



SUSTAINABLE HOME BASED ENTERPRISE IN KAMPUNG SATE, PONOROGO

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ABSTRACT

Sustainable development is a concept to create better development, closely related to economic growth and how to find a way to promote the economy in the long term without depleting natural resources. Basically, creating a good economic climate should be balanced with the environment surrounding. It's needed in order to achieve the economic sustainability which is balance with ecological and social sustainability. In the other hand, economic empowerment of local communities is one form of local community efforts in facing the ASEAN Economic Community 2015. This economic empowerment will encourage the emergence of new employment. This research is conducted in Kampung Sate, Ponorogo. This kampung is still maintains its local culture while conducting the economic activities. Beside, the economic activities in this kampung also involving the people surround so that create the new employments. This research is aim to determine the sustainable home based enterprise as a form of the economic empowerment efforts to empowering the local community. Descriptive analysis method is used in this study to analyze the characteristics of the Kampung Sate while triangulation analysis is used to determine the sustainable home based enterprise. The result of this research hopefully can be applied in Kampung Sate Ponorogo and can be used as the form of empowering efforts to local community in this kampung.

Keywords: economic, home based enterprise, local community, sustainable development, empowerment

INTRODUCTION

Commonly in developing countries, many low and middle-income urban household use their dwellings as workplaces. In some case, those phenomenons can also be found in many kampungs in Indonesia as well. These circumstances resulted in what is called productive housing or home based enterprise. In Indonesia, we can see a lot of productive houses which are spread out with different names and characteristics such as Kampung Tempe, Kampung Batik, Kampung Tas.

House-Based Enterprise (HBE) is a residential use by combining the functions of a private residence and also a function of economic activity on it. HBE is part of the informal economy. Strassmann (1987) defines HBE as one of the emerging economic activities within or adjacent to the house itself rather than in commercial areas or in industrial areas. Then, the ILO (1972) defines HBE as household-scale economic activities that have workers who come from the surrounding communities from the business activities and owned by the family itself.

Home based enterprises (HBEs) are important in times when formal wages diminish or cease and enterprises are started at the only place available -the house. The advantages of



HBEs include the ability to maintain an enterprise at little overhead cost, to make use of household resources, especially space and utility connections (Lawanson and Olanrewaju, 2012). Tipple (1993) argued that HBEs have made positive contributions, citing two examples of HBE operators whose businesses have expanded outside the home, in one case to a city-wide sporting goods business and in the second becoming part of an itinerant market. It is made clear that the success in the two cases would not have been possible without the opportunity to use improved facilities in the home or its immediate environment. Another advantage of HBEs is the opportunity for small businesses to be established and survive as a result of rent-free premises and consequently lower overhead cost and greater profits.

This research will be conducted in Kampung Sate, Lawu Street I, RT 4, RW 5, Nologaten, Ponorogo Regency, East Java Province, Indonesia. The study area is all area in Kampung Sate Ponorogo in that street. The research location can be seen in figure 1.



Figure 1
The Location of Kampung Sate

Kampung Sate in Ponorogo is a kampung located in Kelurahan Nologaten which was built since 1950s. In this kampung, it can be seen not only satay maker but also supporting components such as rice skewers and satay sauce as well. Beside, productive housing in this kampung is evolved with conventional housing. The total productive housing in this kampung are around 17-20 houses. In the beginning of 1990s, Kampung Sate Ponorogo (it was Gang Sate at that time) was evolved become one of culinary tourism in Ponorogo. Gang Sate became famous not only in Ponorogo but also the other cities. In the beginning of 2013, the government inaugurated this Gang Sate became Kampung Sate, Ponorogo and also one of tourism destination in Ponorogo.



On the other hand, this time we were to face sustainable development goals in 2015. Sustainable development has been well-known issue in the world. It affects many aspects in human life, as well as in housing development. Focus on housing and settlement subject, it is usually related to construction of the building, the environment and also the interaction among people in the settlement (Burtland, 1987). These goals lead us to concern about environment, social and economic aspects in order to reach our development. One of the factors that must be overcome to achieve sustainable development is how to improve the destruction of the environment without sacrificing the needs of economic development and social justice. For most people, sustainable development is closely related to economic growth and how to find a way to advance the economy in the long term, without depleting natural capital. But for most people, the concept of economic growth itself problematic, because the earth itself resource limited.

Economic activity is the main sector in Kampung Sate, Ponorogo. However, the economic activity is tending not to give attention to environmental impact. To conduct the economic activities, the satay maker in Kampung Sate still use traditional equipment. Beside, the economic inequality might be happened in this kampung if there is no appropriate concept to both make the sustainability of economic and environmental aspects. Regarding to the problem statement, the research question for this research: what is the sustainable home based enterprise related to Kampung Sate, Ponorogo?

Regarding the research background and the problem statement, the objectives of this research as follows:

1. Analyzing the characteristics of productive housing in Kampung Sate
2. Determine the sustainable home based enterprise in Kampung Sate

RESEARCH METHOD

Research Approach

This research will be conducted to develop the sustainable home based-enterprise concept in Kampung Sate, Ponorogo. The concept is related to the criteria which are relevant to study location. The objects of this research are the productive house in there. There are 17 home based enterprise housing in Kampung Sate. Those 17 inhabitants are involving as the respondent for this research. Therefore, the methods will conform to the purpose and the target.

Descriptive qualitative research (or sometimes called by descriptive) is kind of research that explain and report phenomenon. The objectives from this type of research are to describe situation or condition, explain the relation between phenomena's and also gain the meaning and implication from a problem that will be solved.

Analysis Method

To conduct the study so that the objectives can be achieved it is necessary to use appropriate analytical methods to process the data and information that has been collected through primary and secondary survey. The first objective is analyzed by descriptive qualitative analysis while the second objective is analyzed by triangulation analysis.

DISCUSSION AND RESULT

The discussion of this paper is divided into 2 parts based on each objective. The first objective is discussed about the characteristics of productive housing in Kampung Sate. While the second objectives is discussed about the sustainable home based enterprise in Kampung Sate. It is need to be stated that the economic empowerment for local communities which is stated in the title of this research will mingle into the sustainable home based enterprise.



A. The characteristics of productive housing in Kampung Sate, Ponorogo

Discussion for analyzing the characteristics of productive housing is divided into each research aspects.

a. Space function

Most of the productive houses in this kampung have similar space function. From those 17 houses, there is production room in each house. But there are some definition for production room. Most of them use production room to piercing the chicken, to bake the satay and also to cook the sauce. But, in some houses, piercing and baking activities is conducted in different rooms.

From 17 types, it can be concluded that terrace, living room, bed room, shop, production room, and bathroom are the common type of space function. The people in kampung sate used their personal kitchen as the production rooms as well. This is done to simplify the satay production and personal activities. In term of space function, the unique characteristic of this kampung is production room/baking activities room accessible for the guest/tourist. The guest/tourist can see the process of making/baking satay. So that's why the production room has ease of access to front yard or side yard of the house. The common space function of productive house in Kampung Sate can be seen on figure 3.

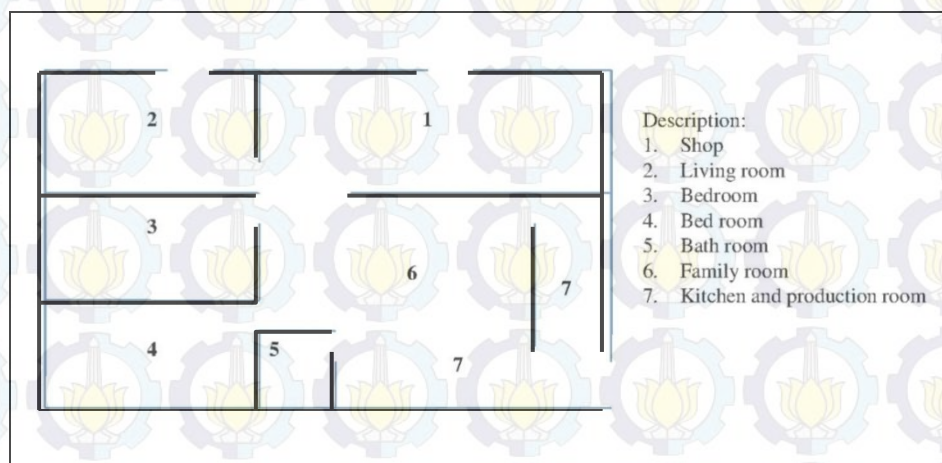


Figure 2
Common Space Function in Kampung Sate
Source : Analysis, 2014

b. Involvement of Family Members

As the basic activities are conducted in the house, usually family members tend to be included in this productive house activity. So the wage can be minimized and the work hour is flexible. HBE also will involve various stakeholders, especially members of the family to share tasks among households with personal activities in HBE activity itself. The children will also be involved in these activities. From the primary survey, it can be gained that 72 people are involved in this enterprise.

Usually, the children and adult also involved in this enterprise activity. The children and adult from 10-17 years old are involved. But, the impact is after finish their junior or senior high school, those children don't continue their study. They prefer to involved and gain the



money rather than having higher education. This condition will give the impact to economic aspect as well.

c. Environment

The operational definitions for environment aspect are about condition of ventilation in each productive house also availability and condition of open space in Kampung Sate. Condition of ventilation will define the level of people attention in term of hygiene and cleanness. While the availability and condition of open space will define the people attention to sustainable development and keeping the environment surround them.

As mention before, traditional equipments are still use in the enterprise activities in this kampung and give negative impact such as smoke and dust. But, unfortunately, its use is not accompanied by understanding to provide adequate ventilation in the production room or kitchen. The condition of most ventilation and ceiling in this kampung can be seen at figure 5.

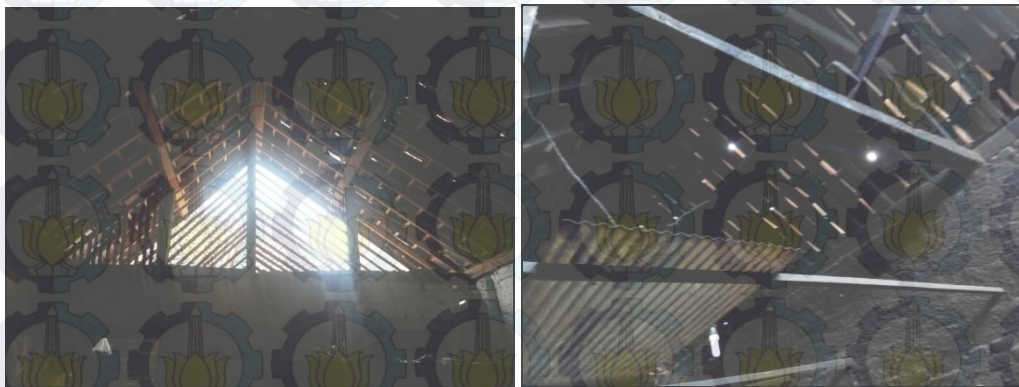


Figure 3
Condition of Ceiling
(Source: Primary Survey, 2014)

From the figure above it can be seen that the lighting just come from the ceiling and ventilation. In some houses, there is no exhaust system. The exhaust system is only from the door, ceiling and ventilation. When seen from the quality of the lighting, ceiling and ventilation, there is no adequate quality there. Inhabitant gives no attention about that. Some people often complaining about sore throat and infection in respiratory. But, after recovery from sickness, they seemed to forget the origin of the sickness. Some people said that they prefer gain more money rather than give more attention to the condition of the house or their health. Whereas, the condition of ceiling as shown at the figure above not only give the sickness but also interfere the cleanness.

d. Social Culture

Social culture can be seen from the local custom in a place. In Kampung Sate, all satay makers are still relatives. They come from the same ancestor who built this kampung. The culture that can be seen from this kampung is they help each other in order to conduct the enterprise. When one home based enterprise lack of resource such as lack of satay to fulfill the order, the other enterprise will support to fulfill the order. The satay will send to the enterprise which is needed. This kind of culture gives the strength for this kampung to maintain the existence of the enterprise. Many neighbors around this kampung work as an employee in productive house. Although they are still relative, but there is one productive house which



rapidly growing. Usually when holiday is coming, this big productive house will ask satays and rice cakes to other satay maker. But, although this big productive house encourage the growth of the other satay maker, it doesn't seem produce the significant result. It happens due to the lack of understanding and knowledge how to manage the good enterprise. Most of the satay makers have last educated on senior high school. Sometimes they difficult to create the new and innovative strategic planning.

e. **Economic**

Economic aspect will be seen from the impact income activities to community. As mentioned before, lack of understanding and knowledge in how to manage the good enterprise are the biggest problem related to economic aspect in this kampung. The understanding of sustainable economic is needed to the people in this kampung. Good enterprise means optimizing the economic activities without depleting the environment surround.

Beside, HBE activities in this kampung have been proven generate the income for household. In table 1 it shows that the satay maker still have extra money from monthly income for saving. But, the fact is the physical appearances of their houses doesn't show that they are success in economic.

Table 1. Monthly Income and Expending of Satay Maker in Kampung Sate

Monthly Income (Rp)	Monthly Expending (Rp)	Saving (Rp)
7.500.000 – 12.000.000	3.500.000 – 7.000.000	2.200.000 – 5.000.000

Source: Primary Survey, 2014

Regarding the impact of activities to community surround this kampung, some people near this kampung also involved and join as employee. So that, this kampung not only give economic impact to the kampung itself but also to community surround it.

B. The Sustainable Home Based Enterprise in Kampung Sate, Ponorogo

The sustainable home based enterprise concepts are derived for triangulation analysis before. The concepts are followed by alternative strategy since they can't be applied without action plan. Consider the analysis, the literature review, the stakeholder's point of view and the regulation, the concepts which can be determined are explained on table 2. The sustainable home based enterprise can't be applied without empowering the community since the community is the subject and the object of this research.

Table 2. Sustainable Home Based Enterprise in Kampung Sate, Ponorogo

Criteria and Analysis	Framework	Concept
Harmony with Climate Analysis: 1. The building which harmony with the climate can be done by having lot of openings and good ventilation. In this kampung, dust and heated can't be avoided. Inhabitants place the production room accessible from front yard or side yard of their house to minimize the heat and dust from baking activities.	1. The building should be harmonized with the climate to reduce the dust and heated from baking activities 2. Each houses should provide the open space in order to increase the number of green space	1. Optimizing the building which harmony with the climate by augmented the number of vents and openings, especially in production room to minimize the dirty air from combustion 2. Using the front yard or side of the home based enterprise as green open spaces



Criteria and Analysis	Framework	Concept
2. The provision of open space is an absolute must have in a residential area. In Kampung Sate, green open space is limited on each houses and its usefulness as a parking lot or a place of firewood. So as to meet the needs of 10% open space required an innovation that accommodates the needs		
Supporting Facilities and Infrastructure Analysis: 1. The provision of infrastructure and facilities in built environment is purposed to fulfill the needs of people regarding the accessible facilities and infrastructure. The infrastructure and public services which are built in Kampung Sate basically develop to settlement activities. The road, sanitation, and land use are adjusted to settlement scale. At this time, Kampung Sate is evolved not only as settlement (kampung) but also home based enterprise/industry. The impact is the facilities and infrastructure can't accommodate the inhabitants need. 2. The sustainable condition can be achieved by controlling the water disposal and considering that the location not areas that have air pollution above the threshold, pollution of surface water and groundwater. Beside, drainage and sanitation channel are in one single unit. The impact is flooding in heavy rain. 3. Ground water is the most water supplies used in this	1. The public service and infrastructure should be adjusted to home based enterprise needs so that the negative impact from HBE activities to facilities and infrastructure can be reduced 2. The sanitation should be maintained to reduce the water disposal and the impact regarding the water disposal such as water pollution and flooding 3. The groundwater should be maintained to reduce the leakage of water infiltration 4. The road is main access into Kampung Sate. So, the road should be optimized so that this kampung have good accessibility	1. Optimizing the number of infrastructure and facilities by adjusting the basic requirements of urban settlement in Kampung Sate in order to optimize the tourist destination 2.1. Optimizing drainage and sanitation by cleaning channels regularly in Kampung Sate in order to minimize flooding 2.2. Dilute waste production by increasing the water content of the waste disposed in order to flow the waste disposal and minimize the stingy in Kampung Sate 2.3. Dredging and repairing the drainage and sanitation installation in order to reduce the impact of flooding in Kampung Sate 3. Improving the quality of groundwater by draining the septic tank regularly to reduce the leakage of water infiltration into wells 4. Optimized the road as the main access in Kampung Sate by preparing off street parking so that the road only for movement of transportation



Criteria and Analysis	Framework	Concept
<p>kampung. The distance between groundwater and septic tank no more than 10 meters. Although there is no report regarding the leak until now, but it should be solved immediately.</p> <p>4. Good residential street should be able to provide security and comfort for the movement of pedestrians, cyclists and motorists. Since the road this kampung only 7 meters, it should be a solution to solved the on street parking.</p>		
<p>Financial System</p> <p>1. Satay maker is the main financial system in this kampung and involvement the family members is common seen.</p> <p>2. The people around this kampung also involved in HBE activities means that the economic activities also give benefits income to the people surrounding. An economic management coaching can be one of the solutions for this non significant economic increase condition. The satay maker will be coached in how to manage their finance and how to make creative innovation.</p>	<p>1. As the main financial system, satay maker should have attention for example coaching, in order to increase the knowledge and creativity of satay maker in Kampung Sate</p> <p>2. The knowledge to improve and manage creative industry should be implemented in Kampung Sate so that the economic sustainability can be achieved</p>	<p>1. Optimizing the main financial system for people in conducting home based enterprise by coaching and giving the managerial knowledge in order to maintain and increase the income in Kampung Sate</p> <p>2. Improving the knowledge in how to make creative industries and manage the employers in order to maintain the sustainability of Kampung Sate</p>
<p>Social Culture Analysis:</p> <p>1. Involving the family members is one of the characteristics of HBE. However, economic sustainability is not just about profiting as much as possible but also expects a continuation of business in the future. So that intellectual ability is still needed to run the business.</p> <p>2. Social sustainability in</p>	<p>1. The intellectual ability is needed to run the main. In order to gain the economic sustainability, the satay maker should be equipped by good skill and managerial knowledge</p> <p>2. The community surround Kampung Sate should be involved in order to make inclusive economi atmosphere in this area</p> <p>3. Regarding the health, the building should have good</p>	<p>1. Improve the ability of the community in Kampung Sate through mentoring and providing skills training and also improve managerial knowledge through education about sustainable economy</p> <p>2. Involving local communities outside the Kampung Sate in enterprise activities to improve economic equality</p> <p>3. Improving housing condition in Kampung Sate by keeping the house and its environment</p>



Criteria and Analysis	Framework	Concept
<p>housing is creating affordable housing, have good quality with inclusive economic and social condition. It means Kampung Sate should be not only give prosperity to this kampung itself but also the built environment surrounds it.</p> <p>3. Regarding the health, respiratory disorder is one of the social impacts of their economic activities in this village.</p>	<p>condition in order to minimize the negative impact from baking activities</p>	<p>clean especially in production room</p>
<p>Institutional Analysis: Industry that involves a lot of people need an institution that is capable of assisting both in terms of economic empowerment and knowledge about the impact of the industry can be generated. Involving the community in planning a healthy environment is one way.</p>	<p>The institution in Ponorogo should gie attention and provide the good regulation in order to improve the sustainability of Kampung Sate</p>	<p>1.1. Provide mentoring and counseling on a regular basis regarding sustainable environmental management to satay maker</p> <p>1.2. Prepare a cadre of institutions who is able to provide guidance to home based enterprise actors regarding the economic sustainability in Kampung Sate</p> <p>1.3. Optimize the institution's role in opening opportunities for capital to ease business in Kampung Sate so that can increase the employment</p>

Source: analysis, 2014

CONCLUSION

1. Through analyzing the characteristics of productive housing in Kampung Sate, it can be concluded that the common space of the productive house are the easible baking room. Beside, family members are involving in this enterprise. This condition is the potential strength of this kampung to grow up to be good enterprise kampung.
2. The sustainable home based enterprise concepts are the way to solve the negative impact of economic activities in Kampung Sate. The concepts are related to criteria for sustainable home based enterprise such as harmony with the climate, financial system, supporting facilities and infrastructure, social condition and good institutional.
3. The sustainable home based enterprise can't be applied without empowering the community since the community is the subject and the object of this research.

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