



Identification Of Traditional Craftsmen Profile For The Strengthening Of The Creative Industries And Poverty Reduction: Case Study: Traditional Pottery Craftsmen In Kasongan, Yogyakarta Indonesia

Theresia Diah Widiastuti

*Universitas Atma Jaya Yogyakarta – Indonesia
Email: diahwidi88@gmail.com*

Eupsychius Kusumadmo

Universitas Atma Jaya Yogyakarta - Indonesia

B.Kristyanto

Universitas Atma Jaya Yogyakarta - Indonesia

Abstract

The study aims to (1) Identify the profile of traditional craftsmen Kasongan by basing on demographic characteristics, the absorption of resources, particularly natural resources, capital and labor, the age and size of company, mastering the skills needed and demonstrate the capacity of business management and entrepreneurship (2) Identify problems or obstacles encountered by traditional pottery craftsmen who runs the business from generation to generation by various limitations of capital and managerial aspects related to entrepreneurial capacity owned by traditional craftsmen pottery disentra Kasongan industry.

The method used was survey research using descriptive and inferential analysis tools to process the primary data collected through observation, interview and questionnaire distribution. The results of this research develop model policies and appropriate strategies for implementation of the entrepreneurship capacity building especially traditional craftsmen in the framework of poverty reduction and recovery joints of the regional economy.

Keywords: *models, strategies, policies, entrepreneurship capacity building*

BACKGROUND

One of an industry center of pottery located in Kasongan , Bantul, Yogyakarta, Indonesia. Trace of its history, pottery industry in Kasongan indeed been handed down from generation to generation from previous generations until now. This center industry is expected to grow become an area of business clusters , with a population over than 1556 people, of which 95 percent of its citizens livelihood as artisans of pottery, while the rest farmers and civil servants.

Until now, this center industry is expected to contribute significantly to economic growth and revenue, especially for the local government. It can be seen in



Table 1 shows the development of pottery in Kasongan business has increased since the year 1996 to 2000, both in the number of businesses, labor, value of sales, and non-oil exports.

Actually, they were hereditary running their job as well as inheriting his parents' business. They are running business with minimal capital or limited by a lack of managerial skills. They rely on their expertise of making pottery is inherited from ancestors. Craftsmen produce on the basis of orders or also sold themselves to the traditional markets are located in the local region and surrounding areas.

Craft products tend to be conventional, according to customer orders and that only sold in domestic market, such as brazier, cool, flower pots, jugs and so on. Along with the development of the modern pottery and the influence of foreign cultures through various media, there is a fairly rapid growth. After that, it was first introduced by Sapto Hudoyo circa 1971-1972 with a touch of art and commercial. After that, were commercialized in a large scale by Sahid pottery circa 1980's.

Table 1 Business Development of Pottery Kasongan Year 1996-2000

Year	Units	Labor	Omset (IDR)	Ekspor (US\$)
1996	322	1200	1.900.000	196.276,15
1997	326	1469	1.740.000	235.068,23
1998	333	1497	4.511.250	290.538,16
1999	338	1549	6.500.000	384.911,25
2000	358	1600	8.600.000	385.485,09

Source : UPT sentra industri gerabah kasongan tahun 2000 (Kuncoro dan Supomo,2003)

However, given the role and contribution of Small and Medium Enterprises (SMEs) in the period of economic crisis where SMEs is seen as the savior of the valve in the process of national economic recovery. Then the presence of small household industries particularly of traditional pottery artisans in Kasongan be an important part in strengthening the regional economy and the performance of the creative industries, especially in Bantul, Yogyakarta, Indonesia .

RESEARCH FRAMEWORK

The presence of pottery in Kasongan industry has become one of the leading commodities for the province of Yogyakarta. Kasongan pottery is handmade products are loaded with the values of history and art / creative culture, which is one of 14 areas of creative businesses that receive special attention by the Ministry of Industry and Trade of Indonesia as one of a business areas according to the roadmap of the Blue Print Creative Economy Development Plan 2009-2025. As an original product of

pottery is not only known for their quality, variety and quality of good design, but also as a leading export commodity for local government.

Figure 1 Traditional pottery artisans in Kasongan



According to Hamengku Buwono X in a cultural oration (2008) in Yogyakarta, reveals that the creative economy as a field based on the quality of human resource potential to be developed in the province of Yogyakarta. Increased performance of SMEs engaged in the creative industries sector, should receive special attention and serious as one attempts to tackle the problem of de-industrialization and regional economic recovery. Creative economy as a field based on the quality of human resource potential to be developed in the Province of Yogyakarta (Hamengku Buwono X, 2008).

Economic development requires creative synergy of the creative community, a community that is able to see the potential market and the role of government in providing protection and facilities. On the other hand the creative community is also faced with the challenge of technology, communication and knowledge so that the development of SMEs in the creative industries can quickly and easily to access the market trends and demands innovation in the creative industries.

Maps the real issues faced by traditional craftsmen in pottery craft center is also linked to the phenomenon of deindustrialization in Yogyakarta, resulting in decreased productivity of SMEs in particular after the earthquake disaster, the demands of global competitiveness and a decline in demand due to global financial crisis. Handling the problems of poverty faced by traditional craftsmen in the industrial pottery Kasongan, requires a study that tried to raise the root problem



behind the symptom or economic phenomena facing the traditional artisans and traditional craftsmen developed a variety of limitations.

ENTREPRENEURSHIP AND ENTREPRENEURIAL CAPACITY

Many people are increasingly recognizing the fact that the entrepreneurs in the development has been functioning as a dynamic factor in the creation of development outcomes today. Increasing number of entrepreneurs in a country, the more capable the country is to fulfill two important indicators of a country's economic growth is the low unemployment rate and foreign exchange in height (Astamoen, 2005). Progress or decline of a country's economy is often determined by the existence and role of the entrepreneur group.

Development success also depends on the role of business groups in advancing the economy of a country. According Astamoen (2005), the movement does not need a whole but only from a small environment, for example, from the home environment, colleges, boarding schools, companies, and others. With the number of employer groups of 2% of Indonesia's current population will be able to move the economy toward the prosperity of the nation.

Small-scale enterprises are more likely to move to capture market opportunities and feel is always required to satisfy the consumer with a product or service produced. So there is a saying that "small is beautiful" was correct because the survival of small-sized enterprises (small business) is quite high at the time of and after the economic crisis so it is worth if the entrepreneur is the hero of Indonesia the economy in this country.

The tendency of the shrinking job due to the many large companies are restructuring and efficiency in response to environmental changes in the socio-economic changes which have moved the small company was praised for having a competitive advantage. With the size of the relatively small scale then enables small businesses to follow the ebb and flow swiftly moving market.

Entrepreneurial groups considered to have a crucial role in the dynamics of economic growth and prosperity of society. This crucial role is in the tide and ebb of the economic system of Indonesia, so then many people realize the presence of this group as an appropriate means to provide appropriate and quality services to meet the needs of the community which will further improve the welfare of the community because it can also cope with unemployment and the narrowness of job vacancies available in the labor market.

The study of the personality traits of an entrepreneur indicate the presence of a large number of properties successfully explored. Various characters show the values of entrepreneurship and entrepreneurial behavior that led to the successful



achievement of goals. From several previous studies and the literature there are at least three dimensions of personality that is owned by an entrepreneur (Hunter, 2003):

Need for achievement, in which a person is deemed to have a high need for achievement if he has the desire to do better, or he considers a better achievement is important. According to McClelland in the early mid 1960's stated that the key to entrepreneurial behavior in the direction of achievement motivation (Hunter, 2003).

Locus of control the degree or extent to which individuals feel confident person has the ability to control their own destiny. So the higher the confidence of individuals to control their own destiny, it can be said that the individual has a high locus of control as well.

Risk taking , in the context of the person running the business produces a variety of ideas at the time the chances of success are low. There are a number of previous studies that support the ideas associated with the ability to accept risk as a primary factor in the character and function of entrepreneurship. The action taken is not only based on speculation but rather a mature risk calculations. Which means the real entrepreneurs are always willing to take moderate risks, meaning that the risks taken are not too high nor too low. Courage to face the risks that are supported by a strong commitment, encourage entrepreneurs to continue striving to find opportunities to get results.

Zimmerer (1998) also defines entrepreneurship as the application of creativity and innovation activities to solve the problem and attempt to exploit opportunities facing every day. So it can be said that entrepreneurship is a combination of creativity, innovation, and courage to face the risks undertaken by way of hard work to establish and maintain new business.

There are some characters that have entrepreneurship as expressed by Zimmerer and Scarborough (1998) :

Desire for responsibility, namely to have a sense of responsibility for those businesses that do. Someone who has the sense of responsibility will always be introspective.

Preference for moderate risk, which prefers a moderate risk, meaning that he always avoids the risk, either too low or too high risk.

Confidence in their ability to success, that believes in her ability to succeed.

Desire for immediate feedback, which always requires immediate feedback

High level of energy, the passion and hard work to fulfill his desire for a better future.



Future orientation, that is future oriented, perspective, and far-sighted.

Skill at organizing, which has a skill in organizing resources to create added value.

Value of achievement over money, that is more respectful of achievement rather than money.

THE ROLE OF SMALL AND MEDIUM ENTERPRISES IN INDONESIA

Small and Medium Enterprises (SMEs) in Indonesia provides a very important role. There are three reasons to develop SMEs :

to absorb a lot of medium-sized industrial workforce

to absorb much labor households generally make small and medium industries intensive in the use of local natural resources.

Moreover, in a rural grow many small medium industries will lead to a positive impact on increasing the amount of labor, reduction of poverty, equity in income distribution and economic development in rural areas (Kuncoro, 1996).

Table 2 Non Oil Export Value in 2003 and 2004 (IDR. Billion)

Business Scale	2003		2004	
	Value	Share	Value	Share
1. Small Business	19.941	5,21	23.776	5,17
2. Medium Business	57.156	14,94	67.904	14,77
3. Small and Medium Business	77.097	20,15	91.680	19,94
4. Large Business	416.139	79,85	368.019	80,06
Total	382.534	100,00	459.699	100,00

Source : BPS, 2005

RESEARCH METHODS

Data Collection Method

Referring to the research objectives and the identification of problems, this study collected data and information both primary data collected directly by the research team as well as secondary data obtained from related agencies or publications. Observations were made directly in the business unit to determine the production and business conditions, especially for capturing information related to the obstacles encountered.

We collected more primary data using questionnaires, observation and semi-structured interviews. Therefore, the study created questionnaires designed to be left



and filled by the participants (drop off method) but at the same time also act as a guide for data collection enumerators to collect data (method assists people).

Data Types

Data collected are classified by categories of compliance with the characteristics of SMEs and entrepreneurs or craftsmen level category. Further data were tabulated based on the classification assigned. Data is processed in a spreadsheet so you can easily do further processing with a variety of other statistical applications programs.

Population and Sample

In this research, population was pottery craftsman or entrepreneur who lives in the industrial district is located in Kasongan , Bantul, Yogyakarta. People who run their business activities in the center of pottery Kasongan , then the unit of analysis is the study of craft or artisan SMEs and entrepreneurs who have business units in the center of pottery industry in Kasongan.

Participants

Participants were 98 artisan consisted of 15 participants came from craftsmen level I, 43 participants came from craftsmen level II and 30 participants came from artisans including level III (traditional craftsmen), who completed the survey. Participants were selected by the purposive sampling method with the sampling criteria: (1) craftsmen who run the daily activities at the center of pottery in Kasongan (2) craftsmen who produce products that are associated with either the traditional patterned pottery, art, as well as product mix, (3) located live or have activities related to the cluster observed in the study area

Method

Descriptive analysis remains a lot of analysis that will be used throughout this study. Data were processed and presented in the form of frequency distributions, cross tabulations, is presented based on similar characteristics or compared to understand the phenomenon of contrast, or treated to be easily used for the processing of descriptive statistical analysis .

DISCUSSION

Classification of Pottery Craftsmen in Kasongan

The results of this study indicate Kasongan pottery craftsmen can be classified into 3 (three) groups, namely pottery craftsman level I, level II pottery artisans and craftsman pottery III level. Classification is based on the managerial aspects such as



products, location, marketing, leadership and human resources and production activities carried out.

Craftsmen level I is the craftsmen who already have good managerial skills, has a showroom on the main street location Kasongan pottery centers and export-oriented. Craftsmen level II is a craftsman who owns a shop or showroom fixed and is usually located on the main street or the center of strategic places around the center. Their products have a style of art products. They have business management skills are sufficient to simple management. And Craftsmen level III is the highest number of craftsmen in pottery centers in Kasongan. Those who were hereditary craftsmen running the profession as well as inheriting his parents' business. Next craftsmen III level are then referred to as traditional craftsmen

The traditional craftsmen (Craftsmen level III) only made many traditional items, but in line with the changing times there are many craftsmen who used to work just as odd jobs then able to manage fine pottery business and run it as a major work. They pursue his efforts for many years and even a business that was inherited by his parents. And until today, they still continue the business of life depend on even some pottery business.

At first, the pottery was limited to meet the needs of household or kitchen utensils such as pots (the rice), pitcher (drinking water) and Anglo (the cook), then have evolved into one of the craft products that are of interest for tourists souvenirs or decorations in the home such as flower vases, pots, ashtrays and other trinkets pottery.

Based on the pattern of products produced pottery craftsmen can be classified into 3 groups as follows:

The craftsmen who make traditional-style goods

The craftsmen who create art products

A group of craftsmen who make the product mix

Under the ownership of production units run by the group of craftsmen can be classified as follows:

The group of craftsmen who have a shop or showroom as well as its own production unit is located is different from his showroom

The group of craftsmen who have a shop but do not have their own production units. This artisan group received many semi-finished products, as well as to sub-contract if a customer orders a product from other producers in the group.



A group of craftsmen who have their own production units and are usually located on the inside of the village, but do not have a store or a showroom to display products. This group of craftsmen to produce on the basis of the order or subcontract other craftsmen.

Entrepreneurial Capacity of Pottery Traditional Craftsmen in Kasongan

Demographic Profile

Kasongan pottery industry is a business that is inherited from generation to generation so that most of the native hamlets have Kasongan main livelihood as artisans of pottery. Expertise and skills needed to become craftsmen or businessmen pottery was derived from the expertise and skill of their predecessors. So to be a craftsman or entrepreneur pottery does not require a high level of education. With the business insight and entrepreneurial spirit that limited the organization and management system is natural or what it is.

Experience of running a professional as well as running a business craftsman pottery that has been occupied by most of the traditional craftsmen of pottery has reached more than 50 years. They are the majority of the elderly over the age of 50 years. It is already past the age of childbearing age in the works, but their passion for running a business is quite high.

Entrepreneurial experience most of the traditional craftsmen of pottery obtained from generation to generation, they have a relatively long time to his job as an artisan pottery when assisting parents in managing a similar business before. Work experience in making pottery and pottery business management experience is heavily influenced by the environment and heritage expertise of parents.

Location

Based on geographical aspects, the majority of participants felt that the existence of the business unit in the center of pottery industry in Kasongan including the strategic location of choice, despite their efforts to find the unit is not easy because most of them do not have a showroom. Semi-finished goods are placed in front of the craft outlet or their workshop which is also their home.

Most of the craftsmen of this level has a place of business roadside village, with a further distance from the center into a center for pottery. Business units as well as a workshop or workshops of pottery clay, a stool, large flower pots, and the products of the conventional (brazier, cool, ashtrays). previous years.

Product innovation, technology and production process

Their production of goods and traditional semi-finished art, such as vases / pots, statues, piggy banks, ashtrays, shower water, a stool, ornate roof. Crafts are



simply decorated with ornaments and a touch of (forms) and traditional Javanese. However, it has not done coloring and finishing touches. Craft products tend to be conventional, according to customer orders and that only sold in domestic market. Craftsmen do not dare take the risk of producing craft out orders, citing a high risk if the product is sold.

The production process starts from raw materials to intermediate goods. The production process is performed in three stages, the first product formed in accordance with what the desired product. After the product was allowed to harden and then decorated with simple ornaments. Although the producers have an educational background that is relatively not so high but the majority had attended management training needed to improve management of its business.

They had attended management training courses organized by the government, department or other private institutions that have the attention on improving the performance of small and medium businesses in the center of pottery Kasongan. They realize the demands of competition and marketing of quality products required to have skills in production techniques, marketing techniques and the development of product design.

The majority of craftsmen still use production methods and technologies that are relatively traditional and relatively few are adopting new technologies with new production processes. It deals with the mastery of technology and thier skills needed in the production process of making pottery is a skill and expertise that is dropped down. Therefore, the craftsmen still feel comfortable with using the method, manner, or the traditional technology that has been enough to help smooth the process of managing the company.

Scope of marketing and communications

These products are marketed through a vendor or business that already has its own showroom (level II artisans and craftsman level I). Their market orientation is the domestic market with consumers who are in Bantul and surrounding areas. They do not use the promotional media such as brochures, business cards and leaflets, or participated in numerous exhibitions in communicating their products.

They often also sells products directly in the market by using wind transport of bicycles and carts. But some traditional craftsmen do not provide a means of distribution that is usually private, the consumer takes delivery of its own and make the product purchased. The shipping cost is usually borne by consumers.

Pricing strategy is based on the calculation of production costs by taking advantage of the difference between production costs and selling prices. Price range is



very cheap product that is like the brazier, cool, and pot is sold at prices ranging from Rp. 4000, - USD. 10.000, -

Managerial and human resource activities

Most of the craftsmen in the center of traditional pottery craft industries Kasongan managed by individuals who act as owners and managers. In its efforts to manage they use of labor from family or relatives. In business management, they involve other family members, whether they live in a home or other family members who do not live at home, to assist the management of daily business. In the management of their business still involves a number of family members. The number of workers on average less than 5 people and usually involve family members to help manage day-to-day business. If, to get orders that exceed the capability of production, producers will request the assistance of relatives and neighbors of the craftsmen.

Various phenomena appear above the background is strongly influenced by formal and informal education which in turn will affect the patterns of thought and rationality in managing their business. The higher the skill and knowledge in managing the business will greatly affect their lives in the future. More experience is gained from the environment and enhance the ability of parents and employers craft to strengthen the resolve to start their own business and make it as a major professional.

Access to the source of funding

Craftsmen prefer to borrow capital from family members. Craftsmen say that the government has indeed been instrumental in helping their businesses, but the impact is not so great. So is the cooperative effort is not so much help. That's because capital funding through a cooperative can only burden them with high interest rates and loan repayment period is limited.

There are several reasons the craftsmen have low access to use financing from the bank:

Craftsmen afraid not be able to pay interest and principal in accordance with a predetermined payment schedule.

Profits will decline due to pay interest on the loan while they find it difficult to raise prices by increasing production costs.

Inability to meet the formal requirements to borrow money in the bank, for example, making a business proposal, have a guarantee and some administrative completeness to borrow money in the bank.



CONCLUSION

Urgent problems faced by the artisans after the earthquake are the problems associated with working capital. They are also less willing to take high risk decisions like the decision to create new products that have not been there in the market and the decision to apply for credit financing through financial institutions.

They tend to use their own capital, the rest use external funds. They prefer debt to relatives or close family. They also do not like to use the access to capital through banks, cooperatives and other financial institutions. This is often the weather conditions greatly affect the outcome or product that they produce so that they feared not afford to pay back money he had borrowed.

They still use traditional marketing methods that are developed from generation to generation. Products they sell in the domestic and ordinary to get customers just by relying on word of mouth alone. And product sales were also helped by the presence of the mediator or middleman who became a liaison between the traditional craftsmen with the end consumer.

They still use production methods and technologies that are relatively traditional and relatively few are adopting new technologies with new production processes. They still feel comfortable with using the method, manner, or the traditional technology that has been enough to help smooth the process of managing the company. They did not dare to innovate to produce new products for fear of being disliked by consumers, so their attitude is to wait if there are orders from other manufacturers or produce a variety of existing products.

Actually, traditional pottery artisans in good spirits, they have had the commitment and high intensity in the pottery business every day. However, because on average they are aged over 50 years, it tends to be "nrimo", and less strong motivation to improve its lot in the future. They hope the business will be continued by future generations. But it seems to be difficult for children because they do not like the pottery business is considered less attractive and less profitable to run a business so it becomes less attractive to the next generation.

However, given the role and contribution of Small and Medium Enterprises (SMEs) in the period of economic crisis where SMEs is seen as the savior of the valve in the process of national economic recovery. Then the presence of small household industries particularly of traditional pottery artisans in Kasongan industry be an important part in strengthening the regional economy and the performance of the creative industries, especially in Bantul, Yogyakarta, Indonesia .

Maps the real issues faced by traditional craftsmen in pottery craft center is also linked to the phenomenon of deindustrialization in Yogyakarta, resulting in



decreased productivity of SMEs in particular after the earthquake disaster, the demands of global competitiveness and a decline in demand due to global financial crisis. Handling the problems of poverty faced by traditional craftsmen in the industrial pottery Kasongan, requires a study that tried to raise the root problem behind the symptom or economic phenomena facing the traditional artisans and traditional craftsmen developed a variety of limitations.

Therefore we need a review of policy models and strategies to build the entrepreneurial capacity of traditional craftsmen in order to compete in the competitive global market in terms of poverty reduction and strengthening of regional economic structures. This model is further made reference to mentoring and coaching of traditional pottery artisans to achieve increased prosperity in the long term and would strengthen the structure of the creative industries both locally and nationally.

REFERENCES

- Astamoen, Moko P (2005), *“Entrepreneurship dalam Perspektif Kondisi Bangsa Indonesia”*, Penerbit Alfabeta, Indonesia
- Davidsson, P., Kirchoff, B., Hatemi-J, A., dan Gustavsson, H., (2002), “Empirical of Business Growth Factors Using Swedish Data”, *Journal of Small Business Management*, 40 (4), pp. 332 – 349
- Glancey, K., (1998), “Determinants of Growth and Profitability in Small Entrepreneurial Firms”, *International Journal of Entrepreneurial Behaviour & Research*, 4 (1), pp. 18 – 27
- BPS.(2005),*“Profil Industri Kecil dan Kerajinan Rumah Tangga: Tahun 2004”*, Biro Pusat Statistik, Jakarta
- Galloway L, Kelly S, Keogh W (2005), *“Identifying entrepreneurial potential in students, Working paper series”*, Institute for Small & Entrepreneurship
- Hisrich, Robert D, (1986) , *“Entrepreneurship and Intrapreneurship: Methods for Creating New Companies That Have an Impact on the Economic Renaissance of an Area”*. In Entrepreneurship, Intrapreneurship, and Venture Capital ed. Robert D.Hisrich, Lexington, MA: Lexington Books,
- Hunter Andrea Smith,(2003), *A psychological model of entrepreneurial behavior*, Journal of the Academy of Business and Economics,
- Kuncoro, Mudrajat dan Anggito Abimanyu(1995),*“Struktur dan Kinerja Industri Indonesia dalam Era Deregulasi dan Debirokratisas”*, Kelola , Indonesia, No.10/IV/1995.
- Kuncoro,Mudrajat.(2001),*“Metode Kuantitatif: Teori dan Aplikasi untuk Bisnis dan Ekonom”*, . Yogyakarta: UPP-AMP YKPN.
- Kuncoro, Mudrajat (2006),*“Stop Deindustrialisasi DIY”*, Kedaulatan Rakyat



- Kuncoro, Mudrajat dan Irwan A.S (2003) "*Analisis Formasi Keterkaitan , Pola Kluster Dan Orientasi Pasar : Studi Kasus Sentra Industri Keramik di Kasongan Kabupaten Bantul D.I Yogyakarta*", Indonesia, Jurnal Empirika Vol 16 No 1
- Robert. L Malthis, John H Jackson, (2002) *Manajemen Sumber Daya Manusia*, Penerbit Salemba, Bandung, Indonesi
- Sudisman,U. Dan Sari,A.(1996), "*Undang-Undang Usaha Kecil 1995 dan Peraturan Perkoperasian Indonesia*". Jakarta : Mitrainfo.
- Sjaifudian , Hetifah,Dedy Haryadi, Maspiati (1995), "*Strategi dan Agenda Pengembangan Usaha Kecil*", AKATIGA,Bandung.
- UPT Sentra Kerajinan Keramik (2002). "*Sekilas Tentang Sentra Keramik Kasongan Bangunjiwo , Kasihan, Kabupaten Bantul*", Yogyakarta, Indonesia
- Zimmerer. Thomas W (1998) , Scarborough Norman M. , *Essentials of Entrepreneurship and Small Business Management*, 4/e