

# THE ANALYSIS OF PROGRAM IMPLEMENTATION INSTITUTIONAL ENTREPRENEUR COMMUNITY TANGAN DI ATAS (TDA) AGAINST INCREASED REVENUE LOCAL ECONOMY IN MEDAN

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## **Abstract**

*This study aims to analyze the Program of Institutional Entrepreneur Community Tangan Di Atas (TDA) Against Increased Revenue Local Economy in Medan. The problem in this research is to see the extent to which the opportunities of independent variables such as entrepreneurship education, capital, selling price, the amount of labor, marketing through the exhibition of entrepreneurship of the dependent variable is the income of Small Enterprises assisted Institutional Tangan Di Atas (TDA) of Medan. The data used is primary data with the primary form of questionnaires to the small enterprises patronage of TDA Medan with observation period in 2013 s.d. 2015. While the methods of analysis used for primary data is Probit with analysis software program E Views 6 and secondary data obtained on a general overview of the small enterprises patronage of TDA Medan and the results of the study of literature (Library Research) to support his theories relevant to the research. From the results of this study indicate that there is a positive correlation and significant between entrepreneurship education, capital, selling price, the amount of labor and marketing aspects through the exhibition of entrepreneurship opportunity of increased revenue Small Enterprises Patronage TDA Medan otherwise there is a positive relationship and not significant among the workforce to an increased chance the small enterprises patronage of TDA revenue Medan. TDA Medan can be able to focus in increasing entrepreneurship education, marketing aspects through the exhibition of entrepreneurship, product selling prices, capital and to concentrate in the amount of labor professionally to get the result maximally to an increased chance the small enterprises patronage of TDA revenue Medan.*

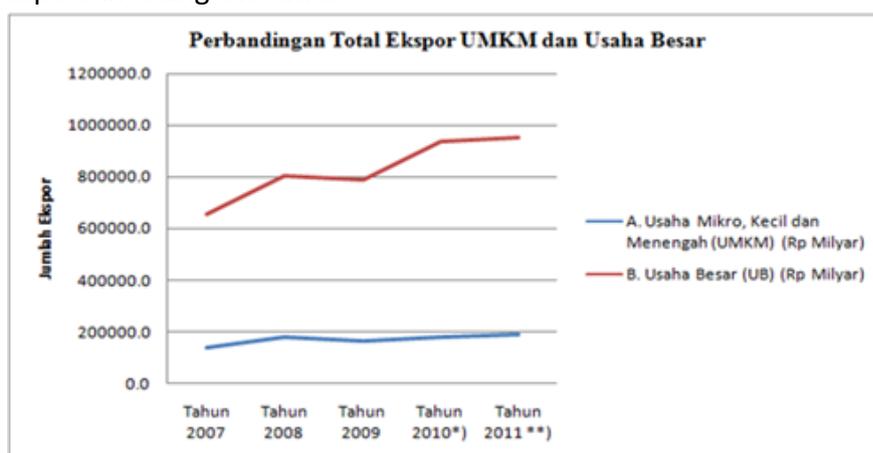
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*Key words: entrepreneurship education, capital, product selling prices, the amount of labor, marketing aspects through the exhibition of entrepreneurship*

## **INTRODUCTION**

**M**icro, Small and Medium Enterprises (MSMEs) continue to survive and greatly contribute to economic development in Indonesia. The monetary crisis that occurred in Indonesia that occurred in 1997 did not cause MSMEs to experience problems but provided the best solutions to stabilize the economy. Increasing MSMEs can be a very effective way to create a nation's independence and assist the government in realizing prosperity.

However, the development of MSMEs when the 1997 monetary crisis was over, did not have the resilience that large businesses had, especially in relation to exports. MSMEs find it difficult to get a better level because of the resilience of MSMEs in a stable economic condition. From Table 1, it can be seen from 2007 to 2011 that even though there was an increase in exports for MSMEs, the number of exports was far greater than that of large enterprises, so it is necessary to conduct a special study of MSMEs to be able to compete in facing the times.



**Figure 1:** Comparison Chart of MSME and Large Enterprises Exports

The problem that is generally faced by most MSMEs in Indonesia is the level of productivity in producing output, the quality of human capital which affects the business income of MSMEs which is less than optimal. Bahri (2011) explains that in economic theory, productivity is a measurement of output or worker productivity is a maximum ability of a worker to produce output. In reality, the worker does not necessarily make full use of his abilities and the extent to which the worker uses his ability is measured by productivity figures. From this phenomenon, the main problem here is how to measure the productivity of the results of education investment which will increase the quality of human capital.

Regarding human capital, Schultz (1962) in Abbas (2010) and Rachbini (2002) explain that the attention of development economists who previously focused on the role of physical capital is now more focused on human capital. It can be seen from the fact that capital and investment began to change after it was proven that human resources played a vital role and had a significant influence in economic development.

It is hoped that the increase in human capital can improve performance better. Marimuthu et al (2009) explain that in order to respond to change, many companies state that human capital has a competitive advantage that can improve company performance. This causes companies to understand that human capital will increase worker satisfaction and improve performance. However, there is an assumption that human capital has a positive effect on company performance. It is necessary to examine the feasibility of a company specifically so that it can be clearly understood.

Human capital, which is the main principle in improving the quality of MSMEs, requires entrepreneurial education support to be able to increase innovation so as to improve company performance. To be able to unite MSMEs in these business difficulties requires a combination of income, capital, selling price, the number of workers from the community who can solve all the problems of these MSMEs to be able to reach global marketing.

Bhayangkari (2012) explains that in doing global marketing a company is required not only to market to consumers a form of product but also to have a service element in the offering of a product, even now the wider community needs the role of primary services more than supporting services. Services play an active role in contributing to the economy of a country. In entering the global market, it is necessary to use a service strategy through an understanding module in developing a service business through a service approach. The preparation that must be done by a service marketer in entering the global market is to develop new ways of creating value for customers through the use of service modularity that can integrate different demands from heterogeneous customers from various nations with various mindsets, customs and diverse forms of perception and desire of a service.

In relation to developing target markets to be able to make every MSMEs more focused in creating those aimed at solving problems in income, capital, selling price, ideal number of workers, the institutional community becomes a solution for MSMEs in developing their level of productivity. One of the institutional communities that is currently developing in Medan is Tangan Di Atas (TDA) in Medan City, having its address at Jalan Kapten Muslim No. 75 Medan which brings together MSMEs around the city of Medan is an independent community that is positioned as a branch of the center in the Special Capital Region (DKI) Jakarta which is expected to improve strategies to solve all the problems of MSMEs that are incorporated in it.

Some of the members of Tangan Di Atas (TDA) generally have an annual income of less than 1 billion because they are still classified as MSMEs that need to improve their business capacity. Members will be provided with training in entrepreneurship so that they can carry out a program to improve business development. The program made by TDA is a business strategy needed for MSMEs in Medan City so that they can develop properly. Other things that are fundamentally developed include selling price, number of workers and business fairs.

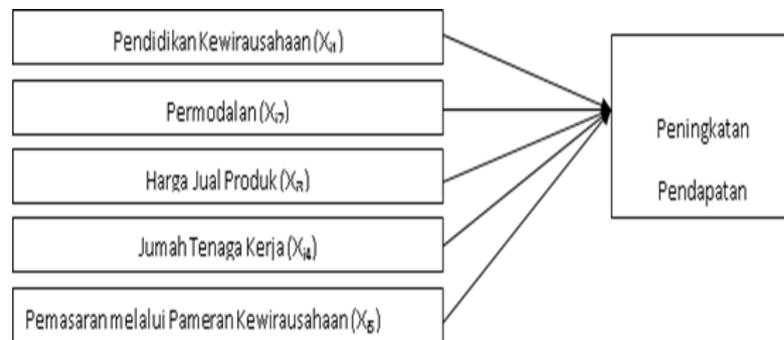
The selling price of TDA-assisted MSMEs products always moves according to the demand and supply in the market. The price determined is inseparable from the number of workers it has. In general, the number of MSMEs assisted by TDA always experiences an increase after undertaking entrepreneurship education and is always selective in making choices. Next, MSMEs are directed to carry out promotions through the TDA program which is usually carried out up to 7 times by MSMEs in a year and many TDA members participate in sharing aspects of the activities undertaken and are activities to add business links.

Some of the members who are gathered can also provide constructive suggestions and criticism to be able to make the business concept better and the meetings held with the theme of mentoring, seminars to gatherings, can bring together people from all circles in Medan, both from the Medan City government, academics, and the business community. and the general public to be able to create a spirit of crackers which of course can be an important contribution to economic development in Medan City.

From these various studies, researchers are interested in taking several indicators that researchers think affect local economic income in Medan City from the TDA Entrepreneur Institutional Program, namely Entrepreneurship Education, Business Capital, Selling Prices, Number of Workers and Marketing through business fairs. The five variables will become the independent variables of this study with a discussion of the local economic income of Medan City and from the above explanation sets the title of the research, namely " The Analysis of Program Implementation Institutional Entrepreneur Community Tangan Di Atas (TDA) Against Increased Revenue Local Economy in Medan".

From the literature review and previous research, 5 determining variables for the criteria for increasing the income of MSMEs of TDA (gj) were derived, namely the variables of Entrepreneurship Education ( $X_{i1}$ ), Capital ( $X_{i2}$ ), Product Selling Price ( $X_{i3}$ ), Number of Workers ( $X_{i4}$ ) and Marketing through Entrepreneurship Exhibition ( $X_{i5}$ ).

The relationship between the 5 variables  $X_{i1}$ ,  $X_{i2}$ ,  $X_{i3}$ ,  $X_{i4}$ ,  $X_{i5}$  to the variable gj is as in Figure 2 below:



**Figure 2:** Framework

## RESEARCH METHOD

The location of the research taken in this study is the MSMEs Assisted by TDA of Medan City which is spread throughout the city of Medan. In addition, researchers took secondary data regarding the general description of the location of TDA office which is located at Kapten Muslim Street No. 75 Helvetia Subdistrict.

For a population which is a generalization area consisting of objects / subjects that have certain qualities and characteristics that are determined by the researcher to be studied and then draw conclusions. The population taken for TDA Community of Medan City was 297 MSME assisted starting from 2013 to 2015.

The sample selection is done by purposive sampling where the researcher determines certain characteristics that are considered to have a relationship with the previously known population characteristics. The researcher selects a sample of MSMEs based on considerations that are believed to represent all units of analysis by highlighting:

1. The activeness of MSMEs in conducting business supervision / mentoring in improving entrepreneurship education.\
2. MSMEs that borrow funds by getting closer to State-Owned Enterprise on the advice of TDA Community of Medan City.
3. MSMEs participating in targeted entrepreneurial exhibitions.

The researcher determined 184 MSMEs according to these criteria and is a recommendation from TDA. Sources of data in this study were conducted using primary data and secondary data. Primary data sourced from research respondents were obtained based on the results of questionnaires and interviews with the level of entrepreneurship education, capital, product selling prices, number of workers, marketing aspects had the opportunity to increase the business income of TDA-assisted MSMEs, while secondary data was obtained regarding the general description of Fostered MSMEs. TDA for Medan City and the results of library research (Library Research) which are used as supporting theories that are relevant to research.

Descriptive Analysis Method Namely the analysis used to analyze data by describing or describing the data that has been collected as it is without the intention of making conclusions that apply to general and generalizations. Next, Arief (2006) explains that the probit model is based on the assumption that the dependent variable under study follows a cumulative distribution in a normal form. Because it is based on the normal cumulative distribution function, this model is also called the normite model (normite model). The form of the probit model is:

$$g_j(x_i) = \beta_{j0} + \beta_{j1}X_{i1} + \beta_{j2}X_{i2} + \beta_{j3}X_{i3} + \beta_{j4}X_{i4} + \beta_{j5}X_{i5} + e$$

The method of estimating parameters used for probit regression analysis is the same as that used for logistic regression analysis, namely the MLE method and Newton Raphson iteration. The probit coefficient ( $\beta_{j1}$ ,  $\beta_{j2}$ ,  $\beta_{j3}$ ,  $\beta_{j4}$ ,  $\beta_{j5}$ ) is the effect of changing the five unit predictor variables ( $X_{i1}$ ,  $X_{i2}$ ,  $X_{i3}$ ,  $X_{i4}$ ,  $X_{i5}$ ) on the cumulative normal probability ( $z$ ) of the response variable ( $y$ ). The effect of a one-unit change in  $x$  on the probability of  $y$  depends on the category of the predictor variable. So it is necessary to choose one category of predictor variables to be used as a point of reference or comparison. Interpretation of the probit model coefficient is carried out by looking at the sign of the probit coefficient ( $\beta_{j1}$ ,  $\beta_{j2}$ ,  $\beta_{j3}$ ,  $\beta_{j4}$ ,  $\beta_{j5}$ ), where:

- $g_j(x_i)$  = MSMEs income assisted by TDA Medan  
 = 0 (decreased income)  
 = 1 (income increases)
- $\beta_{j0}$  = Constant
- $\beta_{j1}, \beta_{j2}, \beta_{j3}$  = Multiple regression coefficient
- $X_{i1}$  = Entrepreneurship Education

- Xi2 = Capital (in million IDR)
- Xi3 = Product Selling Price (in thousand IDR / unit)
- Xi4 = Number of workers (people)
- Xi5 = Marketing through entrepreneurial fairs (times)
- e = Standard error

The statistical test used is the accuracy of the equivalent (Goodness of Fit) using the Likelihood Ratio (LR) statistics test, (Z Test) and the McFadden coefficient of determination ( $R^2$ ) to measure how far the model's ability to explain the dependent variable.

## RESULT AND DISCUSSION

TDA adheres to the term Hand Above which is the hand above which describes better than the hand below which is broadened its interpretation to be an entrepreneur who likes to share. Members who joined will learn about the concept of learning to increase business income, especially in the role of increasing local economic income in the area where this community is founded. Communication between members, administrators can go through social media such as Black Berry Messenger (BBM), Facebook, Twitter to coordinate and discuss business issues and also provide business motivation. (www.tangandiatas.com: 2014)

The types of MSME businesses vary and are grouped into types of services, trade and livestock. With the diversity of MSME business types, the dominant products produced are also quite varied. The owners who were respondents in this study consisted of men and women, namely the youngest 21 years old and the oldest 48 years old. All of the MSMEs will be faced with increasing income by strengthening in terms of entrepreneurship education, capital, selling prices, manpower and promoting business through entrepreneurship exhibitions.

To improve a company's development, a program is needed as an educational activity plan that affects research and development by means of inventions and innovations, such as:

1. Forum Group Discussion (FGD) made thematic by TDA for example: FGD Property, Culinary, Fashion, etc. This could be in the form of a business visit, discussing certain topics by presenting experts, or practicing / learning demonstrations together.
2. TDA Forum which is held monthly in all regions with topics according to member needs to discuss business issues, especially issues such as labor, business promotion to finance.
3. Business Mentoring Group, namely conducting tiered mentoring for Regional and National TDA Members. This activity is based on business capacity which aims to improve practical business competencies that take place across regions and on a national scale.
4. TDA Go global is an activity that seeks to gain international business experience by dealing directly with the destination country and the Indonesian Embassy.

Development Program (improvisation received by TDA-assisted MSMEs with a quantity in frequency units. These training and seminars are managed by TDA with fees paid by members at the time of initial registration to become members of TDA. On average, MSMEs participate in development programs 8 times in a row. minimum and 10 times maximally where this is indicated by the median value = 9. Thus, for entrepreneurial development that has been done optimally 10 times a year and will discuss all entrepreneurial concepts to get maximum results for TDA members in Medan City.

The growing entrepreneurial spirit is a forerunner to generating capital which is a forerunner in driving a business. TDA seeks to create synergy between members and State-Owned Enterprise to provide guidance in terms of increasing entrepreneurial skills. Programs that are often involved with TDA members are:

1. Program Kemitraan Bina Lingkungan (PKBL)
2. Corporate Social Responsibility (CSR)
3. Competitions to seek talent under the title Entrepreneurial Self.

The amount of capital received by TDA-assisted MSMEs is in millions of rupiah. In median terms, the amount of loans obtained by TDA-assisted MSMEs is Rp. 35,000,000, -where the smallest loan received by MSMEs is Rp. 20,000,000, - And the largest loan received by MSMEs is Rp. 50,000,000, - There is a significant difference from this loan due to the scale of the business and the coaching period that has been established. Some of the TDA-assisted MSMEs are still focused on improving their ability to become entrepreneurs by following education and will catch up with capital in the future at the time of business development. The capital that has been obtained will be allocated with business development so as to create a more conducive business climate.

In creating prices, the City of Medan TDA makes recommendations in price formation as a strategy to increase the Fostered MSMEs that can develop, namely:

1. Rapid Skimming Strategy: This strategy is implemented by setting a sales price level (turnover) that has been above the target and a higher level of promotional activities by taking into account the appropriate marketing aspects based on the area used as the marketing land.
2. Rapid Penetration Strategy: This strategy is implemented by setting low product prices and high promotional activities. Especially for MSMEs that are still pioneering, but want to increase more significant results, until they have reached the sales stage (turnover) which is already strong to increase the price level according to the quality of the products produced.

The selling price of the product is in thousand rupiahs, median, the price of MSME products is Rp. 12,500, - with a minimum selling price of Rp. 3,500, - and a maximum of 15,500, where the TDA-assisted MSMEs will try to increase the volume of the sales quantity in order to generate optimal income. The resulting price is an inspiration obtained from the strategy in pricing that has been implemented so that it can run efficiently and of course will take into account market opportunities in Medan City.

For the formation of a workforce, Tangan Di Atas (TDA) of Medan City combines a program of activities in the Business Mentoring Group to provide inspiration for suggested workers to owners with the following criteria:

1. The best skills to produce a reliable workforce, especially educated workers to increase productivity.
2. The need for the concept of professionalism in separating businesses that do not combine workers in the family business and placing workers on the target of the right man on the right place.

The number of MSMEs workers with the amount in person. Median as many as 3 people, the minimum number of MSMEs workers is 2 people and a maximum of 4 people. It can be seen that in determining the workforce, TDA members cannot allocate a lot of labor because of the lack of skills needed and to see how business continuity and being able to work for workers later can be a concept in business improvement and care is needed in providing education in each selected worker. so that no problems occur in the future.

Currently, the direct exhibition program is often carried out by Tangan Di Atas (TDA) of Medan City through:

1. Entrepreneurial Party that allows all members to promote their business on a national scale.
2. With the marketing concept of TDA through Go Global, trying to gain international business experience by dealing directly with the destination country and the Indonesian Embassy.

For the results of the study using the Probit Model analysis which estimates the opportunity of MSME income. The income of SMEs assisted by TDA Medan is the income or results obtained from the source of income that is actually received by TDA-assisted MSMEs which is measured in units of 0 for decreased income, 1 for increased income. ,  
Where:

**Table 1:** Data on the Results of MSME Survey for Tangan Di Atas (TDA) of Medan City

Dependent Variable: GJ

Method: ML - Binary Probit (Quadratic hill climbing)

Date: 03/25/16 Time: 16:23

Sample: 1 184

Included observations: 184

Convergence achieved after 6 iterations

Covariance matrix computed using second derivatives

Variable	Coefficient	Std. Error	z-Statistic	Prob.
XI1	1.001132	0.476831	2.099555	0.0358
XI2	0.222301	0.097104	2.289308	0.0221
XI3	0.590270	0.284901	2.071846	0.0383
XI4	0.334134	0.475037	0.703385	0.4818
XI5	0.911646	0.424152	2.149340	0.0316
C	-26.90424	9.007641	-2.986825	0.0028

McFadden R-squared

0.825665

Mean dependent var

0.923913

S.D. dependent var	0.265861	S.E. of regression	0.124787
Akaike info criterion	0.159047	Sum squared resid	2.771794
Schwarz criterion	0.263882	Log likelihood	-8.632320
Hannan-Quinn criter.	0.201538	Restr. log likelihood	-49.51564
LR statistic	81.76664	Avg. log likelihood	-0.046915
Prob(LR statistic)	0.000000		
Obs with Dep=0	14	Total obs	184
Obs with Dep=1	170		

Source: From E Views 6

The following is a summary of the results of the probit model regression. analysis of program implementation institutional entrepreneur community Tangan Di Atas (TDA) against increased revenue local economy in Medan based on Table 3, namely:

$$Gj = -26.90424 + 1.001132Xi1 + 0.222301Xi2 + 0.50270Xi3 + 0.334134Xi4 + 0.911646Xi5$$

From the estimation results of the model in the table, it is obtained that the LR<sub>Statistic</sub> value is 81.76664 with a probability level of 0.000000. This shows that the independent variables, namely Entrepreneurship Education, Capital, Selling Price, Labor and Entrepreneurship Exhibition jointly affect the dependent variable, namely the Business Income of TDA Assisted MSMEs in Medan City.

The Z test or partial Z test is conducted to see the effect of the independent variable on the dependent variable partially or one by one. From the estimation results of the Table model, it is obtained that the Z Test value of each variable is as follows:

1. Entrepreneurship education has a statistical Z value: 2.099555 with a regression coefficient of 1.001132 with a probability: 0.0358 which has a significant value at the level of  $\alpha = 5\%$ .
2. Capital has a statistical Z value: 2.289308 with a regression coefficient of 0.222301 with a probability: 0.0221 which is significant at the  $\alpha = 5\%$  level.
3. The selling price of the product has a statistical Z value: 2.071846 with a regression coefficient of 0.590270 with a probability: 0.0383 which has a significant effect on the level of  $\alpha = 5\%$ .
4. The number of workers has a statistical Z value: 0.703385 with a regression coefficient of 0.334134 with a probability of 0.4818 which has no significant effect at the level  $\alpha = 5\%$ .
5. Marketing through entrepreneurship exhibitions has a statistical Z value: 2.149340 with a regression coefficient of 0.911646 with a probability: 0.0316 which applies significantly to the level of  $\alpha = 5\%$ .

The Mc Fadden coefficient of determination ( $R^2$ ) is used to see how much variation in the independent variable can explain the dependent variable. From the results of the model estimation, the value ( $R^2$ ) is 0.825665. This means that 82.5665 percent of the UMKM income variable under TDA in Medan can be explained by the variables of Entrepreneurship Education, Capital, Selling Price, Labor and Entrepreneurship

Exhibition. While the remaining 17.44 percent is explained by other variables outside the model. Based on the results of the calculations and explanations above, it can be seen that the order of the variables that has the most significant effect on the income of TDA-assisted MSMEs is as follows:

1. Entrepreneurship Education

The variable that has the most significant effect on increasing MSME income is entrepreneurship education, this is indicated by the largest regression coefficient value for Entrepreneurship Education, namely 1.001132 with a probability of 0.0358. Entrepreneurial education provides opportunities to increase MSME income by carrying out various programs, namely TDA Business Mentoring Group Forum, TDA Go global with 10 activities which are maximally carried out from 2013 to 2015 and at least 8 activities are attended by TDA-assisted MSMEs. MSMEs. participated in this entrepreneurship education activity in a median of 9 activities. The importance of this activity is a forerunner for MSMEs to be able to see each other's business weaknesses so that they can share through this activity with more successful business people before so that the first steps in opening a business can be seen where the weaknesses and weaknesses are and know how to increase capacity bigger business to increase income opportunities from SMEs assisted by TDA of Medan City.

Small firms are generally less involved in research and development than large firms so they tend to use their innovative input more efficiently than large firms. This is what needs to be developed by MSMEs which are classified as small companies in order to be able to develop the skills of their entrepreneurial education so that they can get inspiration from large companies regarding techniques on how to manage a business towards a better stage as business inspiration. In this case, TDA will continue to provide entrepreneurship education through large entrepreneurs so that they can become innovative inputs in managing the business well.

With the TDA program in entrepreneurship education, it can produce an impact that if the addition / increase in entrepreneurship exhibition activities will be followed by an opportunity to increase MSME income and vice versa, if there is a reduction / decrease in entrepreneurial education activities, it will result in a decrease in the opportunity for MSME income to remain or decrease.

2. Marketing through Entrepreneurship Exhibition

The second order of the variables that has the most significant influence on increasing the income opportunities of MSMEs is marketing through entrepreneurial exhibitions, this is shown by the regression coefficient value of Entrepreneurship Exhibition which is the second largest, which is 0.911646 with a probability of 0.0316. Marketing through business fairs provides opportunities to increase MSME income by carrying out various programs, namely the TDA Business Incubator and for the National TDA to hold the 2013 TDA Entrepreneurial Party and the National and Regional TDA Franchise / Business Opportunity Exhibition as well as Treasure Houses and TDA Cooperatives. With

the maximum number of activities carried out are 7 activities from 2013 to 2015 and at least 3 activities are attended by TDA-assisted MSMEs. MSMEs participated in this entrepreneurship education activity in a median of 5 activities. The importance of this activity is a forerunner for MSMEs to be able to promote their products so that they can increase the brand image of these products both from within and outside the country. This promotional activity also involves various elements of entrepreneurs and the general public to be able to see the products produced by TDA-assisted MSMEs as well as a national seminar with international standard speakers.

For the marketing of MSME products, synergies with modern markets (Matahari mall and supermarkets) can also be done by marketing MSME products in modern markets. Government in Presidential Regulation (Pepres) No. 112 of 2007 to develop small and medium scale and traditional retail trade business partnerships with large-scale modern retail trade businesses. However, this Presidential Decree is not running optimally because the reality shows that the modern market still features imported products. The modern market has certain standards and qualifications that make it difficult for local products to penetrate into it. Therefore, there needs to be a regulation at the local level that requires modern markets to provide space for MSME products.

With the existence of the TDA program in marketing through product product exhibition, it can have an impact that if the TDA program in marketing through product product exhibition is carried out by adding / increasing activities, it will be followed by opportunities to increase the income of TDA-assisted MSMEs in Medan City and vice versa, if there is a reduction / decrease in activities marketing through product product exhibitions has resulted in a decrease in income opportunities for SMEs under TDA in Medan.

### 3. Determining the Selling Price

The third order of the variables that has the most significant effect on increasing MSME income is the selling price, this is indicated by the regression coefficient value of the selling price which is the third largest, namely: amounting to 0.590270 with a probability of 0.0383. Determining the Selling Price provides an opportunity to increase the income of MSMEs by carrying out various activities, namely each TDA member in the Master Mind group consisting of 5 - 10, based on regional proximity, gathering 2 times a month. By determining the selling price of Rp. 15,500, - a maximum from 2013 to 2015 and a minimum selling price of Rp. 3500, -. MSMEs set a median selling price of Rp. 12,500, -. The importance of determining the selling price is a forerunner for MSMEs to be able to determine an effective selling price in accordance with their production capacity to get business profits carried out with the following strategies:

- a. Rapid Skimming Strategy: This strategy is implemented by setting a sales price level (turnover) that has been above the target and a higher level of promotional activities by taking into account the appropriate marketing aspects based on the area used as the marketing land.

- b. Rapid Penetration Strategy: This strategy is executed by setting low product prices and high promotional activities. Especially for MSMEs that are still pioneering, but want to increase more significant results, until they have reached the sales stage (turnover) which is already strong to increase the price level according to the quality of the products produced.

With the TDA program in determining the selling price, there is an impact that if the TDA program in determining the selling price is done by adding / increasing activities, it will be followed by an opportunity to increase the income of TDA-assisted MSMEs in Medan City and vice versa, if there is a reduction / decrease in the activity of determining the selling price, it will result decrease in income opportunities for the TDA-assisted MSMEs in Medan City.

#### 4. Capital

The fourth order of the variables that has the most significant effect on increasing MSME income is capital, this is shown by the value of the capital regression coefficient is 0.222301 with a probability of 0.0221. Capital is meant as an effort by TDA to synergize between members and State-Owned Enterprise to provide guidance in terms of increasing entrepreneurial skills. Activities that are often involved with TDA members are

- a. Program Kemitraan Bina Lingkungan (PKBL)
- b. Corporate Social Responsibility (CSR), as well
- c. The competition for talent search is entitled Entrepreneurial Self.

With the facts in the field that median, the amount of loans obtained by TDA-assisted MSMEs is Rp. 35,000,000, - where the smallest loan received by MSMEs is Rp. 20,000,000, - And the largest loan received by MSMEs is Rp. 50,000,000. - There is a difference from this loan due to the scale of the business and the coaching period that has been established.

With the existence of the TDA program in capital, there is an impact that if the TDA program in capital is carried out by adding / increasing activities, it will be followed by an opportunity to increase the income of TDA-assisted MSMEs in Medan City and vice versa, if there is a reduction / decrease in capital activities, it will result in a decrease in the income opportunities for TDA-assisted MSMEs. Medan city.

#### 5. Labor

Labor is a variable that is not significant to the increase in MSME income with a regression coefficient of 0.334134 and an insignificant probability at 0.4818. Manpower who is directed by TDA through employers and handed down to workers who are united through entrepreneurial education activities. With the facts in the field that median, the number of MSMEs assisted by TDA is 3 workers maximally. For a maximum workforce of 4 workers and a minimum of 2 workers. From the field facts, it is found that TDA-assisted MSMEs workforce are generally the owners of MSMEs and their families because MSMEs are family businesses

from generation to generation, this is different from theoretical studies to increase business productivity in line with the concept of professionalism. An educated workforce is a condition that needs to be measured in achieving productivity. From the facts in the field, it can be seen that the workforce of:

- a. TDA-assisted MSMEs are not very professional and have high productivity so that an educated workforce is able to apply all resources efficiently and is able to be creative in running a business
- b. Another thing that needs to be considered is a good recruitment pattern so as to produce a reliable workforce that can be empowered for direct implementation in the business world. This value needs to be a fundamental study of the workforce if it is to achieve business income.

Thus the TDA-assisted MSME workforce variable does not have an impact on increasing productivity and is not in accordance with the theoretical studies and research of previous authors so it needs to be touched on in the future to create a workforce that is professional, reliable and can develop technology. So with the results of the facts in the field it can be concluded that if there is a reduction / decrease in the workforce, it will result in an increase in the income opportunities of the Medan City TDA-assisted MSMEs and if there is an increase in the addition of labor it will result in a decrease in the income opportunities of TDA-assisted MSMEs in Medan City.

## **CONCLUSIONS AND RECOMMENDATIONS**

### **Conclusion**

Based on the research results that have been stated in the previous chapters, the following conclusions can be drawn:

1. Entrepreneurship education obtained by TDA-assisted MSMEs has a positive and significant effect on the opportunity to increase the income of TDA-assisted MSMEs through the TDA Activities Business Mentoring Group Forum (KMB), global TDA Go which is carried out 10 times maximally by MSMEs and at least 8 times as well as median 9 times. This activity optimizes the human resource factor in economic growth as the biggest element that makes up the residuals, it turns out that it comes from an increase in knowledge (advanced of knowledge).
2. Marketing through entrepreneurship exhibitions obtained by TDA-assisted MSMEs has a positive and significant effect on the opportunity to increase the income of TDA-assisted MSMEs. This activity looks at what types of goods or products are needed by consumers who participate in business marketing so that they can see the characteristics of the area to be reached and can modify the goods and services produced in the long term, see the purchasing power of the people produced by TDA-assisted MSMEs.
3. The selling price of products obtained by TDA-assisted MSMEs has a positive and significant effect on the opportunity to increase the income of TDA-assisted MSMEs. By determining the selling price of Rp. 15,500, - a maximum from 2013 to 2015 and a minimum selling price of Rp. 3500, -. MSMEs set a median selling

price of Rp. 12,500, -. In determining the selling price, a strategy is needed to be applied by the TDA for Medan City, namely:

- a. Rapid Skimming Strategy: This strategy is implemented by setting a sales price level (turnover) that has been above the target and a higher level of promotional activities by taking into account the appropriate marketing aspects based on the area used as the marketing land.
  - b. Rapid Penetration Strategy: This strategy is executed by setting low product prices and high promotional activities.
4. The capital obtained by TDA-assisted MSMEs in Medan City has a positive and significant effect on the opportunity to increase the income of TDA-assisted MSMEs in Medan City. Most of the disbursed capital is a recommendation from the TDA which has provided directed entrepreneurship education to be able to manage the business properly and a significant increase through capital and has complied with the requirements in such capital lending with programs that are closer to:
- a. Community Development Partnership Program (PKBL)
  - b. Corporate Social Responsibility (CSR), as well
  - c. The competition for talent search is entitled Entrepreneurial Self.

### **Suggestion**

Based on the conclusion, the author's suggestions as a form of implementation of the research results are as follows:

1. TDA Community of Medan City should be able to further increase entrepreneurship education activities by adding more duration so as to increase understanding in creating and developing a business that is patterned and provided with optimal mentoring.
2. TDA Community of Medan City can focus more on marketing through entrepreneurship exhibitions so that they can see market opportunities and add to various regions both provinces and countries of cooperation.
3. Determining the Selling Price through the Master Mind activity provides inspiration in the formation of selling prices, can be increased and can be used as a reference for activities, and subsequently, can be carried out regularly.
4. Capital that has been carried out effectively by involving government agencies through State-Owned Enterprise and private sector is expected to be better programmed according to the education carried out to fit the desired context.
5. Suggestions to the next researchers, to do research with other variables that have the opportunity to influence local economic income in Medan City and pay attention to labor variables that are not significant to be taken into consideration.

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