

# Analysis of Social Capital and Business Performance in Melinjo Emping Home Industry in Pandeglang Regency, Banten Province

*by Khaerul Shaleh*

---

**Submission date:** 30-Nov-2021 04:09AM (UTC+0700)

**Submission ID:** 1715602351

**File name:** ASMJ\_Special\_Issue\_Khaerul\_Shaleh\_Irfan.docx (930.31K)

**Word count:** 6567

**Character count:** 35475

# Analysis of Social Capital and Business Performance in Melinjo Emping Home Industry in Pandeglang Regency, Banten Province

Khaerul Saleh

Jurusan Agribisnis, Fakultas Pertanian, Universitas Sultan Ageng Tirtayasa Banten, Indonesia

Email: [Khaerul1963@untirta.ac.id](mailto:Khaerul1963@untirta.ac.id)

## Abstract

The existence of a cottage industry gives importance to the development of the rural economy, the success of the cottage industry cannot be separated from the role of social capital which is believed to be able to act as linking, binding, and even further as bonding in unraveling the problems that arise especially during the current epidemic. The purpose of this study was to see how far social capital works in improving economic performance, especially the melinjo emping home industry which is managed by rural women. This research was conducted in Pandeglang Regency, Banten Province, the area was chosen because Pandeglang is one of the centers for the melinjo chips industry. The research design uses a cross sectional study where the observed variables are observed simultaneously. Social capital is measured by 3 variables, namely trust, network, and norms. Business performance is measured by financial performance, operational performance, performance and marketing performance. The results showed that social capital had a significant relationship with the business performance of the melinjo emping home industry managed by rural women. Social capital variable that has a significant relationship with home industry business performance. Of the five home industry business performance variables, financial support, network support and moral support have a real and positive relationship to social capital performance, while market network variables and wage levels are not related to social capital performance. In general, the social capital of melinjo chips home industry players is in the good category.

Keywords: Social capital, business performance, home industry

## A. INTRODUCTION

The Covid-19 pandemic, changing the order of social and cultural life, was no exception to the economic sector, Indonesia's economic growth in 2020 was under pressure of minus 4.3 to 5.3 percent (BI 2020) as a result of which macro and micro economic activities experienced a deficit.

Statistical data (2019) shows the micro, small and medium enterprise (MSME) sector (experiencing a significant impact compared to the corporate sector. In the third quarter it is predicted that the decline in MSME sector income will reach 5-7 percent. However, the contribution of MSMEs to GRDP during the third quarter still quite high at 60.3% (Tanoto foundation 2020).

The role of women in the economic field (home industry) is not limited to filling spare time but more to saving income, especially during the Covid 19 pandemic. KPPA 2020 data in the third quarter shows that 64 million MSMEs in Indonesia are 50 percent managed by women (KPPA, 2020) . More than 55 percent of rural women with an education level of 36 percent are elementary school graduates (Saleh, 2017; Christa et al.,2020).

Home industries which are generally classified into MSMEs have characteristics, namely small capital, small risk but high returns and forming an entrepreneurial spirit for their owners, carried out on a part-time basis and based on local resources (Saleh et al., 2018; Santosa et al.,2020). The home industry is a family industry, the sustainability of this industry is more influenced by the role of individuals and families with business backgrounds that can be passed down from generation to generation (Saleh et al., 2018; Setini et al.,2020) to the next generation.

Relationships of cooperation, mutual trust and togetherness characterize the success of the work of the Home Industry managed by women (Saleh et al., 2018; Purwati et al., 2021) but sometimes the efforts made by women still do not pay attention to business principles as appropriate for MSME business activities (Handayani & Indriyani, 2018; Seo, 2020). So that it is not uncommon for business trips carried out by women to experience relatively high fluctuations (Sahdan & Husnan, 2018; Zaato et al., 2020) efforts to measure and evaluate the business performance of women from various existing aspects such as resource availability, market and market share, technology flexibility, and performance evaluation. It is hoped that the business that is run will have an impact on the business that is run more and more through the support of the existence of social capital as the wisdom of rural women.

The aims of this study are: to find out the description of the social capital that exists in women who play melinjo emping home industry in Pandeglang Regency, Banten Province, as well as how the business performance carried out by women in developing melinjo emping home industry in Pandeglang Regency, Banten Province, knowing the existence of social capital and performance women's business players in the melinjo emping home industry in Pandeglang Regency, Banten Province.

## B. LITERATURE REVIEW

### 1. Entrepreneur

Entrepreneurs or nowadays often called entrepreneurs are people who have the ability to see and assess business opportunities, gather the resources needed to take advantage of them and take appropriate action, to ensure business success (Aprihasyati & Fitria, 2020; Nhon et al., 2018).

Entrepreneurship is a process of applying creativity and innovation to solve and seek opportunities from problems faced by everyone in running a business, the ability to create new ideas by combining, changing, or reconstructing old ideas (Doh & Zolnik, 2011 in Aprihasyati, Fitria, 2020). While innovation is the application of the discovery of a new production process or the introduction of a new product (Suryana, 2013). Entrepreneur comes from the French language, namely *entreprendre* which means to take a job (to undertake), this concept means that entrepreneur is someone's action to create an organization, manage it, and determine the risks of a business (George Ritzer: 1985 in Harahap et al., 2020; Sanchez et al., 2020).

Thus, the notion of entrepreneur is a person who dares to open employment opportunities with his own strength, which in turn not only benefits himself, but also benefits the community, because it can absorb new workers.

### 2. Social Media

Social capital in relation to entrepreneurship has three main dimensions, namely: [1] Trust [2] Social networking (social networking) and [3] values and norms (civic norm) (Hadisurya, 2017; Sale et al., 2018).

#### a. Trust

It is a person's behavior to rely on the reliability and integrity of others in fulfilling their expectations in the future (Doh & Zolnik, 2011 in Aprihasyati, Fitria 2020). divides trust into two types, the first is generalized trust, the type is related to how much mutual trust you have.

This first type describes aspects of interpersonal trust, thus it can be assumed to reduce mutual distrust so as to increase interaction and communication. The second type is institutional trust, related to how much trust is in the company or organization. This type describes the deferent aspect of trust, this type is related to the belief that efficient sanctions mechanisms make breaches of contracts between members detrimental.

b. Social Networking

33

A social network is a dynamic infrastructure in the form of networks of cooperation between people. The network facilitates communication and interaction, allows the growth of trust and strengthens cooperation. Widodo (2016) states that closeness in social networks has a positive impact on promoting a normative environment and generating trust, cooperation, and interaction between members (Widodo, 2016). In this network concept, there is an element of work that through the media of social relations becomes cooperation.

The relationships that occur can be in formal or informal forms. Social relations are a picture or mirror of cooperation and coordination between citizens based on active and reciprocal social ties (Damsar, 2002, in Widodo, 2016). Through this social network, individuals will participate in reciprocal actions and through this relationship gain benefits that mutually provide what is needed for each other.

c. Civic Norm

Civic norms or norms in society are defined by Knack and Keefer, Doh and Zolnik, 2011 in Aprihasyati, Fitria (2020) as the tendency of the community to cooperate and prioritize the public interest above personal interests.

This informal mechanism often grows with institutional activities because people who want to improve social welfare are more likely to be involved in many activities. Fukuyama, (in Widodo 2016) explains that norms are very important to reduce transaction costs. If we don't have norms, then we may have to negotiate ownership rules on a case-by-case basis, a situation that is not conducive to market exchange, investment, or economic growth.

In the branch of economics there is game theory which explains the emergence of social norms. In this case the norms maintain social relations between sellers and buyers. The compliance of market participants with agreed social norms can increase solidarity and develop cooperation by referring to the social norms that become the benchmark and according to their agreement..

**3. Business Performance**

22

Company performance is the accumulation of the results of activities carried out within the company itself. Aprihasyati, and Fitria, (2020) stated that performance is defined as the success of personnel in realizing strategic goals in four perspectives, namely finance, customer, marketing, and human resources.

a. Financial Performance

The company's performance is generally evaluated in a short period of time such as annually, quarterly, monthly and even shorter periods of time, but performance measured over a long period of time is also important for assessing the implementation of the company's strategy.

Financial performance in general can be evaluated in the long and short term (Lia et.al., 2015). Further (Lia et.al., 2015; Qomariyah). states that the purpose of evaluating financial performance is to find out whether investment realization has been as expected.

b. Operational /Customer Performance

Some important things that must be considered in the operational performance of a home industry company are product quality, in a manufacturing company operational performance is measured through several criteria such as product quality, performance of technology used, production capacity, and inventory of raw materials and finished goods (Lia et al., 2015).

In the home industry, operational performance is seen from how the company is able to survive (Wajdi et al., 2017). While Anderson et al. (1997) in Aprihasyati, and Fitria, (2020) who argue that

financial performance seen from the level of customer satisfaction is able to give the impression of increasing sales even though there are goods and services of less quality.

#### c. Marketing Performance

An important aspect in the sustainability of the home industry is growth, because marketing performance is influenced by company effectiveness (Soegiastuti & Haryanti S, 2013) Marketing performance for small (home-based) industries is a way to find out whether the promotional costs used have been really actually generate optimal profit or not, can be known.

The marketing aspect is evaluated to be directed at obtaining information about certain facts compared to targets or plans that have been previously set, for example regarding segmentation, targets, and product positioning in the market, applied competitive strategies, sales value, to market share controlled by the company (Lia et al., 2015).

A marketer must be able to predict changes in the business environment and then act proactively. Philip Kotler in Sumarni & Soeprihanto, (2010) formulates the Marketing Environment as a business consisting of actors and forces that come from outside, the company's marketing management function is to influence the ability of marketing management to develop and maintain successful transactions with target customers.

#### d. Human Resources Performance

The success of a business is determined by how Human Resources (HR) manage it, HR performance is work performance, or work results (output) both quality and quantity achieved by HR per unit period of time in carrying out their work tasks in accordance with the responsibilities given to them. Some important things in HR performance that need to be evaluated are work productivity, work motivation, job satisfaction, training and development, and leadership (Lia et al., 2015).

Work productivity as expressed by Tohard Sutrisno, et al. (2017) basically includes mental attitudes and behavior that are oriented towards continuous improvement, and have the view that today's performance must be better than yesterday, and tomorrow's performance. must be better than today's performance.

Good management is company management that tries to put the right people in the right positions. Therefore, to produce as much performance as possible the company tries to find workers, who are suitable for the field of work, then train them, motivate, evaluate, and compensate. Wajdi et al (2017) explain that there are six functions of Human Resource Development, among others: [1] Planning staff needs [2] Finding and recruiting employees [3] Training and developing [4] Assessing performance [5] Determining compensation/reward [ 6] Adapting to changes.

The success of the business carried out by the owner is strongly influenced by how Human Resources are developed, coordinated and directed according to the company's goals, so that there is harmony between the company's goals to be achieved and employee satisfaction. Because HR is the most important asset that has a direct impact on the welfare of the company when compared to other resources.

### C. METHOD

This research is a descriptive research, by comparing certain phenomena so that it is a comparative study. The purpose of this descriptive research is to make a systematic, factual and accurate description, picture or painting of the facts, characteristics and relationships between the phenomena being investigated (Sugiyono, 2010). The population to be studied in this study are women who are entrepreneurs in the melinjo emping home industry in Pandeglang Regency, Banten Province. Data processing uses descriptive statistical analysis, where the collected data is divided into several groups which are stated or measured in: a frequency distribution which implies: a number (number) that shows how many times a variable (denoted by those numbers) is repeated in the row of numbers;

or the number of times a variable (denoted by that number) appears in the series of numbers, and uses a meaningful percentage. A summary in tabular form of a group of data showing the percentage frequency for each class presented. In addition, the researcher also uses cross tabulation, cross tabulation is in the form of several question items that have changed, and there is social capital support obtained from respondents.

## **D. RESULT AND DISCUSSION**

### **1. Characteristics of Respondents**

The respondents of this study were women who were entrepreneurs in the melinjo emping home industry located in Pandeglang Regency, Banten. most of the home industry managers are 42.3 years old with a formal education level (89.6%) are elementary school graduates and 7.1% have completed higher education,

Non-formal education 98.7 percent is low, this is because generally skills in managing the melinjo emping home industry are carried out from generation to generation, the length of business is very varied, the majority have been in business for 12 to 16 years, family dependents between 3-5 people are 81.17%, the level of The income of the head of the family is 50% in the range of 1.5 to 2 million rupiah and the use of labor outside the family is 65.6% in the range of 3-6 people.

41

### **2. The Role of Social Capital in the Home Industry**

The concept of social capital, as put forward by sociologist Pierre Bourdieu, defines social capital as both actual and potential resources that a person has due to a well-maintained network of institutional relationships (Saleh et al. 2018).

35 Robert Putnam, one of the pioneers of social capital, defines social capital as a driver in democratic institutions and economic development (Saleh, 2017). Putnam defines social capital as trust, norms, and networks that facilitate cooperation to achieve mutual benefits. (Winter, 2000).

#### **1. Trust**

As social capital, trust as mentioned by Saleh et al. (2018) divides trust into two types, the first is generalized trust, and second is institutional trust. 1) Trust in the sense of confidence which is an individual psychological realm as an attitude that will encourage someone to make decisions after weighing the risks that will be accepted; (2) Cooperation that places trust as the basis for relationships between individuals without mutual suspicion; (3) Simplification of work that functions as a source of trust to help improve work efficiency and effectiveness; (4) Order where trust is the inducing behavior of each individual to create peace and reduce social chaos.

While the second dimension (institutional trust) is measured by three types, namely (1) Social cohesive maintainers who help glue every social component that lives in the community into one; (2) Trust as “willingness to take risk”, which is an interaction based on the feeling of comradeship and everyone will respond as expected and support each other (3) Trust as social capital that ensures the social structure 44 ands intact and functions operationally and efficiently (Saleh, 2017; Utami, 2020), with scores: (1) very low, (2) low, (3) high, and (4) very high.

Based on field observations, it was obtained that the level of trust of rural women in the melinjo emping home industry as shown in Table 1. The results presented in Table 1 show that trust, as a component of social capital, is at a moderate level, this indicates that the emping home industry activities melinjo tends to be done individually. There are two possibilities that occur in the home industry, the first is the emergence of open competition between home industry players both in pricing and quality, secondly there is a claim (unilateral admission) that the products produced by other parties are worse than the products produced by themselves, so it has the potential hinder the sustainability of the melinjo chips business in that location.

**Table 1.** Distribution of Respondents' Confidence Level

| Trust type  | Amount (%) |     |        |      |           |
|---|------------|-----|--------|------|-----------|
|   | Very low   | Low | Medium | High | Very High |
| Family confidence to establish social relationships                                     | 0.5        | 1.3 | 66.6   | 25.4 | 6.2       |
| The belief that group members can work together without mutual suspicion                | 0.5        | 1.5 | 60.4   | 15.8 | 21.8      |
| Belief that cooperation can increase revenue  | 0.7        | 1.8 | 57.5   | 20.6 | 19.4      |
| The belief that the cooperation that exists can launch economic business                | 0.6        | 1.6 | 56.6   | 22.6 | 18.6      |
| Belief that group rules can regulate the course of the group                            | 0.6        | 2.2 | 56.7   | 22.6 | 17.9      |
| The belief that maintaining a close relationship is important                           | 0.5        | 2.3 | 53.8   | 27.4 | 16        |
| Trust as "willingness to take risk" is an interaction based on a feeling of comradeship | 0.6        | 2.3 | 57.8   | 32.8 | 6.5       |
| Trust keeps the relationship and economic business sustainable                          | 0.7        | 1.5 | 57.5   | 25.6 | 14.7      |

Source: data proced

However, if trust between home industry players is increased by the establishment of a Joint Business Group (KUB), it will become a potential capital for the group to develop optimally in order to achieve common goals and improve the welfare of its members.

## 2. Social Network <sup>52</sup>

A social network is a social structure formed from nodes woven by one or more specific types of relationships such as values, visions, ideas, friends, descendants, etc. Davidsson and Honig, (2003,) in Prasetyo. T. and Harjanti, D. (2013) stated that social capital has two main measures, namely: (1) social networks (networks) and (2) social network characteristics (networks characteristics).

Social networks are viewed using several measures, namely: (a) informal ties characterized by trust and reciprocal relationships that are more familiar and personal, such as ties to family, friendship, neighbours; (b) ties that are more general in nature such as ties to the local community, the general public, the community in the citizenship unit.

This bond is characterized by the existence of trust and reciprocity that are common in nature; and (c) institutional bonds characterized by trust in existing institutions. Meanwhile, the characteristics of social networks (network characteristics) can be seen from three characteristics, name<sup>46</sup> (a) shape and area (size and extensiveness); (b) density and closure, and (c) diversity.

The results of this study indicate that the majority of respondents claimed to have a good informal social network. Both in the form of neighborly ties and kinship ties that are still strong and become the basis of the respondent's main network in carrying out their daily lives and in running a business. In the melinjo emping home industry carried out by rural women, informal social networks in the form of kinship, friendship and kinship are potential capital and have a great influence in developing the melinjo emping home industry.

A wide range of kinship networks will expand the market networks owned by respondents. Table 2 shows that the social networks owned by respondents are in the medium to high category, the largest percentage occurs in networks with suppliers of raw materials, 85.9 percent, while the highest

is in networks with friends. This shows that the sustainability of the emping melinjo home industry carried out by rural women is directly related to the availability of raw materials and online friendships that are part of the market network, of course, it will be an obstacle to business continuity if only using the power of family and neighbors.

**Table 2. Social Network Distribution**

| Network Characteristics                               | Amount (%) |     |        |      |           |
|---|------------|-----|--------|------|-----------|
|   | Very Low   | Low | Medium | High | Very High |
| Network area  | 0          | 0,5 | 75.4   | 19.5 | 4.6       |
| Depth of network with family in the neighborhood      | 0          | 0   | 78.5   | 16.6 | 4.9       |
| Network security with family outside the neighborhood | 0          | 0,7 | 83.5   | 10.4 | 5.4       |
| Depth of network with raw material suppliers          | 0          | 0,2 | 85.9   | 9.8  | 4.1       |
| Depth of network between communities                  | 0          | 0,4 | 83.7   | 11.7 | 4.2       |
| Depth of Friendship network                           | 0          | 0   | 29.6   | 67.5 | 2.9       |

### 3. Civic Norm

Social norms are general habits or rules that guide behavior that already exists in a community group and has certain regional boundaries. The limits of social norms are appropriate behavior for a group of people, so they can also be referred to as social rules or social rules. Azhari (2018) mentions that Norma is a pattern of sharing thoughts, feelings, and behaviors through the community. This shows the community what they can and cannot do. Therefore, norms are standards that can regulate community behavior and are informal in nature to regulate and provide regulations for communities. (Marino et al., 2016; Wardaningrum, 2016).

There are four conditions under which group norms can be enforced in a community. First, group norms can be enforced if they facilitate the survival of a community. Any behavior that has a negative effect on the community will become more prominent and threaten community members.

Second, group norms can be enforced if they are simple, predictable, and represent the behavior expected by community members. Third, group norms are enforced when they help the community avoid embarrassing interpersonal problems. Fourth, group norms are enforced if they deliver community values and make a clear difference to the community (Feldmen 2001, in Wardaningrun 2016).

Referring to the concept (Feldmen 2001, in Wardaningrun 2016), the existence of social norms for women in the emping melinjo home industry includes (1) expecting everyone to help others for mutual benefit; (2) everyone is accustomed to helping one another; (3) everyone volunteer to do things related to the advancement of the cottage industry; (4). Everyone is involved to help when they need help. Table 3 illustrates that the distribution of social norms for the emping melinjo home industry players is at a moderate level, even though business activities are carried out individually but in some cases they still have a sense of empathy for others such as helping each other if one of them experiences difficulties such as in procuring raw materials or selling produce. production.

Table 3 illustrates that mutual assistance based on mutual willingness and progress is part of the norms that are upheld so that individualism will be avoided, even though the social norms owned by rural women who are home industry players are in the moderate category but in general the values that are



believed to be together in running a home industry, such as providing mutual assistance, providing information to each other, so that the business being run is sustainable.

**Table 3.** Distribution of Community Norms

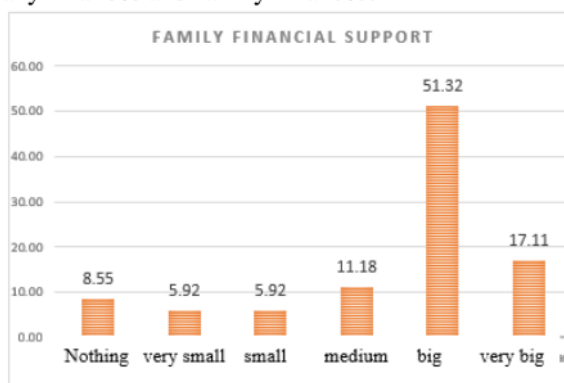
| Norm Characteristics                                  | Amount (%) |     |        |      |           |
|---|------------|-----|--------|------|-----------|
|   | Very Low   | Low | Medium | High | Very High |
| Help each other for mutual benefit                    | 0.4        | 0.5 | 77.4   | 19.5 | 2.2       |
| Get used to helping others                            | 0.6        | 0.7 | 84.5   | 10.4 | 3.8       |
| Volunteer to support each other for business progress | 0.5        | 1.2 | 85.9   | 8.8  | 3.6       |
| Help each other when you need help                    | 0.7        | 2.3 | 31.4   | 62.5 | 3.1       |

### 3. Business performance analysis

#### a. Family Financial Support

Ownership of the capital invested in developing the melinjo emping home industry is fully borne by the business actors themselves, financial management carried out by home industry players is generally still very simple where the business income generated from the home industry is family income.

Figure 1 shows that most of the 78 respondents (51.32%) of the capital made for a home-based industry business was a contribution from the family and only 13 respondents (8.55%) stated that there was no financial support provided from the family, meaning that there was separation. financial management between company finances and family finances.



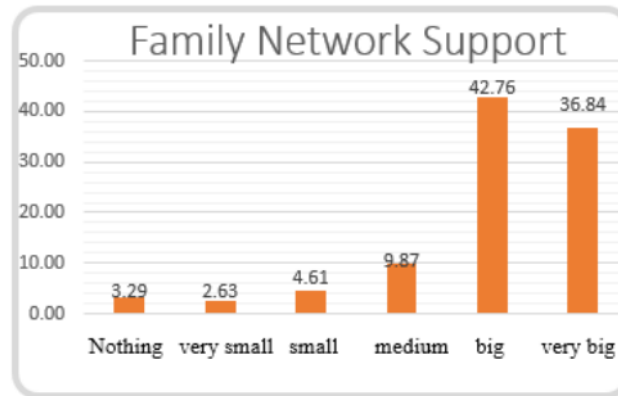
**Figure 1.** Family Financial Support

#### b. Family Network Support

The importance of a network in doing business, makes it above the importance of the existence of the product itself. When a business actor wants to start his business, even though he doesn't have a product yet, the first thing to pay attention to is a market network, business actors can form a network on the smallest scale with relatively low costs, such as for example family or anyone who still has a relative relationship. In addition, the potential that is often forgotten is the friends of business actors. In fact, they can be used as the first step when business actors form a network. An interesting phenomenon that exists today is the emergence of various communities that can be a great potential for business actors to be used as opportunities to advance their business.

In the home industry, this concept has been running for generations, where the greater the kinship, the greater the opportunity to enter the market. Figure 2 shows that the market network that is run in the emping melinjo home industry mostly uses family networks, both close family and

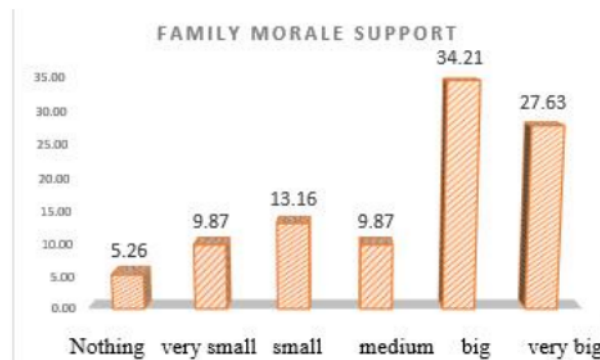
neighbors, socially family networks (kindshif family) are more effective with relatively low costs as explained by Saleh et al (2017), where kinship and friendship are potential capital in developing market networks. Figure 2 also shows that 42.76 percent of families are involved in market development and only 3.29 percent (3 respondents) use traditional markets. When viewed in more detail the concept of a market network used in the home industry of melinjo chips in Pandeglang Regency shows that the wider the family network, the greater the market share.



**Figure 2.** Family Network Support

c. Family Morale Support

In addition to network support, another thing that is no less important in developing the melinjo chips home industry business is moral support. Moral support is a high motivation in developing businesses run by rural women, not a few number of home industries were destroyed before they existed due to low moral support. What is important in this condition is that the home industry activities carried out by rural women are mostly carried out on a part time basis, meaning that the main job of the home industry actors is taking care of the household (cooking, taking care of husbands and children).



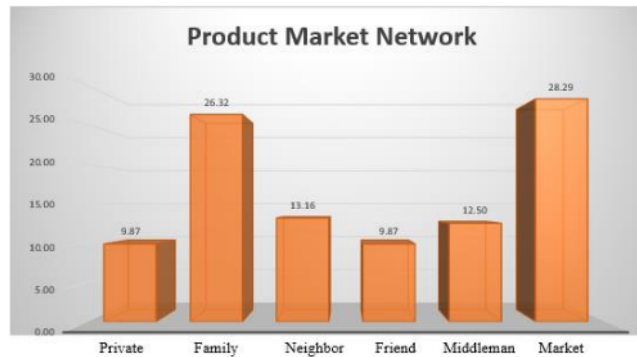
**Figure 3.** Family Morale Support

Figure 3 shows that the moral support provided by the family is in the medium category, where 34.21% of respondents answered large and only 5.26% answered no, this states that the melinjo emping home industry in Pandeglang Regency, Banten provides good moral support. very big on the family to run the business.



**Figure 4. Raw Material Support**

In Figure 4 above, it can be seen that the raw material network is generally obtained from the traditional market, 46.05 percent followed by 28.29 percent from own plantations, respectively, from suppliers, business groups and cooperatives. family business that is done as a spare time filler.



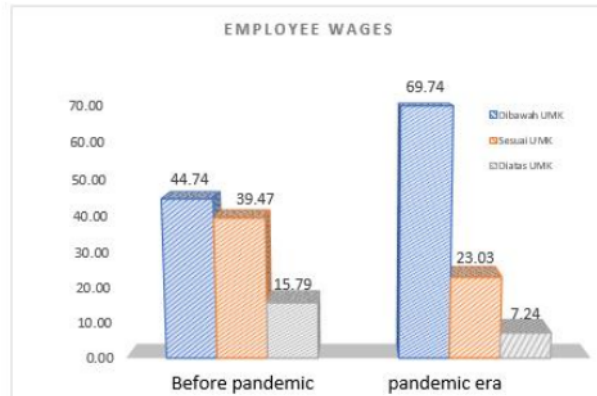
**Figure 5. Market Network**

Meanwhile, Figure 5 shows how the market network built by the melinjo emping home industry is almost the same as the raw material network where the targeting of the traditional market is 28.29 percent and the family network is 26.32 percent. The choice of a family network as the target market shows that in general, home industry activities are still a side business.

The development of the emping melinjo home industry carried out by women has not yet led to an economy of scale, only a few business actors are ready to expand the market, for the development of the home industry in the future, it needs to be slowly addressed through group institutions, either in the form of the Joint Venture Group (KUB). and Cooperatives, so that the home-based industry of melinjo chips run by women can be sustainable.

It is undeniable that the Covid-19 pandemic has also significantly affected the activities of the home industry, this also has an impact on the cost sacrifices received, some of the workers / laborers involved in the home industry.

The marketing network that has been carried out so far has experienced many obstacles, as a result the production resulting from the home industry has experienced obstacles in its distribution. One of the steps taken to anticipate this is to reduce the wages given to workers.



**Figure 6. Wage Level**

The Covid pandemic has had a major impact on the sustainability of the home industry, the implementation of social distancing has resulted in a decline in product sales, both through family networks and traditional markets, the low market absorption has an impact on the wages received by workers (employees) who depend on home industries for their daily life.

Figure 6 shows that there is a change in the policy of home industry players towards the application of the wage rate, before the pandemic the application of the wage level reached 39.47 percent in accordance with the UMK set by the regional government, with the increasingly difficult economic conditions currently occurring, the wage policy given by craftsmen 69.74 percent are at a level below the UMK. This policy was taken as one of the strategies to maintain the home industry's life cycle in order to continue its activities in the midst of a pandemic.

However, not all home industry players set a reduction in wage levels, for business actors who have large capital and family support, market distribution is still running either through family networks or traditional market networks, the COVID-19 pandemic has not had an effect on home industry activities so that the policy is also no change.

#### 4. Effect of social capital on cottage industry performance

Lin, (2004) in Saleh, et al (2018). concluded that social capital is a resource that can be optimized in every organizational activity, the existence of a cottage industry carried out by rural women in addition to providing space for women to be involved in public space is also able to absorb labor and help the family economy.

**Table 4.** Correlation Test between Social Capital and Performance Variables of emping melinjo home industry

| Social Capital Home Industry Performance | Trust    | Social network | Norm    |
|--|----------|----------------|---------|
| Financial Support                        | 0.404 ** | 0.378**        | 0.244*  |
| Network Support                          | 0.244**  | 0.386**        | 0.321** |
| Moral Support                            | 0.367**  | 0.388**        | 0.325** |
| Raw Material Support                     | 0.347**  | 0.402**        | -0.233* |
| Market Network                           | -0.244*  | 0.167          | 0.044   |
| Wage Rate                                | -0.033   | 0.203*         | 0.055   |

Source: data proceed

45 Based on the results of the analysis of Table 4, the business performance of the melinjo emping home industry in Pandeglang Regency, almost all business performance variables have a real and positive relationship with the support of social capital, both trust (trust) in social networks (social networking) and norms (norms). Financial support, network support, moral support and raw material support as Table 4 shows that the existence of social capital in the emping melinjo home industry activities run by women is not only limited to a family side business but is also able to provide added value to income. Therefore, according to Hasbullah (2006), the dimension of social capital lies in the ability of the community (home industry actors) to work together to build a network to achieve common goals. The cooperation is colored by a pattern of reciprocal and mutually beneficial interrelationships and is built on trust that is supported by positive and strong social norms and values.

The strength of the performance of the home industry is more dominated by the high level of family support both in finance, market networks and raw materials, so that home industry activities are not just a side business on a part-time basis but are more directed at providing space for women to carry out activities in public spaces (Saleh, 2003). et al, 2018). While market network support is not related to the existence of social capital, this is because most of the home industry players use the family as a potential market, the correlation value generated from the market network relationship with the level of trust has a negative direction, this is because the cottage industry that has been run so far is still hereditary nature and the existence of one-sided recognition (claim) that the product it produces is better than others.

The presence of the government is required both in management and regulation development so that the cottage industry is more grounded, both through the development of joint business groups and cooperatives that can facilitate problems that may arise, so that the cottage industry will multiply and develop.

## E. CONCLUSION

In general, the components of social capital in the form of trust, social networks, and social norms owned by the melinjo emping home industry players are in the medium category. So that the condition needs to be improved, namely with the presence of the Pandeglang Banten government to conduct both management and financial guidance. Social Capital (Trust, Social Networks and Norms) of the melinjo emping home industry in Pandeglang Banten provides a positive contribution to the performance of the melinjo emping home industry which is run by women although in its operations it is still carried out on a part-time and individual basis. The economic performance of the melinjo emping cottage industry in Pandeglang district has been quite good with the support of social capital that is still holding up well despite the COVID-19 pandemic.

## REFERENCES

1. Alma, H. B. (2010). *Pengantar Bisnis*. Bandung: Alfabet
2. Andriany, D. (2018). Optimalisasi Pengelolaan Usaha Kecil dan Menengah Melalui Analisis Swot. *Kumpulan Jurnal Dosen Universitas Muhammadiyah Sumatera Utara*.
3. Aprihasyyati, D. A., & Fitria, S. (2021). Analisis Pengaruh Kinerja Umkm, Kepercayaan Dan Persepsi Risiko Terhadap Niat Investasi Pada Umkm Melalui Platform Equity Crowdfunding Di Indonesia. *Diponegoro Journal of Management*, 9(2).
4. Azhari. (2018). Peran Modal Sosial Dalam Pengembangan Jaringan Usaha Kecil Menengah Studi Kasus Pada Rumah Makan Padang. *Jurnal Administrasi Bisnis (Jab)*, 59(1), 135-162.
5. Christa, U. R., Wardana, I., Dwiatmadja, C., & Kristinae, V. (2020). The Role of Value Innovation Capabilities in the Influence of Market Orientation and Social Capital to Improving the Performance of Central Kalimantan Bank in Indonesia. *Journal of Open Innovation: Technology, Market, and Complexity*, 6(4), 140.

6. Gandhiadi, G. K. (2019, October). Structural model for the role of government and social capital on business performance of weaving industry in Jembrana Regency of Bali. In *Journal of Physics: Conference Series* (Vol. 1321, No. 2, p. 022065). IOP Publishing.
7. Hadi, S., & Purwati, A. A. (2020). Modal Sosial dan Inovasi Terhadap Kinerja Bisnis MKM. *COSTING: Journal of Economic, Business and Accounting*, 4(1), 255-262.
8. Hadisurya, M. (2017). Analisis Penerapan Modal Sosial Pada Ud. Sutoyo Sugeng. *Agora*, 5(1).
9. Harahap, H. M., Sinaga., Risma, M. P. (2020). Women Labor Working Patterns Of Sugar Cane Felling On Bunga Mayang Sugar Factory At Pt. Perkebunan Nusantara On 2020 (Case Study In Negara Tulang Bawang Village, Bunga Mayang Subdistrict, Lampung Utara Regency). *International Journal Of Research And Innovation In Social Science (Ijriss)*, 4(9), 35-38
10. Haryanti, J. S. C. S. (2016). Model Kinerja Pemasaran Usaha Kecil Dan Menengah (Ukm) Di Jawa Tengah. *Jurnal Ilmiah Dinamika Ekonomi dan Bisnis*, 1(1).
11. Lia, D. A. Z. (2015). Penilaian Kinerja Keuangan Pada Usaha Kecil dan Menengah (UKM) Berdasarkan Analisis Rasio Keuangan (Studi pada IRT Ramayana Agro Mandiri Kota Batu tahun 2011-2014). *Jurnal Administrasi Bisnis*, 25(1).
12. Marino, C., Vieno, A., Pastore, M., Albery, I. P., Frings, D., And Spada, M. M. (2016). Modeling The Contribution Of Personality, Social Identity And Social Norms To Problematic Facebook Use In Adolescents. *Addictive Behaviors*, 63, 51-56
13. Nhon, H. T., Thong, B. Q., & Van Phuong, N. (2018). The impact of intellectual capital dimensions on Vietnamese information communication technology firm performance: A mediation analysis of human and social capital. *Academy of strategic management journal*, 17(1), 26-35.
14. Prasetyo, T. (2013). Modal Sosial Pengusaha Mikro dan Kecil Sektor Informal dan bungannya dengan Kinerja Bisnis di Wilayah Jawa Timur. *Agora*, 1(3), 1641-1644.
15. Purwati, A., Budiyanto, B., Suhermin, S., & Hamzah, M. (2021). The effect of innovation capability on business performance: The role of social capital and entrepreneurial leadership on SMEs in Indonesia. *Accounting*, 7(2), 323-330.
16. Qamariah, I., & Muchtar, Y. C. (2019). Analyzing business performance of small and medium enterprises (SMEs) based on human capital, social capital and competitive advantage. *Ecoforum Journal*, 8(2).
17. Saleh, K., Sumardjo, S., Hubeis, A. V. S., & Puspitawati, H. (2018). Penguatan Modal Sosial Menuju Kemandirian Perempuan Perdesaan Pelaku Industri Rumahan Emping Melinjo di Provinsi Banten. *Jurnal Penyuluhan*, 14(1), 43-51.
18. Sanchez-Famoso, V., Maseda, A., Iturralde, T., Danes, S. M., & Aparicio, G. (2020). The potential of internal social capital in organizations: An assessment of past research and suggestions for the future. *Journal of Small Business Management*, 58(1), 32-72.
19. Santosa, M. G. S., Supartha, W. G., Riana, I. G., & Surya, I. (2020). A contiguity of social capital, competence, and business performance moderating by government policy. *The Journal of Asian Finance, Economics, and Business*, 7(9), 727-736.
20. Seo, R. (2020). Entrepreneurial collaboration for R&D alliance performance: a role of social capital configuration. *International Journal of Entrepreneurial Behavior & Research*.
21. Setini, M., Yasa, N. N. K., Gede Supartha, I. W., Ketut Giantari, I., & Rajiani, I. (2020). The passway of women entrepreneurship: Starting from social capital with open innovation, through to knowledge sharing and innovative performance. *Journal of Open Innovation: Technology, Market, and Complexity*, 6(2), 25.
22. Sholeh, Y. (2017). Peranan Home Industri Emping Melinjo Dalam Meningkatkan Pendapatan Keluarga Di Kecamatan Burneh Kabupaten Bangkalan. *Agriekonomika*, 6(1), 26-31.

23. Sugiyono, D. (2013). *Metode penelitian pendidikan pendekatan kuantitatif, kualitatif dan R&D*. Bandung: Alfabeta
24. Aryana. (2013). *Kewirausahaan, Kiat Dan Proses Menuju Sukses*. Salemba Empat,
25. Sutrisno, S., Cahyono, D., & Qomariah, N. (2017). Analisis Kualitas Pelayanan, Kepercayaan Serta Citra Koperasi Terhadap Kepuasan Dan Loyalitas Anggota. *Jurnal Sains Manajemen Dan Pini Indonesia*, 7(2).
26. Syahdan, S. (2019). Peran Industri Rumah Tangga (Home Industry) pada Usaha Kerupuk Terigu terhadap Pendapatan Keluarga di Kecamatan Sakra Kabupaten Lombok Timur. *MANAZHIM*, 1(1), 45-63.
27. Utami, V. Y. (2020). Dinamika Modal Sosial dalam Pemberdayaan Masyarakat pada Desa Wisata Halal Setanggor: Kepercayaan, Jaringan Sosial dan Norma. *Reformasi*, 10(1), 34-44.
28. Wajidi, M. B. N., Ummah, Y. C., & Sari, D. E. (2017). UKM Development Business Loan. *IJEED International Journal Of Entrepreneurship And Business Development eISSN 2597-4785 pISSN 2597-1650*, 1(1), 99-109.
29. Walenta, A. S. (2019). Pengaruh Modal Sosial Terhadap Peningkatan Kinerja Pada UMKM Rumah Makan di Kota Tentena Kabupaten Poso. *Pinisi Business Administration Review*, 1(2), 115-136.
30. Wardyaningrum, D. (2016). Modal sosial inklusif dalam jaringan Komunikasi bencana. *Jurnal Spikom*, 3(1), 33-55.
31. Widodo, H. T. (2016). Peran dan manfaat modal sosial dalam peningkatan efektivitas kerja karyawan sektor usaha mikro kecil dan menengah di sentra kerajinan tas dan koper tanggulangun Sidoarjo. *JBMP (Jurnal Bisnis, Manajemen dan Perbankan)*, 2(1), 1-14.
32. Zaato, S. G., Ismail, M., Uthamaputhran, S., & Owusu-Ansah, W. (2020). The impact of entrepreneurial orientation on SMEs performance in Ghana: The role of social capital and government support policies. *Jurnal Manajemen dan Kewirausahaan (Journal of Management and Entrepreneurship)*, 22(2), 99-114.

# Analysis of Social Capital and Business Performance in Melinjo Emping Home Industry in Pandeglang Regency, Banten Province

## ORIGINALITY REPORT

20%

SIMILARITY INDEX

17%

INTERNET SOURCES

10%

PUBLICATIONS

13%

STUDENT PAPERS

## PRIMARY SOURCES

|   |   |    |
|---|---|----|
| 1 | <a href="http://ejournal.ung.ac.id">ejournal.ung.ac.id</a><br>Internet Source   | 1% |
| 2 | <a href="http://www.growingscience.com">www.growingscience.com</a><br>Internet Source                                 | 1% |
| 3 | <a href="http://eprints.umm.ac.id">eprints.umm.ac.id</a><br>Internet Source   | 1% |
| 4 | Submitted to Universitas Negeri Semarang<br>Student Paper   | 1% |
| 5 | <a href="http://rigeo.org">rigeo.org</a><br>Internet Source   | 1% |
| 6 | <a href="http://ejournal.forda-mof.org">ejournal.forda-mof.org</a><br>Internet Source                                 | 1% |
| 7 | <a href="http://uia.brage.unit.no">uia.brage.unit.no</a><br>Internet Source   | 1% |
| 8 | Kenneth Boyd. "Group Epistemology and Structural Factors in Online Group Polarization", Episteme, 2020<br>Publication | 1% |



---

|    |   |      |
|----|---|------|
| 9  | <a href="http://koreascience.or.kr">koreascience.or.kr</a><br>Internet Source                         | 1 %  |
| 10 | <a href="http://journals.gen.tr">journals.gen.tr</a><br>Internet Source                               | 1 %  |
| 11 | Submitted to Taylor's Education Group<br>Student Paper  | <1 % |
| 12 | Submitted to Udayana University<br>Student Paper  | <1 % |
| 13 | <a href="http://www.iosrjournals.org">www.iosrjournals.org</a><br>Internet Source                     | <1 % |
| 14 | <a href="http://www.psychologyandeducation.net">www.psychologyandeducation.net</a><br>Internet Source | <1 % |
| 15 | <a href="http://ir.umk.edu.my">ir.umk.edu.my</a><br>Internet Source                                   | <1 % |
| 16 | <a href="http://ojs.unm.ac.id">ojs.unm.ac.id</a><br>Internet Source                                   | <1 % |
| 17 | <a href="http://knepublishing.com">knepublishing.com</a><br>Internet Source                           | <1 % |
| 18 | <a href="http://ojs.stiem-bongaya.ac.id">ojs.stiem-bongaya.ac.id</a><br>Internet Source               | <1 % |
| 19 | <a href="http://www.ejournal.stitpn.ac.id">www.ejournal.stitpn.ac.id</a><br>Internet Source           | <1 % |
| 20 | M Sulistyati, Hermawan, A Firman. "The Analysis of Poverty Trap on Smallholder Dairy                  | <1 % |

---

Farms in Pangalengan Area", IOP Conference  
Series: Earth and Environmental Science, 2019

Publication

---

|    |   |      |
|----|---|------|
| 21 | <a href="http://jurnal.unpad.ac.id">jurnal.unpad.ac.id</a><br>Internet Source   | <1 % |
| 22 | <a href="http://rjoas.com">rjoas.com</a><br>Internet Source   | <1 % |
| 23 | <a href="http://www.ajhssr.com">www.ajhssr.com</a><br>Internet Source   | <1 % |
| 24 | <a href="http://123dok.com">123dok.com</a><br>Internet Source   | <1 % |
| 25 | <a href="http://journal.ipm2kpe.or.id">journal.ipm2kpe.or.id</a><br>Internet Source   | <1 % |
| 26 | <a href="http://journal.uc.ac.id">journal.uc.ac.id</a><br>Internet Source   | <1 % |
| 27 | <a href="http://jurnal.unitri.ac.id">jurnal.unitri.ac.id</a><br>Internet Source   | <1 % |
| 28 | <a href="http://www.emerald.com">www.emerald.com</a><br>Internet Source   | <1 % |
| 29 | Hasbiadi Hasbiadi, Puryantoro Puryantoro, La Mpia, Juniaty Arruan Bulawan. "ANALISIS KINERJA PEMASARAN PADA INDUSTRI OLAHAN MAKANAN DI KABUPATEN KOLAKA", Jurnal Ekonomi Integra, 2021<br>Publication | <1 % |

---

30 Submitted to Pascasarjana Universitas Negeri Malang  
Student Paper <1 %

---

31 Submitted to University of Wollongong  
Student Paper <1 %

---

32 [journal.trunojoyo.ac.id](http://journal.trunojoyo.ac.id)  
Internet Source <1 %

---

33 A Aarsal, I Karim, D Salman, I M Fahmid, Mahyudin, A Amiruddin. "Social capital and maize farmers' income", IOP Conference Series: Earth and Environmental Science, 2020  
Publication <1 %

---

34 [garuda.ristekbrin.go.id](http://garuda.ristekbrin.go.id)  
Internet Source <1 %

---

35 Submitted to Cardiff University  
Student Paper <1 %

---

36 [publikasi.unitri.ac.id](http://publikasi.unitri.ac.id)  
Internet Source <1 %

---

37 [mountainequipments.blogspot.com](http://mountainequipments.blogspot.com)  
Internet Source <1 %

---

38 [www.abacademies.org](http://www.abacademies.org)  
Internet Source <1 %

---

39 [growingscience.com](http://growingscience.com)  
Internet Source <1 %

---

[www.appptma.org](http://www.appptma.org)

40

Internet Source

&lt;1 %

41

Submitted to Strathmore University

Student Paper

&lt;1 %

42

jurnal3.stiesemarang.ac.id

Internet Source

&lt;1 %

43

journal.ipb.ac.id

Internet Source

&lt;1 %

44

www.ncbi.nlm.nih.gov

Internet Source

&lt;1 %

45

www.ojs.excelingtech.co.uk

Internet Source

&lt;1 %

46

jmm.unram.ac.id

Internet Source

&lt;1 %

47

G K Gandhiadi. "Structural model for the role of government and social capital on business performance of weaving industry in Jembrana Regency of Bali", Journal of Physics: Conference Series, 2019

Publication

&lt;1 %

48

Submitted to London Metropolitan University

Student Paper

&lt;1 %

49

Sukirwan, Darhim, T Herman. "Analysis of students' mathematical reasoning", Journal of Physics: Conference Series, 2018

Publication

&lt;1 %

---

50

[jurnal.unmuhjember.ac.id](http://jurnal.unmuhjember.ac.id)

Internet Source

<1 %

---

51

[jurnalmanajemen.petra.ac.id](http://jurnalmanajemen.petra.ac.id)

Internet Source

<1 %

---

52

Supeno, Darsono, Sueb Hadi Saputro, Veronika Nugraheni Sri Lestari et al. "Utilization of Whatsapp Application as Communication Media in Language Teaching and Learning at FBS UWKS", Journal of Physics: Conference Series, 2019

Publication

<1 %

---

53

[www.rsisinternational.org](http://www.rsisinternational.org)

Internet Source

<1 %

---

54

Triwara Buddhi Satyarini. " Economic performance of the " " household industry and the entrepreneurial character of the business owner ", E3S Web of Conferences, 2021

Publication

<1 %

---

Exclude quotes On

Exclude matches Off

Exclude bibliography Off