

IMPLEMENTING INNOVATION STRATEGIC AGAINST SUSTAINABILITY BUSINESS ON THE MICRO, SMALL AND MEDIUM ENTERPRISES

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ABSTRACT

Innovation strategy on the sustainability business is the integration of economic, environmental and social aims into a firm's goals, activities and planning, with the aim of creating long-term value for the firm, its stakeholders and the wider community society. This means that the innovation strategy is being formulated and implemented so that the needs of the firm and its stakeholders are met today, while protecting, sustaining and enhancing the natural resources that will be needed in the future. The creation of a sustainable, just and equitable economy will require the fundamental shifts in the way of businesses operation. Businesses, in particular, will bear the same responsibility for many of the social and environmental problems which is currently afflicting the society, such as exploitative working conditions, or the destruction of habitats. The core aim of conventional business strategy is the production of economic value generally profits for the short to medium term. These innovation strategies aim to create value for a narrow set of stakeholders primarily, owners and shareholders. Indonesia as one of the developing countries which is still implementing the protection for the micro, small and medium industrial. Micro, Small and Medium Enterprise (MSME) become the backbone of the economy. Government has tried hard to improve and maintain the MSME as the local industrial. The local government has categories MSMEs into some sector such as home industry, trade, agriculture, food, fishing, handicraft. The objective of this community services to bring to the understand of the Palm Oil Mill Effluents (POME) which may disturb the area of the mill location and turn the POME into green resources.

Keywords: Innovation Strategic, Sustainability Business, MSME

1. INTRODUCTION

Innovation strategy on the sustainability business is the integration of economic, environmental and social aims into a firm's goals, activities and planning, with the aim of creating long-term value for the firm, its stakeholders and the wider community society. This means that the strategy is being formulated and implemented so that the needs of the firm and its stakeholders are met today, while protecting, sustaining and enhancing the natural resources that will be needed in the future.

The creation of a sustainable, just and equitable economy will require the fundamental shifts in the way of businesses operation. (Bakar et al., 2020). Businesses, in particular, will bear the same responsibility for many of the social and environmental problems which is currently afflicting the society, such as exploitative working conditions, or the destruction of habitats. The core aim of conventional business strategy is the production of economic value generally profits for the short to medium term. These strategies aim to create value for a narrow set of stakeholders primarily, owners and shareholders. Developing value beyond these actors was traditionally seen as illegitimate. (Handoko et al., 2016)

In this view, preventing or solving social or environmental problems, is the responsibility of not only the individual but also the organizational shareholders, for instance through charitable giving, or governments, who could use tax revenues. The narrow pursuit of profits is associated with many of the issues and challenges currently facing society, such as poor environmental condition, low control of eco-friendly situation, and environmental degradation. (Morelli, 2011)

Indonesia as one of the developing countries which is still implementing the protection for the micro, small and medium industrial. Micro, Small and Medium Enterprise (MSME) become the backbone of the economy. Government has tried hard to improve and maintain the MSME as the local industrial. The local government has categories MSMEs into some sector such as home industry, trade, agriculture, food, fishing, handicraft.

The demand for Indonesian Micro, Small and Medium Enterprises (MSME) products are still good in 2021, this is due to the fact that the government has been putting efforts to help the demand of business from the middle low community that required to maintain their specialty of micro, small and medium enterprises.

The production process of crude palm oil in the palm oil mill started from the fresh fruit bunches (FFB) harvest from the plantation which is then processed into crude palm oil (CPO) and palm kernel oil (PKO). The processing of FFB into CPO involve sterilizing and threshing continue with digesting and pressing. Palm oil will be clarified into clear oil through purification and store in the storage. The palm kernel nuts will be dried and crush into palm kernel oil and the palm kernel shell. The palm oil mill waste will be separated from the sludge in the ponds and the empty fruit bunches (EFB). (Hambali et al., 2017) (Liew et al., 2017)

The issues of the leaking POME into the rivers and streams normally used by the people who live near the CPO mill have been causing disaster to the community such as skin problem, toxic infected and digestion disorder. Hundreds of cases have been escalated to the local government as well as to the Regional People's Representative Assembly for further solutions, but until today all these cases remain unsolved and continue to become one of the unsolved issues that endanger the community's right of living.

POME is considered as a high strength pollutant with low pH due to the organic and free fatty acids arising from the degradation of the palm fruits. The characteristics of POME depend on the quality of the raw material and the production process, but typically it contains high amounts of total suspended solids of around 40,500 mgL, oil and grease of around 4,000 mgL, chemical oxygen demand of around 50,000 mgL and biochemical oxygen demand of around 25,000 mgL. POME has been identified as one of the most polluted resources that could pollute streams, rivers, and the surrounding area. POME are sometimes brownish, very smelly, and slimy that causes oxygenation, which may harm the surrounding living creatures including the aquatic organisms.

Based on the issue of the Palm oil waste, it has been developed innovatively the way of turning the palm oil mill waste into potential green resources that may help to solve the unstoppable issues and prevent further victims of community due the impact of the huge production of CPO. These green resources can be considered as the sustainable development and turn into the organic fertilizer. The organic fertilizer can be generated to be the sustainability business to the micro, small and medium enterprise.

Identification of Problems

1. How to turn the problem of palm oil mill waste into organic fertilizer to become the sustainable strategic business?
2. How to promote the organic fertilizer and become one of the sustainable businesses for the micro, small and medium enterprises business?

Solutions

The output of the targets to be achieved in the implementation of community service are as follows:

1. To increase the potential sustainable business in the micro, small and medium enterprises.
2. The transfer knowledge of turning the palm oil mill waste into the useful organic fertilizers.

Target Outcomes

1. Provide knowledge and insight for MSME entrepreneurs about the importance of how to turn the palm oil mill waste into organic fertilizer to become the sustainable strategic business.
2. Provide knowledge and insight to MSME entrepreneurs regarding of the programs to increase capacity building and increase the entrepreneurial spirit in supporting green environmental implementation strategies to increase MSME competitiveness.
3. Provide knowledge and insight of MSME entrepreneurs in maintaining environmental sustainability to increase MSME productivity.

2. METHOD

In this section describe the stages of the activities, we could see in the table 1.

Table 1. Method of Activities

No.	Activity	Outcomes
1.	Arranging the training and conseling work program.	The availability of the preparation of training and counseling work programs so that the activities will be performed organizely and directedly. This program covers all technical, managerial and time schedule.
2.	Preparing training modules.	The modules include: Technical assistance, handling and continuous
3.	Preparing training facilities and infrastructure.	The availability of facilities and infrastructure where the training and counseling program is held.
4.	Field coordination.	Ensuring the audience is in accordance with the target to be achieved.
5.	Program socialization.	To achieve the common perception and understanding of the purpose of the activity.
6.	Assistance and Application.	Able to analyze, discover and provide solutions to problems that may arise from the application of the program.
7.	Reporting and Publication	<ul style="list-style-type: none"> • Activity Report • Print/electronic/online media publications • Activity Video
8.	Monitoring the program implementation.	Maintaining the consistency of applying the character-building education program.

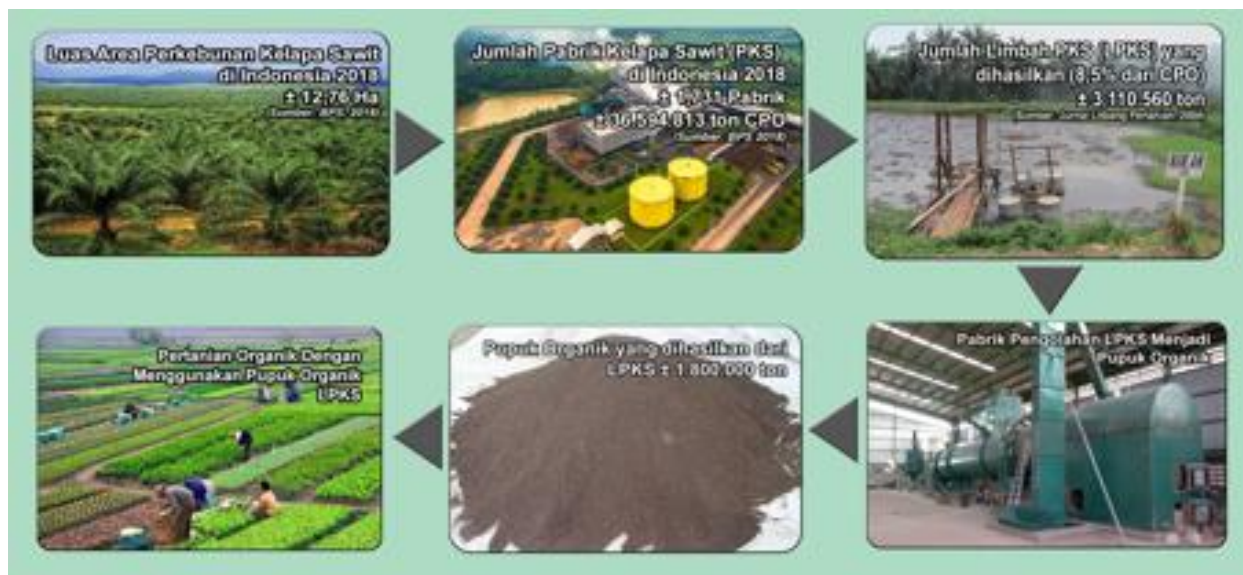


Table 2. Flow Chart of Process

Target Audience

The target audience for this training and socialization activity are the parents and family of the young children, Team Leader of the Family Welfare Empowerment/Pemberdayaan Kesejahteraan Keluarga (PKK) and Posyandu cadre cadres in Meruya Selatan, Kembangan District, West Jakarta, and also the crude palm oil mills and the Micro, Small and Medium Enterprise (MSME) based on the issue of the Palm oil waste, it has been developed innovatively the way of turning the

palm oil mill waste into potential green resources that may help to solve the unstoppable issues and prevent further victims of community due the impact of the huge production of CPO.

3. RESULTS AND DISCUSSION

Results

The activities of Implementing Strategy of Sustainability Business on the Micro, Small and Medium Enterprises were held online through zoom meeting on February 17, 2022 with the following results as mentioned below:

1. The number of participants that were participated in the meeting were consisted of participants from around Indonesia and also some participants from Malaysia. The topic of discussion has been given the audience interest on the palm oil mills effluents (POME) that have been causing disaster to the community such as skin problem, toxic infected and digestion disorder can be turned the POME into useful organic fertilizers. (Iwuagwu et al., 2014)
2. Based on the discussions with the participants, it was revealed that so far, the audience are interested to further understand of how to turn the POME into organic fertilizer to help produce organic products. There will be further discussion outside the webinar.

Discussions

The choice of this workshop or training is considered effective and become part of the activity in the community services as they may provide benefits as follows:

Learning facilities

Participants who participate in the activities of Implementing Strategy of Sustainability Business on the Micro, Small and Medium Enterprises may seek various information concerning the palm oil waste that has been developed innovatively to turn the palm oil waste into potential green resources that may help to solve the unstoppable issues and prevent further victims of community due the impact of the huge production of CPO. These green resources can be considered as the sustainable development and turn into the organic fertilizer. The organic fertilizer can be generated to be the sustainability business to the micro, small and medium enterprise.

Inspirational Tools

The participants who participated in this training program may get the inspiration of how to turn and solve the unstoppable palm oil waste into the organic fertilizer that can be generated into the sustainability business to the micro, small and medium enterprise. This is also to prevent further victims of community due the impact of the huge production of CPO.

Activity Realization

The community services are being carried out online via Zoom Meeting. The Community Services activities with the topic of Implementing Strategic Sustainability Business on the Micro, Small and Medium Enterprises with the collaboration of Universiti Malaysia Terengganu, Malaysia.



Figure 2. Banner of the Speakers

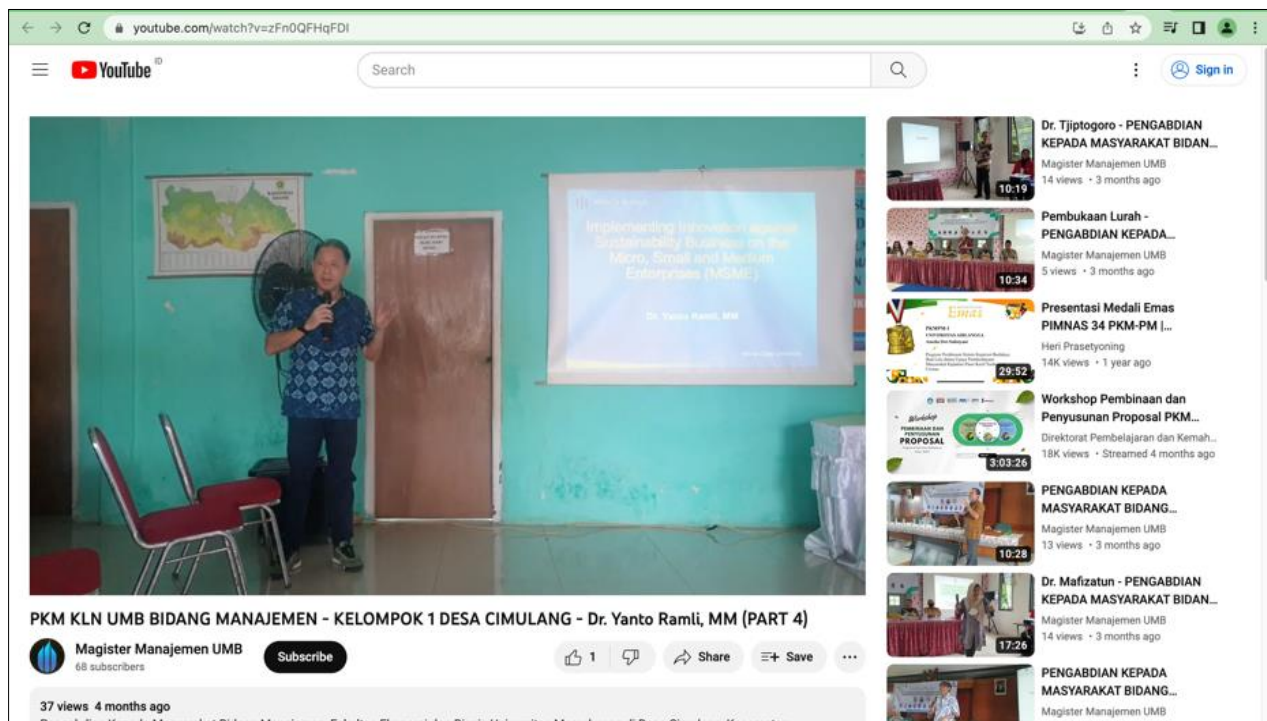


Figure 3. Training and Conseling

4. CONCLUSION

Conclusion

1. Based on the discussion above, it can be concluded that the participants who participated in this training program may get the inspiration of how to turn and solve the unstoppable palm oil waste into the organic fertilizer that can be generated into the sustainability business to the micro, small and medium enterprise.
2. This community program may also give the participants understanding of how to prevent further victims of community due the impact of the huge production of CPO and huge palm waste that might cause disaster to the community.

Suggestions

The suggestions after going through the evaluation results of the community service program are as follows:

1. Continuously the community service program training activities are required so that the mentoring program can be more effectively and optimally.
2. The community service program materials should be given directly together with the simulations or examples of using the empirical data so that the participants can have a better understand of the material presented.
3. The assistance of the program activities is needed for the participants who can take advantage of the routine schedule of community activities in the Sustainability Business on the Micro, Small and Medium Enterprises.

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