



International Conference on Economy, Management, and Business (IC-EMBus)

VOL. 1, 2023 p. 1685–1696

<https://journal.trunojoyo.ac.id/icembus>

Development Strategies for Empowering Members of the Muslim Entrepreneur Community in Jambi City Using the Quantitative Strategic Planning Matrix (QSPM) Method.

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INFO ARTIKEL

Abstract

Keywords:

Empowerment of SMEs,
Entrepreneurial
Communities, QSPM
Methodology

This research aims to analyze and develop alternative strategies for the IPEMI (Ikatan Pengusaha Muslimah Indonesia), GENPRO (Global Entrepreneur Professional), TDA (Tangan Di Atas), and UNK (Umkh Naik Kelas) communities, which are entrepreneur-oriented communities in the city of Jambi, to enhance the empowerment of their members. The research is of a quantitative descriptive nature, employing the Quantitative Strategic Planning Matrix (QSPM) method. Three strategy formulation stages are utilized: data collection, data matching, and decision-making. It is expected that the results of this research will serve as a basis for policy improvement in empowering community members. The research results indicate that out of 82 respondents, with 4 respondents determining the priority policies to be adopted, 8 selected strategies were obtained. The top priority strategy is to conduct training or business classes with expert speakers specializing in solving SME issues, with a TAS score of 6.661.

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E-ISSN: 3026-0965

DOI :

INTRODUCTION

The development of a country is an effort by the government to empower the community towards positive change from the previous state. Development must involve the citizens as the primary stakeholders and those who will experience the development. The key actor in national development is the community, while the government has the responsibility to protect and guide to support national development. One crucial factor contributing to the success of development, especially economic development, is the presence of small and medium-sized enterprises (Sudati, 2019).

One of the strategic issues in a competitive business world is identifying internal and external competencies that are hard to imitate and can support valuable products and services, particularly in the Indonesian batik industry (Hasanah et. al, 2023). Micro, small, and medium enterprises (MSMEs) represent a highly strategic national economic zone where many people contribute significantly to the country's economy. Indonesia is a country rich in natural resources, human resources, and has geographically extensive land and sea areas (Wildan et. al, 2021). The importance of MSMEs cannot be doubted, given that this sector absorbs a considerable amount of labor that has proven resilient in the face of economic crises, serving as an engine for economic growth. Therefore, the government needs to promote the development of MSMEs through various efforts, including training programs and financial support (Gunartin, 2017).

MSMEs are industries that absorb a large amount of labor. In 1997, the number of workers in the small, medium, and micro business sectors reached 65.5 million. Fifteen years later (2013), the workforce in the MSME sector increased by 74% to 114.1 million workers. The latest data from the Central Statistics Agency (BPS) indicates that MSMEs absorbed 117 million workers in 2018, accounting for 97% of the workforce in the business world. The remaining 3% is absorbed by the community.

Table 1. Data on the development of MSMEs in Indonesia for the years 2011-2019

No.	Year	Total SMEs (Milion units)
1	2011	53,8
2	2012	55,2
3	2013	56,5
4	2014	57,8
5	2015	59,2
6	2016	61,6
7	2017	62,9
8	2018	64,1
9	2019	65,4

Source: Ministry of Cooperatives and Small and Medium Enterprises (2020)

From the data in **Table 1**, it is evident that the development of MSMEs in Indonesia from 2011 to 2019 has shown an increase. Over time, the number of MSMEs in Indonesia continues to grow, and this business sector has proven resilient in the face of various economic challenges.

Islam, as a religion of mercy for all worlds, provides normative sources related to work, work values, and work ethics. Three components, namely tauhid (oneness of God), taqwa (piety), and ibadah (worship), should form the foundation of work ethics. Tauhid makes a job a way to worship Allah and prevents the worship of worldly goods. Taqwa is a mental attitude that encourages constant vigilance, caution, and careful avoidance of stains and sins, maintaining safety by acting rightly and refraining from mistakes. This is a realization of the obligation as a khalifah fi al-ardh to uphold well-being and peace in this world and the hereafter. Human Activity Recognition has been studied over the past few years (Victoria et. al, 2022). Previous research has found that CSR can enhance company value (Tarjo et. al, 2022). Companies must ensure quality for their sustainability (Wildan, 2020).

Muslim entrepreneurship becomes a particularly interesting focus when considering the changing times. The performance of Muslim entrepreneurs is influenced by the uncertainty of current conditions, leading them to navigate through uncertain situations. Their business performance experiences fluctuations. From an Islamic perspective, these varied situations are considered more than just financial or material problems but also relate to how well they perform in terms of morality and religion (Ludin, 2018).

Research conducted by Reni Yanti (2020) indicates that the challenges faced by MSMEs in Jambi City include a lack of capable entrepreneurs in optimizing MSME development, insufficient information obtained by MSMEs in the entrepreneurial world, low levels of education among business players, a lack of entrepreneurial skills, limited knowledge of technology, and insufficient capital for business development. Furthermore, research by Hariyadi (2020) found that MSMEs encounter problems such as government-provided capital not being used according to the initial plan, influenced not only by capital but also by the low quality of human resources, planning, guidance, supervision, government policies, and the majority of MSMEs receiving government assistance failing to improve their performance. In this regard, empowerment business associations or communities is crucial in addressing these issues. The era of globalization is always marked by rapid changes in overall economic conditions, resulting in a number of demands as a response to these changes (Safrizal et. all, 2020). Focus on technologies that enable MCS (Mobile Crowd Sensing) to be implemented in smart cities, such as task management, data collection, incentive systems, monitoring, and cost-saving tools (Wildan et. all, 2023). High service quality and client-based communication with AI-enabled services are determined by Quality of Experience (QoE) (Padmapriya et. all, 2022).

Entrepreneurial communities can play a role in the development of Islamic economics by introducing principles such as tauhid, justice, welfare, freedom and responsibility, brotherhood, and others (Hamidah, 2021).

Empowerment is now widely recognized as a fundamental factor in socio-economic development. This is evident from the various theories and empowerment initiatives that have emerged in various aspects of human life. The concept of empowerment programs has been implemented in various forms. Micro, small, and medium-sized enterprises are manifestations of the economic life of a significant portion of the Indonesian population (Rusdin, 2013).

In economic empowerment within the Muslim business community, it is not sufficient to merely provide capital. There must also be a mentoring role by institutions, accompanied by infrastructure development, human resource strengthening, and collaboration strengthening between large and small businesses. Therefore, the strategies used to empower the economy of the Muslim community now include both individual and group strategies in the form of collaborative efforts, such as cooperatives (Aulia, 2015).

Based on this background, the author is interested in conducting research titled "Strategies for the Development of Empowerment for Members of the Muslim Entrepreneur Community in the City of Jambi."

RESEARCH METHODS

This research is a quantitative descriptive study. According to Sugiyono (2016), descriptive research is conducted to determine the values of independent

variables, whether one or more, without making comparisons or connecting them to other variables.

The focus of this study is on two communities, namely the GENPRO (Global Entrepreneur Professional), IPEMI (Ikatan Pengusaha Muslimah Indoneisa), TDA (Tangan Di Atas), and UNK (Umkm Naik Kelas). The primary source of data comes directly from the data subjects through interviews with respondents using tools, especially questionnaires, and direct observation of issues related to empowerment strategies in the Muslim entrepreneur communities in the city of Jambi.

The research population includes entrepreneurs affiliated with the IPEMI, GENPRO, TDA, and UNK communities, totaling 447 individuals. The researcher used Taro Yamane's formula (1973) to determine the research sample, and the result was 81.7, but the researcher rounded it to 82 samples.

The questionnaire design serves as a measurement tool for data collection, based on SWOT factors, including internal and external community factors. A Likert scale is used for filling out the questionnaire, and weighting is conducted to determine the importance level of each attribute of internal and external factors. The Likert scale is also used for weighting.

The assignment of ratings reflects how effective the current community strategies are in responding to existing strategic factors:

Table 2. Likert scale weight

Scale weight	Description
4	If the community's response is very strong to the factor
3	If the community's response is strong to the factor
2	If the community's response is weak to the factor
1	If the community's response is very weak to the factor

Source: Sugiyono (2013)

The variables of this research focus on community empowerment strategies, defined as the formulation of the organization's mission and goals, including action plans to achieve these objectives by explicitly considering competitive conditions and the influences of external forces that directly or indirectly affect the organization's sustainability. It encompasses four dimensions:

1. **Strengths**, consisting of several indicators such as: Advice and input, Concepts aligned with Islamic entrepreneurship, Innovation and ideas, Supervision and evaluation, and Up-to-date expertise.
2. **Weaknesses**, consisting of several indicators such as: Lack of coordination, Suboptimal participation of members in programs, Lack of funding programs.
3. **Opportunities**, consisting of several indicators such as: Increasing membership, Having national and international marketing networks, High interest in high business development, High purchasing power for members' products.
4. **Threats**, consisting of several indicators such as: Members discontinuing their businesses, High competition among members' products, Limited capital.

The stages of data analysis implementation are as follows:

1. **The Input Stage:** Matrices used in this stage are Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE).
2. **The Matching Stage:** Using the IE (Internal External) matrix that positions the community in a matrix consisting of 9 cells. The SWOT matrix is also employed as a decision-making formulation tool to determine strategies based on logic to maximize strengths and opportunities while minimizing weaknesses and threats.

The Decision Stage: The matrix used in this decision-making stage is QSPM (Quantitative Strategic Planning Matrix). QSPM analysis is utilized to objectively evaluate strategies based on the identified key internal-external success factors from the previous stages.

RESULT And DISCUSSION

Internal Environment Analysis

The internal environment discusses the strengths and weaknesses of the community. Internal factors used in the research are based on the community's condition. Strengths and weaknesses variables for each factor can be seen in **table 3**.

External Environment Analysis

The external environment discusses the opportunities and threats facing the community. Internal factors used in the research are based on the community's condition. Variables for opportunities and threats for each factor can be seen in **table 4**.

IFE Matrix (Internal Factor Evaluation)

Internal environment analysis is conducted by identifying internal factors of the community to understand its strengths and weaknesses. After identification, weighting and rating are applied to each variable. Based on the results of weighting and rating using the IFE matrix, the total score is 3.124. The table displaying the IFE matrix results can be found in **table 5**. This total score indicates a strong position.

EFE Matrix (External Factor Evaluation)

External environment analysis is conducted by identifying external factors of the community to understand its opportunities and threats. After identification, weighting and rating are applied to each variable. Based on the results of weighting and rating using the EFE matrix, the total score is 3.084. The table displaying the EFE matrix results can be found in **table 6**. This total score indicates a strong position.

Table 3. Identification of Strengths and Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> • Mutual sharing of business knowledge among members has become a tradition within the community • The community already has concrete vision and mission • Members are more motivated to work hard when joining the community • Community members actively share information with each other 	<ul style="list-style-type: none"> • Many members want to run multiple businesses at the same time • Members often get stuck in complex problems and struggle to identify the right solutions for the sustainability of their businesses • Many members do not have an effective system to address customer complaints or requests • Many community members do not plan for the growth of their business scale

Source: Data processed, 2023

Table 4. Identification of Opportunities and Threats

Opportunities	Threats
<ul style="list-style-type: none"> • The community plays a role in enhancing the creativity of its members • Members are open to innovative ideas and willing to try new things • The community plays an important role in building relationships among members • The community introduces a strategic thinking concept in the development of its members' businesses 	<ul style="list-style-type: none"> • Many members still rely on funding assistance • Members tend to be too cautious and unwilling to try new things in entrepreneurship • Collaboration between the community and its members is still lacking • Competition among members for similar products is occurring

Source: Processed data, 2003

Table 5. IFE Matrix Results

Strengths	Average Rating	Average Weight	Total Score
• Mutual sharing of business knowledge among members has become a tradition within the community	3,2	0,129	0,412
• The community already has a concrete vision and mission	3,2	0,130	0,416
• Members are more motivated to work hard when joining the community	2,97	0,122	0,362
• Community members actively share information with each other	2,98	0,124	0,369
Weaknesses			
• Many members want to run multiple businesses at the same time	3,09	0,125	0,386
• Members often get stuck in complex problems and struggle to identify the right solutions for the sustainability of their businesses	3,15	0,127	0,400
• Many members do not have an effective system to address customer complaints or requests	3,03	0,122	0,369
• Many community members do not plan for the growth of their business scale	3,08	0,124	0,381
Total		1,000	3,095

Source: Processed data, 2023

Table 6. EFE Matrix Results

Opportunities	Average Rating	Average Weight	Total Score
• The community plays a role in enhancing the creativity of its members	3,02	0,112	0,338
• Members are open to innovative ideas and willing to try new things	3,17	0,128	0,405
• The community plays an important role in building relationships among members	3,08	0,125	0,385
• The community introduces a strategic thinking concept in the development of its members' businesses	3,04	0,123	0,373
Ancaman			

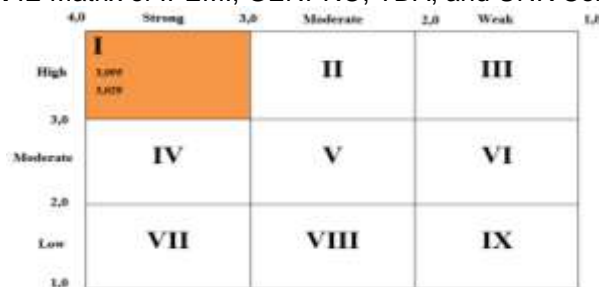
• Many members still rely on funding assistance	2,95	0,119	0,351
• Members tend to be too cautious and unwilling to try new things in entrepreneurship	3,26	0,132	0,430
• Collaboration between the community and its members is still lacking	3,07	0,124	0,380
• Competition among members for similar products is occurring	3,01	0,122	0,367
Total		1,000	3,029

Source: Processed data, 2023

Internal External Matrix

Based on the results of the IFE matrix and EFE matrix, the next step is to compile them into the IE matrix. The average value of IFE is 3.095 and the average value of EFE is 3.029. The average values of IFE and EFE are obtained from the sum of the scores for each factor, where the score is obtained from the multiplication of the average rating and the average weight for each factor. These values indicate the position in quadrant I, showing that the required strategy for the community is either a penetration strategy, community empowerment program development, or integration strategy, such as forward integration, backward integration, and horizontal integration. The IE matrix can be seen in **Figure 1**.

Figure 1. IE Matrix of IPEMI, GENPRO, TDA, and UNK Communities



Source: Hasibuan, 2019

SWOT Matrix

The SWOT matrix generates several alternative strategies obtained from internal and external variables according to the community's position in the IE matrix, namely penetration, community empowerment program development, or integration. The alternative strategies obtained are as follows:

1. SO Strategy (Strengths-Opportunities)
 - a. Conduct regular mentoring to support the improvement of members' businesses.
 - b. Maximize technology to enhance coordination functions and information sharing.
2. WO Strategy (Weaknesses-Opportunities)
 - a. Assist members in finding ideas and innovations to develop their products and services.
 - b. Organize bazaars to expand market reach.
3. ST Strategy (Strengths-Threats)

- a. Facilitate community members with government and private parties to access funding and program collaboration.
 - b. Provide a platform for members to collaborate in integrating all the potential and productive resources they have.
4. WT Strategy (Weaknesses-Threats)
- a. Conduct training or business classes with expert speakers to address issues.
 - b. Establish partnerships with other organizations and communities for mutual support

Quantitative Strategic Planning Matrix (QSPM)

The final stage of the strategy analysis involves selecting suitable strategies that the community can implement. The selection of suitable strategies is done using the QSPM analysis tool. Alternative strategies are obtained from the SWOT matrix, where the matrix generates several alternative strategies through the community's internal and external factors.

Table 7. QSPM Results

No	Alternative Strategy	Total TAS	Ranking
1	Conduct regular mentoring to support the improvement of members' businesses	6.180	IV
2	Maximize technology as an effort to improve coordination and information sharing	6,176	VI
3	Assist members in finding ideas and innovations to develop their products and services	6,177	V
4	Organize bazaars to expand market reach	6,357	II
5	Facilitate community members with government and private parties to access funding and program collaboration	6,213	III
6	Provide a platform for members to collaborate in integrating all the potential and productive resources they have	6,150	VII
7	Conduct training or business classes with expert speakers to address SME issues	6,661	I
8	Establish partnerships with other organizations and communities for mutual support	5,862	VIII

The TAS calculation results indicate that the first prioritized alternative strategy for the community is to conduct training or business classes with expert speakers to address SME issues, with a TAS score of 6.661. The second strategy is to organize bazaars to expand market reach, with a total TAS score of 6.357. The third is to facilitate community members with government and private parties to access funding and program collaboration, with a total TAS score of 6.213. The fourth strategy is to conduct regular mentoring to support the improvement of members' businesses, with a total TAS score of 6.180. The fifth is to assist members in finding ideas and innovations to develop their products and services, with a total TAS score of 6.177. The sixth is to maximize technology as an effort to improve coordination and information sharing, with a total TAS score of 6.176. The seventh is to provide a platform for members to collaborate in integrating all the

potential and productive resources they have, with a total TAS score of 6.150. The last strategy is to establish partnerships with other organizations and communities for mutual support, with a total TAS score of 5.862. The QSPM results can be seen in **Table 7**.

CONCLUSION

The conclusions drawn from this research are as follows:

1. Based on the results of the Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) analyses that influence empowerment strategies in the business community:
 - a. In the Internal Factor Evaluation (IFE) analysis, the key strength influencing empowerment strategies is that the community already has a concrete vision and mission. On the other hand, the main weakness is that members often get trapped in complex problems and find it challenging to identify appropriate solutions for the sustainability of their businesses.
 - b. In the External Factor Evaluation (EFE) analysis, the primary external factors influencing empowerment strategies are that members are ready for innovative ideas and willing to try new things (opportunity). However, a significant threat is that community members tend to be overly cautious and reluctant to try new things in entrepreneurship.
2. Based on the results of the SWOT analysis and the QSPM analysis, suitable methods for the business community are:
 - a. The SWOT analysis results in 8 alternative strategies for the business community:
 - 1) Conduct regular mentoring to support the improvement of members' businesses.
 - 2) Maximize technology as an effort to improve coordination and information sharing.
 - 3) Assist members in finding ideas and innovations to develop their products and services.
 - 4) Organize bazaars to expand market reach.
 - 5) Facilitate community members with government and private parties to access funding and program collaboration.
 - 6) Provide a platform for members to collaborate in integrating all the potential and productive resources they have.
 - 7) Conduct training or business classes with expert speakers to address SME issues.
 - 8) Establish partnerships with other organizations and communities for mutual support.

The results of the analysis using the Quantitative Strategic Planning Matrix (QSPM) method indicate that among the seven alternative strategies, one strategy is prioritized for implementation by the business community. This strategy is to conduct training or business classes with expert speakers to address SME issues, with a Total Attractiveness Score (TAS) of 6.661. This high score suggests that this particular strategy is deemed the most attractive and should be prioritized for execution by the entrepreneurial community.

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