



## Empowering the Economy of the Paringan the Development of Local Potential-Based MSMEs

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### Abstract

*This study aims to analyze the community empowerment process in Paringan Village, Ponorogo Regency, through the development of cassava-based MSMEs using Kartasasmita's (1996) empowering approach. This study uses a qualitative method with a case study approach through in-depth interviews, observations, and documentation of MSME actors, village governments, and supporting communities. The results show that strengthening technical skills, developing economic capacity, accessing supporting resources, and collaboration between actors are the main pillars of community economic empowerment. Training, assistance with production tools, business capital, and marketing facilitation through bazaars encourage improvements in skills, productivity, and business independence among the community. The existence of MSMEs such as Pitulikur and UD Boohbie not only increases residents' income and creates jobs, but also expands the market network to overseas through collaboration with resellers in Hong Kong. However, challenges remain in the form of low digital literacy, limited sustainable assistance, and a lack of transparency in marketing activities. Overall, empowerment based on local potential in Paringan Village has proven effective in strengthening the village economy in an inclusive and sustainable manner.*

## Introduction

Community empowerment is a crucial strategy for realizing inclusive and sustainable development (Nalikan & Rozikin, 2025; Oladipo et al., 2025; Septiani & Aeni, 2025). This concept positions communities not merely as objects of development but as subjects with an active role in decision-making and resource management (Kartasasmita, 1996; Petriello et al., 2025; Humaedi et al., 2025). Community empowerment is aimed at fostering independence, increasing economic capacity, and strengthening social capital, which serve as the foundation for village development. Within the framework of sustainable development, community empowerment focuses not only on improving individual capabilities but also on strengthening active participation in economic, social, and environmental activities that mutually support shared well-being (Febrianti & Casmiwati, 2025; Olateju, 2025; Blaschczok, 2026).

The development of Micro, Small, and Medium Enterprises (MSMEs) is a strategic instrument in rural economic development (Purnomo & Purwandari, 2025; Takari et al., 2025; Taufan, 2025). MSMEs play a crucial role in employment absorption, increasing household income, and strengthening people-based economic structures (Fatine, 2022; Aprilia et al., 2025; Hermawan, 2025). Research shows that MSMEs can be an effective means of increasing community economic capacity when developed in a planned manner and based on local potential (Sulismadi et al., 2024; Sari, 2025; Bulan et al., 2025). The contribution of MSMEs also significantly impacts the national economy, both in terms of employment and contribution

to gross domestic product (Coordinating Ministry for Economic Affairs of the Republic of Indonesia, 2020). However, despite their significant growth potential, MSMEs still face various obstacles in increasing their competitiveness and expanding their market reach amidst the dynamic nature of the competitive economy (Lubis et al., 2025; Anning-Dorson, 2025; Barreto et al., 2025).

Ponorogo Regency is one of the regions in East Java Province that has demonstrated quite rapid MSME growth. The local government actively encourages MSME empowerment through various policies, one of which is the Ponorogo Business Circle Program (Circle-P), which aims to strengthen business capacity, increase the competitiveness of local products, and encourage MSME digitalization (Pebrianti, 2022; Ambalele & Tellu, 2025; Evinita et al., 2025). This program opens up opportunities for villages to optimize local potential as a basis for sustainable community economic development (Mubarok & Kurnia, 2025)

The agricultural sector remains the mainstay of the rural economy in Ponorogo Regency. One of the leading commodities is cassava, which is adaptable to dryland conditions and offers diverse processing opportunities. Processing cassava into value-added products not only increases farmers' income but also encourages the development of agricultural processing-based MSMEs (A'yun et al., 2023; Anam et al., 2024). Cassava production data from the Ponorogo Regency Agriculture, Food Security, and Fisheries Service shows a significant increase in recent years, in line with the growing demand for cassava-based processed products. This makes cassava a strategic commodity for supporting MSME development and rural economic empowerment. As an empirical illustration, the development of cassava harvested area and production in Ponorogo Regency during the 2022–2024 period can be seen in Table 1 below.

Table 1. Development of Cassava Harvested Area and Production in Ponorogo Regency, 2022–2024

Year	Harvested Area (Ha)	Production (Tons)
2022	10.842	233.930
2023	12.029	268.640
2024	12.367	278.872

Source: Department of Agriculture, Food Security and Fisheries, Ponorogo Regency, 2025

Table 1 shows that the harvested area and production of cassava in Ponorogo Regency have consistently increased from 2022 to 2024. This increase demonstrates that cassava is a productive and stable agricultural commodity and plays a strategic role in supporting local economic development based on agricultural processing. This situation demonstrates that the development of cassava-based MSMEs has strong prospects for sustainability as a driver of the rural economy in Ponorogo Regency.

Paringan Village, Jenangan District, Ponorogo Regency, is an example of a village that has developed the local potential of cassava as a basis for community economic activities. By processing cassava into sweet honey tape and cassava chips, the village community has established an MSME involving farmers, local labor, and a cross-regional and international marketing network. The involvement of migrant workers as marketing partners demonstrates the formation of a relatively extensive economic network. However, MSME development in Paringan Village still faces challenges such as limited skills distribution, dependence on supporting materials from outside the village, and an unstable production chain.

Based on these conditions, this article aims to analyze the process of increasing the economic capacity of the Paringan Village community through the development of MSMEs based on local cassava potential using the empowering stage perspective in the community empowerment theory according to Kartasasmita (1996).

## Literature Review

### Empowering

Kartasasmita (1996) explains that the empowerment stage in community empowerment involves increasing community capacity to gain access to resources, skills, and economic opportunities that enable them to play an active role in the development process. At this stage, communities are guided not only to become implementers of economic activities but also to be able to make decisions, manage their potential independently, and gain a stronger bargaining position within the local economic structure. This capacity building encompasses technical, institutional, and socioeconomic network aspects that support the sustainability of community businesses. Various empirical studies have shown that increasing community capacity through the development of MSMEs contributes significantly to strengthening the local economy, increasing household income, and establishing broader socio-economic networks (Azizah Ghozali & Rahaju, 2023; Septiani et al., 2022). MSMEs serve as economic learning spaces for rural communities, where entrepreneurs acquire production skills, business management skills, and access to markets and supporting resources. Furthermore, empowerment through MSMEs is considered effective in encouraging active community participation in village economic activities because it directly involves the community in all stages of the business process, from production to marketing (Suharson & Ikmal, 2023).

Other studies also confirm that the development of MSMEs based on local potential can strengthen the economic resilience of rural communities by utilizing resources available in the surrounding environment and reducing dependence on external factors (A'yun et al., 2023). Furthermore, Sulismadi et al. (2024) show that MSMEs play a role not only in increasing income but also in establishing business networks and economic solidarity that strengthen the community's position in facing market dynamics. Thus, the empowerment phase through MSME development is a crucial strategy for promoting the independence and economic sustainability of rural communities.

### Micro, Small, and Medium Enterprises (MSMEs)

Micro, Small, and Medium Enterprises (MSMEs) are productive businesses run by the community on a relatively small scale, yet they play a strategic role in the national economy. MSMEs contribute significantly to employment, income equality, and strengthening the structure of the people's economy (Fatine, 2022). The primary legal basis for implementing this policy is Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises (MSMEs).

According to Article 8 of Law Number 20 of 2008, empowerment is a joint effort carried out synergistically by the Government, Regional Governments, the Business World, and the community through fostering a business climate and developing economic activities for MSMEs, enabling them to grow and develop into independent and competitive businesses. In this context, the business climate is defined as the conditions created by the Government and Regional Governments to support MSME empowerment through the implementation of various economic policies and regulations, ensuring that business actors receive the broadest possible certainty, protection, opportunities, and support.

## Local Potential

Local potential is the totality of resources, both physical (tangible) and non-physical (intangible), stored and available in a region, particularly a village, and possessing the capacity to be developed into a tangible force for the sustainability and development of community welfare (Sauw & Djami, 2021). This concept positions potential as the basic capital for development that must be optimally managed and utilized, rather than relying solely on external resources or top-down aid programs.

Local potential consists of two main dimensions: physical potential and non-physical potential (Giyarsih & Wahidin, 2021). Physical potential encompasses natural resources (SDA) such as land, water, climate, agricultural products, livestock, and fisheries, as well as human resources (HR), which serve as a potential workforce. Meanwhile, non-physical potential encompasses socio-cultural aspects, such as social institutions, local organizations, traditional wisdom, mutual cooperation, and values developed within the community (Giyarsih & Wahidin, 2021).

## Methods

This research uses a qualitative approach with a case study approach. The qualitative approach was chosen because this research aims to deeply understand the process of community empowerment based on the local potential of cassava in Paringan Village, Jenangan District, Ponorogo Regency. The case study is used to examine the phenomenon of community empowerment contextually by positioning the research location as a unified whole (Creswell & Creswell, 2023). The research focuses on the empowering stage of Ginandjar Kartasasmita's (1996) community empowerment theory, which aligns with field findings, which consist of four aspects: (1) Strengthening Technical Skills; (2) Developing Economic and Business Capacity; (3) Access to Supporting Resources; and (4) Collaboration.

The research location is Paringan Village, Jenangan District, Ponorogo Regency, considering that the village is a center for cassava processing and has a growing local potential-based MSME sector. The research subjects included the village government, cassava processing MSMEs, cassava farmers, and other parties involved in the production and marketing processes. The research data sources consist of primary and secondary data. Primary data was obtained through direct interaction with informants, while secondary data came from documents, archives, reports, and literature relevant to the research focus.

Data collection techniques included in-depth interviews, observation, and documentation. Interviews were used to gather information related to the community empowerment process, the roles of actors, and supporting and inhibiting factors. Observations were conducted to observe production activities and social dynamics in the field, while documentation served as supporting data in the form of archives, activity photographs, and written notes. Data analysis was conducted using Miles and Huberman's interactive analysis model, which includes the stages of data collection, data reduction, data presentation, and conclusion drawing (Miles et al., 2014). This process was carried out continuously throughout the research to obtain valid and scientifically accountable findings.

## Result and Discussion

The empowering stage is the next phase in the community empowerment process after the enabling stage. It focuses on increasing community capacity to become economically independent, productive, and have a bargaining position within the local economic structure (Kartasasmita, 1996). At this stage, the village government, business actors, and support networks provide various interventions, including technical training, economic capacity

building, access to supporting resources, and strengthening cross-actor collaboration. The primary goal is to ensure the Paringan Village community is able to sustainably manage local cassava potential and expand its involvement in the economic value chain.

Based on field findings, the empowerment process in Paringan Village is reflected in four main aspects:

### **Technical Skills Strengthening**

Strengthening technical skills aims to ensure that the community, particularly MSMEs, employees, and farmers, have sufficient skills to develop cassava processing businesses. In the early stages, the Paringan Village community still relied on traditional knowledge, resulting in underdevelopment of product innovation. Therefore, technical training plays a role in boosting productivity, product quality, and business competitiveness.

Based on field findings, technical skills strengthening was carried out through training in making various types of chips in Malang in 2018, mentoring in tape production, digital marketing training, and technical training for new employees. The training in Malang was a significant milestone as it marked the beginning of the chip MSME in Paringan Village. The owner of the Pitulikur MSME explained:

*"Finally, after the current village head arrived, around 2018, the village government facilitated previously unemployed residents who were determined to improve their economic well-being to participate in training for making various types of chips in Malang for about a month. At that time, only four people were interested: myself, UD Boohbie, the one who now owns the banana chip business, and another who makes bote chips. Initially, the village government focused on cassava chips because cassava is available in the village and has not been utilized by the community. After participating in the training, UD Boohbie and I became interested in continuing the cassava chip business, but with different characteristics." (Interview with the owner of the Pitulikur MSME, November 22, 2025).*

The owner of the Pitulikur MSME's statement demonstrates that technical training serves as the initial momentum for community empowerment through MSMEs in Paringan Village. The community not only learns production techniques but also begins to develop product innovations according to the characteristics of the raw materials and market demand. This was reinforced by the owner of UD Boohbie, who said:

*"Then, around 2018, the village government held a chip production training in Malang, and I ended up participating. After returning from there, I practiced making jerangking or brangkal. Jerangking is different from chips, so I make jerangking chips at Pitulikur. Jerangking involves boiling the cassava first, then manually cutting it and frying it. This is different from chips, which are made from raw cassava and can be cut using a machine. I use the white center of the cassava, which has a poor texture when made into tape, so I came up with the idea of making jerangking. So I didn't make much." (Interview with the owner of the Boohbie Trading Business in Paringan Village, December 5, 2025).*

The interview with the owner of UD Boohbie reveals a tangible result of the training in Malang: product differentiation between the two businesses. The differences in product characteristics between the Pitulikur MSME and UD Boohbie demonstrate that the training not only transfers technical skills but also stimulates creativity and product differentiation.

The village government also plays a strategic role in this process, as stated by the Head of Paringan Village:

*"Finally, in 2018, we facilitated these MSMEs to participate in chip-making training in Malang so that the chips would be crispy and long-lasting without preservatives." (Interview with the Head of Paringan Village, November 6, 2025).*

In addition to core business owners, training is also provided to new employees through on-the-job learning. The owner of the Pitulikur MSME explained that each new employee is first trained on the production stages to understand product quality standards. This demonstrates the ongoing process of knowledge transfer among community members.

The interview with the Paringan Village Head revealed that the village government has attempted to expand empowerment efforts by leveraging academic collaboration through student community service programs (KKN) in Paringan Village. However, the results have been suboptimal due to the limited capacity of local human resources to apply digital marketing knowledge sustainably. This situation highlights the importance of technical empowerment programs being accompanied by ongoing mentoring for maximum impact.

As a concrete form of support for skills development, the village government also facilitated technical training activities with the Surabaya Food and Drug Monitoring Agency (BPOM) under the Safe Food Village program. This training is part of an ongoing effort to increase the capacity of the Paringan Village community, particularly MSMEs, so that they not only become skilled at producing cassava products but also understand food safety and product quality standards. The following is a snapshot of the Safe Food Village program technical guidance activities at the Paringan Village Hall in 2022.



*Figure 1. Technical Guidance for the Safe Food Village Program at the Paringan Village Hall*

Source: Paringan Village Government Documentation, 2025

The implementation of the activities shown in Figure 1 illustrates the active collaboration between the village government, food regulatory agencies, and the community in building awareness and technical skills regarding food safety. These activities were attended by food business owners, housewives, and the general public of Paringan Village. However, since the training, no follow-up activities or similar training have been conducted, so the community's knowledge remains limited to the results of the initial training.

Strengthening technical skills in Paringan Village not only improves individual capabilities but also fosters business networks and local social collaboration. Various training programs, such as food processing, food safety, and digital marketing, encourage MSMEs to become learning agents for strengthening the community's economy. However, low digital literacy and minimal



mentoring make the training outcomes less sustainable. Therefore, further training is needed to ensure inclusive and sustainable empowerment, in line with the empowerment concept of Kartasmita (1996) and the findings of Suharson & Ikmal (2023) and Ghozali & Rahaju (2023) regarding the importance of capacity building in developing local potential.

### **Economic and Business Capacity Development**

This aspect assesses the extent to which empowerment impacts community economic capacity and business sustainability. In the context of Paringan Village, economic capacity development is evident in the increase in the local workforce, increased family income, and expanded marketing reach internationally.

The presence of cassava-processing MSMEs in Paringan Village has created employment opportunities for the local community. The owner of Pitulikur MSME explained that all employees are village residents, with responsibilities divided between production and marketing. During periods of high demand, particularly around Eid al-Fitr, the number of employees even doubles. This demonstrates that cassava-processing MSMEs contribute significantly to employment and improved community welfare, particularly for village women. Empowerment through MSME development promotes inclusive and sustainable local economic growth.

These findings were further strengthened when the owner of the Pitulikur MSME explained the changing economic conditions as follows:

*"I used to just stay at home doing nothing, my husband also worked from place to place, but now I have a steady income. I also didn't have any skills, but after taking the training, we have the ability to make cassava. Initially, farmers struggled to find cassava middlemen, but now they no longer worry about their future well-being. And so do the employees. Initially, the community here consisted of only housewives, now they can contribute to the family economy. Now, our production can reach 10 quintals of cassava per month, with a turnover of Rp 10,000,000 per month." (Interview with the owner of the Pitulikur MSME, November 22, 2025).*

The statement from the Pitulikur MSME owner illustrates the changes in the community's socioeconomic conditions following the training and business mentoring. Previously, the community lacked skills and a steady income, but now they are able to manage productive businesses that add value to local agricultural products. A similar sentiment was echoed by the owner of the Boohbie Trading Business, who explained:

*"The impact is huge, Miss. I had no experience making tape at all, let alone managing a business as large as this. Once this business was up and running, I learned many things, from production techniques and quality control to employee management. My employees have also benefited; they went from being unemployed and housewives to now earning their own income. In fact, we can now produce up to 5 tons of cassava per month, with a turnover of up to IDR 20,000,000 per month." (Interview with the owner of UD Boohbie, December 5, 2025).*

The two interviews above demonstrate that community empowerment based on local potential not only creates new entrepreneurs but also strengthens village economic networks by expanding employment opportunities and increasing community incomes. In addition to creating jobs in production, the increasing scale of businesses has also created a need for distribution workers. This was explained by an employee in the distribution department of MSME products in Paringan Village, who said:

*"I started working as a delivery person for MSME products around 2022. Previously, I was working on a construction project outside the city, but due to the COVID-19 pandemic, I was laid off and left without a job. At the time, I was unsure what to do, but the Pitulikur MSME invited me to become a distribution worker for Paringan Village products because they needed people who could go around carrying MSME products." (Interview with an employee in the distribution department of MSME products in Paringan Village on November 22, 2025).*

The interview with an employee in the distribution department of MSME products in Paringan Village indicates that the MSME product distribution sector has also become a new employment alternative for communities affected by the pandemic. The impact of empowerment is also felt by those supporting the production chain, such as a besek (rice basket) craftsman who stated:

*"Before I had regular orders from Mrs. Fatma, my income as a besek maker was unstable. After becoming a regular supplier, I earned a decent additional income. I could make 300 besek at a time, sometimes more." (Interview with Besek Craftsman, December 11, 2025).*

Interviews with besek craftsmen indicate that the development of cassava-processing MSMEs in Paringan Village has created a ripple effect. Craftsmen receive a steady income from regular orders of up to 300 besek per production, indicating that empowerment based on local potential has contributed to improving the welfare of the business support groups.

Furthermore, economic empowerment based on local potential in Paringan Village has reached international markets through a network of Indonesian migrant workers in Hong Kong. A Paringan Village MSME reseller in Hong Kong explained:

*"The opportunity is huge, Miss. Many Indonesians in Hong Kong miss traditional village foods like Paringan's sweet honey tape. This product lasts longer and the taste remains the same even after a long journey. Even their employers like it." (Interview with a Paringan Village MSME reseller in Hong Kong, December 7, 2025).*

Interviews with resellers indicate that local products in Paringan Village are globally competitive. The village government is strengthening business sustainability by planting banana trees on village land to meet the demand for raw materials for tape wrappers, while also encouraging innovation in new products such as banana chips.

The research results show that community empowerment based on local potential in Paringan Village has evolved from a micro-scale to a sustainable village economic system. The development of cassava processing businesses has created new jobs in the production and distribution sectors, while also encouraging innovations such as banana chips, a result of the synergy between MSMEs and the village government. This process not only improves individual skills but also creates a mutually reinforcing economic ecosystem and expands community income sources. The success of MSMEs in penetrating international markets demonstrates the competitiveness of local products globally. This finding aligns with Kartasmita's (1996) empowerment theory on the empowering stage, as well as research by Septiani, Saiman & Hijri (2022) and Ghozali & Rahaju (2023), which confirms that strengthening community capacity can increase income and business sustainability.

### **Access to Supporting Resources**

Access to resources such as production equipment, capital, and marketing facilities is a crucial factor for the sustainability of cassava processing businesses in Paringan Village. This support,



from the village government to the ministry, reflects the empowering stage according to Kartasasmita (1996), which involves strengthening community capacity through the provision of supporting facilities towards economic independence.

This finding is supported by an interview with the owner of the Pitulikur MSME, who stated:

*"We received assistance in the form of cassava cutting tools in 2018 from the Ministry of Manpower, because Paringan Village is a Desmigratif (Productive Migrant Village), and the village is working to ensure that its MSMEs also benefit from the empowerment benefits, so we received the equipment." (Interview with the owner of the Pitulikur MSME on November 22, 2025).*

The interview with the owner of the Pitulikur MSME indicates that Paringan Village's status as a Productive Migrant Village (Desmigratif) is not only focused on empowering migrant workers, but also on strengthening the family economy in their village of origin, thus providing opportunities for local entrepreneurs to obtain support facilities from the central government. This finding confirms that support for production tools is a concrete form of structural empowerment that helps communities transform into productive economic actors. The following image shows the cassava cutting tools received by the Pitulikur MSME from the Ministry of Manpower of the Republic of Indonesia in 2018.



*Figure 2. Cassava Cutting Tools for the Pitulikur MSME from the Ministry of Manpower*

Source: Author's Documentation, 2025

Figure 2 shows the cassava cutting tool used by the Pitulikur MSME in the production process. The assistance provided by the cassava cutting tool has helped the Pitulikur MSME speed up the production process, maintain uniformity of the sliced product, and improve work efficiency. Through the support of this production facility, Pitulikur MSMEs can increase their production capacity and the competitiveness of local products in Paringan Village. In addition to the Pitulikur MSME, the owner of UD Boohbie also felt government support, explaining:

*"In early 2018, we received assistance in the form of equipment from the Minister of Manpower. Paringan Village was previously known as a Desmigratif Village, where many residents work as migrant workers in Hong Kong and Saudi Arabia. We received assistance with ovens and display cases, reportedly as part of a community empowerment program for those who own businesses and are not migrant workers. Then, in 2022, we received financial assistance from the District Government's Circle-P program, which was 5 million rupiah, but it was split twice. Coincidentally, we were the only village to receive the assistance. Initially, the data showed that our business in this village was the only one that truly met the requirements. As far as I know, the criteria were capital, production volume, turnover, and calculations of production*

*needs." (Interview with the owner of Boohbie Trading Business, Paringan Village, December 5, 2025).*

The interview with the owner of the Boohbie Trading Business confirmed that government support extends beyond production equipment to capital through the Circle-P program to strengthen existing businesses. The provision of production equipment is a continuation of the Desmigratif program, which not only protects migrant workers but also empowers rural communities to become economically independent. The following image shows the tape production oven received by UD Boohbie from the Ministry of Manpower of the Republic of Indonesia in 2018.



Figure 3. UD Boohbie's Tape Production Oven from the Ministry of Manpower

Source: Author's Documentation, 2025

Figure 3 shows the production oven used by UD Boohbie in the tape-making process. This equipment maintains temperature stability and the quality of the fermentation product, resulting in longer-lasting tape, improved hygiene, and maintained flavor. This assistance demonstrates the government's concrete support for improving production standards and strengthening the sustainability of locally-based businesses.

In addition to equipment and capital assistance, the village government also plays an active role in expanding market access by facilitating business participation in bazaars at the sub-district and provincial levels. This was conveyed by the Head of Paringan Village, who stated:

*"Initially, we also struggled with marketing, but these entrepreneurs were diligent. I helped them find training in making cassava chips so they could also offer other products, potentially expanding market interest. Gradually, I went around the neighborhood, going to minimarkets and markets, offering these cassava tape and chips. It turned out that consumers were more attracted to the yellow cassava tape than the white one because of its attractive color. I also facilitated their participation in bazaars from the sub-district to the provincial level. So, cassava tape became a flagship product of Paringan Village again. Eventually, it began to expand to markets throughout Ponorogo, Madiun, Magetan, Wonogiri, Trenggalek, and Blitar. As for the chips, most of them were just consigned to shops." (Interview with the Head of Paringan Village on November 6, 2025).*

The interview with the Head of Paringan Village indicates that the village government plays a strategic role in helping MSMEs expand their marketing by facilitating their participation in various bazaars. These activities, organized by the Regency and Sub-district Governments, include the Ramadan Bazaar, Cooperative Day, Ponorogo Anniversary, and Grebeg Suro, showcasing superior products from each village, including those from Paringan Village's MSMEs. The following image shows the participation of Paringan Village MSMEs in the Ponorogo Regency-wide bazaar in 2025.



Figure 4. Participation of Paringan Village MSMEs in the Ponorogo Regency Bazaar

Source: Paringan Village Government Documentation, 2025

Figure 4 shows the participation of MSMEs from Paringan Village in a district-level bazaar to promote local flagship products, such as fermented cassava and cassava chips, representing Jenangan District. This event, held in conjunction with Ponorogo's Anniversary and Grebeg Suro at Ponorogo City Center Mall, served as a strategic platform for expanding business networks and markets. The impact was evident in the increase in orders, including from out-of-town consumers who returned to order products via WhatsApp after learning about them at the bazaar, indicating the ongoing effectiveness of the promotion.

However, during implementation, several marketing challenges were still encountered by business owners. Mrs. Boirah explained that the main obstacles were the limited promotional space in traditional markets and the lack of transparency in the bazaar, which was facilitated by the village government. The owner of the Pitulikur MSME explained:

*"Another issue is the lack of transparency regarding sales results from the village when participating in bazaar events. We simply give the products to the village, and the village maintains and promotes them at the bazaar. But after the bazaar, there's no explanation of how much was sold. If it's small, it's not a problem, but if it's large, we lose out." (Interview with the owner of the Pitulikur MSME on November 22, 2025).*

Interviews with the owner of the Pitulikur MSME indicate that although the village government has facilitated marketing, obstacles remain, such as a lack of sales transparency and product layout in the market. However, this effort remains a positive step in expanding market access for processed cassava products, which were previously sold only within the village.

The research findings indicate that support for production facilities, capital, and market access has created a more independent and sustainable local economic system in Paringan Village. Business owners are now able to innovate and manage their businesses professionally, although they still face challenges in promotion and sales transparency. Overall, local potential-based empowerment has been effective, in line with Kartasasmita's (1996) empowerment theory, which emphasizes the importance of providing tools to achieve independence. This is further supported by the findings of Suharson & Ikmal (2023) that assistance with tools and capital increases the productivity and sustainability of village MSMEs.

### **Collaboration**

The collaborative aspect of community empowerment based on local cassava potential in Paringan Village demonstrates strong synergy between the village government, MSMEs, farmers, supporting communities, and international marketing networks. The village

government acts as a facilitator in training, mentoring, and business promotion, forming the foundation for inclusive and sustainable economic relationships. An interview with the owner of the Pitulikur MSME on November 22, 2025, revealed that the working relationship between the MSME and farmers is built on trust and solidarity, with the MSME assisting elderly farmers with harvesting and providing market certainty. An interview with a farmer from Ngebel Village on November 30, 2025, demonstrated that this collaboration provides tangible economic benefits through the regular absorption of harvested produce.

Furthermore, interviews with besek (woven bamboo basket) craftsmen on December 11, 2025, revealed regular communication with MSMEs to maintain packaging quality. Interviews with distribution staff on November 22, 2025, revealed a joint distribution system to reduce costs and expand market reach. Collaboration also extends internationally, as revealed by a Paringan MSME reseller in Hong Kong on December 7, 2025, who established a trust-based partnership to market tape products internationally.

The research on collaboration aspects indicates that the pattern of cooperation in Paringan Village reflects a participatory and sustainable empowerment model. The synergy between key actors and supporters ensures that empowerment is not top-down, but rather grows from community initiatives and needs. This pattern effectively strengthens the village's economic resilience, increases the added value of local products, and expands market reach internationally. A strong social network among business actors also strengthens the social dimension of empowerment, as the relationships are based on trust and shared responsibility.

Overall, the collaboration between actors in empowering the Paringan Village community aligns with Kartasasmita's (1996) concept of empowering collaboration, where empowerment is achieved through synergy between mutually reinforcing parties. This finding is also consistent with research by Suharson and Ikmal (2023) on the empowerment of MSMEs in Tempe Village, Sukomanunggal, which showed that successful empowerment is determined by intensive collaboration between the government, business actors, and the community through a mutually supportive division of roles in the production and marketing chain.

### **Supporting and Inhibiting Factors in Strengthening the Community Economy in Paringan Village**

The research results indicate that community economic empowerment in Paringan Village is influenced by a number of supporting and inhibiting factors that emerge in each aspect of empowerment. Regarding technical skills strengthening, chip-making training in Malang, technical guidance from the Food and Drug Authority (BPOM), and digital marketing training by KKN (Community Service Program) students are key supporting factors in improving the community's technical capabilities. These activities not only enhance production skills but also encourage innovation in high-value processed cassava products. However, low digital literacy and the lack of follow-up training are major obstacles, as community skills are not developed sustainably due to the lack of post-training support.

Economic and business capacity development aspects demonstrate that the increase in turnover of MSMEs like Pitulikur and UD Boohbie, reaching IDR 10–20 million per month, and the expansion of the market to Hong Kong, demonstrate the success of local-based economic empowerment. This increase has a direct impact on community welfare and job creation. However, the lack of community interest in working in the manual production sector remains a barrier hindering optimal business capacity development. Regarding access to supporting resources, assistance with production equipment from the Ministry of Manpower, business capital through the Circle-P program, and bazaar facilitation by the village government are

important supporting factors strengthening the independence and competitiveness of local MSMEs. However, the lack of transparency in reporting sales proceeds from bazaar activities remains an administrative barrier, raising doubts among business actors about government facilitation mechanisms.

Meanwhile, in terms of collaboration, the synergy between the village government, MSMEs, farmers, besek (woven basket) craftsmen, distribution staff, and resellers in Hong Kong is a key force in forming a business network based on trust and mutual cooperation. This collaboration not only expands the market but also strengthens social solidarity within the village economic ecosystem. However, coordination between business actors is not yet optimal because it is still focused on key actors and does not involve all levels of society.

## Conclusion

The research results show that empowering the Paringan Village community through the development of MSMEs based on local cassava potential has successfully increased the community's economic capacity and independence. This success is reflected in improved technical skills, an increase in the number of business actors, expanded market access internationally, and the formation of solid collaboration between the village government, MSMEs, farmers, and supporting communities. This empowerment process not only increases income and employment but also creates a sustainable and globally competitive village economic ecosystem.

Supporting factors for strengthening the Paringan Village community's economy include successful technical training, increased turnover and marketing networks, support for business tools and capital, and cross-actor collaboration that strengthens the production and distribution chain. However, several inhibiting factors remain, such as low digital literacy, a lack of interest in working in manual production, limited transparency of sales results at bazaars, and uneven coordination among business actors.

## Recommendations

The government needs to strengthen post-training mentoring and marketing transparency to ensure the sustainability of empowerment programs. MSMEs are expected to continue innovating and utilizing digital marketing to expand their markets and improve business efficiency. For further research, it is recommended to conduct more in-depth research on digitalization strategies and village economic collaboration models to increase MSME competitiveness.

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