

Trust, collaboration, and quality management in model of agro-tourism kampung Salak Bojonegoro

N. K. Darmasetiawan, J.L.E. Nugroho, & D. A. Christy

University of Surabaya, Surabaya, Indonesia

C. Anam

Universitas Darul Ulum, Lamongan, Indonesia

ABSTRACT: Alteration strategy from competitive strategy to collaborative strategy is one tough challenge exclusively when it comes to business problems and enactment to similar business, including agribusiness. The research questions proposed in this research are: (1) Why do entrepreneurs who play a role in the agro-tourism Kampung Salak Bojonegoro have mutual trust toward each other? (2) How is the collaboration strategy applied in the agro-tourism Kampung Salak Bojonegoro? (3) How can quality management improvements be implemented to the model of agro-tourism Kampung Salak Bojonegoro?

The type of research used is qualitative research, with focus group discussion method, in-depth interview, and observation. The results of the current study are (1) The entrepreneurs have mutual trust toward each other because of being bound by the same goals, the existence of social norms which are the control to not compete with each other, and the urge to grow together for a better life; (2) The collaboration strategy is accomplished through mutual agreement, mutual learning and growing together, in a way successful entrepreneurs train the new growing entrepreneurs; (3) Quality management is implemented through tiered entrepreneurship training methods.

Keywords: Agro-tourism, collaboration, trust, tiered entrepreneurship training, quality management.

1 INTRODUCTION

Wedi Village at Kapas District in Bojonegoro Regency has the potential to be Thorny Palm (Salak Fruit) Wedi Agribusiness Centre. There is available salak plantation area for 75 ha. Production of salak in 2013 reached 19,511 quintals (Darmasetiawan 2018).

Thorny Palm of Wedi (Wedi's Salak fruit) is a hereditary heritage, growing in almost every yard belonging to the community of Wedi Village at Kapas District in Bojonegoro Regency (Darmasetiawan 2018). However, Salak Wedi has many obstacles, namely in terms of lack of taste and quality, but the people of Bojonegoro have the entrepreneurial spirit. It is a social capital to support the development of Bojonegoro as Agropolitan Area (Darmasetiawan 2018).

The obstacles that Wedi Village have as a producer of Salak, as well as an inadequate infrastructure environment can be overcome by the enthusiasm of the Wedi Village community. The

Wedi Village community has a great entrepreneurial spirit and enthusiasm to develop Wedi Village especially in the field of agro-business.

The Wedi Village community has a very thick togetherness and mutual cooperation culture (Darmasetiawan et al. 2018). According to Kartodijo (1985), mutual cooperation is a culture that has grown and developed in the social life of Indonesian society as a cultural heritage that has existed for generations (in Effendi & Daljono 2013). Mutual cooperation is a form of community group collaboration to achieve a positive outcome from the goals which want to be achieved by consensus and mutual consultation. Mutual cooperation must be based on the spirit of clarity, willingness, togetherness, tolerance, and trust (Effendi & Daljono 2013).

Trust among group collaboration critical, it is important because of the strong tendency to understand how to create active collaboration within the group. Without trust, an achievement to the objectives of the group can waver, as members

perceive the alliance as disintegrating or weak, destroyed by mistrust or misunderstanding (Handy 1998; Mc. Allister 1995; Zaheer et al. 1998). Therefore, trust is a key of collaboration in a group. Tyler (2003) illustrated that the success of an organization depends on its ability to manage effective and active collaboration. Pinto et al. (2009) supported the idea that trust is a critical means for enhancing the performance of projects. In their view, trust increases the willingness of various project stakeholders to cooperate and collaborate as well as improve the strength of working relationships, solidifies partnering roles, and increases the willingness of various project stakeholders to cooperate and collaborate. Trust comes from responses related to the sharing of information, materials, resources and representing good intent behavior (Erdem 2003).

The Wedi Village community has the skills to produce processed products from Salak fruits. In 2018, there were 21 SMEs entrepreneurs in salak processed products that had obtained permits. In that development and also with the area that they have, the Wedi village community agreed to make Wedi Village as an agro-tourism in Bojonegoro Regency. The agrotourism model which is fitted with the conditions of the region and the characteristics of the Wedi Village community is the Agrotourism Kampung Salak Bojonegoro. Agrotourism Kampung Salak Bojonegoro model is a tourist place in the form of cluster industry, wherein the cluster industry it is possible to have several similar industries. Therefore, one of the most important in the industry cluster is quality management.

The research questions proposed in this research are: (1) Why do entrepreneurs who play a role in the agro-tourism Kampung Salak Bojonegoro have mutual trust toward each other? (2) How is the collaboration strategy applied in the agro-tourism Kampung Salak Bojonegoro? (3) How can quality management improvements be implemented to the model of agro-tourism Kampung Salak Bojonegoro?

2 RESEARCH METHODS

The research is qualitative descriptive research, where the researcher knows the position at the time of data collection in the field, and become the data interpreter (Moleong 2011).

Sampling technique used in this research is purposive sampling, that is a sampling technique from the data source with a certain consideration. (Sugiyono 2013).

Data collection techniques used in-depth interviews, the researchers looking for data by interviewing in depth all the relevant informants

consisting of business actors in "Kampung Salak" Wedi Village, which related to salak seller, business actor in the agro field, and business of processed products. The number of informants is 6 people. In-depth interviews conducted, equipped with observations, namely data collection techniques by observing the attitude of research subjects.

Data analysis techniques using (1) data reduction, data collected from the field in the form of results in-depth interview and observation, recorded in detail and thorough, then summarized, selected key points, focus on the things that are important and sought the theme and the pattern. After that was done (2) display data after the data was reduced, then the next step is to perform the presentation of data. The presentation is done in the form of a brief description, making the chart, the relationship between categories, flowchart, in this study used narrative text. And the last step is done (3) conclusion drawing/ verification is the withdrawal of conclusions and verification (according to Miles and Huberman 1983 in Soegiyono 2013).

3 RESULTS AND DISCUSSIONS

The Wedi community is almost entirely mutually active and supportive. The people are competing to make processed products in packaging, manage the salak garden to become agro-tourism that is ready to be marketed. In Wedi Village, there is an informal leader who can empower the community. The Wedi Village community is eager to participate. The entrepreneurs have mutual trust toward each other. For example, the informal leader has a wife who is the most successful entrepreneur of salak products in Wedi Village and having the highest sales. At certain times, for example before the Eid Al-Fitr, it is unable to meet the overwhelming demand, so it is necessary to obtain supplies from other entrepreneurs. The successful entrepreneur has no hesitation to share her knowledge with other entrepreneurs on how to imitate the method for making salak processed products in order to meet the demand of salak processed products. The trust possessed by the Wedi Village community is because people feel having attachments, the same goals, the existence of social norms which are the control to not compete with each other. And the desire to grow together for a better life. The reasons above which made the Wedi Village Community have to bound to each other. It has also happened to cluster industry in Silicon Valley in the United States is very famous in the world. The industrial cluster deals with the attachment between businesses in a geographical location, which can be due to the

location having a comparative advantage (Dunning 1988).

The collaboration strategy in agro-tourism Kampung Salak Bojonegoro is applied by helping one another, likewise, a larger business will help the smaller one. There is Toyoaji in Wedi Village, where the manager of Toyoaji felt become a part of the Wedi Village community, so that he had a strong desire to share (Niu et al. 2008; Niu 2009), the desire to share was caused by the trust of one another (Darmasetiawan et al. 2013). The collaboration was implemented in community empowerment by the manager of Toyoaji, developing Toyoaji as the center of Dolanan Nusantara. Toyoaji collaborated with the Wedi Village community, provided space for educational tourism to produce salak products, made tour packages to Salak garden and souvenirs center for Toyoaji guests in Kampung Salak Wedi, so as become mutual symbiosis. This relationship can occur because of the existence of social capital owned by Wedi village community (Darmasetiawan, 2018).

On the other hand, the Wedi village community who are enthusiastic to become SMEs entrepreneurs are given training for online marketing, hopefully, salak products which produced by the Wedi village community are well known, with the result customers willingness to know and finally visit the Kampung Salak Wedi.

Quality is the main factor in our public eye, it helps to build a well known & trusted products. Moreover, improving higher level will result in a good quality product as well as quality service. A business will be sustainable, survived, and even able to create more than one product if the producer concerns to the quality.

Quality management is applied by entrepreneurs in Wedi Village because there are some entrepreneurs who have high demand but are unable to fulfill that, so it needs to involve other entrepreneurs. Therefore, the desired quality product is made to be standard, moreover requires quality management. According to Taddese & Osada (2010) quality is an essential factor for the competitiveness of SMEs and the pursuit for total quality leads companies to improve their processes and products, and consequently make them become competitive in the market they serve. However, presenting a culture focused on a participatory and quality oriented management aimed at the customer is an arduous and difficult task to achieve, particularly in SMEs (Darmasetiawan 2018). Quality management improvement in Kampung Salak Bojonegoro was implemented through Tiered Entrepreneurship SME Training, namely through

training from the Department of Industry and Trade, academics, and more advanced entrepreneurs.

The tiered entrepreneurship training is conducted in three levels, namely the basic level for new micro-entrepreneurs, middle level for micro-entrepreneurs who have been running their business, but need improvement from various aspects of business, such as packaging improvement, more equipment using appropriate technology, and others, while the advanced level is training for micro-entrepreneurs who will further develop their business in order to have a wider turnover and market share (Darmasetiawan 2018).

4 CONCLUSION

From the above discussion it is concluded: (1) The entrepreneurs have mutual trust toward each other because of being bound by the same goals, the existence of social norms which are the control to not compete with each other, and the urge to grow together for a better life; (2) The collaboration strategy is accomplished through mutual agreement, mutual learning and growing together, in a way successful entrepreneurs train the new growing entrepreneurs; (3) Quality management is implemented through tiered entrepreneurship training methods.

REFERENCES

- Darmasetiawan, N. K., M.S. Idrus, E. A. Troena, U. Salim. 2013. Organizational Trust, Willingness to Share, Membership Involvement, and Knowledge Obtaining (Study on Health Industrial Cluster: PERSI, GP Farmasi, and Gakeslab Association in East Java. *International Journal of Business and Management Tomorrow* 3 (1): 1113-14.
- Darmasetiawan, N. K.. 2018. Social capital, tiered entrepreneurship training, and agrotourism development model of Kampung Salak Bojonegoro. *Proceeding 15th International Annual Symposium on Management (Insyma)*, Burapha, 1 Maret 2018. Surabaya: Universitas Surabaya.
- Darmasetiawan, N. K., L. K. Widjaja., H. Lijie. 2018. Communication strategies in improving agricultural society's value and participation. *Proceeding 15th International Annual Symposium on Management (Insyma)*, Burapha, 1 Maret 2018. Surabaya: Universitas Surabaya.
- Dunning, J. H. 1988. The eclectic paradigm of international production: a restatement and some possible extensions. *Journal of International Business Studies* 19(1): 1-31.
- Effendi, S. & D. Daljono. 2013. Pengaruh Corporate Governance dan Kualitas Auditor terhadap Manajemen Laba. *Diponegoro Journal of Accounting* 2(3):1-14
- Erdem, F., J. Ozen, N. Atsan. 2003. The relationship between trust and team performance. *Work study* 52(7): 337-340.
- Handy, C. 1998. Trust and the Virtual Organization. *Harvard Business Review* 73(3):40-50



- Mc. Allister , D. J. 1995. Affect,-and Cognition-Based Trust as Foundation for Interpersonal Cooperation in Organizations. *The Academy of Management Journal* 38(1): 24-59.
- Moleong, L. J. 2011. Metode Penelitian Kualitatif, Bandung: Remaja Rosdakarya.
- Niu, K.H., G. Miles, & C.S. Lee. 2008. Strategic Development of Network of Clusters: a Study of High Technology Regional Development and Global Competitiveness. *Competitiveness Review* 18 (3): 176-191.
- Niu, K.H.. 2009. Organizational Trust and Knowledge Obtaining in Industrial Clusters. *Journal of Knowledge Management* 14(1): 141-155.
- Sugiyono. 2013. Metode Penelitian Kuantitatif, Kualitatif, Dan Kombinasi (*Mixed Methods*). Edisi Keempat. Bandung: ALFABETA.
- Taddese, F. & H. Osada. 2010. Process Techno - innovation using TQM in developing countries empirical study of deming prize winners. *Journal of Technology Management & Innovation* 5(2): 47-65.
- Tyler, T. R. 2003. Trust within Organizations. *Personnel Review* 32(5): 556-568.
- Zaheer, A., B. McEvily, & V. Perrone. 1998. Does Trust Matter? Exploring the Effects of Interorganizational and Interpersonal Trust on Performance. *Organizational Science* 9(2): 141-159.