



# Increasing Income Through The Karwo Cake Center In Tanggilingo Village, Kabila Sub-District, Bone Bolango District

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**Abstract:** The aim of this research is to determine the increase in income through the Karawo Cake Center IKM in Tanggilingo Village, Kabila District, Bone Bolango Regency. This research method uses a descriptive type of research with a qualitative approach. Data collection techniques were carried out through observation and interviews using interview guidelines which were given to a number of informants. Based on the research results, based on several interviews with research informants above, it can be concluded that the human resource improvement program has been running well by involving employees in various training held by agencies such as raw material agents. Even though they have participated in the training, there are still some employees who have not been able to develop their skills because the training was held when they were invited by the relevant agencies. But that doesn't hinder business management at IKM Sentra Karawo. Based on the results of interviews with several informants above, it can be concluded that the current facilities are adequate and are no longer an obstacle to managing the Karawo Cake Center IKM business anymore because the owner and employees work together to optimize deficiencies by collecting personal money to buy the facilities so as not to experience losses. Based on the results of interviews with several informants above, it can be concluded that the role of capital is very important for SMEs. The capital owned by IKM Sentra Karawo is sufficient to meet production needs and does not become an obstacle to managing the IKM Cake Karawo Center business in increasing community income in Tanggilingo Village, Kabila District, Bone Bolango Regency.

**Keywords:** Increased, Revenue, Business

## Introduction

Economic growth is a real picture of a region or even a country in running its economy. Good economic development can be said to be one of the benchmarks for the development of a country or region. With good economic growth, it can be said that the region is also growing. Of course, this economic growth is not without purpose, with the development of the existing economy it is hoped that it can also reduce one of the problems that arise in society, namely poverty (Hasannudin, 2022; Sgroi, 2022; Yazdi, 2022). As a developing country, Indonesia still has difficulties in carrying out development. The success of economic development itself can be assessed from three main

definitions, namely the development of people's ability to meet their basic needs, increasing people's self-esteem as humans, and increasing people's ability to choose (Pieter, 2022; Qi, 2021; Weir, 2022).

SMEs are closely related to SMEs and are two things that cannot be separated, because every product produced by SMEs will be sold back to the community by SMEs. So SMEs are also tasked with marketing products produced by SMEs. The distribution of SME products by SMEs will be carried out properly if supported by a good sales or distribution system from the SME (Exworthy, 2021; Jeyacheya, 2020; Putra, 2020). Therefore, the role of SMEs is very helpful for the successful marketing of products from SMEs. Through SMEs, it is hoped that the community can overcome the economic downturn and can improve the welfare of their families.

The important role of SMEs can be seen in the post-monetary crisis era of 1998 where many large-scale industry players went bankrupt due to soaring raw material prices and fluctuations in the rupiah exchange rate against foreign currencies that were increasingly weakening, even the banking sector which was the source of capital hope also suffered from this crisis, so many industry players decided not to continue their business. This was not the case in the SME sector, where the majority of businesses actually survived and even tended to increase. Moreover, most of Indonesia's population relies on this sector for their livelihood, apart from the lack of side capital and low level of education (Mirera, 2020; Tsao, 2020).

For this reason, the Department of Industry and Trade (Disperindag), the Directorate General of Small and Medium Industries and Various (Dirjen IKMA) and the Ministry of Industry (Kemenperin) of the Republic of Indonesia made Tanggilingo Village, Kabila District, Bone Bolango Regency as a karawo cake center in Gorontalo Province. This IKM was opened to create better economic activities and continue to grow and develop. This IKM program is an idea that can increase community income to reduce rural unemployment, especially for women, as an improvement in the quality of human resources, and optimize their potential (Holzmayer, 2020; Raghupathi, 2019).

The karawo cake center IKM was recently established in 2020 to increase community income and self-development, especially for housewives. With the help of equipment and cake-making equipment from the Bone Bolango Regency Industry and Trade Office. The production of this IKM is not only karawo cakes but various kinds of pastries. The production produced by the karawo cake center SMI is 10 jars per day and the monthly income is Rp. 16 million. The spread of production of IKM Sentra Kue Karawo has also extended to outside the region. However, the income of IKM Sentra Kue Karawo has decreased and increased again when covid-19 was completed. The following is a table of the production of IKM Sentra Kue Karawo.

There are several problems that become obstacles to the Karawo Cake Center IKM Business Management in increasing community income. First, the lack of ability of each employee at IKM Sentra Kue Karawo can be seen from the communication skills between fellow employees not in line with job guidance such as determining creations in managing businesses to produce products that can meet market needs. Second, the facilities owned by IKM Sentra Kue Karawo in the form of gas and stoves to be used in managing the

making of karawo cakes. This is an inhibiting factor in the management of the karawo cake business. Third, the lack of business capital of the Karawo Cake Center SMI, because basically the small and medium industry is an individual business or a company that only relies on capital from the owner's side, which is very limited in number to buy the needs in making the karawo cake business. While the government initially provided capital not in cash but equipment as well as equipment such as cake molds and cake grills. Based on the description of the problem above, the authors are interested in exploring and conducting research on "Business Management of IKM Karawo Cake Center in Increasing Community Income".

### **Methodology**

Research approach regarding. Management of Karawo Cake Center SME Business in Increasing Community Income. The implementation of this research uses a descriptive type of qualitative approach. According to (Sugiyono, 2021) qualitative research is a research method based on the philosophy of postpositivism or enterpretive, used to research on natural object conditions, where the researcher is the key instrument, data collection is carried out in triangulation (combined observation, interview, documentation), the data obtained tends to be qualitative data, data analysis is inductive and qualitative, and qualitative research results are to understand meaning, understand uniqueness, construct phenomena, and find hypotheses. According to (Milles and Huberman, 2021) data analysis is data that appears in the form of words not a series of numbers. Data analysis is collected in several ways, namely observation, interviews, document digests, tape recordings, which are processed before use, but data analysis still uses words arranged in text and expanded. There are three activities in qualitative data analysis, namely the data reduction stage, data display, and conclusions or verification.

### **Result and Discussion**

This research aims to increase income in Tanggilingo Village, Kabila Sub-district through the Karawo Cake Center IKM business, with a research focus on the creativity of human resources (HR), facilities and capital. IKM Sentra Karawo is an industrial house consisting of 10 houses, each of which has a label and employees. IKM Sentra Karawo has been established for 5 years in Tanggilingo Village, Kabila District, but this business still has constraints on the creativity of human resources, facilities and capital.

#### **Increasing Employee Creativity**

Based on several interviews with research informants above, the human resource improvement program has been running well by including employees in various trainings held by agencies such as raw material agents (Bulai, 2019; Lokhman, 2018). Even though they have attended training, there are still some employees who still cannot develop their skills because the training is held when they are invited by related agencies (Lee, 2019; Möllmann, 2019).

### **Discussion**

In this study, the management in question is a series of efforts made by IKM Sentra Karawo in increasing community income. The focus of the study used is described as follows: From the analysis of interviews with business owners and employees of IKM

Sentra Karawo, namely that the human resource improvement program has been running well by including employees in various trainings held by agencies such as raw material agents. Even though they have participated in training there are still some employees who still cannot develop their skills. According to (Gintulangi and Arsana, 2022) Human resources have an important role in driving the wheels of industry.

From the results of interviews obtained from the owner and his employees, the role of capital is very important for small and medium industries (IKM) because without capital the business will not run smoothly.

### Conclusion

From the results of the research and discussion above, it can be concluded that the problem is as follows: In the aspect of increasing the creativity of human resources (employees) shows that, the human resource improvement program has been running well by including employees in various trainings held by agencies such as raw material agents. In terms of facilities, IKM Sentra Karawo which was initially lacking now has adequate facilities to manage production without any more obstacles. In terms of capital, just like the capital facilities owned by IKM Sentra Karawo are sufficient to finance business needs. Although initially having minimal capital does not discourage them but rather develops ideas that have been obtained to cover the problems faced.

Overall, it can be said that the management of IKM Sentra Karawo has been running well. However, IKM Sentra Karawo still has to manage its potentials well.

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