



Evaluation the Implementation of One Village One Product Program as Empowerment Efforts on SME'S to Develop Superior Regional Products

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Abstract

The purpose of this study was to determine the implementation of the OVOP program in Petanahan Village, Kebumen Regency - Central Java in empowering coconut processing SME's. This research is an evaluative research with a qualitative approach. Data collection techniques are carried out through observation, interviews, and documentation. The evaluation model used in this research is the CIPP (Context, Inputs, Process, Product) evaluation model. The results of this research show that overall the OVOP based empowerment program has been running well, although it is not optimal because there are still several obstacles, so it takes some efforts to make it happen.

Keywords: *Evaluation; CIPP Model; OVOP Program; SME's Empowerment*

Introduction

The contribution of SME's for economic development in Indonesia is enormous. According to Fauni (2017) SME's is one of the dominant sectors in Indonesian economy which is considered strong in facing crisis shocks. The contribution of SME's is very large in Indonesian economic activities, especially in terms of employment opportunities and sources of income for the poor, income distribution, and reducing unemployment, poverty, and rural economic development. In addition, the contribution of SME's to the country's GDP is also relatively large. Despite the large contribution of SME's to the country's economy, the reality in the field shows that SME's face various problems that make it difficult to develop. These problems start from the lack of innovation in both products and processes, low product standardization which can be seen from the product quality that is not comparable to imported products (Henchion & McIntyre, 2000), SME's products have high prices due to simple production processes (Salisbury, et al. 2018) and (Donaher & Lynes, 2017), limited marketing reach, limited capital and lack of outgoing partnership networks.

The existing problems should not be underestimated, especially entering the disruption era such as today where the domination of foreign products flooding the domestic market doesn't only occur in traditional markets but also touches the e-commerce platform, moreover foreign products that are being offered are selling well being invaded by buyers because of the existing products that are considered to have good quality at competitive price. This is a threat for SME's actors, if SME's actors can't adapt to

the challenges of the existing developments, it will have an impact on the demise of the domestic industry. Based on the existing problems, it is necessary to make efforts to save the national economy in the trade and industrial sectors. The efforts that must be done immediately is the need to strengthen the domestic market based on regional potential. Several programs from the government have begun to be carried out to advance the economic sector, especially in the SME's sector, one of which is through an empowerment program based on One Village One Product (OVOP).

Empowerment of SME's based on One Village One Product is a joint effort from both the SME's, government, community and all stakeholders in order to increase the value added and independence of SME's by basing on their unique regional potential. This is not only in the context of economic interests but also able to promote equality between rural and urban areas. The program is expected be able to minimize the gap between villages and cities. So, that various social problems that often occur such as unemployment, poverty, and slow economic growth can be unraveled. The OVOP concept emphasizes the role of local communities, with cultural and geographical characteristics, as well as regional resources to produce goods and services, therefore this concept emphasizes local roles which in turn will create a product image of primordial / geographic brand congruency (GBC). Product and place of origin have a strong relationship (Sloan, et al., 2018). Local products will have a positive effect on the market / consumer (Ittersum, et al., 2003). In addition, the brand original (BO) will have a positive effect on the consumer brand image (D'Antone & Merunka, 2015), and local products are one of the important factors to drive economic growth in a region (Zalesko, 2017).

The One Village One Product approach was first put forward by Morihiko Hiramatsu, the governor of Oita in Japan in 1980. This concept was subsequently adopted by countries in Asia including Indonesia. The main objective of the OVOP program is to increase the value added of local products, so as to improve the welfare of local communities (Claymone & Jaiborisudhi, 2011). Research conducted by Triharini (2012) states that the OVOP program not only provides economic benefits in the form of increased family income of craftsmen but is also able to maintain local wisdom through traditional values passed on to the younger generation. OVOP development is carried out based on three main principles that are interrelated, namely: the local but global principle, which means that SME's in villages must be able to optimize their local potential so as to produce products of globally acceptable quality. Then, the principle of self-reliance and creativity is a principle that means that the development of village potential must be based on the independence, initiative and creativity of the local community. The last principle, namely human resource and development, is a principle which means that the OVOP program must be able to develop existing human resources to be more creative and independent (Rakhmawati, 2019).

The OVOP program that has been implemented, requires monitoring and evaluation to improve the implementation of further activities. The existence of an evaluation will determine how the effectiveness of the program components in supporting the achievement of program objectives. Through evaluation, it will be known how far the program has been implemented so that the right policies can be planned for further implementation.

Method

The research conducted was qualitative evaluative research. Evaluative research was conducted to determine the realization of the implementation of the OVOP program which had been carried out by taking the research location in Petanahan Village, Kebumen Regency - Central Java. The evaluation model used in this study was the CIPP evaluation model. The reason the researchers chose the CIPP evaluation model was because the CIPP evaluation model was more comprehensive in assessing a problem, not only focusing on one aspect of achievement but also looking at various aspects in it including aspects related to context, input (input), process (process), and products, so that later a

conclusion can be drawn whether the implementation of the program has been implemented properly or not. Data collection techniques are carried out through observation, interviews, and documentation.

Result and Discussion

Kebumen Regency is one of the districts in the southern part of Central Java Province which has natural support with high potential. Kebumen Regency also has various regional potentials which have been superior commodities and are the pride of the community. One of the top commodities in abundance is coconut commodity in Petanahan village. Business actors in the village process the existing local potential, namely coconut fruit into several preparations such as VCO oil, nata de coco, ant sugar, coconut husk, organic fertilizers, and shell charcoal. To be able to encourage coconut processing SME's in the village, the Kebumen Regency Government is promoting a program entitled One Village One Product in which the village as the smallest government unit needs to be encouraged to maximize the existing potential in order to achieve independence. As a program, OVOP needs to be evaluated to see the effectiveness of it's achievement. To measure the level of achievement, the following CIPP analysis is used:

a. Context

The efforts made by researchers in evaluating this context are to provide details of the program objectives to be achieved. The development of OVOP in the centers of coconut processing SME's is inseparable from the general objectives of OVOP. The goal of developing OVOP in coconut processing SME's centers is more emphasized to empower SME's by increasing competitiveness and the bargaining position of local products, so that they are equal and even superior to foreign products. This is because so far there has been an under estimate of local products. In fact, if traced further the coconut processing SME's products in Petanahan Village have the same quality as foreign products. In addition, the price level for the resulting product is much more competitive than other products.

b. Input

Input evaluation includes personal analysis related to how the existing resources are used, what alternatives are taken, what are the plans and strategies to achieve needs. Input evaluation indicators used in this study include funding sources, OVOP initiators, other parties involved besides the initiator, supporting facilities (buildings, supporting equipment).

Empowerment of SME's with the OVOP approach carried out at the center of SME's coconut processing in Petanahan Village is a combination of two forms of policy, namely top down and bottom up. In addition to initiations from the community, in this case SME's business actors, the Kebumen district government through the Department of Cooperative and MSME Office also responded positively with various forms of support. Apart from the initiators, namely the government and the community (business actors), there is also support from other parties including the Integrated Coconut Processing Unit "Sun Coco", there are also from the private sector, as well as from institutions such as universities.

In running a program it cannot be separated from the existence of funds. The source of funds to run the program is obtained from the government budget and also from the university that helps, but the amount is still minimal and it can even be said that there is still a lack of funds. There is no special budget from the village to help related to the availability of funds. The success in running a program can't be separated from the support of adequate infrastructure. In terms of existing facilities, it is quite adequate. The existing facilities are grants from the local government as well as from the Integrated Coconut Processing Unit in Petanahan Village. Although most of the facilities (equipment) used for production

process activities are adequate, the craftsmen prefer to use simple equipment, even though the Integrated Coconut Processing Unit "Sun Coco" has provided equipment such as a vacuum evaporator machine that can maximize craftsmen production, but these machines are rarely used by craftsmen because they don't really understand its use, so the craftsmen prefer to process products in a way that is still simple.

c. Process

Process evaluation is used to see to what extent the plan has been successfully implemented. Is there anything that should be revised? In the evaluation of the process, any changes that occur in activities are monitored honestly and carefully. In the early days of program implementation, socialization activities were carried out to business actors in Petanahan Village. The first socialization was carried out by the Sun Coco integrated coconut processing unit by gathering existing SME's actor, then from the Integrated Coconut Processing Unit "Sun Coco" explained the prospects of the coconut processing business, the response received from the SME's actor was very enthusiastic with the existence of this integrated coconut processing program. The form of coaching carried out for coconut processing SME's includes guidance on product quality standards in order to produce quality products, so coconut processing craftsmen in Petanahan Village are given directions on how to make processed coconut that has good quality from the process of selecting raw materials, namely fruit coconut which can be used as raw material for producing processed coconut products to processing and finishing products. In addition, there is also training related to product innovation made from coconut.

Other guidance, such as guidance regarding product standardization in accordance with GMP (Good Manufacturing Practice) or ways to achieve consistent quality in product manufacturing, coaching related to branding (brand) issues of the products produced so that the products produced by craftsmen will be able to exist in the future. market. In addition, there is also guidance from the department regarding export management issues because the coconut processed product is an export commodity product. The following is a detailed list of activities carried out to craftsmen as follows:

Table 1 Summary of the List of Empowerment Activities Plans

Activity Plan	Finding in the Field
Product determination to be produced	Realized
Training for coaches	Realized
Organization formation (Integrated Coconut Processing Unit)	Realized
Preparation of production facilities	Realized
Training for SME actors	Realized
Production technical assistance, management arrangement, branding, packaging	Realized
Product innovation	Realized
Marketing event	Realized
Market expansion (exports)	Unrealized

The overall activity plans compiled, most of them have been realized, but for export activities have not been fully realized, for market expansion activities (exports) are still just counseling due to several obstacles that are still encountered in being able to export products.

d. Product

Product evaluation is intended to see what needs have been met and the impacts obtained from the implementation of the OVOP program in Petanahan Village. The OVOP program is carried out by the government as an action to create community welfare, especially the people of Petanahan Village to reduce the problems of helplessness, poverty, dependence and urbanization. The need that has been

fulfilled is the formation of an Integrated Coconut Processing Unit which makes it easy for SME's to sell their products that affect the routine income of SME's which is the answer to the previous problem, namely the difficulty of marketing products. The impact of the program for SME's is that they have more insight into product innovations made from coconut. In addition to increasing their insight from a financial perspective, they also experienced a change for the better with the additional income they received from craftsmen.

In terms of the goal of achieving the program, the main thing is to empower the community economy. The purpose of community empowerment itself is to create an empowered or independent society. The coaching that is carried out can indeed improve the welfare of the community, especially in terms of finance, but in terms of making important decisions, community participation (SME's) is still low. Thus, there is a need for efforts to increase community participation by providing greater opportunities for SME's.

Conclusion

Overall, from the context, input, process, and product aspects, the OVOP program greatly contributes to the development of coconut processing SME's in Petanahan Village. The existence of this program can solve the problems that exist in Petanahan Village such as low human resource capacity, low ability to innovate products, and the inability of craftsmen to sell the products, with the OVOP program making the community especially SME's very helpful. So, from the aspect of the feasibility of the program (feasible or not) a program that is being implemented, from the conclusion of the researcher it is feasible because the existence of the OVOP empowerment program can directly contribute (have a positive impact) on the development of SME's in Petanahan Village, even though there are many obstacles faced during the program among others obstacles in terms of finance for production activities, especially if there is a large demand from the consumer, sometimes from the community (SME's) often experience difficulties in fulfilling market orders due to limited funds. In addition, market instability or market conditions that tend to fluctuate, especially the market for VCO products, are one of the major problems faced by coconut processing SME's. For example, if the order for the product decreases, the demand for the product will decrease, which of course will have a direct impact on the existing coconut processing SME's.

Even though it is said to be feasible to run, the program also needs corrections both regarding the obstacles that occur during the program and corrections to the attainment of the ultimate goal, namely community economic empowerment. Community empowerment is not an easy thing, the enthusiasm of the craftsmen who take part in the coaching program carried out is indeed very large, but unfortunately the participation of the craftsmen in it is still lacking in terms of making important decisions. For this reason, it is necessary to increase the participation of craftsmen by providing opportunities for craftsmen to contribute more.

Recommendation

There is a need for a special budget from the village government to be allocated through the Integrated Coconut Processing Unit "Sun Coco" so that all planned activity programs can be carried out properly. For SME's, the use of social media as a means of marketing products should always be updated with the information contained in it in order to increase access to product marketing, in addition to anticipating market instability, especially the VCO market, it is necessary to collaborate between business actors and the Integrated Coconut Processing Unit Sun Coco. wider cooperation with consumers so that the sustainability of processed coconut production can be more secure and does not experience a production vacuum.

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