

STRENGTHENING THE ROLE OF WOMEN'S SOCIAL CAPITAL IN UMKM FOR POVERTY ALLEVIATION IN NORTH SULAWESI (CASE STUDY OF PEANUT TORAH UMKM IN KAWANGKOAN)

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ABSTRACT

This study aims to find elements and models of the concept of strengthening the role of women's social capital in Kacang Tore UMKMs for poverty alleviation in North Sulawesi. The social capital framework in this study focuses on Putnam's analysis which includes social relationships, networks, social norms, and beliefs. Therefore, a qualitative approach is used to be able to strategically analyze the elements of the model of strengthening women's social capital in UMKMs, through a process of observation and interviews as well as focused documentation. In this case, the case analysis approach uses the Spradley Progressive Model in four forms, namely domain, taxonomy, component, and theme that builds on the findings of empirical research, where the informants of this study are eight women tore nut entrepreneurs in Kawangkoan, North Sulawesi, Indonesia. The results of this study show six elements of the role of women's social capital, namely (1) building networks and communities, (2) building cooperation and collaboration, (3) developing resource capacity, (4) convenience and support of local governments, (5) building mutual trust and (6) applying norms and values of honesty in business. The implications of these elements show that there is a strengthening of the role of women's social capital in UMKMs which increases three crucial aspects. First, economic independence through increasing income and family financial management. Second, improving the welfare of families and communities and third, alleviating poverty by improving the quality of life and welfare of families and communities. These three aspects illustrate the impact of the economic value of women's social capital which empowers the economic capacity of business actors involved in the Tore Bean business sector in Kawangkoan. This study provides an in-depth perspective on the importance of strengthening the role of women's social capital in reducing poverty rates and building the UMKM sector that has an impact on Indonesia's economic development.

Keywords: Social Capital; Woman; UMKMs; Poverty

INTRODUCTION

Poverty is a condition in which a person or group of people is unable to fulfill their basic rights to maintain and develop a dignified life. In Indonesia, the poverty rate in 2020 amounted to 26.42 million people, in 2021 it increased by 27, 54 in 2022 it decreased by 26.16 million people and in 2023 and 2024 from 25.90 million people to 25.22 million people [1]. The problem of poverty is a complex and multidimensional problem so that it becomes a development priority. This poverty alleviation effort can involve the role of women's social capital in the UMKM sector as a force to answer the problem of poverty that continues to plague the octopus. This is proven by the large number of women working in the UMKM business. At the micro business level, 52 percent of the 63.9 million micro business actors are small business women, there are 56 percent of 193 thousand. Meanwhile, medium businesses, 34 percent of 44.7 thousand [2]. Realizing a golden Indonesia in 2045 is the government's step to build Indonesia to become a World Megatrend. The government in realizing this builds the pillars of Vision Indonesia 2045 based on Pancasila and the 1945 Constitution as the basis of the nation, state and constitution. The 4 pillars of Indonesia's Vision 2045 are: (1) Human

Development and Mastery of Science and Technology, (2) Sustainable Economic Development, (3) Equitable Development and (4) Strengthening National Resilience and Governance (Bappenas, 2019). This is also supported by the Asta Cita Program of President Prabowo Subianto and Vice President Gibran Rakabuming Raka as stated in the 2025-2029 RPJMN, especially in an effort to strengthen the research and innovation ecosystem oriented towards technological advancement and improving people's welfare. Therefore, to be able to meet the expectations of the university community, it plays a role as an agent of social and economic development, including realizing gender equality and social inclusion that can produce women who have knowledge and mastery of science and technology for Indonesia's economic development (Puspaputri, 2025). Because if the economy is good, it will have an impact on economic growth that can reduce poverty (Škare & Družeta, 2016) where by strengthening the role of women's social capital, it turns out to increase economic growth (Machio et al., 2024) more than half (Pristiandaru, 2024; Khan, Falahat, et al., 2025) To be precise, 64 percent, micro, small and medium enterprises (UMKMs) in Indonesia are managed by women. In Ghana itself, the transformative potential of rural women entrepreneurs who harness social capital from both formal and informal social networks for poverty alleviation in rural areas (Osei & Zhuang, 2020). UMKMs play a core role in achieving inclusive sustainable development, creating job opportunities, innovation (Gherghina et al., 2020), and reduce income inequality through the development of business services, especially women-owned businesses. (Sisay et al., 2025).

In Indonesia, poverty alleviation is still a major challenge with 23.8 million people in 2025 (Central Statistics Agency, 2011). This poverty alleviation effort can involve the role of women's social capital in the UMKM sector as a force to answer the problem of poverty. This is strengthened by the fact that 64 percent of micro, small and medium enterprises in Indonesia are managed by women (Prodjo, 2022). Women's empowerment has also had a positive impact on poverty reduction in China and women who have been beneficiaries have contributed to an increase in household income and living standards. Training, microfinance, and associations are commonly used ways or strategies to empower women in overcoming poverty (Rui, 2021; Khan, Falahat, et al., 2025), as well as the growth of women's employment in Nepal's manufacturing industry supports the reduction of poverty inequality and income inequality among the poor (Acharya, 2008). E-Commerce development can reduce poverty (Qin & Fang, 2022), and Innovation and competitive advantage can improve the performance of women UMKMs in Indonesia (Susanti et al., 2023; Jabeen et al., 2025). This research will reveal the strengthening of the role of women's social capital in UMKMs for poverty alleviation in North Sulawesi. Because of the survival of UMKMs in SUNUT, behind them there are strong women who are a source of inspiration who support them. They succeed because they take advantage of social capital, which is a set of informal values or norms that spread among the members of the group that allow cooperation to occur between them (Fukuyama, 2000). Putnam himself sees social capital as including social relationships, networks, social norms, and beliefs (Putnam, 2000). The purpose of the research is to find elements of strengthening the role of women's social capital in UMKMs for poverty alleviation in North Sulawesi and Model.

METHOD

This study uses qualitative research methods (Suman, 2012). In the context of this research, the special phenomenon to be studied is a socio-economic phenomenon related to the behavior and social interaction of women of Kacang Tore UMKMs for poverty alleviation in North Sulawesi. In this study, a qualitative research method with case studies is used that investigates phenomena in real-life contexts, when the boundaries between phenomena and contexts are not clearly visible and where multi-sources of evidence are used (Yin, 1997). In conclusion, a case study is a series of scientific activities that are carried out intensively, in detail and in depth

about a program, event, and activity, either at the level of an individual, a group of people, institutions, or organizations to gain in-depth knowledge about the event. This is what happened in the case of Kacang Tore UMKMs in North Sulawesi whose main role is women. As described in the research objectives, for more detail, the focus of this study is Finding elements and models of the concept of strengthening the role of women's social capital in UMKMs for poverty alleviation in North Sulawesi.

The data sources in this study are informants, especially women UMKM owners who have business capital of more than Rp1.000,000,000.00 (one billion rupiah) to a maximum of Rp5,000,000,000.00 (five billion rupiah) excluding land and buildings where the business is located, This is supported by events in the field starting from the activities of women business owners while running an UMKM business and documents related to data such as photos and videos of activities that are Starting from production, distribution, and sales activities to public consumption. Furthermore, it is supported by the number of female workers who work in UMKMs who work for about 5-10 years. Data collection in qualitative research is carried out until the initial information *is saturated*, those who master the data to be selected, these candidates will develop into the next prospective informants. The next informant is selected by means of a *snowball*, then the next informant is determined in turn, and the last information when it has reached the level of saturation *means* that there is no more variation in answers from the informant. Research activities were carried out on several Micro, Small and Medium Enterprises (UMKMs) in North Sulawesi whose owners are women UMKM actors.

The data obtained in this study were analyzed using the Progressive Forward model of Spradley [22] (Wijaya, 2018) This model consists of domain, taxonomy, component, and theme analysis. In the perspective of the domain, the researcher reveals the elements and models of strengthening the role of women's social capital in UMKMs for poverty alleviation in North Sulawesi through data that has been collected and involves categories, including the covert behavior of the actors in it (*Cover Term*) which are interconnected with each other, behavioral parts, and semantic relationships. Such as the ability to interact and build networks in terms of selling products to consumers by utilizing social capital owned by women. In this context, the researcher begins the analysis by determining one of the semantic relationships and combining it with field records that have been obtained from the data collection process during the researcher's interaction with data sources at UMKM locations. This analysis process will continue with the categorical relationship between covert behavior and part of the behavior reaching a saturation point in finding a list of domains that are seen as a reflection of the perception and understanding of the elements and models of the concept of social capital in accordance with what is understood and believed by women UMKM actors as research subjects (Sayuti et al., 2024).

This analysis process is then carried out taxonomically, mainly to explain terms or parts of behavior in a specific domain and in order to organize in order to achieve the research objectives. In this case, the researcher chooses one of the domains that has semantic similarities to be used for the selected domain. In this process, the researcher will look for elements and found the concept of a model for strengthening the role of women's social capital in UMKMs for poverty alleviation in North Sulawesi. The term section through constructing structural questions. The result will form a graphical taxonomy or relationships between domains and their sub-sections to the terms of the parts depicted from the levels found. To evaluate the analysis carried out taxonomically on the data obtained through the intensive interaction of the researcher with the data source in UMKMs, the researcher conducted focused observations for checking which were further described as findings. So that it can build new theories or new policy principles that contribute to UMKMs for poverty alleviation in Indonesia. The next analysis is the component that is broken down is the domain that has been set to be the focus.

Through taxonomic analysis, each domain looks for similar or cognate elements. This was obtained through observations and interviews as well as focused documentation. The final analysis using theme analysis is actually an attempt to find a common thread that integrates across domains (Moleong, 2018).

RESULT

1. Building Networks and Communities

Social capital in the life of the UMKM community in Kacang Tore Kawangkoan has existed for a long time. Since a few years ago. In their business life, these UMKM women always use the social capital they have in terms of networks and communication to continue to maintain their businesses. This can be seen from Mrs. LA who has been in business for more than 50 years.

"I have been doing this business for more than 50 years. In selling I try to build a network by getting in touch with peanut farmers, suppliers, employees and buyers. That allowed me to survive."

Building a network with a chain of economic activities turns out to be the beginning of the formation of a business

In order to survive (Maharani et al., 2025; Suardana, 2025). Because this UMKM activity requires strong support from all parties. This is also supported by Mrs. YT's statement stating that networking by building good relationships with all parties is the key to business success.

"The network that was built between me and the buyer when I gave a price discount if I bought a lot. Usually the price per kilogram is Rp.20,000. So I give a discount of only Rp.18,000. Not only that, free delivery is done for consumers who buy more products."

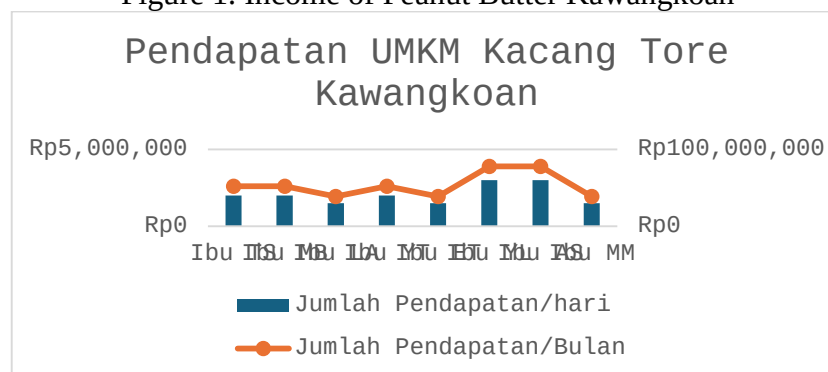
Mrs. YT's statement indicates that the network and communication built through good relations with Tore bean consumers is built through free delivery and discounted prices for buyers. This is done so that consumers become regular buyers and continue to subscribe to Mrs. YT. It's a little different from the treatment of Mrs. LA who built a network of selling tore beans to consumers with different things:

"In selling tore beans to consumers, I do not give price differences to all consumers as a community of buyers. My price is the same but I provide service in a friendly and fast way and even joking around to make them happy."

Mrs. LA's treatment turned out to be quite good and many became consumers and regular subscribers in buying this tore nut product. This treatment is also practiced by Mrs. YL whose business has been in business for 50 years by building a network with buyers through good, friendly and polite service to customers and providing good product quality.

The social capital, network and communication formed between business owners and buyers as consumers can be seen in terms of providing product discounts, free product delivery, providing friendly, fast and familiar services to buyers. Through this service, women UMKM owners can have a fantastic income in selling tore beans for a month.

Figure 1. Income of Peanut Butter Kawangkoan



Source: Primary Data Processed by the Author, 2025

From Figure 1. Above it can be seen that the monthly income of the tore nut business owner varies between Rp. 1,500,000 to Rp. 3,000,000. so that the total income of these women business owners reaches Rp.39,000,000 to Rp.78,000,000/month. This is of course a productive area for the community to continue to grow in its economy. So that it has a positive impact on poverty alleviation because it can open up jobs.

2. Building Cooperation and Collaboration

Cooperation is a very vital part of Kacang Tore UMKMs. The business that has been carried out for decades can survive only because of the existence of social capital. The cooperation built between tore nut business owners and various parties is able to survive and even this business can absorb many workers who work in this business field. Such as agriculture can use 5 to 10 workers, peanut processors use 3 to 5 workers, marketing 3 to 5 people. So this business activity can attract a lot of workers to work in this business. This will have a positive impact on the community's economy so that poverty is avoided.

This is what Mrs. YLPemilik UMKMs said about how in her business for decades in one production in one production using a lot of labor:

In running this business, I have to collaborate with farmers. Because they helped my peanut farming business. I used a workforce of 5-10 people in almost 3 months with several jobs. Not only that, in harvest activities, usually a female workforce of 10 people is included in this activity. Even peanut processing activities have reached marketing (Mrs. YL)

This is also justified by Mrs. MB who has been running this business for 40 years by planting peanuts, processing and selling them at her own stall. It turns out that this business can absorb a lot of labor.

"In my business activities, I involve many workers because starting from farming there are 5 to 8 people, processing to sales around 7 people. This cooperation generates income and can strengthen the economy of workers. So that they can work and earn a decent income"

The above statement provides an understanding that jobs can be obtained from farming activities to marketing efforts. It involves a lot of labor. Of course, when it involves labor, it means that there is income for the working community. When they have an income, they can finance their lives by consuming production goods. This consumption activity of course costs and these workers can already meet their needs by working. This means that when they work, there is no unemployment and it has an impact on reducing poverty (Hakim & Firmani, 2025). The same thing was justified by Mrs. YT who emphasized that building cooperation with economic actors is very important. This is how he said:

"My business has been running for more than 50 years and I use some labor. Some have even worked at my place for more than 20 years."

Mrs. YT's statement indicated that building cooperation with the workforce can strengthen her business to date. The collaboration carried out between business owners and workers produces a strength that of course with the length of time they work can support their family life. As some of the employees from YT's mother said:

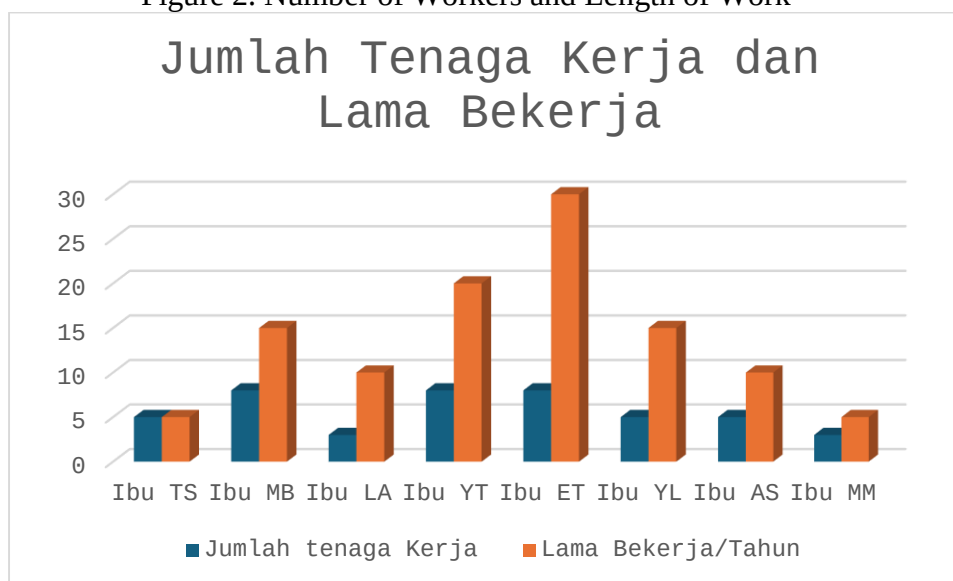
"I have been working for more than 20 years. The relationship that has been built between me and the business owner for quite a long time certainly makes us depend on all the family income so that we can support our family."

Likewise, business collaboration and family support can increase this business activity. Because the family helps all small business activities from the beginning of production to the end of production. This is the statement of MB's mother:

"In running this business, family support is very important because they help activities from the production process to sales. Not only that, the family builds relationships with the workers whose core activities are going well."

The various stories above explain that good cooperation with all parties results in profitable collaboration. So that the workers in these UMKM activities are able to support their families by seeing how long they have worked in this business. This provides positive energy on how the power of social capital is able to provide a way out in the world of work through good cooperation. This can be seen in table 2 below:

Figure 2. Number of Workers and Length of Work



Source: Primary Data Processed by the Author, 2025

From figure 2 above, it can be seen that the absorption ability of the number of workers varies between 3 to 8 total workers, with a working time of between 5 to 30 years. The data in Figure 2 also shows that most of the workforce has a working duration of more than 10 years. This length of work confirms the high power of social capital created between workers and business owners.

3. Expanding Resource Capacity

Capacity development has several parts that are able to show that the business being run can run well by improving product quality. As conveyed by the Tore Kawangkoan peanut business actor who explained that his business always maintains and maintains product quality. This is the story conveyed by Mrs. YL:

"Through the business I run, I always provide good service, always be friendly to customers, and especially maintain product quality."

This statement provides an explanation that capacity development is not only about how much product is produced but also explains how much quality is maintained by the owner of the Tore bean business, moreover, the business owner still prioritizes good service and is friendly to customers who buy the product. Similarly, Mrs. YT explained that to maintain a good relationship with customers, Mrs. YT still maintains the quality of the products sold to customers, the following is the story conveyed by Mrs. YT:

"In order to maintain a good relationship with customers, I maintain the quality of the beans sold to customers"

This provides an understanding that, in order to maintain the durability of the products produced and retain customers, business actors try to maintain the quality of the products sold so that new customers and customers do not feel any differences in the quality of the products they buy and sell (Sapphire, 2025). Not only that, other business owners also have the same understanding as other business actors, such as Mrs. MB. The following is what was conveyed by Mrs. MB:

"I try to maintain active communication with customers and provide customer-friendly service. In addition, I also build good relationships with loyal customers and continue to improve the quality of products and services."

In addition to improving product quality, capacity building also talks about improving adaptability to customers. The business actors involved such as Mrs. YL gave the statement that:

"Through this business, to develop the business I run, I continue to innovate and adapt to customers"

The statement delivered by Mrs. YL provides an understanding that this capacity development can talk about how business owners have the ability to adapt to customers so that this will also be an encouragement to other business owners who sell the same product. Like Mrs. MB who said that:

"I always maintain active communication with customers and provide friendly service to customers who come to buy"

The business run by the owner of the Tore bean business, cannot be separated from developing the business by innovating. This is what Mrs. YL does, where for the development of her business Mrs. YL has the desire to innovate. This is supported by his narration:

"Through the business that I run, to continue to develop the business and be known, so I innovate and adapt to the products I have"

Based on Mrs. YL's statement, it can be seen that running a business is not easy, especially since the sales that are carried out are not only by themselves but there are other business owners who sell Tore bean products, so that to maintain product quality, this business owner has the understanding to innovate the products they sell. This will also help encourage other business actors to innovate their selling products.

4. Convenience and support from local governments

The harmonious relationship that has been built between women UMKM actors and the government seems to be important and greatly affects business continuity (Niyi Anifowose et al., 2022). In terms of struggling, of course, women business people need support in the form of infrastructure and marketing support. Because without this, UMKM business activities will be constrained. This was also stated by the TS:

As a business actor. We women must be able to work together. Therefore, we are grateful that the government supports us with road infrastructure and sales locations that are centralized in the heart of the city.

The same thing was also expressed by Mrs. LA

I have been selling for decades. The government supported me in marketing activities. With a strategic location in the souvenir center, my sales are quickly bought by consumers.

The words of these two mothers suggest that positive government support can make their business run well. Even the products they sell are easy for the public to reach. This condition should be a strength for the business community that with government support can provide new things for business development.

5. Build mutual trust

In UMKMs, increasing trust is an effective strategy that can increase the value of the business products that are run (Aulia et al., 2024). The Tore Kawangkoan bean business has its own role in terms of improving business capabilities. Several ways carried out by Tore bean business actors show that they are able to run the business in the midst of fierce competition. First, improve product quality. Business actors always maintain the products produced so that their value is maintained. From the results obtained, business actors like Mrs. YL have a strategy to maintain their products. The following is a statement from Mrs. YL:

"As long as I sell, the main thing I do and maintain is to build consumer trust by maintaining product quality at the same time, I try to provide good service and be friendly to buyers."

The same is true for Mrs. MB who always upholds high consumer trust and applies her business to continue to develop and run well. Thus, the statement of Mrs. YL can be supported by her statement through Mrs. MB who said that:

"In order for the business I run to continue to exist, I maintain this business by improving the quality of products and services to maintain consumer trust."

Not only that, Mrs. YT also has the same views as other business actors,

"My way to be able to develop this business can survive is to maintain consumer trust while maintaining product quality." That is why

Every story delivered by women business actors supports the role of increasing trust in terms of product quality. The good products produced are able to increase customer trust because the product is maintained in consistency.

In addition, it improves services. This shows that UMKMs can increase trust in customers who buy these products. This part is included in the sales strategy of the business owner. The business actor who tries to give the best to his customers is Mrs. TS, this is evidenced by her statement as follows:

"To maintain customer trust, on certain days I give special discounts to those who come to buy. This is an important part for me so that other customers are also interested in buying my product."

In addition, there is also Mrs. YT who has a marketing strategy that is just as unique as Mrs. TS, namely, providing bonuses/discounts, free delivery, bonuses with other conditions. This can be supported through the following statements:

"I sell this product in addition to displaying beans in front of the store, I also give bonuses to customers in the form of discounts, free delivery/free shipping, providing discounts with other conditions such as, if the buyer orders a lot of beans, they will get a discount per liter."

Service improvement can help business actors to innovate in terms of marketing strategies as conveyed by Mrs. YT and Mrs. TS where the improvement of services they do is by providing practical and unique strategies so that their products do not run monotonous. This strategy helps them to keep and retain repeat customers. Of course, what is done can have a good impact on other UMKM actors and encourage them to have innovations to sell products.

Third, increasing transparency in this case about income and expenditure made by Tore bean business actors for the products they produce. Every business actor has working capital for the business. This shows how much they spend compared to the income they receive. Business actors such as Mrs. LA, Mrs. YT, Mrs. TS, Mrs. YL, and Mrs. MB provided an explanation of how much capital they have to open this business, expenses for shopping, salary, and taxes, income/profits obtained. Here's an explanation from Mrs. LA:

"I have been running this business for 40 years with a starting capital of Rp. 5,000,000. Then, the spending capital per week to sell is Rp. 2,000,000. Behind that, there is income/profit calculated per day, which is Rp. 100,000 – Rp. 500,000. In addition, the expenditure for employee salaries per month is Rp. 1,500,000. Another expense I incurred was to pay taxes to the government of Rp. 500,000."

Not only that, other business actors such as Mrs. YT explained that:

"For approximately 20 years of running this business, the initial capital I have is Rp. 5,000,000 with income/profit calculated per day of Rp. 500,000 – 1,000,000. For workers' salaries, not on a monthly basis but based on the work done by employees. For example, one work wage can be given of Rp. 100,000 – Rp. 500,000 depending on the number of beans produced."

Other business actors such as Mrs. TS provided explanations related to capital to monthly and annual expenses about the business run:

"My business has been running for 54 years, with a working capital of Rp. 5,000,000. Spending capital of Rp. 2,000,000/day. Income and profits that can be received are Rp. 2,000,000/day. Then, I pay an employee salary of Rp. 1,200,000/month. From this business, there is also a tax paid of Rp. 3,000,000/year."

Not only that, there are still business actors like Mrs. YL who have openness about how much capital and expenses are spent to maintain this business.

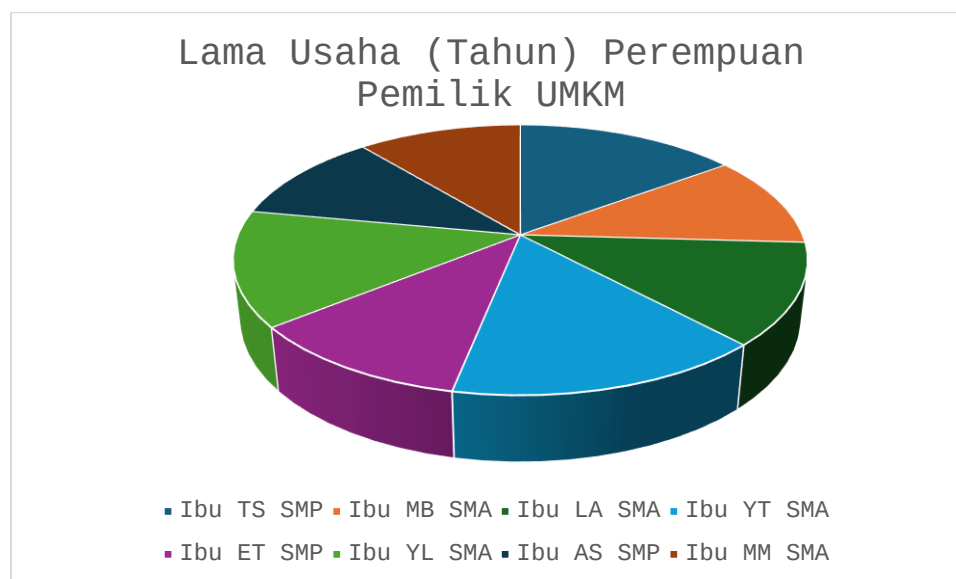
"The capital I have to start this business is Rp. 5,000,000 – Rp. 10,000,000 with a daily profit of Rp. 100,000 – Rp. 500,000. The expenses I spend are only on employees with a salary per day of Rp. 170,000."

Finally, business actors who have openness to the business run are Mrs. MB. The following is the explanation given by Mrs. MB about her business:

"My business has been running for 40 years, where the capital I had at that time was Rp. 3,000,000 – Rp. 5,000,000. The daily income/profit I receive is Rp. 400,000 – Rp. 700,000. Expenses for employee salaries are not monthly, but weekly and salaried at Rp. 400,000 – Rp. 600,000."

This data in Figure 3 illustrates the level of education of business owners, most of whom are high school graduates, only 3 out of 8 business owners have graduated from junior high school. Although the level of education is still not qualified, the length of time the business that can be run is quite qualified, ranging from 40 to 55 years. The business that has been successfully run for a long time, illustrates the variety of innovations that have also been successfully passed in an effort to maintain product sales levels.

Figure 3: Education and Business Length of Women UMKM Owners



Source: Primary Data Processed by the Author, 2025

6. Applying Norms and Values of Honesty in Business

In UMKMs, increasing trust is an effective strategy that can increase the value of the business products that are run (Budiarti, 2025; Kimbal & Soputan, 2025; Kimbal & Sumual, 2022). The Tore Kawangkoan bean business has its own role in terms of improving business capabilities. Several ways carried out by Tore bean business actors show that they are able to run the business in the midst of fierce competition.

Some women business owners run their UMKM business activities by applying strict rules. Because that is what helps them survive. Demikan [Mother MB's words:

I am quite disciplined in running this business. I use a lot of employees in my business activities. But there are rules that apply to employees such as having to be disciplined at work. So it should not be late and lazy.

The above statement indicates that the social capital element of the norm is very important. Because with the rules, everything will go well. Because of the compliance of employees. Therefore, Mrs. MB has 15 employees, all of whom work well and help.

This is what some of A's employees said:

I have been working at Mrs. MB's place for quite a long time. That's because I don't have a permanent job. The discipline and honesty taught made me survive in this place.

Employee B:

If we work lazy and undisciplined, then we will be reprimanded by the Business Owner

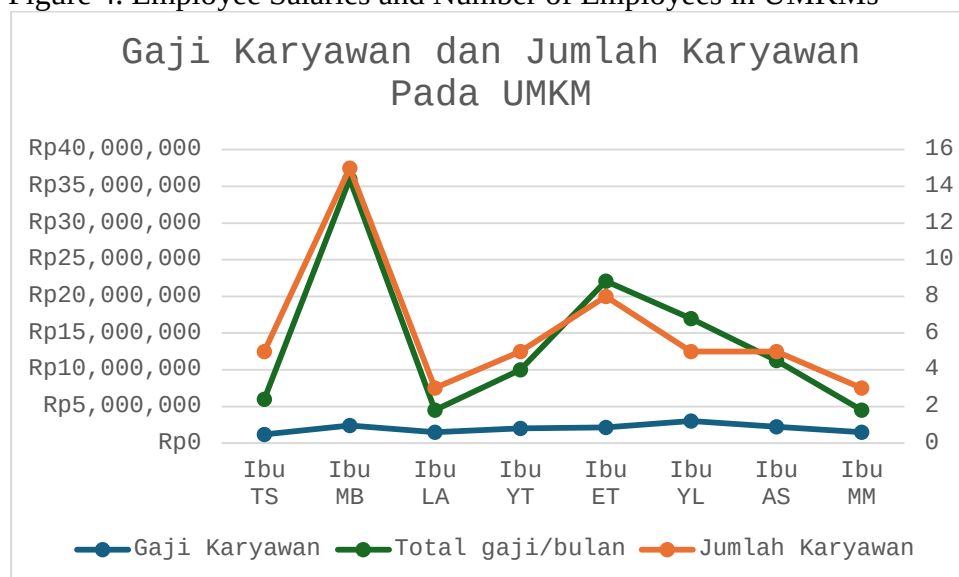
Employee C

We have always been taught about giving our best to always be honest and work with heart. Because we know that by working well, we will get a lot of rewards.

Some of the above statements illustrate that working well and honestly according to the rules will have a positive impact on employees and their owners. So that they get a satisfactory wage.

Figure 4 illustrates the wages that workers can earn each month. Each business owner has different abilities in the wage system, but it is still in the variation of Rp. 1,500,000 per month which is the lowest to Rp. 3,000,000 per month which is the highest. This figure of the ability to pay wages also illustrates that the business is able to be run well by the owner due to good cooperation with workers so that it is able to produce results. This ability is a strong picture of the social capital created between workers and owners.

Figure 4. Employee Salaries and Number of Employees in UMKMs



Source: Primary Data in the Author's Process, 2025

DISCUSSION

The analysis of this study provides a clear picture of the impact of strengthening the role of women's social capital on UMKMs in North Sulawesi. The elements of the results obtained show that there is a strengthening of the role of women's social capital in UMKMs which increases three aspects of economic empowerment that are crucial in alleviating poverty in North Sulawesi, using the case of the Tore Bean Business in Kawangkoan. Women's social capital practices have important implications for the empowerment of women-driven UMKM businesses.

1. Economic independence through increased income and family financial management

Based on the results of social capital elements, the impact of women's social capital shows an increase in the ability of individuals, families, or communities to manage economic resources independently and sustainably, so that they can meet the needs of life and achieve welfare. Strategically, social capital can increase income and manage family finances.

As said by Mrs. LA, this can be seen from Mrs. LA who has been in business for more than 50 years.

"I have been doing this business for more than 50 years. In selling I try to build a network by getting in touch with peanut farmers, suppliers, employees and buyers. That allowed me to survive."

Another thing was also revealed by Mrs. YT:

"The business I built for 50 years has led me to continue to innovate and always be ready for all the risks of failure and other challenges."

As said by YL's mother who has been in this business for 55 years.

"The business I have built has been 55 years. This business continues to run because it is managed by all family members. Even though I am only a high school graduate, the ability to manage this business makes me independent because the income I receive can meet the needs of life as a whole."

This shows that social capital, especially in the form of networking and communication, plays a central role in the sustainability and success of women's micro, small, and medium enterprises (UMKMs) in the Kacang Tore business sector in Kawangkoan. These findings reinforce the view that the success of small businesses depends not only on financial capital, but also on strong and strategic social relationships between business actors and various related parties such as (Hidalgo et al., 2024; Nasila & Napu, 2024; Reniati et al., 2025; Rattanawiboonsom et al., 2025). In this context, social capital is shown through the power of social networks and trust between economic actors, both with farmers as suppliers, employees, and consumers. Ms. LA, who has been running her business for over 50 years, is a real example of how long-term relationships built consistently are a key pillar in sustaining a business.

Mrs. La's statement emphasized the importance of a harmonious and mutually beneficial relationship between UMKM actors and their supporters. This reflects the existence of social capital based on trust and solidarity, which facilitates the flow of information, product distribution, and strengthens the long-term sustainability of the business.

This analysis confirms that in the context of women's micro, small, and medium enterprises (UMKMs) in Kawangkoan, social capital in the form of networks and communication is a crucial asset for business continuity and growth. Good service, close relationships with customers, and smart communication strategies can create customer loyalty and expand the market organically. The different strategies applied by each party show that there is no single approach to building an effective social network. However, all of these strategies are rooted in the basic principles of social capital: trust, mutual benefit, and long-term relationships.

2. Improving Family and Community Welfare

The next aspect is the welfare of the community of the business actors involved. Improving well-being means improving or improving the quality of life of individuals, families and communities. In Tore Nut UMKMs, of course, this business is able to increase the income of both business owners and workers.

This is the story of Mrs. MB representing 8 female business actors who get results from their businesses and employees

"The business I have been doing has been 40 years. Every month I get an income of Rp.52,000,000 / month. My employees' salary income is 5 people each Rp.2,400,000/month."

It can be seen that a stable income certainly provides welfare for both business owners and working employees, because they are no longer unemployed. This means that they are prosperous because the needs of life can be met so as to reduce poverty and inequality. These results can highlight cooperation as a form of social capital in the Kawangkoan Tore Bean business. This social capital is an important foundation for business continuity, as well as contributing significantly to improving the welfare of local communities, especially through job creation and income distribution (Boonnual & Boonnual, 2024; Reniati et al., 2025; Qureshi et al., 2025).

The cooperation established between business actors in processing, and marketers shows that this business model is inclusive and encourages the participation of various parties. The production of Tore beans is not a stand-alone activity, but rather part of a local value chain involving dozens of workers. In a single production cycle, a single business unit can employ up to 15–20 people from various stages, from agriculture to marketing. Harvesting activities specifically involve women workers, suggesting that these businesses also encourage women's economic participation, which is also an important indicator in measuring community well-being. Its relevance in improving well-being is very clear here: when more people are involved in the production chain, access to jobs and income increases.

From the interviews with Mrs. YL and Mrs. MB, it can be seen that the involvement of workers in their businesses generates a decent income for them. This income becomes an economic resource for their families, which can be used to meet basic needs such as food, education, health, and shelter. The decades-long cooperation between micro, small, and medium enterprises (UMKMs) and workers not only reflects economic efficiency, but also shows the existence of stable, productive, and sustainable social capital (Kimbal & Maru, 2023; Khan, Qureshi, et al., 2025). The social engagement formed from these work interactions is a vital asset in maintaining business sustainability and community well-being in the long term.

This shows that cooperation in Kacang Tore UMKMs is not just a business strategy, but a socio-economic mechanism that has a direct impact on the welfare of the community. By absorbing a large workforce, providing a decent income, and encouraging women's economic

participation, these cooperative-based UMKMs have succeeded in reducing unemployment, increasing household income, encouraging local consumption, and reducing poverty levels.

3. Poverty Alleviation by Improving the Quality of Life and Welfare of Families and Communities

Poverty alleviation is a process of reducing and eliminating poverty in society. This can be done by opening and providing jobs to the community. This has been implemented by women UMKM actors in Kacang Tore where they work and do business by involving all family members. That's not all, they are also creating jobs. These UMKM Entrepreneurs can also help increase workers' income, reduce social gaps, improve quality of life and be able to develop people's skills. Thus Mrs. YT said:

"Even though I am only a high school graduate, I still do self-development such as participating in training, learning on social media, etc. I also teach employees how to process and market our products. Our self-development to face many modern competitors. So if our products sell well in the market, it will have an impact on increased revenue. With an increase in income, it will provide prosperity with the fulfillment of various large living needs."

The above presentation reveals how Kacang Tore UMKM entrepreneurs in Kawangkoan utilize social capital, especially increasing trust, as the main strategy in managing their business. This strategy not only impacts business sustainability, but also makes a real contribution to poverty alleviation through job creation, income increase, and fairer economic distribution at the local level (Ogbari et al., 2024). Business actors such as Mrs. YL, Mrs. MB, and Mrs. YT emphasized the importance of maintaining the quality of products and services as a way to build consumer trust. This strategy has a direct impact on: customer satisfaction, which drives loyalty and repeat purchases; increased sales volume, which leads to increased business revenue; business stability, which creates sustainable employment opportunities.

By maintaining quality and service standards, businesses can continue to grow in the midst of market competition, thus providing wider employment opportunities for the surrounding community. In areas with high levels of poverty, stable and thriving businesses are an important pillar in reducing dependence on social assistance, while paving the way for community economic empowerment. This result is very relevant to poverty alleviation, because UMKMs are the driving force in the creation of flexible informal jobs, which can absorb workers with low levels of education or without special skills. The availability of daily or weekly income allows workers to meet their basic needs independently, without having to rely on government assistance. More broadly, when micro-enterprises like Tore nuts thrive, they create a sustainable cycle of local economies, from farmers, processors, sellers, to consumers that together promote improved welfare and reduce structural poverty.

CONCLUSION

Based on the discussion, it can be concluded that social capital plays an important role in poverty alleviation through strengthening the role of social capital of Kacang Tore UMKMs in Kawangkoan. The implications of the role of social capital include networking, communication, and cooperation between business actors and between business actors and farmers, employees, and consumers, not only driving business sustainability but also creating jobs that significantly absorb local labor. With stable income and access to employment, communities, especially women-led UMKM entrepreneurs, can meet their daily needs independently, thereby improving their welfare and reducing poverty rates. In addition, social

capital also encourages the improvement of the quality of products and services, which builds consumer trust, allowing businesses to survive and thrive in the midst of market competition. The success of UMKMs in creating a sustainable local economic cycle is an effective strategy for community economic empowerment, especially in areas with high poverty levels. Therefore, social capital is not only the main foundation in the management of micro, small, and medium enterprises, but also socio-economically which contributes significantly to poverty alleviation and improvement of the welfare of the community as a whole. Strategically, this has implications for aspects that need to be discussed and further researched in order to be progressively empowered, namely women's empowerment: (1) building networks and communities, (2) building cooperation and collaboration, (3) building resource capacity, (4) convenience and support of local governments, (5) building mutual trust and (6) implementing norms and values of honesty in business. The implications of these elements show that there is a strengthening of the role of women's social capital in UMKMs which increases three crucial aspects. First, economic independence through increasing income and family financial management. Second, improving the welfare of families and communities and third, alleviating poverty by improving the quality of life and welfare of families and communities.

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