http://ejournal.seaninstitute.or.id/index.php/Ekonomi
Jurnal Ekonomi, Volume 12, No 04 2023
ISSN: 2301-6280 (print) ISSN: 2721-9879 (online)

DIGITAL COMMUNITY EMPOWERMENT FOR INCOME INVESTMENT DEVELOPMENT (CASE STUDY OF THE WEST JAVA KADIN FOSTERED MSME COMMUNITY)

R. Susanto Hendiarto[1], Elvira Nurhaliza[2]
Widyatama University, Faculty of Business and Management, Bandung, Indonesia

ARTICLEINFO

Keywords:
digital community,
investment development,
income

ABSTRACT

The current problem is that MSME income is still far from expectations, allegedly because investment development which was previously expected to be a stimulus to generate income has not shown encouraging things, it is also suspected that digital competence for the MSME community has not been empowered. This study aims to determine the effect of digital community empowerment on investment development and its implications for the income of the MSME community, a case study on UMKM assisted by Kadin Jabar in Bandung. The representative sample is 50 respondents, and the research methodology employed is an analytical descriptive survey approach. The factors examined by each respondent possess income, investment development, and virtual community mobilization. Additionally, qualitative information is the sort of information gathered. The results of the study show that empowering digital communities has a significant effect on investment development. investment development has a significant and significant effect on income. The implication is that digital literacy needs to be implemented programmatically and massively throughout the Kadin Jabar MSME community. The point of the study is to determine why further research based on a more diversified sampling with a longer length is essential to allow results to be generalized. The respondent sample employed in this study is still restricted to UMKM, helped by Kadin Jabar in Bandung.

E-mail:
r. Susanto@widyatama.ac.id

1. INTRODUCTION

People's purchasing power tends to decrease during the pandemicCovid-19, This eventually resulted in incomeMSMEsinWest Javadown drastically, a lotMSMEsthreatened with bankruptcy and bankruptcy. Unmitigated, during a pandemicCovid-19offender's incomeMSMEsdropped dramatically to 80 percent. Under these conditions, some survived, some completely stopped their business,The income of MSMEs in West Java has fallen drastically, not a few have gone bankruptknown inWest Java perpetrator him self MSME sreached 4.6 million business units. 98percent of this number fall into the category of micro and small businesses, apart from decreasing income, the pandemic Covid-19 making raw material prices rise and scarcity. PerpetratorMSMEsdifficult to access capital. This hampered the chain of production and distribution of goods, said his party had developed a strategy to save and recoverMSMEs.

The first stage is to simplify MSMEsget raw materials, through the establishment of the Regional Public Service Agency (BLUD), facilitation of financing and marketing, towork-intensive programs, increasing people's purchasing power is crucial to generatingMSMEsin the middle of a pandemicCovid-19, The government, especially the West Java Authority, has been trying to increase purchasing power by distributing social assistance (bansos), both to the general public, workers and micro-business actors, apartfrom social assistance, increasing people's purchasing power will be carried out by providing employment opportunities, the West Java Authority has launched a marketplace named borongdong.id to increase sales MSMEs and creative economic actors (ekraf) in West Java, borondong.id's target is ASN (State Civil Apparatus) in West Java,because ASN has income when the COVID-19 pandemic remains stable (PRFM News)

A rough survey on MSMEs in West Java, conveys based on data, that people's purchasing power due to the Covid-19pandemic tends to decrease, as a result, sales of merchandise by Micro, Small and Medium Enterprises actors (MSMEs) in West Java fell. In fact, not a few are bankrupt and out of business, the income of the perpetrators MSMEswas recorded as having dropped dramatically to 80 percent during the Covid-19 pandemic, under these conditions, some survived, some completely stoppedeffort, SMEs inWest Javaitself reached 4.6 million unitseffort. 98 percent of that amount falls into categories effort micro and small businesses, in addition to declining incomes, theCovid-19 pandemic has made raw material prices rise and scarcity. PerpetratorMSMEsit is also difficult to access capital, it hampers the chain of production and distribution of goods.

Strategy for rescue and recovery MSMEs The first step is to simplify MSMEs obtaining raw materials, increasing people's purchasing power is crucial to revivingMSMEsin the midst of the Covid-19 pandemic, the centralgovernment and authorities of West Java have tried to increase purchasing power by distributing social assistance (bansos), both to the general public, workers and perpetrators effort micro, in addition to social assistance, increasingpeople's purchasing power will be carried out by providing employment opportunities.

From the following table and graphic, information is obtained that MSMEs' income has especially fallen intothe COVID-19 pandemic.

Table 1 MSME Income

2017	13588.8
2018	14837.4
2019	15833.9
2020	14750.8

Data: Source processed (2022)

Figure 1. MSME Income

http://ejournal.seaninstitute.or.id/index.php/Ekonomi
Jurnal Ekonomi, Volume 12, No 04 2023
ISSN: 2301-6280 (print) ISSN: 2721-9879 (online)

Data: Source processed (2022)

The following is the development of credit accessed by MSMEs to boost the collapse of income due to the COVID-19 pandemic during before and during the COVID-19 pandemic in West Java:

Table 2 total c

		Micro	Small	Intermediate
2018	153.01	11.13	23.56	118.32
2019	152.64	13.13	23.59	115.91
2020	143.77	11.75	23.3	108.72

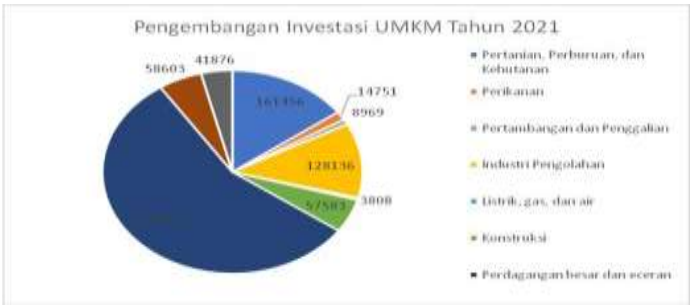
Data: Source processed (2022)

Figure 2 total credit

Data: Source processed (2022)

The impact of income in the form of investment in the collection of MSME capital:

Source :https://www.bps.go.id/indicator/170/405/3/permbuh-hasil-tahunan-y-on-y-menurut-provinsi.html



https://www.bps.go.id/indicator/13/1962/1/position-credit-usaha-mikro- Kecil-dan-menengah-umkm-sup-1-sup-pada-bank-umum-.html

https://katadata.co.id/padjar/infographic/6224bc9d14603/indonesia-menuju-era-keemasan-digital

It is on this basis that the author is interested in conducting research by taking the title "The Influence of Empowering Digital Communities on Investment Development and the Implications of

Income" (Case Study on the Community of MSMEs Assisted by West Java KADIN in Bandung)

Identification of problems

On the basis of the problem illustration above, identification of problems that can be described are as follows:

1. In a situation where the income of MSMEs assisted by Kadin Jabar is still apprehensive in the midst of the COVID-19 pandemic, it is difficult to encourage them to have the ability to compete with other MSMEs, even inthe West Java regional area.
2. The decline in MSMEs' income has had a serious impact on reducing investment owned by MSMEs, so that theyare unable to exist, the solution so that MSMEs' capital is sufficient again is to open access to bank financing, butthis access cannot be opened due to the condition of MSMEs that do not meet the requirements.
3. In the conditions of the COVID-19 pandemic where all interactions are visually limited, virtual access is wide open, online business is a necessity, but the profile of MSMEs, which are on average over 40 years old with mediocre economic conditions, will have difficulty controlling income and digital marketing, good relations withthe government as digital facilitators are still very limited, as well as with IT providers that are not yet open. So that it becomes an obstacle for MSMEs to continue to survive.

Scope of problem

In order to find out the respondents' responses to the workforce's competency, the proliferation of capital acquisition, and the implementation of capital projects, preparatory data was collected, and questionnaires were distributed to aid MSMEs West Java Chamber of Commerce and Industry in Bandung.

Formulation of the problem

Based on the identification of the problems that have been described previously, the formulation of theproblem can be conveyed as follows:

1. How do respondents respond to digital community empowerment, investment development, income in theassisted MSME community Kadin West Java in Bandung?
2. How does the empowerment of digital communities affect investment development?
3. How does the influence of investment development on income?

2. METHOD

Sampling consisted of 50 respondents from the West Java Chamber of Commerce and Industry in Bandungusing a purposive sampling technique.

Data analysis technique Descriptive Analysis Test

This study was carried out employing a quantitative approach, a survey method, and a Lickert scale questionnaire as preliminary data, then a tally of the respondents' remarks was made. As described, Digital Community Empowerment is the independent variable, Investment Development is the dependent variable, and Income is the dependent variable.

According to **Sekaran and Bougie (2017: 77-79)**, “the independent variable will affect the dependent variable, whether positive or negative. This means that every independent variable that appears, then it can be ascertained that the dependent variable will also appear, for each increase or decrease in the independent variable. The dependent variable is a variable that is under the influence of other variables, so in other words the main variable is suitable for research material.”

Similarly, a functional research variable contains "variables", "definitions or concepts", "dimensions", "indicators", and "measurement scales" associated with the current study. Below are the details:

http://ejournal.seaninstitute.or.id/index.php/Ekonomi
Jurnal Ekonomi, Volume 12, No 04 2023
ISSN: 2301-6280 (print) ISSN: 2721-9879 (online)

Table 4. Operationalization of Variables

Variables	Concept	Dimensions	Indicators	ıle Ord(v)
Digital Community Empowerment (X)	**Anwar & Rusmana (2017)**	limitation function	Speed convenience . Different characteristics message appeal better offer technological features using digital media. community and individual development group community development improve digital capabilities improve digital communications.	VVVVV VVVVV V
Investment developme nt(Y)	**Jogiyant o Sukurno Eduardus Tandelilin (2010 7 Zubir (2011:48)**	limitation function	consumption delay for productioneconomy and employment opportunities, National income level of social prosperity.better life Reducing inflation. Save/reduce taxes. investment policy Securities analysis Portfolio Revision Portfolio Performance Evaluation	VVVVV VVVVV V
Incom e(Z)	**Harnanto (2019:102**) **Sochib (2018:47)**	limitation type	asset increase decrease in liabilities due to operatingactivities procurement of goods and services asset inflows sale of goods or servicesinflow income creation of goods and services*outflow of good and services*. operating income Non-operating income	VV VVVVV VVV

Data Collection and Processing Techniques

Data collection was obtained through field research (field research) and library research (library research). Data processing was carried out using a Lickert scale with response levels of strongly agree (5), agree (4), undecided(3), disagree (2).), strongly disagree (1)

Data Testing MethodsValidity test

The association between Spearman's rank coefficient and ordinal measurement scales should be tested for validity.

Reliability test

A reliability test is required to confirm consistency if recounted measurements are created with the exact symptoms. As for finding the reliability coefficient is determined using the Split-Half Spearman-Brown method as well as the Spearman-Brown formula.

Descriptive Analysis Test

In this study, responses were acquired through surveys and questionnaire allocation to ascertain perceptions concerning the West Java Kadin Assisted Business, operating the variables Empowerment of the digital community, investment evolution, and income levels.

Data analysis technique

In quantitative analysis, path coefficients are used to analyze the effects of independent variables on the dependent variable. They are also used to determine how much of an influence independent variables have on the dependent variable. As a result of path analysis, the verification method is selected. Investing in digital community empowerment, investment development, and income generation requires the use of a combination of analytical techniques.

The researcher handed out questionnaires to the study participants, including 11 assertion items for factors related to digital community empowerment, 11 for investment development, and 11 for income.

Hypothesis Test (t test)

To comprehend the personal effects of individual factors on the dependent (partially).

Determination Coefficient Test

This coefficient is a measurement of how much the independent factors have an overall bearing on the dependent variable. Once the range is between 0 and 1 (0% - 100%), the values that fall inside are close to 1, increasing the independent variables' effect.

3. RESULT AND DISCUSSION

Object of research

Fifty volunteers from the West Java Chamber of Commerce and Industry in Bandung were randomly chosen to participate in the study's questionnaire.

Descriptive Analysis Test

The research was performed in Bandung in the West Java Kadin-assisted MSME community, and feedback was solicited through the use of surveys and questionnaires to learn how people felt about West Java Kadin-aided and abetted businesses in Bandung. The variables that were examined were income, investment development, and digital community empowerment.

validity test

Table 5. Validity test

Variable	Indicator	Count	Rtbel	Toopenly
				Valid
X	P1	0.3444		Valid
	P2	0.3602		Valid
	P3	0.2644		Valid
	P4	0.2632		Valid
	P5	0.3706		Valid
	P6	0.2953	0,2306	Valid
	Q7	0.3992		Valid
	Q8	0.5585		Valid
	Q9	0.5463		Valid
	P1	0.5288		Valid
	0			

http://ejournal.seaninstitute.or.id/index.php/Ekonomi
Jurnal Ekonomi, Volume 12, No 04 2023
ISSN: 2301-6280 (print) ISSN: 2721-9879 (online)

	P1	0.5044		Valid
	1			
Y	P1	0.5728		Valid
	P2	0.5604		Valid
	P3	0.3519		Valid
	P4	0.4530		Valid
	P5	0.3004		Valid
	P6	0.2678	0.2306	Valid
	Q7	0.3673		Valid
	Q8	0.5502		Valid
	Q9	0.4849		Valid
	P10	0.4147		Valid
	P11	0.5540		Valid
Z	P1	0.5154		Valid
	P2	0.3562		Valid
	33	0.3356		Valid
	P4	0.3149		Valid
	P5	0.2689		Valid
	P6	0.3937		Valid
	Q7	0.3789	0.2306	Valid
	Q8	0.2698		Valid
	99	0.2610		Valid
	P10	0.3206		Valid
	P11	0.3465		Valid

Table 6. Reliability test
VCronbach's Alpha Coefficient Description

X	0.764	0.70	Relibel
Y	0.769	0.70	Relibel
Z	0.766	0.70	Relibel

Table 7. Reliability

Cronbach's Alpha	N of Items
.764	12

Testi Descriptive Variables X, Y, and Z

Table 8 Descriptive tests X, Y, Z

RespondentsX		***RespondentsY***		***RespondentsY***	
Means	48.36	Means	48.76	Means	47.42
StandardError	0.419679178	Standard Error	0.480272032	StandardError	0.40616675
Median	49	Median	49.5	Median	47
Mode	50	Mode	50	Mode	47
Standard Deviations	2.967579925	Standard Deviations	3.396036105	Standard Deviations	2.87203263

http://ejournal.seaninstitute.or.id/index.php/Ekonomi
Jurnal Ekonomi, Volume 12, No 04 2023
ISSN: 2301-6280 (print) ISSN: 2721-9879 (online)

RespondentsX		***RespondentsY***		***RespondentsY***	
				Sample Variance	
Sample Variance	8.806530612	Sample Variance	11.53306122		8.248571429
kurtosis	0.987598269	kurtosis	3.667488363	kurtosis	1.412966319
				Skewness	- 0.355326974
Skewness	-0.981312941	Skewness	-1.700184731		
Range	14	Range	17	Range	16
Minimum	39	Minimum	37	Minimum	38
Maximum	53	Maximum	54	Maximum	54
sum	2418	sum	2438	sum	2371
Count	50	Count	50		50

The number of respondents (N) is 50. Out of 50 respondents, for respondent X the smallest (minimum) valueis 39 and the maximum value is 53. Meanwhile for respondent Y the minimum value is 37 and for the maximum valueis 54. The range value is the difference between the minimum value and the maximum is for respondent X = 14 and respondent Y = 17. The sum value for respondent X = 2418, Y = 2438, the average value of 50 respondents or the mean for respondent X is 48.36, and for respondent Y is 48.76 . for the median of respondent X is 49, and respondentY is 49.5, and the standard deviation for respondent X is 2.967579925, and respondent Y is 3.396036105.

t Test

Table 9. t test X to Y

ANOVA

	df	*SS*	*Ms*	*F*	*Significance F*
Regression	1	87.46139298	87.46139298	12.20183648	0.001036295
residual	48	344.058607	7.167887646		
Total	49	431.52			

	Coefficients	Standard Error	t Stats	P-values	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercepts	29.17766138	5.504511547	5.300681292	2.87451E-06	18.11009914	40.24522362	18.11009914	40.24522362
Rep Y	0.393403171	0.112622524	3.493112721	0.001036295	0.16696041	0.619845932	0.16696041	0.619845932

It can be seen that t table = 1.69092 and t count > ttable = 3.4931 > 1.69092 has an effect and sig 0.0010 <0.05 Significant So the X variable has an effect and is significant on Y variable

http://ejournal.seaninstitute.or.id/index.php/Ekonomi
Jurnal Ekonomi, Volume 12, No 04 2023
ISSN: 2301-6280 (print) ISSN: 2721-9879 (online)

Table 10. t test Y to Z

ANOVA

	df	*SS*	*Ms*	*F*	*Significance F*
Regression	1	71.53644812	71.53644812	6.956774586	0.011220532
residual	48	493.5835519	10.28299066		
Total	49	565.12			

	Coefficients	*Standard Error*	*t Stats*	*P-values*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercepts	28.81023306	7.577275437	3.802188967	0.000405001	13.5750997	44.04536643	13.5750997	44.04536643
Resp Z	0.420703647	0.159504269	2.637569826	0.011220532	0.09999882	0.741408474	0.09999882	0.741408474

It can be seen that t table = 1.69092 and t count > ttable = 2.6376 > 1.69092 influential and sig 0.0011 <0.05Significant So the variable Y has an effect on and is significant to variable Z

Test of Coefficient of Determination Test

Table 11. Test if the Coefficient of Determination

SUMMARY OUTPUT X to Y

Regression Statistics	
multiple R	0.450202322
R Square	0.202682131
Adjusted R Square	0.186071342
Standard Error	2.677291102
Observations	50

R Square shows 0.202682131 that 20.26% of the investment development variable can be described throughthe digital community empowerment variable, while 79.74% is explained by other factors not examined.

Table 12. Test if the Coefficient of Determination

SUMMARY OUTPUT Y to Z

Regression Statistics	
multiple R	0.355789681
R Square	0.126586297
Adjusted R Square	0.108390178
Standard Error	3.206710256
Observations	50

R Square shows 0.126586297 that 12.65% of the income variable can be described through the investmentdevelopment variable, while 87.35% is explained by other factors not examined.

4. CONCLUSION

From the results of research investment development, the following conclusions can be drawn: in digital community empowerment variable (X) with the results that the average respondent gave a yes response to the questionnaire regarding the investment development variable (Y) the result was that the averagerespondent gave an agree response, on the income questionnaire (Z) the result was that the average the averagerespondent gave a response that agreed. From the results of the partial test, it was found that digital community empowerment has a significant effect oninvestment development, then investment development has a significant effect on income.

REFERENCES

Jogiyanto, HM (2017). Analysis and Design (Information Systems Structured Approach Theory and Practice of Business Applications). Publisher Andi.

Sukurno, Sadono. 2015. Introductory Macroeconomic Theory. Jakarta: PT RajaGrafindo Persada

Tandelilin, Eduardus. 2010. Portfolio and Investment: Theory and Application. 1st Edition. Canisius. Yogyakarta

Zalmi Zubir. 2011. Portfolio management: Its application in stock investment. Jakarta : Salemba Empat Harnanto. (2019). Fundamentals of Accounting (2nd ed.). Yogyakarta: Andi

Sochib. 2018. Textbook of Introduction to Accounting. Yogyakarta: Deepublish.

Sekaran, Uma and Roger Bougie, (2017), Research Methods for Business: Skills-Development Approach, 6th Edition, Book 1, Second Printing, Salemba Empat, South Jakarta 12610.

Sekaran, Uma and Roger Bougie, (2017), Research Methods for Business: Skills-Development Approach, 6th Edition, Book 2, Salemba Empat, South Jakarta 12610.

Anwar RK & Rusmana A (2017), Digital Communication in the form of Social Media in increasing competence for Head Librarians and library management staff, Journal of Science and Technology Applications for the community, 204-208

Dharmayanti, N., Fatkar, B., & Ratnasari, A. (2022). The Influence of the Digital Economy and Women's Empowerment on the Family Economy. Sawwa: Journal of Gender Studies, 17(1), 47–76. https://doi.org/10.21580/sa.v17i1.11300

Puspaningtyas, M. (2022). The Role of Technology and Investment in Digitalization and The Economy in Malaysia.

Tamansiswa Management Journal International, 4(1), 35–42. https://doi.org/10.54204/TMJI/Vol412022006\

Tambusai, JP, Pujiono, A., & Partiwi Ediwidjojo, S. (2021). The Effect of Local Income, Investment, and Inflation onEconomic Growth of Kebumen Regency. Tambusai Journal of Education, 5(3), 6743–6751.

Le, QH, Do, QA, Pham, HC, & Nguyen, TD (2021). The impact of foreign direct investment on income inequalityin Vietnam. Economies, 9(1), 1–15.https://doi.org/10.3390/economies9010027

Riofita, H. (2022). Developing Digital Empowerment Programs to Enhance the Marketing Performance of Private Islamic Higher Education Institutions. Hendra Riofita Muslim Business and Economic Review, 1(2), 2022.https://journal.uiii.ac.id/index.php/mber/article/download/70/110

Husna, AN, & Faizah, MAR (2021). Empowering Digital Society.https://ebook.unimma.ac.id/index.php/up/catalog/view/13/11/36