

Management Model of Rural-Owned Enterprises Based on Entrepreneurship Innovation as a Tourist Attraction

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Abstract—Rural-Owned Enterprises based as a body of economic institutions have an important role to improve the welfare of the lower classes of society. The purpose of the study was to analyze and develop a management model of entrepreneurship-based rural-owned enterprises Based as a Tourist Attraction. The location of the study was conducted in the Tourism Village of Kertalangu, a suburb of East Denpasar. Data collected by questionnaire, interview and group discussion. Questionnaire data are validated with truth claims, empirical claims, increased validity, and reliability. Data analysis used Micmac Factor Analysis. The results showed that the management of the Rural-Owned Enterprises based was supported by the organizational structure, management, chair of the person in charge of the program, policy guidelines and clear operational procedures. Rural-Owned Enterprises Based financial management is supported by clear budgetary sources, planning, and revenue from business units, targeted expenditure, and tax payments according to the rules. Evaluation of the performance and accountability of Rural-Owned Enterprises based activities becomes important to build quality human resources. Entrepreneurship innovation is supported by e-digital transactions, transaction tools, e-marketing, and market information networks. Entrepreneurship innovation as a tourist attraction is supported by community participation in building business information networks, employment opportunities, sources of village income with urban eco-research agriculture. The hope of the results of this research will be a forum for building the affective-cognitive competency transformation of urban farmers.

Keywords—*rural-owned enterprises, management, entrepreneurship, innovation, tourist attraction*

I. INTRODUCTION

Rural-owned enterprises are village business institutions as part of government programs in an effort to improve village welfare and alleviate poverty. Welfare and poverty are problems faced by all regions. Based on the results of the 2017 Census analysis, the comparison of rural poor people is 4.61% and the city is 3.74% with a variance value of 0.87% poverty

inequality [1]. This indicated that the problem of poverty needs a serious solution by creating social value creations. Some research results show that poverty is caused by people being too exclusive from social life, so that there is community discrimination in material measures and interactions with one another [2]. The World Bank report that problems of poverty related to the human condition are faced with socio-economic problems so that it is necessary to form a new business density policy. The results of research [3-5] have revealed that government policies are considered to be the most effective in helping to overcome economic and social problems in society.

One of the ways that the government can do is through strengthening the role of new entrepreneurs with innovative entrepreneurship/technology transfer and strengthening institutional functions. The establishment of Rural-owned enterprises as one of the government's efforts to create income opportunities and improve the welfare of rural communities. Currently, the growth and development of Rural-owned enterprises is still far from expectations. The results of the preliminary survey and the results of the dedication of the Accounting Department for 2018-2019 found several things that caused Rural-owned enterprises to not move due to: village officials did not understand Rural-owned enterprises and did not understand the amount of authority [6] and weakness of spirit entrepreneurship [7] Apart from the principle of subsidiarity and recognition, it has not been fully utilized as the strength of the village, the potential of the village, and as a village mandate, so the utilization of Rural-owned enterprises funds is still limited to physical development. Thus, human resources as a strengthening of institutional and entrepreneurial capacity have not been able to grow and develop [8]. Past experiences from government programs have made Rural-owned enterprises less attractive for young people to work [9].

The results of the preliminary study show that rural-owned enterprises problems in developing tourist attractions are also caused by: (1) unclear business planning (business plan) and business administration, so that it has an impact on the

preparation of work programs; (2) have not been able to explore the productive village economic potential. (3) market product orientation with low competitiveness (4) unable to plan/estimate operational costs. The purpose of this study is to formulate a management model of rural-owned enterprises based on entrepreneurial innovation as a tourist attraction. Recommendations from the results of this study as a reference for policy makers to reevaluate the budget and development of the Rural-owned enterprises market share network in the future.

II. RESEARCH METHODS

A. Design Research

Design research used qualitative approach. The research design used a qualitative approach. A qualitative approach was taken by researchers to the field to find detailed information through in-depth interviews with key informants. Key informants act as managers and implementers of policies operationally and technically at the village level. The research data uses primary data from in-depth interviews with informants. Informants were selected with characteristics, namely: (1) understanding the theme of this research; (2) have experience and knowing of rural-owned enterprises activities; (3) directly / indirectly involved in the management of Rural-Owned Enterprises. (4) knowing the initial process of establishing a Rural-Owned Enterprises up to the time of the interview. The research location is in the Kertalangu Tourism Village, East Denpasar City. The data was collected by using a structured open answer questionnaire, in-depth interviews, and discussions. The questionnaire data was validated with truth claims, empirical claims, and reliability. Validity with truth claims aims to validate the correctness of information from various informants, so that the concepts built are correct and make sense/logically. Empirical claims are meaningful to build a suitability of understanding ideas with real reality in the field. The validity of truth claims is carried out by obtaining information from technical policy implementers at the village level, namely the Head of Rural-Owned Enterprises and policy field monitors at the district level. Empirical claims are made by researchers by comparing complete knowledge and understanding of the research theme with the management of Rural-Owned Enterprises based on entrepreneurial innovation in the real world. Information and open answers obtained from key informants through truth claims and empirical claims are formulated and analyzed by Micmac Factor.

B. Data Analysis with MicMac Method

Data analysis used Micmac Factor Analysis. The results of the Micmac factor analysis can be found in the key variables of the application of management models in Rural-owned enterprises based on entrepreneurial innovation as a tourist attraction. The six key variables tested in the field include managing, policy, finance, performance, digital transactions, and markets. The stepwise used Micmac Method as such: (1) setting the first idea for choice to key variable. (2) choosing number of iteration matrix, (3) resulting filtrated matrix, (4) the

interaction influence/dependence, (5) The Matrix Map of key variables, (6) The Matrix Graph of key variables.

III. RESULTS AND DISCUSSION

The steps using the Micmac method aim to determine the key variables according to the test results of informants in the field. The key variables tested in the field are based on concepts and paradigms, then these variables are selected and processed by the system to formulate a management model of rural-owned enterprises. After the key variables are determined and selected based on the concept and empirical paradigm, then the scoring is carried out based on the standard in the system. The assessment of key elements or variables can be done in 6 iterations consisting of 6 rows and 6 columns which can be shown in Table I.

The result of iteration of key variables such as Table I consists of six lines, including: managing of rural-owned businesses; role, policy, standard operational procedure; sources of finance or fund; performance evaluating and accountability; transaction as such intensity, quickly; market information networking. The results of the key variable testing process with six iterations can produce filtration as in Table II.

Filtration with six key variable iterations, such as: management, policy, finance, performance evaluation, e-transactions, and markets can produce a value of 69.44% (70% rounding). This value means that the filtration of six iterations can produce a cumulative value of 70%. After finding the filtration value, it is continued with the process of testing the management model of Rural-Owned Enterprises by looking at the total value of each column and row. The key variable classification matrix consists of the number of row values and the number of column values (a; b). A matrix of managing of rural-owned enterprises was obtained (10; 7); Matrix of roles, policies, standard operational procedures were obtained (7; 8); Sources of finance or fund matrix is obtained (8; 12); the performance evaluating and accountability matrix was obtained (7; 9); The transaction as such intensity, quickly obtained matrix (6; 8); Market information networking matrix is obtained (7; 1). The next step is to test the stability of the matrix between influence and dependence as presented in Table IV. The stability of the matrix results with six iterations can result in the stability of the key variables into the two indicators of influence and dependence. The percentage of the magnitude of each indicator of the influence variable on the dependent variable can be presented in Table III.

A. Stability of Key Variables

The key variable iteration stability consists of influence to dependence ($i\%$; $j\%$). Iteration stability managing of rural-owned enterprises is obtained (67%; 120%); Stability of iteration role policy, standard operational procedure was obtained (100%; 83%). The iteration stability of sources of finance or fund is obtained (100%; 120%); stability iteration (performance evaluating and accountability) is obtained (100%; 83%); Iteration stability of transactions as such

intensity, quickly obtained (100%; 120%); The iteration stability of market information networking was obtained (100%; 100%). Iteration stability shows that the stability of the influence and the stability dependence.

B. The Mapping of Key Variables

The mapping of the key variable matrix, namely: management, policy, finance, performance appraisal, e-transactions, and markets. The power of direct influence lies in the variable market and managing. The weakness of the model of the six key variables built in empirical testing is that the key dependent variable lies in policy, evaluating, finance and e-transactions. The conclusion that can be drawn from the matrix map is the power of direct influence of the key variables lies in the market and managing.

Key factor	1.Managing	2.Policy	3.Finance	4.Evaluating	5.E-transaction	6.Market
1.Managing of rural-owned enterprises	0	2	3	2	2	1
2.Role policy standar operational procedure	2	0	3	2	3	0
3.Sources of finance or fund	2	2	0	3	1	0
4.Performance evaluating and revenue	0	2	3	0	2	3
5.Transaction as such intensity, quickly	1	0	3	2	0	3
6.Market information networking social	2	2	0	3	3	0

Fig. 1. The six iterasi matrix of the six key variable.

The result of iteration of key variables such as Figure 1 consists of 6 lines, including: managing of rural-owned businesses; role, policy, standard operational procedure; sources of finance or fund; performance evaluating and accountability; transaction as such intensity, quickly; market information networking. The results of the key variable testing process with six iterations can produce filtration as in Table 1.

TABLE I. FILTRATED MATRIX

Matrix sizes	6
Number of iteration	6
Number of zeros	11
Number of ones	3
Number of twos	12
Number of threes	6
Number of P	4
Total	25
Filtrate	69.44%

Filtration with six key variable iterations, such as: management, policy, finance, performance evaluation, e-transactions, and markets can produce a value of 69.44% (70%

rounding). This value means that the filtration of six iterations can produce a cumulative value of 70%.

TABLE II. ITERATION INFLUENCE TO DEPENDENCE

Iteration	Influence	Dependence
1	16%	120%
2	100%	83%
3	100%	120%
4	100%	83%
5	100%	120%
6	100%	100%

The key variable iteration stability consists of influence and dependence (i%; j%). Iteration stability managing of rural-owned enterprises is obtained (67%; 120%); Stability of iteration role policy, standard operational procedure was obtained (100%; 83%). The iteration stability of sources of finance or fund is obtained (100%; 120%); stability iteration (performance evaluating and accountability) is obtained (100%; 83%); Iteration stability of transactions as such intensity, quickly obtained (100%; 120%); The iteration stability of market information networking was obtained (100%; 100%). Iteration stability shows that the stability of the influence and the stability dependence.

C. The Matrix Map

The mapping of the key variable matrix, namely: management, policy, finance, performance appraisal, e-transactions, and markets. The power of direct influence lies in the variable market and managing. The weakness of the model of the six key variables built in empirical testing is that the key dependent variable lies in policy, evaluating, finance and e-transactions. The matrix map in Figure 2.

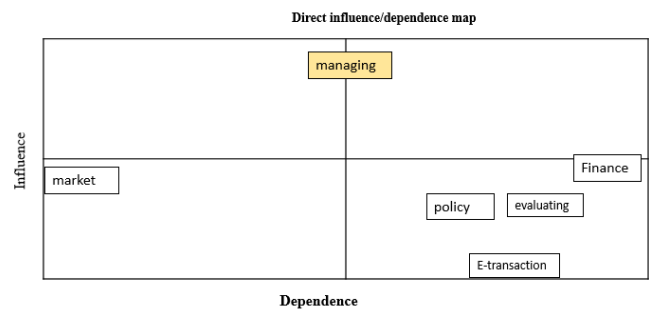


Fig. 2. Matrix map of the six key variable.

The conclusion that can be drawn from the matrix map is the power of direct influence of the key variables lies in the market and managing.

D. The Matrix Graph

The final step for testing the key variables using the Micmac method is to look at the matrix graph of the key variables. The resulting matrix graph can be presented in figure 3.

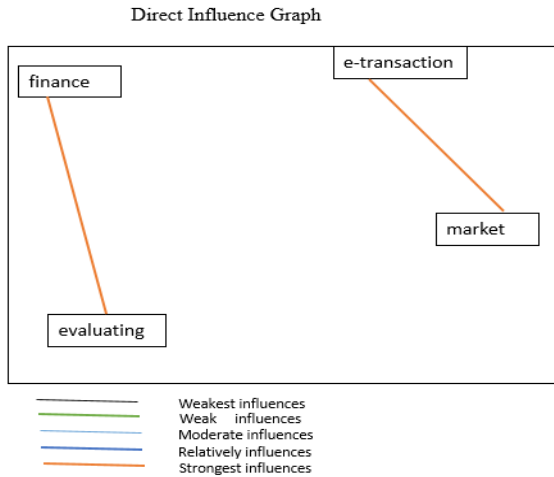


Fig. 3. Matrix graph of six key variables.

The matrix graph that can be produced is as shown in figure 3 where the strength of financial variables is related to management, while the e-transaction variable is related to the market. The matrix graph generated from six iterations found direct influence on finance and managing, as well as e-transactions and the market. Correlated line between finance with performance variable is inelastic, because it's matrix graph is steep. Correlated line between e-transaction with market variable is elastic, because it's matrix graph is a sloping. The key variables correlated line in matrix graph have the strongest influences, so that the two relationship lines form the basis of "the management model of rural-owned enterprises".

The management of rural owned enterprises actually maximizes the role of community participation in transactions to meet consumption needs and access market information. The results of this study found that the power of direct influence lies in variable finance and managing, as well as e-transactions and the market. Entrepreneurial innovation is supported by e-digital transactions, transaction tools, e-marketing, and market information networks [10]. Innovative entrepreneurship as a tourist attraction is supported by community participation in building business information networks [11], job opportunities, sources of village income with urban agriculture eco-research. It is hoped that the results of this research will become a forum for building the affective-cognitive competency transformation of urban farmers. These results are in line with the view [12] that the function of economic institutions in rural areas is to encourage economic growth and the welfare of rural communities [12,13], with an innovative approach. entrepreneurship through technology transfer/transactions and markets as agents of change [14]. Policies that lead to innovative entrepreneurship [15] to build rural-owned enterprises based on innovative entrepreneurship and local wisdom can create tourist attractions. Strengthening the function of economic institutions and financial functions in rural areas as a solution to socio-economic problems, especially poverty [16] and the management of economic institutions is

based on three principles, namely beneficial, profitable, and sustainable.

IV. CONCLUSION

The three design solutions for the research findings are as follows: (1) strengthening institutional and financial functions, (3) innovative entrepreneurship through e-transactions and market information. Weak transfer of technology to strengthen financial management related to sources of funds and execution of e-transaction-based and market-oriented activities. Strengthening institutional functions through accountable management of rural-owned enterprises actually maximizes the role of economic institutions in rural areas to encourage access to community sources of income to spur economic growth and the welfare of rural communities. The method of field data analysis was carried out using the MICMAC-Factor Methods. The results of this study indicate that the strength of the direct influence of the key variables lies in: (1) the relationship between management and financial variables; (2) e-transaction and market variables. Thus, management and finance are the internal strengths of business organizations, while e-transaction and markets are challenges for business organizations. Recommendations for future research results need a more in-depth quantitative study of internal and external variables as an effort to strengthen rural business institutions.

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