

IMPACT OF STRENGTHENING BUSINESS ETHOS ON AGRARIAN RESOURCE-BASED MICRO ENTERPRISES

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Abstract

Even though it is located in a karst area, the community and Pucung Village Government are optimistic that they will be able to advance their area into an independent, peaceful, and prosperous village. For this reason, they are trying to ensure that micro-businesses in this village contribute to its progress by strengthening their business ethos. This phenomenon is interesting to research using qualitative research methods accompanied by a rationalistic approach. The number of informants was 15 people, selected purposively. Data consists of (1) Primary data obtained from interviews with informants and (2) Secondary data in the form of population data for Pucung Village. Meanwhile, data analysis was carried out using Qualitative Analysis Techniques. The research results show that their business ethos determines the long-term success of micro-businesses, so strengthening their business ethos needs to be done. Pucung Village has 6 (six) types of micro-businesses, consisting of 8 (eight) business units located in 8 (eight) locations. Strengthening the business ethos for micro businesses in Pucung Village has elements, including the business owner's willingness to set a vision and mission, build a positive business culture, and commit to quality. When strengthening the business ethos has been carried out, it will have an impact in the form of increasing productivity, competitiveness, credibility, and the ability to survive.

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INTRODUCTION

Pucung Village, Girisubo District, Gunungkidul Regency, is a village in a karst area. Despite this, the community and the Pucung Village Government are optimistic that they will be able to advance their area into an independent, peaceful, and prosperous village. Microbusinesses in this village are one element that is expected to contribute to the progress of the village by strengthening its business ethos.

Strengthening business ethos is crucial in ensuring the company's long-term success. Business ethos includes the values, culture, and attitudes an organization adopts in its operations. By strengthening business ethos, companies can achieve various benefits, from increasing productivity to strengthening stakeholder relationships.

Regarding ethos, researchers state that Aristotle, in his book "Nicomachean Ethics" uses the word "ethos" as part of the study of ethics (van Baardewijk & de Graaf, 2021). Aristotle used the word "ethos" to describe the outcome of moral development. This term relates to a person's efforts to work hard to earn a living and obtain a prestigious position in terms of finances, wealth, and prosperity.

Therefore, strengthening the business ethos is related to creating a positive work environment, especially when employees feel motivated and involved and contribute actively. This can result in increased individual and team performance, thus having a direct impact on achieving company goals. Apart from that, a strong business ethos also helps build a positive company image in the eyes of consumers, investors, and the general public.

This activity will involve various components to strengthen business ethos, including a commitment to business ethics, transparency, diversity, innovation, and employee empowerment (Nugroho, 2023). Commitment to business ethics creates an environment where honest, fair, and responsible behavior is the main principle in every decision and action. Apart from that, employee empowerment also plays a vital role in strengthening the business ethos because employees who feel heard and appreciated and have room to develop tend to be more dedicated and loyal to the company.

Even though it has many benefits, strengthening business ethos has several challenges. One of them is resistance to change in the work environment. When a company tries to strengthen its business ethos, adverse reactions from parties uncomfortable with the change are not uncommon. Apart from that, maintaining consistency in strengthening business ethos can also be a challenge, especially in facing the dynamics of the times.

Meanwhile, micro-businesses are also very important in supporting the village economy. Micro businesses are defined as businesses with a tiny scale in terms of number of employees, turnover, and assets. Typically, microbusinesses are owned and run by individuals or small groups. Types of micro businesses can vary from food stalls, grocery stores, and small farms to handicrafts. In general, micro-businesses have a net worth of less than Rp. 50,000,000,- while the business turnover is less than Rp. 300,000,000,-.

The researchers states that in most developing countries, micro-enterprises constitute the majority of companies that generate significant revenues from total employment (Hassan & Ahmad, 2016). Therefore, micro-business growth will encourage increased productivity and overall income levels. However, in many cases, their most significant economic contribution is maintaining, not creating, new jobs and income for society. In aggregate, micro-businesses show impressive growth compared to larger companies' efforts. However, there are also micro-businesses, which grow slowly or do not grow at all. Even though it is part of the decision-making activities of the business owner. Rapid economic growth and the expansion of a small group of high-performing microenterprises often drive growth rates.

In the context of the village economy, micro-businesses provide employment opportunities for village residents. By having a micro business, village residents can work without leaving the village, thereby helping to reduce migration from villages to cities. Apart from that, micro-enterprises also play an essential role in maintaining the diversity of the village economy. With various micro businesses, villages can have various sources of income. This helps prevent the village from being dependent on just one particular economic sector so that the village is more economically stable. Micro-enterprises also support local community development. When villagers own microenterprises, they use products and services from fellow local entrepreneurs. This creates a solid local economic circle and supports overall village economic growth. Thus, micro businesses have a decisive role in supporting the village economy. Micro-enterprises can drive economic growth, mainly when supported by access to funding, skills training, and broader market access.

Conditions become even more interesting when micro-businesses are linked to agrarian resources, or, to be precise, micro-businesses based on agrarian resources. As is known, agrarian resources include the earth (its surface, the body of the earth, and the space above it), water, space, and the natural wealth contained therein. Agrarian resource-based micro-enterprises refer to economic activities carried out by individuals or small groups that use natural resources, especially in agriculture, livestock, fisheries, and forestry. The meaning of this concept is not only limited to economic aspects but also includes social, cultural, and environmental aspects.

Micro-business in this context refers to economic activities carried out by small-scale business actors, either individually or in groups. This business often involves producing, processing, and marketing agricultural, livestock, fisheries, and forestry products. Meanwhile, agrarian resources refer to utilized natural resources, such as agricultural land, forests, rivers, and so on. Thus, agrarian resource-based micro-enterprises are an effort to utilize natural resources sustainably to develop small-scale economic enterprises.

The importance of agrarian resource-based micro-enterprises must be addressed, especially in the context of local economic development. The following are several meanings contained in this concept: (1) Empowerment of local communities by relying on agrarian resources, especially in rural areas. This can create jobs, increase incomes, and reduce migration to cities; (2) Environmental conservation is interpreted as a concept with a sustainable approach so that micro-enterprises based on agrarian resources can help maintain environmental balance.

RESEARCH METHODS

This research uses qualitative methods with a participatory paradigm as the primary format, as a form of respect for society. This research was located in Pucung Village, Girisubo District, Gunung Kidul Regency. The subjects of this research consisted of: (1) Pucung Village Head, (2) Pucung Village Secretary, (3) Dukuh Head in Pucung Village, (4) Pucung Village Officials, (5) Pucung Village community leaders, and (6) Residents the people of Pucung Village. This research obtained information from 15 informants, who were selected purposively. Based on the source, the data obtained in this research consists of primary data and secondary data. Primary data was obtained from the interviews with informants, the substance of which was stated in the interview guide.

In contrast, secondary data was obtained from public documents from the Girisubo District Government (in the form of population statistical data) and the Pucung Village Government (in the form of village monograph). Primary data collection from informants was carried out using interview techniques, as well as using interview guide instruments and note-taking tools. Meanwhile, secondary data collection from the Girisubo District Government and Pucung Village Government was carried out using documentation techniques and instruments in recording devices. This research data was analyzed using Qualitative Analysis Techniques, which some methodologists often call "Thematic Analysis," the stages of which are as follows: (1) Initial Review of All Data; (2) Data Reduction and Abstraction; (3) Compilation of the Smallest Information Unit; (4) Grouping of Smallest Information Units; (5) Preparation of Propositional Statements.

RESULTS AND DISCUSSION

Micro Business in Pucung Village

The Government and the people of Pucung Village want to create prosperity in their area. Meanwhile, researchers explain that the forms of community welfare consist of: First, economic welfare, in the form of community welfare in the economic aspect, namely when people can meet the needs of themselves and their families, which is characterized by adequate income (Pigou, 2017). Second, psychological well-being, in the form of people's well-being in the psychological aspect, namely when people can be calm and not stressed in facing the dynamics of life. Calm does not mean slow in acting, but rather the expression of someone who thinks clearly and deeply. Third, social welfare, in the form of community welfare in the social aspect, is when people can interact in harmony. Interaction is an action that occurs when two or more parties influence or influence each other. Fourth, cultural welfare, in the form of community welfare in the cultural aspect, is when people can express their attitudes, behavioral patterns, and knowledge through traditions, customs, and art.

To realize prosperity, the Government and the people of Pucung Village made macro planning a master plan. The researchers stated that the Pucung Village Masterplan was prepared in a participatory manner armed with awareness, as follows: First, the potential of Pucung Village consists of physical and non-physical potential, both of which can be utilized and developed to realize community welfare. Second, the process of making the Pucung Village Masterplan includes: (1) facilitation of maps and data from lecturers at the National Land College; (2) providing input from the head of the padukuhan and local community leaders regarding the development plans of each padukuhan; (3) data collection and input, as well as analysis and preparation of the Pucung Village Masterplan by the Pucung Village Head and Pucung Village Secretary, supervised by lecturers from the National Land College; Third, the development conception in the Pucung Village Masterplan includes: (1) socio-

ecological approach, (2) participatory approach, and (3) input-output approach; Fourth, development zoning in the Pucung Village Masterplan, includes: (1) development of the Northern region, (2) development of the central region, and (3) development of the Southern region; Fifth, the division of activities in the Pucung Village Masterplan includes: (1) agriculture, (2) animal husbandry, (3) tourism, and (4) economy.

Based on the Pucung Village Masterplan, it is known that the economy in this village will develop rapidly if it is managed as well as possible by people who have the soul and spirit of leadership. Pucung Village Government Office staff are of the view that leadership skills can be built in the following ways: First, practice to be more disciplined so that you can be consistent and able to complete various tasks and responsibilities; Second, practice being an inspiration to others, because the leader is a role model for all team members, so his behavior will be of concern to everyone; Third, continue to learn, by studying the conditions and things that occur in the workplace, so that you will gain much experience; Fourth, practice empowering all team members, by dividing tasks fairly or proportionally; Fifth, practice knowing yourself so that you can utilize your potential to achieve your goals; Sixth, practice having the courage to admit mistakes, so that you can improve yourself so that the mistakes you make do not drag on and do not become an obstacle to future success (Nugroho, 2023).

This spirit of leadership gives rise to optimism, which is manifested in the attitudes, actions and behavior of the community and the Pucung Village Government, as follows: First, the seriousness of the community and the Pucung Village Government, when collaborating with the National Land College (STPN) to carry out participatory research activities and community empowerment ; Second, the seriousness of the community and the Pucung Village Government, when working hard to develop agriculture, animal husbandry, small businesses and tourism; Third, the seriousness of the community and the Pucung Village Government, when carrying out repairs and arrangement of physical, intellectual, human resource, financial and technological facilities; Fourth, the seriousness of the community and the Pucung Village Government, when improving the welfare of the community independently and peacefully by utilizing the iconic potential of Pucung Village, namely: Bengawan Solo Purba; Fifth, the seriousness of the community and the Pucung Village Government, when carrying out land use and utilization activities (Suseno et al., 2022).

This optimism can also be seen in the spread of home industries or what are usually called micro businesses in Pucung Village, which consist of First, micro-businesses making cakes or snacks, totaling 2 (two) business units and located in 2 (two) locations in the Village area. Pucung. The micro-business of making cakes or snacks has become an attractive option for starting a micro-scale business. This is due to several reasons that influence the success and attractiveness of this type of business. As is known, snacks and cakes are products always in demand by the public (consumers). Snacks and cakes are always in high demand, thus providing excellent opportunities for micro-entrepreneurs in this field. Micro businesses making cakes or snacks generally require affordable initial capital.

When compared with large-scale businesses, it is known that the costs of starting a micro-business making cakes or snacks are still relatively lower. This makes it an attractive option for budding entrepreneurs who have limited capital. Creativity plays a very important role in entering the cake or snack-making industry. From variations in taste to attractive packaging designs, businesses can experiment and innovate. This allows businesses to adapt their products to continuously evolving market tastes. Meanwhile, with the growing development of the food and beverage industry, especially in this digital era, micro-entrepreneurs have more comprehensive access to market their products. Social media and e-commerce platforms can help micro-entrepreneurs reach potential consumers without spending enormous marketing costs.

Second, the micro business of making tuna floss consists of 1 (one) business unit and is located in 1 (one) location. The micro-business of making tuna floss is one promising small business in the food industry. Shredded tuna has a vast market share because it can be enjoyed as a healthy snack or a complement to food. However, even though the opportunities

are plentiful, these micro-businesses face several challenges that must be overcome. Tuna floss has enormous market potential because people are increasingly concerned about healthy eating patterns. Tuna floss is a source of high protein and low fat, so it is sought after by consumers who maintain their health. Apart from that, tuna floss also has a relatively long shelf life, making it suitable as a finished product for sale on a small or large scale.

Even though the opportunities are plentiful, micro-businesses making tuna floss face several challenges. One of them is tight market competition. Competition is extreme in the food industry, especially in the shredded segment. Product quality, price, and marketing strategy are the primary keys to facing this competition. Another challenge is in terms of licensing and food production standards. As a micro business, business owners must ensure that the tuna floss produced meets the food safety standards set by the relevant authorities. This licensing and certification process can hinder micro-businesses from entering the broader market.

To be successful in the micro business of making tuna floss, the micro business owner needs to implement the right strategy. First, focus on product quality by making efforts so that the tuna floss produced tastes delicious, has a good texture, and is clean so that business owners can win the hearts of consumers. Apart from that, a good understanding of the market and consumers is also the key to success, for consumer preferences, market trends, and needs for tuna floss products help businesses develop effective marketing strategies.

Third, furniture manufacturing micro businesses total 2 (two) business units and are located in 2 (two) locations. Micro-enterprises in the furniture manufacturing industry play a vital role in the local (village) economy by employing several residents, reducing unemployment, and increasing community income. Microbusinesses are also the backbone of the village economy, strengthening business networks and promoting inclusive economic growth. Despite their small size, furniture manufacturing micro-enterprises are a source of innovation in design and material selection. Furniture artisans are more flexible in creating unique and experimental designs that can attract the local market. Apart from that, this micro entrepreneur also uses recycled or environmentally friendly materials in the production process, which aligns with efforts to support environmental sustainability. However, micro-businesses in the furniture manufacturing industry face various challenges, ranging from limited access to capital to competition with large manufacturers. Micro business actors also need help to survive and grow, such as lack of market access and changes in consumer trends.

Fourth, metal processing micro businesses total 1 (one) business unit and are located in 1 (one) location. Metal processing micro businesses are an essential part of the manufacturing sector, which plays a role in the village economy. Despite its small size, this micro-enterprise has excellent potential to grow and contribute to the local economy. One of the critical steps in increasing the productivity of metal processing micro businesses is to invest funds, especially in the right technology and equipment. In addition to investing in technology, it is also essential to develop workers' skills through appropriate training to learn the latest metal processing techniques, understand how to use the equipment correctly and increase their understanding of safety practices.

Furthermore, a metal processing micro-enterprise must also pay attention to managing its supply chain. This includes procuring suitable raw materials, maintaining good relationships with suppliers, and ensuring that the production process is maintained due to shortages of raw materials. With effective supply chain management, micro-businesses can reduce lead times, minimize inventory costs, and maintain the quality of the final product.

Fifth is the bamboo craft micro-enterprise, which consists of 1 (one) business unit and is located in 1 (one) location. Bamboo craft micro businesses have great potential in the local market. Bamboo has ecological advantages and attractive aesthetic beauty as a natural raw material. However, despite its great potential, this business also faces several challenges that need to be overcome to achieve long-term success; for example: (1) It is essential to understand the potential of bamboo craft micro-enterprises because bamboo has unique properties that make it very suitable for various types of bamboo crafts. Craft products include baskets, chairs, tables, and wall hangings. Apart from that, the sustainability of

bamboo as a natural resource makes it increasingly popular in the market, especially by consumers who are increasingly concerned about the environment. (2) Bamboo craft micro businesses have quality standard challenges, so the products produced must meet strict quality standards, which include design, strength, and weather resistance.

Apart from that, infrastructure and market access problems are also significant challenges for micro-business actors. Infrastructure that does not support it can hamper the production and distribution process. Meanwhile, limited market access can make it difficult for products to be marketed widely. To overcome these challenges, micro business actors can take several strategic steps, namely: (1) It is essential to improve product quality through innovation in design and production techniques, through collaboration with designers or production technology experts; (2) It is essential to improve production and distribution infrastructure, such as providing access to necessary resources and production facilities.

Sixth, painting and screen printing micro businesses, totaling 1 (one) business unit, and located in 1 (one) location. Painting and screen printing plays a vital role in the micro business industry. These two techniques provide aesthetic value to the product. They can also be an essential part of marketing strategy and brand development. In the context of micro-businesses, painting can be a powerful tool for strengthening brand identity. For example, unique and creative art can help brands differentiate themselves from competitors on products such as bags, shoes, or clothing. This also reflects the superior quality of handicrafts and gives an exclusive impression to consumers. On the other hand, screen printing is often a more practical choice on a larger production scale. With screen printing techniques, micro-businesses can produce goods in larger quantities with high design consistency. This allows market expansion and product distribution to various locations.

These two art techniques can also be used as a marketing strategy. Personalized art or unique screen-printed designs can create a compelling story behind brands and products. This can increase consumer engagement and build deeper relationships with the audience. When discussing art in micro-businesses, it cannot be denied that painting and screen printing also provide emotional value for consumers. Products decorated with beautiful art can create a more meaningful experience and more robust engagement for consumers. This can build brand loyalty and increase consumer loyalty.

Elements of Strengthening Business Ethos

Elements of strengthening business ethos in micro businesses consist of the willingness of business owners to define a vision and mission clearly. Business vision and mission are two key elements that form the primary basis for a company's success. It provides clear direction, goals, and identity for the company and serves as a guide for every strategic decision taken. Meanwhile, a business vision describes the future the company wants. This vision includes the company's long-term goals and reflects the highest aspirations. A good vision must be inspiring, ignite enthusiasm, and provide clear direction for everyone in the company. In addition, a vision provides an overview of something the company wants to achieve and inspires employees, customers, and other stakeholders.

While the vision discusses long-term goals, the business mission relates to the actions taken to achieve that vision. The mission statement describes the company's main activities, short and medium-term goals, and core values that form the basis of all decisions. The mission also directs the company in determining daily operational steps to achieve its vision. Micro businesses must have a clear vision of the direction they want. They can achieve a mission that describes the activities that must be carried out to achieve the vision. By having a clear vision and mission, the business owner and the people involved in the business will have the same goal to work towards.

Researchers state that every organization (company) has unique goals and reasons for its existence (Paramansyah & SE, 2022). This uniqueness should be reflected in the vision and mission statements. The nature of the business vision and mission can represent the company's competitive advantage. An organization achieves high openness when it develops and communicates precise business through a vision and mission. A good mission statement expresses customers, products or services, markets, technology, and concerns for survival, growth, and profitability. As the first step in strategic management, vision and mission

statements guide all planning activities. A well-designed vision and mission statement are essential for formulating, implementing, and evaluating strategy. Therefore, developing and communicating a clear business vision and mission should be addressed in strategic management. With a clear vision and mission statement, a company's short-term actions can be more productive for its long-term interests.

Thus, even though a micro business is a relatively minor economic activity, it still requires a clear vision and mission to achieve long-term success because (1) vision and mission are an essential foundation for guiding business goals, values, and direction; (2) vision and mission have a vital role in guiding business, especially micro-businesses; and (3) the vision is a long-term description of the main goals of the business, while the mission is a statement that explains the specific business goals and how the business will achieve its vision. A strong vision and mission will help micro business owners in terms of (1) communicating business goals to employees, customers, and other stakeholders, (2) providing direction and focus in making business decisions, and (3) creating a positive identity and image for your business.

The steps for creating a vision and mission are as follows: (1) Plan a collaborative process involving employees, customers, and other stakeholders in the vision and mission planning process so that the vision and mission reflect shared values and aspirations; (2) Review the business values and objectives, taking into account the core values and business objectives, as well as considering the things that make the business unique and the things it hopes to achieve in the future; (3) Create an inspirational vision statement, describing the long-term goals of the business, for example, "To be a leading service provider in the culinary industry and a role model for innovation and service excellence;" (4) Create a specific mission statement, to explain how the business will achieve the vision, for example, "Provide high-quality culinary products with friendly and innovative service to meet customer needs."

Second, business owners are willing to build a positive business culture. There are several exciting things about business culture, such: (1) Business culture, or what is often referred to as business culture, is one of the most critical aspects in the success of a company; (2) Business culture does not only include the values and norms adhered to by the organization, but also reflects the identity, vision, and way of working which are the basis for every action taken by company members; (3) Business culture plays a crucial role in shaping corporate identity and influencing employee behavior. When a strong and positive business culture is implemented, companies can experience various benefits, such as increased productivity, employee satisfaction, customer loyalty, and better competitiveness in the market.

Business culture consists of various interrelated elements, including (1) Work values and ethics, which are interpreted as follows: (a) The values espoused by the company are the basis of business culture. (b) A strong work ethic will create a professional and responsible work environment; (2) Open and transparent communication, which allows information to flow smoothly at all levels within the company; (3) Innovation, because a business culture that encourages innovation will provide encouragement for employees to create new solutions and improve the quality of products or services; (4) Collaboration, because good teamwork is a characteristic of a thriving business culture, for example, collaboration between departments and between employees will lead the company to tremendous success.

Micro businesses are required to build a positive business culture in order to help strengthen the business ethos. This involves the business's core values, attitude towards risk, and a spirit of collaboration among the people involved. Despite their small size, micro-enterprises have great potential for inclusive and sustainable economic growth. However, to reach its full potential, micro business owners need to build a positive business culture, namely: (1) Leadership that encourages and motivates, such as setting a good example, providing space for creativity, and providing support and encouragement to employees; (2) Open and transparent communication between business owners, employees, and customers, to create an inclusive work environment and build trust, for example, through regular meetings, discussion forums, or other communication media; (3) Empowering employees, so that they can contribute to decision making and give greater responsibility to employees, to

create a strong sense of ownership and responsibility, and at the same time build a collaborative and responsive business culture; (4) Strong work ethic, through efforts to instill values, such as honesty, discipline, hard work and innovation in every aspect of the business, so that they become part of the business identity.

Researchers state that "culture" has many differences and connotations, and no consensus has been reached (Barrios Calderón & Díaz Jiménez, 2015). From an ontological point of view, objectivists tend to see culture as something that has activity and subjectivity but is recognized as something within the organization (company). Some define culture as a pattern of basic assumptions created, discovered, or developed by a particular group when that group learns to overcome its problems. Culture can also be defined as collective mind programming that differentiates members of a particular organization from members of other organizations. Therefore, understanding an organization's culture is essential because it will contribute to understanding people's responses and reactions concerning the problems they face. This will influence organizational change and strategy.

Third, business owners are willing to build a commitment to quality by paying attention to products, services, and customer experience. Commitment to quality is a fundamental principle in various aspects of life. Whether in business, education, personal relationships, or self-development, commitment to quality is crucial in determining success and satisfaction (Suryana & Latifa, nd). In a business context, commitment to product or service quality is the main foundation for winning consumer trust (Erica & Al Rasyid, 2018). Companies that focus on quality tend to gain higher customer loyalty, which ultimately positively impacts company growth and reputation (Sovania & Setiawan, nd). At an individual level, commitment to quality refers to the desire to improve oneself and reach one's full potential continually. By prioritizing quality in all aspects of life, a person can create a more meaningful life, build self-confidence, and influence others positively.

In the context of commitment to quality, micro business owners need to have a strategy to improve the best services and products, with the following steps: (1) Need to understand customer needs through direct observation and interaction, so that services and products are in accordance with customer needs and desires; (2) It is necessary to pay attention to product and service quality as the main focus, in the form of high quality standards, to build customer trust and loyalty; (3) Need to innovate, to meet changing market demands, in the form of developing new products, improving production processes, or even new business models, so that micro-enterprises can remain relevant and competitive in the market; (4) It is necessary to educate customers about the products and services offered, so that more customers understand the value of the products or services provided, so that customers are more likely to be satisfied; (5) Need to provide good service to customers, by being responsive to customer questions and complaints, as well as being friendly and willing to help customers who experience difficulties when obtaining services and enjoying products; (6) It is necessary to be ready to receive feedback, in order to gain valuable insight into matters related to services and products that require improvement.

Impact of Strengthening Business Ethos

Micro businesses face various challenges, including intense competition and limited resources. One of the critical factors that can help micro businesses to develop is strengthening the business ethos. Business ethos refers to strengthening the values, principles, and work culture that drive business performance and growth. This involves a solid commitment to professionalism, integrity, innovation, and customer service. In the context of micro-businesses, strengthening business ethos can mean developing a work attitude that is tough, disciplined, and focused on product or service quality.

The meaning of strengthening business ethos in micro businesses also includes efforts to improve business management, develop employee skills, and implement sustainable business practices. By strengthening their business ethos, micro-businesses can increase their competitiveness, expand their market share, and positively impact the local economy. The impact of strengthening business ethos on micro-businesses can be very strong because (1) By improving product or service quality and operational efficiency, micro-businesses can expand market reach and increase customer loyalty. This contributes to increased income

and business sustainability. Apart from that, strengthening business ethos also impacts increasing competitiveness. By improving management, innovation, and adaptation to market changes, micro-businesses can compete more effectively with their competitors, both at the local and national levels.

Strengthening the business ethos will positively impact micro-businesses, such as increasing productivity by optimizing operational processes and producing high-quality products or services. Productivity is a critical factor in the success of micro businesses. This is because it is known that productivity plays a crucial role in determining the success of a business, especially in the business context of micro businesses. Productivity can also be interpreted as the ratio between the output produced and the input used. In this case, productivity can be measured from various aspects, such as the efficiency of using resources, time, and labor. In the context of micro-businesses, high productivity can significantly impact the business's success.

One of the main benefits of high productivity is the efficient use of resources. By maximizing the use of capital, labor, and time, micro-businesses can achieve higher production levels without increasing investment. This can reduce production costs and increase profitability, which in turn will strengthen the business's financial position. High productivity can also impact the quality of the products or services offered. By using resources efficiently, micro-businesses can focus on improving the quality of the products or services they offer to consumers. This can increase consumer satisfaction and strengthen brand image, which can help build consumer loyalty and increase market share.

However, to achieve high productivity, micro businesses need to pay attention to several key factors, such as effective management, which is essential in increasing productivity. This includes careful planning, close supervision, and efficient resource management. In addition, investment in technology and innovation can also be vital to increasing productivity. Using the right technology can speed up production, reduce errors, and increase overall efficiency.

In this way, micro-businesses can overcome the situations they experience, for example, micro-businesses run by individuals or small groups with limited resources. Increasing productivity will strongly impact the growth and sustainability of these micro businesses. One of the main reasons for the importance of increasing productivity is that it can increase business efficiency. With limited resources, such as time, money, and labor, micro-businesses must optimize the use of these resources to achieve maximum results. Increasing productivity can help micro businesses reduce resource waste and increase output.

Researchers emphasized boosting productivity because solid productivity growth is necessary while maintaining aggregate productivity development (Albrizio & Nicoletti, 2016). These productivity advances must be spread throughout the economy through knowledge and technology adoption, reducing the technological gap between business activities. This gap reflects the distance between each business activity and its level of productivity and evolution. In addition, technology gaps over time also indicate the speed of diffusion of knowledge and innovation in society. Usually, technological advances and best practices only spread to some business activities. However, this method is still the easiest and fastest to adopt by several business activities.

Several parties have realized that increasing productivity also helps micro businesses to increase their competitiveness. In a competitive market, micro businesses must be able to compete with other companies that may have a larger scale. By increasing productivity, micro-businesses can create a competitive advantage by producing products or services at lower costs with better quality. Not only that, increasing productivity can also have a positive impact on overall economic growth. Productive micro-enterprises create new jobs and increase income for business owners and employees. This can contribute to improving community welfare and reducing unemployment rates. However, micro businesses need to implement the right strategies to achieve increased productivity. Some steps that can be taken include investing in technology that enables process automation, employee training to

improve skills and efficiency, and redesigning business processes to identify and eliminate obstacles to productivity.

They were second, increasing competitiveness to compete in a competitive market by attracting more customers, maintaining market share, and facing existing challenges. Microbusinesses have an essential role in the village economy, especially job creation and economic growth. However, to remain competitive in an increasingly competitive market, micro-business owners must optimize their strategies to increase business competitiveness. Utilizing technology is critical in increasing business competitiveness in micro businesses. With the proper adoption of technology, such as leveraging social media to expand market reach or using business management software to increase operational efficiency, microbusiness owners can expand the scope of their business and increase productivity.

In addition, understanding and responding to market needs is critical in increasing business competitiveness. By carefully observing the market, micro-business owners can identify consumer trends and preferences so that they can adapt their products and services according to market demand. Also, establishing strategic partnerships with suppliers, distributors, or competitors can increase business competitiveness. Such partnerships can help micro businesses gain access to previously unaffordable resources, as well as expand their business networks.

Apart from internal factors, external factors such as changes in regulations or economic conditions can also influence the business competitiveness of micro businesses. Therefore, micro-business owners must stay abreast of industry developments and adapt their strategies according to changes in the business environment. However, financial challenges are often the main obstacle in increasing business competitiveness in micro businesses. Access to affordable business capital and a good understanding of financial management are the keys to overcoming these financial obstacles.

For this reason, the right strategy is needed: (1) You need to understand the local market, which includes an in-depth understanding of customer needs, market trends, and the level of competition. With a good understanding of the market, micro business owners can adapt their products or services to suit better customer needs, as well as differentiate themselves from competitors; (2) It is necessary to improve the quality of products and services offered through investment in employee training, the use of more sophisticated technology, or updates in production processes. By offering better products or services than competitors, microbusinesses can attract new customers and retain existing ones; (3) It is necessary to use technology, including using social media to expand market reach, using management software to increase operational efficiency, so that technology can help micro businesses to compete in an increasingly connected market; (4) It requires collaboration with other stakeholders, such as local suppliers, financial institutions, or even potential competitors. In addition, micro-business owners also need to build partnerships to expand their reach, access previously unavailable resources, and learn from the best practices of others.

Researchers state that micro-enterprises are important development agents for a community in a particular area because they can absorb labor and provide income to the community members involved (Irawan, 2020). Therefore, the Government needs to focus on appropriate and relevant policies supporting micro-enterprises. Uniquely, although it is generally known that micro businesses are essential in contributing to the domestic economy, only a few governments have formulated policies to improve the domestic economy so that they help increase the competitiveness of micro businesses (Maksum et al., 2020). Most governments need reliable statistics on microenterprises.

Third, increasing credibility by implementing sound business ethical standards so as to gain the trust of customers, business partners, and other related parties. One of the most important ways to increase business credibility in micro businesses is to show professionalism in appearance and service. This includes having a consistent logo and brand identity, having an attractive and accessible website, and providing good customer service. Showing that the business has high standards in appearance and service will increase the trust of customers and business partners. Apart from that, the use of technology can also be

the key to increasing business credibility in micro-businesses, for example, business management software, electronic payment systems, and social media to expand market reach.

Furthermore, building solid relationships with local communities is also very important in increasing business credibility. This can be done through participation in community events and activities, donating time or resources to charitable causes, or sponsoring local events. By being involved in the community, micro-businesses can gain strong trust and support from the surrounding community. Then transparency is critical in building trust with customers and business partners (Parris et al., 2016). Microbusinesses must be transparent in their pricing policies, production processes, and product return policies. Micro businesses can build customer or consumer trust by providing precise, honest information (Juliana et al., 2019).

Therefore, several essential steps must be taken by micro business owners in order to increase credibility, namely: (1) It is necessary to build financial practices that are transparent and well documented. This includes compiling accurate and regular financial reports and keeping personal and business finances separate. By having clear financial records, micro-businesses can show to outside parties that they have good control over financial aspects; (2) It is necessary to build good relationships with banks and financial institutions by establishing open communication, fulfilling payment obligations on time, and utilizing banking products that suit business needs. By building good relationships, micro-businesses can increase their opportunities to obtain credit and financial support; (3) It is necessary to utilize technology to increase credibility, for example, by having a solid online presence, such as through websites and social media, so micro businesses can expand their reach and reach more potential customers. In addition, using technology to improve business processes and customer service can also increase the reputation and credibility of micro businesses (Lin et al., 2020).

Researchers explain that there is a link between credibility and product and service quality (Chaniago, 2020). He identified six criteria for using a product and its services: ease of use, noise reduction, quality, adaptability, time, and cost savings. He also defines quality as a user criterion, which must be carried out with excellence or, in some cases, honesty in the form of labeling and identification. Meanwhile, five values are included in quality: accuracy, completeness, recency, reliability, and validity. Although Taylor does not explicitly use the word, it is essential to note that "credibility" is an embedded idea of the quality derivation of reliability and validity (Hildesheim & Sonntag, 2020).

Meanwhile, this aspect of information quality can be used when people need to make decisions regarding information. However, such decisions can be difficult because a text may be high or low quality in various ways. For example, a text can be comprehensive but inaccurate, have validity but must be updated, etc. Therefore, information seekers sometimes have to choose the most important values. This is where credibility plays an important role. People select the most credible items from objects with varying informational values. Credibility provides another layer of evaluation of information to be selected from a collection of documents initially rated as high quality.

Fourth is the ability to survive facing external challenges, such as market changes or unstable economic conditions. The ability to survive in business is crucial, especially for micro businesses, which often operate in a competitive and changing market environment. This survival capability can be interpreted as the ability to continue to exist and develop amidst external challenges that threaten business continuity. Therefore, micro businesses need to be able to innovate in the products or services they offer to remain relevant in the market and meet consumer needs effectively. Sound financial management will also help micro businesses to face financial pressures and ensure operational continuity. In addition, the ability to adapt to changes in consumer behavior, market trends, and regulations is essential for maintaining a position in the market.

In the context of survival capacity, micro-businesses often have limited capital, human resources, and market access, making them vulnerable to external pressures. Meanwhile, in a competitive market, micro-businesses must compete with large companies and similar

competitors, which can hinder maintaining market share. Furthermore, technological changes and digitalization can also be a threat to micro businesses that need to be able to adapt quickly.

For this reason, several steps must be taken into account, such as: (1) It is necessary to diversify products or services by offering a variety of products or services so that they are more flexible in facing market changes and consumer demands. For example, a small food stall can provide a varied menu to reach more customers; (2) It needs to improve quality and innovation to maintain its competitiveness. For example, a handicraft artisan can continue to develop the design and quality of his products so that they remain in demand by consumers; (3) Need to utilize technology, for example, using social media to market products or digital platforms to expand market reach. This will help micro businesses stay connected with consumers amidst changes in consumer shopping behavior; (4) It is necessary to build strategic partnerships with related parties, such as suppliers, distributors, or even other businesses, to support each other and expand market reach together.

CONCLUSION

The long-term success of a micro business is determined by its business ethos, so strengthening the business ethos of a micro business is essential. Business ethos includes the values, culture, and attitudes an organization adopts in its operations. In the context of Pucung Village, several micro-businesses require strengthening business ethos. First, the micro business of making cakes or snacks, which totals 2 (two) business units and is located in 2 (two) locations in the Pucung Village area. Second, the micro business of making tuna floss consists of 1 (one) business unit and is located in 1 (one) location. Third, furniture manufacturing micro businesses total 2 (two) business units and are located in 2 (two) locations. Fourth, metal processing micro businesses total 1 (one) business unit and are located in 1 (one) location. Fifth is the bamboo craft micro-enterprise, which consists of 1 (one) business unit and is located in 1 (one) location. Sixth, painting and screen printing micro businesses, totaling 1 (one) business unit, and located in 1 (one) location.

Strengthening the business ethos for micro businesses in Pucung Village has elements, which consist of the willingness of business owners to establish a clear vision and mission. Second, business owners are willing to build a positive business culture. Third, business owners are willing to build a commitment to quality by paying attention to products, services, and customer experience. When strengthening the business ethos has been carried out, it will have an impact in the following ways: First, it will increase productivity by optimizing operational processes and producing high-quality products or services. Second, increasing competitiveness is necessary to compete in a competitive market by attracting more customers, maintaining market share, and facing existing challenges. Third, increasing credibility by implementing sound business ethical standards so as to gain the trust of customers, business partners, and other related parties. Fourth is the ability to survive facing external challenges, such as market changes or unstable economic conditions.

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