Competency Development for Micro, Small and Medium Enterprises (MSMEs)towards the Digitalization Technology Platform in Jakarta

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Abstract: The aim of this activity is to develop and improve the competencies that MSMEs must have through training*Soft Skills*, entrepreneurial spirit and understanding of digital entrepreneurship. The development and improvement carried out is in the form of skills development*soft skills*, entrepreneurial spirit, and understanding of digital entrepreneurship so that it can be useful in developing businesses that will be run in the future. In order to realize government programs so that Micro, Small and Medium Enterprises (MSMEs) understand technology digitalization-based platforms, as well as supporting the Indonesian government's steps in facing the Industrial 4.0 era, So almost all existing sectors are trying to make this happen. One of the sectors is the industrial sector, where the rapid development of technology requires all industrial elements to be transformed using it*Artificial Intelligence*. Micro, Small and Medium Enterprises (MSMEs) are one of the industrial players that really need attention, namely they can also be called the digital generation, for this reason, efforts to unite the young generation, technology and industry 4.0 require the implementation of training to improve the skills needed. . The study was carried out using a survey method by distributing questionnaires.

Keywords: Competence, MSMEs, Digitalization Technology.

INTRODUCTION

In Indonesia, starting in 2017, the Indonesian Government needs to make quick moves to seize these opportunities as a step to continue to compete and collaborate globally. According to the Ministry of Industry, there are four strategies for Indonesia to enter the fourth industrial revolution, the first is to encourage the workforce to improve their skills,

especially in the use of *internet of things*, the second is the use of digital technology to encourage productivity and competitiveness for small and medium industries (IKM) to penetrate exports, the third is the use of *digital technology*, and the fourth is technological innovation.

These four strategies are a reference for taking the next steps so that the strategy can be achieved. This initiative from the Ministry of Industry can serve as a guide for relevant stakeholders to increase human resource competency towards competitive advantage.

Based on the competitiveness ranking (Global Competitiveness Index) released by the World Economic Forum (WEF), Indonesia for the 2016-2017 period was ranked 41st, down 4 places from the previous year's period, while in the 2017-2018 period Indonesia rose to 36th place but still below Singapore and Malaysia, this is a tough task for the government to pay more attention to the competitiveness of the Indonesian nation, of course by collaborating with all relevant elements and stakeholders. One thing that can contribute to competitiveness is by increasing human resources.

One effort to increase human resources is through investment in education where education is and will continue to be the main foundation and will continue to be in accordance with Indonesian government law, namely equal distribution of education nationally, but basically it is not just equal distribution of education but is also based on the quality of its human resources (HR). The quality of human resources can be seen from their competence, where competence has basically existed since humans were born, but needs to be honed and improved more deeply so that a person's competence can function well according to their needs.

So based on the needs of the Indonesian Government in order to develop and increase the competitiveness of Indonesian human resources, graduates from tertiary institutions and vocational schools are graduates who are important to pay attention to in their future, which can also help reduce the unemployment rate in Indonesia, which currently according to the Central Agency Statistics (BPS) for Indonesia's unemployment rate as of August 2017 was 5.50 percent, which has actually decreased from last year's 5.61 percent. This level of unemployment can become a new polemic for government programs, as explained at the beginning that the government program for MSMEs understands and understands that the digitalization technology platform is a new industry for the Indonesian nation which must be immediately anticipated with improvements in a number of competencies so that they can compete in the industrial world, especially by creating job opportunities to help the government overcome the problem of unemployment. Therefore, MSME players have a very important role in being able to compete in the industrial world. So currently one of the authors' focuses is on MSMEs being able to become entrepreneurs by creating jobs by using digital platforms. Becoming a worker and entrepreneur is certainly not easy, it requires various skills and abilities as well as strong determination and enthusiasm to make it happen.

For this reason, the big issues described above are of particular concern to the proposal drafting team to develop them through an approach, namely training and mentoring. Therefore, the team that prepared this proposal had the idea to create a community service with the title "" **Competence of Micro, Small and Medium Enterprises (MSMEs) towards Digitalization Technology Platforms in Jakarta**".

The Role of Entrepreneurship and Small and Medium Enterprises (SMEs) in the National Economy. It is recorded that the contribution of small businesses in several developed countries, such as in the United States, is capable of absorbing up to 58% of the workforce and 40% of GDP as a result of small business contributions, but this is also not

true. only in developed countries but also in developing countries they have a fairly high role in making a positive contribution to overcoming economic and social problems, in the form of high levels of poverty, large numbers of unemployed, inequality in income distribution, and others.

So it was stated by Lupiyoadi in Agustina (2015:6) that the socio-economic impact of entrepreneurship is:

1. Create jobs;
2. Improve quality of life;
3. Increase income equality;
4. Utilize and mobilize resources to increase national productivity;
5. Improving government welfare through government programs such as taxes.

The growth of the workforce in formal and informal organizations is growing rapidly, this is also in line with the increasing gap that occurs between the workforce, where the fundamental difference is the issue of age, including both old and young groups, explained by Ozcelik (2015) that generation is defined as groups that share each other at different ages so that groups of different ages constitute a generation which can later be called different generations. Things that are different between generations or groups are basically not only limited to age, but also the values adhered to, outlook on life, culture, experiences from an economic and political perspective, including in different groups or different generations, these are also reinforced by (Ozcelik:2015). In line with the explanation from S.W.Ng et al (2010) who stated that generations can also be seen from their interests, challenges at work, and how they will contribute. Thus, generation is a group that has various differences seen from various different points of view.

The generational differences described are quite broad in scope, where one of the differences that can be seen is age, one of the generations currently receiving special attention is the so-called millennial generation. According to Karl Mannheim in Adam, written in Tirto (2018), the millennial generation is a group that is differentiated based on age with birth years from 1980 to 1997, they are a group that has passed the second millennium, namely those born in those years who currently in the age range of 20-30 years. According to Smola and Sutton (2002) in Myers and Sadaghiani, the millennial generation is those born between 1974 and 1994 or what is popularly known as the "look at me" generation. A generation that has high self-confidence and high absorption capacity that can survive in the world of work.

Training *Soft Skills*

There are various ways that can be done to improve *soft skills* and one of them is by training. A company or organization can carry out its functions well if it implements its duties and obligations effectively and efficiently. Where today's business developments and competition between organizations move quickly and dynamically. With conditions like this, it requires an organization to be more responsive in developing its human resources. In responding to these challenges, many organizations have taken action to improve the performance of organizational members through organized training. It is hoped that the training held will be successful as expected. Where according to Adiyasa (2011:3) there are other ways that can be done to learn, shape and improve *soft skills* is through training.

While according to Sailah (2008:2) *soft skills* is *Personal and interpersonal behaviors that develop and maximaize human performance*. Where in this case that *soft skills* is individual and interpersonal behavior that can develop and maximize performance. So it is explained further that *soft skills* divided into two parts, namely *intrapersonal skills* and *interpersonal skills*. *Intrapersonal skills* is a skill within a person to regulate himself, whereas *Interpersonal skills* is

a person's skills needed in relationships withother people.

It was also added that there are details of each of these skills, where*intrapersonal skills* consisting of: 1) Creative thinking process; 2) Managing stress; 3) Set goals, and to*interpersonal skills*namely: 1) Communication skills; 2) negotiation skills: 3) Presentation skills; 4) Ability*public speaking*.

The quality of an organization really depends on the quality of the organization's human resources, where they must be able to employ qualified employees, so that organizational goals can be achieved well. The need for human resources is increasingly considered important because in facing challenges and increasingly high levels of competition, and so that companies are able to compete fiercely, many companies are including training as part of the company's main strategy. Where placing training as the most important functional area. Because it is hoped that after participating in the training employees will be able to improve the quality and productivity of their work. According to Kaswan (2011:2), training is the process of increasing employee knowledge and skills. It is said that abilities consisting of knowledge and skills are basic abilities that employees must have in order to be able to work according to their job. This is confirmed by the definition of training according to Suryana (2006: 1) that training is a formal and informal activity that contributes to improvement. and increasing employee knowledge, skills and attitudes. Where training can also include changingattitudes so that employees can do their jobs more effectively. So knowledge and skills are one of the basic characteristics that every employee must have to be able to carry out their jobs effectively and efficiently. A similar thing is explained by Noe (2010:5):

Training refers to a planned effort by a company to facilitate employees' learning of job related competencies. These competencies include knowledge, skills, or behaviors that are critical for successful job performance, by Noe(2010:5).

This means that training is a planned effort to facilitate employees' learning about job-related competencies. These competencies include knowledge, skills or behavior that are very important for successful job performance.

Where the target of training for employees is to master the knowledge, skills and behavior emphasized in training programs and apply them to daily activities. So that you can achieve competitive advantage and view training as a way to create intellectual capital.

The efforts made by the company are in order to realize the company's goals and be able to compete fiercely, so that it can create employees who are qualified and have good competence.

This is further emphasized by the definition of training according to Bernardin quoted by Sudarmanto (2009:2) as all activities to improve the performance of individuals/employees in accordance with the job or position they hold with their current duties. In Bernardin's view, that is to improve the performance of employees who according to current work, training can be done, so that employees with quality performance can be obtained. This is done to achieve optimal organizational performance by maximizing the quality of human resources.

Thus, based on the definition of training above, it can be concluded that training is a process of formal or informal human resource development activities to improve a person's knowledge, skills and attitudes in achieving the desired goals.

Characteristics *Soft Skills*

The training components according to Mangkunegara (2008) are as follows:

1. Training goals and objectives must be clear and measurable.
2. Trainers must be experts with adequate qualifications (professionals).
3. Training materials must be adapted to the objectives to be achieved.

4. Training methods must be adapted to the level of ability of the employees who participate.

5. Training participants must meet the specified requirements.

The success process of a company consists of several influencing factors, and one of the main influencing factors is human resources. So that quality human resources are expected to be able to obtain superior performance. Obtaining superior performance can be done one way by implementing training, where according to Kaswan (2011:55) effective training is training that can improve performance, so it can be clearly stated that training is able to have an influence on employee performance. Training is designed by analyzing training needs, using training methods, planning training materials and evaluating training. This aims to help employees achieve superior performance.

In research testing conducted by Rifa Ristanti (2009) the hypothesis results showed that training had a positive effect on employee performance, where the magnitude of the effect was 14.1%. By implementing tested training, it is possible to improve employee performance.

In a journal on the relationship between training and performance presented by Abd Hair Awang, Rahmah Ismail and Zulridah Mohd Noor in 2010 entitled "*Training impact on employess's job performance: a self-evaluation*", explained that the results of the research showed that training had a significant effect on performance, where the training was able to increase employee knowledge, skills and attitudes positively.

Thus, after some of the explanations above regarding training *soft skills*, then the dimensions and indicators in this research are: (1) *intrapersonal skills*, namely: a) creative thinking process; b) Managing stress; c) Setting goals; (2) *interpersonal skills*, which consists of: a) Communication skills;
b) negotiation skills; c) Presentation skills; d) Ability *public speaking*.

Digital Entrepreneur

The first emergence of entrepreneurship occurred in the 1930s in Japan, meanwhile in the United States, according to Scuotto (2013), starting in the 1970s and starting from developments in the United States, there have been various studies discussing entrepreneurship. This has become very interesting because of the results of The research is made into a module for students at school which can ultimately be implemented by them.

Interestingly, the results of the adopted module aim to improve students' skills, through writing *business plan*, discussing case studies, lessons learned, and bringing in entrepreneurs from outside. This can certainly develop and increase their desire for entrepreneurship because it has been implemented from an early age with an approach that is acceptable to them.

Currently the term is developing *digital entrepreneur*, explained according to Li Wenjie, et.al (2017), (Davidson, 2010) is a diverse phenomenon that has three types, namely entrepreneurial business, entrepreneurial knowledge, and entrepreneurial institutions. These three types of entrepreneurship are able to form an integrated system with digital as a link. This is reinforced by the explanation from Sussan (2017) that basically the formation of a *digital entrepreneur* from digital systems and entrepreneurship separately which have their respective focuses, where it is reiterated that entrepreneurship can produce innovations both technological and non-technological based.

ACTIVITY METHODS

The activity method used in this activity is expected to provide convenience to activity participants. In this activity, the method used is a survey method with observation techniques, interviews and distributing questionnaires, while the learning method is through

explanation and discussion, questions and answers, sharing experiences, case studies. In the explanation method, each instructor delivers related material and each instructor plans to create it*power point slide* and a brief activity module that will be distributed to activity participants. Activity aids such as LCD projectors are also planned to be used so that participants can more easily understand the activity material. However, because there is a pandemic, the activities are carried out via zoom meet.

RESULT AND CONCLUSION

Respondent Profile

The number of respondents in this education and training activity was 33 people from the community who own MSMEs. The details of the respondent profile are as follows:
Based on the results of the respondent profiles above as well as the results of the development of respondents' knowledge during educational and training activities, it can be seen that 63% are female and 37% are male, their average age is 19 - 30 years, 68 % Their highest level of education is high school. As for the types of businesses managed by respondents, the majority are food and culinary businesses at 30%. The average income earned by respondents was IDR 500,000 – IDR 1,000,000, as much as 61%. Then, the social media most frequently used are Facebook 50% and Whatsapp 42% the rest are Line, Twitter and Instagram, meanwhile the use of social media is most often used to add to the community 42% and the rest is to share information with friends, increase friends, selfies and selfies. Next is a statement about the respondents' knowledge about*digital entrepreneur* 100% of respondents answered no. The next statement was the respondents' interest in applying business through digital, all respondents answered 100% yes.

Theoretical Analysis

The implementation of this training for the MSME community in the DKI Jakarta area and its surroundings cannot be achieved if it does not receive support from various parties, especially employees or staff who work in sub-districts who have helped socialize this activity to the community around MSME actors. The method used is by delivering material to the participants. And so that the material can be understood well, the team chose a method of providing the material followed by a question and answer session and*sharing.*
After participants receive education, of course the participants must be able to increase their knowledge of the benefits of social media in fostering entrepreneurship from an early age. It is hoped
that in the future a young generation will emerge who is independent, creative and wise in using social media for entrepreneurship.
From several of the questionnaire questions above, the thing that is of concern is their lack of knowledge about what it is*digital entrepreneur* even though now it is important for them to know and apply it*digital entrepreneur.*

Diverse types of business also determine the sustainability of the MSME sector, there is positivity regarding this, where competitiveness is increasing and interest in MSMEs is also increasing. This indicates that MSMEs are one of the sectors that can provide great hope for Indonesia's economic growth, which can provide prosperity for actors and can reduce unemployment.

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