

The Influence Of MSMEs On Economic Growth

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Abstrak

This type of research is descriptive qualitative and uses literary analysis; The aim of this research is to provide assessment material to stakeholders in the company's efforts to achieve optimal national economic results. The author of this research used a literature study taken from Publish & Perish as a data collection technique. Publish & Perish also uses analytical techniques to collect previous research. This research shows that business ethics plays an important role in shaping the economic activities of businesses, societies, and governments. The dynamics of this business activity can improve the economy and the general public's sense of well-being. Efforts to increase the number of entrepreneurs in Indonesia must continue to be made considering that the number of entrepreneurs is relatively small compared to the population. The facts show that improving the standard of living for individuals, communities and countries is a top priority for business owners. Entrepreneurship is also very important to produce a more cohesive society and nation.

Keywords : Entrepreneurship, economic growth, nation

Introduction

Indonesia is a sizable nation in terms of people, land, daily routines, and cultures. The over 270 million people that live in Indonesia are a considerable economic force, both as producers and consumers. The language of Indonesia is quite basic. There are several mining products, forest products, marine products, and biodiversity, or biological diversity, in every part of the archipelago. Indonesia is arguably the second most popular country in the world, behind Brazil, because to the Amazon jungle. In addition, Sugandi (2020) notes that Indonesia's religious legacy documents the existence of ethnic, linguistic, and religious customs that are still widely practiced today. This area of Indonesia is likewise quite big, encompassing some 17,000 islands and three time zones. As it happens, though, Indonesian society has not been able to unite around any of the four aforementioned models.

The amount of land a country has does not determine its economic potential; rather, the capacity of its human resources to expand the economy is crucial to realizing the country's full potential. Yusuf (2022). According to this study, nations experiencing rapid economic growth are no longer reliant on their potential for natural resources. A nation's ability to manage and employ all of its resources is not the only factor that determines its economic growth; other factors include the government's ability to implement particular sectors and provide facilities and regulations to the general public so that they can access them and make investments in the public economy. Suryanto (2019). In actuality, a number of Asian nations with Indonesia's slope economy—including multiple financial sectors under government control—are going through a serious problem. Similar to how actual ones, like Small and Medium-Sized Enterprises (SMEs), are more able to withstand the initial setback, Sugandi (2022) We plan to investigate how entrepreneurship contributes to the growth of the national economy based on this. In the interim, the goal is to ascertain how entrepreneurship advances the country's economy.

Literature Review

In the past 10 years, the government has been associated with an increase in entrepreneurship and business initiatives, as well as a local startup phenomenon that has managed to surpass Gojek's forecasts. Indonesian company is distinguished by its dedication to maintaining

Independent contractor

Can be characterized as people who possess skill, tenacity, and entrepreneurial spirit. They also have a propensity to avoid taking chances and to be creative and optimistic in the course of their daily operations. Adhere to and rely on your own development and capabilities in addition to a strong will. (Khamimah, 2021)

Entrepreneurship serves as a social mechanism for society and plays a significant part in economic development. Sugandi (2020). Growth in income and productivity always has a beneficial impact. In summary, the fast advancement of science and technology, which necessitates large investment in a variety of factors that impact the economies of numerous nations and also affect pricing, limits the influence of business in both developed and developing nations. Yusuf (2022). The improvement of Indonesia's economic status and rate of economic growth will be influenced by business strategy. A successful businesswoman must be able to assess and analyze different investments, gather the required capital, and maintain her focus on making money from each one (Suwandi et al., 2023). Sugandi, (2020). Increasing the number of skilled welders is the aim of entrepreneurship in order to advance and improve society. We may increase awareness and offer a discerning and targeted entrepreneurial orientation by becoming involved in the community. Some individuals can make constructive contributions to society through entrepreneurship, and we should encourage their economic development by providing them with numerous opportunities to progress in their professions (Kushendar, 2019).

Economic expansion

In Indonesia, the public sector enjoys a number of advantages over the private sector. The administration is putting the plan into action as a way to enforce the budget and accomplish the primary objectives of construction, which are to lower inflation and promote rapid economic growth. Mulyani (2022). The Indonesian government uses taxes and spending as its two primary tools for implementing fiscal policy. One of the most significant tools of the government is fiscal policy, which is meant to boost economic growth and encourage economic activity. The government seeks to optimize it by raising the proportion of GDP allocated to this duty. Gill, as the GDP rises, so does government spending. The government's engagement in the economy tends to grow as a percentage of overall expenditures allocated to the economic sector. Kurhayadi (2023). A nation's prosperity and economic health can be demonstrated by its sound economic policies. Economic growth is indicated by consistent national production. GDP or GRDP is used to measure national production. Sustainable development aims to achieve growth, equity, and sustainability. Income inequality, shifting economic structures, more job opportunities, and a nation's GDP efficiency are all signs of economic progress. Yusuf (2021).

Method

Descriptive qualitative research with a literature review is one kind of research that is employed. The steps in the library study approach involve gathering data, analyzing it, interpreting it, and organizing sources. The author of this study used Publish & Perish research as a technique for gathering data, specifically seeking for information pertaining to the research questions the author has posed. A range of sources, including textbooks, journals, scientific articles, and well-written literature reviews, are used to gather pertinent material for this study.

The research findings from the previous year are compared with those from the previous year using a straight line comparison with a more recent year. As soon as you can, read the abstract of each study and evaluate the degree to which the study's arguments support conclusions that weren't entirely expected. If the information is significant and pertinent to the research findings, provide a detailed description of it along with a copy of the contract. by avoiding plagiarism in your work. if the majority of the data is derived from theories or research done by other individuals. To make it simple for researchers to obtain the information they require at the appropriate time, make spreadsheets, quotes, or other organized data available.

Results and Discussion

Comprehending the concept of entrepreneurship

Entrepreneurs are people who engage in business activities, according to Asmala (2022). Furthermore, an entrepreneur is a person who carries out business or entrepreneurial activities and possesses the drive, aptitude, and capacity to assess new products, choose production techniques, oversee the acquisition of new products, trademark goods, handle financing and currency exchange, and manage operations.

Workers actively stimulate economic growth and create jobs, both of which have a negative effect on the GDP growth of the nation. As a result, they have a huge impact on the economy. Entrepreneurs are innovators who have the ability to transform certain experiences into lucrative company concepts. Suganda, 2022 utilizing tenacity and commercial acumen to accomplish the equality and prosperity that society seeks. Organizing society to regulate a robust and robust entrepreneurial consciousness and direction, Suganda, 2019.

Business knowledge is taught by campus lecturers as a core subject or as an introduction to the subject. This group starts by providing and researching entrepreneurial information as a focal point for excellence in the field of entrepreneurship. These organizations offer entrepreneurship as an additional academic perspective that upholds the significance of time for the well-being of the public, according to Yusuf (2022). There are several viewpoints from business owners that are evident, including boosting sales through corporate profits, expanding the company by making use of its resources, and fostering innovation by generating new ideas or products through assurance and stability.

The Role of Entrepreneurship in Economic Growth

Business already has several important considerations in everyday life. The concept of economic growth is largely based on business standards. Economic growth can also be observed through the important role that business plays in driving economic growth. With strong individual beliefs, professional learning as an entrepreneur is a "good way" (road map) to make changes in the quality of life, both individually and in society. Brand, pelicans can also be caused. (Suganda 2022).

Stable economic growth is highly anticipated by developing countries because it can reduce problems with poverty, hunger and violence, as well as improve the welfare of the general population and focus on education and health. Creating jobs, increasing Gross Domestic Product, alleviating poverty, and long-term prosperity of the entire community poses a significant risk of entrepreneurship in sustainable economic development. Businesses have a significant influence on technological advancements due to their ability to support employee learning, creativity and business innovation while also making a significant contribution to faster work progress and productivity. (Suprayogi, 2023)

Healthy economic policies will show the prosperity of a country and show how its economy is growing. Consistent national production indicates economic growth. Gross Domestic Product or Gross Regional Domestic Product is used to measure national production. There are three components that determine a country's economic growth: the growth of its workforce, the development of its population, and technological progress. Capital accumulation, or capital accumulation, upholds all initial investments made over the term length, physical assets, and human capital through improved health, education, and work performance. A decrease in employee productivity will ultimately lead to a decrease in worker productivity Yusuf, et. al, (2022). A larger workforce will regulate the productive workforce, increasing the size of the domestic market with a large population. Technological growth, or technological progress, refers to new methods for completing tasks Suryanto, et. al, (2021).

Given today's increasingly volatile global environment, there are many challenges that need to be addressed. Every country must be aware of the importance of each individual's daily resources. Suryanto, et. al (2022). Comfortable superior in resources will bear the balance. Countries that have a strong sense of empowerment in their daily operations will not be able to achieve much, but countries that have a strong sense of economic empowerment in their daily operations and resource empowerment in their human capital will definitely Makmur Sugandi, (2019). Economic numbers can be increased if humanity as a whole has a creative and innovative spirit. In Indonesia, the general public often faces complex challenges and problems.

Using Entrepreneurship to Create New Jobs

Life goals are always the starting point for the interaction between work and life; working at the current location will also have the goal of creating new job chances. Workers can innovate or boost productivity within a specific industry, which can result in higher productivity and, eventually, higher work productivity. (Saepudin, 2023)

As a result of new competitors pressuring established businesses to become more efficient, innovative ideas and structural changes are encouraged, particularly when new businesses acquire established ones. The market position graph indicates that (potentially) new entrants crowd out established enterprises, which can lead to the development of new companies that can spur job growth. There have already been industrial revolutions; anticipated innovations, like the creation of previously undiscovered markets; and an increased range of products and services due to the ability of new data to produce items and services that are distinct from those offered by traditional enterprises. (Prihadi 2021).

Business stress that is typified by an individual's or even a group of individuals' personalities can lead to workplace stress. Increases in the workforce are correlated with entrepreneurship and employment. It is feasible to establish additional work hours and allow staff members greater time to work in the field as the company expands in a designated area.

In addition to its effect on economic expansion, business must coexist peacefully with a healthy ecosystem in order to enhance the ecosystem's overall quality of life. Working hours and economic growth are shaped by business expansion, which is facilitated by the business ecosystem. It will offer crucial direction on how to encourage company expansion and, in the end, lessen economic stagnation. (Suganda and others, 2023).

Conclusion

A key element of economic development is entrepreneurship. Entrepreneurship significantly contributes to overall sustainable economic development, poverty alleviation, and the long-term prosperity of society through job creation and GDP growth. While business expansion is greatly impacted by economic growth, becoming a professional business owner is a very responsible decision that needs to be made carefully.

Business companies provide income for the general public and are important catalysts for steady and intuitive economic growth through innovation, entrepreneurship, economic expansion, local community development, and raising living standards. To foster an atmosphere that is crucial for sustained economic growth, it is therefore imperative to fund business education, offer a positive work environment to business personnel, and support business-related events.

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