

Conference Paper

The Existence of Marble and Onyx Handicrafts in Gamping Village in Improving Community's Welfare

Sri Umi Mintarti W, Yohanes Hadi Soesilo, Rizky Dwi Putri, Dian Rachmawati, and Annisya

Abstract

The business of marble and onyx stone crafts in Gamping village has established before Indonesia's independence. In the Dutch colonial era, there are already handicrafts that make gravestone in which many are sent abroad. The existence of this business is still visible even though the crisis has hit the economy of Indonesia. This study was conducted to find out why this business can still exist and its impact on the welfare of the community. This research is a qualitative research conducted in Gamping village with marble and onyx stone crafts entrepreneur as the research subject. The sources of information are obtained from employers, community leaders, and housewives. Furthermore, the research instrument in this study was interview and documentation. The results showed that these entrepreneurs are highly motivated to try in the field of crafts as well as being honest and responsible in fulfilling the orders. Their willingness to be independent is very high even only with limited capital. However, this business is also experienced several ups and downs. In 1985-2005, this has experienced a glory while after 2005, this has encountered a decrease in the orders. The existence of this business is very helpful to meet the needs of life and to provide prosperity for the community in Gamping village. Therefore, this needs government intervention especially in product development and marketing so that this business can maintain its existence.

Keywords: marble and onyx SMEs existence, motivation, honest and responsible, people's prosperity.

Small and medium enterprises (SMEs) is a business that is resistant to economic crisis so far. In several economic crises, SMEs can still run its business and even able to be a pillar of country's economy. This is proved in the economic crisis of 1998, SMEs still exist while many large enterprises undergo a bankrupt (*Indonesian Economic & Small Medium Enterprises Outlook*, 2011) [2]. The existence of SMEs is very helpful in the absorption of labor especially in rural areas and workers who do not have a bachelor degree;

Corresponding Author:

Sri Umi Mintarti W

sriumi_mintarti@yahoo.co.id

Received: 23 January 2018

Accepted: 5 April 2018

Published: 23 April 2018

Publishing services provided by
Knowledge E

© Sri Umi Mintarti W et al. This article is distributed under the terms of the [Creative Commons Attribution License](#), which permits unrestricted use and redistribution provided that the original author and source are credited.

Selection and Peer-review under the responsibility of the 1st IRCEB Conference Committee.

 OPEN ACCESS

they can get a job in SMEs. This happens because most SMEs usually do not require a college education but a working skill in accordance with the business type. Based on data from the Ministry of Cooperatives and SMEs in Indonesia, SMEs have contributed to the employment of 99,74% of the total national absorption [1].

Based on the interviews with the head of Gamping village, the existence of onyx and marble stone SMEs is able to absorb dozens of workers in the village. By that, many workers who used to work abroad return to the village to become a workforce in this handicraft business. The business of onyx and marble stone crafts in Gamping village is known since the 1990s. (Suyono, 2016, unpublished personal interview).

Actually, this handicraft business has existed before the independence of Indonesia which its location is in Besole village; there is a marble mountain in there. The business manager at that time was the Dutch government with gravestone as the main product in which many were sent abroad. Over time, to improve the skills of the workers which mostly from local residents, they were sent to Italy for some time and after they got the training, they returned to work in the marble craft business. However, because there is no change in the welfare, the workers ask to quit from the company. (Sukamto as public figure, 2016, unpublished personal interview).

Furthermore, this means that they are the forerunner to the establishment of onyx and marble stone SMEs.

1990 was the glorious year of this handicraft business. There are many showrooms along the road of Gamping village who sell these crafts. On holidays, there are many visitors and the sales transactions rose sharply. It makes the economic level of the people in the village to increase significantly (Tutik as a public figure, 2016, unpublished personal interview).

With the passage of time and the economic crisis that hit Indonesia, this impacted the continuity of onyx and marble stone crafts business. Originally, there was 130 handicrafts business while now only 58 units that are still in production (Sukamto as a public figure, 2016, and the data from Gamping Village). Thus, we need to do a research on why there are still entrepreneurs running its business in the field of marble and onyx stone crafts in Gamping village even though there are few visitors in the showroom and whether or not the existence of this industry is able to help the community in achieving life's prosperity or welfare.

Welfare is a set of life values and livelihood for individuals, families, and communities for various aspects [9] such as economic, social, and spiritual effort to fulfill the physical and spiritual needs). Based on the description above, this study aims to determine the

existence of SMEs which in this case is the business of onyx and marble stone crafts in Gamping village in improving the welfare of the community.

Based on the Law Number 20 of 2008, SMEs were divided into three criteria according to its assets and turnover, such as:

1. Micro Business: has a net worth of at most IDR 50,000,000,00 (fifty million rupiahs) excluding the land and building of business premises or has annual sales proceeds of at most IDR 300,000,000,00 (three hundred million rupiahs).
2. Small Business: has a net worth more than IDR 50,000,000.00 (fifty million rupiahs) up to IDR 500,000,000,00 (five hundred million rupiahs) not including the land and building of business premises or has an annual sales turnover of more than IDR 300,000,000,00 (three hundred million rupiahs) up to a maximum of IDR 2,500,000,000,00 (two billion five hundred million rupiahs).
3. Medium Business: has a net worth of more than IDR 500,000,000,00 (five hundred million rupiahs) up to IDR 10,000,000,000,00 (ten billion rupiahs) excluding the land and building of business premises or has annual sales of more than IDR 2,500,000,000,00 (two billion five hundred million rupiahs) up to IDR 50,000,000,000,00 (fifty billion rupiahs).

In this village, there are 58 handicraftsmen and divided into 3 criteria, namely: 37 entrepreneurs are included in the first criteria which have assets of IDR 50,000,000 excluding land and building of business premises with an annual sales turnover of less than IDR 300,000,000 per year. A total of 19 entrepreneurs is included in the second criteria which have assets of IDR 50,000,000 up to IDR 500,000,000 excluding land and building of business premises and has a sales turnover of more than IDR 300,000,000 to IDR 2,500,000,000. As for the third criteria, this is represented by 2 businessmen. However, SMEs criteria depend on each country as Ayyagari *et al.*, (2007) said that different countries have distinct criteria in defining SMEs such as labor, sales, and investment.

TABLE 1: Number of onyx and marble stone handicrafts based on the criteria of total assets and turnover.

Number	Criteria	Amount	%
1.	Third criterion	2	3
2.	Second criterion	19	33
3.	First criterion	37	64

Source: The data of Gamping Village, processed.

The marble and onyx craft industry is based on the number of its workforce including 37 micro businesses with less than 10 workers, and 21 small businesses with 10 up to 99 workers. This division is in accordance with Hashim, M.K (2000) which categorized micro and medium enterprises into three categories such as a micro business with less than 10 workers, small business with 10 up to 99 workers, and medium business with 100 up to 499 workers.

SMEs in Indonesia also experience various problems in its journey which are: (1) Form of legal entity. We all know that SMEs start from a small company or an individual business which in running its business, this party rarely thinks of legal entities. It is not impossible that they do not understand about legal entities; (2) Human resources. In general, the human resources owned by SMEs are small. The highest educational attainment is only a high school degree and the amount itself is very small because most of the human resources in SMEs only have elementary school education; (3) The skills of the workers in SMEs are limited which means that they do not have the skills that can be used to assist SMEs development; (4) Capital is the most common problem faced by SMEs. This is happened due to the fact that most SMEs grow in rural areas and come from individual businesses. The owners set up this business because they want to work independently especially in the field of crafts. Unfortunately, the access to obtain capital from financial institutions is very difficult because it is constrained by the terms or conditions applied by each financial institution; (5) Market orientation, an issue that is always present in SMEs. This happens because the people rarely do market orientation in the production. In particular, SMEs in the field of crafts are understandable in this kind of condition because they produce based on demand so that they rarely do market research; (6) Marketing process is also experienced by some SMEs in marketing their products. Many of the SMEs need intermediaries in selling their products. Many SMEs products are exported but they themselves do not understand how the process of selling their products abroad [2]:

1. Factors Affecting the Entrepreneurial Success

Entrepreneurship could be interpreted as one of the careers chosen by someone. Generally, this option was taken for several reasons such as (a) want to have plenty (flexible) of time with family [5] or (b) want to be a leader in his own office (c) want to develop the idea and (d) want to earn a larger income [4].

So, we can say that someone wants to become an entrepreneur because they want to have the freedom of time so that they can be with family freely. They also want

to be the leader in the business they founded. Thus, these are the reason why people want to be entrepreneurs.

Here are the factors that influence a successful entrepreneur as published in the book of Entrepreneurship Chapter Critical Factors for Starting a New Enterprise (Bygrave and Zacharis, 2011).

(1) Personal character

Generally, an independent person (has a high locus of control) that has the confidence and strength to realize his dream of becoming a successful businessman.

(2) Supportive Condition

The absence of open career opportunities, for example, for people who dropped out of college or laid off because the economic condition is in crisis.

(3) A dreamer

A dreamer has a clear view of the future that he wants to achieve, so they can realize his idea in a mature plan.

(4) Firm and Active (do not like to postpone work);

Assertiveness will reduce the risk of delaying work as well as the active nature that tends to be the impetus of a person to directly implement the idea that appears in the head

(5) Committed and dedicated to his work

High commitment and dedication is a recipe for business people so that they are not discouraged easily when experiencing an adverse condition in the business.

(6) Love the job

Loving the job can be a driving force for an entrepreneur in continuing the innovation on its products.

In addition, there is an unimplied desire of some entrepreneurs that is the company is managed to be beneficial for the community. This means that the existence of the company could help the surrounding community to improve its welfare in a broader sense.

2. The Concept of Welfare

As Suwarno (2013) has pointed out, welfare can be interpreted widely both in terms of meeting the needs of life, well-established jobs, or good social status in society. Therefore, an individual is said to be prosperous when all needs are fulfilled, has a good social status, well regarded, and has no family problems that could destroy its

reputation in the life of society. Nasikin (1993) argued that the concept of welfare can be formulated as the equivalent of the concept of human dignity which can be seen from four indicators, namely: (1) sense of security, (2) welfare, (3) freedom, (4) and identity. According to Nasikin, someone is said to be prosperous when the person can meet all its needs and has a good social status in the community as well as a sense of security. A sense of security in here means a sense of security in running his/her life, in work, or in all areas. Similarly, in terms of freedom, they have the freedom to carry out any activities as long as the activities do not conflict with the rules or applicable laws. In addition, they do not get pressure from other parties in carrying out the activities or business. Identity is also one of the indicators, people are said to be prosperous if they can actualize themselves and able to gain recognition from others; this will make people happy. Hidi *et al.*, (2016) described welfare as a set of values of life and livelihood for individuals, families and communities to various aspects, such as: economic, social and spiritual endeavors to conduct physical and spiritual fulfillment (Hidi S et al., 2016, Mapping of Economic Welfare Level of Cashew Farmer Household. Advances in Environmental Biology. Vol. 3 Volume 10: 105-112.AENSI). This opinion is in accordance with Spicker (2000) that needs are not enough to determine welfare, many factors are contributed to welfare rather than a satisfaction of basic needs. (Spicker, P. 2000. The Welfare State: A General Theory. Sage Publication: California-USA). It is emphasized that welfare must be designated as a problem of mix-age, or better of differentiation and synergy, among the various sectors of intervention. New horizons of welfare pluralism must be sought so to balance social integration with system integration. By that, people or families are said to be prosperous if they are not merely fulfilled the needs of everyday life but their lives in society, their social relationships, their spirituality, their behavior; all of those are the indicators of welfare.

3. Research Method

This research was a qualitative research and conducted in Gamping village, Campurdarat, Tulungagung. The subject of this research was the businessman of onyx and marble stone handicrafts in Gamping village. To strengthen the research, the data or information were obtained from the head of the village, community leaders, employees, and the community.

The data collection was carried out by interview and documentation and the data analysis itself was done through several stages. The first was data reduction; the data from interviews were selected to differentiate which data that are related to

the research and which are not. The unrelated data will be eliminated in this study. Secondly was the data display. This means that the obtained data were analyzed and presented. Lastly, in the third stage, the report of research results was presented.

4. Results and Discussion

By owning their own business, the businessmen of onyx and marble stone handicrafts in Gamping village have the freedom to use their working time and to channel their ideas into the products they produce without any significant obstacles. This is also in line with the opinion of Barringer and Ireland (2005) stating that the motives to become an entrepreneur are to be the boss in his/her own office, to develop ideas, and to earn a higher income (Barringer and Ireland 2005).

Besides that, to maintain the business, the main capital needed is honesty, discipline, responsibility, and a big motivation to go forward (Bygrave and Zacharis, 2011). Honesty in fulfilling orders is in accordance with the contracts that have been mutually agreed while discipline is about the time to complete the order. Discipline is also very influential in maintaining the existence of the business. Honesty and discipline are the implementations of responsibility in completing orders received. On the one hand, motivation is one factor that can encourage entrepreneurs to maintain their business. With a high motivation, the existence of the business will continue. Entrepreneurs, in general, have the desire that the resulting product will be absorbed by the market so that they will always receive orders. If the order keeps flowing, the business will also still exist and, ultimately, will be able to improve the welfare of its employees in particular, and generally for the community around the factory.

5. Factors that Encourage the Success of Marble and Onyx Stone Craftsman in Gamping village.

The factors that drive the success of onyx and marble stone businessmen are (1) doing things that must be based on desire, (2) working that must be accompanied by spirit, (3) having dreams (Bygrave and Zacharis, 2011) and, (4) having good financial management. Work must be based on the desire so that the work can be well-done.

Most of the businessmen in Gamping acquires the knowledge of financial management from their parents. Through this "role model", unconsciously, how parents spend their money is proved to be a very important education for the children. This is consistent with the theory of Mangkunegara (1990) that the habitual behavior is a result

of the process of thinking and orientation in achieving a goal. Thus, the behavior of a person is greatly influenced by his memory of the situation that occurred in the past, present, and future. It is argued by Gagne (1985) that one of the most reliable methods of attitude change is the human model, imitating the behavior of the modeled person or more precisely imitating his or her choice of action. This can be said that these businessmen gain the knowledge of financial management by looking and imitating their parents by seeing how parents spending their income. As obtained from the results of the research, they tried to set aside some of his income to be saved. They expect that the savings will be used to increase the business capital. Meritt (2004) stated that when a child is five or six years old, it is time for parents to introduce the world of money. Financial management education is very important for children since early childhood. Meritt (2004) also identified various dangers that would threaten the child if parents do not teach financial management as early as possible, such as (1) the child will grow up to be a financially irresponsible person and will have bad money skills, (2) the child will grow into a materialistic person by equating the value of money with his own worth, (3) the child will have bad habits in financing and end up in debt, and (4) the child could become adult who has no confidence in making financial decisions. Parents become role model for the businessmen; they have learnt that some income will be set aside for savings even though the number is small and recorded it in the memory since childhood. This is the habit that is now carried out by the entrepreneurs in treating the income earned.

The waste of raw materials which can not be used as handicrafts also used to make valuable goods. Therefore, in the business of onyx and marble stone handicrafts, the existing waste will become a valuable item thus it will increase the income of the businessman. The utilization of this waste depends on each creativity owned by them. The more creative, the greater the value of the waste. This will eventually increase the amount of the profit. As Bygrave and Zacharis (2011) pointed out, one of the success factors of the entrepreneur is a firm and active behavior (the intention not to delay work). Assertiveness in this industry will reduce the risk of delaying work. The active nature also tends to be the driving force of a person to immediately implement the existing idea.

6. The Benefits of Onyx and Marble Stone Crafts Business for Society

The existence of onyx and marble stone crafts business according to the people of Gamping Village is very beneficial for the welfare of the community. This is because of people around the factory also able to earn income so that they can meet their daily needs as well as to improve their social status. Most people with large incomes and adequate level of education in rural areas will improve their social status. Besides, it also can bring a sense of security in the family, can meet the needs of food, and other needs. As Nasikin (1996) proposed that people are said to be prosperous when the person not only able to meet all his needs and has a good social status in the community but also a sense of security.

With this business, jobs are available for the people in the area. This means that they will be able to meet the needs of life and able to send their children to school. Besides that, with all that has been achieved, they will be able to improve their social status in society. Therefore, the existence of this handicraft business could provide a prosperity for the surrounding community. This is in accordance with what Suwarno (2013) has stated that welfare in modern concepts can be defined as a condition in which a person can meet the basic needs as the need for food, clothes, shelter, clean water, and the opportunity to continue the education as well as having a job to support the quality of life to have the same social status with other fellow citizens.

People can be their true self, have self-actualization by having jobs, have income, and have the opportunity to enhance their role in society. Because identity is one indicator of prosperity [11].

The business of onyx and marble stone crafts in Gamping village makes many parents feel happy because their children no longer wishing to work abroad as female/Indonesian workers (TKW/TKI). Parents also feel safe because the children do not have to be away from them. For most parents, being close to the children is a bliss of its own. This sense of security is also in accordance with Maslow's theory of needs hierarchy that human needs are tiered. This starts from basic needs, security needs (and its sense), love needs, self-esteem needs, and self-actualization needs. (Maslow in Handoko, 1998: 256).

The welfare of the community with this handicraft business is very evident. Once, many young people who went work abroad now prefer to work in their own village, Gamping, without having to go far from their families. Thus, the household life can be more organized when it is managed jointly rather than being managed individually.

As Hidi *et al.*, (2016) has suggested, welfare is a set of values of life and livelihood for individuals, families, and communities to various aspects, such as economic, social and spiritual endeavors to conduct physical and spiritual fulfillment.

The existence of onyx and marble stone crafts business in Gamping village is due to several factors that entrepreneurs: (1) want to have their own business so that they can channel their creativity, manage their working time, earn bigger income, and realize their dreams. (2) motivated to change fate, (3) consider that there is no other work, (4) has a good financial management. Whereas, the factors that influence the success of onyx and marble stone crafts business in this village are: the motivation to have their own business, the dreams to become a successful entrepreneur, the creativity to produce handicrafts, and lastly to get out of poverty. By that, the business of onyx and marble stone crafts can improve the welfare of the community in Gamping village.

7. Conclusion

The existence of onyx and marble stone crafts business in Gamping village is due to the facts that entrepreneurs are: (1) want to have their own business, (2) motivated to change fate, (3) consider that there is no other work. In addition, the factors that influence the success of onyx and marble stone crafts business in this village are that entrepreneurs have dreams to become successful, have the creativity to produce handicrafts, and are eager to get out of poverty. The business of this onyx and marble stone crafts is beneficial for the welfare of the community in Gamping village and its surroundings.

8. Suggestion

By seeing the benefits of this handicraft business for the community in Gamping village, it is expected that the related institution could provide an assistance in terms of marketing and capital. Hence, this handicraft business can keep the progress and continue to grow.

References

- [1] Arief R.Iriani Y., Oktarina R.2012. *Strategi Pengembangan Usaha Kecil Menengah*. Jurnal Teknik Industri. Vol.13, No.1, Februari 2012: 14-21. Universitas Widyatama Bandung.

- [2] Astuti M. Catur H.C. Sulistyowati W, Udi Subekti, Dana K. 2014. Analisis Hubungan Produktivitas dengan *Tecnology content*, pada Usaha Kecil dan Menengah (UKM). Jurnal Spectrum Industri vol.12.No.1. 1-12 ISSN 1963-6590. Prodi Manajemen Universitas Muhamadiyah Sidoarjo dan Prodi Teknik Industri ITS-Surabaya.
- [3] Ayyagari, M., Beck, T.H.L., & Demiguc-Kunt, A. 2007. *Small Business Economics: An International Journal*, 29(4), 415-434. Small and Medium Enterprise Across The Globe. Washington DC: George Washington University
- [4] Barringer, Bruce R. dan Ireland, Duane..2011. *Entrepreneurship, successfully Launching New Ventures*. Fourth Edition
- [5] Bygrave, William dan Zacharakis Andrew.2005. Critical Factors for Starting a New Enterprise, second Edition. Jonh Wiley & Sons, Inc.
- [6] Rev - Artikel kerajinan onyx 2016.docGagne, E. D. 1985. *The Cognitive Psychology of School Learning*. Toronto, Little Brown Company.
- [7] Handoko, Hani T 1998. *Manajemen*. BPFE. Yogyakarta
- [8] Hashim, M. K. 2000. SMEs in Malaysia: Past, Present and Future. Paper to be published by the Malaysian Management Review: June, 2000.
- [9] Hidi, Sarinah dkk. 2016. Mapping of Economic Welfare Level of Cashew Farmer Houshold. *Jurnal*. 10 (3): 105-112. Kendari: Fakultas Agribisnis UNHALEO
- [10] Mangkunegara. A.A. Anwar Prabu. 1990. *Perilaku Konsumen*. Bandung: Remaja Rosda Karya
- [11] Nasikin. 1996, *Urbanisasi dan Kemiskinan di Dunia Ketiga*. PT. Tiara Wacana, Yogyakarta
- [12] Paul.W.Lermitte and Jennnifer Merrittt. 2004. *Agar Anak Pandai Mengelola Uang*. Jakarta: PT Gramedia Pustaka Utama..
- [13] Spicker, P. 2000. *The Welfare State: A General Theory*. California: Sage Publications.
- [14] Suwarno, Panji. 2013 *Pemberdayaan Purnawirawan TNI AL Melalui Pendidikan dan Latihan untuk Meningkatkan Kesejahteraan Study Kasus Purnawirawan TNI AL di JawaTimur* (Disertasi), Fakultas Ekonomi dan Bisnis, Universitas Brawijaya, Malang.
- [15] Undang-Undang Republik Indonesia Nomor 20 Tahun 2008).