

**ANALYSIS OF HUMAN RESOURCE QUALITY DEVELOPMENT IN  
TERMS OF SELF EFFICACY AND COMPETENCE IN UMKM  
"AROMANIS COFFEE" TULUNGAGUNG, EAST JAVA**

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**Abstract:** This study aims to analyze the development of the quality of human resources in terms of self-efficacy and competence in the UMKM "Aromanis Coffee" located in Tulungagung Regency, East Java. This research uses descriptive qualitative method. Which interviews with informants are supported by valid data from the Office of Cooperatives and SMEs. The informant in this study was the manager of Aromanis Coffee himself named Mr. Aryo who had been determined by the researchers themselves based on information that could be obtained accurately. Researchers analyzed the quality of human resources in terms of the level of trust and competence of a business group in Indonesia which is considered a strong driver of the country's economy. Judging from the level of human resource education, the condition of MSMEs in the field, the government's efforts to socialize MSMEs, to the limitations they face. The researcher hopes that later with this research, both the government and as economics students can make innovations for common welfare.

**Keywords:** *MSME, National Economic Recovery, Innovation*

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## **1. Introduction**

The practice of managing employees, clerks, laborers, managers, and other workers to support the operations of an organization or business to achieve predetermined goals is known as human resource management (HRM). Human resources are a very valuable resource, so it is the responsibility of the organization or business to maintain the standard of living in the workplace and encourage employees to give their best efforts to achieve organizational and corporate goals.

The process of developing human resources makes them more capable of contributing to the achievement of company goals (Bangun, 2012 p. 5). Human resource development can be seen as preparing certain individuals to take on new tasks or higher levels within the company, according to Priansa (2014, p. 146).

Micro, Small, and Medium Enterprises or more commonly called MSMEs have an important role in the local and national economy. Micro, Small, and Medium Enterprises are small and medium enterprises run by individuals that must be protected from unfair business competition. MSMEs in Indonesia contributed greatly during the crisis that the country experienced from 1998 to 2000. The Indonesian government has given attention and direction to MSMEs by establishing a portfolio of ministries, including the Minister of Cooperatives and SMEs ([www.depkop.go.id](http://www.depkop.go.id) accessed on June 10, 2020).

MSMEs play an important role in Indonesia's growth and development, not only in rich countries, but also in poor countries (NSBs). MSMEs have a significant role in reducing poverty and providing employment and sources of income for the poor in developing countries including Asia, Africa and Latin America.

The following is data on the level of education in Tulungagung Regency and the number:

**Table 1**

Tingkat Pendidikan	2019			2020		
	Laki-Laki	Perempuan	Jumlah	Laki-Laki	Perempuan	Jumlah
Sampai dengan SD	186	2	188	78	1	79
SMP/Sederajat	277	18	295	133	3	136
SMA/Sederajat	1212	786	1998	1037	430	1467
Diploma I, II/Akta I, II	96	203	299	45	46	91
Diploma III/Akta III/Sarjana Muda	185	771	956	153	624	777
Tingkat Sarjana/Doktor/Ph.D	2827	4262	7089	2913	4522	7435
<b>Kabupaten Tulungagung</b>	<b>4783</b>	<b>6042</b>	<b>10825</b>	<b>4359</b>	<b>5626</b>	<b>9985</b>

Catatan : ...

Sumber : Badan Kepegawaian Daerah Kabupaten Tulungagung

Based on the facts above, the size of education affects the quality standards of human resources. The education level of Tulungagung Regency remains satisfactory, meaning that

human resources in Tulungagung Regency do not experience gaps. However, there are still many people who are not productive because of the low level of education they have. Therefore, various things have been attempted, namely to prosper these groups, one of which is through MSMEs.

Basic skills (soft skills) show the intuition and sensitivity of human resources; social skills (social skills) show the ability in social relations; and mental skills (mental skills) show the mental resilience of human resources. Standard hard skills represent HR knowledge and physical abilities. How to handle competency-based HR is currently a hot topic in the development of HR management. A country can be said to be prosperous and prosperous if the people of the country have a high level of productivity and power to liberate themselves and their country.

## **2. Literature Review**

### **Human Resource Development**

Development is the process of improving the technical, theoretical, conceptual, and moral abilities of individuals to meet the requirements of their position or job through education and training (Hasibuan, 2007 p. 69). Human resource development can be summarized as a series of methodical and organized operations intended to provide workers with the abilities they need to meet the needs of their current and future jobs. In addition, businesses make deliberate and long-term efforts to improve employee competencies and organizational performance through training, education, and development initiatives. The potential of humans to influence nature demonstrates the importance of human resources. For an enterprise to become more competitive, every human resource needs to function effectively, efficiently, and with high quality and quantity of work.

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

Medium Enterprises are stand-alone productive economic businesses run by persons or legal entities that are not subsidiaries or branches of larger companies and are not owned, controlled, or integrated either directly or indirectly with small businesses or large businesses in terms of their business.

Human Resource Development (HR) for Micro, Small, and Medium Enterprises (MSMEs) According to Article 19 of Law No. 20/2008 on MSMEs, the following activities are carried out to develop human resources as referred to in Article 16 paragraph (1) letter c:

- a. encouraging and popularizing entrepreneurship;
- b. developing management and technical skills
- c. creating and expanding education and training facilities to provide teaching, training, counseling, inspiration, and business inventiveness, and to foster new entrepreneurs.

### **Self-efficacy**

Self-efficacy consists of the word "self" which is defined as a component of a person's personality structure, and "efficacy" which means self-assessment, whether a person can do good or bad, right or wrong, whether or not a person can do anything as needed. According to Bandura's social-cognitive theory, which forms the basis of self-efficacy theory, a person's level of success or performance is determined by the interaction between their actions, internal characteristics (such as their thoughts and beliefs), and external circumstances.

Self-efficacy can be acquired, adjusted, raised, or lowered by one or more different variables. In line with Bandura (Flora Puspitaningsih 2016: 79), several important elements such as:

- a. Mastery experience
- b. Experience of others (Vicarious Experience or Modeling)
- c. Verbal Persuasion (Verbal Persuasion)
- d. Physiological and Affective State

### **3. Research Method**

This study uses descriptive qualitative research with data collected in the form of words, pictures, and not numbers, as this best suits the problem statement and objectives to be achieved. The author used simple random sampling method as a form of probability sampling methodology

(Simple Random Sampling). Simple random sampling (SRS) is a technique of taking samples from the population randomly without revealing strata (levels) among population participants. If the population is considered homogeneous, this is done (of the same type).

Due to limited time and opportunity, researchers will interview up to 10 MSME actors as informants for this study. The main source of information for this research is verbal information collected through interviews with selected informants on various topics related to human resource development (HRD) through empowering micro, small and medium enterprises (MSMEs) in Tulungagung Regency. The results of the interviews were supported by secondary data in the form of information owned by SMEs in Tulungagung Regency. To obtain accurate data, researchers used the Observation Method & Interview Method techniques.

#### **4. Analysis and Discussion**

##### **4.1 General Description Of The Object Of Research**

People in Tulungagung Regency have at least twelve years of education on average. Although there are still many individuals with a low level of education, the jobs available are not able to answer the current problems. Various efforts have been made by the government, but they do not seem to have been successful. Low levels of education and lack of production skills seem to be the main causes of people's economic problems.

Both individually and collectively, MSMEs are relatively easy to find in Tulungagung Regency. The ability to grow new businesses and foster entrepreneurship from the Small, Micro, and Medium Enterprises (MSMEs) community is one of the hopes in answering future challenges, in accordance with the business potential possessed by Small, Micro, and Medium Enterprises (MSMEs). Small, Micro, and Medium Enterprises (MSMEs), both in terms of size and the breadth of economic sectors handled. Despite their significant economic impact on Tulungagung, there are still problems in supporting and sustaining MSMEs. Therefore, comprehensive, measurable, and sustainable empowerment from the central government and

local governments is needed so that MSMEs can continue to exist and grow in number in the future.

**Table 2**

**Development of the Number of MSMEs in Tulungagung Regency in 2016-2018**

URAIAN	2016	2017	2018
1 Jumlah UMKM	51.569 unit	53.448 unit	57.897 unit
2 Modal Usaha	Rp 1.236.909.252.790	Rp 1.274.016.530.374	Rp 1.375.949.718.634
3 Volume Usaha	Rp 1.557.697.865.227	Rp 1.679.275.119.206	Rp 1.817.105.969.493
4 Jumlah Karywn	247.070 orang	261.055 orang	280.065 orang

Source: MSME performance data from the Tulungagung Regency Cooperative and Microenterprise Office

The development of MSMEs in Tulungagung Regency is expected to increase as a result of efforts to strengthen the role of the Office of Cooperatives and Microenterprises and the Cooperative Integrated Business Service Center for Micro, Small and Medium Enterprises (PLUT-UMKM). These initiatives are expected to benefit the community by creating jobs and contributing to Indonesia's economic growth.

**Self-efficacy**

According to Bandura in Lestari et al. (2015), self-efficacy is a person's perception of the degree of his ability to perform a task, which affects personal behavior aimed at achieving a specified goal. Employees with strong self-efficacy will try challenging activities while remaining calm and not anxious to improve the resulting performance. Employee performance is substandard when there is no strong self-efficacy. This is in accordance with Bandura's (2000) claim that self-efficacy is a key factor in improving employee performance in Lestari, et al. (2015).

## **Competencies**

According to Spencer and Spencer (1993), the main qualities that a person needs to be able to perform his or her tasks are divided into two categories: threshold competencies and differentiating competencies. but not to distinguish between ordinary and elite performers. Differentiating competencies, on the other hand, are the traits that separate high and low performers.

Entrepreneurs need to be taught and developed in the areas of entrepreneurial competencies in order to best manage their business. These areas include interconnected knowledge, attitudes and skills. According to Suryana (2003), entrepreneurs need the following skills:

1. Managerial skills. Entrepreneurs must be able to plan, organize, act, and manage tasks in order for the company they lead to succeed. To succeed as an entrepreneur, you must have this talent.
2. Conceptual skills. The key to entrepreneurial success is the ability to create goals, regulations, and business plans. Entrepreneurs should go the extra mile to learn from their own and others' entrepreneurial experiences.
3. Human skills. Being sociable, friendly, sympathetic and empathetic are all qualities that can help us succeed in business. Entrepreneurs will have many options to launch and grow their business if they have additional talents.
4. Decision-making skills. Being an entrepreneur often means dealing with uncertainty. Under these circumstances, various problems often occur. Entrepreneurs must be able to examine events and create various difficulties to find various possible answers.
5. Time management skills. His spirit becomes uncomfortable and unhappy due to his failure to manage time, which causes tasks to pile up or never get done. Set tasks and ideas can be expedited using time management skills.
6. The author of this study focuses on SMEs in Tulungagung Regency, East Java, which are engaged in coffee and use the Aromanis brand. This SME is a sample of the population of SMEs in East Java Province that have been given a Business Identification Number (NIB) by PLUT KUMKM. One of the author's interviewees doubles as the manager and owner of the company. That's him, Mr. Aryo. By using interview techniques and supported by reliable

data, the author was able to collect various information and presentations about the quality of human resources of MSME actors.

## **5. Conclusion**

This research is descriptive qualitative research, namely data collected in the form of words, images, not numbers. This study aims to analyze the development of human resource quality in terms of self-efficacy or self-efficacy and competence in MSMEs "Aromanis Coffee" located in Tulungagung Regency, East Java. Data was obtained directly from informants, namely the business manager of MSME "Aromanis Coffee" named Mr. Aryo. Then supported by valid data in accordance with the source and can be accounted for by the author.

Based on the results of the discussion above, Micro, Small and Medium Enterprises or abbreviated as MSMEs are one of the pillars of the Indonesian economy both on a micro and macro scale. MSMEs have various sectors that are expected to be able to compete globally. In terms of self-efficacy and competence, although Indonesia has experienced a decline in productivity quality due to several factors such as the low level of education of human resources, capital, technology, marketing, legality, and others. However, the movement of MSMEs in Indonesia has increased quite rapidly. This is due to the encouragement from the government in the form of policies regarding MSMEs, training, bazaars, customs facilities, and so on.

With the facilities provided by the government, internal and external problems are not a scourge for people who have been considered unproductive. To establish MSMEs, there is nothing to be afraid of. Because if education is one of the obstacles, then there are facilities in the form of training for workers or for MSME actors who are able to raise the morale and degree of human resources to be more advanced in running their business. Basically, setting up a business, especially micro, small and medium enterprises (MSMEs) is very easy. Because MSMEs are one of the strong pillars to drive the Indonesian economy and alleviate poverty. The reason is, it is known that many people are able to work and even open a business even though they have a low educational background.



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