# WOMEN'S ENTREPRENEURSHIP IN SUPPORTING HALAL TOURISM IN LHOKSEUMAWE CITY

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#### **Abstract**

This study aims to determine the entrepreneurial potential of Acehnese women in supporting halal tourism in Lhokseumawe City, to determine the obstacles and success factors of women in entrepreneurship, to know policies for empowering women in entrepreneurship, and to formulate a model for developing Acehnese women's entrepreneurship. This study uses a qualitative method with dialectical analysis. Data collection techniques are observation, in-depth interviews, confirmation with related figures and agencies, and documentation studies. The results indicate that Lhokseumawe City has great potential for the development of women's entrepreneurship and fostering the quality of entrepreneurship to be more resilient and independent. The inhibiting factors for entrepreneurship are the weak access to funding and the lack of awareness of the local government. The most important factor for entrepreneurial success was the spiritual spirit given by the family, especially their husbands, parents, and spiritual teachers. The involvement of the Lhokseumawe City government, sub-district government, village government, academics, banks, large companies in the tourism object environment, non-governmental institutions/NGOs, and the private sector MSMEs in Lhokseumawe can realize the success of halal tourism in Lhokseumawe. The Lhokseumawe City Government has fully supported Acehnese women's entrepreneurial activities.

Keywords: Entrepreneurship, Women, Tourism, Halal, Lhokseumawe

### **INTRODUCTION**

Tourism is a sector that has been hit hard by the Covid-19 pandemic. The number of tourists experienced a significant decline of 75.03 percent in 2020 (EGSA, 2021). The decline in the number of tourists influenced economic conditions, especially the small availability of jobs. Data shows that the pandemic has threatened 13 million workers in the tourism sector and 32.5 million indirect workers (BPS, 2020).

Lhoksumawe City is one of the major cities in Aceh province, which has experienced a decline in the number of tourist visits due to this pandemic. Lhokseumawe City has many interesting tourist objects to visit and many adequate supporting facilities for hotels, restaurants, travel, and trade. In addition, it is

strategically located and has the potential for halal tourism (Lhokseumawe in Figures, 2018). Halal tourism has great potential to be developed by the Lhokseumawe city government (Zulkifli Harahap, 2019). Types of halal tourism that can be developed consist of religious tourism, history, culinary, and nature tourism.

Women's entrepreneurship has an impact due to the pandemic, so it needs cooperation support (Siti Parhani, 2020), and women's entrepreneurship is the government's target to be empowered as a supporter of family welfare and support for local tourism development (Yohana Yembise, 2016). Meanwhile, Yunianto (2019) said that almost 90 percent of small and medium industries are managed or have direct involvement of women.

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Several research results on the role of women in entrepreneurship show that the number of women who have businesses is lower than men (Minniti & Naudé, 2010). Only about 10.28% of women manage micro and small businesses. Entrepreneurial women are less likely to find a new business (Mazzarol et al., 1999). Women will have a passion for entrepreneurship if they have high knowledge. Knowledge, skills, and abilities are fundamental problems for women to become entrepreneurs (Kolvereid, 1996).

In addition to competence, the problem of business motivation is also an interesting thing. Acehnese women are passionate about entrepreneurship with the motive of helping their husbands in fulfilling family welfare. However, in practice, they lack working capital and knowledge of business management, so that their businesses do not run normally and lack creativity and innovation. Not a few of them lack the motivation to become entrepreneurs because they remember the limitations of their roles as women. For them, having capital from a bank is a difficult endeavor because of the difficulty of the mechanism and the high-interest rate. In addition, there is the assumption that business capital loans from banks are nothalal.

In addition to capital problems, difficulties in obtaining certainty of raw materials, production processes, and target markets are also a problem. To overcome those problems need business partners. Local Governments, Universities, and State/Regional Owned Enterprises are ideal partners for entrepreneurial women in Lhokseumawe. These problems are interesting phenomena to study.

#### LITERATURE REVIEW

There are several previous studies on the role of women in entrepreneurship. Minniti & Naudé (2010) found that the number of women who have businesses is lower than men. Only about 10.28% of women manage micro and small businesses. Entrepreneurial women are less likely to find new businesses (Mazzarol et al., 1999). Women will have a passion for entrepreneurship if they have high knowledge. Knowledge, skills, and abilities are fundamental problems for women to become entrepreneurs (Kolvereid, 1996).

Suryana (2003) explains that entrepreneurship is the creating and managing process of a new business that is different from other businesses. Entrepreneurship is related to creativity and innovation, which is the basis and resource for seeking opportunities for success. Suryana (2003) claims that the development of women's entrepreneurship is potential for economic progress, economic growth acceleration, and community welfare improvement. Khaeri & Pawitan (2018), women have advantages over men in perseverance, thoroughness, and multitasking. Women are considered saviors for the family economy (Marwanti & Astuti, 2012).

The tourism industry is an interrelated tourism business that aims to produce goods or services to meet the needs of tourists in the implementation of tourism (Ministry of Economy and Tourism of the Republic of Indonesia, 2003). The types of businesses in the tourism industry consist of hotels, restaurants, sales of souvenirs, and travel agencies. Based on tourism objects, the types of tourism consist of beach tourism (marine tourism), ethnic tourism (ethnic tourism), nature reserve tourism (ecotourism), hunting tourism, sports tourism, culinary tourism, religious tourism, agrotourism, cave tourism, shopping tourism, ecological tourism, and cultural tourism (Ismayanti, 2010). Halal tourism is an activity supported by the community, entrepreneurs, and the central and local governments in terms of fulfillment facilities and services based on Islamic sharia (Ministry of Economy and Tourism of Indonesia, 2013). These facilities and services do not conflict with the

Islamic concept.

Entrepreneurial competence is the ability, skill, and entrepreneurs knowledge in running a business. Also, it is a substantial element in facing competition, both locally and internationally (Ng & Kee, 2013), and increases competitiveness (Barazandeh et al., 2015). Entrepreneurial competence is the experience, knowledge, skills, and attitudes needed to achieve effective business performance (Marwanti & Astuti, 2012). Business capital is the primary capital owned by entrepreneurs to set up a business.

#### **METHODOLOGY**

This study has been conducted in Lhokseumawe City, Aceh Province, Indonesia using a qualitative descriptive method (Sugiono, 2013; 2019). The data collection techniques used were observation, interviews, and documentation (Nauman, 2007). The sampling technique used is purposive sampling. The informants are women entrepreneurs, village heads, and policymakers in Lhokseumawe City.

The three stages of research data analysis used are data reduction, data presentation, and conclusions (Moleong, 2002). Data reduction is a process of selecting, determining focus, simplifying, summarizing, and changing the form of data obtained from observations and interviews in Lhokseumawe City. Data presentation is the process of describing a set of structured information that provides the possibility of concluding. Conclusions are drawn in stages, starting from temporary conclusions for observations and interviews to the conclusions.

# **RESULTS**

This study produced some information about Lhokseumawe city related to various types of halal tourism, brief profiles of women entrepreneurs in, potential and opportunities for women entrepreneurship in supporting halal tourism, inhibiting factors and success felt by women in entrepreneurship, and village and city governments policies in empowering women for entrepreneurship. Besides, this study has also produced an integrative model of developing women's entrepreneurship in supporting halal tourism in Lhokseumawe City.

Lhokseumawe has several halal tourist attractions located both on the sea coast and inland Lhokseumawe, such as Seumadu Island, Ujong Blang Beach, Ulee Jalan Beach, Meuraksa Beach, Rancong Beach, Pertamina Pier Lhokseumawe, Krueng Geukueh Harbor, Putroe Neng Tomb, Malikussaleh Museum, Jeukat Reservoir, Riyadhah Park, Lhokseumawe Islamic Center, Pusong Reservoir, Paloh Batee Bouquet, Goa Japan Hill, Ngien Jioh Park, and Krueng Cunda River.

Based on the data collection process, it obtained 20 informants consisting of a local community leader, the head of the Lhokseumawe City Regional Planning and Development Agency, and 18 Moslems female informants from Banda Sakti, Muara Satu, Muara Dua, and Blang Mangat subdistricts. The informants are Masyitah, Nurlaila Hasyim, Maksalmina, Mutia, Suwarna, Wirna, Mutia Ajirna, Zulaikha, Fatimah, Nurlaili, Elizar Hanum, Siti Rahmah, Nurmaati, Nurhanisah, Cut Asmah,

Fitriah, Khairani and Wardiah. They are around 24 to 55 years old, a productive age for entrepreneurship. Their businesses consist of Acehnese culinary businesses, drink stalls, packaged and fast food, coconut water businesses, salads, and Acehnese souvenirs.

# **Women's Entrepreneurship Potential**

Provincial and City Governments have provided infrastructures, such as roads and other public facilities, which are great opportunities for women entrepreneurs to run their businesses. The opening of roads and other facilities have been carried out to several remote areas with the aim that the community can carry out their daily economic activities. The construction of roads and coastal embankments aims to avoid destroying the tourist attraction areas on the Ujong Blang and Ulee Jalan beaches. (Observation, 29 July 2021). In Ujong Blang Village, the village government provides public toilet facilities and trash cans to maintain cleanliness around the halal tourist attraction (Interview, 9 September 2021).

Training assistance from NGOs, and financial assistance, and business equipment from the Government have helped female entrepreneurs to work independently, as well as service programs from universities also educate women entrepreneurs about effective, intelligent, and strategic entrepreneurship. None of the informants had the opportunity to follow business management training (Interview, 3-4 August 2021). According to Geuchik Gampong Ujong Blang, the village government always provides information when there is information on entrepreneurship training for the community because the village government fully supports the halal tourism program partly run by women in the village (Interview 9 September 2021).

In addition, private parties, such as PT. Pupuk Iskandar Muda and Perta Arun Gas CSR programs support the improvement of women's MSEs in their target villages in Lhokseumawe City by providing business funding assistance. However, the potential for support from the private sector is only limited to the opportunity for women entrepreneurs (Interview, 2, 5 & 6 August 2021).

Another potential that increases the spirit of women's entrepreneurship in Lhokseumawe City is religious values that regulate women's entrepreneurship. Dr. Abd al-Qadir Mansur (Professor of Qur'anic Sciences at Sayf al-Dawlah University) said that Islam never forbids a woman from being an entrepreneur. Muslim women can do entrepreneurship with their personal property. No one can forbid them as long as they

follow the signs that have been set by religion. Another potential that increases the spirit of women's entrepreneurship in Lhokseumawe City is religious values that regulate women's entrepreneurship. Dr. Abd al-Qadir Mansur (Professor of Qur'anic Sciences at Sayf al-Dawlah University) said that Islam never forbids a woman from being an entrepreneur. Muslim women can do entrepreneurship with their personal property. No one can forbid them as long as they follow the signs that have been set by religion. In terms of buying and selling, a Muslim woman may show her face or both palms when choosing, taking, and giving merchandise. Dr. Abd al-Qadir Mansur also mentions many hadith texts and the opinions of scholars, which say that a woman is allowed to be an entrepreneur. Married Muslim women can work if they get permission from their husbands, but single women can get permission from their guardians. However, the right to permit by the husband is automatically terminated if the husband does not provide a living for his wife (Literature Survey, 2021).

### **Success Factors and Obstacles**

Based on the interviews with women entrepreneurs in Lhokseumawe City, the inhibiting factor for their success in entrepreneurship is financial support used to increase business investment and working capital. So far, women entrepreneurs in Lhokseumawe City have mostly used their business capital. Some informants use business capital assistance from relatives and outside parties, such as cooperatives and banks. They feel that the central, provinces, cities, and village Governments do not care about their fates. In addition, they do not have a clear legal force that the business they

run can stop at any time. They feel they do not have entrepreneurship knowledge and access to business financial assistance, as well as the thuggery that surrounds their business. However, the government doesn't care about it, and as the ordinary people, their positions are very weak. (Interview, 3-5 August 2021).

According to the views of several research informants, they are successful in running a business because of the spiritual spirit given by their parents, religious teachers, and husbands' support and prayers. Government policies or regulations that are pro-women entrepreneurs will help, improve or grow their businesses better than they are now. They feel that a team from the government/university that educates their entrepreneurship is very necessary to ensure the continuity of the current business. In addition, the entrepreneurship expert claimed that success factors consisting of financial

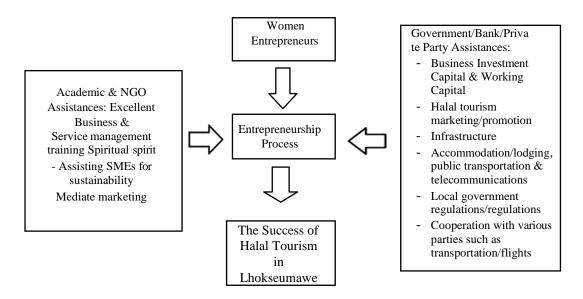
and non-financial capital and the spirit of hard work as elements that must be considered in running social entrepreneurship (Hendro, 2011).

# Integrative Model for Women's Entrepreneurship in Aceh

From the results of this study, researchers assess the need for assistance from academics and non-government institutions to shape the character or entrepreneurial spirit. By providing proper business management training, these women entrepreneurs will be able to increase their business growth and ensure halal tourism following the expectations of the Lhokseumawe City Government. The types of training include business management, marketing, human resources, business financial management, excellent service, and effective communication. In addition, the existing academics and NGOs can foster sharia spirit and motivation. From the results of interviews and observations of researchers, they are strong Muslim women, prioritizing sharia values in entrepreneurship, and motivated to help their husbands meet their economic needs.

To ensure prime success and optimal business sustainability, it is necessary to assist the women entrepreneurs for six months, which begins after they receive training on business management and excellent service until they are independent and ready to face various business problems. This process is important as a form of business control, but it has rarely been carried out by the Lhokseumawe city government.

The marketing mediation process needs to be carried out by other parties, in addition to finding markets and promoting halal tourism in the city of Lhokseumawe by making contemporary forms of promotion, such as designing a halal tourism website for Lhoskeumawe City and compiling tourism magazines or catalogs and creating short videos about halal tourism in Lhokseumawe City. Therefore, all those activities should be carried out by university academics in the field of halal tourism.



The process of women's entrepreneurship will not be successfully carried out by women entrepreneurs alone without the help of the city government, banks, and private parties/big companies in Lhokseumawe City. Government assistance can be in business investment and working capital to maintain their creativities and business sustainability. Besides, women's entrepreneurship also needs marketing assistance, such as promoting tourism through various media, such as promoting tourism through television media, private television, TVRI, radio, billboards, and other types of advertising.

Accommodation or lodging owned by the city government should also be available at a low cost but with excellent service. This accommodation is important because private hotel services have not been able to accommodate all visitors to the city of Lhokseumawe. The government should also make special rules regarding excellent hospitality services and require private hoteliers to promote halal tourism objects in Lhokseumawe city. Also, local transportation and telecommunications facilities must be supported as a form of halal tourism services.

The efforts made by the Lhokseumawe City government do not stop there, and various collaborations to support halal tourism must be established, such as with private SOEs and the provincial and central governments. Travel or transportation companies are commonplace in supporting tourism, typical Lhokseumawe/Aceh restaurants, typical Lhokseumawe/Aceh souvenirs, telecommunications, and other sectors related to halal tourism.

The involvement of the Lhokseumawe City government, sub-district government, Gampong, academics, banks, large companies in the tourism object environment, NGOs, and the private sector MSMEs in Lhokseumawe can realize the success of halal tourism in Lhokseumawe City. In the future, the Lhokseumawe city government can maintain the sustainability of this halal tourism process by evaluating the annual performance of all things in this entrepreneurial process and complementing the shortcomings of the existing system. The results of the research in the form of this model are called "integrative models of women's entrepreneurship" in supporting halal tourism in the city of Lhokseumawe.

## **CONCLUSION**

Lhokseumawe City has great potential to develop women's entrepreneurship and foster the

quality of entrepreneurship to be more resilient and independent. Various factors inhibiting the development of women entrepreneurs in Lhokseumawe City are the weak access to funding for investment and working capital. In addition, the city government does not care about the quality of their human resources, such as knowledge and marketing skills. The success factor for women entrepreneurs is the spiritual spirit given by their families, especially their husbands, parents, and spiritual teachers. They consider that entrepreneurship is a noble act that helps the family economy and others to meet the needs of consumers/tourists in Lhokseumawe City.

The women's entrepreneurship policy has not been formally formed by the Lhokseumawe City government and has not been the primary focus on the development of halal tourism till now. However, this is an important note for the Lhokseumawe city government to support halal tourism. The involvement of the Lhokseumawe City government, sub-district government, village government, academics, banks, large companies in the tourist attraction environment, NGOs, and the private sector MSMEs in Lhokseumawe can realize the success of halal tourism in Lhokseumawe. The spiritual spirit is the trigger for the success of Lhokseumawe women in entrepreneurship to realize halal tourism.

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