

## ECONOMIC EMPOWERMENT THROUGH COLLABORATION AND BUSINESS INNOVATION IN IMBI VILLAGE, JAYAPURA

Marwah Mas'ud<sup>\*1</sup>, Nobertha Ditilebit<sup>2</sup>

STIE Port Numbay Jayapura<sup>\*1,2</sup>

Email: marwahmasud@stie-portnumbay.ac.id<sup>\*1</sup>, ditilebitdessy09@gmail.com<sup>2</sup>

### Abstract

This study aims to empower the economy of the community in Kelurahan Imbi, Jayapura, through collaboration and business innovation using the Participatory Action Research (PAR) method. The PAR approach involves active community participation in every stage of the research, from problem identification to solution implementation and evaluation. Problem identification was carried out through focus group discussions and in-depth interviews, revealing various challenges such as limited access to capital, low levels of education and skills, poor infrastructure, and a lack of collaboration among stakeholders. Based on these findings, an action plan was formulated, including business financing programs, skills training and business mentoring, infrastructure improvements, and strengthening collaboration. The program implementation was conducted with active community involvement. The research results showed an increase in business actors' access to capital through low-interest loan schemes and savings and loan cooperatives. Training and business mentoring successfully enhanced community knowledge and skills, and encouraged product innovation and digital marketing. Infrastructure improvements increased mobility and market access, while the collaborative forum among stakeholders strengthened synergy and the effectiveness of economic empowerment programs. In conclusion, the PAR approach is effective in empowering the economy of the Kelurahan Imbi community, creating targeted and sustainable solutions, and building community capacity to develop local economic potential. This success underscores the importance of community participation and stakeholder collaboration in creating sustainable socio-economic change.

**Keywords:** Economic empowerment, collaboration, business innovation

### Abstrak

*Penelitian ini bertujuan untuk memberdayakan ekonomi masyarakat di Kelurahan Imbi, Jayapura, melalui kolaborasi dan inovasi bisnis dengan menggunakan metode Participatory Action Research (PAR). Pendekatan PAR melibatkan partisipasi aktif masyarakat dalam setiap tahapan penelitian, dari identifikasi masalah hingga implementasi solusi dan evaluasi. Identifikasi masalah dilakukan melalui diskusi kelompok terarah dan wawancara mendalam, yang mengungkapkan berbagai kendala seperti keterbatasan akses terhadap modal, rendahnya tingkat pendidikan dan keterampilan, infrastruktur yang buruk, dan kurangnya kolaborasi antar pihak terkait. Berdasarkan temuan ini, dirumuskan rencana aksi yang meliputi program pembiayaan*

*usaha, pelatihan keterampilan dan pendampingan usaha, perbaikan infrastruktur, dan penguatan kolaborasi. Implementasi program dilakukan dengan melibatkan masyarakat secara aktif. Hasil penelitian menunjukkan peningkatan akses pelaku usaha terhadap modal melalui skema pinjaman dengan bunga rendah dan koperasi simpan pinjam. Pelatihan dan pendampingan usaha berhasil meningkatkan pengetahuan dan keterampilan masyarakat, serta mendorong inovasi produk dan pemasaran digital. Perbaikan infrastruktur meningkatkan mobilitas dan akses pasar, sementara forum kolaborasi antar pihak terkait memperkuat sinergi dan efektivitas program pemberdayaan ekonomi. Kesimpulannya, pendekatan PAR efektif dalam memberdayakan ekonomi masyarakat Kelurahan Imbi, menciptakan solusi yang tepat sasaran dan berkelanjutan, serta membangun kapasitas masyarakat untuk mengembangkan potensi ekonomi lokal. Keberhasilan ini menekankan pentingnya partisipasi masyarakat dan kerjasama antar pihak terkait dalam menciptakan perubahan sosial-ekonomi yang berkelanjutan.*

**Kata Kunci:** Pemberdayaan ekonomi, kolaborasi, inovasi bisnis

## INTRODUCTION

Economic empowerment is one of the important aspects of improving community welfare, especially in areas that have great potential but are less developed. One effective strategy for economic empowerment is through collaboration and business innovation. Collaboration involves working together between various parties, be it the government, private sector, or local communities, to achieve a common goal. Business innovation, on the other hand, plays a role in creating added value and opening up new opportunities that were previously unreachable (Wakhidah et al., 2024). By combining these two approaches, it is hoped that a dynamic and sustainable economic ecosystem can be created.

According to Erlanda & Ilman, (2024), Imbi Village in Jayapura is one area that has great potential for economic development through collaboration and business innovation. Located in the center of Jayapura City, Kelurahan Imbi has strategic access and a variety of resources that can be optimized. However, like many other areas, Kelurahan Imbi also faces challenges that hinder its economic growth. Therefore, this research focuses on economic empowerment in Kelurahan Imbi through collaboration and business innovation approaches. Kelurahan Imbi is located in Jayapura City, the capital of Papua Province. Geographically, it has a very strategic position because it is located in the city center, close to various public facilities, shopping centers, and government offices. The area is known for its ethnic and cultural diversity, which reflects the richness of Papuan culture as a whole.

In terms of demographics, Kelurahan Imbi is inhabited by a heterogeneous community with various ethnic backgrounds, including indigenous Papuans as well as migrants from various parts of Indonesia (Puspita et al., 2023). Most residents work in informal sectors such as trade, services, and creative industries. However, despite being in the city center, there are still many residents who live below the poverty line and face difficulties in meeting their basic needs. The facilities available in Kelurahan Imbi are quite adequate with schools, health centers, and various other public facilities. However, infrastructure issues are still a major obstacle, especially related to the inadequate condition of roads

and waterways. In addition, access to capital and technology is also an obstacle to the development of small and medium-sized enterprises (SMEs) in this area (Indah et al., 2024).

Despite its great potential, Kelurahan Imbi faces several key issues that hinder the economic empowerment of its community. First, limited access to capital and financial resources is one of the main obstacles to the development of small and medium-sized enterprises. Many business owners find it difficult to obtain sufficient loans or working capital to develop their businesses. Secondly, the low level of education and skills in the community is also an inhibiting factor. Many people do not have sufficient knowledge and skills to manage their businesses effectively and sustainably. In addition, the lack of training and mentoring in the business sector also exacerbates this situation.

Third, inadequate infrastructure, such as damaged roads and poorly functioning waterways, is also a hindrance to economic development. Poor infrastructure not only impedes mobility and access to markets but also increases operational costs for businesses. Fourth, the lack of collaboration between various stakeholders, such as the government, private sector, and local communities, makes economic empowerment efforts not optimal. Without good cooperation, various initiatives and programs tend to be ineffective and unsustainable.

This research and service aims to overcome various problems faced by the community in Imbi Village through collaboration and business innovation approaches. Specifically, the objectives of this research are as follows:

1. **Improving Access to Capital and Financial Resources:** This research aims to find solutions and financing models that can be accessed by small and medium enterprises in Kelurahan Imbi. By improving access to capital, it is expected that business actors can develop their businesses better.
2. **Improving Community Skills and Knowledge:** Through training and mentoring programs, this research aims to improve the knowledge and skills of the community in managing businesses. It is expected that with the improvement of skills, the community can run their business more effectively and sustainably.
3. **Improving Infrastructure Quality:** This research also aims to provide recommendations to the government and related parties regarding infrastructure improvements in Kelurahan Imbi. With better infrastructure, it is expected that mobility and access to markets can increase, thus supporting local economic growth.
4. **Building Collaboration Between Related Parties:** This research aims to encourage collaboration between various stakeholders, including the government, private sector, and local communities. With good cooperation, it is expected that various economic empowerment initiatives and programs can run more effectively and sustainably.
5. **Encouraging Business Innovation:** This research aims to encourage businesses in Imbi Village to innovate in their business. With innovation, it is expected to create

new products and services that have high added value and can compete in the market.

## **METHOD**

This research uses a Participatory Action Research (PAR) approach to address economic problems in Imbi Village. PAR is an approach that involves active participation from the community in every stage of the research, from problem identification to solution implementation (Purwanza, 2022). This approach aims to empower communities through their direct involvement in the research and decision-making process (Winarni, 2021).

The first stage in this PAR method is problem identification. At this stage, researchers worked with the community to identify the economic problems they faced. Through focus group discussions and in-depth interviews, the community was given space to express their views, experiences, and needs. The result of this stage was a comprehensive problem mapping based on the real needs of the community. The second stage is action planning. Based on the results of problem identification, researchers together with the community formulated a specific and realistic action plan. This action plan includes various activities designed to address the identified problems, such as skills training programs, providing access to capital, and improving infrastructure. This planning is done in a participatory manner, ensuring that every voice and interest of the community is represented.

The third stage is action implementation. At this stage, the action plans that have been jointly developed are implemented by actively involving the community. Activities such as skills training and economic empowerment programs are implemented with the full participation of the community. This collaborative approach ensures that the community is not only the beneficiary but also the main actor in the change process. The fourth stage is evaluation and reflection. After the implementation of the action, an evaluation is conducted to assess the effectiveness and impact of the activities that have been carried out. This evaluation is conducted through group discussions and surveys, which allow the community to provide feedback and reflection on the process and results that have been achieved. The results of this evaluation are used to improve and refine the next action plan.

## **RESULTS AND DISCUSSION**

This research aims to empower the economy of the Imbi Village community in Jayapura through collaboration and business innovation. Using a Participatory Action Research (PAR) approach, this research actively involves the community in every stage, from problem identification to evaluation and reflection. Thus, this research does not only collect data but also empowers the community in finding solutions to the economic problems they face.

### **Problem Identification**

The first stage of the research was problem identification, which was conducted through focus group discussions and in-depth interviews. These discussions and interviews involved various community groups, including small and medium enterprise (SME) actors, community leaders, and youth.

### Key findings:

1. **Limited Access to Capital:** Many SMEs experience difficulties in obtaining loans or working capital. They complain of strict requirements from financial institutions and high interest rates. This prevents them from expanding their business.
2. **Low Level of Education and Skills:** Many residents do not have adequate knowledge and skills to manage their businesses. Existing training is perceived to be inadequate and unsustainable.
3. **Poor Infrastructure:** Damaged roads and poorly functioning waterways are major constraints. Poor infrastructure increases operational costs and reduces market accessibility.
4. **Lack of Collaboration Between Related Parties:** Economic empowerment efforts are often hampered by a lack of cooperation between the government, private sector, and local communities. Existing initiatives tend to run in silos without proper coordination.

### Action Planning

Based on the problem identification, researchers together with the community of Imbi Village formulated a specific and realistic action plan. This action plan involves various programs and activities designed to address the identified problems.

#### Main Programs and Activities:

1. **Business Financing Program:** Cooperation with local financial institutions to provide loan schemes with low interest rates and easier terms. In addition, savings and loan cooperatives were established to improve community access to capital.
2. **Skills Training and Business Assistance:** The training program covers business management, digital marketing, and product innovation. The training is complemented by business mentoring to ensure the application of the knowledge gained.
3. **Infrastructure Improvement:** Collaborating with the local government to improve roads and waterways in Imbi Village. In addition, public facilities that support economic activities, such as markets and distribution centers, were procured.
4. **Strengthening Collaboration Between Related Parties:** The establishment of a collaboration forum involving the government, private sector, and local communities. This forum serves as a forum for coordination and synergy of various economic empowerment initiatives.

### Action Implementation

The action plan that has been prepared is then implemented by actively involving the community. The following is a detailed description of the implementation of the programs and activities carried out.

#### **Business Financing Program:**

Cooperation with local financial institutions resulted in a low-interest loan scheme that could be accessed by SMEs. Loan requirements were made easier by reducing bureaucracy and providing assistance to fulfill the necessary paperwork. In addition, savings and loan cooperatives were established to provide alternative sources of financing for the community.

#### **Skills Training and Business Assistance:**

Training programs are held in several sessions with topics tailored to the needs of the community. Business management training helps participants understand how to effectively manage finances, inventory, and business operations. Digital marketing training provides knowledge on how to utilize social media and e-commerce platforms to increase sales. Product innovation is taught through workshops that encourage participants to create new products or improve existing ones.

Business mentoring is conducted by mentors consisting of business practitioners and academics. They provide direct guidance to businesses in applying the knowledge gained from the training. As a result, many businesses have increased their productivity and sales.

#### **Infrastructure Improvement:**

In collaboration with the local government, major roads in Kelurahan Imbi were repaired that were previously badly damaged. Non-functional waterways were repaired to prevent flooding and facilitate access to clean water. In addition, a local market was established with supporting facilities such as a storage and distribution area for goods.

#### **Strengthening Collaboration Between Related Parties:**

A collaboration forum was established involving various parties, including the government, private sector, and local communities. The forum became a platform for sharing information, planning joint activities, and solving problems collectively. Various initiatives, such as business financing programs and skills training, are coordinated through this forum to ensure alignment and effectiveness.

#### **Evaluation and Reflection**

After the implementation of the actions, an evaluation was conducted to assess the effectiveness and impact of the activities. The evaluation involved group discussions and a survey involving the community as respondents.

#### **Evaluation Results:**



1. **Improved Access to Capital:** The business financing program succeeded in improving SMEs' access to capital. Many business owners who previously had difficulty obtaining loans are now able to develop their businesses better. The low-interest loan scheme and ease of requirements have greatly assisted them in obtaining working capital.
2. **Improved Skills and Knowledge:** The business training and mentoring program has had a significant positive impact. Trainees feel more confident in managing their businesses and can apply the knowledge gained to increase productivity and sales. Many participants have successfully created new products and utilized digital technology to market their products.
3. **Infrastructure Improvement:** Improvements to roads and waterways have had a direct impact on economic activity in Kelurahan Imbi. Mobility and access to markets were improved, reducing operational costs and increasing efficiency. The established local market has also become a center of economic activity that drives the community's economy.
4. **Better Collaboration:** The collaboration forum succeeded in strengthening cooperation between related parties. Various economic empowerment initiatives can be carried out in a more coordinated and synergistic manner. This creates an ecosystem that supports sustainable economic growth.

### **Reflection:**

Through the PAR approach, the people of Imbi Village feel more empowered and have a sense of ownership over the programs that are run. Their active involvement in every stage of the research not only provided targeted solutions but also built their capacity to continue developing local economic potential. Nevertheless, there were some challenges faced during implementation. One of them was resistance from some communities who lacked trust in new initiatives. This requires a more persuasive and educative approach to change their mindset. In addition, program sustainability requires long-term commitment from all relevant parties, especially in terms of funding and technical support.

### **CONCLUSION**

The results showed that the approach was successful in identifying and addressing various economic problems faced by the community in a participatory and collaborative manner. A business financing program involving cooperation with local financial institutions and the establishment of a savings and loan cooperative succeeded in improving small and medium enterprises' access to capital, which had previously been a major constraint. Skills training and business mentoring have had a significant positive impact in improving community knowledge and skills in managing businesses, as well as encouraging product innovation and digital marketing. Infrastructure improvements, such as roads and waterways, as well as the establishment of local markets, have a direct impact on improving mobility and market access, thereby reducing operational costs and increasing efficiency. Strengthening collaboration through the establishment of collaboration forums between related parties has also succeeded in creating synergies that support sustainable economic growth. This forum became a platform for coordination and collective problem-

solving, which was previously an obstacle in the implementation of economic empowerment programs.

Through the PAR approach, the people of Imbi Village feel more empowered and have a sense of ownership over the programs that are run. Their active involvement in every stage of the research not only provides targeted solutions but also builds their capacity to continue developing local economic potential. This success shows that economic empowerment based on community participation and cooperation between related parties is an effective and sustainable strategy. However, program sustainability requires a long-term commitment from all relevant parties, especially in terms of funding and technical support. As such, this research provides valuable lessons on the importance of inclusive and participatory approaches in addressing socio-economic issues and creating sustainable change.

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