

**FISH WASTE MSMEs EMPOWERMENT PROGRAM IN KALANGANYAR
VILLAGE, SEDATI DISTRICT, SIDOARJO REGENCY THROUGH VILLAGE
DRIVEN DEVELOPMENT APPROACH****Kristianto^{1*}, Cyntya Sri Zuwanita²**Department of Public Policy and Management, Faculty of Social and Political Science, Universitas
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Abstract

Aquatic resources and marine products are the most significant economic potential in Kalanganyar Village. Therefore, development in this sector, such as local economic development with MSMEs, must be a severe concern for the government and related parties. This paper aims to discuss the empowerment program carried out by Pertamina DPPU Juanda in developing MSMEs in Kalanganyar Village which is carried out using the participatory rural appraisal (PRA) method based on the Village-Driven Development approach. As a result, the community empowerment program created two innovative products and active involvement of each interest group. In addition, community empowerment, which is carried out with a village-driven development approach, can strengthen the position of the village government as a more democratic actor in development and essential services for the community.

Keywords: meta-analysis; experiential marketing; customer satisfaction

Received 2 September 2022, Revised 18 September 2022, Accepted 26 September 2022

INTRODUCTION

Kalanganyar Village is one of the villages in Sedati District, Sidoarjo Regency. Based on the monograph data of Kalanganyar Village, the total area of Kalanganyar Village is 4,476 hectares or approximately 135,000 M². Around 3000 hectares of the land are used as milkfish ponds, which belong to some residents of Kalanganyar Village, and the rest is rented out to entrepreneurs outside the village (Rizkiyah, 2019).

The village is located in the southern region of Sidoarjo. It has been projected to become a tourist village because it is considered to have tourism potential that can attract tourists to visit the village. In the RTRW (Regional Spatial Plan) of the Sidoarjo Regency government in 2009, Kalanganyar Village is an area included in the development plan for the east coast of Sidoarjo Regency

with several components of tourist attractions including fishing ponds, mangrove tourism, cultural tourism of *Kampung Iwak* (fish village), milkfish culinary, and so on (Pemerintah Kabupaten Sidoarjo, 2009).

In Kalanganyar Village, there is a pond area that produces milkfish in abundance during the harvest season. Some of these ponds are also used as fishing tours, attracting tourists from inside and outside Sidoarjo Regency. Usually, the visitors or tourists fill the fishing area on holidays to relax. Besides being sold raw, fish from ponds are also processed into various products. There is also a thorn-pulling service business which is the unique characteristic of Kalanganyar Village. The groups are scattered in Kalanganyar Village and facilitate the sale of ready-to-cook milkfish by selling it clean of thorns and fish scales. Anglers and fish

processing business groups usually use this service to facilitate milkfish processing.

Management of tourist attractions, especially in developing the potential of the Kalanganyar Village community, is essential to attract tourists to visit longer and more often to increase the community's economy. This advantage is clearly understood by the whole community, including the village government, but the movement taken in tourism development is still minimal because the existing potential has not been mapped correctly. Kalanganyar Village can be recommended for marine ecotourism (Fikri & Febriana, 2016). It is just that it still lacks in presenting tourist attractions, so it still seems ordinary. Therefore, its development can be directed by using the proper branding. Branding, in this case, is to maximize the promotion of the potential in Kalanganyar Village, not only the fishpond business but also the potential for other supporters that were previously invisible but have a significant role in tourism innovation.

The entry of a business entity, namely Pertamina DPPU Juanda, into Kalanganyar Village, occurred because of the openness of the village government to cooperate in developing the Kalanganyar Tourism Village. Pertamina DPPU Juanda is committed to providing social responsibility to the community around its operational area by conducting CSR programs based on community needs. This becomes a meeting point with the village's commitment to optimize potential and reduce problems in the community. The meeting between the village government, community, and the private sector is expected to be able to integrate the potential of villages that have not been managed and groups in the community that is still running on their own to achieve common goals.

This commitment was then manifested in the community empowerment program carried out by Pertamina DPPU Juanda through the mechanism for utilizing corporate social responsibility (CSR) funds. One of the

programs that have been running is the development of MSMEs based on processing the main product of Kalanganyar Village, namely fish and other marine products. The community empowerment program is run with a paradigm involving the village government and beneficiary communities.

On the other hand, the issuance of regulations that specifically regulate villages, namely Law Number 6 of 2014 concerning Villages, brought a change in the paradigm of rural community development from the original Government Driven Development or Community Driven Development (CDD) to Village Driven Development (VDD) (Sutoro, 2015). Meanwhile, the developing concept of sustainable development also forces companies to adapt to carrying out community empowerment programs through CSR. The concept brings that economic and social variables must adapt to the existing environmental capacity (Mariana et al., 2021). This environmental capacity then leads to village institutions which are the focal point of the Village Driven Development paradigm of rural community development.

In the concept of Village Driven Development, the success of CSR programs in developing the local economy is determined by a strong community empowerment strategy between various actors, such as synergy between companies and various actors in the community such as village institutions, local economic institutions, and the community itself (Mariana et al., 2021). This can happen because in the VDD perspective, the decision-making mechanism is carried out in a deliberation mechanism that involves the community and the village government in an integrated forum. In other words, VDD seeks to restore the position of the village government as a more democratic actor in development and essential services (Edi et al., 2015) and requires synergy between village institutions as representatives of the state at the local level, citizen groups, and also companies (Mariana et al., 2021). The performance of more democratic village

institutions also influences the quality of local economic development (Sudjito et al., 2020).

This concept is different from the community development paradigm that was previously developed, namely Community Driven Development (CDD). The concept of CDD in CSR means directing a direct relationship between the company and the community where there is a transfer of control of resources and activities to the community while at the same time trying to bring an inclusive, transparent, and participatory environment in decision making (Casey, 2018). CDD has become a global concept widely adopted as a process of empowerment and socio-economic development, which has been identified as a powerful tool for poverty reduction (Saguin, 2018). One form of VDD that has been massively adapted and implemented in rural

Indonesia is the Rural Mandiri National Community Empowerment Program (PNPM).

Applying the CDD concept in rural development will be appropriate when the village is in the form of a pseudo-government. However, now in an era when the Village Law has occupied the village as an entity that has an essential role in village development, the concept of CDD village development is better replaced with the VDD concept (Sutoro, 2015). Based on the VDD framework proposed by the Institute of Research and Empowerment (IRE) Yogyakarta, companies through CSR programs can provide support through two things, namely (1) supporting the strengthening of village government capacity (HR, public services, development, and community empowerment), and (2) support efforts to increase village assets in local economic development.

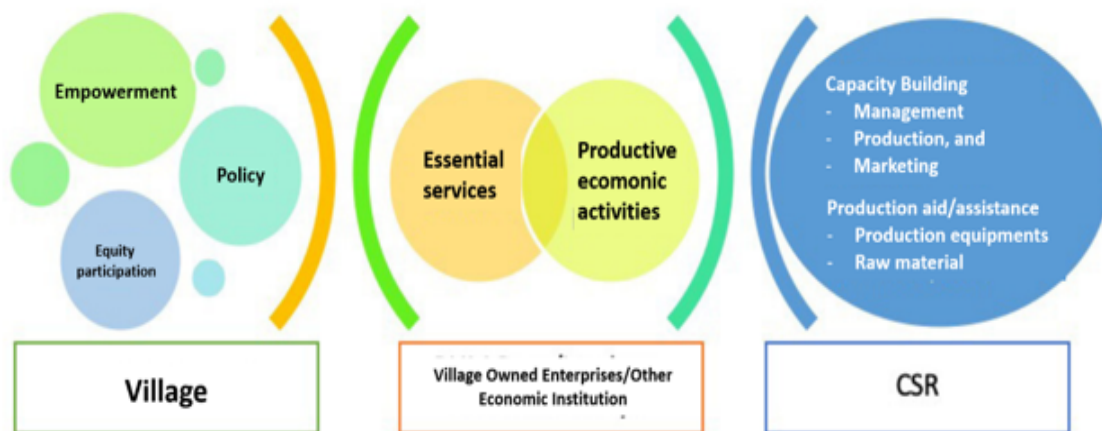


Figure 1. Position of CSR in the Village Economic Development Framework (IRE Yogyakarta, 2021)

The presence of companies in CSR programs and an explanation of the CDD paradigm that measures the success of group participation and does not involve the village government in the process. Therefore, by using the VDD concept, this paper attempts to describe the form of synergy and involvement of the village government and companies in the implementation of

community empowerment programs in the form of developing MSMEs in Kalanganyar Village carried out by PT Pertamina DPPU Juanda.

METHOD

The MSME development program by PT Pertamina DPPU Juanda in Kalanganyar Village uses the Participatory Rural Appraisal (PRA) method. The Participatory Rural Appraisal (PRA) method involves community involvement in all activities carried out in the community empowerment process (Mariana et al., 2021). This method was born as a development of the previous method of critique, which states that in community development, it is often only used as an object, not a subject (Chambers, 1992) in (Yudha, 2019).

This method makes the community not only an object that receives development but also becomes the subject of development and is actively involved in program design in the planning, priority setting, budgeting, implementation, and utilization of program results (Hudayana et al., 2019). The techniques used in this MSME development program are the preparation of social mapping documents, strategic and work plans as well as joint implementation activities with the village government and target groups in the form of focus group discussions, prioritization, training and group assistance, provision of equipment and supplies, and construction of public facilities. As well as monitoring and evaluation activities carried out in January 2021-March 2022 in Kalanganyar Village, Sedati District, Sidoarjo Regency, East Java Province.

At the stage of training and group assistance in implementing CSR programs, the company cooperates with facilitators from outside the company and outside the village, namely researchers and practitioners. The facilitator acts as a person who transfers new knowledge to the community and bridges between outsiders and parties within the community itself.



Figure 2. Critical components in the participatory rural appraisal method as described by (Koralagama, Wijeratne, & Silva, 2007)

There are 3 (three) critical components in the participatory rural appraisal method as described by (Koralagama et al., 2007), namely resource institutions, facilitator institutions, and the community. In this paper, the resource institution is Pertamina DPPU Juanda, the facilitating institution is the Kalanganyar Village Government & CV Kreatif Indah Alam, and the community is the Kalanganyar Village community, especially members of the Olikan & Kece group.

RESULTS AND DISCUSSION

Community empowerment through the MSME Development CSR program conducted by Pertamina DPPU Juanda in Kalanganyar Village has entered its second year and has undergone various mentoring processes. The process is divided into several stages, including the stages of program planning, implementation, monitoring, and program evaluation. The activities carried out in the mentoring are as follows:

A. Program Planning Stage

For companies, planning a CSR program well is an essential step in adapting the program to the needs and problems that exist in the community. In this stage, DPPU Juanda carried out several strategies. The first strategy is program planning begins with an approach to the village government. This approach is necessary because the village government has a crucial and strategic role. With this strategy, it is hoped that

the program to be implemented can be followed by the established direction of village development and implemented more efficiently. The discussions with the village government led to a tourism village development plan and several obstacles that must be resolved.

Furthermore, to get to know and get in-depth information regarding the potential and problems in the village, DPPU Juanda also conducted social mapping and Focus Group Discussions (FGD) involving the village government, groups, and organizations in Kalanganyar Village. The results of social mapping recommendations for the Kalanganyar Village area include the development of tourist villages with supporting programs, namely the development of local MSMEs, increasing group capacity, and program innovations to introduce the characteristics of Kalanganyar Village.

The Village Government stated that Kalanganyar Village is a village full of tourism and economic potential that can be developed. The village party emphasized that most of the village's income was obtained from the results of ponds, fishing, and the fish processing industry in Kalanganyar Village. The number of entrepreneurs in this village is also increasing, including the number of thorn pulling services. However, behind this potential, problems must be resolved regarding the disposal of waste from processed fish products such as milkfish scales and spines that cannot be processed. Usually, the waste is thrown away and accumulates in several areas in Kalanganyar Village. Bad smells and sights are a significant problem for society. Therefore, this waste management program is one of the priority programs to be implemented.

B. Implementation Stage

1. Program Launcing and Group Formation

The Kalanganyar Sentris Berseri Program was launched at the Kalanganyar Village office, which was attended by the Village Head, representatives of Pertamina workers, program trainers, CV Kreatif Indah Alam, and as many as 20 participants who were interested in joining the program. In the arrangement of the launching event, the formation or inauguration of groups was also carried out which were divided into two groups, namely the MSME group for processing fish waste (Olikan group) and the handicraft group from shell waste (KeCe Group). In addition, there is a role of the village and PKK head which make criteria and opens opportunities for all communities who meet the requirements to join as part of the group.

2. Procurement of activity support equipment

This equipment is procured in stages to support production activities, fish waste processing, and making handicrafts from shellfish. For the initial stage, the equipment provided is commonly used. Then, the equipment is given according to the group's needs, as seen from routine monitoring of program developments.

3. Canopy construction

Based on the request of the village government to support the development of MSMEs in Kalanganyar Village. This public facility assistance is intended to support MSMEs in the community so that they have a place to buy and sell in the village. This canopy has been used for the Ramadhan Bazaar activity and is hoped to support other activities in Kalanganyar Village.

4. Product processing training

On this occasion, PT Pertamina (Persero) DPPU Juanda collaborated with CV Kreatif Indah Alam as an instructor who provided understanding ranging from product training, business management, packaging, and digital marketing training. As a result, for the two groups that have been formed, production training is carried out on different days so that they can be more focused on production training on fish waste processing and making handicrafts, two times for each group with different products materials.

5. Product Packaging and Digital Marketing

Training Packaging and Digital marketing training were conducted on the same day with three speakers. This training focuses on group members' knowledge of online and offline product promotion and online sales platforms (Instagram, Facebook, and other e-commerce). Meanwhile, the packaging training was devoted to members of the group for making shells.

6. Product Title of Olikan and KeCe SME

This activity will be carried out after all training and production trials were completed in 2021. The product title for SMEs assisted by PT Pertamina DPPU Juanda aims to introduce the first product made by the Olikan group and the KeCe group, namely processed food and handicrafts from shells to the community, especially stakeholders in Kalanganyar Village. This activity was carried out by inviting the chairman of the Sidoarjo Regency Food and Beverage Association (Asmaminda), Kalanganyar BUMDes, BPD, and Kalanganyar Village PKK.

the needs of the program. Meanwhile, for program evaluation, an assessment of the Community Satisfaction Index (IKM) was carried out, and a meeting was held at the end of the activity, namely in September 2021, to see the success of program implementation and be a reference for improving programs that had been running previously. The implementation involves participating all group members, the village government, and the Creative Indah Alam (KIA) team as program companions in the field.

Conceptually, Village Driven Development is a method of community empowerment through engagement strategies. That is, the engagement strategy emphasizes the active involvement of every actor in empowerment. In the context of developing MSMEs in Kalanganyar Village through Pertamina DPPU Juanda's CSR program, the village government and the community are the dominant actors other than companies. Then the two actors become the main subject in the program running. This condition can be seen through the MSME development program involving the Kalanganyar Village Government, including local business/enterprise organizations at the village level and in the community. The company, in this case, Pertamina DPPU Juanda, through its CSR program, the Kalanganyar Village Government, and the community, are actively involved and have a position that is in line with the VDD concept developed by IRE. As a state representative at the village level, the village government has the duty and responsibility to carry out public services and local economic development. One of these duties and responsibilities is carried out through local village economic institutions, namely Village-Owned Enterprises and community empowerment programs aimed at increasing the ability of the community to manage the resources

C. Monitoring and Evaluation Stage

Monitoring is carried out once a month to ensure that production continues. This monitoring is also to see

and potentials around them. Meanwhile, one of the duties and responsibilities of public services is providing accessible public space and services that can be utilized as a means of economic development.

Kalanganyar Makmur Village-Owned Enterprises (BUMDes) in developing MSMEs in Kalanganyar Village has a role as a local economic institution that was formed, and its capital comes from capital

participation by the village government. In addition, BUMDes receives delegation of authority from the village government to carry out business activities that are not only profit-oriented but also contribute to the community's economic development. Therefore, public services related to the utilization of village assets and business services that MSMEs can access are carried out by BUMDes.

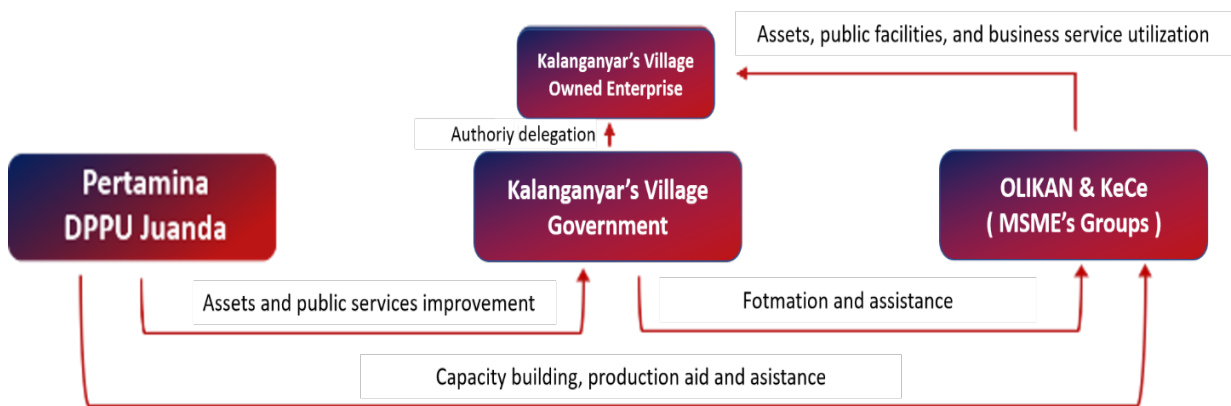


Figure 3. The position of the company (CSR), the village government, and the community in the synergy of developing MSMEs in Kalanganyar Village.

Source (Researcher, 2022)

Meanwhile, on the company side, in this case, Pertamina DPPU Juanda, through the CSR program mechanism that is carried out, has a position and role in strengthening village institutions and community groups. Coordination with the village before the program kick-off shows that the village is strengthened to be an actor in village development. The company provides an increase in village assets, which BUMDes then manage, and one of them is utilized by the assisted MSME groups. In line with the village-driven development framework proposed by IRE, Pertamina DPPU Juanda, in carrying out the CSR program provides support to the village government and the community through interventions, namely (1) supporting the strengthening of human resources capacity and (2) supporting efforts to increase village assets.

A development program demonstrates support for capacity building for MSME groups engaged in processing fish waste and other marine products, namely the Olikan and Kece groups. The two groups were born from a series of processes involving three parties at once: the company, the village government, and the community. The declaration of the development of the fish processing UMKM group began with the existence of local potentials listed in the company's social mapping document and discussed with the village government through a focus group discussion.

During the focus group discussion, it was agreed that a program plan would be carried out as physical activities and the development of MSME groups whose primary focus was increasing the group's ability to process local products. In

developing the MSME group, interventions were carried out in the form of (1) group formation and deliberation, (2) production and marketing equipment assistance, (3) product manufacturing and development

training, and (4) product titles and exhibitions. The intervention activities carried out led to increasing the capacity of the Olikan.

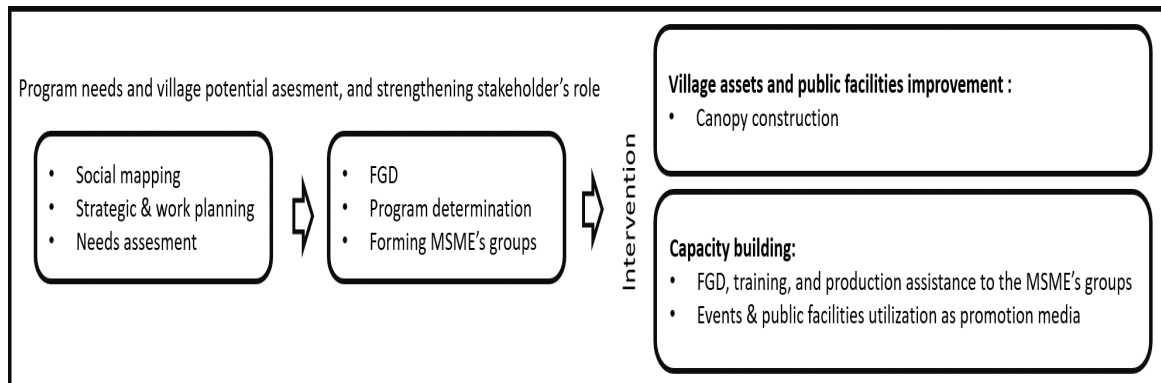


Figure 4. The flow of intervention for the MSME development program in Kalanganyar Village

(Researcher Processed, 2022)

Meanwhile, in support of increasing village assets, Pertamina DPPU Juanda and the Kalanganyar Village Government synergize in constructing the village canopy. The canopy is a physical facility that functions as a public facility for developing MSMEs and village activities such as art degrees, festivals, and religious activities. The Kalanganyar Village Government then delegated authority to the Kalanganyar Makmur Village Owned Enterprise (BUMDes) as a business entity owned by the village government to manage the canopy so that it could be utilized optimally for business development and public services. The two interventions carried out by Pertamina DPPU Juanda, namely support for increasing village assets and increasing capacity, are efforts made in the context of developing MSMEs for processing fish waste in Kalanganyar Village by strengthening the role of the village government as well as direct community involvement.

CONCLUSION

The program carried out by Pertamina DPPU Juanda through the mechanism for implementing corporate social responsibility (CSR) in developing MSMEs for processing fish waste in Kalanganyar Village is an example of implementing community empowerment with a village-driven development approach. This condition is indicated by the active involvement of each interest group, namely the Kalanganyar Village Government, Kalanganyar Makmur Village BUMDes, and the MSME Group. Community empowerment with a village-driven development approach can restore the position of the village government as an actor in development and more democratic essential services. In addition, with the MSME development program engaged in the food sector, namely the Olikan group, and the handicraft sector, namely the Kece group, they can provide direct economic benefits to the community.

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