni (2008) there are five strategies of community economic empowerment program that ensures the achievement of good results are as follows:

- Awareness

In many cases in rural communities it is difficult and even unable to recognize the potential of themselves and the potential of the natural resources they actually have. As a result, many potentials are not utilized or wasteful, while the life of society is apprehensive. Therefore, awareness is important so that villagers know the potential, opportunities, threats and challenges of the future Larty (2000).

- Organizing
 

One of the most fundamental sources of error in the development of local community organizations is the paternalism of planners. When planners discover a weak traditional institutional state then they reflect on introducing a modern organization with uniform shapes and patterns with other regions.
- Assistance Regeneration
 

Each development program has a period of implementation. During the program, people are actively participating because there is a purpose to be gained, such as salary / wages, short-term employment opportunities. But after the construction ended, the community's participation declined even gradually disappeared because the original purpose no longer exists.
- Technical Support
 

Renewal in a society generally requires technical assistance from an outside agency that controls the resources, information and technology that can help accelerate the change into reality (Tarwiyah, 2001)
- System Management
 

Integration between related institutions is very important both in terms of planning, implementation, monitoring and evaluation of activities as well as in terms of funding. Besides, the management of the system is intended to synergize the interests of related institutions for it required good coordination in order to create a good management system.

### 2.2 Added Value-Added Strategy of Fish Starch Based

In the future, agro-industry (UMKM / IKM) can become the loco of national economic growth motive. There are at least five main reasons for this sense of optimism (Aloni and Selealem,2008) : (1) the processing industry is able to transform comparative advantage into competitive advantage, which will eventually strengthen the competitiveness of products; (2) agro-industry products have added

value and large market share so as to affect the growth of the national economy, (3) agro-industry has a large linkage upstream or downstream, so as to attract the progress of other sectors; (4) has a local raw material base (comparative advantage) to ensure its sustainability; and (5) the opportunity to change the national economic structure from agriculture to industry. (Supriyaanti and Herlina, 2012).

Further, (Wirabrata, 2000). described there are four key elements in the development of rural industrial ago namely (1) firm agglomeration (cluster); (2) Increasing value added and value chain; (3) Supplier networks through partnerships and customers; and (4) physical and non-physical economic infrastructure network. These key elements play an important role in the development of a marine fishery-based agroindustry, as well as the results of the study of Hilda Monoarfa, dkk and Bappeda Kab. Donggala (2007), explained that from four dimensions (cluster, value added, value chain, customer partnership) it turns out to simultaneously affect 89.5% towards the development of marine-based agro-industry business. However, the dominant partial effect on marine-based agro-based development is the supplier network through partnerships, and increased value-added.

### 3 METHODOLOGY

The location of research in TojoUna-Una Regency, and the target of respondents is SMEs fishery and marine sector which has done the activity of value-added processing process. Sampling technique using method purposive sampling (Sekaran, 2004 and Sugiyono, 2009). This means that sample samples taken based on certain criteria as many as 21 SMEs.

The analytical method used is: (1) descriptive analysis and (b) SWOT analysis to assess the opportunities, threats, strengths and weaknesses of SME Empowerment of Fisheries and Marine sector-based fishmeal (Vakentesh and Krishnaveni Muthiah, 2012).

### 4 RESULTS AND DISCUSSION

The variables of empowerment of fishpond based UMKM are measured based on 5 (five dimensions) are: (a) Awareness, (b) Organizing, (c) Assistance Cadence, (d) Technical Support, and (e) Technical Processing.

#### 4.1 Dimension of Awareness

Tabulation of the frequency responder awareness of SMEs to the dimensions of the four indicators, can be presented in the following table 1.

Table 1: Respondents' response to the awareness dimension.

Dimension of Awareness	N	Mean
X1.1. Potential of fish meal	21	4.9048
X1.2. Fishing business opportunity	21	5.0000
X1.3. Reduce imports of fish meal	21	4.9524
X1.4. The need of local livestock food business	21	4.9048
Average		4.9405

Based on Table 1 above, it shows that of 21 respondents of UMKM average score of awareness dimension 4,9. This implies that by understanding how important the increase in added value for high value products such as fish meal which in turn can increase income for business actors from upstream to downstream. The contribution of the highest awareness indicator (X1.2) is that fish meal has business opportunity, because domestic needs still rely on import (X.13), to fulfill feed ration.

#### 4.2 Organizing Dimension

Tabulation of the frequency of respondents SMEs to the dimensions of organizing the five indicators, can be presented in the following table 2.

Table 2: Respondents' responses to organizing dimensions.

Organizing Dimension	N	Mean
X2.1. Business planning	21	4.4762
X2.2. HR settings	21	4.3810
X2.3. Unit of supervision	21	4.5714
X2.4. Capital investment	21	4.4762
X2.5. Strengthening partnerships	21	4.5238
Average		4,485

Based on Table 2 above, it shows that from 21 respondents of UMKM the average score of organizing dimension is 4,485. This gives meaning that by providing guidance to the organization of MSMEs is expected UMKM has a good business performance. Contribution of the value of the highest organizing indicator (X2.5) is that it is very important to develop the strengthening of partnership, especially marketing partnership, so that the level of SMEs' doubts can be minimized. In addition, the most important indicator is that the oversight unit (X2.3) of the government is mainly evaluated against the

assistance provided. The findings in the field there are some SMEs found that the aid program is sometimes not right on target or target but the tool can not be used so that the benefits are less.

### 4.3 Dimension of Cadence Assistance

Tabulation of the frequency of respondents to the dimensions of the regeneration assisting SMEs with four indicators, can be presented in the following table 3.

Table 3: Response of respondents to the dimension of coordination cadence.

Dimension of facilitation cadre	N	Mean
X3.1. Sustainability of the mentoring program	21	4.5714
X3.2. Active participation	21	4.4762
X3.3. Motivation and orientation of self-reliance and socio-economic goals	21	4.3333
X3.4. Appropriate compensation	21	4.2857
Average		4,417

Based on Table 3 above, it shows that of 21 respondents of UMKM average score of cadreeration dimension of mentoring is 4,417. This gives the meaning that by conducting the program of cadreing mentoring to MSMEs is expected that UMKM can be accompanied by a companion in a sustainable manner. The contribution of the highest supervisory cadreement (X3.5) indicator is the continuity of the mentoring program, meaning that the guidance done by the government should not be interrupted only until the project orientation. Termination of coaching and mentoring should be up to the SMEs can really be independent. In addition, another important indicator is the active

Participation of members of the group of SMEs (X3.2), because the results of field observations indicate that most of the members are less active, for various reasons, among others: interest in fish processing (shredded) less attractive. The error when recruiting members is less clear means the group is built if any help is given. However, since 2015 the government has recorded in the database, so the formation of impromptu groups has been well anticipated.

### 4.4 Technical Support Dimensions

Tabulation of the frequency responder technical support SMEs to the dimensions of the three indicators, can be presented in the following table 4 (Supriyati, 2014).

Table 4: Response of respondents to technical support dimensions.

Technical Support Dimensions	N	Mean
X4.1. Supporting facilities and infrastructure	21	4.6190
X4.2. Availability of information technology	21	4.7143
X4.3. Business management and production techniques	21	4.3333
Average		4,555

Based on Table 4 above, it shows that of 21 respondents of UMKM average score of technical support dimension is 4,555. This means that by providing technical support to MSMEs it is expected that UMKM can master the process technically. The highest indicator value contribution (X4.2) is the availability of information technology. Such information technology support such as telecommunication network is felt very important, because most of the territory of the cellular phone is not yet available Hand Phone, so for marketing information becomes obstructed. In addition, the support of facilities and technical infrastructure (X4.1) such as equipment for processing, raw material preservative, and the lowest is business management. Technical support is necessary because the average UMKM has never done fish meal processing, so technical support is very necessary.

### 4.5 Dimensions of System Management

Tabulation of the frequency of respondents SMEs to the dimensions of the four indicators of system management, can be presented in the following table 5.

Table 5: Responder to the dimensions of system Management.

Dimensions of System Management	N	Mean
X5.1. Linkages / sisergeries with the activities of other institutions	21	4.7619
X5.2. Continuous monev system	21	4.7143
X5.3. An analysis of funding needs	21	4.6667
X5.4. Coordination of related institutions	21	4.7619
Average		4.7262

Based on Table 5 above, shows that of 21 respondents of UMKM average system management dimension score of 4.7262. This gives the meaning that with the management of a good system of MSMEs is expected UMKM can be built properly. The contribution of the highest indicator value (X5.4 and X5.1) is the coordination of related institutions, meaning that the UMKM empowerment program has

been seen running partially to the MSME group, but on the other hand empowerment of other agencies or agencies also in the same group, should be synergies so that financing is more focused and efficient as well as feketif In addition, the contribution of sustainable money indicator system (X5.3) The sustainable money system is intended to be detected as soon as possible by MSMEs as per program or not Money should be done quarterly.

#### 4.6 SWOT Analysis Strategy for Empowerment of Small Business Based on Fish Powder

Internal Factor Analysis Summary (IFAS) and External Factor Analysis Summary (EFAS). Based on the result of IFAS factor identification done, then obtained the total score value in accordance with the variables and indicators can be presented in Table 6 below.

Table 6: Internal Factor Analysis Summary (IFAS).

Internal factors		Weight	Rating	Weight x Rating
Strength (Strenght)				
1	Potential of raw materials	0.198	4.00	0.792
2	Fish processing experience	0.192	3.00	0.576
3	Group participation	0.098	2.00	0.196
4	Group motivation for value added products	0.197	4.00	0.789
Number of Strengths		0.685		2,353
Weakness				
1	Business planning	0.055	3.00	0.165
2	HR settings	0.162	2.00	0.324
3	Local government oversight unit	0.052	3.00	0.156
4	Strengthening of capital / partnership	0.068	2.00	0.136
Number of Weaknesses		0.337		0.781
Number of IFAS Scores		1.00		3,130

Source: Primary data reprocessed.

Based on Table 6 above, it indicates that the empowerment strategy of fishpond based UMKM, showing IFAS value of 3,130 donated by score value of strength equal to 2,353. This suggests that the empowerment of fish-based MSEs is strongly supported by indicators of potential raw materials, the experience of SMEs in the field of processing, group participation and SMEs have a high motivation to improve the added value and diversification of business from fish to fish meal abon. Besides the strength factor in the empowerment strategy of

UMKM, there are also some weakness indicators. Table 5 above, shows the value of the weakness factor is 0.781. This suggests that business planning indicators, local government control units on SME groups, and strengthening of partnerships / capitalization are essential to be improved in accordance with the needs of MSMEs.

In addition to the strength and weakness factors described above, it can be shown also the results of external factor analysis as presented in Table 7 below.

Table 7: External Factor Analysis Summary (EFAS).

External Strategy Factors		Weight	Rating	Weight x Rating
<b>Opportunity (Opportunity)</b>				
1	The business opportunity is quite big	0.130	4.00	0.520
2	The import of fish meal is quite high	0.095	4.00	0.380
3	Meet the needs of local livestock feed	0.102	3.00	0.306
4	Compensation tenga companion	0.081	4.00	0.324
5	Supporting facilities and infrastructure	0.051	4.00	0.204
6	Linkage / synergy with other activities	0.031	2.00	0.062
7	Ease of production techniques and business management	0.073	2.00	0.146
Number of Opportunities		0.563		1,943
<b>Threat (Treath)</b>				
1	Information Technology	0.140	4.00	0.560
2	The money system is not measurable	0.130	3.00	0.390
3	Analyze funding needs	0.134	3.00	0.402
4	Interagency coordination	0.040	2.00	0.080
Number of Threats		0.444		1,432
Number of EFAS Scores		1.00		3,370

Source: Primary data reprocessed.

Based on Table 7 above, it indicates that the empowerment strategy of fish-based UMKM, showing EFAS value for the opportunity variables of 1,943 contributed by the first highest value of the indicator of the business opportunity of fish meal, import of fish flour which is high enough for the domestic needs as the feed mix livestock, the availability of adequate supporting facilities and infrastructures, the ease of production techniques, and the linkage and synergy with programs from other agencies.

Besides the opportunity factor in the empowerment of fish-based SMEs, there are also some threat indicators. Furthermore, from Table 7 above, it shows the value of the threat factor in the UMKM empowerment strategy of 1,432 contributed

by the threat value of the information technology indicator, the unstable money system, and the analysis of funding needs for both working capital and the sustainability of the assistance fund.

Based on Table 9 and 10 shows that the strategy of empowerment of SMEs are in the SO strategy with a value of 4.295 and Strategy ST with a value of 3,785. This indicates that the strength of UMKM is aimed to seize the opportunity, especially that SMEs have a high awareness of how important the increase of added value of the product into fish meal so that the income of UMKM increases and also can increase fisherman income. Similarly, ST strategy that with the strength of MSMEs is expected to avoid the threat from the dimension of institutional management system of UMKM (Hilda, 2014; Suhal, 2014; Larty, 2000).

#### 4.6.1 Quadrant 1 (Aggressive Strategy)

A favorable situation because it has the power to take advantage of existing opportunities. The most appropriate strategy is to harness the potential applied to the production of fish for further processing into fish meal for livestock feed needs that can ultimately reduce imports of fish meal.

#### 4.6.2 Quadrant 2 (Strategy Diversification)

Despite facing various threats, in these conditions still have strength especially on the potential availability of raw materials and opportunities fish meal demand is still high, it is seen from the level of imports of fish meal that is high enough every year. However, it should be improved its monitoring and evaluation of sustainability of funding for sustainable empowerment and facilitation, which during this time only mentoring projects.

#### 4.6.3 Quadrant 3 (Strategy Turn Around)

Tojo Una-Una have considerable opportunities as a center for the production of animal feed, because it has the greatest production potential for corn and soybeans. This opportunity needs to be utilized to meet the demand of feed market especially in Central Sulawesi and other area by doing partnership with farming business.

#### 4.6.4 Quadrant 4 (Strategies Defensive)

At s state all four quadrants is very unfortunate, because Empowering SMEs face a wide range of external threats and internal weaknesses. For that effort to be considered in this strategy is to minimize the weaknesses and threats (Supriyati, 2012).

## 5 CONCLUSIONS

Based on the results and discussion of research, it can be drawn some conclusions as follows. The results of the identification of the empowerment of fish and marine based SMEs in Tojo Una-Una, are very potential to be revealed from the response of UMKM to the motivation to increase the added value into fish meal is high enough (81.00%). Empowerment of small-scale fishmonger based on fish flour is the highest awareness, followed by each dimension of organizing, system management, technical support and the lowest is kaderisasi assistance.

Strategy MSME sector-based fisheries and marine fish meal in Tojo Una-Una, more focused on strategy S - O and Strategy S -T. Furthermore, the position maps of IFAS and EFAS are at the High Strength / Weakness and Opportunity / Threat level is also high.

Dissemination, training and awareness of the MSME sector-based fisheries and marine fish meal in Tojo Una-Una, because the business has a high market opportunities as local livestock feed rations mix more efficient. Because the business position map has a high strength / weakness and coupled with high opportunities / threats, it should facilitate the government in marketing partnerships and ensure the price of food mix commodities (corn, soybeans, and fish meal).

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