

Human Resource Development in Micro, Small and Medium Enterprises (UMKM) in the Covid-19 Era

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Abstract. *Usaha Mikro Kecil Menengah (UMKM), is a micro, small and medium entrepreneurs that all of the management functions held by one person. Human Resource Development during the Covid-19 pandemic which weakened economic activities became a big challenge for UMKM. To protect, maintain and improve the ability of UMKM, there are two steps taken to deal with external problems, namely in addressing external factors, especially changes in consumer tastes, UMKM make changes to menus on normal days before a pandemic, they only provide according to their abilities, with the pandemic Mrs. Nanik process food that can last a month. For UMKM that they develop, they make processed food that can be ordered through PO (pre-order) that can be ordered in advance. To overcome internal problems, especially in financial planning, we teach UMKM for financial planning in the face of an uncertain pandemic when it ends. In general with the formula: 40-30-20-10 according to them we must know the income we routinely receive each month or the exact average we receive so that we can allocate according to the formula: 40% for routine expenses, 30% for installments and bills, 20% savings and investments, and 10% emergency funds.*

Keywords: *human resources, UMKM, Covid-19*

INTRODUCTION

One of the characteristics and problems faced by UMKM (Micro, Small and Medium Enterprises) is the implementation of "one-man show" management, which means that all management functions ranging from planning, organizing, directing to control are held by one person, that is the business owner. Therefore it is necessary to apply human resources management so that UMKM management is more organized. UMKM is one of the sectors that can survive despite the 1997 crisis. UMKM is now one of the important joints of the Indonesian economy. Observed from the number of employees, UMKM is far smaller than large companies. But that does not mean that UMKM does not need quality human resources. In the process of improving

human resources management for UMKM, an appropriate and effective organizational structure is needed [1].

Human Resource Development (HR) is an ongoing process in line with the company's operating processes, especially in UMKM, especially in production. Human Resources needs to be developed because human existence in organizations has a very vital position. The success of an organization is largely determined by the quality of the people working in it. Changes in the environment that so fast require their ability to comprehend the phenomenon of alteration, analyze the impact on the organization, and prepare steps in dealing with uncertain situations [2].

Humans are one of the 3 resources that have the potential to function as work inputs. Human Resources is the most important resource, so it requires development and management. To optimize or actualize human potential (human) itself. What is meant by the development of Human Resources are the macro and the micro. The macro development is the process of improving the quality or ability of humans to achieve a nation's development goals, the process of improvement here includes planning, development, and management of HR. Whereas the micro development in the sense of a work unit environment (specifically the development of UMKM Human Resources in the Covid-19 era).

Communication has a significant role and function in the Covid-19 pandemic season. When everyone is in an atmosphere of uncertainty and inconvenience, information becomes the foundation of hope. Indonesia, as one of the countries exposed to Covid-19, experienced the stutter of communication at the beginning of this epidemic. From a communication perspective, especially about public opinion, the talks about Covid-19 can be mapped in three phases: **First**, January - February 2020, as a *stage of brainstorming* in which the public begins to turn its attention to the discussion about *corona* after the case exploded in Wuhan, December 2020. **Second**, the *stage of consolidation* that took place in early March 2020, especially after the WHO (*World Health Organization*) determined the spread of the *coronavirus* as a pandemic around

March 11, 2020, and the government of Indonesia also categorized this as a national disaster. After the discussion, when President Joko Widodo announced the number one and number two positive cases, the consolidation of opinions took place with the emergence of a people's moral perception and attitude. **Third, the solid stage**, which took place mid- March until now (March 15 - June 5, 2020), marked with emotions and conversations that can be mapped clearly, for example measuring public emotions related to the *coronavirus* March 8 - March 11, 2020, and the highest trend from time to time. is a matter of *trust* (confidence), and then *surprise, anticipation, fear, anger* [3]. The purpose of this study was to determine external and internal factors in the development of Human Resources at UMKM in the *Covid-19* era.

METHOD

This study intended to filter out the current public opinion by interviewing with the head of the UMKM food and beverage business, namely Mrs. Nanik Mulyani who handles the UMKM group in Klampok Kasri, Malang, who is currently having difficulty motivating her group to exist in running their business [4]. The research was carried out from the first phase in February 2020 until the beginning of June 2020.

RESULTS AND DISCUSSION

An entrepreneur is an independent person in the pursuit of persuasion, he dares to take risks to start managing a business for profit. In dealing with various problems, an entrepreneur is always required to be creative. he knows how to achieve the planned goals, and can concentrate and take the initiative to use knowledge and experience to organize steps according to the plans that have been made towards the target [5]. The brief profile picture of the entrepreneur is presented in table 1.

According to Justin Gibson about human resources in small family businesses [6]:

- a. independent family company a "family serving family"
- b. recruitment and retention issues
- c. training problem
- d. personal qualifications for the job

Effective business people are good communicators. we know a lot of people who have this kind of expertise and we ask "how do we do it?" The following are seven habits that are usually owned by many people who have good interpersonal skills [7]:

- 1. They present themselves to the public at their best
- 2. They answer the phone politely
- 3. They call people by name and ask questions

- about their personal life
- 4. Be empathetic towards others
- 5. Listen carefully before speaking
- 6. Make use of eye contact when talking
- 7. Not be afraid to admit mistakes when doing wrong

Table.1 Profile Entrepreneur

Profile Interpreneure	Character Entrepreneur
Pursuit of achievement	Prefer to work with experts to achieve achievement goals
Dare to take risks	not afraid to take risks by avoiding big risks as much as possible
Able to solve problems	able to identify and solve problems that could impede their ability to achieve goals
Humble	prioritizing business mission rather than pursuing status
Excited	willing to work hard to build a business.
Confident	rely on self-confidence to achieve success
Avoid being a crybaby	avoid emotional relationships that can interfere with business success
Self-satisfaction	views organizational structure as an obstacle in fulfilling desires

Data Source [5].

Learning e-commerce is quite easy because it is not much different from understanding how commerce or business has been carried out. What distinguishes is the intensive involvement of computer and telecommunication technology as a means of doing two main things, including [8]:

- 1. processing raw data into information that can be shared by business people and consumers.
- 2. distributing the data or information appropriately and efficiently throughout the required business components.

The figure of Mrs. Nanik Mulyanti is a flexible and good housewife in managing the family's economy. She comes from Semarang from a well-established family. This food stall started after she became a pensioner from a Civil Servants in Malang City in 2005.

Mrs. Nanik does have a hobby of cooking. The taste of the food is delicious and the making-process is hygienic so that many customers are suitable and return to order it. The place of business of food stalls is located at Jalan Klampok Kasri II / 215, Malang City. Mrs. Nanik is good at finding loopholes to market her products and at this time she was appointed by RW 02 to be the

head of the CREATIVE UMKM, where her busy schedule should also be a role model for her group so that all can be enthusiastic about facing the Covid-19 pandemic blow. The following are the results of the researchers' interview with Ms. Nanik Mulyanti.

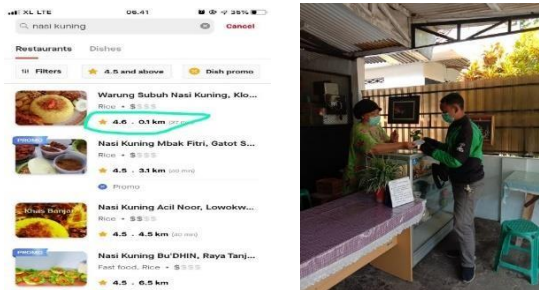


Figure 1. Form of Social *Distancing* conducted by UMKM

When God sent down this disease outbreak, it was intended that his people always be patient and trust, with the initial Covid-19 she said that "at the beginning of the Covid-19's outbreak didn't affect much but the problems arise when the number of those infected with the virus increased, causing our activities as UMKM are very disturbed by an increasingly limited movement, our UMKM's meetings are also abolished. We only meet to pay monthly social gatherings which is a mandatory agenda for our group without chitchat, without sharing-training, without showing off the important issues. We keep strengthen each other to keep working with conditions like this" at home", that's our activities at the moment".

She replenishes her argument with "these conditions we (the UMKM) also cannot hold one's peace and be silent. She said that as a culinary businessman, she keeps open even though the food display is inside the house. "All my food can be ordered by 'GO-FOOD' (the online mobile applications for ordering food), to reduce communication with many people, but I also don't reject buyers outside of GO-FOOD with a note of not eating on the place, in which the food must be wrapped, this is one of my provisions for consumers today.

Their struggle to continue to exist in such conditions is quite difficult. "Thank God, the marketing through GO-FOOD is very helpful for me as a small and medium scale business actor, we also convey to all UMKM members through groups to join online sales so that our business can be more widely known, indeed I do not sell dry-fried sambal of various tubers specifically but I combined the 'nasi kuning' (the yellow rice known as traditional Indonesian dish) and complement the menu using dry-fried sambal so that I can lift the dried fried tuber sambal, from 'nasi kuning' menu in the GO-FOOD mobile application", Mrs. Nanik said. That application has the satisfaction

rate named the 'star' range from 1-5. The highest range, 5 is the most recommended menu. She has sold well with 'star 4.6' in that mobile application. She hopes that customer satisfaction from taste, cleanliness, and affordable prices will raise the rating of our stall to a higher level, of course, will impact on other products of her stall on GO-FOOD.

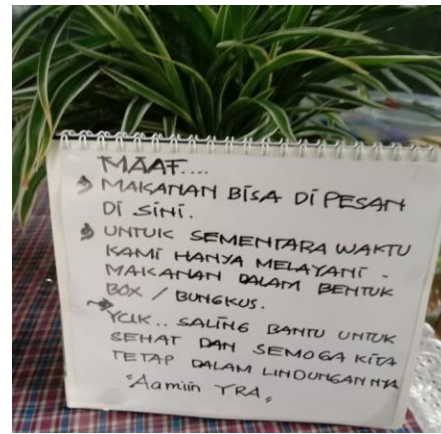


Figure 2. Food ordering rules

This is a glance about one of the conditions of culinary business actors in the CREATIVE UMKM RW 02 KEL. GADING KASRI KEC. KLOJEN MALANG which received assistance from DPPM UMM. I hope a brief story about a culinary business in the Covid 19 era can be a motivation for the other culinary entrepreneurs. So that we can receive this condition with great effort without unyielding and always competing to reach as many consumers by prioritizing customer satisfaction above everything.

Mrs. Nanik, before the pandemic Covid-19, had been carrying out a routine of cleaning in the stall, there was a handwashing area with soap (washbasins), clean bathrooms, trash bins, small but it affects much as the cleanliness stalls for consumers. She adds lots of ornamental plants in their homes and is always neatly organized. Next, the results of the second interview, is how Mrs. Nanik manages finances in the middle of the Covid-19 virus pandemic as follows:

There are two steps taken to deal with external problems, the first one is in addressing external factors, especially changes in consumer tastes, UMKM make changes to menus on normal days before a pandemic, they only provide according to their abilities, with the existence of a pandemic, Mrs. Nanik processes food so that can hold out a month, such as a side dish for examples dried potatoes, dried taro, yeast jerky, 'serundeng' beans (fried meat with coconut sprinkles and beans). For UMKM that she develops, the UMKM makes processed foods menus that can be ordered through PO (*pre-orders*) such as fruit salads, jelly candies, wet cake, and many more, all of that food

can be ordered in advance.

The second one is to overcome internal problems, especially in financial planning, Mrs. Nanik, and team-teach UMKM for financial planning in the face of an uncertain pandemic when it ends. In general, they use the formula: 40-30-20-10, according to them, as an entrepreneur, we must know the income that we routinely receive each month or the exact average income that we receive so that we can allocate according to the formula:

- a) 40% of living expenses for routine expenses
- b) 30% for installments and bills
- c) 20% savings and investment
- d) 10% of emergency funds.

According to them, we should be able to map routine needs such as (food shopping, transportation, needs, PLN, PDAM, and so on. As a housewife and public worker to avoid the financial crisis in a pandemic like this time, Mrs. Nanik very careful of the daily expenses, temporary repayments, and bills do not exceed 30% of the income, the tips we do are as follows:

1) **Divert transportation money**

Because she works from home, then she allocates transportation money to another financial bag. For example, adding other production funds for her stall, by making tuber fried sambal (potato fried sambal, cassava fried chili sauce, taro fried chili sauce) because this fried chili sauce is durable, therefore I sell it PO (pre-order) by GO-FOOD. This product has been done since 2018 and many people like it, moreover, the conditions are like now.

2) **Save money**

Even though 40 % of the regular budget has been allocated, it should be kept down as much as possible at the end of the month. This condition will make the savings more secure in the coming months. Furthermore, she rotates (alternately) the labors which are usually two people every day, for this moment so she uses one person for two weeks alternately because she feels compassionate at layoffs (breaking the labor relations), other than she thinks creative by accepting rice boxes order, she hopes this business order is running smoothly, she has done this business since the beginning of Ramadan in 2020, pretty much people order for "hantaran" (delivers some kind of foods for neighbors or the mosque in the moment of Ramadhan and others Islamic moments). Whereas in the rice box that she sells, there is apem cake (in Bahasa means mingkem or close the mouth) the philosophy is soon we have to keep our mouths closed and can't eat like normal days, before Eid al-Fitr, the best order is the 'nasi kuning' rice boxes, for that rice boxes she can serve from lowest prices starting at Rp 15,000.

3) **Don't be tempted by promotions.**

Such conditions are greatly utilized by the electronic trading company also known as e-commerce. They released many promotions. Shopping amid the Covid-19 outbreak is fine. But shopping should remain in the corridor. Because amid an outbreak like this, we will never know what will happen later.

CONCLUSION

Human Resource Development in Micro, Small, and Medium Enterprises during the Covid-19 pandemic which weakened economic activities became a big challenge for UMKM. Coupled with a policy to break the chain of the spread of the Covid -19 virus. This also happened in each province. To protect, maintain and improve the ability of UMKM, the steps are taken to deal with **external** problems are two things, namely in addressing **external** factors, especially changes in consumer tastes, UMKM make changes to menus on normal days before a pandemic, they only provide according to their abilities, with the pandemic Mrs. Nanik processes food that can last a month such as side dishes of dried potatoes, dried taro, jerky yeast, serundeng beans. For UMKM that they develop, they make processed food that is made through PO (*pre-order*) such as fruit salads, jelly candies, wet cakes, all of that food can be ordered in advance. To overcome **internal** problems, especially in financial planning, they teach UMKM for financial planning in the face of an uncertain pandemic when it ends. In general, by the formula: 40-30-20-10 and according to them we must know the income that we routinely receive each month or the exact average income that we receive so that we can allocate according to the formula:

- a) 40% of living expenses for routine expenses
- b) 30% for installments and bills
- c) 20% savings and investment
- d) 10% of emergency funds.

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