

Analysis of Transformation and Innovation towards E-Smes in the Pandemic Era to Create Village Economic Independence (Study on Lebak Regency, Banten)

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Abstract

This research is a qualitative descriptive study that aims to find out how to map the potential, information and market access of the village market as a medium for marketing MSME products. To find out the causes of weak capacity development and village performance. To find out the strategy carried out by the village government in Lebak in the transformation and innovation of Marketing SMEs towards e-Marketing SMEs to realize an independent village, The population in this study is MSMEs in the village of Lebak Regency. The research was conducted by taking samples. as many as 150 respondents, with probability sampling method, especially simple random sampling. The results of the research findings from Mapping the potential of village MSMEs in the Cileles Sub-district, Banten during the Pandemic where MSME actors need more intensive education to small entrepreneurs about the procedures for selling online. Where, the success rate of MSMEs selling their products through digital platforms is still low, which is only 4%-10%.

Keywords: *e-UMKM, transformation, MSME innovation, independent village*

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I. Introduction

The essence of the development goal is the creation of a just people's welfare. These efforts are pursued through various programs that touch all communities & all corners of the region. The results of the development are expected to be enjoyed equally by all levels of society. such as education, health, economy, politics and culture. In Indonesia, especially in villages, to see how developed & developing a village is to see from its status. Village status to be known through village progress & independence is determined based on the developing village index, village status classification of Micro, Small and Medium Enterprises Existence

UMKM indeed there is no doubt because it has proven to be able to survive & become the driving force of the economy, especially after the economic crisis. It is evident that during the 2009 economic crisis, the MSME sector only decreased by 12 percent, while the main sector, such as oil, decreased by 40 percent (Restrepo & Ivan, 2015). This makes MSMEs as the leading economic power owned by the state, especially Indonesia. MSMEs make a significant contribution to the national economy. It was recorded that the contribution of MSMEs to the national GDP in 2009-2013 reached 57.6 percent, through an average growth of 6.7 percent (Bappenas, 2018). This contribution does not have an impact on national GDP only, but on job openings & allocation of employment opportunities. capita is for the community. The capacity of MSMEs in the absorption of labor in 2011-2015 has increased, namely an average of 5.9 percent, where in 2015 the number of workers reached more than 132.3 million people (Bappenas, 2016). A very good trend is owned by MSMEs on the wheels of national economic strength to become a real consistency in sustainable economic development. Behind the existence of strong MSMEs, MSMEs are still facing problems, namely limited working capital, low human resources, & lack of mastery of science and technology (Suryanto 2017). Another obstacle faced by MSMEs is linkages through unclear business prospects and planning. This happens because in general MSMEs are income gathering, namely increasing allocations, through the following characteristics: are family-owned businesses, use relatively simple technology, lack access to capital markets (bankable), & there is no separation of business capital through needs personal. The government through the Village Building Index (IDM) places the initiative & strong community capacity as the main basis for the process of progress & empowerment. The village covers aspects of social, economic & ecological resilience. These crucial problems further hamper the development of the MSME sector as a support for the national economy, so the index is focused on efforts to strengthen village autonomy through community empowerment. One of them is MSMEs in Village, Ke.Cileles, Lebak Banten, which has many obstacles experienced by MSME actors in the village. The village has a lot of potential which, in the forest area, is still not exploiting the existing potential. Village status to be known through village progress & independence is determined based on the developing village index, the classification

of village status includes independent villages, developed villages, developing villages, underdeveloped villages & very underdeveloped villages. Independent village is the highest village status among the other four statuses, where independent village has an increasing level of community welfare & low poverty. In general, villages far from the center of government have a high level of poverty. However, this does not apply to the village of Ke.Cileles, Lebak, Banten. The distance from the village to the sub-district is 5 km, while to the district it is 16 km. However, the village in Cileles sub-district has the status as a poor village and one of the poor villages is in Cileles sub-district. The phenomenon is seen by researchers as an opportunity to advance the village. So that the Village in Cileles District becomes a prosperous village through a declining poverty rate from year to year. This is the background for the author to be interested in researching further about the transformation & innovation of MSMEs towards e-MSMEs in the Village in Cileles District so that it successfully holds the title as an independent village.

The problems faced by these MSMEs are described as follows:1). How is village MSME potential mapping during the Pandemic?2). How is information & market access to village markets as a medium for marketing MSME s products?3.) What are the causes of weak capacity development & performance of village MSMEs?4). What is the strategy of the village government in realizing MSME transformation & innovation towards e-SMEs to create an independent village?

THEORETICAL BASIS

Potential of Village SMEs

The potential of village MSMEs as a driver of the people's economy has the understanding that the growth & development of the village economy will be able to optimize the utilization of available local resources. This shows that the potential of village MSMEs should be prioritized on optimizing the use of local resources, both natural resources and existing potential. The achievement of the optimization development leads to the management of village potential as the basis for driving the people's economy in a synergistic system. Development of villages & rural areas based on local potential comprehensively is an important factor for regional development, poverty alleviation, & reduction of disparities between regions (Ministry of Village, Development of Disadvantaged Regions & Transmigration, 2015).

Innovation in Entrepreneurship

Innovation is seen as a creation & implementation of new combinations. The term is intended to refer to a product, service, work process, market, policy & new system . According to Hills & Gerald , innovation is defined as an idea, practice or object that is considered new by an individual or unit of users. The ability to create something new is a novelty to solve a problem or provide a difference through the previous to achieve the desired target

There are a number of alternatives to be taken to realize an independent village as a manifestation of Law no. 6/2014 concerning Villages, namely:

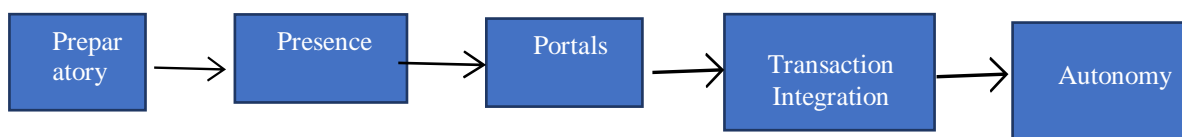
a. Carry out mapping of village potential & market networks to be managed to become a source of village economy & community economy.b. Applying the method of coaching & mentoring or direct assistance to implement village government acceleration & village government administration arrangements.c. Building synergy between village development planning through regional planning and national planning.d. Building village governance into a modern organization based on village culture.

Therefore, a proper strategy for development is needed for the realization of an independent region. There are a number of alternatives to be taken to realize an independent village as a manifestation of Law no. 6/2014 concerning Villages, namely:a. Carry out mapping of village potential & market networks to be managed to become a source of village economy & community economy.b. Applying the method of coaching & mentoring or direct assistance to carry out the acceleration of development in aspects ofc. socio-cultural, strengthening village government capacity & structuring village government administration.d. Building synergy between village development planning through regional planning and national planning.

e. Building village governance into a modern organization based on village culture

Stages of MSME Transformation Towards e-MSME

The addition of the Independence Stage, which was launched after the IT Stage, is intended so that MSMEs are able to be independent to improve their abilities & capacities in doing business online, and invite other MSME actors to actively participate in transforming into e-MSMEs ready & able to do online business (through e-commerce) consistently. In general, the stages of the transformation of MSMEs towards e-MSMEs in Indonesia are described as follows:



Preparatory Stage (preparation)

The Preparatory stage is the preparation stage carried out to prepare MSMEs to be transformed into e-MSMEs ready to do online business consistently & independently

Presence Stage

The Presence stage is the initial stage for MSME actors to enter the world of e-commerce. One of the requirements to be applied is that the participants of the activity at the stage are at least the participants of the advocacy or discussion activities first.

Portal Stage

For MSME actors in Indonesia, the portal stage is the stage of developing MSME actors to be able to communicate in two directions through email. The internet is manifested in the form of active communication via email or active two-way communication through websites or web marketing

Transaction Integration (IT)

The IT stage is one of the most important stages, because it is at this stage that MSME actors begin to enter the world of online business (e-commerce) in real terms. Stage is the stage where financial transactions occur as a follow-up to buying and selling transactions between traders (MSME actors) through buyers

Autonomy Stage (independence)

After successfully reaching the IT Stage, MSMEs have transformed into e-MSMEs. They are expected to have the ability & courage to compete in online business (e-commerce) in cyberspace as well as to encourage & invite other MSMEs to be ready & able to do business online so that the number of e-MSMEs is getting bigger.

II. Research Methods

The type of research used in this research is through a qualitative approach. A qualitative approach is a research method based on the philosophy of post-positivism, used to examine the condition of natural objects (Sugiyono, 2014).

Data collection techniques

Data collection activities are carried out conditionally by paying attention to the condition of the research object & situation. Researchers in conducting research using three methods of data collection, namely observation, interviews, documentation.

Research Approach

The research entitled "Transformation & innovation of MSMEs towards e-MSMEs to create village economic independence (Study in the District of Chileles, Lebak, Banten) is a qualitative research. Therefore, the approach used is a qualitative descriptive approach so that it will produce descriptive data in the form of written words.

Research Subjects & Objects

The object of the research is what is the point of attention in a study. The object of the research is first, to focus on the strategy passed by the village government in Cileles sub-district in carrying out the transformation of MSME management & innovation towards e-UMKM to create an independent village. Second, the results of the development transformation are seen from the subject index.

Data Analysis

In analyzing the data the author uses the Miller & Huberman method. Technically carried out through using data analysis techniques includes three concurrent activities as follows.

a. Data reduction

Data reduction is a process of selecting, focusing, abstracting & transforming rough data from the field. The process takes place during the research carried out, from the beginning to the end of the study.

b. Data presentation

Presentation of data is a collection of structured information and provides the possibility to draw conclusions and take action. The forms of presentation include narrative text, matrix, network & sections. The aim is to make it easy & read the conclusion.

c. SWOT Analysis & create IFAS & EFAS Matrix

d. Drawing conclusions or verification

At this stage, the writer makes the formulation of related propositions through logical principles, lifts them up as research findings, then proceeds through repeated review of existing data, data groupings have been formed & propositions have been formulated.

III. Discussion Result

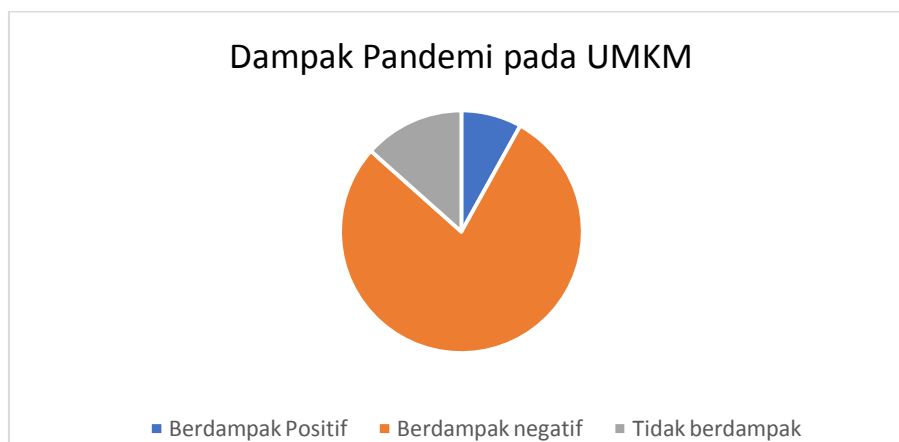
In general, the character of the people in Lebak Regency is to accept new things to support economic development, including investment from inside and outside the country, through the requirement to be involved in carrying out activities.

Small Industry Commodity Potential Data

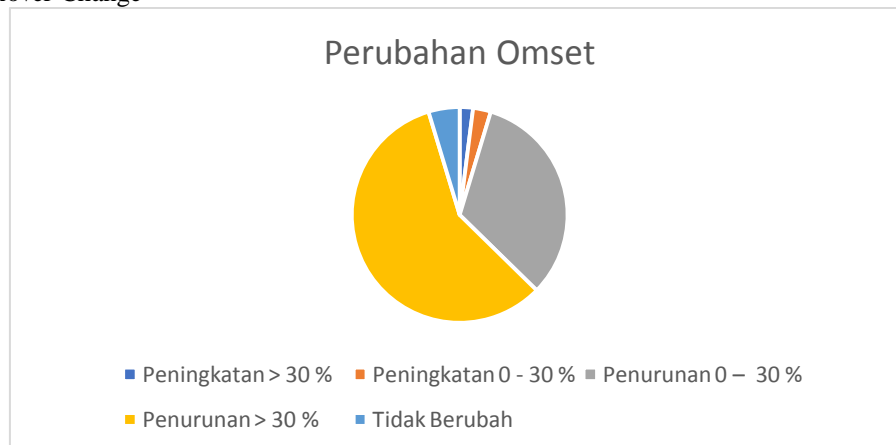
1. Palm sugar 2. Emping melinjo 3. Brick 4. Tile 5. Pandan mat 6. Woven bamboo 7. Blacksmith 8. Fossil rock 9. Banana sale 10. Faux leather craft 11. Tofu/tempe 12. Banana chips 13. Workshop (Machine Shop)

2. The Impact of the Pandemic on Business

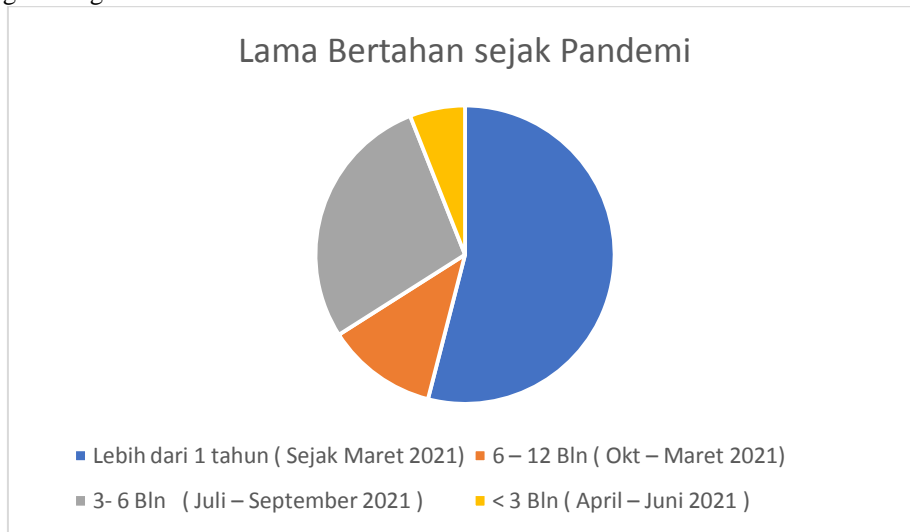
The phenomenon is illustrated in a survey of researchers on MSME actors in the Cileles district in the last June period. The survey results show that only 8.07% of MSMEs are able to reap profits amid the pandemic. But on the other hand, there are 78.52% of business actors affected. negative. pandemic. Yes. 13.41% not. impacting.



3. Turnover Change

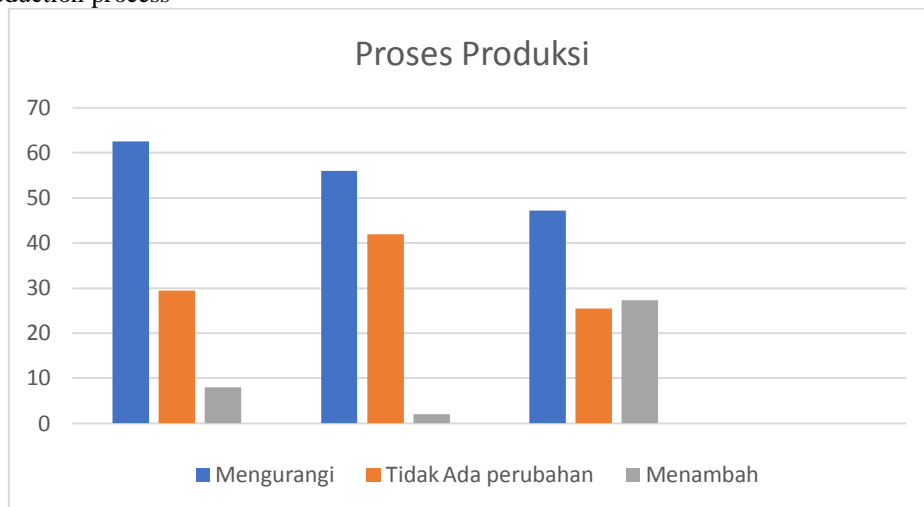


4. Long Lasting Since the Pandemic

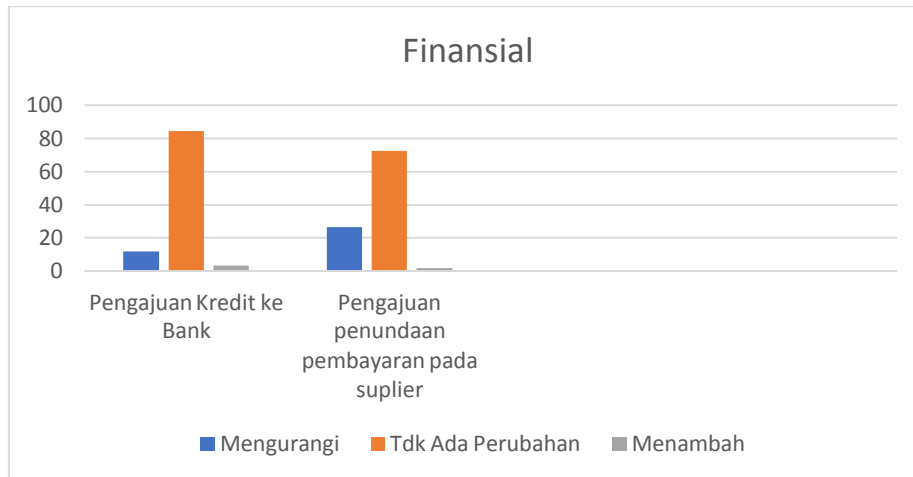


The situation caused business conditions to deteriorate from before the pandemic period. The survey noted that 54% of MSMEs had very bad/bad business conditions. Meanwhile, only 12% admitted that their business was in very good/good condition. Researchers also found that MSMEs were still able to survive beyond March 2021. However, about 28% admitted that they only had to survive for the next six months. Meanwhile, 6% of MSMEs stated that they could only survive for less than three months and were forced to go out of business if the conditions were still not improving.

5. Production process

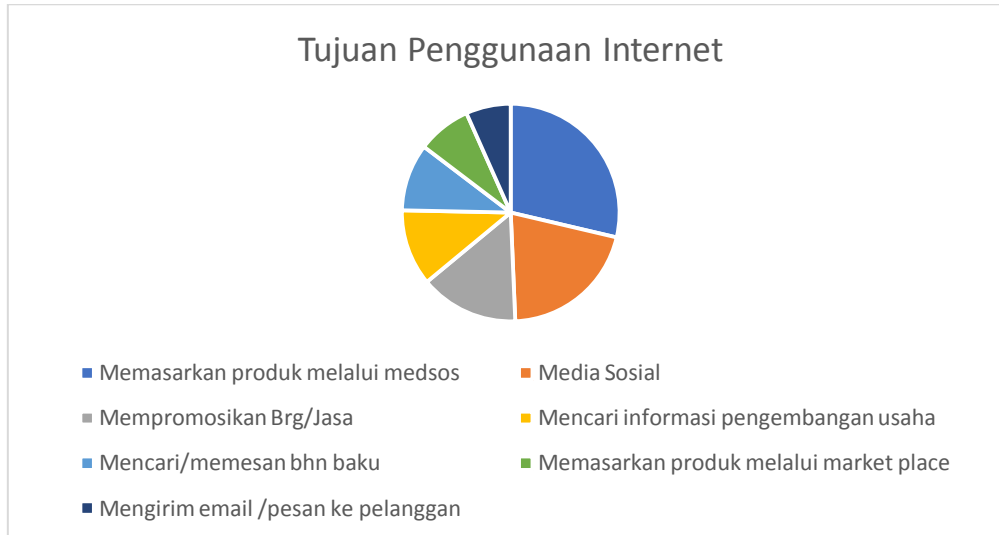


6. Financial condition

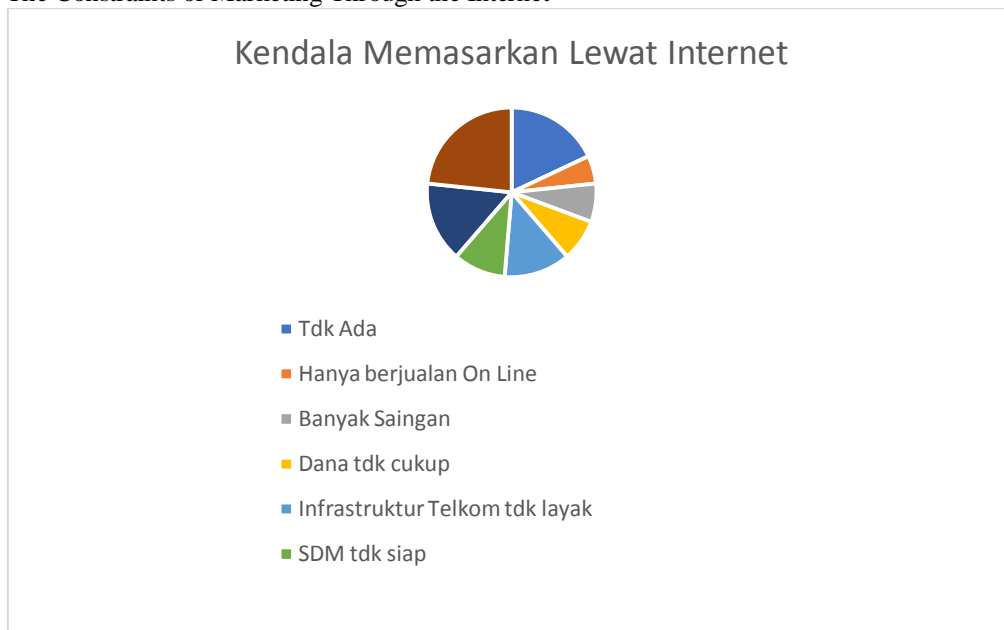


7. The purpose of Internet market access in running a business

The survey results show that MSMEs that have made online transactions are less affected by the negative impact of the pandemic than they are still selling directly. However, digital transformation is not always smooth because not all MSMEs are ready to run their businesses digitally. In the Digital Readiness Index compiled by researchers, it is known that the digitization of MSMEs is strongly influenced by perceptions of optimism & competence in using the internet. better prepared for digital transformation. This is proven by the greater the turnover generated, the higher the index value. The unpreparedness of MSMEs to carry out digital transformation is not without reason. There are several obstacles they face in the transition to digital platforms. For example, there are 35% of consumers who are not able to use the internet. Then 19% complained about the poor telecommunication infrastructure they use. Meanwhile, internally, the main obstacle is the knowledge of running an online business by 23% & the unpreparedness of the workforce to use internet.15.%.



8. The Constraints of Marketing Through the Internet



The results of the research findings. According to him, there needs to be more intensive education to small entrepreneurs about the procedures for selling online. Where, the success rate of MSMEs selling their products through digital platforms is still low, which is only 4%-10%. "I think the conditions are quite severe & there needs to be an educational effort," in the online discussion entitled "CONDITIONS OF MSMEs in the Covid-19 Pandemic Era" without innovation & business transformation, MSMEs will find it difficult to recover from the current crisis. Especially in the digital ecosystem, many changes take place quickly, especially from the latest product trends. "The importance of training so that they don't stutter in technology, (Abimas. 2021)

9. Market Access Conditions to the City

The market is a strategic place where the supply & demand process meets. Market availability affects the level of transactions occurring. Adequate markets make it easier for market access to meet buying and selling transactions of goods & services, including turning the MSME sector into the backbone of the local economy. Trading facilities (markets) in Lebak Regency, both village markets and local government markets, continue to increase from year to year.

Number of Markets in Lebak Regency.

Regional Market = 13 Units

Village Market = 65 Units

Alfamart Modern Store = 78

Indomaret Modern Store Units = 82 Units

Alfamidi Modern Store = 2 Units

Modern Giant Store = 1 Unit

The establishment of many supermarkets and hypermarkets in the city of Lebak, Banten, has a real impact on the development of the number of suppliers in the sub-district or rural areas. The increase in the number of suppliers was eventually followed by an increase in the number of dealers, middlemen and collectors. In real terms, these improvements have had an impact on strengthening the bargaining position of farmers. Even though it is found that there are port specifications based on commodities, such as tomato dealers, coconut cities, bean cities, etc., competition between cities is still inevitable, both in bargaining and in the cooperation system (economic contracts and social contracts).

10. Causes of weak capacity development & performance of village MSMEs

Classification of Weaknesses of SMEs in Lebak Banten

Areas	Weaknesses
Education	Education owned by SMEs is relatively low
Skills & expertise	Professionalism, low technical & managerial ability
Market penetration ability scale	Low market penetration ability due to inferior products and small production scale
Capital Small business	Capital & difficult access to financial institutions

Industrial Technology	Weak due to no access to financial institutions
Business Network	Limited to inferior products & limited quantity
Business Climate	Less supportive due to competition
Facilities & Infrastructure	Do not have facilities & infrastructure

The majority of respondents are MSMEs doing business in the field of processing Lebak specialties such as tempeh chips, piang & coconut sugar. Products through this type are most in demand because they do not require large capital, both in terms of investment in equipment, labor and working capital such as raw materials. Likewise, through marketing, products are high, providing stability for continuous determination of SMEs in the food industry. Therefore, the sectors most in demand by MSME actors are located in marginal & rural areas

IV. Problem Discussion

Meanwhile, according to Borni Kurniawan in Book 5 of Independent Villages, Village Development consists of four strategies carried out to realize an Independent Village

- a. Building the capacity of citizens & civil society organizations in critical & dynamic villages. Both are important assets for the village to build sovereignty & the starting point for the creation of a village community that will later become a balancing force for the emergence of public policies that are not responsive to the community;
- b. Strengthening government capacity & dynamic interaction between citizen organizations in village governance. The strengthening of the capacity of the village government is certainly not only reflected in the technocratic ability of the village apparatus to plan development programs or activities. However, it is also reflected in the role of the Village Consultative Body (BPD) in building a dynamic policy formulation & making process. The integration of dynamic interactions between village community organizations through the village government is also reflected in various other local initiatives;
- c. Build a responsive & participatory village planning & budgeting system. Towards an independent & sovereign village requires a directed planning system supported by good citizen participation. Before Un&g- Un&g Number 6 of 2014 concerning villages was born, villages had known a participatory development planning system where the reference or legal basis at that time was Law Number 32 of 2004 concerning Regional Government. Village Administration as a technical regulation derived from Law Number 32 of 2004.
- d. Build independent & productive local economic institutions. When a lot of village initiatives grow to build local economic empowerment;

STEPS & STRATEGIES TO REALIZE INDEPENDENT & PROSPEROUS VILLAGES

The concept of building a village is based on previous experience that building a village is done through using supra-village powers. The regulation of villages based on Law Number 6 of 2014 must be understood by all groups, both the village government, the community, including the supra-village itself. The Village Law has a purpose

- a) Giving recognition & respect for existing villages through their diversity before & after the formation of the Unitary State of the Republic of Indonesia;
- b) Provide clarity on the status & legal certainty of villages in the constitutional system of the Republic of Indonesia in order to realize justice for all Indonesian people;
- c) Preserving & advancing the customs, traditions, & culture of the village community;
- d) Encouraging village community initiatives, movements, & participation for the development of village potentials & assets for mutual prosperity;
- e) Establish a professional, efficient & effective, open, and responsible village government;
- f) Improving public services for villagers in order to accelerate the realization & general welfare;
- g) Increasing the socio-cultural resilience of the village community in order to realize that the village community is able to maintain social unity as part of national resilience;
- h) Promote the economy of rural communities and overcome national development gaps; & Strengthening rural communities as subjects of development

BUILDING THROUGH A PARTICIPATORY APPROACH

The importance of participation is based on the view that through community participation:

- a) More work is achieved;
- b) There is a meaningful basic value for the community because it is based on self-esteem;
- c) Services to be provided at low cost;
- d) Encouraging social responsibility & work carried out in the right direction;
- e) Collecting & utilizing various existing knowledge in the community through combining various skills;

- f) Free people from dependence on the expertise of others;
- g) Strengthening village institutions (village government, BPD, & institutions in other villages, as well as community empowerment cadres) namely through providing capacity & understanding of the duties & responsibilities inherent in each village institution through dissemination of understanding of the substance & objectives of the Village Law & its implementing regulations ;
- h) Encouraging responsive, participatory, accountable, & transparent village planning & budgeting systems;
- i) Provide an understanding of planning, implementation & monitoring of village development, village financial management and public services through facilitation, training, & mentoring;
- j) Prepare village data & information to be used as a joint reference for village planning & development.

EFFORTS & STRATEGIES ARE NEEDED TO REALIZE A PROSPEROUS INDEPENDENT VILLAGE, AMONG OTHERS;

- a. Active involvement of youth in every village development process;
- b. Village & village support & management are completely transparent & optimal;
- c. Villages must have multi-year prosperous & independent village programs;
- d. Villages must have business opportunities & potential;
- e. The village head must have a capable & talented figure;
- f. The village is supported by adequate supporting infrastructure;
- g. Optimal & beneficial bumdesa management for villagers.

BUILDING THROUGH THE MSME DIGITAL TRANSFORMATION APPROACH

In order to carry out digital transformation through success, it is necessary to take a selective & gradual approach. Selective means that not all aspects of the food MSME business need to be digitized at once, but several aspects must be sought to become priorities at this time. Gradual means that the digitization process cannot be done suddenly, but must start from the simplest, then use standard digital technology, then use advanced digital technology such as artificial intelligence (AI) & blockchain. So the degree of digitization will be applied depending on the mastery of technology & financial resources of food MSMEs.

In order not to be misguided, it should be emphasized that the digitization of food MSMEs is certainly not just creating an online marketing platform. Furthermore, MSMEs must be able to use digital technology for various other aspects of their business. One of them is for the traceability system (traceability). Through the existence of a reliable digital traceability system, consumers can quickly search for quality, halal, authenticity & geographical indications of products. Such a system has become a necessity in the modern food business, so it needs to be immediately adopted by our food MSMEs.

Another priority aspect is the new product development system. In order to develop, MSMEs need to launch a variety of new products according to changing consumer tastes. For that we need a system that can determine what kind of product should be launched & how big the success rate is. In closing, it should be emphasized that digital transformation requires an improvement in the mindset and knowledge of all stakeholders. Only through a good mindset can we understand that digital technology has more benefits than disadvantages, especially for food MSMEs. We can no longer maintain the current state (status quo) for any reason, including unprepared human resources & limited digital infrastructure.

THE RESULTS OF INTERVIEWS WITH OWNERS & EMPLOYEES AS WELL AS MSME STAKEHOLDERS

Information was obtained about other factors inhibiting the growth of MSME businesses in Lebak Regency related to the nature (traits) & behavior (behavior) of individual entrepreneurs such as dishonesty/corruption, weak morale and fraudulent business behavior such as reducing scales, bribes, price manipulation and so on. The results of the study are in line with the findings of previous research on the bad influence of unethical behavior on business on business success. Lekhanya (2016) concludes in his research that the biggest challenges faced by small entrepreneurs in rural areas in developing their entrepreneurial abilities are bribery, lack of honesty, and other fraudulent business conducts. Behaviors such as giving the authorities the opportunity to make money in a fast & illegal way (taking bribes on permits, for example). In general, corruption has a negative impact on all fields, including MSME actors because of fraudulent behavior such as demeaning national laws, national integrity also lowers the confidence of entrepreneurs. It can be concluded that among the problems faced by MSMEs in business development are weak financial aspects; poor management skills; illegal business attitudes such as cheating, corruption; lack of infrastructure, weak bookkeeping, weak network, low ability to market access, and unsupportive business climate (generally grouped into internal & external factors).

STRATEGIC STEPS FOR MSMECILELES LEBAK DEVELOPMENT TOWARDS ENTREPRENEURS VILLAGE

- a) Conduct intensive coordination & consultation on MSME development strategies for all levels of rural society.
- b) Explain the importance of exploring the potential for regional original designation from the village development plan carried out and the impact that will result from the activity.
- c) Using a feedback approach to provide understanding & cooperation to relevant stakeholders to help provide facilities to assist entrepreneurial activities.
- d) Build public awareness of the importance of being village entrepreneurs (Village Entrepreneurs) in preparation for facing competition in the global market.
- e) Conducting training for Entrepreneurs Village candidates to be tough, independent, & reliable in the global market by the team concerned. f. The implementation of rural MSMEs towards village entrepreneurs is able to compete globally.

MSME CILELES LEBAK INNOVATION TOWARDS E-UMKM IN THE PANDEMIC ERA

The COVID-19 crisis has had a major impact on micro, small & medium enterprises (MSMEs) in various Asian countries, making the business sector very vulnerable after the global pandemic. The pandemic has had a significant impact on almost all economic sectors in Indonesia, including MSMEs, which account for 99.9% of all business entities operating in Indonesia and absorb 97% of the workforce in the country.

MSMEs may actually be best equipped to lead the way forward in digital capabilities, having multiple attributes give them a natural edge when facing the challenges ahead.

1. Agility

The 'medium' size of MSMEs is one of its great strengths. Anyone understands that even tiny mosquitoes can wreak havoc (malaria outbreaks) - the same goes for a full-fledged business landscape through disruption. MSMEs can be very agile, agile, & 'fly under the radar' as they compete through market leaders through product launches & offerings through targeted targets, tailored to meet changing consumer demands & emerging trends in the market. In addition, through the absence of convoluted corporate bureaucracy, long approval cycles, & multi-level decision-making processes indicate that MSMEs to release their new products or offerings at high speed, switch to new products or markets more easily than large multinational companies (MNCs). On the other hand, MSMEs need to be vigilant and do not need to immediately respond spontaneously (talkative) so that they ignore due-diligence research.

2. Innovation

MSMEs tend to be creative problem solvers, through innovative ideas, solutions, & game-changing concepts as the core of their business. & when 'cornered' in the market or driven to change industries, products, or processes, MSMEs can be strong change agents, not afraid to take risks, & try new breakthroughs. The crisis period usually also presents new opportunities for growth, provided that business people are observant to take advantage of them. MSMEs need to take advantage of the downturn to switch & find new work patterns, new solutions, streamline workflows, create new products, & improve existing products. Software solutions, such as Product Lifecycle Management (PLM), to help manage rapid innovation & product development in the marketplace, while grants & government solutions empower MSMEs to leverage schemes & financing strategies on make change.

3. Aware.Digital

In addition to increasing productivity, technology is also to be the main driver in empowering MSMEs to meet increasing customer demands through faster, & more consistent. Customers currently expect high quality products & services, through the same level of comfort & detail typically offered by retailers & large businesses. So, to meet customer demands, MSMEs need to leverage technology to produce highly personalized products, & offer supply chain management tools to provide the right products at the right place, as well as dynamic pricing science to stay relevant in a .highly.dynamic.on economy.

The 'medium' size of MSMEs also means that they can easily adopt multiple technologies across their operations & overhaul old systems - with no waiting times & long iterations - to eventually reap the rewards of their investment faster. Contrary to MSMEs, which have many characteristics, position themselves to continue to move (survive) in the midst of uncertain times, & to be prepared to remain successful in the midst of a fast-moving digital economy situation. Fortunately, modern software serves to amplify this through an easily configurable & scalable system that allows MSMEs to maintain their agility, while providing intelligent, data-driven insights to inform business opportunities for growth.

V. Conclusions & Suggestions

CONCLUSION

1. Research findings from Mapping the potential of village MSMEs during the Pandemic MSME actors need more intensive education to small entrepreneurs about the procedures for selling online. Where, the success rate of MSMEs selling their products through digital platforms is still low, which is only 4%-10%.
2. Information & market access to village markets as a medium for marketing MSME products. High market access in Lebak Regency will be created if the internal enthusiasm of the population (including farmers) is high and is supported through facilities and high quality of public services. The trend is that high market access is measured based on the distance from the location to the public service centers (public service) which are spatially identical through the provincial capitals and district/city capitals.
3. The causes of the weak capacity development & performance of village MSMEs Internal Dimension Factors, Limited capital, Limited HR capabilities. Weak business network & market access. Adaptation of technological innovation Operational constraints (marketing & inventory control) Administrative constraints (bookkeeping & management in general), External Infrastructure/Infrastructure, External Infrastructure/Infrastructure, Regional Autonomy Globalization Business Climate, Main Problems faced by SMEs in business development is limited capital.
4. The village government's strategy is to realize MSMEs Transformation & Innovation towards e-MSMEs to create independent villages. Mandiri Sejahtera Village if the village has three indices in it, namely the social resilience index, economic resilience, and ecological resilience. Each index has its own dimensions & indicators. Realizing a Prosperous Village requires planned, directed, and measurable strategic steps, so as to facilitate monitoring of its development & progress. The last program aimed at MSMEs is expected to accelerate digital transformation, for example connecting through the marketplace so that they can survive & grow during the pandemic. By embracing e-commerce & adopting digital tools, MSMEs are also able to communicate through stakeholders, work collaboratively & remotely, and optimize & streamline their workflows.

VI. Suggestions

MSME Development Strategy in Rural Areas, especially Lebak Banten. Rural community development is directed at rural development programs & activities as a whole in terms of the economy, here are several strategic options for empowering MSMEs, namely:

1. Ease of Access to Capital One of the problems faced by MSMEs is the aspect of capital. The slow accumulation of capital among micro, small and medium entrepreneurs is one of the causes of the slow pace of business development and the low business surplus in the micro, small & medium business sector. The capital factor is also one of the reasons for the absence of new businesses outside the extractive sector. Therefore, the empowerment of MSMEs in Cileles Lebak in the aspect of capital is important and must be done.
2. Business Infrastructure Development Assistance to encourage productivity & encourage business growth, will not have any significance for the community, if the products are not marketed, or even if they are for sale but at very low prices. Therefore, an important component of the MSME empowerment effort in Cileles Lebak is the development of production & marketing infrastructure. The availability of marketing & or transportation infrastructure from the production site to the market, will reduce the marketing chain & will ultimately increase the acceptance of farmers & micro entrepreneurs, small entrepreneurs, & medium entrepreneurs.
3. Business Scale Development Economic empowerment of the poor was initially carried out through an individual approach. Then if the individual approach does not give satisfactory results, the approach taken is the group approach. Through groups, they can build power to participate in determining distribution. Grouping or organizing the economy is directed at the ease of obtaining access to capital to existing financial institutions, & to build economies of scale. Another institutional aspect is the partnership between business scale & type of business, goods market, and production input market. Institutional aspects are important to be addressed in the context of community economic empowerment in Cileles Lebak.
4. Business Network Development, Marketing & Business Partnerships Efforts to develop business networks are carried out through various network patterns, for example in the form of sub-contract networks and cluster development. Such network patterns have been formed but in reality it is still not running optimally. The pattern of business networks through sub-contracts to be used as an alternative for the existence of MSMEs in Cileles Lebak.
5. Human Resource Development is an important factor for every business, including in the small business sector. The success of small-scale industries to penetrate the global market or face imported products in the domestic market is determined by the ability of the actors in these small industries to develop their business products so that they continue to exist. The main weakness in developing Micro, Small & Medium Enterprises in Cileles Lebak is the lack of human resource skills. Management there is still relatively traditional. Therefore, in the development of MSMEs, it is necessary to increase training both in the aspects of entrepreneurship, administration & knowledge and skills in business development.

6. Increasing Access to Technology. Mastery of technology is one of the important factors for the development of Micro, Small, & Medium Enterprises. In developed countries, the success of small and medium enterprises is determined by the ability to master technology. Strategies that need to be carried out in increasing access to technology for the development of MSMEs in Cileles Lebak are to motivate various technology research institutions to be more oriented towards improving technology as needed, developing design innovation centers according to market needs, developing extension centers & technology diffusion more spread to Micro Business locations, Small & Medium

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