



ANTECEDENT IN DEVELOPING VILLAGE ECONOMIC CENTER IN REMBANG DISTRICT CENTRAL JAVA INDONESIA

Hendro Sasongko¹, Yuary Farradia^{2*}, Retno Martanti Endah Lestari³
Hamzah⁴, Hasrul⁵, Herman⁶

^{1,3,4,5,6}Faculty of Economics and Business Universitas Pakuan, Bogor Indonesia

²School of Postgraduate, Universitas Pakuan, Bogor Indonesia

Email: yuary.farradia@unpak.ac.id²

Abstract

Local economic development is one of the Indonesia national development strategy in order to achieve sustainable development goals. Villages sustainable development goals will contribute to the local economic development. Establishing a village economic centre is one of the strategy to support village sustainable development. Rembang district located in Northern Java has potential production on various agribusiness products. A village economic centre in Rembang will play a key role for villages development. Collaboration program among village's stakeholders such as between education institution with the village community are important namely community services. A community service in Rembang district was done to educate the community on how important to conduct feasibility study and analysis before execute various development strategy such as technology, information system and human resource development. The result of this community service was an understanding and commitment from village stakeholders that continuous village economic centre have to be established based on feasibility study.

Keywords: Sustainable Development, Village Economic Centre, Community Service, Feasibility Study

INTRODUCTION

Local economic development is very important as the basis for the national economic growth. Generally, local economic development be carried out by local governments by formulating strategies for developing SMEs. Some of these formulation strategies consist of identification of the factors and evaluation product quality, human resources, technology, production, working capital, marketing, price, economy, customers, suppliers, and competitors (Putri, *et all*, 2016). In addition, Putri (2023) stated that a thriving local economy would generated both an added value and income to bridge the income gap as well as to encourage the implementation of sustainable development goals SDGs). Village SDGs are a derivative of Presidential Regulation Number 59 of 2017 on measures to achieve the national sustainable development goals; whilst the Government has announced to continue to meet sustainable national development goals through the Village Sustainable Development Goals (SDGs) program (Cabinet Secretariat of The Republic of Indonesia, 2020).

Achieving village sustainable development goals is also the objective of Rembang district in Northern Java through creating the village economic center. Rembang district is a coastal area in Northern Java, which has a very dynamic development because of its location of the capital city that located along the coastal area.

Rembang district has a potential in agribusiness sector. In order to support the development of village economic center there, it is a need to conduct a community service toward its sustainable village development goals achievement. In the other side, Indonesia Statistic Bureau (2023) recorded that

Rembang district is also has great potential in developing its fisheries particularly in capture fisheries mainly marine fisheries.

The community is the main actor in development activities as quality and sustainable development target prioritize on the community (Ayuningrum and Purnaweni, 2020). Community participation is needed to achieve village economic center development successfully. Consequently, there is a strong correlation of the level of competence and public education with the effectiveness of community participation (Hendriyanto, 2019). An effort to enrich community participation can be done through an academic institution community service.

A community service is a sequence of education and research tied to the tri-dharma of higher education (Saleh and Mujahiddin, (2020). Furthermore, community service is a concrete manifestation of the application of science which the result will not only empowering and emancipating the community and strengthening the nation's competitiveness but also further build and strengthen education and research (Fellow and Liu, 2021).

Community service conducted in Rembang district was aimed to provide a direction for its agribusiness village economic center development. Through collaboration with the local enterprise, the community service program was to give a business framework as the basis to choose the key potential agriculture products. A business framework can be establish based on a feasibility study. Hence, this community service would educate the villages community about how important to conduct a pre-feasibility study as well as feasibility study as the basis to set strategy in developing village economic center in Rembang district Indonesia.

Arvanitis and Estevez (2018) recommended that before execute a business investment or particular business development, it is necessary all entrepreneurs carry feasibility analysis and study because it presented a feasibility of particular business that help in relating the business concepts and ideas developed. Budiarty, *et all* (2022) has conducted their community service by conducting business feasibility studies to assist and encourage Adijaya village Seedling Garden in Pekalongan district Lampung Indonesia in developing digital marketing strategies. Maulida *et all* (2022) also did their community service in training about Business Feasibility Analysis to Minimize Bankruptcy of Micro, Small, and Medium Enterprises in Indonesia.

METHOD AND PROCEDURES

This activity was a preliminary in preparing the village economic center development in particular at Ronggomulyo village Rembang District Central Java, Indonesia. Supporting observation for marine fisheries was also conducted at Tasik Agung Village. The stages and methods carried out in this activity were done through observation at the village location followed by interviews with the local entrepreneur. The suggestion and recommendation were presented to the community. The community service was conducted as follow:

1. Place of Implementation

at Ronggomulyo village, Rembang District Central Java Indonesia

2. The Event Arrangement:

The schedule of event implementation event is as follows:

Table 1 Event Schedule Arrangement

Stages	Time	Activity
1	Morning	1. Villages and District observation
		2. Interview with local entrepreneur and related stakeholders
2	Afternoon	Presentation recommended program to the stakeholders
3	Evening	In Depth Pre -Feasibility and Feasibility study briefing with stakeholders

The team members in this community service were 6 people from Universitas Pakuan, Bogor Indonesia consist of various academic background such as Finance and Accounting, Marketing, Human Resource, Supply Chain and Law.

RESULTS

Stage 1 Village observation and Interview with Local Enterprise and Stakeholders

The aim in this stage was to gather confirmation of information as well as the obstacles in developing potential agribusiness product toward village economic center. The result indicated that there was a need to conduct feasibility study as business framework to establish firm village economic center.



Figure 1. Interview with Local Enterprise at Renggomulyo Village



Figure 2. Observation and Interview at Fish Auction at Tasik Agung Village, Rembang

Stage 2 Presentation Pre-Feasibility and Feasibility study program recommendation to the Stakeholders

The presentation to stakeholders in Rembang district facilitated by a local enterprise in conjunction with launching program of local cooperative enterprise at Ronggomulyo village. It is recommended to conduct pre-feasibility study as the basis for comprehensive feasibility study. The audience were explained about the objective and benefit of doing feasibility and why there was a compulsory for this program toward finalization of village economic center development.



Figure 3

Presentation to Stakeholders about the Important of Feasibility Study Toward Village Economic Centre

Stage 3 In Depth Pre -Feasibility and Feasibility study briefing with stakeholders

In depth discussion with stakeholders was aimed to elaborate more detail action plan to be taken in conducting both pre feasibility study and feasibility study subject to comprehensive financial feasibility study. Therefore the feasibility study was the key activity to be conducted.



Figure 4. In Depth Pre -Feasibility and Feasibility study briefing with stakeholders

CONCLUSION

Community service through educate both stakeholders and village community about the importance to conduct pre-feasibility and feasibility study has gave additional knowledge and understanding to the audience. The audience could understand that pre-feasibility and feasibility analysis were the action needed prior executing further development such as infrastructure, information system up to human resource development program.

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