

## **Reinforcement Model of Traditional Market Traders in the Border Area**

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**Abstract** –This research aimed to produce: “Reinforcement model of traditional market traders in the border area of ArukSajingan, West Kalimantan”. It specifically examined: (1) the category of reinforcement traders; (2) the socio-economic welfare (social) of traders after experiencing reinforcement; (3) the influence of the reinforcement model on the social welfare of traders; and (4) experience of traders after being given reinforcement. This research employed descriptive method. 74 people were taken as sample through purposive sampling technique. Data collection techniques used were indirect communication, direct communication, and documentary studies. Data analysis was oriented to problems and research objectives. The steps were: Instrument test: validity test and reliability test. (2) Test the data requirements: normality test and linearity test (3) Analyze the social welfare relationship of traders. (4) Calculate the coefficient of determination and test the hypothesis. Conclusion: (1) The reinforcement of traders is included a good category. (2) The social welfare of traders after experiencing reinforcement is included in the moderate category; (3) There is an influence of the reinforcement model on the social welfare of traders. (4) The experience of traders after being given reinforcement includes positive and negative impacts. The positives include: increasing social welfare, which is supported by the application of positive traits in marketing such as: loving the business being run, having a firm determination (faithful in running his business), not giving up easily, having emotional intelligence, giving the best, discipline, optimistic, dare to take risks, confident, curious, always responsible, humble, resilient, and flexible. The negatives: time-consuming trading activities and provide opportunities for competition between traders.

**Keywords:** Reinforcement, traders, and socio-economic welfare.

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### **I. Background**

At a time when the condition of traditional market traders in the border area of ArukSajingan, West Kalimantan, is always developing, a management orientation is very much needed for entrepreneurial behavior. The importance of this orientation is not only technological and economic aspects are of concern, but also human aspects can be proportionally aligned with these aspects. In addition, the economy of merchants is generally relatively low, with less capital to do business. Judging from the competitive advantage, the performance of traders' businesses shows a low level of competitiveness. From the description above, research is needed on models of reinforcement economic capital, social capital, and human capital of traders.

### **II. Research Problem**

The general problem of this research was: “What is the reinforcement model of traditional market traders in the border area of ArukSajingan, West Kalimantan”. The sub-problems were splitted into: (1) What category does trader's reinforcement include? (2) What category does the social welfare of traders include after experiencing reinforcement? (3) Is there an effect of the reinforcement model on the social welfare of traders? and (4) What are the traders' experiences after getting the reinforcement model?

### **III. Research Purposes**

The main purpose of this research was to produce: “Reinforcement model of traditional market traders in border areas”. It specifically discussed: (1) the trader reinforcement category; (2) social welfare of traders after experiencing reinforcement; (3) the influence of the reinforcement model on the social welfare of traders; and (4) experience of traders after being given reinforcement.

#### **IV. Benefits of Research**

This research gives practical benefits for traders: applying reinforcement through training and mentoring as an instrument to practice their logical thinking and foster a trader's mental attitude as well as provide valuable experience in order to motivate them to be more creative in doing business with entrepreneurial behavior. For UNTAN: support the achievements of UNTAN's strategic plan and research roadmap. For the government: (a) Contributing rational thinking about community economic education and then being able to reveal the social situation of people's market traders related to descriptions of potentials, problems, and reinforcement development models which the government can use in improving its welfare. (b) Provide an alternative to formulate a program to increase the ability of traders to do business. (c) Supporting the government's expectation that educational research is expected to be macro in nature, not just micro research (classroom learning).

#### **V. Literature Review**

##### **1. Capital Economic Reinforcement**

Capital plays pivotal role in doing business. According to Thomas, JP and Mcfadyen, RG (2015), it increases capital economic, the members of group collect funds so that the business will be more successful. The development model for reinforcement the capital economy can be achieved through institutional reinforcement, which is carried out by particular methods: (1) there is empowerment in the *arisan* trader group: (a) participating in group meetings, (b) the participation of traders in the decision-making planning process determines the providers capital, (c) Participate in determining ways to obtain business capital, (d) There is participation in the implementation of creating good cooperation in group meetings, (e) There is participation in conducting self-assessment in the process of making decisions. (2) There is assistance: (a) information on how to get capital, (b) conditions for applying for a loan, and (c) the principles on which lenders provide loans. The meaning of the activities above shows that members are placed as the core in group activities. Group members are seen as objects and subjects. The assumption is that traders as members are also whole human beings who have the potential to develop even though they have different abilities but are active, creative and dynamic people in dealing with their environment. For this reason, the role of all parties is needed in increasing all their potential and providing motivation.

##### **2. Social Capital Reinforcement**

Social capital describes the values and norms that are believed and carried out by the majority of community members in their daily lives, directly or indirectly affecting the quality of life of traders and the sustainability of the community. According to Putnam, Robert (1993) social capital is a value of mutual trust or trust between community members and the community towards their leaders. Social capital is defined as social institutions that show social networks/ties, social norms and beliefs that motivate social collaboration to achieve the same goals. From the above opinion, the social capital of traders will develop well if these traders can work together and are trusted to show obedience to the norms that apply to achieve goals.

Stephan, WG (2017) suggests that to strengthen social capital, you need to create social networks. Reinforcement social capital is carried out through: "Reinforcement Awareness of Cooperation": (a) Groups of traders carry out social networks/bonds with capital owners/trader agents. (b) Merchant group members maintain "social trust". (c) Providing openness to business networks such as capital owners/agents, consumers and others. (d) There is a feeling of mutual trust in working together. (e) There is a close relationship. (f) Harmonious cooperation between traders and capital owners/agents where traders take goods/indebtedness. (g) Traders show compliance with the norms of cooperation with capital owners. (h) There is continuous evaluation. (i) Improving partnership relations, and (j) Utilizing social relations with other parties.

##### **3. Human Capital Reinforcement**

Human capital reinforcement in this context of research is through training especially related to business management and marketing based on the character of a successful entrepreneur. In this sense, Tuckman, B.W. (2008) suggests human capital reinforcement by adding additional knowledge and skills through value-based training. Character belongs to the domain of affective, values, and morals; thus, it requires a value-based training model in order to transform values into the heart of the trader. Cogan (1999) asserts that value is neither taught nor caught, yet it is learned. Through training, character learning activities are carried out in an inclusive and interactive manner, namely: (1) in the training room which is integrated into all training materials; and (2) outside the training room through business activities as a form of habituation and cultivating good character, especially the behavior of successful entrepreneurs. Yoder, D. (1989) argues that increasing the level of community skills can only be done with training programs that help people be more productive. Therefore, it can be assumed, training for traders is one of the efforts to help traders become more productive. Flippo, E.B. (1976:209) stated that training is the attempts to increase the knowledge and skills of an employee for doing a

particular job. Meanwhile, the general principles of training according to Yoder, D. (1989:235), namely: Individual differences, Relation to job analysis, Motivation, Active participation, Selection of trainings, Selection of trainers, Trainer's training, Training methods, and Principles of learning. Training in this study emphasizes on the learning materials that are arranged based on the needs of traders. This is in accordance with the characteristics of andragogy education that adults learn to have activities, namely to solve problems in their work or life.

#### 4. Socio-economic Prosperity

Reinforcement support for traders can have an impact on the level of social welfare. Welfare benchmarks according to Sunarti, E (2006:13) welfare, namely "Satisfaction obtained by individuals from the results of consuming the income earned". The level of welfare is relative because it is related to the size of the satisfaction received. Explanation of Law no. 10 of 1992: Prosperity is indicated by the condition of fulfilling basic needs consisting of adequacy and quality of food, clothing, housing, health, education, employment, a clean, safe, comfortable environment, fulfilling human rights and participation in community activities, the incarnation of people who have faith, piety to God Almighty.

#### 5. Previous Research

There were several relevant studies research which includes: a study conducted by Zen, M. (1985) concluded that there is a contributive relationship from business study funds to the success of business study groups. (2) Research that focuses on life skills education programs to determine the success of life skills education where it is found that there are various levels of success of life skills education in overcoming poverty. The community has not been able to improve their business performance due to the weak capacity of their human resources (Suryana, 2013). (3) A study from Rahamdiawati (2021) economic capital and social capital still need to be developed and used optimally. From the research above, there is a relationship between human resources (HR) and economic development. As human capital, HR development is a process to increase human knowledge and skills, and their effective use plays an important role in the process of economic development.

#### 6. Hypothesis

In order to be more directed to the discussion, a hypothesis is needed in a study. The research hypothesis is:

##### a. Null Hypothesis ( $H_0$ ):

There is no effect of reinforcement model on the socio-economic welfare of traditional market traders in the Aruk Sajingan border area, West Kalimantan.

##### b. Hypothesis Alternative ( $H_a$ ):

There is an effect of reinforcement model on the socio-economic welfare of people's market traders in the border area of Aruk Sajingan, West Kalimantan.

## VI. Research Method

This research employed a descriptive method. The population was market traders society in the border area of Aruk Sajingan, West Kalimantan. The sample was 74 people obtained by non-probability purposive sampling technique. Technique and data collection tools used in this research were indirect communication (questionnaire), direct communication (interview guideline), and documentary studies (note sheets). Data analysis was oriented to problems and research objectives with the SPSS 2022 program. The research procedures included: (1) Instrument testing: validity test and reliability test. (2) Test the data requirements: normality test and linearity test (3) Analyze the social welfare relationship of traders. (4) Calculate the coefficient of determination.

## VII. Research Result and Discussion

### 1. Result

#### a. Trader reinforcement category

From the data obtained, it revealed that the trader's reinforcement score is a minimum of 63 and a maximum of 110 with an average score of 92.54 which fell into good category. Data from interviews showed that the reinforcement given is in accordance with traders' expectations and runs safely, smoothly, and pleasantly.

#### b. Trader's social welfare category

From the analysis of the data, it was found that the social welfare scores the lowest score of 13 and the highest 50 with a mean of 20.05, including the moderate category. Based on the results of interviews with respondents, it revealed that they had enthusiasm for work, were optimistic, flexible, always looked for solutions to the problems they faced, and had imagination in doing their business.

#### c. The effect of reinforcement

Once it is known that the data are normal and homogeneous, afterward, it proceeded to calculate the ANOVA variable reinforcement traders on social and economic welfare as shown below.

Tabel 1.1 Linearity

**ANOVA Table**

Sum of Squares	df	Mean Square	F	Sig.
Kesejahteraan	1139,367	1139,367	2545,575	0,000
Group	524,510	524,510	9,825	,003
Deviasi	614,857	24,256	19,480	,973
From				
Linearity				
Within Groups	2562,417	53,384		
Total	3701,784			

Sumber: SPSS, 2022

From the results of the linearity test, it was found that  $F_{count}$  was 0.480 and  $F_{table}$  was 1.69, so  $F_{count} < F_{table}$  was declared linear and significantly acceptable.

Tabel 1.2 Summary Model of Reinforcement Traders on Social and Economic Welfare

**Model Summary**

Model	Adjusted R Square	Std. Error of the Estimate
1	,486 <sup>2</sup>	,236

a. Predictors: (Constant), Socio-ec Welfare, Trader Reinforcement

Sumber: SPSS, 2022

Tabel 1.3 Correlation Coefficient of Reinforcement Traders with Social Welfare

**Coefficients\***

Model	B	Std. Error	Unstandardized Coefficients		Standardized Coefficients	
			Beta	T	Beta	Sig.
1	(Constant)	-18,687	8,512		-2,195	,031
	Penguatan	,127	,062	,233	2,033	,046
	Kesejahteraan	,195	,066	,339	2,960	,004

a. Dependent Variable: Social Welfare

Sumber: SPSS, 2022

From the data above, it is known that the correlation coefficient of the reinforcement of traders and social welfare is 0.233. Then calculate Coefficients Determined (CD) or the coefficient of determination:

$$CD = r^2 \times 100\%$$

$$SD = (0,233)^2 \times 100\%$$

$$CD = 5,42\%$$

The magnitude of the effect of reinforcement traders on their social welfare was 5.42%. Thus, it means that 5.42% of the variance in the social and social welfare variable was explained by the variance in the trader's reinforcement variable, while the remaining percentage (94.58%) was explained by the variance of other factors. Based on the above test, the alternative hypothesis of this research was accepted. Therefore, there is an effect of reinforcement traders on the social welfare of traders in the people's market in the border area of Aruk Sajingan, West Kalimantan.

**2. Discussion**

a. The trader reinforcement model fell into the good category. This is because the reinforcement is carried out in accordance with the steps in the plan. This condition is supported by the research conclusions of Junaidi M., et al (2020: 127), which state that the economic capital, social capital, and human capital of people's market

traders from the assessment of pedagogic and training experts, character education, and practitioners are declared valid and suitable for use. Then, the following year, the research conclusions of Junaidi M., et al (2021:113): "The trader group reinforcement model is more effective than the conventional trader group model in increasing the success of the Aruk Sajingan people's market business in West Kalimantan". This is supported by thereinforcementof the capital economy so that traders get information about sources of capital and how to get it. A good trader certainly has economic capital to run his business. This is in line with the opinion of Thomas, JP and Mcfadyen, RG (2015) that economic capital is used to cover possible business risks. Besides that, trading also requires social capital. The definition of social capital shows social networks, norms, and social beliefs that encourage cooperation towards a common goal. From the above opinion, the social capital of traders will develop well if the trader can cooperate with various parties and is trusted to show character in complying with existing rules. Putnam, R. (1993) sounded the same, asserting that social capital is a trust between community members towards other parties. Through that way, it is very essential for traders to maintain the trust given by the capital owner or sales agent who only delivers merchandise for payment at a later time. Furthermore, reinforcementhuman capital in the form of training can increase the knowledge, attitudes and skills of traders. Similarly, Frank & Bemanke (2007) positted that human capital combines training, health, and initiatives that affect productivity. Training is stated by Mathis, RL and Jackson, JH (1979:213) a learning process that requires the ability of concepts, attitudes or knowledge from a person to help him pursue goals. Dale, Y. (1989:368) argued that training is educational in a narrow sense, especially by way of instruction, practice and discipline. This is seen as an important exercise for the improvement of his abilities and from here learn how to carry out certain tasks. From the various opinions above, traders who have received human capital are expected to carry out their duties in a professional manner. This condition can occur when a trader realizes the need to develop the satisfaction and potential that exists in him through efforts to increase work ability. On the other hand, such training can lead to changes in the work habits of traders in their attitude towards their work, in the information and knowledge they apply in their daily work. The training that was carried out went well because the training that was held was related to his work as a trader, so that the trader took part in the training. With training traders can carry out their duties as well as possible.

b. The social welfare of traders after experiencing the reinforcement model is in the fairly good category. Social welfare in this study is limited to fulfilling the primary needs of traders from their income, such as: being able to meet physical needs, having harmonious relationships, between members and between families and the surrounding community. When associated with the broad notion of well-being, the realization of the best fulfillment of primary, secondary and tertiary needs in terms of physical, spiritual and social needs for self, household and society has not been analyzed. According to Sawidak (Sunarti, E., 2006:13), the level of prosperity is relative. The measure of welfare can be subjective and objective. For example, at the individual level, feelings of happiness or sadness, peace or anxiety, and satisfaction are subjective indicators of quality of life. On the other hand, at the family level, adequate housing conditions (compared to standards) such as water cleanliness is an objective indicator.

c. There is an influence of the reinforcement model on the social welfare of traders. This is because a well-organized reinforcement model has the effect of determining the success of a trader's business which ultimately improves their social and economic welfare. Reinforcementthe capital economy as a form of empowering traders in arisan groups is shown by: attending meetings,participating in the planning process determining the parties providing capital, participating in determining ways to obtain capital, participating in the implementation of creating good cooperation during meetings, and participating in carrying out assessment of self-ability in the process of decisions made. Reinforcement social capital is manifested in the form of reinforcement awareness of working together which is applied in: conducting social networks/bonds with trading agents, maintaining "social trust", always being open to both agents and consumers, "obeying the norms of working together", there is continuous evaluation , improve partnership relations, and utilize social relations with other parties.of reinforcementhuman capital is concretized prior training exists business management and marketing plan contains: basic competencies, competency achievement indicators, objectives, material (capital, parties providing capital and ways to obtain capital, the character of a successful entrepreneur, business management, business strategy, communication strategy, merchandise stock management , financial management, emotional management), various training methods, training activity steps, sources and media, and there is training evaluation. Aprilia's research results (2015): Prudential Indonesia carries out human capital through continuous training, influencing marketers to produce very high performance.

## **F. Conclusions and Suggestions**

This research concluded: (1) The implementation of the reinforcement model fell into a good category. (2) The social and economic welfare of people's market traders in border areas is quite good. (3) The reinforcement model affects the social welfare of people's market traders in border areas. Suggestions: (1) The Office of

Cooperatives, Small, Medium Enterprises, Industry and Trade is expected to: (a) use the model of reinforcement economic capital, social capital and human capital as an alternative to empowering people's market traders. (b) The existence of traders who belong to the small and medium business sector in order to be able to attract trade circulation centers in border areas of the country should be given greater attention so that they can still have business competitiveness, especially in terms of capital. (c) Integrated arrangements and guidance are needed. (2) Traders should be more optimal in realizing their attitude as an entrepreneur in advancing the trading business that is being carried out.

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