Transforming the Household Economy Through Home Industry: 
(Analysis of the Social and Economic Impact of the Ijuk Argo Jaya Home Industry)

Fatmawati Sungkawaningrum ¹, Farhatul Handona ², Eko Sariyekti ³
¹ Institut Islam Nahdlatul Ulama, Indonesia
² Institut Islam Nahdlatul Ulama, Indonesia
³ Institut Islam Nahdlatul Ulama, Indonesia

Corresponding Author: Fatmawati Sungkawaningrum, E-mail: fatmawati2017ekn@gmail.com

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ABSTRACT
The development of the small industrial sector in Indonesia, especially home industry, is important in driving the community's economy, creating jobs and increasing household income. In the context of Islamic economics, entrepreneurship is recommended as part of worship to fulfill life's needs in a halal way. Home industry plays a strategic role in utilizing local raw materials and increasing economic resilience to crises. This research aims to explore the role of the Ijuk Argo Jaya Home Industry in absorbing labor and improving the household economy in Bringin Tegalsari Kedu Hamlet, Temanggung Regency. The scope of this research identifies the role of the Argo Jaya palm fiber home industry in absorbing labor and improving the household economy in the local community. This research method uses a case study with primary data from observation, interviews and documentation, as well as secondary data from relevant literature. Data analysis was carried out through data reduction, data presentation, and drawing conclusions which were verified by triangulation of sources and techniques. The research findings of the Argo Jaya palm fiber home industry provide permanent employment, especially for the elderly and housewives, increasing the flexibility of working hours and adapting to labor needs. This home industry plays an important role in empowering local communities and improving the household economy.

Keywords: Home Economics, Home Industri, Labor Absorption
INTRODUCTION

The development of the industrial sector, especially small businesses (small industries), has become an early milestone in the era of industrialization in Indonesia. Small industry offers great potential in driving the community's economy, especially in creating jobs and increasing household income (Yansahrita et al., 2023). More than half of micro businesses operate as home industries, which make a significant contribution to the family economy. Home industry not only functions as value-added production at the household level, but also as a large workforce absorber. In the context of Islamic economics, entrepreneurship is included in muamalah, which is recommended as part of worship to fulfill life's needs in a halal way. Home industry also has a strategic role in developing the people's economy by utilizing local raw materials and increasing economic resilience to crises (Rizkiyah, 2022).

This research aims to explore more deeply the role of the Ijuk Argo Jaya Home Industry in the context of labor absorption and improving the household economy in Bringin Tegalsari Kedu Hamlet, Temanggung Regency. This study focuses on how these home industries empower local communities through job creation and income generation, as well as identifying strategies to strengthen their role in supporting local economic development. This research on the Ijuk Home Industry is important for several reasons, including employment, improving the household economy, utilization of local raw materials and economic resilience (Wahyuni et al., 2021). Absorption of labor in this home industry plays a significant role in providing employment opportunities. Especially for community groups who find it difficult to get work in the formal sector, such as the elderly and housewives (Putra et al., 2022).

There is an improvement in the household economy. By creating job opportunities, this home industry helps increase household income. With increasing income, this in turn increases family welfare and the local economy. The use of local raw materials helps people's creativity (Heryati et al., 2023). This industry utilizes local raw materials, which helps reduce dependence on imported raw materials and supports the regional economy (Sungkawaningrum, Hartono, et al., 2022).

Home industry functions as economic security. Home industries like this are able to increase the community's economic resilience to the economic crisis. Due to its flexible and community-based operations. An example of economic empowerment is the Argo Jaya palm fiber home industry. Become an example of how small businesses can empower local communities. Can inspire similar initiatives in other regions to support national economic development (Evitasari, 2020). This research provides in-depth insight into the social and economic impacts of home industry. Assist in making policy decisions that support small industry and empower the local economy (Sungkawaningrum et al., 2024).

RESEARCH METHODOLOGY

The method used is a case study conducted at the Ijuk Argo Jaya Home Industry in Bringin Tegalsari Kedu Hamlet, Temanggung Regency. This research uses primary
and secondary data sources to explore information about the role of this industry in absorbing labor and improving the household economy (S, 2012). Primary data was obtained through direct observation, documentation and interviews with owners, employees and local communities. Meanwhile, secondary data is obtained from literature such as books, journals and previous theses that are relevant to the research problem. Data collection techniques include direct observation in the field, face-to-face interviews, and collection of related documents. The collected data is then analyzed through data reduction to focus on the main observation results, presenting data clearly and simply, and drawing verified conclusions. To ensure the validity of the data, this research uses triangulation of sources and techniques, by comparing results from various sources and different data collection techniques.

RESULT AND DISCUSSION

Research result:

This research found several main results regarding the role of the Ijuk Argo Jaya Home Industry in labor absorption. The absorption of Argo Jaya's palm fiber home industry workforce provides permanent employment opportunities for the elderly whose energy is no longer used in the agricultural sector. They can make crafts in the form of rope (telon) in their respective homes (Maruf Al Qifari, 2022).

Workers can prioritize work in the agricultural sector when there is demand, but continue to work in the home industry when there is no agricultural work. Housewives also feel helped by having work in the home industry (Sungkawaningrum, Herlina, et al., 2022). Can work in the home industry when there is no other work, filling the time that is usually only at home. Elderly people who have private rice fields can still work in home industries when they are not busy in the fields. Traders who have small stalls are still actively working in their home industry and their craft products are visible in abundance (Aziz et al., 2020). Vegetable sellers work in home industries after selling vegetables around, making use of their free time.

There is an increase in the household economy from the palm fiber home industry. The Argo Jaya palm fiber home industry provides flexibility in working hours, allowing workers to work at home or at the production site according to needs and requests. Workers are assigned tasks as requested, demonstrating adaptive management of labor and production needs (Putra Nayotama & Mutaqi, 2023).

There are findings that employment in the Argo Jaya palm fiber home industry provides permanent employment opportunities. Especially for community groups who are vulnerable or find it difficult to obtain work in the formal sector, such as the elderly and housewives. This shows that home industry plays an important role in creating inclusive and empowering local employment opportunities (Siti Hafsah, 2022).

Flexibility in working hours allows workers to balance work in the home industry and other responsibilities. Like farming or a side business that can be done in a balanced way. This shows the adaptability of the home industry model to the needs of local communities, which helps optimize productivity and worker welfare. Improving the
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household economy by creating job opportunities and additional income. This home industry contributes directly to improving household welfare and economic stability. This indicates that home industry can be an effective tool for reducing poverty and improving the quality of life of local communities (Goussé et al., 2017).

There is use of local raw materials. Argo Jaya's palm fiber home industry uses local raw materials. This can help reduce dependence on imported raw materials and support the regional economy. This emphasizes the importance of developing local industries based on local resources for sustainable economic development. Economic resilience is maintained and sustainable. This home industry is able to increase the community's economic resilience to the economic crisis because its operations are community-based and flexible (Industry, 2024). This shows that home industry can be an important pillar in the national economic resilience strategy.

These findings can be used by the government to formulate policies that support the development of home industry as a tool for creating jobs and improving the household economy. The right policies can help expand the positive impact of home industry throughout Indonesia. Development of home industry with community empowerment. Community empowerment with home industry shows how home industry can empower vulnerable groups in society. These findings underscore the importance of supporting inclusive and sustainable small businesses. This could be a model for community empowerment programs in other areas (Rossanty et al., 2022).

As local economic development. By utilizing local raw materials and creating jobs. Home industry helps strengthen the local economy and reduces dependence on outside resources. This is important for independent and sustainable economic development. These findings can inspire small entrepreneurs and other communities to start or develop similar home industries. Considering the great potential in empowering the local economy and increasing prosperity.

The findings of the economic resilience strategy support the development of an economic resilience strategy that focuses on home industry as a key component. This is important in the context of global economic uncertainty, where local economic resilience is becoming increasingly crucial.

The research results show that the Ijuk Argo Jaya Home Industry provides permanent employment opportunities for the elderly and housewives, who previously did not have permanent employment or only worked in the agricultural sector. Although palm fiber makers prioritize work in the agricultural sector, they can still work in home industries when there is no work in the agricultural sector. This shows the flexibility and inclusiveness of the home industry in providing employment opportunities (Aziz et al., 2020).

In terms of working time, it shows that this home industry provides flexibility in working time. Allows workers to balance work in the home industry with other activities such as farming or side businesses. This is consistent with literature which states that home industry often provides greater flexibility than the formal sector. Which
is important for rural communities who are often involved in various economic activities.

Research finds that this home industry contributes to increasing household income. For example, through work carried out by housewives who were previously only housewives without permanent work. This supports the literature which states that home industry can be a significant source of additional income for households.

The research results show that Argo Jaya's palm fiber home industry utilizes local raw materials, which helps reduce dependence on imported raw materials and supports the regional economy. Previous literature also emphasizes the importance of using local raw materials in developing regional economies and increasing the sustainability of small businesses (Evitasari, 2020). This home industry is able to increase the community's economic resilience to the economic crisis because its operations are community-based and flexible. These results are consistent with the literature which shows that small businesses, especially home industries, are often more resilient to economic shocks than large companies due to their small scale and operational flexibility.

The initial expectation of the research is that the Argo Jaya palm fiber home industry will make a significant contribution to labor absorption and improving the household economy in Bringin Tegalsari Kedu Hamlet. The research results meet these expectations by showing concrete evidence of how this home industry empowers local communities through job creation and increased income. Previous literature has shown that home industry has great potential in improving the local economy, especially in rural areas. For example, a study by Tambunan (2009) shows that small and medium enterprises (SMEs) play an important role in creating jobs and reducing poverty in Indonesia. The results of this research are consistent with this literature, strengthening the argument that home industry is an important pillar in local economic development (Heryati et al., 2023). The research results are acceptable because they are based on empirical data obtained through direct observation, interviews, and documentation. The triangulation method used ensures the validity of the data and consistency of results. In addition, the results of this study are in line with previously published literature, strengthening the validity of the findings.

The research results are consistent with previously published knowledge on the topic of home industry and local economic empowerment. Existing literature shows that home industry plays an important role in creating jobs, increasing household income, and utilizing local raw materials. The findings of this research strengthen and clarify the strategic role of home industry in the context of local economic development in Indonesia. The results of this research are not only relevant and acceptable but also consistent with existing knowledge and literature, providing an important contribution to the understanding of the role of home industry in local and national economies (Wahyuni et al., 2021).

The research results show that the Ijuk Argo Jaya Home Industry provides permanent employment opportunities for the elderly and housewives. This finding is in
line with research by Tambunan (2009), which highlights the role of small and medium enterprises (SMEs) in creating jobs in Indonesia. Tambunan found that SMEs, including home industries, are often the solution to overcoming unemployment problems, especially in rural areas. Research by Suharti and Suyanto (2011) also supports this finding, showing that SMEs have an important role in absorbing labor in the informal sector (Rizkiyah, 2022).

This research found that home industry provides flexibility in working time which allows workers to balance work in the home industry with other activities. Research by Yusoff et al. (2018) supports this finding, by showing that working time flexibility is one of the main advantages of home industry. This enables workers to manage domestic work and industrial work effectively.

The finding that home industry contributes to increasing household income is consistent with research by Becker et al. (2013), who found that home industry can improve a family's economic welfare through additional income. This study is also supported by research by Hidayat and Sugiyanto (2014), which shows that participation in home industry can significantly increase household income and economic welfare.

Home Industry Ijuk Argo Jaya utilizes local raw materials, supporting the regional economy. This is in accordance with research by Suryani et al. (2019), who found that home industries that utilize local raw materials contribute to strengthening the local economy and reducing dependence on imported materials. This study also shows that the use of local raw materials can increase production efficiency and sustainability.

The finding that home industry increases society's economic resilience to economic crises is consistent with research by Beck et al. (2014), which shows that small businesses, including home industries, tend to be more resistant to economic shocks than large companies. This research finds that the flexibility and small scale of home industries allows them to adapt to economic changes more quickly and effectively.

The results of research on the Ijuk Argo Jaya Home Industry confirm the findings of similar research in the same field. Labor absorption, flexibility of working time, improvement of household economy, utilization of local raw materials, and economic resilience are important aspects that have been identified in previous literature. These findings provide additional empirical evidence that supports the importance of home industry in local economic development and community empowerment, as well as highlighting how home industry can be an effective model for overcoming economic challenges in various regions (Yansahrita et al., 2023).

An alternative explanation is the possibility that there are external factors that also contribute to labor absorption other than home industry, such as government programs to increase employment opportunities or the existence of other projects in the area. Although external factors may play a role, observation and interview data show that home industry directly provides jobs for groups who find it difficult to find work in the formal sector, such as the elderly and housewives. This confirms that the contribution of home industry remains significant.
Flexibility may be more due to the nature of work in rural areas which is generally more flexible, rather than specifically because of the home industry. Observations show that the flexibility provided by home industry allows workers to adapt their work to other activities, such as farming or trading. This flexibility is specific to the home industry because workers can work in their own homes or at production sites as needed, which may not be the case in other sectors (Nababan, 2017).

The increase in the household economy can also be caused by other factors such as remittances from family members who work outside the area or income from other sources such as agriculture. Interviews with workers show that income from home industry is a significant addition that supports their household economy. This shows that even though there are other sources of income, the contribution of home industry remains important and relevant.

The use of local raw materials may not be due to a strategy designed by the home industry, but rather due to limited access to imported raw materials. The results of interviews with business owners show that using local raw materials is part of a strategy to support the local economy and keep production costs low. This shows that the use of local raw materials is a deliberate and strategic choice.

Economic resilience may be more due to strong social networks in the community, not solely due to the existence of home industry. Although strong social networks can contribute to economic resilience, data shows that home industries provide additional sources of income and employment that help families survive during economic crises. This shows that home industry plays an important role in economic resilience in addition to social networks (Cameron Colin, 2005).

Given that there are alternative explanations that might influence the findings, further evaluation shows that the contribution of the Ijuk Argo Jaya Home Industry remains significant in terms of labor absorption, flexibility of working hours, improvement of the household economy, use of local raw materials, and economic resilience. This research provides strong evidence that home industry plays an important role in empowering the local economy and community welfare, although external factors also need to be considered in a more comprehensive analysis (Siti Hafsah, 2022).

The implications of this research for government policy development. The research results show the importance of home industry in absorbing labor and improving the household economy. The government can use these findings to design policies that support the development of home industry, such as providing tax incentives, capital assistance and skills training for workers. The finding that home industry provides employment opportunities for the elderly and housewives shows the need for policies that focus on this group, including legal protection and facilities that support them in running businesses from home.

The implication for home industry management practices is the application of the work flexibility model. The flexibility of working hours implemented by the Ijuk Argo Jaya Home Industry can be used as a model for other home industries. Implementing this model can increase workers' productivity and welfare, because they can adapt their
work to their needs and time. The successful use of local raw materials by Ijuk Argo Jaya Home Industry can be an example for other industries to reduce dependence on imported raw materials. This not only supports the local economy, but also increases sustainability and production efficiency (Kara, 2013).

The implication for local economic empowerment is increasing economic resilience. There is evidence that home industry increases society's economic resilience to crises. More home industry-based local economic empowerment programs can be pursued. This can help society in dealing with economic fluctuations and crises that may occur in the future. A successful home industry can be an inspiration and a real example for people to start their own businesses. Entrepreneurship training programs that adopt best practices from the Ijuk Argo Jaya Home Industry can help develop more entrepreneurs in rural areas (Anggita et al., 2018).

Implications for further research, namely comparative studies. This research opens up opportunities for comparative studies with other home industries in various regions to see if similar results can be found, or if there are other factors that influence the success of home industries. Further studies could focus on the long-term impact of home industry on the household economy and local communities, as well as how home industry can continue to develop and adapt to economic changes. This research has broad implications for policy development, home industry management practices, local economic empowerment, and further research. By utilizing these findings, various parties can take concrete steps to support and develop home industry as an important pillar in improving the economic welfare of society, especially in rural areas (Usaha et al., 2017).

The author acknowledges that there are research limitations. This research was conducted only at one home industry in Bringin Tegalsari Kedu Hamlet, Temanggung Regency. The results obtained may not be directly applicable to other home industries in different locations or contexts. In terms of data collection methods, even though it uses various methods such as observation, interviews and documentation, this research may be limited to the perspectives obtained from the respondents involved. Some information may not be disclosed or may not be fully verifiable.

Data analysis in this research focuses on the results of direct observations and interviews. There is the potential for bias or error in data interpretation which could affect the validity of the conclusions. This research is limited by the availability of resources and time limits in collecting wider data or conducting longitudinal studies to see the long-term impact of this home industry. Although it has considered several alternative explanations for the findings, this study may not have exhaustively explored all factors or variables that could influence the results. Nevertheless, the findings and implications of this research still provide a valuable contribution in understanding the role of home industry in local economies and community development.
CONCLUSION

This research shows that the Ijuk Argo Jaya Home Industry has a significant role in driving the local economy in Bringin Tegalsari Kedu Hamlet, Temanggung Regency. The main findings confirm that this home industry not only provides permanent employment for the elderly and housewives, but also increases flexibility in working hours and adaptation to local labor needs. The importance of this research lies in the real contribution of the Ijuk Argo Jaya Home Industry to improving the household economy in the local community. In the context of the Indonesian economy, where the home industry sector is an important pillar in utilizing local resources and increasing economic resilience to crises, these findings emphasize the strategic relevance of developing home industry as part of inclusive and sustainable economic development.

By highlighting the role of home industry in empowering local communities, this research instills a sense of relevance in readers and the scientific community. The practical implications of these findings can inspire government policies, local economic development strategies, and provide concrete examples for other small and medium industries to adopt practices that support sustainable economic growth. Thus, these findings are worthy of note as an important contribution in understanding the role of home industry in the context of local economic development in Indonesia, as well as providing a basis for further research in this field.

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