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# THE IMPACT OF COMMUNITY EMPOWERMENT PROGRAMS ON FAMILY ECONOMIC WELFARE

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# ABSTRACT

This study aims to analyze the impact of community empowerment programs on family economic welfare by examining several empowerment programs both from the government, private sector institutions, and the community using a systematic literature review approach on published articles through several stages, namely identifying research questions, determining a database of research results, selecting relevant research results, synthesizing results with narrative methods and presenting data. The research was conducted using the Google Scholar and Research Data databases which were selected according to related keywords so that they were selected into 10 articles with topics related to "The Impact of Community Empowerment Programs on Family Economic Welfare". Then the results of the literature analysis show that the community empowerment program has a significant impact even though sometimes its implementation is still not in accordance with the expectations and objectives of self-help institutions, however, the results of its impact can be felt by the target community, namely weak and powerless people in empowering the family economy. The aspects of the impact of family economic welfare that are felt are increased income, economic independence, improved quality of life and mental and emotional well-being for empowered communities.

Keywords: Impact; Community Empowerment; Family Economic Welfare.

### **INTRODUCTION**

Indonesia is the 4th most densely populated country in the world whose population currently stands at 279,745,648 based on Worldometer's description of the latest UN (United Nations) data in 2024. The rapid rate of population growth has resulted in the impact of a large population, causing a variety of social problems in it such as poverty and insufficient welfare of the community and family. So that the economic growth achieved is still not enough to intervene in the problem of welfare gaps where the reality of inequality and poverty still envelops most of the Indonesian people. In this case, people's welfare is still a major national problem for the government to date.

Economics is an inseparable part of human life as individuals, groups and communities in actualizing themselves to achieve their goals. After the times and the influence of globalization with the many human needs that must be met, an economic system is needed that can prosper all levels of society (Suardi, 2021).

Indicators of family economic welfare consist of family per capita income, which is the average or median income earned by all family members within a certain period of time, such as monthly and annually. Then, the ability to meet basic needs such as the ability to meet the needs of food, housing, clothing, health, education, transportation and other needs as a result of empowered income.

Current economic problems are considered to be further away from the level of welfare, this can often be seen from the factors that trigger economic disparities and inequality and unemployment in society. The triggers of poverty are unavailable jobs, considerable urbanization, and regional development policies that have not





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reached the lower strata. As a result, this economic problem will become an arrow of economic welfare difficulties in family life. Poverty has also affected the population's ability to finance education so that some children who have dropped out of school and or do not continue their education to a higher level return to education through alternative education channels (Rosmilawati, 2018). Therefore, in order to realize one's own welfare, it must start with family welfare, which needs to be balanced with the development and empowerment of the community economy to improve family welfare. Therefore, the importance of income needs to be realized by every head of the family in earning a living in the community because this income can support family welfare if the income is greater than the consumption level which means that the family has a level of spiritual and material welfare, while for families with small incomes it will have an impact on the lack of family welfare (Marzuki et al, 2022).

Small incomes with large family dependents are the dominant problem in Indonesian society, which can be referred to as economic inequality. Integrating efforts to reduce poverty must involve all levels of society, including government, the private sector, and civil society. Through intervention measures such as economic empowerment, access to community services, and strong social protection in Statistics Indonesia (2023). The government is well aware of the importance of community empowerment as the main focus of the country's development, which is contained in the Sustainable Development Goals (SDGs), a world development agenda aimed at global human welfare.

Community empowerment efforts are needed in mobilizing community economic growth so as to create family economic welfare in it. Empowerment as a process of developing, empowering, empowering and strengthening weak communities, namely groups that are unable to meet basic needs such as education, health, clothing, food, housing in their daily lives who are currently the acting subjects of this powerlessness (Alim, 2022). Providing strength for weak communities is a responsibility for the government, both central and local governments. However, this is not only the responsibility of the government, this effort requires support from various parties, namely the community itself, which is part of the target itself by actively participating in implementing various government work programs and certain groups in empowerment (Hastuti & Setyawan, 2021).

Community empowerment can be done by many elements: the government, universities, nongovernmental organizations, the press, political parties, donor agencies, civil society actors, or by local community organizations themselves. The government bureaucracy is of course very strategic because it has many advantages and tremendous power compared to other elements, namely having funds, a large number of officials, the authority to make a legal planning framework, policies for public service delivery, and others. The empowerment process can be stronger, more comprehensive and more sustainable if these various elements build partnerships and networks based on the principles of mutual trust and respect.

Sustainable community empowerment in its development rests on three important aspects, namely the input aspect, process aspect and output aspect (Bahri, 2019). In the input aspect, sustainable community empowerment rests on four forms, namely individual resources, family resources, group resources and institutional resources. In the process aspect, namely changing attitudes, increasing knowledge, increasing skills, and managing related resources. In the output aspect, what is expected in community empowerment is empowered individuals, family groups and institutions.

The output aspect, namely the significant impact of the community empowerment program, basically causes several positive impacts experienced by the community, especially families. The output in this study is family economic independence, so the impact experienced is the welfare of getting income and the results of utilizing that income become empowerment for families in the category of economic welfare. Therefore, the purpose of this research is to find out how the impact of community empowerment programs on family economic welfare through literature studies by reviewing several published articles.

### **RESEARCH METHODS**

This research article is a literature study with the method used is Systematic Literature Review (SLR) is a systematic technique for collecting, critically examining, integrating and collecting the results of several literature reviews and research studies on research questions or topics to be explored. The research begins by





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finding articles related to the research topic that will later be researched which then becomes the result of the research (Norlita et al, 2023). So this research consists of several stages.

First, determining the study or scope of the research topic to be researched based on a question, namely, what is the impact of community empowerment programs on family economic welfare?

Second, identifying several relevant and quality references through integrated article portals conducted on the Google Scholar and Research Gate databases with the keywords "Community Empowerment", Economic Welfare" and "Impact of Community Empowerment on Family Economic Welfare" by limiting articles from 2019-2024.

Third, sorting out several references from the article portal and grouping the files based on studies related to the impact of community empowerment programs on family economic welfare and research results that have been published in national journals and several indexed SINTA categories. Fourth, the literature articles obtained were analyzed based on the criteria.

The last stage, the researcher recorded the article into a table. Then the researcher reviewed and reviewed the article carefully and carefully, especially the research results section. At the end of the study, researchers compared the findings of several articles and made a final conclusion statement.

# **RESULTS AND DISCUSSION**

### Result

Based on journal searches from the Google Scholar and Research Gate databases with the keywords "Community Empowerment", Economic Welfare" and "Impact of Community Empowerment on Family Economic Welfare" resulted in 25 articles. The literature was then screened, taking into account the suitability of the source and content, through a quick reading of the abstract, title, and subtitle, as well as the statement of important documents or sentences contained in the abstract and introduction to the journal, as well as the condition of the literature, such as inappropriate titles, only in the form of abstracts, not full text. So the screening results left 15 literatures. Literature review journals with the same title, and journals that did not meet the objectives were then deleted to speed up the journal elimination process. An objective evaluation of the content of journals, both supporting and undermining, was carried out, then repeated, in-depth reading was carried out and focused on research methods and results. Thus, 10 suitable literatures were obtained, namely 9 articles published in national journals and 1 SINTA indexed article which were then analyzed and integrated.

No	Penulis	Jenis Penelitian	Temuan
1.	Mubarok, K. Ferry, (2021)	Qualitative	Microfinance self-help institutions where the concluded result is that the Baitul Mal wat Tamil empowerment institution has an influence on the income of their community, namely customers so that there is an influence on the economic welfare of customers after obtaining financing from the results of the empowerment provided.
2.	Harahap, A. S. Risky, (2024)	Qualitative	The UP2K program has a good impact on increasing the income and welfare of the beneficiaries. With this conclusion, some of the community's capital has grown so that it can help develop their business.

Table 1. Journals used in literature review







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3.	Saputra, A. S., & Atmojo, E. M., (2021)	Qualitative	The success of community empowerment has a good impact on improving the economy in Tanjungharjo Village, from the community who previously only earned income from agricultural and livestock harvests, now get additional income from the implementation of the pandanus leaf craft business or industry. Then, the results of this income are very sufficient in meeting the needs of family welfare.
4.	Anshar, Muhammad. (2020)	Qualitative	The implementation of the PKK program can have a positive impact on the economic progress of the community in Perintis Village, East Medan Sub- district.
5.	Suranto, Bahrizal, Pratiwi A., & Oktaviani, I. D. (2023)	Combination	The formulation of the development model for empowering various processed catfish MSME businesses for PKK mothers is very feasible and valid as a model to be developed elsewhere, the products of empowerment are very feasible to be marketed and product sales by the community, namely PKK mothers, are able to sustain economic income for family welfare.
6.	Jaya, T. R. A. Moch, Karwati, Lilis, & Hamdan, Ahmad. (2021)	Qualitative	Community empowerment through the BUMDesa program is said that BUMDesa members carry out their duties in managing business units, both in agricultural businesses, livestock businesses, and service businesses. This makes BUMDesa members get enough food and nutrition and increase family economic income. This collaboration supports the achievement of community development through community empowerment.
7.	Karlina, Siti, Ismar, Hamid & An'Amta, A. D. (2022).	Qualitative	The PKH program implements a relief and welfare strategy, which is a strategy that prioritizes the shortcomings and needs of each individual and community, such as clothing, food, shelter, health and education. Not only that, PKH has also given the socio-economic burden of the community in Muara Bakanon Village
8.	Darmawan, D., & Rismawati. (2020).	Qualitative	Savings and loan results in improving the economic welfare of cooperative members in the level of family income, education, facilities, health, food, cultural environment, and moral ethics. The level of family income of cooperative members has a great influence to meet the needs of each member of the cooperative from the level of family income has an important role to pay for school because they are mostly the results obtained for daily needs and education costs. Efforts to meet the success in the





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			business of members, namely having facilities to support their business so that it can continue to run.
9.	Mulyati, Kurniawati & Supandi. (2022).	Active Participation Observation	The community service activity program in this research aims to save expenses, especially household expenses and increase community income during the COVID-19 pandemic. In addition, by cultivating vegetable plants, the environment becomes cleaner, tidier, and greener. The socialization of activities was carried out using the lecture method and vegetable planting practice.
10.	Syadzali, M. M. (2020).	Qualitative	In this research, the development of Muria Coffee MSMEs in Dawe District, Kudus Regency, generally increases economic growth and absorbs labor to enter the MSME area. These conditions are part of the potential possessed by MSMEs. Although economically MSMEs have a real contribution to the family economy, it does not mean that MSMEs run smoothly, various problems are also faced by MSMEs in running their businesses. Even so, there is enough economic impact to be an empowerment for the community in the MSME area.

## Discussion

Based on the 10 literature review articles that researchers examined on the subject of the impact of community empowerment programs on family economic welfare, the results of the discussion are that community empowerment programs managed by both the government, private institutions and the community each have a positive impact on economic welfare so that the forms of impact consist of the following.

### 1. Increased Revenue

Increasing income is an effort to maximize all capital for those who work in it to generate more income than the total amount of income. Income in economics, is the maximum value that can be consumed by a person in a period with the expectation of a common situation at the end of the period like the original situation. The definition of income in economics is a change over the total assets of a business at the beginning of the period and emphasizes the static amount of value at the end of the period. The main purpose of carrying out community empowerment is to obtain income, where this income can be used to meet the needs of life and the sustainability of family empowerment. In the sustainability of the empowerment program, it is certainly not easy because its implementation is sometimes carried out significantly and insignificantly. The inability of the institution that serves the community, as well as if the community does not actively participate, this goal will not be achieved. Therefore, both the empowerment facility provider and the targeted community itself are important aspects in order to realize the welfare of family empowerment. Increased income has an influence on family welfare, because education, health, clothing, food and shelter will be empowered if the income is sufficient.

Income is an indicator that can describe community welfare. Income is the income obtained by the community, which comes from the income of the head of the household and the members of the household itself through their hard work. This income is usually allocated for daily consumption needs, health, education and other material needs. The income indicator can be divided into 3 items, namely:

a) High > Rp.5,000,000

b) Medium Rp.1,000,000 - Rp.5,000,000

c) Low < Rp.1,000,000





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Based on several articles that have been reviewed, empowerment programs are able to increase income at a level sufficient to help the family economy or can be said to be an addition to earning a living. This is reinforced by women being the majority in economic empowerment participation. Women or housewives in inadequate economic welfare are aware of the importance of saving income to help their husbands earn a living.

Income is the result in the form of money or other material that can be achieved from the use of production factors (Wahbi, 2020). In community empowerment in the income generation program, it has the form of MSME business capital which not only increases people's income in making a living, knowledge, attention to the environment and community skills become direct benefits for sustainable empowerment, which means that the community is able to stand alone with insight in building a productive economy.

#### 2. Economic Independence

Independence is the ability to act on one's own judgment and take responsibility for those actions. Independence is also defined as the ability to make decisions and manage one's own life without excessive dependence on others. Independence cannot be completed at one stage of life, but will continue to develop within the individual. Economic independence is a situation when people, groups, organizations, countries can reproduce and be able to meet personal needs within the limits of self-welfare, and do not depend on others in carrying out economic problems (Basit and Widiastuti, 2019).

In facing the current flow of modernization, the community cannot always rely on government assistance funds to build the economy such as family empowerment, meeting daily needs and so on, but it needs some efforts to increase the economic independence of the community. Second, the community must now be able to develop in building economic independence without having to wait for government assistance. Third, the community is part of the government's responsibility who has a commitment to good empowerment and knowledge, so it is necessary to know the extent to which this commitment can affect their economic activities. Community empowerment in its quality is able to establish the economic independence of the community through knowledge and entrepreneurial practices by fostering a spirit of responsibility.

#### 3. Improved Quality of Life

Increasing income and access to basic services such as education and health, community empowerment can directly improve the quality of life of families. Quality of life is a condition that allows a person to obtain satisfaction or enjoyment in daily life (Fadlilah, 2019). A community with a good quality of life means that the community interprets every empowerment process they undergo well. The community will have a good quality of life if they are able to accept and interpret all forms of life well so as to create a good quality of life welfare. There are 4 aspects in community empowerment that become an assessment of a person's quality of life, namely physical health, psychological health, social relationships, and relationships with the environment such as the environment including financial resources, freedom, physical safety and security, health and social care, accessibility and quality, home environment, opportunities to obtain new information and skills, participation and opportunities for recreation or leisure and the physical environment.

### 4. Improved Mental and Emotional Wellbeing

Capital, experience, savings or insurance are important aspects. But the mental aspect proves to be more dominating in people's success in economic independence. Falling and getting up in business will be a certainty in life and those who have the mentality to rise from every fall will make individuals succeed faster than people who have not had it, because such crisis conditions have proven to be able to bring down businesses that are already strong (Hasibuan et al, 2022). Mental and emotional well-being conditions will have the ability to determine their own destiny, all attitudes and actions that are now or in the future are carried out by their own will and not because of others or depending on others. Able to control oneself, namely to increase self-control or strong self-control in all actions, be able to adapt to the environment for effort and be able to choose the right and good way of life.

Responsible attitude which is an awareness that exists in a person that every action will have an influence on others and himself. Creative ability and initiative, the ability to think and act creatively and take their own initiative in generating new ideas. Making decisions and solving problems on their own, having their own thoughts, considerations, opinions in making decisions that can solve their own problems, and taking risks regardless of the influence or assistance of others.

### CONCLUSIONS





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The results of a literature review conducted on 10 national publication articles with 1 of them indexed by SINTA show that community empowerment programs are interventions by the government, the private sector and various elements of society in addressing the problem of economic inequality that affects family welfare. The empowerment program has a significant impact even though sometimes the implementation is still not in accordance with the expectations and objectives of the non-governmental organization, but the results can be felt by the target community, namely the weak and powerless community in empowering the family economy. The results of the impact of the community empowerment program on family economic welfare lead to increased income where empowerment is a forum to facilitate the community in their knowledge to build and establish businesses to earn additional income to help the family economy.

Then economic independence where empowerment has an impact on empowering the community in its quality to find the potential to seek a productive economy for sustainable empowerment. Then improving the quality of life is the impact of empowerment in the welfare of economic conditions and empowering the family's ability to get education, health, clothing, food and shelter. Finally, improving mental and emotional well-being where empowerment trains the psychological and physical abilities of the community in doing business that people need to have a mentality of falling and getting up in business. Based on the results of the discussion that the researcher has compiled, the researcher states that the community empowerment program has a need impact on family economic welfare.

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