



BAHAN RAPAT PLENO

KECUKUPAN PEROLEHAN ANGKA KREDIT

KENAIKAN JABATAN PERALIHAN LEKTOR KE LEKTOR KEPALA

Nama	Sarjiyanto, S.E., MBA., Ph.D., CPDS., CSRS
NIP	1982053120130201
Fakultas/Prodi	Fakultas Ekonomi dan Bisnis S-1 Ekonomi Pembangunan
Golongan Ruang/Jabatan Fungsional	III/b Lektor
Jenis Kenaikan	Kenaikan Pangkat dan Jabatan dari III/c Lektor (300) ke III/d Lektor Kepala (400)
Angka Kredit Minimal Yang Dibutuhkan (Baru)	100



#	KUM	AK SAAT INI	AK DIPERLUKAN	KETERANGAN	KURANG/CIKUP
1	A	50	0	0	Cukup
2	B	215.5	20.0	Minimal $\geq 40\%$ = 20.0 AK	Cukup
3	C	204.03	20.0	Minimal $\geq 40\%$ = 20.0 AK	Cukup
4	D	26.5	0.5	Minimal 0.5 AK dan Paling Banyak ≤ 5.0 AK	Cukup
5	E	19.5	0.5	Minimal 0.5 AK dan Paling Banyak ≤ 5.0 AK	Cukup
TOTAL		515.53			

**SURAT PERNYATAAN PAKTA INTEGRITAS
KEABSAHAN KARYA ILMIAH**

Yang bertandatangan di bawah ini:

Nama : Sarjiyanto, S.E., MBA., Ph.D.,CPDS.,CSRS
NIP : -
NIDN/NIDK/NUPTK : 0031058205
Status ikatan kerja : Dosen Tetap
Tempat, tanggal lahir : Sukoharjo , 31 Mei 1982
Pangkat/golongan ruang, TMT : Penata Muda Tk.I, III/b , 1 Februari 2013
Jabatan, TMT : Lektor , 1 Januari 2023
Pendidikan tertinggi : S3
Bidang Ilmu/Mata Kuliah : Ekonomi Pembangunan
Fakultas : Fakultas Ekonomi dan Bisnis
Jurusan/Program Studi : S-1 Ekonomi Pembangunan

Dengan ini menyatakan bahwa Karya Ilmiah, seperti di bawah ini:

No	Karya Ilmiah	Judul	Identitas Karya Ilmiah
1	Karya Ilmiah - Jurnal Ilmiah	The Impact of Typology Capital on Community Empowerment Programs: Evidence from Rural Development in Indonesia	C.1.c.4.b Jurnal Ekonomi dan Studi Pembangunan (JESP) p-ISSN: 1411-9900 e-ISSN: 2541-5506 Vol 25, No 1, April 2024 Jurnal Nasional terindeks Sinta 2 URL : https://journal.umy.ac.id/index.php/esp/article/view/20083 DOI : https://doi.org/10.18196/jesp.v25i1.20083 ID Sinta : https://sinta.kemdikbud.go.id/authors/profile/5976418 ID Scopus : https://www.scopus.com/authid/detail.uri?authorId=59557136700

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Demikian surat pernyataan ini saya buat untuk dipergunakan sebagaimana mestinya.

Surakarta, 26 Maret 2025

membuat pernyataan,



Sarjiyanto, S.E., MBA., Ph.D.,CPDS.,CSRS
NIDN 0031058205

DAFTAR USUL PENETAPAN ANGKA KREDIT
JABATAN AKADEMIK DOSEN
Nomor: 251 /UN27.04/KP/2025

INSTANSI: Universitas Sebelas Maret

MASA PENILAIAN:
1 Februari 2023 s/d 11 Juni 2025

NO	KETERANGAN PERORANGAN								
1	Nama		Sarjiyanto, S.E., MBA., Ph.D.,CPDS.,CSRS						
2	NIDN/NIDK		0031058205						
3	Tempat dan Tanggal Lahir		Sukoharjo, 31-05-1982						
4	Jenis Kelamin		Laki-laki						
5	Pendidikan Terakhir		S3						
6	Jabatan Akademik Dosen, Angka Kredit/TMT		Lektor, 300 / 1 Jan 2023						
	a.	Jurusan/Program Studi	S-1 Ekonomi Pembangunan						
	b.	Bidang Ilmu	Ekonomi Pembangunan						
7	Pangkat dan Golongan Ruang/TMT		Penata Muda Tk.I / III/b / 1 Feb 2013						
8	Masa kerja golongan lama		13 Tahun 1 Bulan						
9	Masa kerja golongan baru								
10	Unit Kerja		Fakultas Ekonomi dan Bisnis						
NO	UNSUR YANG DINILAI								
	UNSUR, SUB UNSUR DAN BUTIR KEGIATAN		ANGKA KREDIT MENURUT						
			INSTANSI PENGUSUL			TIM PENILAI			
			LAMA	BARU	JUMLAH	LAMA	BARU	JUMLAH	
1	2		3	4	5	6	7	8	
I	PENDIDIKAN (Bidang A)								
	A	Pendidikan Formal							
		1	Doktor(S3)		50	50			
		2	Magister(S2)						
	B	Pendidikan dan pelatihan Prajabatan							
			Pendidikan dan pelatihan Prajabatan golongan III						
	JUMLAH			50	50				
II	PELAKSANAAN PENDIDIKAN (Bidang B)								
	A	Melaksanakan perkuliahan/ tutorial dan membimbing, menguji serta menyelenggarakan pendidikan di laboratorium, praktek keguruan bengkel/ studio/kebun percobaan/teknologi pengajaran dan praktek lapangan							
			Melaksanakan perkuliahan/tutorial dan membimbing, menguji serta menyelenggarakan pendidikan di Laboratorium, Praktik Keguruan Bengkel/Studio/ Kebun pada Fakultas/Sekolah Tinggi/Akademi/ Politeknik sendiri, pada fakultas lain dalam lingkungan Universitas/Institut sendiri, maupun di luar perguruan tinggi sendiri secara melembaga paling banyak 12 sks per semester		5.50	5.50			
			Melaksanakan Pendidikan untuk Dokter Klinis						
	B	Membimbing Seminar							

C		Membimbing mahasiswa seminar					
		Membimbing kuliah kerja nyata, pratek kerja nyata, praktek kerja lapangan					
		Membimbing mahasiswa kuliah kerja nyata, pratek kerja nyata, praktek kerja lapangan					
D		Membimbing dan ikut membimbing dalam menghasilkan disertasi, thesis, skripsi dan laporan akhir studi					
	1	Membimbing Utama					
	a.	Disertasi					
	b.	Thesis		12	12		
	c.	Skripsi		11	11		
	d.	Laporan Akhir		4	4		
	2	Pembimbing pendamping/pembantu					
	a.	Disertasi		6	6		
	b.	Thesis					
	c.	Skripsi					
	d.	Laporan Akhir					
E		Bertugas sebagai penguji pada ujian akhir					
	1	Ketua Penguji		26	26		
	2	Anggota Penguji					
F		Membina kegiatan mahasiswa					
		Melakukan pembinaan kegiatan mahasiswa di bidang Akademik dan kemahasiswaan		2	2		
G		Mengembangkan program kuliah					
		Melakukan kegiatan pengembangan program kuliah					
H		Mengembangkan bahan pengajaran					
	1	Buku Ajar		80	80		
	2	Diktat, modul, petunjuk praktikum, model, alat bantu, audio visual, naskah tutorial					
I		Menyampaikan orasi ilmiah					
		Melakukan kegiatan orasi ilmiah pada perguruan tinggi tiap tahun		5	5		
J		Menduduki jabatan pimpinan perguruan tinggi					
	1	Rektor					
	2	Wakil Rektor/Dekan/Direktur Program Pasca Sarjana/Ketua Lembaga					
	3	Wakil dekan/Wakil Direktur Program Pasca Sarjana/Sekretaris Lembaga					
	4	Kepala Jurusan/Kepala Pusat Studi/Kepala Prodi/Bagian/Kepala UPT/Kepala Lab/Koordinator Minat		3	3		
K		Membimbing Akademik Dosen yang lebih rendah jabatannya					
	1	Pembimbing pencangkakan					
	2	Reguler					
L		Melaksanakan kegiatan Detasering dan pencangkakan Akademik Dosen					
	1	Detasering					

	2	Pencangkakan						
M		Melakukan kegiatan pengembangan diri untuk meningkatkan kompetensi						
	1	Lamanya lebih dari 960 jam						
	2	Lamanya 641-960 jam						
	3	Lamanya 481-640 jam						
	4	Lamanya 161-480 jam		3	3			
	5	Lamanya 81-160 jam		6	6			
	6	Lamanya 31-80 jam		3	3			
	7	Lamanya 10-30 jam		7	7			
N		Memperoleh Ijazah yang tidak sesuai dengan bidang penugasan jabatan fungsionalnya atau memperoleh ijazah dengan jenjang yang sama.						
	JUMLAH			646.94	646.94			
III	PELAKSANAAN PENELITIAN (Bidang C)							
A		Menghasilkan karya ilmiah						
	1	Hasil penelitian atau pemikiran yang dipublikasikan						
	a.	Dalam bentuk:						
		1) Buku Referensi						
		2) Buku Monograf		1.6	1.6			
		3) Book Chapter Internasional						
		4) Book Chapter Nasional						
	b.	Jurnal Ilmiah:						
		1) Internasional		82.00	82.00			
		2) Nasional terakreditasi		95.83	95.83			
		3) Tidak Terakreditasi						
	c.	Seminar						
		1) Disajikan tingkat:						
		a) Internasional		17.40	17.40			
		b) Nasional						
		2) Poster tingkat:						
		a) Internasional						
		b) Nasional						
	d.	Dalam koran/majalah populer/umum		1.2	1.2			
	2	Hasil penelitian atau hasil pemikiran yang tidak di publikasikan (tersimpan di perpustakaan perguruan tinggi)						
	B	Menerjemahkan / menyadur buku ilmiah						
		Diterbitkan dan diedarkan secara nasional.						
	C	Mengedit/menyunting karya ilmiah						
		Diterbitkan dan diedarkan secara nasional.		6	6			
	D	Membuat rencana dan karya teknologi yang dipatenkan						
	1	Internasional						
	2	Nasional						
	E	Membuat rancangan dan karya teknologi, rancangan dan karya seni monumental/seni pertunjukan/karya sastra						
	1	Tingkat internasional						
	2	Tingkat nasional						
	3	Tingkat lokal						

F	Disajikan dalam seminar/simposium/lokakarya, tidak dimuat dalam prosiding yang dipublikasikan							
	1	Tingkat internasional						
	2	Tingkat nasional						
G	Tidak disajikan dalam seminar/simposium/lokakarya, tetapi dimuat dalam prosiding							
	1	Tingkat internasional						
	2	Tingkat nasional						
H	Membuat Rancangan dan Karya Seni/Seni Pertunjukan yang Tidak Terdaftar di HaKI							
	a.	Pelaksanaan Penelitian/Karya Seni Sebagai Komposer/Penulis Naskah/Sutradara/Perancang/Pencipta/Pengubah/Kameramen/Animator/Kurator/Editor Audio-Visual						
	1)	Tingkat Internasional						
	2)	Tingkat Nasional						
	3)	Tingkat Lokal						
	b.	Pelaksanaan Penelitian/Karya Seni Sebagai Penata Arstistik/Penata Musik/Penata Rias/PenataBusana/Penata Tari/Penata Lampu/Penata Suara/Penata Panggung/Illustrator Foto/Kunduktor						
	1)	Tingkat Internasional						
	2)	Tingkat Nasional						
	3)	Tingkat Lokal						
	c.	Pelaksanaan Penelitian/Karya Seni Sebagai Pemusik/Pengrawit/Penari/Dalang/Pemeran/Pengarah Acara Televisi/Pelaksana Perancangan/Pendisplay Pameran/Pembuat Foto Dokumentasi/Pewarta Foto/Pembawa Acara/Reporter/Redaktur Pelaksana						
	1)	Tingkat Internasional						
	2)	Tingkat Nasional						
	3)	Tingkat Lokal						
	d.	Pelaksanaan Penelitian/Karya Sastra Sebagai Penulis Naskah Drama/Novel						
	1)	Tingkat Internasional						
	2)	Tingkat Nasional						
	3)	Tingkat Lokal						
	e.	Pelaksanaan Penelitian/Karya Sastra Sebagai Penulis Buku Kumpulan Cerpen						
	1)	Tingkat Internasional						
	2)	Tingkat Nasional						
	3)	Tingkat Lokal						
	f.	Pelaksanaan Penelitian/Karya Sastra Sebagai Sebagai Penulis Buku Kumpulan Puisi						
	1)	Tingkat Internasional						
	2)	Tingkat Nasional						
	3)	Tingkat Lokal						
JUMLAH				98.48	98.48			

IV	PELAKSANAAN PENGABDIAN KEPADA MASYARAKAT (Bidang D)									
	A	Menduduki jabatan pimpinan								
			Menduduki jabatan pimpinan pada lembaga pemerintahan/pejabat negara yang harus dibebaskan dari jabatan organiknya							
	B	Melaksanakan pengembangan hasil pendidikan dan penelitian								
			Melaksanakan pengembangan hasil pendidikan dan penelitian yang dapat dimanfaatkan oleh masyarakat		3	3				
	C	Hasil kegiatan pengabdian kepada masyarakat yang dipublikasikan disebuah berkala/jurnal pengabdian kepada masyarakat atau teknologi tepat guna, merupakan diseminasi dari luaran program kegiatan pengabdian kepada masyarakat, tiap karya			15	15				
	D	Berperan serta aktif dalam pengelolaan jurnal ilmiah sebagai Editor/dewan penyunting/dewan redaksi jurnal ilmiah								
		1	Tingkat Internasional							
		2	Tingkat Nasional							
	E	Memberi latihan/penyuluhan/penataran/ceramah pada masyarakat								
		1	Terjadwal/terprogram							
			a.	Dalam satu semester atau lebih						
				1)	Tingkat internasional		4	4		
				2)	Tingkat nasional					
				3)	Tingkat lokal					
			b.	Kurang dari satu semester dan minimal satu bulan						
1)				Tingkat internasional						
2)				Tingkat nasional						
3)				Tingkat lokal		3	3			
2			Insidental							
F			Memberi pelayanan kepada masyarakat atau kegiatan lain yang menunjang pelaksanaan tugas umum pemerintah dan pembangunan							
		1	Berdasarkan bidang keahlian							
		2	Berdasarkan penugasan lembaga perguruan tinggi		1	1				
		3	Berdasarkan fungsi/jabatan		0.5	0.5				
G		Membuat/menulis karya pengabdian								
			Membuat/menulis karya pengabdian pada masyarakat yang tidak dipublikasikan							
JUMLAH UNSUR UTAMA				496.03	496.03					
V	PENUNJANG TUGAS DOSEN (Bidang E)									
	A	Menjadi anggota dalam suatu Panitia/Badan pada perguruan tinggi								
		1	Sebagai ketua/wakil ketua merangkap anggota		3	3				
		2	Sebagai anggota		4	4				

	B	Menjadi anggota panitia/badan pada lembaga pemerintah							
		1	Panitian pusat						
			a.	Ketua/Wakil Ketua					
			b.	Anggota		2	2		
		2	Panitian daerah						
			a.	Ketua/Wakil Ketua		2	2		
			b.	Anggota		5	5		
	C	Menjadi anggota organisasi profesi							
		1	Tingkat internasional						
			a.	Pengurus					
			b.	Anggota atas permintaan					
			c.	Anggota		0.5	0.5		
		2	Tingkat nasional						
			a.	Pengurus					
			b.	Anggota atas permintaan					
			c.	Anggota					
	D	Mewakili perguruan tinggi/lembaga pemerintah							
			Mewakili perguruan tinggi/lembaga pemerintah duduk dalam panitia antar lembaga						
	E	Menjadi anggota delegasi nasional ke pertemuan internasional							
		1	Sebagai ketua delegasi						
		2	Sebagai anggota delegasi						
	F	Berperan serta aktif dalam pertemuan ilmiah							
		1	Tingkat internasional/nasional/regional sebagai :						
			a.	Ketua					
			b.	Anggota		2	2		
		2	Di lingkungan perguruan tinggi sebagai :						
			a.	Ketua					
			b.	Anggota					
	G	Mendapat penghargaan/ tanda jasa							
		1	Penghargaan/tanda jasa Satya Lancana Karya Satya						
			a	30 (tiga puluh) tahun					
			b	20 (dua puluh) tahun					
			c	10 (sepuluh) tahun					
		2	Memperoleh penghargaan lainnya						
			a	Tingkat internasional					
			b	Tingkat nasional					
			c	Tingkat provinsi/lokal		1	1		
	H	Menulis buku pelajaran SLTA ke bawah yang diterbitkan dan diedarkan secara nasional							
		1	Buku SLTA atau setingkat						
		2	Buku SLTP atau setingkat						
		3	Buku SD atau setingkat						

PENDAPAT TIM PENILAI JABATAN ANGKA KREDIT :	
Telah memenuhi syarat angka kredit untuk kenaikan Jabatan dan Pangkat menjadi : Jabatan : Lektor Kepala Pangkat/Gol. : Penata Tk.I / III/d	<div>Jakarta, Tim Penilai Pusat Ketua</div> <div>.....</div>



KEMENTERIAN PENDIDIKAN, KEBUDAYAAN, RISET DAN TEKNOLOGI
UNIVERSITAS SEBELAS MARET

PENETAPAN ANGKA KREDIT
JABATAN FUNSIONAL LEKTOR
NOMOR : 251 /UN27.04/KP/2025

Instansi :
Universitas Sebelas Maret

Masa Penilaian :
1 Februari 2023 s/d 11 Juni 2025

I	KETERANGAN PERORANGAN				
1	NAMA	Sarjiyanto, S.E., MBA., Ph.D.,CPDS.,CSRS			
2	NIP / NIDN	0031058205			
3	GOLONGAN RUANG / TMT	Penata Muda Tk.I / III/b / 1 Februari 2013			
4	TEMPAT / TANGGAL LAHIR	Sukoharjo, 31 Mei 1982			
5	JENIS KELAMIN	Laki-laki			
6	PENDIDIKAN	S3			
7	JABATAN / TMT	Lektor / 1 Januari 2023			
8	MASA KERJA GOLONGAN	13 Tahun 1 Bulan			
9	UNIT KERJA	Fakultas Ekonomi dan Bisnis			
II	PENETAPAN ANGKA KREDIT	LAMA	BARU	JUMLAH	KETERANGAN
1	2	3	4	5	6
1	Angka Kredit Dosen	0	615.53	615.53	
TOTAL ANGKA KREDIT		0	615.53	615.53	
KETERANGAN			Pangkat		Jenjang Jabatan
Angka Kredit minimal yang harus dipenuhi untuk kenaikan pangkat / jenjang			100		200
Kelebihan angka kredit yang dicapai untuk kenaikan pangkat			515.53		
Kelebihan angka kredit yang dicapai untuk kenaikan jenjang					415.53
III	Rekomendasi : Dapat diangkat dalam jabatan akademik/fungsional sebagai Lektor Kepala dan dapat dinaikkan pangkat penyetaraan menjadi Penata Tk.I / III/d				

ASLI Penetapan Angka Kredit untuk
Jabatan Fungsional yang bersangkutan

Ditetapkan di Surakarta
Pada tanggal 11 Juni 2025

Dekan Fakultas Ekonomi dan Bisnis



Prof. Bhimo Rizky Samudro, S.E., M.Si., Ph.D
NIDN 0014038005

**Article Type:** Research Paper

The impact of typology capital on community empowerment programs: evidence from rural development in Indonesia

Sarjiyanto*, Yoganingtisas Aulia Mulki and Nurul Istiqomah

**AFFILIATION:**

Department of Development
Economics, Faculty of Economics
and Business, Universitas Sebelas
Maret, Central Java, Indonesia

***CORRESPONDENCE:**

masyanto@staff.uns.ac.id

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Abstract: The transition from the ancient paradigm, where communities were only seen as objects of development, to a new approach that emphasizes community involvement and collaboration with local institutions highlights the importance of empowerment and enriching the quality of communities. This evolution towards community empowerment is paramount for positive societal development in Indonesia, necessitating active participation from the community to attain the desired objectives. This study endeavors to ascertain the correlation between working capital, social capital, and psychological capital in community empowerment programs, as well as to discern which capital plays a more substantial role in empowering the community in Karangasem village. Utilizing a quantitative method, data was collected through questionnaires from 255 community beneficiaries of the empowerment program in Karangasem Village, Sukoharjo, Central Java, Indonesia. Structural Equation Modelling (SEM) was employed for analysis. The research indicates that various forms of working, social, and psychological capital significantly influence community empowerment programs. Working capital emerges as the most influential, with a noteworthy 78% significance, indicating its pivotal role in program implementation. Effective management and allocation of funds are imperative for capital utilization. Social capital, particularly networks, is vital in fostering community empowerment by enhancing internal and external connections. Psychological capital, characterized by optimism, fuels community engagement and commitment to empowerment initiatives, underscoring the importance of internal motivation in program success. These findings may serve as a basis for governmental and empowerment program managers to formulate policies to enhance community welfare.

Keywords: Working capital; Social Capital; Psychological Capital; Community Empowerment; Rural Development

JEL Classification: O1; O18; O21; O34



Introduction

The developmental disparity between rural and urban regions persists in Indonesia. From 2007 and 2018, urban residents witnessed incomes 1.7 times higher than the average earnings of rural residents. Significant income disparities present a potential risk to a nation's long-term development sustainability (Andari, 2020). The primary objective of rural development initiatives is to address national inequality by assessing the specific needs of village communities. This includes enhancing the accessibility to and quality of essential services, infrastructure, and environmental upkeep, leveraging local technical expertise and available resources.

Moreover, it involves fostering a sustainable agricultural economy on a manageable scale, adopting suitable technologies for economic advancement, and enhancing the overall peace and stability within the village community in accordance with its requirements (Yudha et al., 2020). In an effort to address the disparity problem, the Indonesian government has implemented community empowerment programs in rural areas. This initiative is perceived as a solution to bolster the local economy, wherein local governments and village communities collaborate in managing village potentials to boost rural economies (Rustiadi & Nasution, 2017; van Leeuwen & Földvári, 2016). The traditional approach to development programs views society as passive recipients rather than active participants, leading to limited involvement in development efforts.

In contrast, the emerging paradigm prioritizes community engagement and collaboration with local institutions (Sarjiyanto et al., 2022). The community plays a central role in realizing development, emphasizing the importance of enhancing empowered or capable communities, supported by (Archibald et al., 2016). Hence, community empowerment exerts a beneficial influence on community development (Sarjiyanto, Nugroho & Supriyadi, 2017). The community needs to participate adequately in order to achieve the required agenda, and these programs will lead to the evolution of regional development in Indonesia (Sarjiyanto et al., 2022).

In the societal context, empowerment denotes the ability of individuals to unite as a community to nurture collective empowerment. Community empowerment serves as a fundamental component enabling communities to adapt to dynamic changes, strive for self-development, and attain progress (Rachmawatie et al., 2021). Community empowerment is the government's effort to reduce the gap between community groups in order to solve socio-economic problems sustainably. The endeavor seeks to ameliorate societal conditions resulting from poverty, with the primary objective of empowering individuals to autonomously address a spectrum of challenges, thereby enhancing overall welfare (Surya et al., 2021). (Kurniawan & Cahyono (2020) support the idea that empowerment is vital for community development, as it allows communities to participate and augment their abilities to keep up with developmental progress.

In order to measure community empowerment, it can be evident through the presence of working capital, social capital, human capital, and technological capital (Yuliarmi, 2020). Working capital is the ownership of total assets in each period, and the working capital

indicator is related to funding, such as capital, cash, inventory, receivables, and other assets (Kasmir, 2015). On the other hand, aligned with evolving perspectives on development, success is no longer solely contingent upon financial capital availability but also heavily influenced by other forms of development capital. This includes social capital, which manifests as social and economic networks within a society, facilitating mutually beneficial interactions among individuals and groups (Badaruddin et al., 2018). According to Alejandro Portes (2000), social capital is the ability to rely on its members in social networks and other structures or social interactions. Indicators of social capital are networks, norms, and trust. We also argue that psychological capital is crucial to the organization's success. Psychological capital is an internal approach to optimizing an individual's potential with indicators of self-efficacy, optimism, hope, and resilience (Bakker, 2009). It also refers to the individual traits and qualities that facilitate the expression of positive resources and talents (Santisi et al., 2020). Hubscher-Davidson (2020) states that it has been linked to the psychology of sustainability owing to its capacity to bolster well-being within organizations and promote individuals' health and performance. Consequently, this study aims to examine the impact of working, social, and psychological capital on enhancing empowerment programs.

The village development, as the smallest unit of government, stands as the cornerstone of regional and national progress. Consequently, there exists a pressing necessity for comprehensive research and analysis to discern, address, and enact solutions for village development through community empowerment. This entails enhancing motivation, mental attitudes, and socio-economic interactions, as well as tapping into community resources and potential to foster openness and harmonization (Sulaiman et al., 2022). The Indonesian government has introduced a development strategy focused on giving villages more control, as seen in the passing of Law Number 6 of 2014 about villages. This makes the obligation of the village government to facilitate the empowerment of the local community. The objective of this legislation is to bolster rural communities by enhancing their knowledge, skills, and resources through a range of policies, programs, and support mechanisms. Its overarching aim is to foster societal autonomy across economic, social, cultural, and political spheres. These endeavors are tailored to address the foundational needs of villagers, with the overarching goal of expediting their developmental aspirations (Badaruddin et al., 2018). This policy is grounded in the premise that village communities possess an inherent understanding of their interests. By granting them the authority to determine the allocation of development aid, the program may yield superior outcomes. Over the long term, this empowerment could enhance their social capital, thereby facilitating economic development (Nguyen & Rieger, 2017). It also substantiates the notion that the community functions not merely as a passive recipient of development initiatives, but rather as an engaged participant in development processes. The community demonstrates agency by harnessing the resources inherent to the village, complemented by the infrastructure and services facilitated by governmental support.

The government and the community should work together to increase development by making the village develop by utilizing the village's potential. Many efforts have been made to increase development by empowering village communities, such as villages are given the authority to form Village-Owned Enterprises (BUMDes), the Empowerment and

Family Welfare (Pemberdayaan dan Kesejahteraan Keluarga/PKK) which focus on woman empowerment, the Integrated Service Centre (Pos Pelayanan Terpadu/Posyandu), and the Islamic Study Group (Kelompok Pengajian) and Youth Organization (Karang Taruna) to enhancing village development (Aritenang, 2021).

A previous study conducted by Mulema et al., (2021) argues that the empowerment of women requires an approach that enhances their capacity to discern and systematically manage interactions among resources, thereby fostering their influence and autonomy. The research, focusing on the empowerment of rural women through agricultural initiatives in Ethiopia, revealed that the provision of financial capital, whether in cash or in kind and allocated under women's names, augment their capacity to negotiate and assert independence. Consequently, this facilitates opportunities for collective endeavors and reinvestment in diverse research endeavors aimed at enhancing their well-being. Specifically, the interplay between social, human, and financial capital serves as a pivotal starting point for the empowerment of rural women in Ethiopia. Fahmi & Sari (2020) emphasize the importance of financial resources in improving life satisfaction, as exemplified in Kalibu.

Falah et al., (2022) found that the cultivation of social capital within a community can bolster its resilience and empowerment within society, facilitating the attainment of collective community objectives in Bandung. Rudito et al., (2023) also revealed that social capital plays a pivotal role in enhancing the effectiveness of corporate social responsibility (CSR) initiatives aimed at fostering community empowerment in developing nations. They argue that income not only enhances individual well-being but also cultivates social empathy within the village. Ramón-Hidalgo et al., (2018) found that individuals in Ghana involved in Community Based Natural Resource Management (CBNRM) who have greater access to social capital tend to report higher levels of empowerment. Social capital is an important aspect in empowering communities. Strengthening internal bonds and identities, fostering connections between diverse communities, and equipping them with the requisite skills and resources to engage effectively with external stakeholders are imperative endeavors. This approach facilitates the pursuit of autonomous objectives rather than solely reacting to external interventions (Edwards, 2019). According to Roa & Sanusi (2018), considering tangible factors such as physical, human, social, financial, and environmental capital, alongside intangible factors like motivation, trust, and mentoring, empowerment can be heightened, thus impacting the overall welfare of the community.

On the other hand, Haji et al., (2022) indicates a strong correlation between psychological capital and empowerment, suggesting that heightened levels of psychological capital coincide with increased emotional empowerment. Individuals exhibiting elevated psychological capital and empowerment demonstrate a propensity to confront challenges and persevere in tasks within their capacity, traits commonly associated with successful entrepreneurs. Additionally, to date, there has been no investigation into the combined effects of working capital, social capital, and psychological capital on community empowerment. Thus, there exists a compelling necessity for further elucidation of this interrelation. Previous scholarly inquiries predominantly relied on qualitative

methodologies to tackle this matter. Our study endeavors to offer an innovative contribution by employing a quantitative approach.

In the administration of empowerment initiatives, challenges such as insufficient funding and limited resources frequently emerge. These factors contribute to a diminished impetus within communities to propel local development efforts forward. Research conducted in the Sidoarjo regency highlighted a conspicuous dearth of community engagement within the BUMDes program. This lack of participation stemmed primarily from inadequate outreach efforts by BUMDes administrators to disseminate information about the program among community members. (Zhafira & Choiriyah, 2022). The same issue is also faced by BUMDes in Siak Regency, in the development of BUMDes Rempak Maju Jaya, confronting the low capacity and competency of managing human resources that still lack of experience and entrepreneurial spirit, which has an impact on the stagnation of BUMDes business units (Jaya & Rafi, 2019). On the contrary, data acquired through interviews with BUMDes administrators in Kalikajar, Wonosobo, reveals that the village-owned enterprises (BUMDes) in Kalikajar are also facing operational inefficiencies stemming from inadequate capacity in managing funds and providing direction to the local community. Despite encountering myriad challenges in the development of village-owned enterprises (BUMDes) across diverse regions due to a dearth of knowledge, the proliferation of BUMDes in Indonesia has shown a consistent annual increase.

Sukoharjo Regency is situated in the Central Java Province of Indonesia. According to the Ministry of Villages in Indonesia, 94 legally established village-owned enterprises (BUMDes) are distributed across 70 villages. Nonetheless, several villages still lack such enterprises (BUMDes). Karangasem Village, located in Sukoharjo Regency, has become a tourist destination due to its abundant natural resources. Moreover, the village actively participates in the Family Welfare Empowerment program (PKK). The PKK Mobilization Team in Karangasem Village endeavors to enhance its competencies and contribute to the village's developmental objectives. This indicates that the community in Karangasem Village is empowered and mobilized towards the development of empowerment initiatives, notably through BUMDes and PKK, as endeavors to bolster the local economy.

Drawing from the aforementioned background, this study aims to examine the role of capital (namely, working capital, social capital, and psychological capital) in fostering community empowerment in Karangasem Village, Sukoharjo Regency. In accordance with this objective, three hypotheses are formulated: firstly, working capital significantly influences community empowerment; secondly, social capital plays a significant role in community empowerment; and thirdly, psychological capital significantly contributes to community empowerment. The Structural Equation Modeling-Partial Least Squares (SEM-PLS) technique is employed to analyze the data, revealing that working, social, and psychological capital exert notable effects on community empowerment endeavors. Particularly noteworthy is the significant impact of working capital, evidenced by its remarkable 78% significance level, underscoring its pivotal role in facilitating program implementation. These findings carry implications for governmental bodies and program administrators engaged in empowerment initiatives, offering insights to inform policy endeavors aimed at advancing community well-being. Subsequent sections of this paper

will be organized as follows: Section 2 will delineate the research methodology, Section 3 will present and deliberate upon the findings, and lastly, Section 4 will furnish conclusions.

Research Method

The main objective of this research is to examine the influence of working capital, social capital, and psychological capital on community empowerment and to identify which capital has the most significant impact on community empowerment. This study will take place in Karangasem Village, Sukoharjo, Central Java, Indonesia, involving a survey of 255 residents, including 15 members of village-owned enterprises (BUMDES), 45 members of tourism management groups, 120 village youths, and 75 members of the Family Welfare Movement (PKK). The research sample was selected using the purposive sampling method. Data analysis will be conducted using the Partial Least Square Structural Equation Modelling (SEM-PLS) method. Partial Least Square (PLS) is a type of component-based SEM with formative and reflective model construct properties. PLS is a powerful analysis technique that can be applied to all data scales (Hair et al., 2014). The selection of SEM-PLS as a data analysis method is predicated upon the characteristics of the research object, the assumptions underpinning the model, and the advantages inherent in SEM, which enable the simultaneous testing of complex research models and the measurement of research variables that are not directly observable (unobserved variables). In addition, it can detect and calculate measurement errors (Ghozali & Latan, 2015). As for the analysis steps in Partial Least Square (PLS), three stages must be carried out, namely: 1) outer model analysis, 2) inner model analysis, and 3) hypothesis testing. The research variables consist of the dependent variable, community empowerment, and independent variables, namely working capital, social capital, and psychological capital, with their definitions and indicators shown in Table 1.

Table 1 Variable's Definition and Indicators

Variable	Definitions	Indicators
Community Empowerment	Community empowerment is a deliberate effort to facilitate local communities in planning, decision-making, and managing their local resources through collective action and networking, ultimately enabling them to achieve economic, ecological, and social self-reliance.	Capacity development, Participation, Freedom of Information, Community Identity, Local Knowledge, and Community Organization (Sarjiyanto et al., 2023; Soler Maso et al., 2014)
Working Capital	Working capital is investments made in current or short-term assets, such as cash, bank deposits, securities, accounts receivable, inventory, and other current assets.	Gross Working Capital, Cash, Capital, Receivables, and Inventory (Kasmir, 2015)
Social Capital	Social capital describes the interaction process among individuals who build networks, norms, and social trust and facilitate coordination and collaboration for mutual benefit.	Local reciprocity, Self-empowerment, Openness, Mutual respect, Heterogeneous relationships, Environmental trust, and Environmental solidarity (Alejandro Portes, 2000; Onyx & Bullen, 2000)
Psychological Capital	Psychological capital is a component of positive psychology possessed by every individual that serves to aid them in personal growth through self-efficacy, hope, optimism, and resilience within themselves.	Self-confidence, Hope, Optimism, Resilience (Bakker, 2009; Luthans et al., 2007; Syuhada, 2020)

Based on the research background and objectives, hypotheses for this study can be formulated as follows:

H₁: Working capital has a significant influence on community empowerment in Karangasem Village.

H₂: Social capital has a significant influence on community empowerment in Karangasem Village.

H₃: Psychological capital has a significant influence on community empowerment in Karangasem Village.

Result and Discussion

The research conducted in Karangasem Village with 255 respondents, as shown in Table 2, reveals that the number of female respondents is higher 74%, compared to male respondents, which is only 26%. The respondents' ages in this study are predominantly in the range of 31-80 years, constituting 60%. The majority of respondents in this study come from a high school educational background, accounting for 54%.

Table 2 Demographic Characteristics of Respondents

Characteristic	Level	Frequency	Percentage
Gender	Male	66	26%
	Female	189	74%
Age	15-20	60	24%
	21-30	42	16%
	31-80	153	60%
Formal Education	Primary	39	15%
	Secondary	30	12%
	High School	138	54%
	Bachelor	18	7%
	Post-Graduate	30	12%
Total		255	100

After understanding the demographic distribution of the data, the hypothesis testing will be conducted using the SEM-PLS method with the analysis software Smart PLS 4. Next, we will conduct a model evaluation using two main types of model assessment. The first step, outer model testing, is performed to specify the relationship between latent variables and indicators, which involves validity testing conducted in two stages: convergent validity testing and discriminant validity testing.

Table 3 The Result of the Convergent Validity Test

Variable	Indicators	Outer Loading (O)	AVE*	Description
Working Capital	MK01	0.839	0.689	Valid
	MK02	0.861		
	MK03	0.847		
	MK04	0.835		
	MK05	0.828		
	MK06	0.766		
	MK07	0.809		
	MK08	0.810		
	MK09	0.857		
	MK10	0.870		
	MK11	0.846		
	MK12	0,709		
Social Capital	MS01	0,691	0,614	Valid
	MS02	0,745		
	MS03	0.774		
	MS04	0.787		
	MS05	0.766		
	MS07	0.699		
	MS08	0.732		
	MS09	0.784		
	MS10	0,782		
	MS11	0.837		
	MS12	0.809		
	MS13	0.797		
	MS14	0.796		
Psychology Capital	MP01	0.747	0.666	Valid
	MP02	0.751		
	MS03	0.814		
	MP04	0.825		
	MP05	0.784		
	MP06	0.742		
	MP07	0.854		
	MP08	0.857		
Community Empowerment	PM01	0,660	0,608	Valid
	PM02	0,722		
	PM03	0,785		
	PM04	0,673		
	PM05	0,748		
	PM06	0,748		
	PM07	0,647		
	PM08	0,658		
	PM09	0,837		
	PM10	0,613		
	PM11	0,721		
	PM12	0,781		
	PM13	0,582		
	PM14	0,463		

Indice: AVE – Average Variance Extracted*

Source: Smart PLS Bootstrapping's process (2023)

Table 4 Cross-Loading Value

Items	Working Capital	Social Capital	Psychology Capital	Community Empowerment
MK01	0,833	0,587	0,537	0,661
MK02	0,865	0,628	0,526	0,680
MK03	0,841	0,575	0,506	0,710
MK04	0,845	0,607	0,579	0,690
MK05	0,818	0,695	0,649	0,707
MK06	0,772	0,650	0,623	0,702
MK07	0,814	0,719	0,700	0,720
MK08	0,824	0,588	0,584	0,696
MK09	0,858	0,546	0,595	0,689
MK10	0,876	0,597	0,666	0,721
MK11	0,843	0,595	0,530	0,690
MP03	0,708	0,714	0,812	0,725
MP04	0,554	0,726	0,832	0,532
MP05	0,463	0,565	0,811	0,489
MP06	0,451	0,482	0,769	0,432
MP07	0,612	0,703	0,873	0,526
MP08	0,656	0,688	0,876	0,582
MS03	0,625	0,759	0,660	0,571
MS04	0,496	0,796	0,597	0,479
MS05	0,465	0,761	0,632	0,494
MS06	0,444	0,771	0,562	0,501
MS09	0,596	0,786	0,580	0,601
MS10	0,608	0,807	0,654	0,643
MS11	0,686	0,852	0,644	0,628
MS12	0,713	0,815	0,709	0,646
MS13	0,528	0,824	0,674	0,567
MS14	0,665	0,809	0,594	0,657
PM02	0,642	0,527	0,549	0,748
PM03	0,675	0,565	0,532	0,820
PM05	0,637	0,599	0,549	0,763
PM06	0,578	0,561	0,471	0,752
PM09	0,665	0,608	0,509	0,846
PM11	0,549	0,515	0,492	0,738
PM12	0,776	0,613	0,586	0,787

Source: Smart PLS Bootstrapping's process (2023)

Table 3 shows the results of convergent validity testing, indicating outer loading values of research items >0.7 , except for items MS01 with an outer model value of 0.691; MS07 with an outer model value of 0.699; PM01 with an outer model value of 0.660; PM04 with an outer value of 0.673; PM07 with an outer value of 0.647; PM08 with an outer value of 0.658; PM10 with an outer value of 0.613; PM13 with an outer value of 0.582; and PM14 with an outer value of 0.463. Thus, the mentioned items are considered invalid and are excluded from the testing. MK_01 has an outer loading of 0.839, indicating that this item validly measures the working capital variable. The outer loading values for other items meet expectations with values >0.7 . Therefore, the other items are considered valid. This indicates that these items can explain the constructs well. After assessing the loading

factor values of research items, it is necessary to calculate the AVE value to continue the convergent validity test.(Hair et al., 2016), advised that the AVE should exceed 0.5, as an AVE below this threshold would suggest that more error remains in the items than the explained variance. The results shown in Table 3 indicate that the AVE values of all indicators are >0.05. Therefore, the variables in the above table can be considered valid. Therefore, it can be concluded that the data in this study statistically establish convergent validity. Next, we will conduct discriminant validity testing, starting by examining the cross-loading values in Table 4, which indicate that the cross-loading values of all items are > 0.70 for each construct or against their respective latent variables, higher than the correlation values between other constructs and latent variables.

Additionally, we confirmed the discriminant validity of the data using the Fornell and Larcker (1981) criterion. Bold values in Table 2, exceeding the off-diagonal values, indicate distinctions among latent constructs. The bold values correspond to the square roots of constructs' AVEs, while off-diagonal values denote correlations among them. This demonstrates that discriminant validity is not an issue in our study. The specifics of the Fornell and Larcker criterion are outlined in Table 5.

Table 5 Fornell-Lacker Value

Variable	Working capital	Psychological Capital	Social Capital	Community Empowerment
Working capital	0.836			
Psychological Capital	0.783	0.816		
Social Capital	0.768	0.815	0.784	
Community Empowerment	0.835	0.754	0.748	0.780

Source: Smart PLS Bootstrapping's process (2023)

Table 6 Heterotrait-Monotrait Ratio (HTMT)

Variable	Working Capital	Psychology Capital	Social Capital	Community Empowerment
Working capital				
Psychological Capital	0.848			
Social Capital	0.798	0.892		
Community Empowerment	0.896	0.843	0.807	

Source: Smart PLS Bootstrapping's process (2023)

We also assessed Discriminant validity using the Heterotrait-Monotrait Ratio (HTMT). According to Hair (2016) suggestion, the HTMT criterion should be standardized between 0 and 1 in PLS-SEM. Table 6 indicates that all HTMT values for each latent variable were below 1. In summary, the assessment of the measurement model reveals that reliability and validity are not problematic in our study.

Table 7 Cronbach's Alpha and Composite Reliability Value

Variable	Cronbach's Alpha	Composite Reliability	Information
Working Capital	0,957	0,957	Reliable
Social Capital	0,937	0,940	Reliable
Psychology Capital	0,910	925	Reliable
Community Empowerment	0,892	0,896	Reliable

Source: Smart PLS Bootstrapping's process (2023)

Table 7 shows that the Cronbach's Alpha and Composite Reliability values in this study range from 0.892 to 0.957. It can be concluded that working capital, social capital, psychological capital, and community empowerment are dependent and independent variables in this study and are reliable because Cronbach's Alpha and Composite Reliability values are > 0.6 and 0.7.

Table 8 Inner Variance Inflated Factor

	VIF
Working Capital -> Community Empowerment	2,424
Social Capital -> Community Empowerment	3,23
Psychological Capital -> Community Empowerment	2,934

Source: Smart PLS Bootstrapping's process (2023)

After the outer model testing is completed, we will proceed to conduct inner model testing, which is the next stage. Table 8 shows the estimation result that the inner VIF value is less than 5 points, which means that the multicollinearity level between variables is low. This outcome reinforces the robustness and unbiased nature of the parameter estimation in PLS-SEM.

Table 9 R-Square Value (R^2)

CONSTRUCT	R-square	Information
Community empowerment	0.727	strong observational validity

Source: Smart PLS Bootstrapping's process (2023)

Table 9 presents the R-squared values for the dependent variable of community empowerment. It shows that the R-square of the effective community empowerment variable is 0.727. It means that the community empowerment variable is 72% influenced by working capital, social capital, and psychological capital. In addition, the remaining 28% may be impacted by other factors. Table 10 displays a Q-Square score of 0.683, indicating that the model's Q-Square value exceeds 0. This suggests that the model exhibits strong observational validity.

Table 10 Q-Square Value (Q^2)

	Q-Square (Q^2)	RMSE	MAE
Community empowerment	0.683	0.581	0.459

Source: Smart PLS Bootstrapping's process (2023)

Table 11 Square Value (F^2)

Variable	Community empowerment
Working capital	0.609
Social Capital	0.068
Psychological Capital	0.044

Source: Smart PLS Bootstrapping's process (2023)

Table 11 presents the F-square values, ranging from 0.609 to 0.044 in this study. The impact of working capital on community empowerment, with a value of 0.609, surpasses 0.35, indicating a significant influence. Meanwhile, the impacts of social capital and psychological capital on community empowerment, with values of 0.055 and 0.044, respectively, exceed 0.02 but are below 0.15, suggesting a relatively minor influence. Subsequently, we will conduct hypothesis testing, with the results shown in Figure 1. The results of SmartPLS bootstrapping are said to be influential if the T-Statistic is > 1.96 . Furthermore, the criteria used in hypothesis testing are at a significance level of 5%, and the hypothesis can be said to be accepted if the P-value is < 0.05 .

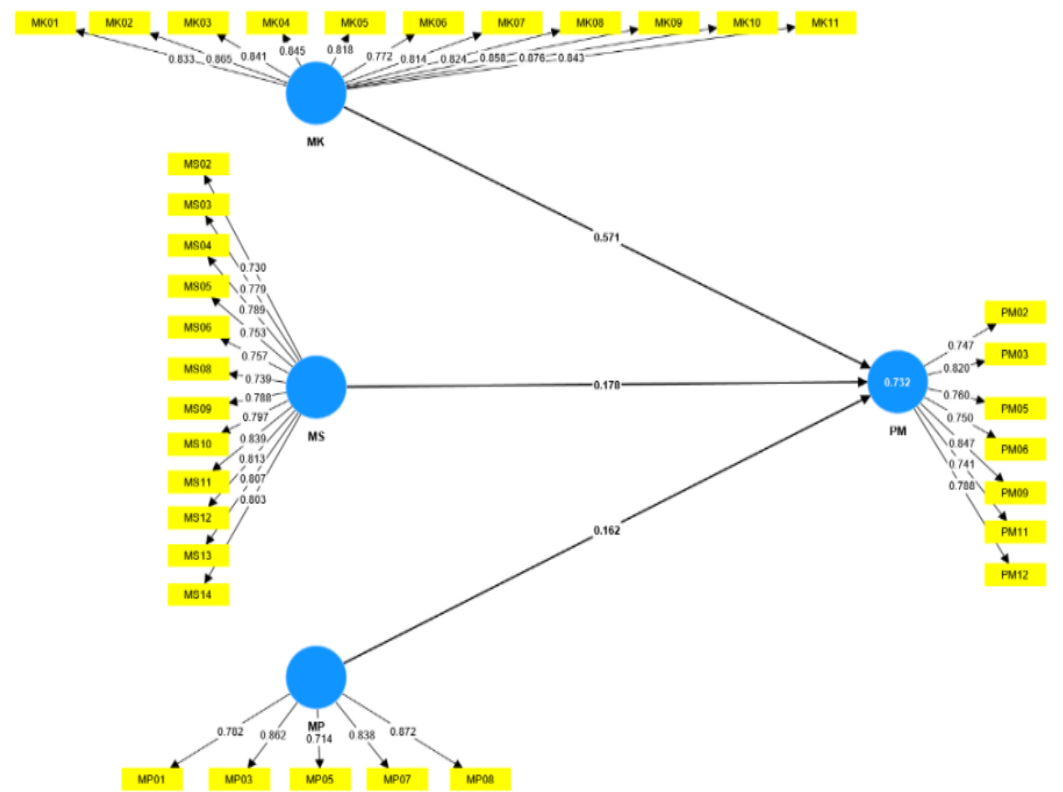


Figure 1 Path Analysis of Hypotheses Testing

Table 12 Hypothesis Test Result

Hypothesis	Hypothesis Statement	Original Sample(O)	P value	T statistic (O/STDEV)	95% confidence interval path coefficient	
					Lower limit	Upper limit
H1	Working capital -> Community empowerment	0.571	0,000	10,664	0.470	0.679
H2	Social Capital -> Community empowerment	0.178	0.014	2,394	0.023	0.315
H3	Psychological Capital -> Community empowerment	0.167	0.017	2,450	0.040	0.29

Source: Smart PLS Bootstrapping's process (2023)

Based on the 12, it is evident that working capital significantly influences community empowerment, as indicated by a path coefficient of 0.571. This suggests that an increase in the working capital variable leads to a positive impact on community empowerment. The bootstrap analysis yielded a t-statistic value of 10.664, resulting in a p-value of 0.000. Since the p-value is less than 0.05, the data strongly supports the hypothesis, indicating that working capital significantly affects community empowerment in Karangasem Village. This indicates that working capital has a significant influence on community empowerment in Karangasem Village. After that, we can see that social capital significantly influences community empowerment with a path coefficient of 0.178, indicating a positive influence of the social capital variable on community empowerment.

The bootstrap analysis yielded a t-statistic value of 2.394, and within the 95% confidence interval, the influence of social capital on community empowerment ranges from 0.023 to 0.315. The resulting p-value is 0.000, which is less than 0.05, thereby supporting Hypothesis 2. This indicates that Social Capital significantly affects community empowerment in Karangasem Village. It also shows that psychological capital significantly influences community empowerment with a path coefficient of 0.167, indicating a positive influence of the psychological capital variable on Community Empowerment. The bootstrap analysis yielded a t-statistic value of 2.450, and within the 95% confidence interval, the influence of psychological capital on community empowerment ranges from 0.040 to 0.299. The resulting p-value is 0.014, which is less than 0.05, thereby supporting Hypothesis 3. This indicates that Psychological Capital significantly affects community empowerment in Karangasem Village.

According to the findings of this research, perceptions regarding working capital positively impact community empowerment. This implies that effective management of working capital leads to an increase in community empowerment. Consistent with prior studies, effective working capital management ensures business sustainability. Poor working capital management can lead to inefficient asset utilization, significantly contributing to business failure. (Kasiran et al., 2016). Based on the data analysis results, it can be inferred

that the most impactful indicators of working capital in empowering the community of Karangasem village are as follows:

Table 13 Indicators of Working Capital

Indicator	Working capital	Loading Factor	Information
Capital/Assets	MK_01	0.833	Valid
	MK_02	0.875	Valid
	MK_03	0.841	Valid
	MK_04	0.845	Valid
Cash	MK_05	0.818	Valid
	MK_06	0.772	Valid
Supply	MK_07	0.814	Valid
	MK_08	0.824	Valid
Receivables	MK_09	0.858	Valid
	MK_10	0.866	Valid
	MK_11	0.843	Valid

Source: Smart PLS Bootstrapping's process (2023)

Based on Table 13, the most influential working capital indicator is MK_02, with an outer loading of 0.875. This indicates that approximately 76% of any variation in working capital reflects on the capital indicator ($0.875 \times 0.875 = 76\%$). Working capital is a crucial liquidity source, highlighting the importance of effective management in community empowerment initiatives through BUMDes and PKK Programs. Proper allocation of working capital, obtained from governmental funds and other sources, tailored to meet community needs, is essential to enhance community income.

Table 14 shows that social capital positively affects the community empowerment program. This shows that social capital is important in developing the Karangasem Village community empowerment program. This research is supported by (Kesuma & Saputri, 2020) that trust, norms, and networks inherent in social capital play a significant role in fostering the sustainability of BUMDes.

Table 14 Indicators of Social Capital

Indicator	Social capital	Loading Factor	Information
Trust	MS_01	0.730	Valid
	MS_02	0.779	Valid
	MS_03	0.789	Valid
	MS_04	0.753	Valid
	MS_05	0.757	Valid
Network	MS_06	0.739	Valid
	MS_07	0.788	Valid
	MS_08	0.797	Valid
	MS_09	0.839	Valid
	MS_10	0.813	Valid
Norm	MS_11	0.807	Valid
	MS_12	0.803	Valid

Source: Smart PLS Bootstrapping's process (2023)

According to the data analysis of social capital indicators, it is evident that the network indicator holds the highest value, with a loading factor of 0.839. This implies that approximately 70% of any changes in social capital are reflected in the network indicator ($0.839 \times 0.839 = 70\%$). Following closely are norms, with loading factor values of 0.87 and 0.803, respectively, and finally, the Trust indicator. Social capital plays a pivotal role in community empowerment programs. The high social capital is attributed to the active participation of each member, enabling the consistent implementation of empowerment initiatives. Additionally, mutual support among community members fosters a positive environment and a strong sense of camaraderie. Trust among community members alleviates internal pressures, promoting collaboration during regular meetings and interactions with administrators who provide guidance.

Table 15 shows that the perception of psychological capital positively affects Community Empowerment. It demonstrates that encouragement from individuals in terms of hope, optimism, resilience, and self-confidence influences the implementation of community empowerment programs.

Table 15 Indicators of Psychological Capital

Indicator	Working capital	Loading Factor	Information
Self-confidence	MP_01	0.782	Valid
Hope	MP_03	0.862	Valid
Optimism	MP_05	0.714	Valid
	MP_07	0.872	Valid
Toughness	MP_08	0.838	Valid

Source: Smart PLS Bootstrapping's process (2023)

The indicator with a notably high outer loading value is observed in the optimism indicator. Optimism demonstrates an outer loading value of 0.872, suggesting that approximately 76% of any variation in social capital is mirrored in the network indicator ($0.872 \times 0.872 = 76\%$). The study elucidates that psychological capital significantly impacts job performance and satisfaction. (Novitasari & Priyono, 2022). Resilience pertains to the capacity to respond effectively even when confronted with disruptions. The findings indicate that the Karangasem village community displays a relatively high level of resilience in dealing with changes. Optimism significantly correlates with responding to change, where hope and self-confidence are closely intertwined with individual determination to enact organizational changes. Based on the research findings regarding the role of capital types in community empowerment in Karangasem village, it can be inferred that working capital plays the most influential role in community empowerment. This conclusion is drawn from the data analysis results.

Table 16 Original Sample Result

	Original sample (O)
Working capital -> Community empowerment	0.571
Social Capital -> Community empowerment	0.178
Psychological Capital -> Community empowerment	0.162

Source: Smart PLS Bootstrapping's process (2023)

As evident from Table 16, the findings reveal that working capital exerts the greatest influence on community empowerment, with an original sample value of 57%. This underscores the pivotal role of funding streams in community empowerment initiatives. Following this is social capital, with an original sample value of 17%, indicating that external support or social connections contribute to community empowerment. Lastly, psychological capital registers an original sample value of 16%, suggesting that individuals' self-motivation influences community empowerment, encompassing factors such as attitude, resilience, self-confidence, hope, and optimism. The remaining 10% is influenced by types of capital beyond the scope of this research. Future studies can delve into this matter by incorporating larger sample sizes and additional variables to provide a more comprehensive understanding of community empowerment, particularly in village programs with longer observation periods.

Conclusion

This study examined the impact of different types of capital on community empowerment programs in Karangasem Village. Through the distribution of questionnaires and direct observations, it was found that various forms of capital, including working capital, social capital, and psychological capital, significantly influence community empowerment programs in the village. Working capital emerges as the most influential type of capital, accounting for 78% of the significance, with its primary indicator being capital itself. This suggests that the operation of village programs in Karangasem village is heavily influenced by capital, where increased capital leads to enhanced empowerment programs. Effective and efficient capital management is crucial, ensuring that increased capital flows are accompanied by appropriate fund allocation. The receivables indicator closely follows, representing ownership rights to transaction proceeds. Social capital serves as the second most influential type of capital in fostering community empowerment in Karangasem Village. Notably, networks emerge as the highest indicator of social capital, highlighting the importance of expanding community networks both internally and externally to enhance community empowerment. Psychological capital also significantly impacts community empowerment, serving as internal motivation for various empowerment initiatives. The distribution of questionnaires revealed that optimism is the indicator with the highest outer loading, indicating a high level of community optimism towards community empowerment programs. The limitations of this research include the fact that the scope of the research only takes three types of capital in the community (working capital, social capital, and psychological capital), while the research methodology uses a quantitative approach from data in the field through questionnaires. So, it is still open for future researchers to include other typologies of capital that develop in communities, such as cultural, human, political, and natural. Meanwhile, a qualitative research approach can also be used to gain an in-depth perspective.

Author Contributions

Conceptualisation, S.S. and Y.A.M.; Methodology, S.S; Investigation, Y.A.M.; Analysis, S.S. and Y.A.M.; Original draft preparation, S.S. and Y.A.M.; Review and editing, N.I. and S.S.; Visualization, S.S. and N.I.

Conflicts of Interest

The Correspondent author declare no conflict of interest. The funders had no role in the design of the study; in the collection, analyses, or interpretation of data; in the writing of the manuscript, or in the decision to publish the results.

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Scopus ID: 57209856840, Department of Economics, Universitas Muhammadiyah Yogyakarta
susilonuraji@gmail.com

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The Role of Working Capital, Social Capital and Psychological Capital For Community Empowerment Programs

Abstract

Karangasem Village, which is one of the villages in Sukoharjo Regency, has implemented various community empowerment programs by utilizing village potential to increase regional economic development. The aim of this research is to analyse community empowerment by looking at the role of types of capital (working capital, social capital and psychological capital), to see which types of capital have an influence on community empowerment in Karangasem village. This research method is a quantitative method. Data collection techniques by distributing questionnaires. The data analysis technique uses SmartPLS. The results of this research are that working capital, social capital and psychological capital have an influence on community empowerment. Working capital is the most influential capital with the highest indicator, namely capital. Social and psychological capital are also significant with indicators namely networks and optimism. This can be a consideration for the government and empowerment program managers in providing policies as an effort to improve community welfare

Keywords: (Rural Development; Working Capital; Social Capital; Psychological Capital; Community Empowerment)

JEL Classification: (O1; O21; O35)

Introduction

The old paradigm in development programs places society as the object of development, resulting in minimal participation in development. Then the technical changes began with a new paradigm that focuses more on the community and collaborates with local institutions (Sarjiyanto et al., 2022) society plays a major role in development and empowering society, so it is important to create an empowered and quality society. The government needs to pay special attention to improving society. Opinion from (Archibald et al., 2016) states that community empowerment is the development of society in a positive direction. In essence, empowerment is formation. The community needs to participate adequately in the process to achieve the required agenda. This will be a perfect evolution for regional development in Indonesia (Sarjiyanto et al., 2022)

The village is the smallest unit of the country closest to society. Villages have the power to manage the area and the resources within it. This is in line with regional autonomy regulations which have the rights, authority and obligations of autonomous regions in managing the government and community interests in accordance with statutory regulations (Fatkhul Muin, 2014). So that the community is not only an object of development but also an actor in development by utilizing village potential supported by facilities provided by the government. The government and the community work together to increase development by making the village developed by utilizing the potential that exists in the village. Many efforts have been made to increase development by empowering village communities, one of which is that villages are given the authority to form Village-Owned Enterprises to realize village development.

And also the establishment of Family Welfare Empowerment which focuses on empowering women in developing village welfare.

In implementing community empowerment programs, success is seen in the presence of working capital, social capital, human capital and technological capital (Yuliarmi, 2020). However, there is other capital that plays an important role in organizational success, namely psychological capital which is able to encourage the success of the organization's vision and mission. So this research will analyze the role of capital (working capital, social capital and psychological capital) in improving empowerment programs. Working capital is the ownership of total assets in each period, so that the working capital indicator is related to funding such as capital, cash, inventory, receivables and other assets (Kashmere, 2015). Social capital is the ability to rely on its members in social networks and other structures or social interactions (Alejandro Portes, 2000). Indicators of social capital are networks, norms and trust. And psychological capital is an internal approach to optimizing an individual's potential with indicators of self-efficacy, optimism, hope and resilience (Bakker, 2009).

In managing empowerment programs, problems are often found, namely lack of funding, inadequate resources, resulting in a lack of encouragement within the community to advance the village. Based on research conducted in Sidoarjo Regency, it was found that there was a lack of community participation in the BUMDes program due to minimal outreach from BUMDes administrators to the community regarding the BUMDes program (Zhafira & Choiriyah, 2022). The same is true of the obstacles in BUMDes in Siak Regency. Obstacles in the development of BUMDes Rempak Maju Jaya include the low capacity and competency of managing human resources who still lack experience and entrepreneurial spirit, which has an impact on the stagnation of BUMDes business units (Jaya & Rafi, 2019). As is the case in Kalikajar BUMDes which is not running due to a lack of capacity in managing both funds and direction to the village community. Data obtained through interviews with BUMDes administrators in Kalikajar, Wonosobo. There are many cases that occur in the field, namely that many villages have formed BUMDes, but due to a lack of knowledge, the BUMDes are not working. However, the number of BUMDes in Indonesia from 2014 to 2019 has increased every year.

Sukoharjo Regency is one of the districts located in Central Java province. According to data from BAPPEDA Sukoharjo, there are 70 villages that have BUMDes. If you look at the area of Sukoharjo, there are still quite a lot of villages that don't have BUMDes. However, there are several villages that have growing BUMDes, there are 12 villages that are classified as growing BUMDes, one of which is Karangasem Village. Karangasem Village is one of the villages located in Sukoharjo Regency. Karangasem Village has currently developed a tourist village, considering that Karangasem Village has very abundant natural potential. Apart from that, in Karangasem Village, Family Welfare Empowerment is also underway. The Karangasem Village PKK Mobilization Team is trying to develop their own abilities and dedicate their

abilities to supporting the realization of village development ideals. So that it can mobilize the empowerment of the Karangasem Village community.

The empowerment program in Karangasem Village through BUMDes and PKK is an effort to improve the economy of Karangasem village. From the above background, this research analyzes the role of capital types (Working Capital, Social Capital and Social Psychology) in community empowerment in Karangasem Village, Sukoharjo Regency. Based on the statement above, there are three hypotheses, first, working capital has a significant effect on community empowerment, second, social capital has a significant effect on community empowerment, and third, psychological capital has a significant effect on community empowerment.

Research methods

The research method used is quantitative, which analyzes design, measurement and planning issues which are clearly detailed after sample collection (Suhartono, 2002). With a correlation model between variables measured through a cross section survey from primary data collection, namely data obtained through primary sources obtained directly in the field (Indrayati, 2018). The research location is Karangasem Village, Sukoharjo Regency. The analysis in this research was carried out after managing the results of a questionnaire which explained the influence of working capital, social capital and psychological capital in the empowerment program in Karangsem Sukoharjo Village. The data that has been collected will be analyzed using the Partial Least Square (PLS) method, this method is one of the methods for solving Structural Equation Modeling (SEM) (Duryadi, 2021). Based on the results of data processing, it was concluded that the independent variable used had an effect on the dependent variable so that the results of this research could be used to improve empowerment programs in Karangasem Village.

Discussion result

The location of the research was in Karangasem Sukoharjo Village, Bulu District, Sukoharjo Regency. This writing discusses community empowerment activities carried out in Karangasem Village and discusses the results and discussion of research which are explained as follows:

Descriptive statistics

Evaluation of the Measurement Model (outer Model)

The measurement capital in this research uses SamrtPLS by specifying the relationship between latent variables and indicators

Convergent validity test

The convergent validity test is carried out using the loading factor value and the average variance extracted (AVE) value. Loading factor value shows the correlation between indicators and their constructs. Loading factor value shows the correlation between indicators and their constructs. An indicator with a low loading value indicates that the indicator does not work in the measurement model. The expected Loading value is >0.7 and the expected AVE value is >0.5 (Dr. Duryadi, 2021)

Table 1
Loading Factor

Variable	(AVE)	Information
Working capital	0.689	Valid
Social Capital	0.614	Valid
Psychological Capital	0.666	Valid
Community empowerment	0.608	Valid

Source: Primary Data, processed (2023)

After seeing the loading factor value of the research item, to continue the convergent validity test, it is necessary to calculate the AVE value. As explained above, the expected AVE value is >0.5 . So that the variables in the table above can be declared valid.

Discriminant Validity Test

The results of Cross Loading data processing results show that the cross loading value has a value of > 0.70 for each construct or for the latent variable which is higher than the correlation value between constructs and other latent variables.

Table 2
Fonell-lacker value

	Working capital	Psychological Capital	Social Capital	Community Empowerment
Working capital	0.836			
Psychological Capital	0.783	0.816		
Social Capital	0.768	0.815	0.784	
Community Empowerment	0.835	0.754	0.748	0.780

Source: Primary Data, processed (2023)

Fornell and Lacker's criteria are that the AVE root of the variable is greater than the correlation between variables. The working capital variable has a greater AVE root (0.836) and a greater correlation with social capital (0.768); Psychological Capital (0.783) and also Community Empowerment (0.835). Likewise, Psychological Capital has a greater AVE root (0.816) than Social Capital (0.815) and Community Empowerment (0.754). And also Social Capital which has AVE roots (0.784) and also Community Empowerment which has AVE roots (0.780)

Table 3
Heterotrait-Monotrait Ratio (HTMT)

	Working Capital	Psychology Capital	Social Capital	Community Empowerment
Working capital				
Psychological Capital	0.848			
Social Capital	0.798	0.892		
Community Empowerment	0.896	0.843	0.807	

Source: Primary Data, processed (2023)

In the table above you can see the HTMT value between latent variables <0.9 with the highest value held by the Psychological Capital variable (0.892). Therefore, it can be said that from the HTMT ratio, the latent variables in this study are valid.

Table 4
Cronbach's Alpha and Composite Reliability Values

Variable	Cronbach's Alpha	Composite Reliability	Information
Working capital	0.957	0.957	Reliable
Social Capital	0.937	0.940	Reliable
Psychological Capital	0.910	0.925	Reliable
Community Empowerment	0.892	0.896	Reliable

Source: Primary Data, processed (2023)

It can be seen from the table above that the Cronbach's Alpha and Composite Reliability values in this study range from 0.892 to 0.957. Based on the results of data processing, it can be concluded that the variables in this study are reliable because they have Cronbach's Alpha and Composite Reliability values > 0.6 and 0.7.

Structural Model Evaluation (Inner Model)

Table 5
Inner Variance Inflated Factor

	VIF
Working Capital -> Community Empowerment	2,424
Social Capital -> Community Empowerment	3.23
Psychological Capital -> Community Empowerment	2,934

Source: Primary Data, processed (2023)

The estimation results show that the inner VIF value is <5, so the level of multicollinearity between variables is low. This result strengthens the results of parameter estimation in PLS SEM which is robust (unbiased).

Table 6
R-Square Value (R2)

CONSTRUCT	R-square	Information
Community empowerment	0.727	Tall

Source: Primary Data, processed (2023)

Looking at the table above, it can be seen that the R-square of the effective community empowerment variable is 0.727, so it can be said that the community empowerment variable is 72% influenced by working capital, social capital and psychological capital. And the rest is likely influenced by other capital.

Table 7
Q-Square Value (Q2)

	Q-Square (Q ²)	RMSE	MAE
Community empowerment	0.683	0.581	0.459

Source: Primary Data, processed (2023)

The results from the table above show a Q-Square of 0.683 so the Q-Square value is > 0. It can be concluded that the model has a good observation value.

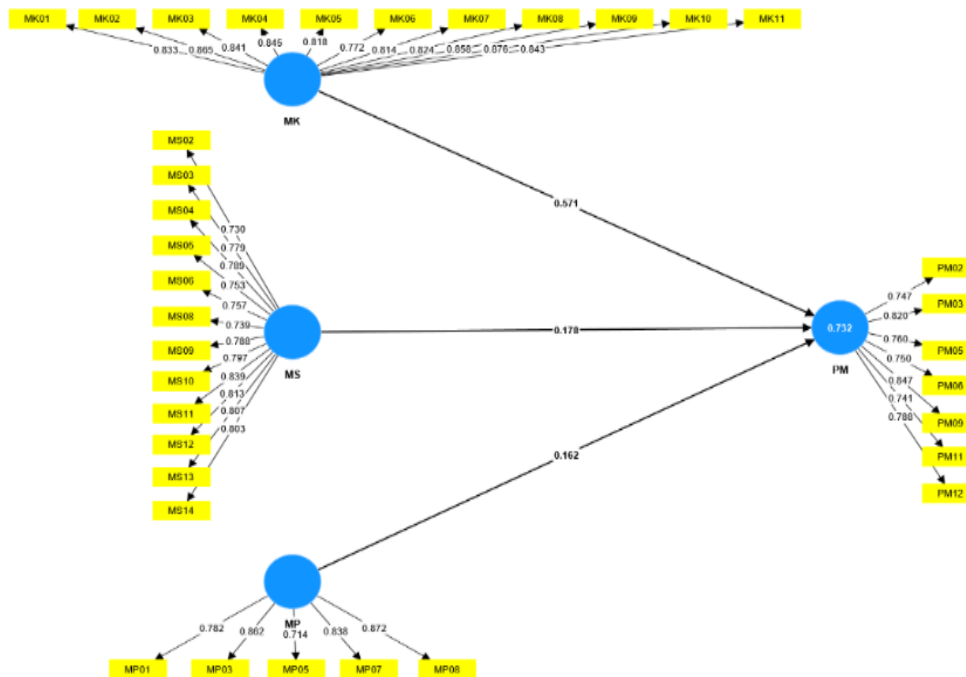
Table8
F Square Value (F2)

Variable	Community empowerment
Working capital	0.609
Social Capital	0.068
Psychological Capital	0.044

Source: Primary Data, processed (2023)

Based on the table above, it can be seen that the range of F Square values in this research is 0.609 – 0.044. The influence of working capital on community empowerment (0.609) has a value of > 0.35 so it is classified as having a large influence. The influence of social capital and psychological capital on community empowerment (0.055) and (0.044) respectively has a value of > 0.02 but is smaller than 0.15 so it is classified as having a small influence.

Hypothesis testing



Figures 1Hypothesis testing

The results of SartPLs bootstrapping are said to be influential if the T-Statistic is > 1.96. Furthermore, the criteria used in hypothesis testing are at a significance level of 5% and the hypothesis can be said to be accepted if the P-Value is <0.05.

Table 9
Hypothesis Test Results

Hypothesis	Hypothesis statement	Original Sample (O)	P value	T statistics (O/STDEV)	95% confidence interval path Coefficient	
					Lower limit	Upper limit
H1	Working capital -> Community empowerment	0.571	0,000	10,664	0.470	0.679
H2	Social Capital -> Community empowerment	0.178	0.014	2,394	0.023	0.315
H3	Psychological Capital -> Community empowerment	0.167	0.017	2,450	0.040	0.29

Source: Primary Data, processed (2023)

Hypothesis Test 1

Based on the table above, it can be concluded that there is a significant influence of working capital on community empowerment with a path coefficient of 0.571, which means an increase in the Working Capital variable. Therefore, it can be stated that there is a positive influence of the Working Capital variable on Community Empowerment. The bootstrap results show a t-statistic value (10,664), the resulting p-value is 0.000. Because the p-value is <0.05, the data obtained supports Hypothesis 1. Working Capital has a significant effect on community empowerment in Karangasem Village

Hypothesis Test 2

Based on the table above, it can be concluded that there is a significant influence of working capital on community empowerment with a path coefficient of 0.178. Therefore, it can be stated that there is a positive influence of the Working Capital variable on Community Empowerment. The bootstrap results show a t-statistic value (2.394), within the 95% confidence interval the influence of working capital in community empowerment is between for 0.023 to 0.315. The resulting p-value is 0.000. Because the p-value is <0.05, the data obtained supports Hypothesis 2. Social Capital has a significant effect on community empowerment in Karangasem Village.

Hypothesis Test 3

Based on the table above, it can be concluded that there is a significant influence of psychological capital on community empowerment with a path coefficient of 0.167. Therefore, it can be stated that there is a positive influence of the Working Capital variable on Community Empowerment. The bootstrap results show a t-statistic value (2.450), within the 95% confidence interval the influence of working capital in community empowerment is between for 0.040 to 0.299. The resulting p-value is 0.014. Because the p-value is <0.05, the data obtained supports Hypothesis 3. Psychology of Capital has a significant effect on community empowerment in Karangasem Village.

Discussion

Working capital

Based on the results of this research, it is shown that perceptions of Working Capital have a positive effect on Community Empowerment. This means that when working capital can be managed well, community empowerment will increase. In line with previous research, working capital management plays an important role in ensuring business sustainability. Improper management of working capital will result in inefficient use of assets. Inefficient working capital management can be a major cause of business failure (Kasiran et al., 2016)

From the results of data processing, it can be concluded that in empowering the Karangasem village community, the most influential working capital indicators can be described as follows;

Table 10 Indicators of Working Capital			
Indicator	Working capital	Loading Vactor	Information
Capital	MK_01	0.833	Valid
	MK_02	0.875	Valid
	MK_03	0.841	Valid
	MK_04	0.845	Valid
Cash	MK_05	0.818	Valid
	MK_06	0.772	Valid
Supply	MK_07	0.814	Valid
	MK_08	0.824	Valid
Receivables	MK_09	0.858	Valid
	MK_10	0.866	Valid
	MK_11	0.843	Valid

Source: Primary Data, processed (2023)

Based on the data above, the most influential working capital indicator is the capital indicator or MK_02 which has an outer loading of 0.875, which means that every change in working capital will be reflected in the capital indicator of $(0.875 \times 0.875 = 76\%)$

Working capital is an important source of liquidity, so in this research it can be concluded that working capital management in community empowerment programs through the BUMDes and PKK Programs can be managed well. As the distribution of funds from the government and other funding flows plays a very important role, management of the working capital obtained must be allocated according to community needs which is able to support community income.

Social Capital

Based on the results of this research, it is shown that Social Capital has a positive effect on the Community Empowerment program, this shows that social capital has an important role in developing the Karangasem Village community empowerment program. This research is supported by previous research (Kesuma & Saputri, 2020) The social capital of trust, norms and networks has a big role in creating sustainable BUMDes.

Indicator	Social capital	Loading Vactor	Information
Trust	MS_01	0.730	Valid
	MS_02	0.779	Valid
	MS_03	0.789	Valid
	MS_04	0.753	Valid
	MS_05	0.757	Valid
Network	MS_06	0.739	Valid
	MS_07	0.788	Valid
	MS_08	0.797	Valid
	MS_09	0.839	Valid
	MS_10	0.813	Valid
Norm	MS_11	0.807	Valid
	MS_12	0.803	Valid

Source: Primary Data, processed (2023)

From the results of processing data from social capital indicators, the results obtained are that the network has the highest value, namely with a loading factor value of 0.839, which means that every change in social capital will be reflected in the network indicator of $(0.839 \times 0.839 = 70\%)$, followed by norms with a loading value. factors 0.87 and 0.803 and finally the Trust indicator.

It is known that social capital has a significant influence on community empowerment programs. High social capital is due to the activeness of each member so that empowerment programs can be implemented consistently. Communities also need each other to create a good environmental atmosphere and a high sense of family. The community also has a sense of trust between each other so that people do not feel pressure within the group. Collaboration between each member of the community and the administrators who provide guidance, especially during regular meetings.

Psychological Capital

Based on the results of this research, it is shown that the perception of psychological capital has a positive effect on Community Empowerment. This shows that encouragement from individuals in terms of hope, optimism, resilience and self-confidence influences the implementation of community empowerment programs. Can be seen in the details of each indicator

Indicator	Working capital	Loading Vactor	Information
Self confidence	MP_01	0.782	Valid
Hope	MP_03	0.862	Valid
Optimism	MP_05	0.714	Valid
	MP_07	0.872	Valid
Toughness	MP_08	0.838	Valid

Source: Primary Data, processed (2023)

The outer loading value that has a high value is found in the optimism indicator. Optimism has an outer loading value of 0.872, which means that every change in social capital will be reflected in a network indicator of $(0.872 \times 0.872 = 76\%)$. The research explains that psychological capital has a significant effect on job performance and satisfaction (Novitasari & Priyono, 2022)

Resilience is related to the ability, even when faced with disturbances, to respond well. From the results it was found that the Karangasem village community had quite high resilience and the changes that occurred. Optimism has a fairly deep relationship in responding to change, hope and self-confidence are closely related to self-will in carrying out actions aimed at organizational change.

Based on the results of research on the role of capital types in community empowerment in Karangasem village, it can be concluded that the most influential role of capital in community empowerment is working capital, this is based on the data results.

Table 13
Original sample results

	Original sample (O)
Working capital -> Community empowerment	0.571
Social Capital -> Community empowerment	0.178
Psychological Capital -> Community empowerment	0.162

Source: Data Primary, processed (2023)

It can be seen from the results of the analysis above that working capital is the capital that has the most influence on community empowerment with an original sample value of 57%, which means that the flow of funds plays an important role in community empowerment programs. Next is social capital with an original sample value of 17%, which means that support from outside or social relationships has an influence on community empowerment and finally, psychological capital which has an original sample value of 16%, which means that each individual's self-encouragement influences community empowerment, namely attitude, resilience, self-confidence, hope and optimism. The other 10% is influenced by types of capital outside of research. Future research can highlight this issue by considering larger samples and other variables to represent a broader perspective on Community Empowerment, especially Village programs with longer years of observation.

Conclusion

This research analyzed the influence of the role of capital types on community empowerment programs in Karangasem Village. Based on research conducted by distributing questionnaires and direct observation, the results showed that the types of capital, including working capital, social capital and psychological capital, had a significant influence on community empowerment programs in Karangasem Village.

Working capital is the most influential role of capital with a significance of 78%, with the highest breakdown of indicators being capital. It can be interpreted that the running of village programs in

Karangasem village is influenced by capital, if capital increases then the empowerment program can also increase. This also needs to be supported by effective and efficient capital management, high capital flows must be accompanied by appropriate fund allocation. Next is the receivables indicator, meaning ownership rights to a sum of money from transaction results

Social capital is the second role of capital that has a significant influence on community empowerment in Karangasem Village. The highest indicator of social capital is networks, meaning that networks play an important role in increasing community empowerment by increasing networks between communities both internally and externally.

Psychological Capital has a significant influence on community empowerment. Psychological Capital is internal encouragement in carrying out various empowerment programs. Based on the results of distributing questionnaires, it was found that the indicator of psychological capital with the highest outer loading was optimism. The community's spirit of optimism towards community empowerment programs is high.

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Mar 28, 2024, 8:28 PM

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We have reached a decision regarding your submission to Jurnal Ekonomi & Studi Pembangunan, "The Role of Working Capital, Social Capital and Psychological Capital for Community Empowerment Programs".

Our decision is to: Revisions Required

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Scopus ID: 57209856840, Department of Economics, Universitas Muhammadiyah Yogyakarta
susilonuraji@gmail.com

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Apr 6, 2024, 6:58 AM

Dear JESP Editor

Thank you for accepting and reviewing our article entitled: "The Role of Working Capital, Social Capital and Psychological Capital for Community Empowerment Programs".

We have sent a request for revision of the article to OJS JESP, the revision has taken into account and followed input from 2 reviewers

As a copy, we also sent the revised file to the JESP editor

Thank You

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THE FORM OF REVISED PAPER

No.	Reviewer Comments	Revised Version
1.	Improvement is needed related to the writing style of multiple quotes in one sentence.	Thank you very much for the suggestions to improve the citation style, and we have corrected the writing in the latest draft.
2.	The need for additional research from JESP UMY as other references in research writing	<p>Thank you very much for the suggestions to add some research published by JESP UMY as references to this study, and we have added some of it into the references. The details of the research from JESP UMY, which we add as a reference, are as follows:</p> <ol style="list-style-type: none"> 1. Anwar, A. (2018). Pendidikan, Kesehatan Dan Pertumbuhan Ekonomi Regional Di Indonesia: Pendekatan Model Panel Dinamis. Jurnal Ekonomi & Studi Pembangunan, 19(1). https://doi.org/10.18196/jesp.19.1.2727 2. Ilham, M. I. (2021). Economic Development and Environmental Degradation in Indonesia: Panel Data Analysis. Jurnal Ekonomi & Studi Pembangunan, 22(2), Layouting. https://doi.org/10.18196/jesp.v22i2.7629 3. Nazah, N., Duasa, J., & Arifin, M. I. (2021). Fertility and Female Labor Force Participation in Asian Countries; Panel ARDL Approach. Jurnal Ekonomi & Studi Pembangunan, 22(2), 272–288. https://doi.org/10.18196/jesp.v22i2.11142 4. Wafiq, A. N., & Suryanto, S. (2021). The Impact of Population Density and Economic Growth on Environmental Quality: Study in

		Indonesia. Jurnal Ekonomi & Studi Pembangunan, 22(2), 301–312. https://doi.org/10.18196/jesp.v22i2.10533
3.	It is necessary to add some previous research into the discussion of research results.	Thank you very much for the suggestions to add some previous research into the discussion, and we have some of it into the latest draft.
4.		

The Role of Working Capital, Social Capital and Psychological Capital For Community Empowerment Programs

Abstract

Karangasem Village, which is one of the villages in Sukoharjo Regency, has implemented various community empowerment programs by utilizing village potential to increase regional economic development. The aim of this research is to analyse community empowerment by looking at the role of types of capital (working capital, social capital and psychological capital), to see which types of capital have an influence on community empowerment in Karangasem village. This research method is a quantitative method. Data collection techniques by distributing questionnaires. The data analysis technique uses SmartPLS. The results of this research are that working capital, social capital and psychological capital have an influence on community empowerment. Working capital is the most influential capital with the highest indicator, namely capital. Social and psychological capital are also significant with indicators namely networks and optimism. This can be a consideration for the government and empowerment program managers in providing policies as an effort to improve community welfare.

Commented [A1]: do not mention software in abstract

Keywords: (Rural Development; Working Capital; Social Capital; Psychological Capital; Community Empowerment)

JEL Classification: (O1; O21; O35)

Commented [A2]: please refer to JESP's format

Introduction

The old paradigm in development programs places society as the object of development, resulting in minimal participation in development. Then the technical changes began with a new paradigm that focuses more on the community and collaborates with local institutions (Sarjiyanto et al., 2022) society plays a major role in development and empowering society, so it is important to create an empowered and quality society. The government needs to pay special attention to improving society. Opinion from (Archibald et al., 2016) states that community empowerment is the development of society in a positive direction. In essence, empowerment is formation. The community needs to participate adequately in the process to achieve the required agenda. This will be a perfect evolution for regional development in Indonesia (Sarjiyanto et al., 2022)

The village is the smallest unit of the country closest to society. Villages have the power to manage the area and the resources within it. This is in line with regional autonomy regulations which have the rights, authority and obligations of autonomous regions in managing the government and community interests in accordance with statutory regulations (Fatkhul Muin, 2014). So that the community is not only an object of development but also an actor in development by utilizing village potential supported by facilities provided by the government. The government and the community work together to increase development by making the village developed by utilizing the potential

that exists in the village. Many efforts have been made to increase development by empowering village communities, one of which is that villages are given the authority to form Village-Owned Enterprises to realize village development. And also the establishment of Family Welfare Empowerment which focuses on empowering women in developing village welfare.

In implementing community empowerment programs, success is seen in the presence of working capital, social capital, human capital and technological capital (Yuliarmi, 2020). However, there is other capital that plays an important role in organizational success, namely psychological capital which is able to encourage the success of the organization's vision and mission. So this research will analyze the role of capital (working capital, social capital and psychological capital) in improving empowerment programs. Working capital is the ownership of total assets in each period, so that the working capital indicator is related to funding such as capital, cash, inventory, receivables and other assets (Kashmere, 2015). Social capital is the ability to rely on its members in social networks and other structures or social interactions (Alejandro Portes, 2000). Indicators of social capital are networks, norms and trust. And psychological capital is an internal approach to optimizing an individual's potential with indicators of self-efficacy, optimism, hope and resilience (Bakker, 2009).

In managing empowerment programs, problems are often found, namely lack of funding, inadequate resources, resulting in a lack of encouragement within the community to advance the village. Based on research conducted in Sidoarjo Regency, it was found that there was a lack of community participation in the BUMDes program due to minimal outreach from BUMDes administrators to the community regarding the BUMDes program (Zhafira & Choiriyah, 2022). The same is true of the obstacles in BUMDes in Siak Regency Obstacles in the development of BUMDes Rempak Maju Jaya include the low capacity and competency of managing human resources who still lack experience and entrepreneurial spirit, which has an impact on the stagnation of BUMDes business units (Jaya & Rafi, 2019). As is the case in Kalikajar BUMDes which is not running due to a lack of capacity in managing both funds and direction to the village community. Data obtained through interviews with BUMDes administrators in Kalikajar, Wonosobo. There are many cases that occur in the field, namely that many villages have formed BUMDes, but due to a lack of knowledge, the BUMDes are not working. However, the number of BUMDes in Indonesia from 2014 to 2019 has increased every year.

Sukoharjo Regency is one of the districts located in Central Java province. According to data from BAPPEDA Sukoharjo, there are 70 villages that have BUMDes. If you look at the area of Sukoharjo,

there are still quite a lot of villages that don't have BUMDes. However, there are several villages that have growing BUMDes, there are 12 villages that are classified as growing BUMDes, one of which is Karangasem Village. Karangasem Village is one of the villages located in Sukoharjo Regency. Karangasem Village has currently developed a tourist village, considering that Karangasem Village has very abundant natural potential. Apart from that, in Karangasem Village, Family Welfare Empowerment is also underway. The Karangasem Village PKK Mobilization Team is trying to develop their own abilities and dedicate their abilities to supporting the realization of village development ideals. So that it can mobilize the empowerment of the Karangasem Village community.

Commented [A3]: Any source for this data? Please add data source

The empowerment program in Karangasem Village through BUMDes and PKK is an effort to improve the economy of Karangasem village. From the above background, this research analyzes the role of capital types (Working Capital, Social Capital and Social Psychology) in community empowerment in Karangasem Village, Sukoharjo Regency. Based on the statement above, there are three hypotheses, first, working capital has a significant effect on community empowerment, second, social capital has a significant effect on community empowerment, and third, psychological capital has a significant effect on community empowerment.

Commented [A4]: Any supporting previous study? or explanation about research gap and novelty?

Research methods

The research method used is quantitative, which analyzes design, measurement and planning issues which are clearly detailed after sample collection (Suhartono, 2002). With a correlation model between variables measured through a cross section survey from primary data collection, namely data obtained through primary sources obtained directly in the field (Indrayati, 2018). The research location is Karangasem Village, Sukoharjo Regency. The analysis in this research was carried out after managing the results of a questionnaire which explained the influence of working capital, social capital and psychological capital in the empowerment program in Karangsem Sukoharjo Village. The data that has been collected will be analyzed using the Partial Least Square (PLS) method, this method is one of the methods for solving Structural Equation Modeling (SEM) (Duryadi, 2021). Based on the results of data processing, it was concluded that the independent variable used had an effect on the dependent variable so that the results of this research could be used to improve empowerment programs in Karangasem Village.

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Discussion result

The location of the research was in Karangasem Sukoharjo Village, Bulu District, Sukoharjo Regency. This writing discusses community empowerment activities carried out in Karangasem Village and discusses the results and discussion of research which are explained as follows:

Commented [A6]: In this section, not only statistical results of discussion. Please explain the characteristics of respondents, operational definitions of variables and indicators taken, in table

Descriptive statistics

Evaluation of the Measurement Model (outer Model)

The measurement capital in this research uses [SmartPLS](#) by specifying the relationship between latent variables and indicators

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Convergent validity test

The convergent validity test is carried out using the loading factor value and the average variance extracted (AVE) value. Loading factor value shows the correlation between indicators and their constructs. Loading factor value shows the correlation between indicators and their constructs. An indicator with a low loading value indicates that the indicator does not work in the measurement model. The expected Loading value is >0.7 and the expected AVE value is >0.5 (Dr. Duryadi, 2021)

Table 1
Loading Factor

Variable	(AVE)	Information
Working capital	0.689	Valid
Social Capital	0.614	Valid
Psychological Capital	0.666	Valid
Community empowerment	0.608	Valid

Source: Primary Data, processed (2023)

After seeing the loading factor value of the research item, to continue the convergent validity test, it is necessary to calculate the AVE value. As explained above, the expected AVE value is >0.5 . So that the variables in the table above can be declared valid.

Discriminant Validity Test

The results of Cross Loading data processing results show that the cross loading value has a value of > 0.70 for each construct or for the latent variable which is higher than the correlation value between constructs and other latent variables.

Table 2
Fonell-lacker value

	Working capital	Psychological Capital	Social Capital	Community Empowerment
Working capital	0.836			
Psychological Capital	0.783	0.816		
Social Capital	0.768	0.815	0.784	
Community Empowerment	0.835	0.754	0.748	0.780

Source: Primary Data, processed (2023)

Fornell and Lacker's criteria are that the AVE root of the variable is greater than the correlation between variables. The working capital variable has a greater AVE root (0.836) and a greater correlation with social capital (0.768); Psychological Capital (0.783) and also Community

Empowerment (0.835). Likewise, Psychological Capital has a greater AVE root (0.816) than Social Capital (0.815) and Community Empowerment (0.754). And also Social Capital which has AVE roots (0.784) and also Community Empowerment which has AVE roots (0.780)

Table 3
Heterotrait-Monotrait Ratio (HTMT)

	Working Capital	Psychology Capital	Social Capital	Community Empowerment
Working capital				
Psychological Capital	0.848			
Social Capital	0.798	0.892		
Community Empowerment	0.896	0.843	0.807	

Source: Primary Data, processed (2023)

In the table above you can see the HTMT value between latent variables <0.9 with the highest value held by the Psychological Capital variable (0.892). Therefore, it can be said that from the HTMT ratio, the latent variables in this study are valid.

Table 4
Cronbach's Alpha and Composite Reliability Values

Variable	Cronbach's Alpha	Composite Reliability	Information
Working capital	0.957	0.957	Reliable
Social Capital	0.937	0.940	Reliable
Psychological Capital	0.910	0.925	Reliable
Community Empowerment	0.892	0.896	Reliable

Source: Primary Data, processed (2023)

It can be seen from the table above that the Cronbach's Alpha and Composite Reliability values in this study range from 0.892 to 0.957. Based on the results of data processing, it can be concluded that the variables in this study are reliable because they have Cronbach's Alpha and Composite Reliability values > 0.6 and 0.7.

Structural Model Evaluation (Inner Model)

Table 5
Inner Variance Inflated Factor

	VIF
Working Capital -> Community Empowerment	2,424
Social Capital -> Community Empowerment	3.23
Psychological Capital -> Community Empowerment	2,934

Source: Primary Data, processed (2023)

The estimation results show that the inner VIF value is <5, so the level of multicollinearity between variables is low. This result strengthens the results of parameter estimation in PLS SEM which is robust (unbiased).

Table 6
R-Square Value (R2)

CONSTRUCT	R-square	Information
Community empowerment	0.727	Tall

Source: Primary Data, processed (2023)

Looking at the table above, it can be seen that the R-square of the effective community empowerment variable is 0.727, so it can be said that the community empowerment variable is 72% influenced by working capital, social capital and psychological capital. And the rest is likely influenced by other capital.

Table 7
Q-Square Value (Q2)

	Q-Square (Q ²)	RMSE	MAE
Community empowerment	0.683	0.581	0.459

Source: Primary Data, processed (2023)

The results from the table above show a Q-Square of 0.683 so the Q-Square value is > 0. It can be concluded that the model has a good observation value.

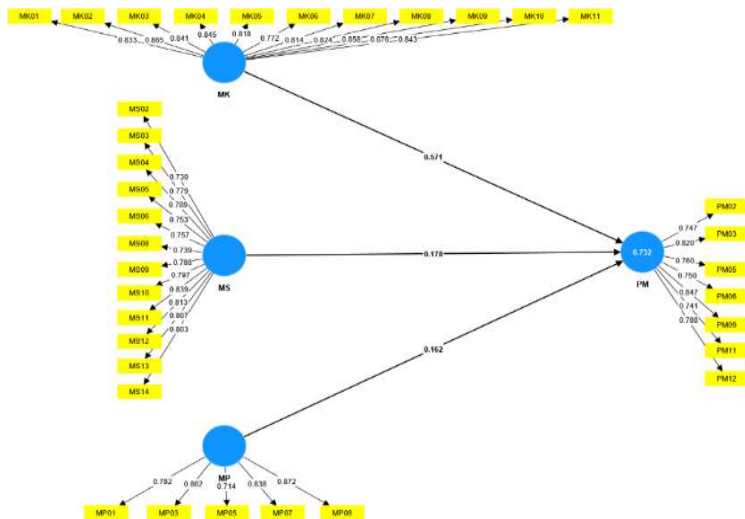
Table8
F Square Value (F2)

Variable	Community empowerment
Working capital	0.609
Social Capital	0.068
Psychological Capital	0.044

Source: Primary Data, processed (2023)

Based on the table above, it can be seen that the range of F Square values in this research is 0.609 – 0.044. The influence of working capital on community empowerment (0.609) has a value of > 0.35 so it is classified as having a large influence. The influence of social capital and psychological capital on community empowerment (0.055) and (0.044) respectively has a value of > 0.02 but is smaller than 0.15 so it is classified as having a small influence.

Hypothesis testing



Figures 1Hypothesis testing

The results of SartPLs bootstrapping are said to be influential if the T-Statistic is > 1.96 . Furthermore, the criteria used in hypothesis testing are at a significance level of 5% and the hypothesis can be said to be accepted if the P-Value is < 0.05 .

Table 9
Hypothesis Test Results

Hypothesis	Hypothesis statement	Original Sample (O)	P value	T statistics (O/STDEV)	95% confidence interval path Coefficient	
					Lower limit	Upper limit
H1	Working capital -> Community empowerment	0.571	0,000	10,664	0.470	0.679
H2	Social Capital -> Community empowerment	0.178	0.014	2,394	0.023	0.315
H3	Psychological Capital -> Community empowerment	0.167	0.017	2,450	0.040	0.29

Source: Primary Data, processed (2023)

Hypothesis Test 1

Based on the table above, it can be concluded that there is a significant influence of working capital on community empowerment with a path coefficient of 0.571, which means an increase in the Working Capital variable. Therefore, it can be stated that there is a positive influence of the Working Capital variable on Community Empowerment. The bootstrap results show a t-statistic value (10,664), the resulting p-value is 0.000. Because the p-value is < 0.05 , the data obtained supports

Hypothesis 1. Working Capital has a significant effect on community empowerment in Karangasem Village

Hypothesis Test 2

Based on the table above, it can be concluded that there is a significant influence of working capital on community empowerment with a path coefficient of 0.178. Therefore, it can be stated that there is a positive influence of the Working Capital variable on Community Empowerment. The bootstrap results show a t-statistic value (2.394), within the 95% confidence interval the influence of working capital in community empowerment is between for 0.023 to 0.315. The resulting p-value is 0.000. Because the p-value is <0.05, the data obtained supports Hypothesis 2. Social Capital has a significant effect on community empowerment in Karangasem Village.

Hypothesis Test 3

Based on the table above, it can be concluded that there is a significant influence of psychological capital on community empowerment with a path coefficient of 0.167. Therefore, it can be stated that there is a positive influence of the Working Capital variable on Community Empowerment. The bootstrap results show a t-statistic value (2.450), within the 95% confidence interval the influence of working capital in community empowerment is between for 0.040 to 0.299. The resulting p-value is 0.014. Because the p-value is <0.05, the data obtained supports Hypothesis 3. Psychology of Capital has a significant effect on community empowerment in Karangasem Village.

Discussion

Working capital

Based on the results of this research, it is shown that perceptions of Working Capital have a positive effect on Community Empowerment. This means that when working capital can be managed well, community empowerment will increase. In line with previous research, working capital management plays an important role in ensuring business sustainability. Improper management of working capital will result in inefficient use of assets. Inefficient working capital management can be a major cause of business failure (Kasiran et al., 2016)

From the results of data processing, it can be concluded that in empowering the Karangasem village community, the most influential working capital indicators can be described as follows;

Table 10
Indicators of Working Capital

Indicator	Working capital	Loading Vactor	Information
Capital	MK_01	0.833	Valid
	MK_02	0.875	Valid
	MK_03	0.841	Valid

	MK_04	0.845	Valid
Cash	MK_05	0.818	Valid
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Receivables	MK_10	0.866	Valid
	MK_11	0.843	Valid

Source: Primary Data, processed (2023)

Based on the data above, the most influential working capital indicator is the capital indicator or MK_02 which has an outer loading of 0.875, which means that every change in working capital will be reflected in the capital indicator of $(0.875 \times 0.875 = 76\%)$

Working capital is an important source of liquidity, so in this research it can be concluded that working capital management in community empowerment programs through the BUMDes and PKK Programs can be managed well. As the distribution of funds from the government and other funding flows plays a very important role, management of the working capital obtained must be allocated according to community needs which is able to support community income.

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Social Capital

Based on the results of this research, it is shown that Social Capital has a positive effect on the Community Empowerment program, this shows that social capital has an important role in developing the Karangasem Village community empowerment program. This research is supported by previous research (Kesuma & Saputri, 2020) The social capital of trust, norms and networks has a big role in creating sustainable BUMDes.

Table 11
Indicator of Social capital indicators

Indicator	Social capital	Loading Vactor	Information
Trust	MS_01	0.730	Valid
	MS_02	0.779	Valid
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	MS_09	0.839	Valid
	MS_10	0.813	Valid
Norm	MS_11	0.807	Valid
	MS_12	0.803	Valid

Source: Primary Data, processed (2023)

From the results of processing data from social capital indicators, the results obtained are that the network has the highest value, namely with a loading factor value of 0.839, which means that every change in social capital will be reflected in the network indicator of $(0.839 \times 0.839 = 70\%)$, followed by norms with a loading value. factors 0.87 and 0.803 and finally the Trust indicator.

It is known that social capital has a significant influence on community empowerment programs. High social capital is due to the activeness of each member so that empowerment programs can be implemented consistently. Communities also need each other to create a good environmental atmosphere and a high sense of family. The community also has a sense of trust between each other so that people do not feel pressure within the group. Collaboration between each member of the community and the administrators who provide guidance, especially during regular meetings.

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Psychological Capital

Based on the results of this research, it is shown that the perception of psychological capital has a positive effect on Community Empowerment. This shows that encouragement from individuals in terms of hope, optimism, resilience and self-confidence influences the implementation of community empowerment programs. Can be seen in the details of each indicator

Table 12
Indicators of Psychological Capital

Indicator	Working capital	Loading Vactor	Information
Self confidence	MP_01	0.782	Valid
Hope	MP_03	0.862	Valid
Optimism	MP_05	0.714	Valid
	MP_07	0.872	Valid
Toughness	MP_08	0.838	Valid

Source: Primary Data, processed (2023)

The outer loading value that has a high value is found in the optimism indicator. Optimism has an outer loading value of 0.872, which means that every change in social capital will be reflected in a network indicator of $(0.872 \times 0.872 = 76\%)$. The research explains that psychological capital has a significant effect on job performance and satisfaction (Novitasari & Priyono, 2022)

Resilience is related to the ability, even when faced with disturbances, to respond well. From the results it was found that the Karangasem village community had quite high resilience and the changes that occurred. Optimism has a fairly deep relationship in responding to change, hope and self-confidence are closely related to self-will in carrying out actions aimed at organizational change. Based on the results of research on the role of capital types in community empowerment in Karangasem village, it can be concluded that the most influential role of capital in community empowerment is working capital, this is based on the data results.

Table 13
Original sample results

	Original sample (O)
Working capital -> Community empowerment	0.571
Social Capital -> Community empowerment	0.178
Psychological Capital -> Community empowerment	0.162

Source: Data Primary, processed (2023)

It can be seen from the results of the analysis above that working capital is the capital that has the most influence on community empowerment with an original sample value of 57%, which means that the flow of funds plays an important role in community empowerment programs. Next is social capital with an original sample value of 17%, which means that support from outside or social relationships has an influence on community empowerment and finally, psychological capital which has an original sample value of 16%, which means that each individual's self-encouragement influences community empowerment, namely attitude, resilience, self-confidence, hope and optimism. The other 10% is influenced by types of capital outside of research. Future research can highlight this issue by considering larger samples and other variables to represent a broader perspective on Community Empowerment, especially Village programs with longer years of observation.

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Conclusion

This research analyzed the influence of the role of capital types on community empowerment programs in Karangasem Village. Based on research conducted by distributing questionnaires and direct observation, the results showed that the types of capital, including working capital, social capital and psychological capital, had a significant influence on community empowerment programs in Karangasem Village.

Working capital is the most influential role of capital with a significance of 78%, with the highest breakdown of indicators being capital. It can be interpreted that the running of village programs in Karangasem village is influenced by capital, if capital increases then the empowerment program can also increase. This also needs to be supported by effective and efficient capital management, high capital flows must be accompanied by appropriate fund allocation. Next is the receivables indicator, meaning ownership rights to a sum of money from transaction results

Social capital is the second role of capital that has a significant influence on community empowerment in Karangasem Village. The highest indicator of social capital is networks, meaning that networks play an important role in increasing community empowerment by increasing networks between communities both internally and externally.

Psychological Capital has a significant influence on community empowerment. Psychological Capital is internal encouragement in carrying out various empowerment programs. Based on the results of distributing questionnaires, it was found that the indicator of psychological capital with the highest outer loading was optimism. The community's spirit of optimism towards community empowerment programs is high.

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The Role of Working Capital, Social Capital and Psychological Capital For Community Empowerment Programs

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Abstract

Karangasem Village, which is one of the villages in Sukoharjo Regency, has implemented various community empowerment programs by utilizing village potential to increase regional economic development. The aim of this research is to analyse community empowerment by looking at the role of types of capital (working capital, social capital and psychological capital), to see which types of capital have an influence on community empowerment in Karangasem village. This research method is a quantitative method. Data collection techniques by distributing questionnaires. The data analysis technique uses SmartPLS. The results of this research are that working capital, social capital and psychological capital have an influence on community empowerment. Working capital is the most influential capital with the highest indicator, namely capital. Social and psychological capital are also significant with indicators namely networks and optimism. This can be a consideration for the government and empowerment program managers in providing policies as an effort to improve community welfare

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Keywords: (Rural Development; Working Capital; Social Capital; Psychological Capital; Community Empowerment)

JEL Classification: (O1; O21; O35)

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Introduction

The old paradigm in development programs places society as the object of development, resulting in minimal participation in development. Then the technical changes began with a new paradigm that focuses more on the community and collaborates with local institutions (Sarjiyanto et al., 2022) society plays a major role in development and empowering society, so it is important to create an empowered and quality society. The government needs to pay special attention to improving society. Opinion from (Archibald et al., 2016) states that community empowerment is the development of society in a positive direction. In essence, empowerment is formation. The community needs to participate adequately in the process to achieve the required agenda. This will be a perfect evolution for regional development in Indonesia (Sarjiyanto et al., 2022)

The village is the smallest unit of the country closest to society. Villages have the power to manage the area and the resources within it. This is in line with regional autonomy regulations which have the rights, authority and obligations of autonomous regions in managing the government and community interests in accordance with statutory regulations (Fatkhul Muin, 2014). So that the community is not only an object of development but also an actor in development by utilizing village potential supported by facilities provided by the government. The government and the community work together to increase development by making the village developed by utilizing the potential that exists in the village. Many efforts have been made to increase development by empowering

village communities, one of which is that villages are given the authority to form Village-Owned Enterprises to realize village development. And also the establishment of Family Welfare Empowerment which focuses on empowering women in developing village welfare.

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In implementing community empowerment programs, success is seen in the presence of working capital, social capital, human capital and technological capital (Yuliarmi, 2020). However, there is other capital that plays an important role in organizational success, namely psychological capital which is able to encourage the success of the organization's vision and mission. So this research will analyze the role of capital (working capital, social capital and psychological capital) in improving empowerment programs. Working capital is the ownership of total assets in each period, so that the working capital indicator is related to funding such as capital, cash, inventory, receivables and other assets (Kashmere, 2015). Social capital is the ability to rely on its members in social networks and other structures or social interactions (Alejandro Portes, 2000). Indicators of social capital are networks, norms and trust. And psychological capital is an internal approach to optimizing an individual's potential with indicators of self-efficacy, optimism, hope and resilience (Bakker, 2009).

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In managing empowerment programs, problems are often found, namely lack of funding, inadequate resources, resulting in a lack of encouragement within the community to advance the village. Based on research conducted in Sidoarjo Regency, it was found that there was a lack of community participation in the BUMDes program due to minimal outreach from BUMDes administrators to the community regarding the BUMDes program (Zhafira & Choiriyah, 2022). The same is true of the obstacles in BUMDes in Siak Regency. Obstacles in the development of BUMDes Rempak Maju Jaya include the low capacity and competency of managing human resources who still lack experience and entrepreneurial spirit, which has an impact on the stagnation of BUMDes business units (Jaya & Rafi, 2019). As is the case in Kalikajar BUMDes which is not running due to a lack of capacity in managing both funds and direction to the village community. Data obtained through interviews with BUMDes administrators in Kalikajar, Wonosobo. There are many cases that occur in the field, namely that many villages have formed BUMDes, but due to a lack of knowledge, the BUMDes are not working. However, the number of BUMDes in Indonesia from 2014 to 2019 has increased every year.

Sukoharjo Regency is one of the districts located in Central Java province. According to data from BAPPEDA Sukoharjo, there are 70 villages that have BUMDes. If you look at the area of Sukoharjo, there are still quite a lot of villages that don't have BUMDes. However, there are several villages that

have growing BUMDes, there are 12 villages that are classified as growing BUMDes, one of which is Karangasem Village. Karangasem Village is one of the villages located in Sukoharjo Regency. Karangasem Village has currently developed a tourist village, considering that Karangasem Village has very abundant natural potential. Apart from that, in Karangasem Village, Family Welfare Empowerment is also underway. The Karangasem Village PKK Mobilization Team is trying to develop their own abilities and dedicate their abilities to supporting the realization of village development ideals. So that it can mobilize the empowerment of the Karangasem Village community.

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The empowerment program in Karangasem Village through BUMDes and PKK is an effort to improve the economy of Karangasem village. From the above background, this research analyzes the role of capital types (Working Capital, Social Capital and Social Psychology) in community empowerment in Karangasem Village, Sukoharjo Regency. Based on the statement above, there are three hypotheses, first, working capital has a significant effect on community empowerment, second, social capital has a significant effect on community empowerment, and third, psychological capital has a significant effect on community empowerment.

Research methods

The research method used is quantitative, which analyzes design, measurement and planning issues which are clearly detailed after sample collection (Suhartono, 2002). With a correlation model between variables measured through a cross section survey from primary data collection, namely data obtained through primary sources obtained directly in the field (Indrayati, 2018). The research location is Karangasem Village, Sukoharjo Regency. The analysis in this research was carried out after managing the results of a questionnaire which explained the influence of working capital, social capital and psychological capital in the empowerment program in Karangsem Sukoharjo Village. The data that has been collected will be analyzed using the Partial Least Square (PLS) method, this method is one of the methods for solving Structural Equation Modeling (SEM) (Duryadi, 2021). Based on the results of data processing, it was concluded that the independent variable used had an effect on the dependent variable so that the results of this research could be used to improve empowerment programs in Karangasem Village.

Discussion result

The location of the research was in Karangasem Sukoharjo Village, Bulu District, Sukoharjo Regency. This writing discusses community empowerment activities carried out in Karangasem Village and discusses the results and discussion of research which are explained as follows:

Descriptive statistics

Evaluation of the Measurement Model (outer Model)

The measurement capital in this research uses SamrtPLS by specifying the relationship between latent variables and indicators

Convergent validity test

The convergent validity test is carried out using the loading factor value and the average variance extracted (AVE) value. Loading factor value shows the correlation between indicators and their constructs. Loading factor value shows the correlation between indicators and their constructs. An indicator with a low loading value indicates that the indicator does not work in the measurement model. The expected Loading value is >0.7 and the expected AVE value is >0.5 (Dr. Duryadi, 2021)

Table 1
Loading Factor

Variable	(AVE)	Information
Working capital	0.689	Valid
Social Capital	0.614	Valid
Psychological Capital	0.666	Valid
Community empowerment	0.608	Valid

Source: Primary Data, processed (2023)

After seeing the loading factor value of the research item, to continue the convergent validity test, it is necessary to calculate the AVE value. As explained above, the expected AVE value is >0.5 . So that the variables in the table above can be declared valid.

Discriminant Validity Test

The results of Cross Loading data processing results show that the cross loading value has a value of > 0.70 for each construct or for the latent variable which is higher than the correlation value between constructs and other latent variables.

Table 2
Fonell-lacker value

	Working capital	Psychological Capital	Social Capital	Community Empowerment
Working capital	0.836			
Psychological Capital	0.783	0.816		
Social Capital	0.768	0.815	0.784	
Community Empowerment	0.835	0.754	0.748	0.780

Source: Primary Data, processed (2023)

Fornell and Lacker's criteria are that the AVE root of the variable is greater than the correlation between variables. The working capital variable has a greater AVE root (0.836) and a greater correlation with social capital (0.768); Psychological Capital (0.783) and also Community Empowerment (0.835). Likewise, Psychological Capital has a greater AVE root (0.816) than Social

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Capital (0.815) and Community Empowerment (0.754). And also Social Capital which has AVE roots (0.784) and also Community Empowerment which has AVE roots (0.780)

Table 3
Heterotrait-Monotrait Ratio (HTMT)

	Working Capital	Psychology Capital	Social Capital	Community Empowerment
Working capital				
Psychological Capital	0.848			
Social Capital	0.798	0.892		
Community Empowerment	0.896	0.843	0.807	

Source: Primary Data, processed (2023)

In the table above you can see the HTMT value between latent variables <0.9 with the highest value held by the Psychological Capital variable (0.892). Therefore, it can be said that from the HTMT ratio, the latent variables in this study are valid.

Table 4
Cronbach's Alpha and Composite Reliability Values

Variable	Cronbach's Alpha	Composite Reliability	Information
Working capital	0.957	0.957	Reliable
Social Capital	0.937	0.940	Reliable
Psychological Capital	0.910	0.925	Reliable
Community Empowerment	0.892	0.896	Reliable

Source: Primary Data, processed (2023)

It can be seen from the table above that the Cronbach's Alpha and Composite Reliability values in this study range from 0.892 to 0.957. Based on the results of data processing, it can be concluded that the variables in this study are reliable because they have Cronbach's Alpha and Composite Reliability values > 0.6 and 0.7.

Structural Model Evaluation (Inner Model)

Table 5
Inner Variance Inflated Factor

	VIF
Working Capital -> Community Empowerment	2,424
Social Capital -> Community Empowerment	3.23
Psychological Capital -> Community Empowerment	2,934

Source: Primary Data, processed (2023)

The estimation results show that the inner VIF value is <5, so the level of multicollinearity between variables is low. This result strengthens the results of parameter estimation in PLS SEM which is robust (unbiased).

Table 6 R-Square Value (R2)		
CONSTRUCT	R-square	Information
Community empowerment	0.727	Tall

Source: Primary Data, processed (2023)

Looking at the table above, it can be seen that the R-square of the effective community empowerment variable is 0.727, so it can be said that the community empowerment variable is 72% influenced by working capital, social capital and psychological capital. And the rest is likely influenced by other capital.

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Table 7 Q-Square Value (Q2)			
	Q-Square (Q ²)	RMSE	MAE
Community empowerment	0.683	0.581	0.459

Source: Primary Data, processed (2023)

The results from the table above show a Q-Square of 0.683 so the Q-Square value is > 0. It can be concluded that the model has a good observation value.

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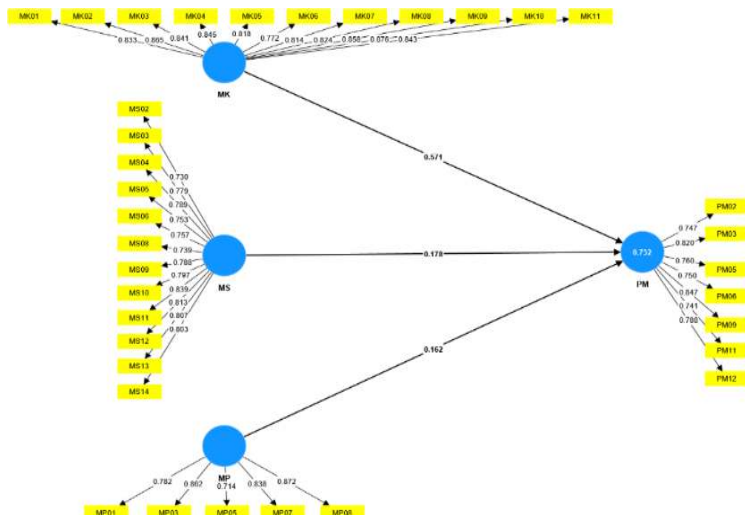
Table8 F Square Value (F2)	
Variable	Community empowerment
Working capital	0.609
Social Capital	0.068
Psychological Capital	0.044

Source: Primary Data, processed (2023)

Based on the table above, it can be seen that the range of F Square values in this research is 0.609 – 0.044. The influence of working capital on community empowerment (0.609) has a value of > 0.35 so it is classified as having a large influence. The influence of social capital and psychological capital on community empowerment (0.055) and (0.044) respectively has a value of > 0.02 but is smaller than 0.15 so it is classified as having a small influence.

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Hypothesis testing



Figures 1Hypothesis testing

The results of SartPLs bootstrapping are said to be influential if the T-Statistic is > 1.96. Furthermore, the criteria used in hypothesis testing are at a significance level of 5% and the hypothesis can be said to be accepted if the P-Value is <0.05.

Table 9
Hypothesis Test Results

Hypothesis	Hypothesis statement	Original Sample (O)	P value	T statistics (O/STDEV)	95% confidence interval path Coefficient	
					Lower limit	Upper limit
H1	Working capital -> Community empowerment	0.571	0,000	10,664	0.470	0.679
H2	Social Capital -> Community empowerment	0.178	0.014	2,394	0.023	0.315
H3	Psychological Capital -> Community empowerment	0.167	0.017	2,450	0.040	0.29

Source: Primary Data, processed (2023)

Hypothesis Test 1

Based on the table above, it can be concluded that there is a significant influence of working capital on community empowerment with a path coefficient of 0.571, which means an increase in the Working Capital variable. Therefore, it can be stated that there is a positive influence of the Working Capital variable on Community Empowerment. The bootstrap results show a t-statistic value (10,664), the resulting p-value is 0.000. Because the p-value is <0.05, the data obtained supports

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Working capital is an important source of liquidity, so in this research it can be concluded that working capital management in community empowerment programs through the BUMDes and PKK Programs can be managed well. As the distribution of funds from the government and other funding flows plays a very important role, management of the working capital obtained must be allocated according to community needs which is able to support community income.

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	MS_12	0.803	Valid

Source: Primary Data, processed (2023)

From the results of processing data from social capital indicators, the results obtained are that the network has the highest value, namely with a loading factor value of 0.839, which means that every change in social capital will be reflected in the network indicator of $(0.839 \times 0.839 = 70\%)$, followed by norms with a loading value. factors 0.87 and 0.803 and finally the Trust indicator.

It is known that social capital has a significant influence on community empowerment programs. High social capital is due to the activeness of each member so that empowerment programs can be implemented consistently. Communities also need each other to create a good environmental atmosphere and a high sense of family. The community also has a sense of trust between each other so that people do not feel pressure within the group. Collaboration between each member of the community and the administrators who provide guidance, especially during regular meetings.

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Psychological Capital

Based on the results of this research, it is shown that the perception of psychological capital has a positive effect on Community Empowerment. This shows that encouragement from individuals in terms of hope, optimism, resilience and self-confidence influences the implementation of community empowerment programs. Can be seen in the details of each indicator

Table 12
Indicators of Psychological Capital

Indicator	Working capital	Loading Vactor	Information
Self confidence	MP_01	0.782	Valid
Hope	MP_03	0.862	Valid
Optimism	MP_05	0.714	Valid
	MP_07	0.872	Valid
Toughness	MP_08	0.838	Valid

Source: Primary Data, processed (2023)

The outer loading value that has a high value is found in the optimism indicator. Optimism has an outer loading value of 0.872, which means that every change in social capital will be reflected in a network indicator of $(0.872 \times 0.872 = 76\%)$. The research explains that psychological capital has a significant effect on job performance and satisfaction (Novitasari & Priyono, 2022)

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Resilience is related to the ability, even when faced with disturbances, to respond well. From the results it was found that the Karangasem village community had quite high resilience and the changes that occurred. Optimism has a fairly deep relationship in responding to change, hope and self-confidence are closely related to self-will in carrying out actions aimed at organizational change.

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Based on the results of research on the role of capital types in community empowerment in Karangasem village, it can be concluded that the most influential role of capital in community empowerment is working capital, this is based on the data results.

Table 13
Original sample results

	Original sample (O)
Working capital -> Community empowerment	0.571
Social Capital -> Community empowerment	0.178
Psychological Capital -> Community empowerment	0.162

Source: Data Primary, processed (2023)

It can be seen from the results of the analysis above that working capital is the capital that has the most influence on community empowerment with an original sample value of 57%, which means that the flow of funds plays an important role in community empowerment programs. Next is social capital with an original sample value of 17%, which means that support from outside or social relationships has an influence on community empowerment and finally, psychological capital which has an original sample value of 16%, which means that each individual's self-encouragement influences community empowerment, namely attitude, resilience, self-confidence, hope and optimism. The other 10% is influenced by types of capital outside of research. Future research can highlight this issue by considering larger samples and other variables to represent a broader perspective on Community Empowerment, especially Village programs with longer years of observation.

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Conclusion

This research analyzed the influence of the role of capital types on community empowerment programs in Karangasem Village. Based on research conducted by distributing questionnaires and direct observation, the results showed that the types of capital, including working capital, social capital and psychological capital, had a significant influence on community empowerment programs in Karangasem Village.

Working capital is the most influential role of capital with a significance of 78%, with the highest breakdown of indicators being capital. It can be interpreted that the running of village programs in Karangasem village is influenced by capital, if capital increases then the empowerment program can also increase. This also needs to be supported by effective and efficient capital management, high capital flows must be accompanied by appropriate fund allocation. Next is the receivables indicator, meaning ownership rights to a sum of money from transaction results

Social capital is the second role of capital that has a significant influence on community empowerment in Karangasem Village. The highest indicator of social capital is networks, meaning that networks play an important role in increasing community empowerment by increasing networks between communities both internally and externally.

Psychological Capital has a significant influence on community empowerment. Psychological Capital is internal encouragement in carrying out various empowerment programs. Based on the results of distributing questionnaires, it was found that the indicator of psychological capital with the highest outer loading was optimism. The community's spirit of optimism towards community empowerment programs is high.

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Reference

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The Impact of Typology Capital on Community Empowerment Programs: Evidence from Rural Development in Indonesia

Abstract

The shift from an old paradigm, where society was merely the object of development, to a new approach that emphasizes community involvement and collaboration with local institutions, underscores the importance of empowering and enhancing the quality of society. This evolution towards community empowerment is crucial for positive societal development in Indonesia, requiring active participation from the community to achieve the desired goals. This study aims to determine the correlation between working capital, social capital and psychological capital on community empowerment programs and also to identify which capital plays a more significant role in community empowerment in Karangasem village. The study used a quantitative method by collecting data through questionnaires from 255 community beneficiaries of the empowerment program in Karangasem Village Sukoharjo Central Java Indonesia. Structural Equation Modelling (SEM) was used for analysis. The research shows that various forms of working, social, and psychological capital significantly impact community empowerment programs. Working capital emerges as the most influential, with a notable 78% significance with capital as the highest indicator, it indicating pivotal role in program implementation. Effective management and allocation of funds are crucial for capital utilization. Social capital, particularly networks, plays a vital role in fostering community empowerment by enhancing connections internally and externally. Psychological capital, exemplified by optimism, fuels community engagement and commitment to empowerment initiatives, underlining the importance of internal motivation in program success. The result can be a consideration for the government and empowerment program managers in providing policies as an effort to improve community welfare.

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Keywords: Working capital, Social Capital, Psychological Capital, Community Empowerment, Rural Development

JEL Classification: O1; O18; O21; O34

Introduction

The disparity development between rural and urban areas remains a prevalent issue in Indonesia. Between 2007 and 2018, urban resident experienced incomes that were 1.7 times greater than the average earnings of rural resident. Significant income disparities pose a potential risk to a nation's long-term development sustainability (Andari, 2020). The primary objective of rural development initiatives is to address national inequality by assessing the specific needs of village communities. This includes enhancing access to and the quality of essential services, as well as infrastructure and environmental upkeep, leveraging local technical expertise and available resources. Moreover, it involves fostering a sustainable agricultural economy at a manageable scale, adopting suitable technologies for economic advancement, and enhancing the overall peace and stability within the village community in accordance with its requirements (Yudha et al., 2020). In an effort to address disparity problem, the Indonesian government has implemented community empowerment programs in rural areas. This initiative is seen as a solution to enhancing the local economy, wherein local governments and village communities collaborate in managing village potentials to boost rural economies (Rustiadi & Nasution, 2017; van Leeuwen & Földvári, 2016). The traditional approach to development programs views society as passive recipients rather than active participants, leading to limited involvement in development efforts. In contrast, the emerging paradigm prioritizes community engagement and collaboration with local institutions (Sarjiyanto et al., 2022). The community plays a central role in realizing development, emphasizing the importance of enhancing empowered or capable communities, supported by (Archibald et al., 2016) community empowerment has positive

impact on development of community (sarjiyanto, Nugroho & Supriyadi, 2017). Community needs to participate adequately in order to achieve the required agenda, these programs lead to the evolution of regional development in Indonesia (Sarjiyanto et al., 2022).

In a societal context, empowerment refers to the capacity of individuals coming together as a community to foster collective empowerment. Community empowerment serves as a fundamental component enabling communities to adapt to dynamic changes, strive for self-development, and attain progress (Rachmawatie et al., 2021). Community empowerment is the government's effort to reduce the gap between community groups in order to solve socio-economic problems in a sustainable manner. It is an effort made to change the condition of society due to poverty. Aimed at making people able to solve various problems independently towards increasing welfare (Surya et al., 2021). (Kurniawan & Cahyono, 2020) support the idea that empowerment is vital for community development, as it allows communities to participate and augment their abilities to keep up with developmental progress.

In order to measure community empowerment, it can be evident through the presence of working capital, social capital, human capital, and technological capital (Yuliarmi, 2020). Working capital is the ownership of total assets in each period, working capital indicator is related to funding such as capital, cash, inventory, receivables and other assets (Kasmi, 2015). In other hand, aligned with evolving perspectives on development, success is no longer solely contingent upon financial capital availability but also heavily influenced by other forms of development capital. This includes social capital, which manifests as social and economic networks within a society, facilitating mutually beneficial interactions among individuals and groups (Badaruddin et al., 2018). According to (Alejandro Portes, 2000), Social capital is the ability to rely on its members in social networks and other structures or social interactions. Indicators of social capital are networks, norms and trust. We also argue that psychological capital plays a crucial role in the success of the organization. Psychological capital is an internal approach to optimizing an individual's potential with indicators of self-efficacy, optimism, hope and resilience (Bakker, 2009) it's also refers to the individual traits and qualities that facilitate the expression of positive resource and talents (Santisi et al., 2020). (Hubscher-Davidson, 2020) state that it has been associated with the psychology of sustainability because of its potential to enhance well-being within organizations and to enhance people's health and performance. Therefore, this research will analyse the role of working capital, social capital and psychological capital in improving empowerment programs.

As the smallest unit of the government. Village development serves as the cornerstone of both regional and national progress. Hence, there is a pressing need for extensive research and analysis to identify, address, and implement solutions for village development through community empowerment. This entails enhancing motivation, mental attitudes, socio-economic interactions, and tapping into community resources and potentials to foster openness and harmonization (Sulaiman et al., 2022). Indonesian government has introduced a development strategy focused on giving villages more control, as seen in the passing of Law Number 6 of 2014 about villages, it make the obligations of the village government is to facilitate the empowerment of the local community This law aims to empower rural communities by improving their knowledge, skills, and resources through various policies, programs, and support, aims to achieve societal independence across economic, social, cultural, and political dimensions These efforts address the fundamental needs of villagers, aiming to accelerate their development and goals (Badaruddin et al., 2018). This policy stems from the understanding that village communities know their own interests better, by giving the ability to decide on how to allocate development aid, program may achieve better result, in the long term by increasing their social capital might facilitate economic development (Nguyen & Rieger, 2017), it also prove that the community is not only a passive object of development programs but also an active actor in development by utilizing village potential supported by facilities provided by the government.

The government and the community should work together to increase development by making the village developed by utilizing the village's potential. Many efforts have been made to increase development by empowering village communities, such as villages are given the authority to form Village-Owned Enterprises (BUMDes), the Empowerment and Family Welfare (Pemberdayaan dan Kesejahteraan Keluarga/PKK) which focus on woman empowerment, the Integrated Service Centre (Pos Pelayanan Terpadu/Posyandu), and the Islamic Study Group (Kelompok Pengajian) and Youth Organization (Karang Taruna) to enhancing village development (Aritenang, 2021).

Previous study by (Mulema et al., 2021) contend that empowering women necessitates an approach that strengthens their ability to recognise and methodically oversee interactions among resources that promote their influence and autonomy, in their research about empowering rural women through agricultural initiatives in Ethiopia found that receiving financial capital, whether in cash or kind, under woman's names enhance women's ability to negotiate and exercise independence, in turn creates opportunities for collective efforts and reinvestment in various research that contribute to their well-being. Specifically, the interplay between social, human, and financial capital serves as a pivotal starting point for the empowerment of rural women in Ethiopia. (Fahmi & Sari, 2020) emphasize the importance of financial resources in improving life satisfaction, as exemplified in Kalibu.

(Falah et al., 2022) found that The cultivation of social capital within a community can bolster its resilience and empowerment within society, facilitating the attainment of collective community objectives in Bandung (Rudito et al., 2023) also found that Social capital plays a pivotal role in the effectiveness of corporate social responsibility (CSR) endeavors aimed at fostering community empowerment in developing nations They argue that income not only enhances individual well-being but also cultivates social empathy within the village. (Ramón-Hidalgo et al., 2018) found that individuals in Ghana involved in Community Based Natural Resource Management (CBNRM) who have greater access to social capital tend to report higher levels of empowerment. Social capital is an important aspect in empowering communities, it's crucial to strengthen internal bonds and identities, foster connections between different communities, and equip them with the skills and resources to engage effectively with external actors towards achieving their own goals rather than merely reacting to external interventions (Edwards, 2019). According to (Roa & Sanusi, 2018) considering tangible factors such as physical, human, social, financial, and environmental capital, alongside intangible factors like motivation, trust, and mentoring, empowerment can be heightened, thus impacting the overall welfare of the community.

In the other hand (Haji et al., 2022) found that Psychology capital and empowerment are strongly linked, meaning that when individuals possess higher levels of psychological capital, they also tend to feel more emotionally empowered. People with elevated psychological capital and empowerment are more inclined to tackle challenges and persist in tasks they are capable of accomplishing, a key characteristic often found in successful entrepreneurs. Additionally, there has been no investigation conducted thus far on the collective impact of working capital, social capital, and psychological capital on community empowerment. Hence, there is a pressing need for further exploration of this relationship. In prior studies, the predominant approach has often been qualitative methods for addressing the issue. As an innovative contribution, our research will employ a quantitative method in this study.

In managing empowerment programs, lack of funding, inadequate resources often found as problems. resulting in a lack of encouragement within the community to advance the village. Based on research conducted in Sidoarjo Regency, it was found that there was a lack of community participation in the BUMDes program due to minimal outreach from BUMDes administrators to the community regarding the BUMDes program (Zhafira & Choiriyah, 2022). The same issue is also faced by BUMDes in Siak Regency, in the development of BUMDes Rempak Maju Jaya confronting the low capacity and competency of managing human resources who still lack experience and entrepreneurial spirit, which has an impact on the stagnation of BUMDes business units (Jaya & Rafi, 2019). On the other hand,

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Data obtained through interviews with BUMDes administrators in Kalikajar, Wonosobo shows that the village-owned enterprises (Bumdes) in Kalikajar are also not operating effectively due to a lack of capacity in managing both funds and direction to the village community. Despite numerous challenges encountered in the development of village-owned enterprises (BUMDes) across various regions due to a lack of knowledge, the number of BUMDes in Indonesia has steadily risen every year from 2014 to 2019.

Sukoharjo Regency located in Central Java Province Indonesia. According to the Ministry of Villages in Indonesia, there are 94 legally established village-owned enterprises (BUMDes) spread across 70 villages. However, many villages still do not have village-owned enterprises (BUMDes). as one of the villages with a BUMDes within. Karangasem Village, situated in Sukoharjo Regency, has transformed into a tourist destination due to its rich natural resources. Additionally, the village is actively engaged in the Family Welfare Empowerment program (PKK). The PKK Mobilization Team in Karangasem Village is striving to enhance their skills and contribute to the village's development goals. This suggests that the community in Karangasem Village is empowered and mobilized for developing of empowerment program in Karangasem Village through BUMDes and PKK is an effort to improve the economy of Karangasem village.

From the aforementioned background above, we will analyse the role of capital (Working Capital, Social Capital and Psychology Capital) in community empowerment in Karangasem Village, Sukoharjo Regency. Based on the statement above, we considering three hypotheses, first, working capital has a significant effect on community empowerment, second, social capital has a significant effect on community empowerment, and third, psychological capital has a significant effect on community empowerment. We use SEM-PLS and the result shows that working, social, and psychological capital significantly affect community empowerment initiatives. Among these, working capital stands out as the most influential, demonstrating a remarkable 78% significance level, thus highlighting its pivotal role in program implementation. These findings hold significance for government entities and program managers involved in empowerment, guiding policy efforts aimed at enhancing community welfare. The subsequent sections of this paper will be structured as follows: Section 2 will outline the research methodology, Section 3 will present and discuss the results, and finally, Section 4 will offer conclusions.

Research Method

The main objective of this research is to examine the influence of working capital, social capital, and psychological capital on community empowerment and to identify which capital has the most significant impact on community empowerment. This study will take place in Karangasem Village, Sukoharjo, Central Java, Indonesia, involving a survey of 255 residents, including 15 members of village-owned enterprises (BUMDES), 45 members of tourism management groups, 120 village youths, and 75 members of the Family Welfare Movement (PKK). The research sample was selected using purposive sampling method. Data analysis will be conducted using the Partial Least Square Structural Equation Modelling (SEM-PLS) method. Partial Least Square (PLS) is a type of component-based SEM with formative and reflective model construct properties. PLS is a powerful analysis technique because it can be applied to all data scales (Hair et al., 2014). The choice of SEM-PLS as a data analysis method is based on the characteristics of the research object, the assumptions underlying the model, and based on the superiority of SEM being able to test complex research models simultaneously and SEM being able to measure research variables that cannot be measured directly (unobserved variables). and can detect and calculate errors in measurements (Ghozali & Latan, 2015). As for the analysis steps in Partial Least Square (PLS), there are three stages that must be carried out, namely; 1) outer model analysis, 2) inner model analysis, and 3) hypothesis testing. The research variables consist of the dependent variable, community empowerment, and independent variables, namely working capital, social capital, and psychological capital, with their definitions and indicators shown in Table 1.

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Table 1 Variable's Definition and Indicators

Variable	Definitions	Indicators
Community Empowerment	Community empowerment is a deliberate effort to facilitate local communities in planning, decision-making, and managing their local resources through collective action and networking, ultimately enabling them to achieve economic, ecological, and social self-reliance.	Capacity development, Participation, Freedom of Information, Community Identity, Local Knowledge, Community Organization (Sarjiyanto et al., 2023; Soler Maso et al., 2014)
Working Capital	Working capital is defined as investments made in current assets or short-term assets, such as cash, bank deposits, securities, accounts receivable, inventory, and other current assets.	Gross Working Capital, Cash, Capital, Receivables, Inventory (Kasmir, 2015)
Social Capital	Social capital describes the process of interaction among individuals who build networks, norms, social trust, and facilitate coordination and collaboration for mutual benefit.	Local reciprocity, Self-empowerment, Openness, Mutual respect, Heterogeneous relationships, Environmental trust, Environmental solidarity (Alejandro Portes, 2000; Onyx & Bullen, 2000)
Psychological Capital	Psychological capital is a component of positive psychology possessed by every individual that serves to aid them in personal growth through self-efficacy, hope, optimism, and resilience within themselves.	Self-confidence, Hope, Optimism, Resilience (Bakker, 2009; Luthans et al., 2007; Syuhada, 2020)

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Based on the research background and objectives, hypotheses for this study can be formulated as follows:

Hypothesis 1: Working capital has a significant influence on community empowerment in Karangasem Village.

Hypothesis 2: Social capital has a significant influence on community empowerment in Karangasem Village.

Hypothesis 3: Psychological capital has a significant influence on community empowerment in Karangasem Village.

Result and Discussion

The research conducted in Karangasem Village with 255 respondents as shown in table 2, reveals that the number of female respondents is higher for 74%, compared to male respondents, which is only 26%. The respondents' ages in this study are predominantly in the range of 31-80 years, constituting 60%. The majority of respondents in this study come from a high school educational background, accounting for 54%.

Table 2 Demographic Characteristic of Respondents

Characteristic	Level	Frequency	Percentage
Gender	Male	66	26%
	Female	189	74%
Age	15-20	60	24%
	21-30	42	16%
	31-80	153	60%
Formal Education	Primary	39	15%
	Secondary	30	12%
	High School	138	54%
	Bachelor	18	7%
	Post-Graduate	30	12%
Total		255	100

Source: Author's Calculation (2023).

After understanding the demographic distribution of the data, the hypothesis testing will be conducted using the SEM-PLS method with the analysis software SmartPLS 4. Next, we will conduct model evaluation using two main types of model assessment. The first step, outer model testing, is performed to specify the relationship between latent variables and indicators, which involves validity testing conducted in two stages: convergent validity testing and discriminant validity testing.

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Table 3 The Result of Convergent Validity Test

Variable	Indicators	Outer Loading (O)	AVE*	Description
Working Capital	MK01	0.839	0.689	Valid
	MK02	0.861		
	MK03	0.847		
	MK04	0.835		
	MK05	0.828		
	MK06	0.766		
	MK07	0.809		
	MK08	0.810		
	MK09	0.857		
	MK10	0.870		
	MK11	0.846		
	MK12	0.709		
Social Capital	MS01	0.691	0.614	Valid
	MS02	0.745		
	MS03	0.774		
	MS04	0.787		
	MS05	0.766		
	MS07	0.699		
	MS08	0.732		
	MS09	0.784		
	MS10	0.782		
	MS11	0.837		
	MS12	0.809		
	MS13	0.797		

	MS14	0.796		
Psychology Capital	MP01	0.747	0.666	Valid
	MP02	0.751		
	MS03	0.814		
	MP04	0.825		
	MP05	0.784		
	MP06	0.742		
	MP07	0.854		
	MP08	0.857		
Community Empowerment	PM01	0,660	0,608	Valid
	PM02	0,722		
	PM03	0,785		
	PM04	0,673		
	PM05	0,748		
	PM06	0,748		
	PM07	0,647		
	PM08	0,658		
	PM09	0,837		
	PM10	0,613		
	PM11	0,721		
	PM12	0,781		
	PM13	0,582		
	PM14	0,463		

Indices: AVE = Average Variance Extracted*

Source: Smart PLS Bootstrapping's process (2023).

Table 3 shows the results of convergent validity testing, indicating outer loading values of research items >0.7, except for items MS01 with an outer model value of 0.691; MS07 with an outer model value of 0.699; PM01 with an outer model value of 0.660; PM04 with an outer value of 0.673; PM07 with an outer value of 0.647; PM08 with an outer value of 0.658; PM10 with an outer value of 0.613; PM13 with an outer value of 0.582; and PM14 with an outer value of 0.463. Thus, the mentioned items are considered invalid and are excluded from the testing. MK_01 has an outer loading of 0.839, indicating that this item validly measures the working capital variable. The outer loading values for other items meet expectations with values >0.7. Therefore, the other items are considered valid. This indicates that these items have the ability to explain the constructs well. After assessing the loading factor values of research items, to continue the convergent validity test, it is necessary to calculate the AVE value.(Hair et al., 2016), advised that the AVE should exceed 0.5, as an AVE below this threshold would suggest that more error remains in the items than the explained variance. The results shown in Table 3 indicate that the AVE values of all indicators are >0.05. Therefore, the variables in the above table can be considered valid. Therefore, it can be concluded that the data in this study statistically establish convergent validity. Next, we will conduct discriminant validity testing, starting by examining the cross-loading values in Table 4, which indicate that the cross-loading values of all items are > 0.70 for each construct or against their respective latent variables, higher than the correlation values between other constructs and latent variables.

Table 4 Cross Loading Value

Items	Working Capital	Social Capital	Psychology Capital	Community Empowerment
MK01	0,833	0,587	0,537	0,661
MK02	0,865	0,628	0,526	0,680
MK03	0,841	0,575	0,506	0,710
MK04	0,845	0,607	0,579	0,690
MK05	0,818	0,695	0,649	0,707
MK06	0,772	0,650	0,623	0,702
MK07	0,814	0,719	0,700	0,720
MK08	0,824	0,588	0,584	0,696
MK09	0,858	0,546	0,595	0,689
MK10	0,876	0,597	0,666	0,721
MK11	0,843	0,595	0,530	0,690
MP03	0,708	0,714	0,812	0,725
MP04	0,554	0,726	0,832	0,532
MP05	0,463	0,565	0,811	0,489
MP06	0,451	0,482	0,769	0,432
MP07	0,612	0,703	0,873	0,526
MP08	0,656	0,688	0,876	0,582
MS03	0,625	0,759	0,660	0,571
MS04	0,496	0,796	0,597	0,479
MS05	0,465	0,761	0,632	0,494
MS06	0,444	0,771	0,562	0,501
MS09	0,596	0,786	0,580	0,601
MS10	0,608	0,807	0,654	0,643
MS11	0,686	0,852	0,644	0,628
MS12	0,713	0,815	0,709	0,646
MS13	0,528	0,824	0,674	0,567
MS14	0,665	0,809	0,594	0,657
PM02	0,642	0,527	0,549	0,748
PM03	0,675	0,565	0,532	0,820
PM05	0,637	0,599	0,549	0,763
PM06	0,578	0,561	0,471	0,752
PM09	0,665	0,608	0,509	0,846
PM11	0,549	0,515	0,492	0,738
PM12	0,776	0,613	0,586	0,787

Source: Smart PLS Bootstrapping's process (2023).

Additionally, we confirmed the discriminant validity of the data using the Fornell and Larcker (1981) criterion. Bold values in Table 2, exceeding the off-diagonal values, indicate distinctions among latent constructs. The bold values correspond to the square roots of constructs' AVEs, while off-diagonal values denote correlations among them. This demonstrates that discriminant validity is not an issue in our study. The specifics of the Fornell and Larcker criterion are outlined in Table 5.

Table 5 Fornell-Lacker Value

Variable	Working capital	Psychological Capital	Social Capital	Community Empowerment
Working capital	0.836			
Psychological Capital	0.783	0.816		
Social Capital	0.768	0.815	0.784	
Community Empowerment	0.835	0.754	0.748	0.780

Source: Smart PLS Bootstrapping's process (2023).

Table 6 Heterotrait-Monotrait Ratio (HTMT)

Variable	Working Capital	Psychology Capital	Social Capital	Community Empowerment
Working capital				
Psychological Capital	0.848			
Social Capital	0.798	0.892		
Community Empowerment	0.896	0.843	0.807	

Source: Smart PLS Bootstrapping's process (2023).

We also assessed Discriminant validity using the Heterotrait-Monotrait Ratio (HTMT). According to (Hair, 2016) suggestion, the HTMT criterion should be standardized between 0 and 1 in PLS-SEM. Table 6 indicates that all HTMT values for each latent variable were below 1. In summary, the assessment of the measurement model reveals that reliability and validity are not problematic in our study.

Table 7 Cronbach's Alpha and Composite Reliability Value

Variable	Cronbach's Alpha	Composite Reliability	Information
Working Capital	0,957	0,957	Reliable
Social Capital	0,937	0,940	Reliable
Psychology Capital	0,910	925	Reliable
Community Empowerment	0,892	0,896	Reliable

Source: Smart PLS Bootstrapping's process (2023).

Table 7 shows that the Cronbach's Alpha and Composite Reliability values in this study range from 0.892 to 0.957., it can be concluded that working capital, social capital, psychological capital and community empowerment as dependent and independent variable in this study are reliable because their Cronbach's Alpha and Composite Reliability values > 0.6 and 0.7.

Table 8 Inner Variance Inflated Factor

	VIF
Working Capital -> Community Empowerment	2,424
Social Capital -> Community Empowerment	3,23
Psychological Capital -> Community Empowerment	2,934

Source: Smart PLS Bootstrapping's process (2023).

After the outer model testing is completed, we will proceed to conduct inner model testing as the next stage. Table 8 shows the estimation result that the inner VIF value is less than 5 points, it means that

the level of multicollinearity between variables is low. This outcome reinforces the robustness and unbiased nature of the parameter estimation in PLS SEM.

Table 9 R-Square Value (R^2)

CONSTRUCT	R-square	Information
Community empowerment	0.727	strong observational validity

Source: Smart PLS Bootstrapping's process (2023).

Table 9 presents the R-squared values for the dependent variable of community empowerment. It shows that the R-square of the effective community empowerment variable is 0.727, it means that the community empowerment variable is 72% influenced by working capital, social capital and psychological capital. And the remaining 28% may be impacted by other factors. Table 10 displays a Q-Square score of 0.683, indicating that the model's Q-Square value exceeds 0. This suggests that the model exhibits strong observational validity.

Table 10 Q-Square Value (Q^2)

	Q-Square (Q^2)	RMSE	MAE
Community empowerment	0.683	0.581	0.459

Source: Smart PLS Bootstrapping's process (2023).

Table 11 F Square Value (F^2)

Variable	Community empowerment
Working capital	0.609
Social Capital	0.068
Psychological Capital	0.044

Source: Smart PLS Bootstrapping's process (2023).

Table 11 presents the F-square values, ranging from 0.609 to 0.044 in this study. The impact of working capital on community empowerment, with a value of 0.609, surpasses 0.35, indicating a significant influence. Meanwhile, the impacts of social capital and psychological capital on community empowerment, with values of 0.055 and 0.044 respectively, exceed 0.02 but are below 0.15, suggesting a relatively minor influence. Subsequently, we will conduct hypothesis testing, with the results shown in Figures 1. The results of SmartPLS bootstrapping are said to be influential if the T-Statistic is > 1.96 . Furthermore, the criteria used in hypothesis testing are at a significance level of 5% and the hypothesis can be said to be accepted if the P-Value is < 0.05 .

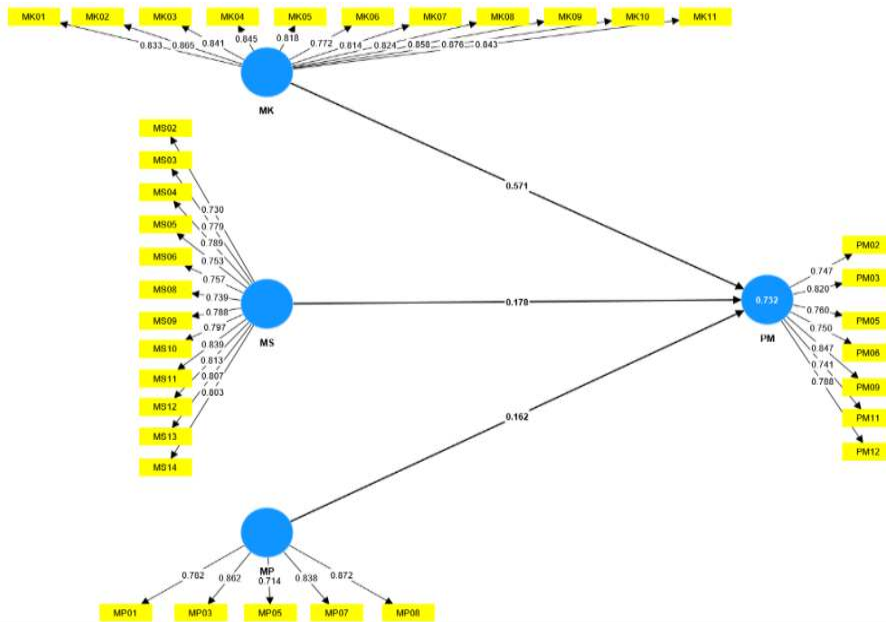


Figure 1 Path Analysis of hypotheses testing

Source: Smart PLS Bootstrapping's process (2023).

Table 12 Hypothesis Test Result

Hypothesis	Hypothesis Statement	Original Sample(O)	P value	T statistic (O/STDEV)	95% confidence interval path coefficient	
					Lower limit	Upper limit
H1	Working capital -> Community empowerment	0.571	0,000	10,664	0.470	0.679
H2	Social Capital -> Community empowerment	0.178	0.014	2,394	0.023	0.315
H3	Psychological Capital -> Community empowerment	0.167	0.017	2,450	0.040	0.29

Source: Smart PLS Bootstrapping's process (2023).

Based on the table 12. it is evident that working capital significantly influences community empowerment, as indicated by a path coefficient of 0.571. This suggests that an increase in the working capital variable leads to a positive impact on community empowerment. The bootstrap analysis yielded a t-statistic value of 10.664, resulting in a p-value of 0.000. Since the p-value is less than 0.05, the data strongly supports Hypothesis, indicating that working capital has a significant effect on community empowerment in Karangasem Village. This indicates that working capital has a significant influence on community empowerment in Karangasem Village is accepted. After that we

can see that, social capital significantly influences community empowerment with a path coefficient of 0.178, indicating a positive influence of the social capital variable on community empowerment.

The bootstrap analysis yielded a t-statistic value of 2.394, and within the 95% confidence interval, the influence of social capital on community empowerment ranges from 0.023 to 0.315. The resulting p-value is 0.000, which is less than 0.05, thereby supporting Hypothesis 2. This indicates that Social Capital has a significant effect on community empowerment in Karangasem Village. It also shows that psychological capital significantly influences community empowerment with a path coefficient of 0.167, indicating a positive influence of the psychological capital variable on Community Empowerment. The bootstrap analysis yielded a t-statistic value of 2.450, and within the 95% confidence interval, the influence of psychological capital on community empowerment ranges from 0.040 to 0.299. The resulting p-value is 0.014, which is less than 0.05, thereby supporting Hypothesis 3. This indicates that Psychological Capital has a significant effect on community empowerment in Karangasem Village.

Discussion

Working capital

According to the findings of this research, perceptions regarding working capital have a positive impact on community empowerment. This implies that effective management of working capital leads to an increase in community empowerment. Consistent with prior studies, effective working capital management is crucial for ensuring business sustainability. Poor management of working capital can lead to inefficient asset utilization, which in turn can become a significant contributor to business failure. (Kasiran et al., 2016). Based on the data analysis results, it can be inferred that the most impactful indicators of working capital in empowering the community of Karangasem village are as follows:

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Table 13. Indicators of Working Capital

Indicator	Working capital	Loading Factor	Information
Capital/Assets	MK_01	0.833	Valid
	MK_02	0.875	Valid
	MK_03	0.841	Valid
	MK_04	0.845	Valid
Cash	MK_05	0.818	Valid
	MK_06	0.772	Valid
Supply	MK_07	0.814	Valid
	MK_08	0.824	Valid
Receivables	MK_09	0.858	Valid
	MK_10	0.866	Valid
	MK_11	0.843	Valid

Source: Smart PLS Bootstrapping's process (2023).

Based on table 13. the most influential working capital indicator is MK_02, with an outer loading of 0.875. This indicates that approximately 76% of any variation in working capital reflects on the capital indicator ($0.875 \times 0.875 = 76\%$). Working capital serves as a crucial liquidity source, highlighting the importance of effective management in community empowerment initiatives through BUMDes and PKK Programs. Proper allocation of working capital, obtained from governmental funds and other sources, tailored to meet community needs, is essential to enhance community income.

Social Capital

Table 14, shows that social capital has a positive effect on the community empowerment program, this shows that social capital has an important role in developing the Karangasem Village community empowerment program. This research is supported by (Kesuma & Saputri, 2020) that trust, norms, and networks inherent in social capital play a significant role in fostering the sustainability of BUMDes

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Table 14. Indicators of Social Capital

Indicator	Social capital	Loading Factor	Information
Trust	MS_01	0.730	Valid
	MS_02	0.779	Valid
	MS_03	0.789	Valid
	MS_04	0.753	Valid
	MS_05	0.757	Valid
Network	MS_06	0.739	Valid
	MS_07	0.788	Valid
	MS_08	0.797	Valid
	MS_09	0.839	Valid
	MS_10	0.813	Valid
Norm	MS_11	0.807	Valid
	MS_12	0.803	Valid

Source: Smart PLS Bootstrapping's process (2023).

According to the data analysis of social capital indicators, it is evident that the network indicator holds the highest value, with a loading factor of 0.839. This implies that approximately 70% of any changes in social capital are reflected in the network indicator ($0.839 \times 0.839 = 70\%$). Following closely are norms, with loading factor values of 0.87 and 0.803 respectively, and finally the Trust indicator. Social capital plays a pivotal role in community empowerment programs. The high social capital is attributed to the active participation of each member, enabling the consistent implementation of empowerment initiatives. Additionally, mutual support among community members fosters a positive environment and a strong sense of camaraderie. Trust among community members alleviates internal pressures, promoting collaboration during regular meetings and interactions with administrators who provide guidance.

Psychological Capital

Table 15. shown that the perception of psychological capital has a positive effect on Community Empowerment. it shows that encouragement from individuals in terms of hope, optimism, resilience and self-confidence influences the implementation of community empowerment programs.

Table 15. Indicators of Psychological Capital

Indicator	Working capital	Loading Factor	Information
Self confidence	MP_01	0.782	Valid
Hope	MP_03	0.862	Valid
Optimism	MP_05	0.714	Valid
	MP_07	0.872	Valid
Toughness	MP_08	0.838	Valid

Source: Smart PLS Bootstrapping's process (2023).

The indicator with a notably high outer loading value is observed in the optimism indicator. Optimism demonstrates an outer loading value of 0.872, suggesting that approximately 76% of any variation in social capital is mirrored in the network indicator ($0.872 \times 0.872 = 76\%$). The study elucidates that psychological capital significantly impacts job performance and satisfaction. (Novitasari & Priyono, 2022). Resilience pertains to the capacity to respond effectively even when confronted with disruptions. The findings indicate that the Karangasem village community displays a relatively high level of resilience in dealing with changes. Optimism exhibits a significant correlation with responding to change, where hope and self-confidence are closely intertwined with individual determination to enact organizational changes. Based on the research findings regarding the role of capital types in community empowerment in Karangasem village, it can be inferred that working capital plays the most influential role in community empowerment. This conclusion is drawn from the data analysis results.

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Table 16. Original Sample Result

	Original sample (O)
Working capital -> Community empowerment	0.571
Social Capital -> Community empowerment	0.178
Psychological Capital -> Community empowerment	0.162

Source: Smart PLS Bootstrapping's process (2023).

As evident from Table 16, the findings reveal that working capital exerts the greatest influence on community empowerment, with an original sample value of 57%. This underscores the pivotal role of funding streams in community empowerment initiatives. Following this is social capital, with an original sample value of 17%, indicating that external support or social connections contribute to community empowerment. Lastly, psychological capital registers an original sample value of 16%, suggesting that individuals' self-motivation influences community empowerment, encompassing factors such as attitude, resilience, self-confidence, hope, and optimism. The remaining 10% is influenced by types of capital beyond the scope of this research. Future studies can delve into this matter by incorporating larger sample sizes and additional variables to provide a more comprehensive understanding of community empowerment, particularly in village programs with longer periods of observation.

Conclusion

This study examined the impact of different types of capital on community empowerment programs in Karangasem Village. Through the distribution of questionnaires and direct observations, it was found that various forms of capital, including working capital, social capital, and psychological capital, significantly influence community empowerment programs in the village. Working capital emerges as the most influential type of capital, accounting for 78% of the significance, with its primary indicator being capital itself. This suggests that the operation of village programs in Karangasem village is heavily influenced by capital, where an increase in capital leads to enhanced empowerment programs. Effective and efficient management of capital is crucial, ensuring that increased capital flows are accompanied by appropriate fund allocation. Following closely is the receivables indicator, representing ownership rights to transaction proceeds. Social capital serves as the second most influential type of capital in fostering community empowerment in Karangasem Village. Notably, networks emerge as the highest indicator of social capital, highlighting the importance of expanding community networks both internally and externally to enhance community empowerment.

Psychological capital also significantly impacts community empowerment, serving as internal motivation for various empowerment initiatives. The distribution of questionnaires revealed that optimism is the indicator with the highest outer loading, indicating a high level of community optimism towards community empowerment programs. The limitations of this research include that the scope of the research only takes three types of capital in community (working capital, social capital and psychological capital) while the research methodology is a quantitative approach from data in the field through questionnaires. So, it is still open for future researchers to include other typologies of capital that develop in communities, for example cultural, human, political and natural. Meanwhile, a qualitative research approach can also be used to gain an in-depth perspective.

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The Impact of Typology Capital on Community Empowerment Programs: Evidence from Rural Development in Indonesia

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Abstract

The ~~shift-transition~~ from an ~~antique old~~-paradigm, where society was merely ~~viewed as~~ the object of development, to a new approach ~~that-emphasizing~~~~emphasizinges~~ community involvement and collaboration with local institutions; ~~highlights~~~~underseores~~ the ~~significanceimportance~~ of empowering and ~~enrihanching~~ ~~societal the~~ quality-of-society. This evolution towards community empowerment is ~~paramount~~~~eruecial~~ for positive societal development in Indonesia, ~~necessitating requiring~~ active participation from the community to ~~attainehieve~~ the desired ~~objectives-goals~~. This study ~~endeavorsendeavours-aims~~ to ~~ascertain~~~~determine~~ the correlation between working capital, social capital, and psychological capital ~~inon~~ community empowerment programs, ~~as well as and also~~ to ~~discernidentify~~ which capital plays a more ~~significant-substantial~~ role in ~~empowering the~~ community-empowerment in Karangasem village. ~~UtilizingUtilizing~~ a quantitative method, data was collected through questionnaires from 255 community beneficiaries of the empowerment program in Karangasem Village, Sukoharjo, Central Java, Indonesia~~The study used a quantitative method by collecting data through questionnaires from 255 community beneficiaries of the empowerment program in Karangasem Village Sukoharjo Central Java Indonesia.~~ Structural Equation Modelling (SEM) was ~~employed used~~ for analysis. The research ~~indicates-shows~~ that various forms of working, social, and psychological capital significantly ~~influecnpact~~ community empowerment programs. Working capital emerges as the most influential, with a ~~noteworthya~~ 78% significance, ~~indicating its~~ with capital as the highest indicator, ~~it indicating~~ pivotal role in program implementation. Effective management and allocation of funds are ~~eruecial-imperative~~ for capital ~~utilizationutilization~~. Social capital, particularly networks, ~~is vitalplays a vital role~~ in fostering community empowerment by enhancing ~~both-internal and external~~ connections ~~internally and externally~~. Psychological capital, ~~characterizedcharacterizedexemplified~~ by optimism, fuels community engagement and commitment to empowerment initiatives, ~~underscoringlining~~ the importance of internal motivation in program success. ~~These findings may -result-can-be-serve as a basis~~ ~~consideration-for the~~ governmental and empowerment program managers ~~to formulatein providing~~ policies ~~to enhanceaimed at enhancing -as an effort to improve~~ community welfare.

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Keywords: Working capital, Social Capital, Psychological Capital, Community Empowerment, Rural Development

JEL Classification: O1; O18; O21; O34

Introduction

The ~~disparity~~ developmental ~~disparity~~ between rural and urban ~~regions persists~~ areas ~~remains a prevalent issue~~ in Indonesia. ~~Between-From~~ 2007 and 2018, urban ~~residentsresident~~ ~~witnessed-experienced~~ incomes ~~that-were~~ 1.7 times ~~greater-higher~~ than the average earnings of rural ~~residentsresident~~. Significant income disparities ~~presentese~~ a potential risk to a nation's long-term development sustainability.

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(Andari, 2020). The primary objective of rural development initiatives is to address national inequality by assessing the specific needs of village communities. This includes enhancing ~~the~~ accessibility to and ~~the~~ quality of essential services, ~~as well as~~ infrastructure, and environmental upkeep, leveraging local technical expertise and available resources.

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Moreover, it involves fostering a sustainable agricultural economy ~~on~~ at a manageable scale, adopting suitable technologies for economic advancement, and enhancing the overall peace and stability within the village community in accordance with its requirements (Yudha et al., 2020). In an effort to address ~~the~~ disparity problem, the Indonesian government has implemented community empowerment programs in rural areas. This initiative is ~~perceived~~ seen as a solution to ~~bolster~~ enhancing the local economy, wherein local governments and village communities collaborate in managing village potentials to boost rural economies (Rustiadi & Nasution, 2017; van Leeuwen & Földvári, 2016). The traditional approach to development programs views society as passive recipients rather than active participants, leading to limited involvement in development efforts.

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In contrast, the emerging paradigm ~~prioritizes~~ prioritizes community engagement and collaboration with local institutions (Sarjiyanto et al., 2022). The community plays a central role in ~~realizing~~ realizing development, ~~emphasizing~~ emphasizing the importance of enhancing empowered or capable communities, supported by (Archibald et al., 2016); ~~community~~ community. Hence, ~~community empowerment exerts a beneficial influence on community development~~ empowerment has a positive impact on the development of a community (Sarjiyanto, Nugroho & Supriyadi, 2017). ~~The community~~ Community needs to participate adequately in order to achieve the required agenda, ~~and~~ these programs ~~will~~ lead to the evolution of regional development in Indonesia (Sarjiyanto et al., 2022).

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~~In the societal context, empowerment denotes the ability of individuals to unite as a community to nurture collective empowerment~~ empowerment in a societal context, ~~empowerment refers to the capacity of individuals to come~~ coming together as a community to foster collective empowerment. Community empowerment serves as

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a fundamental component enabling communities to adapt to dynamic changes, strive for self-development, and attain progress (Rachmawatie et al., 2021). Community empowerment is the government's effort to reduce the gap between community groups in order to solve socio-economic problems sustainably in a sustainable manner. The endeavor seeks to ameliorate societal conditions resulting from poverty, with the primary objective of empowering individuals to autonomously address a spectrum of challenges, thereby enhancing overall welfare. It is an effort made to change the condition of society due to poverty. Aimed to enable making people able to solve various problems independently towards increasing welfare (Surya et al., 2021). (Kurniawan & Cahyono, 2020) support the idea that empowerment is vital for community development, as it allows communities to participate and augment their abilities to keep up with developmental progress.

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In order to measure community empowerment, it can be evident through the presence of working capital, social capital, human capital, and technological capital (Yuliarmi, 2020). Working capital is the ownership of total assets in each period, and the working capital indicator is related to funding, such as capital, cash, inventory, receivables, and other assets (Kasmir, 2015). On the other hand, aligned with evolving perspectives on development, success is no longer solely contingent upon financial capital availability but also heavily influenced by other forms of development capital. This includes social capital, which manifests as social and economic networks within a society, facilitating mutually beneficial interactions among individuals and groups (Badaruddin et al., 2018). According to (Alejandro Portes, 2000), social capital is the ability to rely on its members in social networks and other structures or social interactions. Indicators of social capital are networks, norms, and trust. We also argue that psychological capital is crucial to play a crucial role in the organization's success of the organization. Psychological capital is an internal approach to optimizing an individual's potential with indicators of self-efficacy, optimism, hope, and resilience (Bakker, 2009). It is also refers to the individual traits and qualities that facilitate the expression of positive resources and

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talents (Santisi et al., 2020). (Hubscher-Davidson (-2020) states that it has been linked to the psychology of sustainability owing to its capacity to bolster well-being within organizations and promote individuals' health and performance. Consequently, this study aims to examine the impact of working, social, and psychological capital on enhancing the enhancement of empowerment programs, has been associated with the psychology of sustainability because of its potential to enhance well-being well-being within organizations organizations and to enhance people's health and performance. Therefore, this research will analyze analyse the role of working, social, capital, social capital and psychological capital in improving empowerment programs.

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As-The village development, as the smallest unit of government, stands as the cornerstone of regional and national progress. Consequently, there exists a pressing necessity for comprehensive research and analysis to discern, address, and enact solutions for village development through community empowerment. the smallest unit of the government. Village development serves as the cornerstone of both regional and national progress. Hence, there is a pressing need for extensive research and analysis to identify, address, and implement solutions for village development through community empowerment. This entails enhancing motivation, mental attitudes, and socio-economic interactions, as well as and tapping into community resources and potential potentials to foster openness and harmonization harmonization (Sulaiman et al., 2022). The Indonesian government has introduced a development strategy focused on giving villages more control, as seen in the passing of Law Number 6 of 2014 about villages. This makes make the obligation obligations of the village government is to facilitate the empowerment of the local community. The objective of this legislation is to bolster rural communities by enhancing their knowledge, skills, and resources through a range of policies, programs, and support mechanisms. Its overarching aim is to foster societal autonomy across economic, social, cultural, and political spheres. These endeavors are tailored to address the foundational needs of villagers, with the overarching goal of expediting their developmental aspirations. This law aims to empower rural communities by improving their knowledge, skills, and resources

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through various policies, programs, and support, aims to achieve societal independence across economic, social, cultural, and political dimensions. These efforts address the fundamental needs of villagers, aiming to accelerate their development and goals (Badaruddin et al., 2018). This policy is grounded in the premise that village communities possess an inherent understanding of their own interests. By granting them the authority to determine the allocation of development aid, the program may yield superior outcomes. Over the long term, this empowerment could enhance their social capital, thereby facilitating economic development. This policy stems from the understanding that village communities know their own interests better, by giving the ability to decide on how to allocate development aid, the program may achieve better results. In the long term by increasing their social capital might facilitate economic development (Nguyen & Rieger, 2017). It also substantiates the notion that the community functions not merely as a passive recipient of development initiatives, but rather as an engaged participant in development processes. The community demonstrates agency by harnessing the resources inherent to the village, complemented by the infrastructure and services facilitated by governmental support. prove that the community is not only a passive object of development programs but also an active actor in development by utilizing village potential supported by facilities provided by the government.

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The government and the community should work together to increase development by making the village developed by utilizing the village's potential. Many efforts have been made to increase development by empowering village communities, such as villages are given the authority to form Village-Owned Enterprises (BUMDes), the Empowerment and Family Welfare (*Pemberdayaan dan Kesejahteraan Keluarga/PKK*), which focus on woman empowerment, the Integrated Service Centre (*Pos Pelayanan Terpadu/Posyandu*), and the Islamic Study Group (*Kelompok Pengajian*) and Youth Organization (*Karang Taruna*) to enhancing village development (Aritenang, 2021).

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~~A previous~~Previous study conducted by ~~(Mulema et al., (2021))~~ argues that the empowerment of women requires an approach that enhances their capacity to discern and systematically manage interactions among resources, thereby fostering their influence and autonomy. The research, focusing on the empowerment of rural women through agricultural initiatives in Ethiopia, revealed that the provision of financial capital, whether in cash or in kind and allocated under women's names, ~~augment~~augments their capacity to negotiate and assert independence. Consequently, this facilitates opportunities for collective endeavors and reinvestment in diverse research endeavors aimed at enhancing their well-being.~~content~~content that empowering women necessitates an approach that strengthens their ability to ~~recognize~~recognise and methodically oversee interactions among resources that promote their influence and autonomy, in their research about empowering rural women through agricultural initiatives in Ethiopia found that receiving financial capital, whether in cash or kind, under woman's names enhance women's ability to negotiate and exercise independence, in turn creates opportunities for collective efforts and reinvestment in various research that contribute to their well-beingwell-being. Specifically, the interplay between social, human, and financial capital serves as a pivotal starting point for the empowerment of rural women in Ethiopia. ~~(Fahmi & Sari, (2020))~~emphasizeemphasize the importance of financial resources in improving life satisfaction, as exemplified in Kalibu.

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~~(Falah et al., (2022))~~found that ~~(The~~cultivation of social capital within a community can bolster its resilience and empowerment within society, facilitating the attainment of collective community objectives in Bandung. ~~(Rudito et al., (2023))~~also revealed that social capital plays a pivotal role in enhancing the effectiveness of corporate social responsibility (CSR) initiatives aimed at fostering community empowerment in developing nations~~found that Social capital plays a pivotal role in the effectiveness of corporate social responsibility (CSR) endeavoursendeavors aimed at fostering community empowerment in developing nations.~~They argue that income not only enhances individual well-beingwell-being but also cultivates social empathy within the village. ~~(Ramón-Hidalgo et al., (2018))~~found that

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individuals in Ghana involved in Community Based Natural Resource Management (CBNRM) who have greater access to social capital tend to report higher levels of empowerment. Social capital is an important aspect in empowering communities. Strengthening internal bonds and identities, fostering connections between diverse communities, and equipping them with the requisite skills and resources to engage effectively with external stakeholders are imperative endeavors. This approach facilitates the pursuit of autonomous objectives rather than solely reacting to external interventions ~~it's crucial to strengthen internal bonds and identities, foster connections between different communities, and equip them with the skills and resources to engage effectively with external actors towards achieving their own goals rather than merely reacting to external interventions~~ (Edwards, 2019). According to (Roa & Sanusi, (2018)), considering tangible factors such as physical, human, social, financial, and environmental capital, alongside intangible factors like motivation, trust, and mentoring, empowerment can be heightened, thus impacting the overall welfare of the community.

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On the other hand, (Haji et al., (2022)) indicates a strong correlation between psychological capital and empowerment, suggesting that heightened levels of psychological capital coincide with increased emotional empowerment. Individuals exhibiting elevated psychological capital and empowerment demonstrate a propensity to confront challenges and persevere in tasks within their capacity, traits commonly associated with successful entrepreneurs. ~~found that Psychology capital and empowerment are strongly linked, meaning that when individuals possess higher levels of psychological capital, they also tend to feel more emotionally empowered. People with elevated psychological capital and empowerment are more inclined to tackle challenges and persist in tasks they can accomplish are capable of accomplishing, a key characteristic often found in successful entrepreneurs.~~ Additionally, to date, there has been no investigation into the combined effects of working capital, social capital, and psychological capital on community empowerment. Thus, there exists a compelling necessity for further elucidation of this interrelation. Previous scholarly inquiries predominantly relied on qualitative methodologies to tackle this matter. Our study endeavors

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~~to offer an innovative contribution by employing a quantitative approach. ne~~
~~investigation has been~~there has been no investigation conducted thus far on the
~~collective impact of working capital, social capital, and psychological capital on~~
~~community empowerment. Hence, there is a pressing need for further exploration~~
~~of this relationship. In prior studies, the predominant approach has often been~~
~~qualitative methods for addressing the issue. Our~~As an innovative contribution, our
~~research will employ a quantitative method in this study as an innovative~~
~~contribution.~~

~~In~~In the administration of empowerment initiatives, challenges such as insufficient
~~funding and limited resources frequently emerge. These factors contribute to a~~
~~diminished impetus within communities to propel local development efforts~~
~~forward. Research conducted in the Sidoarjo regency highlighted a conspicuous~~
~~dearth of community engagement within the BUMDes program. This lack of~~
~~participation stemmed primarily from inadequate outreach efforts by BUMDes~~
~~administrators to disseminate information about the program among community~~
~~members. managing empowerment programs, lack of funding, and inadequate~~
~~resources are often found to be as problems. It results~~resulting in a lack of
~~encouragement within the community to advance the village. Based on research~~
~~conducted in Sidoarjo Regency, it was found that there was a lack of community~~
~~participation in the BUMDes program due to minimal outreach from BUMDes~~
~~administrators to the community regarding the BUMDes program (Zhafira &~~
~~Choiriyah, 2022).~~ The same issue is also faced by BUMDes in Siak Regency, in the
development of BUMDes Rempak Maju Jaya, confronting the low capacity and
competency of managing human resources ~~that who~~ still lack ~~of~~ experience and
entrepreneurial spirit, which has an impact on the stagnation of BUMDes business
units (Jaya & Rafi, 2019). ~~On the contrary, data acquired through interviews with~~
~~BUMDes administrators in Kalikajar, Wonosobo, reveals that the village-owned~~
~~enterprises (BUMDes) in Kalikajar are also facing operational inefficiencies~~
~~stemming from inadequate capacity in managing funds and providing direction to~~
~~the local community. Despite encountering myriad challenges in the development~~
~~of village-owned enterprises (BUMDes) across diverse regions due to a dearth of~~

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knowledge, the proliferation of BUMDes in Indonesia has shown a consistent annual increase. On the other hand, data obtained through interviews with BUMDes administrators in Kalikajar, Wonosobo, shows that the village-owned enterprises (BUMDes) in Kalikajar are also not operating effectively due to a lack of capacity to manage in managing both funds and direction to the village community. Despite numerous challenges encountered in developing the development of village-owned enterprises (BUMDes) across various regions due to a lack of knowledge, the number of BUMDes in Indonesia has steadily risen every year from 2014 to 2019.

Sukoharjo Regency is situated in the Central Java Province of Indonesia. According to the Ministry of Villages in Indonesia, there are 94 legally established village-owned enterprises (BUMDes) distributed across 70 villages. Nonetheless, several villages still lack such enterprises. Regency is located in Central Java Province, Indonesia. According to the Ministry of Villages in Indonesia, there are 94 legally established village-owned enterprises (BUMDes) spread across 70 villages. However, many villages still do not have village-owned enterprises (BUMDes). Karangasem Village, located in Sukoharjo Regency, has become a tourist destination due to its abundant natural resources. Moreover, the village actively participates in the Family Welfare Empowerment program (PKK). The PKK Mobilization Team in Karangasem Village endeavors to enhance its competencies and contribute to the village's developmental objectives. This indicates that the community in Karangasem Village is empowered and mobilized towards the development of empowerment initiatives, notably through BUMDes and PKK, as endeavors to bolster the local economy as one of the villages with a BUMDes within. Karangasem Village, situated in Sukoharjo Regency, has become transformed into a tourist destination due to its rich natural resources. Additionally, the village is actively engaged in the Family Welfare Empowerment program (PKK). The PKK Mobilization Team in Karangasem Village strives to enhance their skills and contribute to the village's development goals. This suggests that the community in Karangasem Village is empowered and mobilized to develop for

developing of empowerment program in Karangasem Village through BUMDes and PKK is an effort to improve the economy of Karangasem village.

Drawing from the aforementioned background, this study aims to examine the role of capital (namely, working capital, social capital, and psychological capital) in fostering community empowerment in Karangasem Village, Sukoharjo Regency. In accordance with this objective, three hypotheses are formulated: firstly, working capital significantly influences community empowerment; secondly, social capital plays a significant role in community empowerment; and thirdly, psychological capital significantly contributes to community empowerment. The Structural Equation Modeling-Partial Least Squares (SEM-PLS) technique is employed to analyze the data, revealing that working, social, and psychological capital exert notable effects on community empowerment endeavors. Particularly noteworthy is the significant impact of working capital, evidenced by its remarkable 78% significance level, underscoring its pivotal role in facilitating program implementation. These findings carry implications for governmental bodies and program administrators engaged in empowerment initiatives, offering insights to inform policy endeavors aimed at advancing community well-being. Subsequent sections of this paper will be organized as follows: Section 2 will delineate the research methodology, Section 3 will present and deliberate upon the findings, and lastly, Section 4 will furnish conclusions.

~~From the background mentioned above, we will analyze the role of capital (working capital, social capital, and psychology capital) in community empowerment in Karangasem Village, Sukoharjo Regency. Based on the statement above, we consider three hypotheses: first, working capital has a significant effect on community empowerment, second, social capital has a significant effect on community empowerment, and third, psychological capital has a significant effect on community empowerment. We use SEM-PLS and the result shows that working, social, and psychological capital significantly affect community empowerment~~

~~initiatives. Among these, working capital stands out as the most influential, demonstrating a remarkable 78% significance level, thus highlighting its pivotal role in program implementation. These findings hold significance for government entities and program managers involved in empowerment, guiding policy efforts to enhance aimed at enhancing community welfare. The subsequent sections of this paper will be structured as follows: Section 2 will outline the research methodology, Section 3 will present and discuss the results, and finally, Section 4 will offer conclusions.~~

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Research Method

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The main objective of this research is to examine the influence of working capital, social capital, and psychological capital on community empowerment and to identify which capital has the most significant impact on community empowerment. This study will take place in Karangasem Village, Sukoharjo, Central Java, Indonesia, involving a survey of 255 residents, including 15 members of village-owned enterprises (BUMDES), 45 members of tourism management groups, 120 village youths, and 75 members of the Family Welfare Movement (PKK). The research sample was selected using the purposive sampling method. Data analysis will be conducted using the Partial Least Square Structural Equation Modelling (SEM-PLS) method. Partial Least Square (PLS) is a type of component-based SEM with formative and reflective model construct properties. PLS is a powerful analysis technique that because it can be applied to all data scales (Hair et al., 2014). The selection of SEM-PLS as a data analysis method is predicated upon the characteristics of the research object, the assumptions underpinning the model, and the advantages inherent in SEM, which enable the simultaneous testing of complex research models and the measurement of research variables that are not directly observable (unobserved variables)~~The choice of SEM-PLS as a data analysis method is based on the characteristics of the research object, the assumptions~~

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underlying the model, and based on the superiority of SEM being able to test complex research models simultaneously and SEM being able to measure research variables that cannot be measured directly (unobserved variables). In addition, it and can detect and calculate measurement errorerrors in measurements (Ghozali & Latan, 2015). As for the analysis steps in Partial Least Square (PLS), three stages mustthere are three stages that must be carried out, namely: 1) outer model analysis, 2) inner model analysis, and 3) hypothesis testing. The research variables consist of the dependent variable, community empowerment, and independent variables, namely working capital, social capital, and psychological capital, with their definitions and indicators shown in Table 1.

Table 1 Variable's Definition and Indicators

Variable	Definitions	Indicators
Community Empowerment	Community empowerment is a deliberate effort to facilitate local communities in planning, decision-making, and managing their local resources through collective action and networking, ultimately enabling them to achieve economic, ecological, and social self-reliance.	Capacity development, Participation, Freedom of Information, Community Identity, Local Knowledge, and Community Organization (Sarjiyanto et al., 2023; Soler Maso et al., 2014)
Working Capital	Working capital is defined as investments made in current assets or short-term assets, such as cash, bank deposits, securities, accounts receivable, inventory, and other current assets.	Gross Working Capital, Cash, Capital, Receivables, and Inventory (Kasmir, 2015)
Social Capital	Social capital describes the interaction processprocess of interaction among individuals who build networks, norms, and social trust and, as well asand facilitate coordination and collaboration for mutual benefit.	Local reciprocity, Self-empowerment, Openness, Mutual respect, Heterogeneous relationships, Environmental trust, and Environmental solidarity (Alejandro Portes, 2000; Onyx & Bullen, 2000)
Psychological Capital	Psychological capital is a component of positive psychology possessed by every individual that serves to aid them in personal growth through self-efficacy, hope, optimism, and resilience within themselves.	Self-confidence, Hope, Optimism, Resilience (Bakker, 2009; Luthans et al., 2007; Syuhada, 2020)

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Based on the research background and objectives, hypotheses for this study can be formulated as follows:

- Hypothesis 1: Working capital has a significant influence on community empowerment in Karangasem Village.*
- Hypothesis 2: Social capital has a significant influence on community empowerment in Karangasem Village.*
- Hypothesis 3: Psychological capital has a significant influence on community empowerment in Karangasem Village.*

Result and Discussion

The research conducted in Karangasem Village with 255 respondents, as shown in Table 2, reveals that the number of female respondents is higher for 74%, compared to male respondents, which is only 26%. The respondents' ages in this study are predominantly in the range of 31-80 years, constituting 60%. The majority of respondents in this study come from a high school educational background, accounting for 54%.

Table 2 Demographic Characteristics of Respondents

Characteristic	Level	Frequency	Percentage
Gender	Male	66	26%
	Female	189	74%
Age	15-20	60	24%
	21-30	42	16%
	31-80	153	60%
Formal Education	Primary	39	15%
	Secondary	30	12%
	High School	138	54%
	Bachelor	18	7%
Total	Post-Graduate	30	12%
		255	100

Source: Author's Calculation (2023).

After understanding the demographic distribution of the data, the hypothesis testing will be conducted using the SEM-PLS method with the analysis software Smart PLS 4. Next, we will conduct a model evaluation using two main types of model assessment. The first step, outer model testing, is performed to specify the relationship between latent variables and indicators, which involves validity testing conducted in two stages: convergent validity testing and discriminant validity testing.

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Table 3 The Result of [the](#) Convergent Validity Test

Variable	Indicators	Outer (O)	Loading	AVE*	Description
Working Capital	MK01	0.839		0.689	Valid
	MK02	0.861			
	MK03	0.847			
	MK04	0.835			
	MK05	0.828			
	MK06	0.766			
	MK07	0.809			
	MK08	0.810			
	MK09	0.857			
	MK10	0.870			
	MK11	0.846			
	MK12	0.709			
Social Capital	MS01	0.691		0.614	Valid
	MS02	0.745			
	MS03	0.774			
	MS04	0.787			
	MS05	0.766			
	MS07	0.699			
	MS08	0.732			
	MS09	0.784			
	MS10	0.782			
	MS11	0.837			
	MS12	0.809			
	MS13	0.797			
	MS14	0.796			
Psychology Capital	MP01	0.747		0.666	Valid
	MP02	0.751			
	MS03	0.814			
	MP04	0.825			
	MP05	0.784			
	MP06	0.742			
	MP07	0.854			
	MP08	0.857			
Community Empowerment	PM01	0.660		0.608	Valid
	PM02	0.722			
	PM03	0.785			
	PM04	0.673			
	PM05	0.748			

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▲	PM06	0,748
▲	PM07	0,647
▲	PM08	0,658
▲	PM09	0,837
▲	PM10	0,613
▲	PM11	0,721
▲	PM12	0,781
▲	PM13	0,582
▲	PM14	0,463

Indices: AVE = Average Variance Extracted*

Source: Smart PLS Bootstrapping's process (2023).

Table 3 shows the results of convergent validity testing, indicating outer loading values of research items >0.7 , except for items MS01 with an outer model value of 0.691; MS07 with an outer model value of 0.699; PM01 with an outer model value of 0.660; PM04 with an outer value of 0.673; PM07 with an outer value of 0.647; PM08 with an outer value of 0.658; PM10 with an outer value of 0.613; PM13 with an outer value of 0.582; and PM14 with an outer value of 0.463. Thus, the mentioned items are considered invalid and are excluded from the testing. MK_01 has an outer loading of 0.839, indicating that this item validly measures the working capital variable. The outer loading values for other items meet expectations with values >0.7 . Therefore, the other items are considered valid. This indicates that these items ~~can have the ability to~~ explain the constructs well. After assessing the loading factor values of research items, ~~to continue the convergent validity test,~~ it is necessary to calculate the AVE value ~~to continue the convergent validity test~~. (Hair et al., 2016), advised that the AVE should exceed 0.5, as an AVE below this threshold would suggest that more error remains in the items than the explained variance. The results shown in Table 3 indicate that the AVE values of all indicators are >0.05 . Therefore, the variables in the above table can be considered valid. Therefore, it can be concluded that the data in this study statistically establish convergent validity. Next, we will conduct discriminant validity testing, starting by examining the cross-loading values in Table 4, which indicate that the cross-loading values of all items are > 0.70 for each construct or against their respective latent

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variables, higher than the correlation values between other constructs and latent variables.

Table 4 Cross-Loading Cross-Loading Value

Items	Working Capital	Social Capital	Psychology Capital	Community Empowerment
MK01	0,833	0,587	0,537	0,661
MK02	0,865	0,628	0,526	0,680
MK03	0,841	0,575	0,506	0,710
MK04	0,845	0,607	0,579	0,690
MK05	0,818	0,695	0,649	0,707
MK06	0,772	0,650	0,623	0,702
MK07	0,814	0,719	0,700	0,720
MK08	0,824	0,588	0,584	0,696
MK09	0,858	0,546	0,595	0,689
MK10	0,876	0,597	0,666	0,721
MK11	0,843	0,595	0,530	0,690
MP03	0,708	0,714	0,812	0,725
MP04	0,554	0,726	0,832	0,532
MP05	0,463	0,565	0,811	0,489
MP06	0,451	0,482	0,769	0,432
MP07	0,612	0,703	0,873	0,526
MP08	0,656	0,688	0,876	0,582
MS03	0,625	0,759	0,660	0,571
MS04	0,496	0,796	0,597	0,479
MS05	0,465	0,761	0,632	0,494
MS06	0,444	0,771	0,562	0,501
MS09	0,596	0,786	0,580	0,601
MS10	0,608	0,807	0,654	0,643
MS11	0,686	0,852	0,644	0,628
MS12	0,713	0,815	0,709	0,646
MS13	0,528	0,824	0,674	0,567
MS14	0,665	0,809	0,594	0,657
PM02	0,642	0,527	0,549	0,748
PM03	0,675	0,565	0,532	0,820
PM05	0,637	0,599	0,549	0,763
PM06	0,578	0,561	0,471	0,752
PM09	0,665	0,608	0,509	0,846
PM11	0,549	0,515	0,492	0,738
PM12	0,776	0,613	0,586	0,787

Source: Smart PLS Bootstrapping's process (2023).

Additionally, we confirmed the discriminant validity of the data using the Fornell and Larcker (1981) criterion. Bold values in Table 2, exceeding the off-diagonal values, indicate distinctions among latent constructs. The bold values correspond to

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the square roots of constructs' AVEs, while off-diagonal values denote correlations among them. This demonstrates that discriminant validity is not an issue in our study. The specifics of the Fornell and Larcker criterion are outlined in Table 5.

Table 5 Fornell-Lacker Value

Variable	Working capital	Psychological Capital	Social Capital	Community Empowerment
Working capital	0.836			
Psychological Capital	0.783	0.816		
Social Capital	0.768	0.815	0.784	
Community Empowerment	0.835	0.754	0.748	0.780

Source: Smart PLS Bootstrapping's process (2023).

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Table 6 Heterotrait-Monotrait Ratio (HTMT)

Variable	Working Capital	Psychology Capital	Social Capital	Community Empowerment
Working capital				
Psychological Capital	0.848			
Social Capital	0.798	0.892		
Community Empowerment	0.896	0.843	0.807	

Source: Smart PLS Bootstrapping's process (2023).

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We also assessed Discriminant validity using the Heterotrait-Monotrait Ratio (HTMT). According to (Hair [\(2016\)](#) suggestion, the HTMT criterion should be ~~standardized~~ between 0 and 1 in PLS-SEM. Table 6 indicates that all HTMT values for each latent variable were below 1. In summary, the assessment of the measurement model reveals that reliability and validity are not problematic in our study.

Table 7 Cronbach's Alpha and Composite Reliability Value

Variable	Cronbach's Alpha	Composite Reliability	Information
Working Capital	0,957	0,957	Reliable
Social Capital	0,937	0,940	Reliable
Psychology Capital	0,910	925	Reliable
Community Empowerment	0,892	0,896	Reliable

Source: Smart PLS Bootstrapping's process (2023).

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Table 7 shows that the Cronbach's Alpha and Composite Reliability values in this study range from 0.892 to 0.957. It can be concluded that working capital,

social capital, psychological capital, and community empowerment areas dependent and independent variables in this study and are reliable because their Cronbach's Alpha and Composite Reliability values are > 0.6 and 0.7.

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Table 8 Inner Variance Inflated Factor

	VIF
Working Capital -> Community Empowerment	2,424
Social Capital -> Community Empowerment	3,23
Psychological Capital -> Community Empowerment	2,934

Source: Smart PLS Bootstrapping's process (2023).

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After the outer model testing is completed, we will proceed to conduct inner model testing, which is the next stage. Table 8 shows the estimation result that the inner VIF value is less than 5 points, which means that the multicollinearity level is low. This outcome reinforces the robustness and unbiased nature of the parameter estimation in PLS-SEM.

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Table 9 R-Square Value (R^2)

CONSTRUCT	R-square	Information
Community empowerment	0.727	strong observational validity

Source: Smart PLS Bootstrapping's process (2023).

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Table 9 presents the R-squared values for the dependent variable of community empowerment. It shows that the R-square of the effective community empowerment variable is 0.727. It means that the community empowerment variable is 72% influenced by working capital, social capital, and psychological capital. And In addition, the remaining 28% may be impacted by other factors. Table 10 displays a Q-Square score of 0.683, indicating that the model's Q-Square value exceeds 0. This suggests that the model exhibits strong observational validity.

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Table 10 Q-Square Value (Q^2)

	Q-Square (Q^2)	RMSE	MAE
Community empowerment	0.683	0.581	0.459

Source: Smart PLS Bootstrapping's process (2023).

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Table 11 F Square Value (F²)

Variable	Community empowerment
Working capital	0.609
Social Capital	0.068
Psychological Capital	0.044

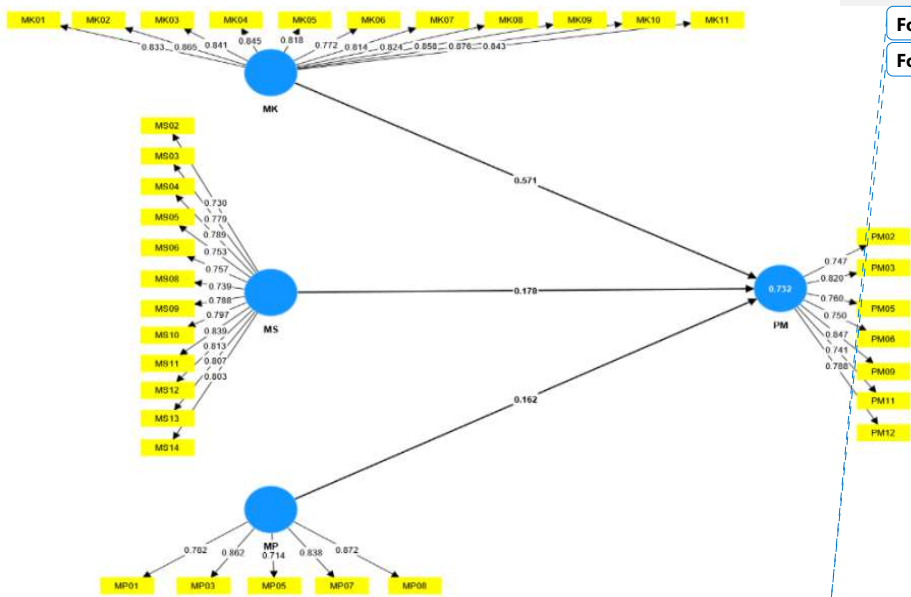
Source: Smart PLS Bootstrapping's process (2023).

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Table 11 presents the F-square values, ranging from 0.609 to 0.044 in this study. The impact of working capital on community empowerment, with a value of 0.609, surpasses 0.35, indicating a significant influence. Meanwhile, the impacts of social capital and psychological capital on community empowerment, with values of 0.055 and 0.044, respectively, exceed 0.02 but are below 0.15, suggesting a relatively minor influence. Subsequently, we will conduct hypothesis testing, with the results shown in [FigureFigures 1](#). The results of SmartPLs bootstrapping are said to be influential if the T-Statistic is > 1.96. Furthermore, the criteria used in hypothesis testing are at a significance level of 5%, and the hypothesis can be said to be accepted if the [P-valueP-Value](#) is <0.05.

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Figure 1 Path Analysis of Hypotheses Testing

Source: Smart PLS Bootstrapping's process (2023).

Table 12 Hypothesis Test Result

Hypothesis	Hypothesis Statement	Original Sample(O)	P value	T statistic (O/STDEV)	95% confidence interval path coefficient	
					Lower limit	Upper limit
H1	Working capital -> Community empowerment	0.571	0,000	10,664	0.470	0.679
H2	Social Capital -> Community empowerment	0.178	0.014	2,394	0.023	0.315
H3	Psychological Capital -> Community empowerment	0.167	0.017	2,450	0.040	0.29

Source: Smart PLS Bootstrapping's process (2023).

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Based on the [table 12](#), it is evident that working capital significantly influences community empowerment, as indicated by a path coefficient of 0.571. This suggests that an increase in the working capital variable leads to a positive impact on community empowerment. The bootstrap analysis yielded a t-statistic value of 10.664, resulting in a p-value of 0.000. Since the p-value is less than 0.05, the data strongly supports [the H1 hypothesis](#), indicating that working capital [significantly affects](#) community empowerment in Karangasem Village. This indicates that working capital has a significant influence on community empowerment in Karangasem Village [is accepted](#). After that, [we can see that](#), social capital significantly influences community empowerment with a path coefficient of 0.178, indicating a positive influence of the social capital variable on community empowerment.

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The bootstrap analysis yielded a t-statistic value of 2.394, and within the 95% confidence interval, the influence of social capital on community empowerment ranges from 0.023 to 0.315. The resulting p-value is 0.000, which is less than 0.05, thereby supporting Hypothesis 2. This indicates that Social Capital [significantly affects](#) community empowerment in Karangasem Village. It also shows that psychological capital significantly influences community empowerment with a path coefficient of 0.167, indicating a positive influence of

the psychological capital variable on Community Empowerment. The bootstrap analysis yielded a t-statistic value of 2.450, and within the 95% confidence interval, the influence of psychological capital on community empowerment ranges from 0.040 to 0.299. The resulting p-value is 0.014, which is less than 0.05, thereby supporting Hypothesis 3. This indicates that Psychological Capital significantly affects~~has a significant effect on~~ community empowerment in Karangasem Village.

Discussion

Working capital

According to the findings of this research, perceptions regarding working capital positively impact~~have a positive impact on~~ community empowerment. This implies that effective management of working capital leads to an increase in community empowerment. Consistent with prior studies, effective working capital management ensures~~is crucial for ensuring~~ business sustainability. Poor working capital management~~management of working capital~~ can lead to inefficient asset utilization~~utilization, significantly contributing~~~~which can significantly contribute in~~ turn can become a significant contributor to business failure. (Kasiran et al., 2016). Based on the data analysis results, it can be inferred that the most impactful indicators of working capital in empowering the community of Karangasem village are as follows:

Table 13. Indicators of Working Capital

Indicator	Working capital	Loading Factor	Information
Capital/Assets	MK_01	0.833	Valid
	MK_02	0.875	Valid
	MK_03	0.841	Valid
	MK_04	0.845	Valid
Cash	MK_05	0.818	Valid
	MK_06	0.772	Valid
Supply	MK_07	0.814	Valid
	MK_08	0.824	Valid
Receivables	MK_09	0.858	Valid
	MK_10	0.866	Valid
	MK_11	0.843	Valid

Source: Smart PLS Bootstrapping’s process (2023).

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Based on table 13.3, the most influential working capital indicator is MK_02, with an outer loading of 0.875. This indicates that approximately 76% of any variation in working capital reflects on the capital indicator ($0.875 \times 0.875 = 76\%$). Working capital ~~isserves as~~ a crucial liquidity source, highlighting the importance of effective management in community empowerment initiatives through BUMDes and PKK Programs. Proper allocation of working capital, obtained from governmental funds and other sources, tailored to meet community needs, is essential to enhance community income.

Social Capital

Table 14, shows that social capital ~~positively affects~~~~has a positive effect on~~ the community empowerment program. ~~This, this~~ shows that social capital ~~is important~~~~has an important role~~ in developing the Karangasem Village community empowerment program. This research is supported by (Kesuma & Saputri, 2020) that trust, norms, and networks inherent in social capital play a significant role in fostering the sustainability of BUMDes

Table 14. Indicators of Social Capital

Indicator	Social capital	Loading Factor	Information
Trust	MS_01	0.730	Valid
	MS_02	0.779	Valid
	MS_03	0.789	Valid
	MS_04	0.753	Valid
	MS_05	0.757	Valid
Network	MS_06	0.739	Valid
	MS_07	0.788	Valid
	MS_08	0.797	Valid
	MS_09	0.839	Valid
	MS_10	0.813	Valid
Norm	MS_11	0.807	Valid
	MS_12	0.803	Valid

Source: Smart PLS Bootstrapping’s process (2023).

According to the data analysis of social capital indicators, it is evident that the network indicator holds the highest value, with a loading factor of 0.839. This implies that approximately 70% of any changes in social capital are reflected in the

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network indicator ($0.839 \times 0.839 = 70\%$). Following closely are norms, with loading factor values of 0.87 and 0.803, respectively, and finally, the Trust indicator. Social capital plays a pivotal role in community empowerment programs. The high social capital is attributed to the active participation of each member, enabling the consistent implementation of empowerment initiatives. Additionally, mutual support among community members fosters a positive environment and a strong sense of camaraderie. Trust among community members alleviates internal pressures, promoting collaboration during regular meetings and interactions with administrators who provide guidance.

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Psychological Capital

Table 15. Table 15 shows that the perception of psychological capital positively affects Community Empowerment. It demonstrates that encouragement from individuals in terms of hope, optimism, resilience, and self-confidence influences the implementation of community empowerment programs. shown that the perception of psychological capital positively affects has a positive effect on Community Empowerment. it shows that encouragement from individuals in terms of hope, optimism, resilience and self-confidence influences the implementation of community empowerment programs.

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Table 15. Indicators of Psychological Capital

Indicator	Working capital	Loading Factor	Information
Self-confidence	MP_01	0.782	Valid
Hope	MP_03	0.862	Valid
Optimism	MP_05	0.714	Valid
	MP_07	0.872	Valid
Toughness	MP_08	0.838	Valid

Source: Smart PLS Bootstrapping's process (2023).

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The indicator with a notably high outer loading value is observed in the optimism indicator. Optimism demonstrates an outer loading value of 0.872, suggesting that approximately 76% of any variation in social capital is mirrored in the network

indicator ($0.872 \times 0.872 = 76\%$). The study elucidates that psychological capital significantly impacts job performance and satisfaction. (Novitasari & Priyono, 2022). Resilience pertains to the capacity to respond effectively even when confronted with disruptions. The findings indicate that the Karangasem village community displays a relatively high level of resilience in dealing with changes. Optimism ~~significantly correlates~~~~exhibits a significant correlation~~ with responding to change, where hope and self-confidence are closely intertwined with individual determination to enact ~~organizational~~~~organizational~~ changes. Based on the research findings regarding the role of capital types in community empowerment in Karangasem village, it can be inferred that working capital plays the most influential role in community empowerment. This conclusion is drawn from the data analysis results.

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Table 16. Original Sample Result

	Original sample (O)
Working capital -> Community empowerment	0.571
Social Capital -> Community empowerment	0.178
Psychological Capital -> Community empowerment	0.162

Source: Smart PLS Bootstrapping's process (2023).

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As evident from Table 16, the findings reveal that working capital exerts the greatest influence on community empowerment, with an original sample value of 57%. This underscores the pivotal role of funding streams in community empowerment initiatives. Following this is social capital, with an original sample value of 17%, indicating that external support or social connections contribute to community empowerment. Lastly, psychological capital registers an original sample value of 16%, suggesting that individuals' self-motivation influences community empowerment, encompassing factors such as attitude, resilience, self-confidence, hope, and optimism. The remaining 10% is influenced by types of capital beyond the scope of this research. Future studies can delve into this matter by incorporating larger sample sizes and additional variables to provide a more comprehensive understanding of community empowerment, particularly in village programs with longer ~~observation periods~~~~periods of observation~~.

Conclusion

This study examined the impact of different types of capital on community empowerment programs in Karangasem Village. Through the distribution of questionnaires and direct observations, it was found that various forms of capital, including working capital, social capital, and psychological capital, significantly influence community empowerment programs in the village. Working capital emerges as the most influential type of capital, accounting for 78% of the significance, with its primary indicator being capital itself. This suggests that the operation of village programs in Karangasem village is heavily influenced by capital, where ~~increased an increase in~~ capital leads to enhanced empowerment programs. Effective and efficient ~~capital management~~~~management of capital~~ is crucial, ensuring that increased capital flows are accompanied by appropriate fund allocation. ~~The Following closely is the~~ receivables indicator ~~closely follows~~, representing ownership rights to transaction proceeds. Social capital serves as the second most influential type of capital in fostering community empowerment in Karangasem Village. Notably, networks emerge as the highest indicator of social capital, highlighting the importance of expanding community networks both internally and externally to enhance community empowerment. Psychological capital also significantly impacts community empowerment, serving as internal motivation for various empowerment initiatives. The distribution of questionnaires revealed that optimism is the indicator with the highest outer loading, indicating a high level of community optimism towards community empowerment programs. The limitations of this research include ~~the fact that~~ the scope of the research only takes three types of capital in ~~the community~~ (working capital, social capital, and psychological capital), while the research methodology ~~uses is~~ a quantitative approach from data in the field through questionnaires. So, it is still open for future researchers to include other typologies of capital that develop in communities, ~~such as for example~~ cultural, human, political, and natural. Meanwhile, a qualitative research approach can also be used to gain an in-depth perspective.

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The Impact of Typology Capital on Community Empowerment Programs: Evidence from Rural Development in Indonesia

The Role of Working Capital, Social Capital, and Psychological Capital for Community Empowerment Programs

Sarjiyanto^{1*}, Yoganingtisas Aulia Mulki¹, Nurul Istiqomah¹

¹Department of Economic, Faculty of Economic and Business, Universitas Sebelas Maret,
Surakarta, Central Java, Indonesia

Correspondent author: masyanto@staff.uns.ac.id

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Abstract

The transition from an **antique** paradigm, where society was merely viewed as the object of development, to a new approach emphasizing community involvement and collaboration with local institutions highlights the significance of empowering and enriching societal quality. This evolution towards community empowerment is paramount for positive societal development in Indonesia, necessitating active participation from the community to attain the desired objectives. This study endeavors to ascertain the correlation between working capital, social capital, and psychological capital in community empowerment programs, as well as to discern which capital plays a more substantial role in empowering the community in Karangasem village. Utilizing a quantitative method, data was collected through questionnaires from 255 community beneficiaries of the empowerment program in Karangasem Village, Sukoharjo, Central Java, Indonesia. Structural Equation Modelling (SEM) was employed for analysis. The research indicates that various forms of working, social, and psychological capital significantly influence community empowerment programs. Working capital emerges as the most influential, with a noteworthy 78% significance, indicating its pivotal role in program implementation. Effective management and allocation of funds are imperative for capital utilization. Social capital, particularly networks, is vital in fostering community empowerment by enhancing internal and external connections. Psychological capital, characterized by optimism, fuels community engagement and commitment to empowerment initiatives, underscoring the importance of internal motivation in program success. These findings may serve as a basis for governmental and empowerment program managers to formulate policies to enhance community welfare.

Keywords: Working capital, Social Capital, Psychological Capital, Community Empowerment, Rural Development

JEL Classification: O1; O18; O21; O34

Introduction

The developmental disparity between rural and urban regions persists in Indonesia. From 2007 and 2018, urban residents witnessed incomes 1.7 times higher than the average earnings of rural residents. Significant income disparities present a potential risk to a nation's long-term development sustainability (Andari, 2020).

The primary objective of rural development initiatives is to address national inequality by assessing the specific needs of village communities. This includes enhancing the accessibility to and quality of essential services, infrastructure, and environmental upkeep, leveraging local technical expertise and available resources.

Moreover, it involves fostering a sustainable agricultural economy on a manageable scale, adopting suitable technologies for economic advancement, and enhancing the overall peace and stability within the village community in accordance with its requirements (Yudha et al., 2020). In an effort to address the disparity problem, the Indonesian government has implemented community empowerment programs in rural areas. This initiative is perceived as a solution to bolster the local economy, wherein local governments and village communities collaborate in managing village potentials to boost rural economies (Rustiadi & Nasution, 2017; van Leeuwen & Földvári, 2016). The traditional approach to development programs views society as passive recipients rather than active participants, leading to limited involvement in development efforts.

In contrast, the emerging paradigm prioritizes community engagement and collaboration with local institutions (Sarjiyanto et al., 2022). The community plays a central role in realizing development, emphasizing the importance of enhancing empowered or capable communities, supported by (Archibald et al., 2016). Hence, community empowerment exerts a beneficial influence on community development (Sarjiyanto, Nugroho & Supriyadi, 2017). The community needs to participate adequately in order to achieve the required agenda, and these programs will lead to the evolution of regional development in Indonesia (Sarjiyanto et al., 2022).

In the societal context, empowerment denotes the ability of individuals to unite as a community to nurture collective empowerment. Community empowerment serves as a fundamental component enabling communities to adapt to dynamic changes, strive for self-development, and attain progress (Rachmawatie et al., 2021). Community empowerment is the government's effort to reduce the gap between community groups in order to solve socio-economic problems sustainably. The endeavor seeks to ameliorate societal conditions resulting from poverty, with the

primary objective of empowering individuals to autonomously address a spectrum of challenges, thereby enhancing overall welfare (Surya et al., 2021). (Kurniawan & Cahyono (2020) support the idea that empowerment is vital for community development, as it allows communities to participate and augment their abilities to keep up with developmental progress.

To measure community empowerment, it can be evident through the presence of working capital, social capital, human capital, and technological capital (Yuliarmi, 2020). Working capital is the ownership of total assets in each period, and the working capital indicator is related to funding, such as capital, cash, inventory, receivables, and other assets (Kasmir, 2015). On the other hand, aligned with evolving perspectives on development, success is no longer solely contingent upon financial capital availability but also heavily influenced by other forms of development capital. This includes social capital, which manifests as social and economic networks within a society, facilitating mutually beneficial interactions among individuals and groups (Badaruddin et al., 2018). According to Alejandro Portes (2000), social capital is the ability to rely on its members in social networks and other structures or social interactions. Indicators of social capital are networks, norms, and trust. We also argue that psychological capital is crucial to the organization's success. Psychological capital is an internal approach to optimizing an individual's potential with indicators of self-efficacy, optimism, hope, and resilience (Bakker, 2009). It also refers to the individual traits and qualities that facilitate the expression of positive resources and talents (Santisi et al., 2020). Hubscher-Davidson (2020) states that it has been linked to the psychology of sustainability owing to its capacity to bolster well-being within organizations and promote individuals' health and performance. Consequently, this study aims to examine the impact of working, social, and psychological capital on enhancing empowerment programs.

The village development, as the smallest unit of government, stands as the cornerstone of regional and national progress. Consequently, there exists a pressing necessity for comprehensive research and analysis to discern, address, and enact

solutions for village development through community empowerment. This entails enhancing motivation, mental attitudes, and socio-economic interactions, as well as tapping into community resources and potential to foster openness and harmonization (Sulaiman et al., 2022). The Indonesian government has introduced a development strategy focused on giving villages more control, as seen in the passing of Law Number 6 of 2014 about villages. This makes the obligation of the village government to facilitate the empowerment of the local community. The objective of this legislation is to bolster rural communities by enhancing their knowledge, skills, and resources through a range of policies, programs, and support mechanisms. Its overarching aim is to foster societal autonomy across economic, social, cultural, and political spheres. These endeavors are tailored to address the foundational needs of villagers, with the overarching goal of expediting their developmental aspirations (Badaruddin et al., 2018). This policy is grounded in the premise that village communities possess an inherent understanding of their interests. By granting them the authority to determine the allocation of development aid, the program may yield superior outcomes. Over the long term, this empowerment could enhance their social capital, thereby facilitating economic development (Nguyen & Rieger, 2017). It also substantiates the notion that the community functions not merely as a passive recipient of development initiatives, but rather as an engaged participant in development processes. The community demonstrates agency by harnessing the resources inherent to the village, complemented by the infrastructure and services facilitated by governmental support.

The government and the community should work together to increase development by making the village develop by utilizing the village's potential. Many efforts have been made to increase development by empowering village communities, such as villages are given the authority to form Village-Owned Enterprises (BUMDes), the Empowerment and Family Welfare (*Pemberdayaan dan Kesejahteraan Keluarga/PKK*) which focus on woman empowerment, the Integrated Service Centre (*Pos Pelayanan Terpadu/Posyandu*), and the Islamic Study Group

(*Kelompok Pengajian*) and Youth Organization (*Karang Taruna*) to enhancing village development (Aritenang, 2021).

A previous study conducted by Mulema et al., (2021) argues that the empowerment of women requires an approach that enhances their capacity to discern and systematically manage interactions among resources, thereby fostering their influence and autonomy. The research, focusing on the empowerment of rural women through agricultural initiatives in Ethiopia, revealed that the provision of financial capital, whether in cash or in kind and allocated under women's names, augment their capacity to negotiate and assert independence. Consequently, this facilitates opportunities for collective endeavors and reinvestment in diverse research endeavors aimed at enhancing their well-being. Specifically, the interplay between social, human, and financial capital serves as a pivotal starting point for the empowerment of rural women in Ethiopia. Fahmi & Sari (2020) emphasize the importance of financial resources in improving life satisfaction, as exemplified in Kalibu.

Falah et al., (2022) found that the cultivation of social capital within a community can bolster its resilience and empowerment within society, facilitating the attainment of collective community objectives in Bandung. Rudito et al., (2023) also revealed that social capital plays a pivotal role in enhancing the effectiveness of corporate social responsibility (CSR) initiatives aimed at fostering community empowerment in developing nations. They argue that income not only enhances individual well-being but also cultivates social empathy within the village. Ramón-Hidalgo et al., (2018) found that individuals in Ghana involved in Community Based Natural Resource Management (CBNRM) who have greater access to social capital tend to report higher levels of empowerment. Social capital is an important aspect in empowering communities. Strengthening internal bonds and identities, fostering connections between diverse communities, and equipping them with the requisite skills and resources to engage effectively with external stakeholders are imperative endeavors. This approach facilitates the pursuit of autonomous objectives rather than solely reacting to external interventions (Edwards, 2019).

According to Roa & Sanusi (2018), considering tangible factors such as physical, human, social, financial, and environmental capital, alongside intangible factors like motivation, trust, and mentoring, empowerment can be heightened, thus impacting the overall welfare of the community.

On the other hand, Haji et al., (2022) indicates a strong correlation between psychological capital and empowerment, suggesting that heightened levels of psychological capital coincide with increased emotional empowerment. Individuals exhibiting elevated psychological capital and empowerment demonstrate a propensity to confront challenges and persevere in tasks within their capacity, traits commonly associated with successful entrepreneurs. Additionally, to date, there has been no investigation into the combined effects of working capital, social capital, and psychological capital on community empowerment. Thus, there exists a compelling necessity for further elucidation of this interrelation. Previous scholarly inquiries predominantly relied on qualitative methodologies to tackle this matter. Our study endeavors to offer an innovative contribution by employing a quantitative approach.

In the administration of empowerment initiatives, challenges such as insufficient funding and limited resources frequently emerge. These factors contribute to a diminished impetus within communities to propel local development efforts forward. Research conducted in the Sidoarjo regency highlighted a conspicuous dearth of community engagement within the BUMDes program. This lack of participation stemmed primarily from inadequate outreach efforts by BUMDes administrators to disseminate information about the program among community members. (Zhafira & Choiriyah, 2022). The same issue is also faced by BUMDes in Siak Regency, in the development of BUMDes Rempak Maju Jaya, confronting the low capacity and competency of managing human resources that still lack of experience and entrepreneurial spirit, which has an impact on the stagnation of BUMDes business units (Jaya & Rafi, 2019). On the contrary, data acquired through interviews with BUMDes administrators in Kalikajar, Wonosobo, reveals that the village-owned enterprises (BUMDes) in Kalikajar are also facing

operational inefficiencies stemming from inadequate capacity in managing funds and providing direction to the local community. Despite encountering myriad challenges in the development of village-owned enterprises (BUMDes) across diverse regions due to a dearth of knowledge, the proliferation of BUMDes in Indonesia has shown a consistent annual increase.

Sukoharjo Regency is situated in the Central Java Province of Indonesia. According to the Ministry of Villages in Indonesia, 94 legally established village-owned enterprises (BUMDes) are distributed across 70 villages. Nonetheless, several villages still lack such enterprises (BUMDes). Karangasem Village, located in Sukoharjo Regency, has become a tourist destination due to its abundant natural resources. Moreover, the village actively participates in the Family Welfare Empowerment program (PKK). The PKK Mobilization Team in Karangasem Village endeavors to enhance its competencies and contribute to the village's developmental objectives. This indicates that the community in Karangasem Village is empowered and mobilized towards the development of empowerment initiatives, notably through BUMDes and PKK, as endeavors to bolster the local economy.

Drawing from the aforementioned background, this study aims to examine the role of capital (namely, working capital, social capital, and psychological capital) in fostering community empowerment in Karangasem Village, Sukoharjo Regency. In accordance with this objective, three hypotheses are formulated: firstly, working capital significantly influences community empowerment; secondly, social capital plays a significant role in community empowerment; and thirdly, psychological capital significantly contributes to community empowerment. The Structural Equation Modeling-Partial Least Squares (SEM-PLS) technique is employed to analyze the data, revealing that working, social, and psychological capital exert notable effects on community empowerment endeavors. Particularly noteworthy is the significant impact of working capital, evidenced by its remarkable 78% significance level, underscoring its pivotal role in facilitating program implementation. These findings carry implications for governmental bodies and

program administrators engaged in empowerment initiatives, offering insights to inform policy endeavors aimed at advancing community well-being. Subsequent sections of this paper will be organized as follows: Section 2 will delineate the research methodology, Section 3 will present and deliberate upon the findings, and lastly, Section 4 will furnish conclusions.

Research Method

The main objective of this research is to examine the influence of working capital, social capital, and psychological capital on community empowerment and to identify which capital has the most significant impact on community empowerment. This study will take place in Karangasem Village, Sukoharjo, Central Java, Indonesia, involving a survey of 255 residents, including 15 members of village-owned enterprises (BUMDES), 45 members of tourism management groups, 120 village youths, and 75 members of the Family Welfare Movement (PKK). The research sample was selected using the purposive sampling method. Data analysis will be conducted using the Partial Least Square Structural Equation Modelling (SEM-PLS) method. Partial Least Square (PLS) is a type of component-based SEM with formative and reflective model construct properties. PLS is a powerful analysis technique that can be applied to all data scales (Hair et al., 2014). The selection of SEM-PLS as a data analysis method is predicated upon the characteristics of the research object, the assumptions underpinning the model, and the advantages inherent in SEM, which enable the simultaneous testing of complex research models and the measurement of research variables that are not directly observable (unobserved variables). In addition, it can detect and calculate measurement errors (Ghozali & Latan, 2015). As for the analysis steps in Partial Least Square (PLS), three stages must be carried out, namely: 1) outer model analysis, 2) inner model analysis, and 3) hypothesis testing. The research variables consist of the dependent variable, community empowerment, and independent variables, namely working capital, social capital, and psychological capital, with their definitions and indicators shown in Table 1.

Table 1 Variable's Definition and Indicators

Variable	Definitions	Indicators
Community Empowerment	Community empowerment is a deliberate effort to facilitate local communities in planning, decision-making, and managing their local resources through collective action and networking, ultimately enabling them to achieve economic, ecological, and social self-reliance.	Capacity development, Participation, Freedom of Information, Community Identity, Local Knowledge, and Community Organization (Sarjiyanto et al., 2023; Soler Maso et al., 2014)
Working Capital	Working capital is investments made in current or short-term assets, such as cash, bank deposits, securities, accounts receivable, inventory, and other current assets.	Gross Working Capital, Cash, Capital, Receivables, and Inventory (Kasmir, 2015)
Social Capital	Social capital describes the interaction process among individuals who build networks, norms, and social trust and facilitate coordination and collaboration for mutual benefit.	Local reciprocity, Self-empowerment, Openness, Mutual respect, Heterogeneous relationships, Environmental trust, and Environmental solidarity (Alejandro Portes, 2000; Onyx & Bullen, 2000)
Psychological Capital	Psychological capital is a component of positive psychology possessed by every individual that serves to aid them in personal growth through self-efficacy, hope, optimism, and resilience within themselves.	Self-confidence, Hope, Optimism, Resilience (Bakker, 2009; Luthans et al., 2007; Syuhada, 2020)

Based on the research background and objectives, hypotheses for this study can be formulated as follows:

Hypothesis 1: Working capital has a significant influence on community empowerment in Karangasem Village.

Hypothesis 2: Social capital has a significant influence on community empowerment in Karangasem Village.

Hypothesis 3: Psychological capital has a significant influence on community empowerment in Karangasem Village.

Result and Discussion

The research conducted in Karangasem Village with 255 respondents, as shown in Table 2, reveals that the number of female respondents is higher 74%, compared to male respondents, which is only 26%. The respondents' ages in this study are predominantly in the range of 31-80 years, constituting 60%. The majority of respondents in this study come from a high school educational background, accounting for 54%.

Table 2 Demographic Characteristics of Respondents

Characteristic	Level	Frequency	Percentage
Gender	Male	66	26%
	Female	189	74%
Age	15-20	60	24%
	21-30	42	16%
	31-80	153	60%
Formal Education	Primary	39	15%
	Secondary	30	12%
	High School	138	54%
	Bachelor	18	7%
	Post-Graduate	30	12%
Total		255	100

Source: Author's Calculation (2023).

After understanding the demographic distribution of the data, the hypothesis testing will be conducted using the SEM-PLS method with the analysis software Smart PLS 4. Next, we will conduct a model evaluation using two main types of model assessment. The first step, outer model testing, is performed to specify the relationship between latent variables and indicators, which involves validity testing conducted in two stages: convergent validity testing and discriminant validity testing.

Table 3 The Result of the Convergent Validity Test

Variable	Indicators	Outer (O)	Loading	AVE*	Description
Working Capital	MK01	0.839		0.689	Valid
	MK02	0.861			
	MK03	0.847			
	MK04	0.835			
	MK05	0.828			
	MK06	0.766			
	MK07	0.809			
	MK08	0.810			
	MK09	0.857			
	MK10	0.870			
	MK11	0.846			
	MK12	0.709			
Social Capital	MS01	0.691		0,614	Valid
	MS02	0,745			
	MS03	0.774			
	MS04	0.787			
	MS05	0.766			
	MS07	0.699			
	MS08	0.732			
	MS09	0.784			
	MS10	0,782			
	MS11	0.837			
	MS12	0.809			
	MS13	0.797			
	MS14	0.796			
Psychology Capital	MP01	0.747		0.666	Valid
	MP02	0.751			
	MS03	0.814			
	MP04	0.825			
	MP05	0.784			
	MP06	0.742			
	MP07	0.854			
	MP08	0.857			
Community Empowerment	PM01	0,660		0,608	Valid
	PM02	0,722			
	PM03	0,785			
	PM04	0,673			

PM05	0,748
PM06	0,748
PM07	0,647
PM08	0,658
PM09	0,837
PM10	0,613
PM11	0,721
PM12	0,781
PM13	0,582
PM14	0,463

Indices: AVE = Average Variance Extracted*

Source: Smart PLS Bootstrapping's process (2023).

Table 3 shows the results of convergent validity testing, indicating outer loading values of research items >0.7 , except for items MS01 with an outer model value of 0.691; MS07 with an outer model value of 0.699; PM01 with an outer model value of 0.660; PM04 with an outer value of 0.673; PM07 with an outer value of 0.647; PM08 with an outer value of 0.658; PM10 with an outer value of 0.613; PM13 with an outer value of 0.582; and PM14 with an outer value of 0.463. Thus, the mentioned items are considered invalid and are excluded from the testing. MK_01 has an outer loading of 0.839, indicating that this item validly measures the working capital variable. The outer loading values for other items meet expectations with values >0.7 . Therefore, the other items are considered valid. This indicates that these items can explain the constructs well. After assessing the loading factor values of research items, it is necessary to calculate the AVE value to continue the convergent validity test. (Hair et al., 2016), advised that the AVE should exceed 0.5, as an AVE below this threshold would suggest that more error remains in the items than the explained variance. The results shown in Table 3 indicate that the AVE values of all indicators are >0.05 . Therefore, the variables in the above table can be considered valid. Therefore, it can be concluded that the data in this study statistically establish convergent validity. Next, we will conduct discriminant validity testing, starting by examining the cross-loading values in Table 4, which indicate that the cross-loading values of all items are > 0.70 for each construct or against their respective latent variables, higher than the correlation values between other constructs and latent variables.

Table 4 Cross-Loading Value

Items	Working Capital	Social Capital	Psychology Capital	Community Empowerment
MK01	0,833	0,587	0,537	0,661
MK02	0,865	0,628	0,526	0,680
MK03	0,841	0,575	0,506	0,710
MK04	0,845	0,607	0,579	0,690
MK05	0,818	0,695	0,649	0,707
MK06	0,772	0,650	0,623	0,702
MK07	0,814	0,719	0,700	0,720
MK08	0,824	0,588	0,584	0,696
MK09	0,858	0,546	0,595	0,689
MK10	0,876	0,597	0,666	0,721
MK11	0,843	0,595	0,530	0,690
MP03	0,708	0,714	0,812	0,725
MP04	0,554	0,726	0,832	0,532
MP05	0,463	0,565	0,811	0,489
MP06	0,451	0,482	0,769	0,432
MP07	0,612	0,703	0,873	0,526
MP08	0,656	0,688	0,876	0,582
MS03	0,625	0,759	0,660	0,571
MS04	0,496	0,796	0,597	0,479
MS05	0,465	0,761	0,632	0,494
MS06	0,444	0,771	0,562	0,501
MS09	0,596	0,786	0,580	0,601
MS10	0,608	0,807	0,654	0,643
MS11	0,686	0,852	0,644	0,628
MS12	0,713	0,815	0,709	0,646
MS13	0,528	0,824	0,674	0,567
MS14	0,665	0,809	0,594	0,657
PM02	0,642	0,527	0,549	0,748
PM03	0,675	0,565	0,532	0,820
PM05	0,637	0,599	0,549	0,763
PM06	0,578	0,561	0,471	0,752
PM09	0,665	0,608	0,509	0,846
PM11	0,549	0,515	0,492	0,738
PM12	0,776	0,613	0,586	0,787

Source: Smart PLS Bootstrapping's process (2023).

Additionally, we confirmed the discriminant validity of the data using the Fornell and Larcker (1981) criterion. Bold values in Table 2, exceeding the off-diagonal values, indicate distinctions among latent constructs. The bold values correspond to the square roots of constructs' AVEs, while off-diagonal values denote correlations among them. This demonstrates that discriminant validity is not an issue in our study. The specifics of the Fornell and Larcker criterion are outlined in Table 5.

Table 5 Fornell-Lacker Value

Variable	Working capital	Psychological Capital	Social Capital	Community Empowerment
Working capital	0.836			
Psychological Capital	0.783	0.816		
Social Capital	0.768	0.815	0.784	
Community Empowerment	0.835	0.754	0.748	0.780

Source: Smart PLS Bootstrapping's process (2023).

Table 6 Heterotrait-Monotrait Ratio (HTMT)

Variable	Working Capital	Psychology Capital	Social Capital	Community Empowerment
Working capital				
Psychological Capital	0.848			
Social Capital	0.798	0.892		
Community Empowerment	0.896	0.843	0.807	

Source: Smart PLS Bootstrapping's process (2023).

We also assessed Discriminant validity using the Heterotrait-Monotrait Ratio (HTMT). According to Hair (2016) suggestion, the HTMT criterion should be standardized between 0 and 1 in PLS-SEM. Table 6 indicates that all HTMT values for each latent variable were below 1. In summary, the assessment of the measurement model reveals that reliability and validity are not problematic in our study.

Table 7 Cronbach's Alpha and Composite Reliability Value

Variable	Cronbach's Alpha	Composite Reliability	Information
Working Capital	0,957	0,957	Reliable
Social Capital	0,937	0,940	Reliable
Psychology Capital	0,910	925	Reliable
Community Empowerment	0,892	0,896	Reliable

Source: Smart PLS Bootstrapping's process (2023).

Table 7 shows that the Cronbach's Alpha and Composite Reliability values in this study range from 0.892 to 0.957. It can be concluded that working capital, social capital, psychological capital, and community empowerment are dependent and independent variables in this study and are reliable because Cronbach's Alpha and Composite Reliability values are > 0.6 and 0.7.

Table 8 Inner Variance Inflated Factor

	VIF
Working Capital -> Community Empowerment	2,424
Social Capital -> Community Empowerment	3,23
Psychological Capital -> Community Empowerment	2,934

Source: Smart PLS Bootstrapping's process (2023).

After the outer model testing is completed, we will proceed to conduct inner model testing, which is the next stage. Table 8 shows the estimation result that the inner VIF value is less than 5 points, which means that the multicollinearity level between variables is low. This outcome reinforces the robustness and unbiased nature of the parameter estimation in PLS-SEM.

Table 9 R-Square Value (R^2)

CONSTRUCT	R-square	Information
Community empowerment	0.727	strong observational validity

Source: Smart PLS Bootstrapping's process (2023).

Table 9 presents the R-squared values for the dependent variable of community empowerment. It shows that the R-square of the effective community empowerment variable is 0.727. It means that the community empowerment variable is 72% influenced by working capital, social capital, and psychological capital. In addition, the remaining 28% may be impacted by other factors. Table 10 displays a Q-Square score of 0.683, indicating that the model's Q-Square value exceeds 0. This suggests that the model exhibits strong observational validity.

Table 10 Q-Square Value (Q^2)

	Q-Square (Q^2)	RMSE	MAE
Community empowerment	0.683	0.581	0.459

Source: Smart PLS Bootstrapping's process (2023).

Table 11 F Square Value (F^2)

Variable	Community empowerment
Working capital	0.609
Social Capital	0.068
Psychological Capital	0.044

Source: Smart PLS Bootstrapping's process (2023).

Table 11 presents the F-square values, ranging from 0.609 to 0.044 in this study. The impact of working capital on community empowerment, with a value of 0.609, surpasses 0.35, indicating a significant influence. Meanwhile, the impacts of social capital and psychological capital on community empowerment, with values of 0.055 and 0.044, respectively, exceed 0.02 but are below 0.15, suggesting a relatively minor influence. Subsequently, we will conduct hypothesis testing, with the results shown in Figure 1. The results of SmartPLs bootstrapping are said to be influential if the T-Statistic is > 1.96 . Furthermore, the criteria used in hypothesis testing are at a significance level of 5%, and the hypothesis can be said to be accepted if the P-value is < 0.05 .

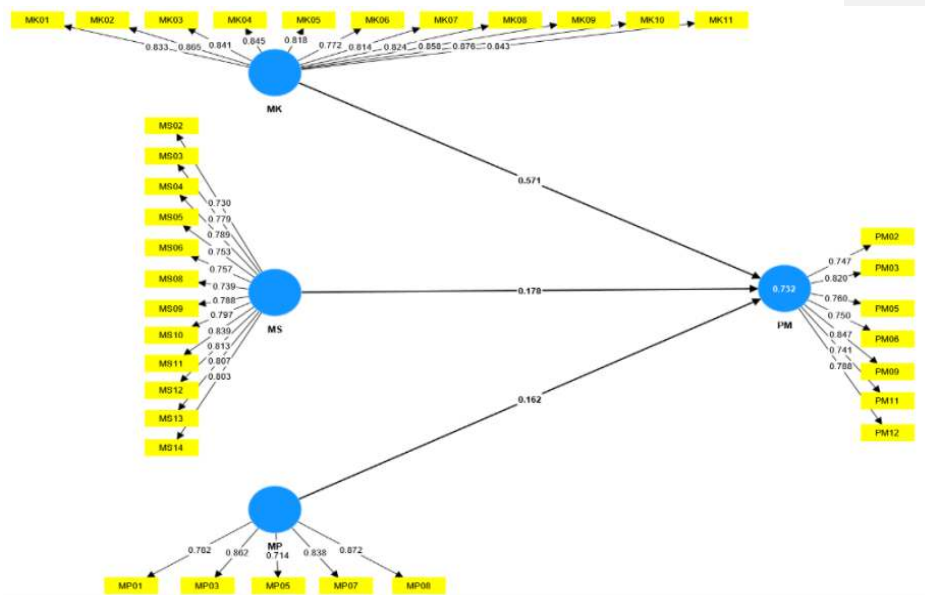


Figure 1 Path Analysis of Hypotheses Testing
Source: Smart PLS Bootstrapping's process (2023).

Table 12 Hypothesis Test Result

Hypothesis	Hypothesis Statement	Original Sample(O)	P value	T statistic (O/STDEV)	95% confidence interval path coefficient	
					Lower limit	Upper limit
H1	Working capital -> Community empowerment	0.571	0,000	10,664	0.470	0.679
H2	Social Capital -> Community empowerment	0.178	0.014	2,394	0.023	0.315
H3	Psychological Capital -> Community empowerment	0.167	0.017	2,450	0.040	0.29

Source: Smart PLS Bootstrapping's process (2023).

Based on the 12, it is evident that working capital significantly influences community empowerment, as indicated by a path coefficient of 0.571. This suggests that an increase in the working capital variable leads to a positive impact on community empowerment. The bootstrap analysis yielded a t-statistic value of 10.664, resulting in a p-value of 0.000. Since the p-value is less than 0.05, the data strongly supports the hypothesis, indicating that working capital significantly affects community empowerment in Karangasem Village. This indicates that working capital has a significant influence on community empowerment in Karangasem Village. After that, we can see that social capital significantly influences community empowerment with a path coefficient of 0.178, indicating a positive influence of the social capital variable on community empowerment.

The bootstrap analysis yielded a t-statistic value of 2.394, and within the 95% confidence interval, the influence of social capital on community empowerment ranges from 0.023 to 0.315. The resulting p-value is 0.000, which is less than 0.05, thereby supporting Hypothesis 2. This indicates that Social Capital significantly affects community empowerment in Karangasem Village. It also shows that psychological capital significantly influences community empowerment with a path coefficient of 0.167, indicating a positive influence of the psychological capital variable on Community Empowerment. The bootstrap analysis yielded a t-statistic

value of 2.450, and within the 95% confidence interval, the influence of psychological capital on community empowerment ranges from 0.040 to 0.299. The resulting p-value is 0.014, which is less than 0.05, thereby supporting Hypothesis 3. This indicates that Psychological Capital significantly affects community empowerment in Karangasem Village.

Discussion

Working capital

According to the findings of this research, perceptions regarding working capital positively impact community empowerment. This implies that effective management of working capital leads to an increase in community empowerment. Consistent with prior studies, effective working capital management ensures business sustainability. Poor working capital management can lead to inefficient asset utilization, significantly contributing to business failure. (Kasiran et al., 2016). Based on the data analysis results, it can be inferred that the most impactful indicators of working capital in empowering the community of Karangasem village are as follows:

Table 13. Indicators of Working Capital

Indicator	Working capital	Loading Factor	Information
Capital/Assets	MK_01	0.833	Valid
	MK_02	0.875	Valid
	MK_03	0.841	Valid
	MK_04	0.845	Valid
Cash	MK_05	0.818	Valid
	MK_06	0.772	Valid
Supply	MK_07	0.814	Valid
	MK_08	0.824	Valid
Receivables	MK_09	0.858	Valid
	MK_10	0.866	Valid
	MK_11	0.843	Valid

Source: Smart PLS Bootstrapping's process (2023).

Based on table 13, the most influential working capital indicator is MK_02, with an outer loading of 0.875. This indicates that approximately 76% of any variation in working capital reflects on the capital indicator ($0.875 \times 0.875 = 76\%$). Working

capital is a crucial liquidity source, highlighting the importance of effective management in community empowerment initiatives through BUMDes and PKK Programs. Proper allocation of working capital, obtained from governmental funds and other sources, tailored to meet community needs, is essential to enhance community income.

Social Capital

Table 14 shows that social capital positively affects the community empowerment program. This shows that social capital is important in developing the Karangasem Village community empowerment program. This research is supported by (Kesuma & Saputri, 2020) that trust, norms, and networks inherent in social capital play a significant role in fostering the sustainability of BUMDes

Table 14. Indicators of Social Capital

Indicator	Social capital	Loading Factor	Information
Trust	MS_01	0.730	Valid
	MS_02	0.779	Valid
	MS_03	0.789	Valid
	MS_04	0.753	Valid
	MS_05	0.757	Valid
Network	MS_06	0.739	Valid
	MS_07	0.788	Valid
	MS_08	0.797	Valid
	MS_09	0.839	Valid
	MS_10	0.813	Valid
Norm	MS_11	0.807	Valid
	MS_12	0.803	Valid

Source: Smart PLS Bootstrapping's process (2023).

According to the data analysis of social capital indicators, it is evident that the network indicator holds the highest value, with a loading factor of 0.839. This implies that approximately 70% of any changes in social capital are reflected in the network indicator ($0.839 \times 0.839 = 70\%$). Following closely are norms, with loading factor values of 0.87 and 0.803, respectively, and finally, the Trust indicator. Social capital plays a pivotal role in community empowerment programs. The high social capital is attributed to the active participation of each member,

enabling the consistent implementation of empowerment initiatives. Additionally, mutual support among community members fosters a positive environment and a strong sense of camaraderie. Trust among community members alleviates internal pressures, promoting collaboration during regular meetings and interactions with administrators who provide guidance.

Psychological Capital

Table 15 shows that the perception of psychological capital positively affects Community Empowerment. It demonstrates that encouragement from individuals in terms of hope, optimism, resilience, and self-confidence influences the implementation of community empowerment programs.

Table 15. Indicators of Psychological Capital

Indicator	Working capital	Loading Factor	Information
Self-confidence	MP_01	0.782	Valid
Hope	MP_03	0.862	Valid
Optimism	MP_05	0.714	Valid
	MP_07	0.872	Valid
Toughness	MP_08	0.838	Valid

Source: Smart PLS Bootstrapping's process (2023).

The indicator with a notably high outer loading value is observed in the optimism indicator. Optimism demonstrates an outer loading value of 0.872, suggesting that approximately 76% of any variation in social capital is mirrored in the network indicator ($0.872 \times 0.872 = 76\%$). The study elucidates that psychological capital significantly impacts job performance and satisfaction. (Novitasari & Priyono, 2022). Resilience pertains to the capacity to respond effectively even when confronted with disruptions. The findings indicate that the Karangasem village community displays a relatively high level of resilience in dealing with changes. Optimism significantly correlates with responding to change, where hope and self-confidence are closely intertwined with individual determination to enact organizational changes. Based on the research findings regarding the role of capital types in community empowerment in Karangasem village, it can be inferred that

working capital plays the most influential role in community empowerment. This conclusion is drawn from the data analysis results.

Table 16. Original Sample Result

	Original sample (O)
Working capital -> Community empowerment	0.571
Social Capital -> Community empowerment	0.178
Psychological Capital -> Community empowerment	0.162

Source: Smart PLS Bootstrapping's process (2023).

As evident from Table 16, the findings reveal that working capital exerts the greatest influence on community empowerment, with an original sample value of 57%. This underscores the pivotal role of funding streams in community empowerment initiatives. Following this is social capital, with an original sample value of 17%, indicating that external support or social connections contribute to community empowerment. Lastly, psychological capital registers an original sample value of 16%, suggesting that individuals' self-motivation influences community empowerment, encompassing factors such as attitude, resilience, self-confidence, hope, and optimism. The remaining 10% is influenced by types of capital beyond the scope of this research. Future studies can delve into this matter by incorporating larger sample sizes and additional variables to provide a more comprehensive understanding of community empowerment, particularly in village programs with longer observation periods.

Conclusion

This study examined the impact of different types of capital on community empowerment programs in Karangasem Village. Through the distribution of questionnaires and direct observations, it was found that various forms of capital, including working capital, social capital, and psychological capital, significantly influence community empowerment programs in the village. Working capital emerges as the most influential type of capital, accounting for 78% of the significance, with its primary indicator being capital itself. This suggests that the operation of village programs in Karangasem village is heavily influenced by

capital, where increased capital leads to enhanced empowerment programs. Effective and efficient capital management is crucial, ensuring that increased capital flows are accompanied by appropriate fund allocation. The receivables indicator closely follows, representing ownership rights to transaction proceeds. Social capital serves as the second most influential type of capital in fostering community empowerment in Karangasem Village. Notably, networks emerge as the highest indicator of social capital, highlighting the importance of expanding community networks both internally and externally to enhance community empowerment. Psychological capital also significantly impacts community empowerment, serving as internal motivation for various empowerment initiatives. The distribution of questionnaires revealed that optimism is the indicator with the highest outer loading, indicating a high level of community optimism towards community empowerment programs. The limitations of this research include the fact that the scope of the research only takes three types of capital in the community (working capital, social capital, and psychological capital), while the research methodology uses a quantitative approach from data in the field through questionnaires. So, it is still open for future researchers to include other typologies of capital that develop in communities, such as cultural, human, political, and natural. Meanwhile, a qualitative research approach can also be used to gain an in-depth perspective.

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The Impact of Typology Capital on Community Empowerment Programs: Evidence from Rural Development in Indonesia

The Role of Working Capital, Social Capital, and Psychological Capital for Community Empowerment Programs

Sarjiyanto^{1*}, Yoganingtisas Aulia Mulki¹, Nurul Istiqomah¹

¹Department of Economic, Faculty of Economic and Business, Universitas Sebelas Maret,
Surakarta, Central Java, Indonesia

Correspondent author: masyanto@staff.uns.ac.id

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Abstract

The transition from an **antique** paradigm, where society was merely viewed as the object of development, to a new approach emphasizing community involvement and collaboration with local institutions highlights the significance of empowering and enriching societal quality. This evolution towards community empowerment is paramount for positive societal development in Indonesia, necessitating active participation from the community to attain the desired objectives. This study endeavors to ascertain the correlation between working capital, social capital, and psychological capital in community empowerment programs, as well as to discern which capital plays a more substantial role in empowering the community in Karangasem village. Utilizing a quantitative method, data was collected through questionnaires from 255 community beneficiaries of the empowerment program in Karangasem Village, Sukoharjo, Central Java, Indonesia. Structural Equation Modelling (SEM) was employed for analysis. The research indicates that various forms of working, social, and psychological capital significantly influence community empowerment programs. Working capital emerges as the most influential, with a noteworthy 78% significance, indicating its pivotal role in program implementation. Effective management and allocation of funds are imperative for capital utilization. Social capital, particularly networks, is vital in fostering community empowerment by enhancing internal and external connections. Psychological capital, characterized by optimism, fuels community engagement and commitment to empowerment initiatives, underscoring the importance of internal motivation in program success. These findings may serve as a basis for governmental and empowerment program managers to formulate policies to enhance community welfare.

Keywords: Working capital, Social Capital, Psychological Capital, Community Empowerment, Rural Development

JEL Classification: O1; O18; O21; O34

Introduction

The developmental disparity between rural and urban regions persists in Indonesia. From 2007 and 2018, urban residents witnessed incomes 1.7 times higher than the average earnings of rural residents. Significant income disparities present a potential risk to a nation's long-term development sustainability (Andari, 2020).

The primary objective of rural development initiatives is to address national inequality by assessing the specific needs of village communities. This includes enhancing the accessibility to and quality of essential services, infrastructure, and environmental upkeep, leveraging local technical expertise and available resources.

Moreover, it involves fostering a sustainable agricultural economy on a manageable scale, adopting suitable technologies for economic advancement, and enhancing the overall peace and stability within the village community in accordance with its requirements (Yudha et al., 2020). In an effort to address the disparity problem, the Indonesian government has implemented community empowerment programs in rural areas. This initiative is perceived as a solution to bolster the local economy, wherein local governments and village communities collaborate in managing village potentials to boost rural economies (Rustiadi & Nasution, 2017; van Leeuwen & Földvári, 2016). The traditional approach to development programs views society as passive recipients rather than active participants, leading to limited involvement in development efforts.

In contrast, the emerging paradigm prioritizes community engagement and collaboration with local institutions (Sarjiyanto et al., 2022). The community plays a central role in realizing development, emphasizing the importance of enhancing empowered or capable communities, supported by (Archibald et al., 2016). Hence, community empowerment exerts a beneficial influence on community development (Sarjiyanto, Nugroho & Supriyadi, 2017). The community needs to participate adequately in order to achieve the required agenda, and these programs will lead to the evolution of regional development in Indonesia (Sarjiyanto et al., 2022).

In the societal context, empowerment denotes the ability of individuals to unite as a community to nurture collective empowerment. Community empowerment serves as a fundamental component enabling communities to adapt to dynamic changes, strive for self-development, and attain progress (Rachmawatie et al., 2021). Community empowerment is the government's effort to reduce the gap between community groups in order to solve socio-economic problems sustainably. The endeavor seeks to ameliorate societal conditions resulting from poverty, with the

primary objective of empowering individuals to autonomously address a spectrum of challenges, thereby enhancing overall welfare (Surya et al., 2021). (Kurniawan & Cahyono (2020) support the idea that empowerment is vital for community development, as it allows communities to participate and augment their abilities to keep up with developmental progress.

To measure community empowerment, it can be evident through the presence of working capital, social capital, human capital, and technological capital (Yuliarmi, 2020). Working capital is the ownership of total assets in each period, and the working capital indicator is related to funding, such as capital, cash, inventory, receivables, and other assets (Kasmir, 2015). On the other hand, aligned with evolving perspectives on development, success is no longer solely contingent upon financial capital availability but also heavily influenced by other forms of development capital. This includes social capital, which manifests as social and economic networks within a society, facilitating mutually beneficial interactions among individuals and groups (Badaruddin et al., 2018). According to Alejandro Portes (2000), social capital is the ability to rely on its members in social networks and other structures or social interactions. Indicators of social capital are networks, norms, and trust. We also argue that psychological capital is crucial to the organization's success. Psychological capital is an internal approach to optimizing an individual's potential with indicators of self-efficacy, optimism, hope, and resilience (Bakker, 2009). It also refers to the individual traits and qualities that facilitate the expression of positive resources and talents (Santisi et al., 2020). Hubscher-Davidson (2020) states that it has been linked to the psychology of sustainability owing to its capacity to bolster well-being within organizations and promote individuals' health and performance. Consequently, this study aims to examine the impact of working, social, and psychological capital on enhancing empowerment programs.

The village development, as the smallest unit of government, stands as the cornerstone of regional and national progress. Consequently, there exists a pressing necessity for comprehensive research and analysis to discern, address, and enact

solutions for village development through community empowerment. This entails enhancing motivation, mental attitudes, and socio-economic interactions, as well as tapping into community resources and potential to foster openness and harmonization (Sulaiman et al., 2022). The Indonesian government has introduced a development strategy focused on giving villages more control, as seen in the passing of Law Number 6 of 2014 about villages. This makes the obligation of the village government to facilitate the empowerment of the local community. The objective of this legislation is to bolster rural communities by enhancing their knowledge, skills, and resources through a range of policies, programs, and support mechanisms. Its overarching aim is to foster societal autonomy across economic, social, cultural, and political spheres. These endeavors are tailored to address the foundational needs of villagers, with the overarching goal of expediting their developmental aspirations (Badaruddin et al., 2018). This policy is grounded in the premise that village communities possess an inherent understanding of their interests. By granting them the authority to determine the allocation of development aid, the program may yield superior outcomes. Over the long term, this empowerment could enhance their social capital, thereby facilitating economic development (Nguyen & Rieger, 2017). It also substantiates the notion that the community functions not merely as a passive recipient of development initiatives, but rather as an engaged participant in development processes. The community demonstrates agency by harnessing the resources inherent to the village, complemented by the infrastructure and services facilitated by governmental support.

The government and the community should work together to increase development by making the village develop by utilizing the village's potential. Many efforts have been made to increase development by empowering village communities, such as villages are given the authority to form Village-Owned Enterprises (BUMDes), the Empowerment and Family Welfare (*Pemberdayaan dan Kesejahteraan Keluarga/PKK*) which focus on woman empowerment, the Integrated Service Centre (*Pos Pelayanan Terpadu/Posyandu*), and the Islamic Study Group

(*Kelompok Pengajian*) and Youth Organization (*Karang Taruna*) to enhancing village development (Aritenang, 2021).

A previous study conducted by Mulema et al., (2021) argues that the empowerment of women requires an approach that enhances their capacity to discern and systematically manage interactions among resources, thereby fostering their influence and autonomy. The research, focusing on the empowerment of rural women through agricultural initiatives in Ethiopia, revealed that the provision of financial capital, whether in cash or in kind and allocated under women's names, augment their capacity to negotiate and assert independence. Consequently, this facilitates opportunities for collective endeavors and reinvestment in diverse research endeavors aimed at enhancing their well-being. Specifically, the interplay between social, human, and financial capital serves as a pivotal starting point for the empowerment of rural women in Ethiopia. Fahmi & Sari (2020) emphasize the importance of financial resources in improving life satisfaction, as exemplified in Kalibu.

Falah et al., (2022) found that the cultivation of social capital within a community can bolster its resilience and empowerment within society, facilitating the attainment of collective community objectives in Bandung. Rudito et al., (2023) also revealed that social capital plays a pivotal role in enhancing the effectiveness of corporate social responsibility (CSR) initiatives aimed at fostering community empowerment in developing nations. They argue that income not only enhances individual well-being but also cultivates social empathy within the village. Ramón-Hidalgo et al., (2018) found that individuals in Ghana involved in Community Based Natural Resource Management (CBNRM) who have greater access to social capital tend to report higher levels of empowerment. Social capital is an important aspect in empowering communities. Strengthening internal bonds and identities, fostering connections between diverse communities, and equipping them with the requisite skills and resources to engage effectively with external stakeholders are imperative endeavors. This approach facilitates the pursuit of autonomous objectives rather than solely reacting to external interventions (Edwards, 2019).

According to Roa & Sanusi (2018), considering tangible factors such as physical, human, social, financial, and environmental capital, alongside intangible factors like motivation, trust, and mentoring, empowerment can be heightened, thus impacting the overall welfare of the community.

On the other hand, Haji et al., (2022) indicates a strong correlation between psychological capital and empowerment, suggesting that heightened levels of psychological capital coincide with increased emotional empowerment. Individuals exhibiting elevated psychological capital and empowerment demonstrate a propensity to confront challenges and persevere in tasks within their capacity, traits commonly associated with successful entrepreneurs. Additionally, to date, there has been no investigation into the combined effects of working capital, social capital, and psychological capital on community empowerment. Thus, there exists a compelling necessity for further elucidation of this interrelation. Previous scholarly inquiries predominantly relied on qualitative methodologies to tackle this matter. Our study endeavors to offer an innovative contribution by employing a quantitative approach.

In the administration of empowerment initiatives, challenges such as insufficient funding and limited resources frequently emerge. These factors contribute to a diminished impetus within communities to propel local development efforts forward. Research conducted in the Sidoarjo regency highlighted a conspicuous dearth of community engagement within the BUMDes program. This lack of participation stemmed primarily from inadequate outreach efforts by BUMDes administrators to disseminate information about the program among community members. (Zhafira & Choiriyah, 2022). The same issue is also faced by BUMDes in Siak Regency, in the development of BUMDes Rempak Maju Jaya, confronting the low capacity and competency of managing human resources that still lack of experience and entrepreneurial spirit, which has an impact on the stagnation of BUMDes business units (Jaya & Rafi, 2019). On the contrary, data acquired through interviews with BUMDes administrators in Kalikajar, Wonosobo, reveals that the village-owned enterprises (BUMDes) in Kalikajar are also facing

operational inefficiencies stemming from inadequate capacity in managing funds and providing direction to the local community. Despite encountering myriad challenges in the development of village-owned enterprises (BUMDes) across diverse regions due to a dearth of knowledge, the proliferation of BUMDes in Indonesia has shown a consistent annual increase.

Sukoharjo Regency is situated in the Central Java Province of Indonesia. According to the Ministry of Villages in Indonesia, 94 legally established village-owned enterprises (BUMDes) are distributed across 70 villages. Nonetheless, several villages still lack such enterprises (BUMDes). Karangasem Village, located in Sukoharjo Regency, has become a tourist destination due to its abundant natural resources. Moreover, the village actively participates in the Family Welfare Empowerment program (PKK). The PKK Mobilization Team in Karangasem Village endeavors to enhance its competencies and contribute to the village's developmental objectives. This indicates that the community in Karangasem Village is empowered and mobilized towards the development of empowerment initiatives, notably through BUMDes and PKK, as endeavors to bolster the local economy.

Drawing from the aforementioned background, this study aims to examine the role of capital (namely, working capital, social capital, and psychological capital) in fostering community empowerment in Karangasem Village, Sukoharjo Regency. In accordance with this objective, three hypotheses are formulated: firstly, working capital significantly influences community empowerment; secondly, social capital plays a significant role in community empowerment; and thirdly, psychological capital significantly contributes to community empowerment. The Structural Equation Modeling-Partial Least Squares (SEM-PLS) technique is employed to analyze the data, revealing that working, social, and psychological capital exert notable effects on community empowerment endeavors. Particularly noteworthy is the significant impact of working capital, evidenced by its remarkable 78% significance level, underscoring its pivotal role in facilitating program implementation. These findings carry implications for governmental bodies and

program administrators engaged in empowerment initiatives, offering insights to inform policy endeavors aimed at advancing community well-being. Subsequent sections of this paper will be organized as follows: Section 2 will delineate the research methodology, Section 3 will present and deliberate upon the findings, and lastly, Section 4 will furnish conclusions.

Research Method

The main objective of this research is to examine the influence of working capital, social capital, and psychological capital on community empowerment and to identify which capital has the most significant impact on community empowerment. This study will take place in Karangasem Village, Sukoharjo, Central Java, Indonesia, involving a survey of 255 residents, including 15 members of village-owned enterprises (BUMDES), 45 members of tourism management groups, 120 village youths, and 75 members of the Family Welfare Movement (PKK). The research sample was selected using the purposive sampling method. Data analysis will be conducted using the Partial Least Square Structural Equation Modelling (SEM-PLS) method. Partial Least Square (PLS) is a type of component-based SEM with formative and reflective model construct properties. PLS is a powerful analysis technique that can be applied to all data scales (Hair et al., 2014). The selection of SEM-PLS as a data analysis method is predicated upon the characteristics of the research object, the assumptions underpinning the model, and the advantages inherent in SEM, which enable the simultaneous testing of complex research models and the measurement of research variables that are not directly observable (unobserved variables). In addition, it can detect and calculate measurement errors (Ghozali & Latan, 2015). As for the analysis steps in Partial Least Square (PLS), three stages must be carried out, namely: 1) outer model analysis, 2) inner model analysis, and 3) hypothesis testing. The research variables consist of the dependent variable, community empowerment, and independent variables, namely working capital, social capital, and psychological capital, with their definitions and indicators shown in Table 1.

Table 1 Variable's Definition and Indicators

Variable	Definitions	Indicators
Community Empowerment	Community empowerment is a deliberate effort to facilitate local communities in planning, decision-making, and managing their local resources through collective action and networking, ultimately enabling them to achieve economic, ecological, and social self-reliance.	Capacity development, Participation, Freedom of Information, Community Identity, Local Knowledge, and Community Organization (Sarjiyanto et al., 2023; Soler Maso et al., 2014)
Working Capital	Working capital is investments made in current or short-term assets, such as cash, bank deposits, securities, accounts receivable, inventory, and other current assets.	Gross Working Capital, Cash, Capital, Receivables, and Inventory (Kasmir, 2015)
Social Capital	Social capital describes the interaction process among individuals who build networks, norms, and social trust and facilitate coordination and collaboration for mutual benefit.	Local reciprocity, Self-empowerment, Openness, Mutual respect, Heterogeneous relationships, Environmental trust, and Environmental solidarity (Alejandro Portes, 2000; Onyx & Bullen, 2000)
Psychological Capital	Psychological capital is a component of positive psychology possessed by every individual that serves to aid them in personal growth through self-efficacy, hope, optimism, and resilience within themselves.	Self-confidence, Hope, Optimism, Resilience (Bakker, 2009; Luthans et al., 2007; Syuhada, 2020)

Based on the research background and objectives, hypotheses for this study can be formulated as follows:

Hypothesis 1: Working capital has a significant influence on community empowerment in Karangasem Village.

Hypothesis 2: Social capital has a significant influence on community empowerment in Karangasem Village.

Hypothesis 3: Psychological capital has a significant influence on community empowerment in Karangasem Village.

Result and Discussion

The research conducted in Karangasem Village with 255 respondents, as shown in Table 2, reveals that the number of female respondents is higher 74%, compared to male respondents, which is only 26%. The respondents' ages in this study are predominantly in the range of 31-80 years, constituting 60%. The majority of respondents in this study come from a high school educational background, accounting for 54%.

Table 2 Demographic Characteristics of Respondents

Characteristic	Level	Frequency	Percentage
Gender	Male	66	26%
	Female	189	74%
Age	15-20	60	24%
	21-30	42	16%
	31-80	153	60%
Formal Education	Primary	39	15%
	Secondary	30	12%
	High School	138	54%
	Bachelor	18	7%
	Post-Graduate	30	12%
Total		255	100

Source: Author's Calculation (2023).

After understanding the demographic distribution of the data, the hypothesis testing will be conducted using the SEM-PLS method with the analysis software Smart PLS 4. Next, we will conduct a model evaluation using two main types of model assessment. The first step, outer model testing, is performed to specify the relationship between latent variables and indicators, which involves validity testing conducted in two stages: convergent validity testing and discriminant validity testing.

Table 3 The Result of the Convergent Validity Test

Variable	Indicators	Outer (O)	Loading	AVE*	Description
Working Capital	MK01	0.839		0.689	Valid
	MK02	0.861			
	MK03	0.847			
	MK04	0.835			
	MK05	0.828			
	MK06	0.766			
	MK07	0.809			
	MK08	0.810			
	MK09	0.857			
	MK10	0.870			
	MK11	0.846			
	MK12	0,709			
Social Capital	MS01	0,691		0,614	Valid
	MS02	0,745			
	MS03	0.774			
	MS04	0.787			
	MS05	0.766			
	MS07	0.699			
	MS08	0.732			
	MS09	0.784			
	MS10	0,782			
	MS11	0.837			
	MS12	0.809			
	MS13	0.797			
	MS14	0.796			
Psychology Capital	MP01	0.747		0.666	Valid
	MP02	0.751			
	MS03	0.814			
	MP04	0.825			
	MP05	0.784			
	MP06	0.742			
	MP07	0.854			
	MP08	0.857			
Community Empowerment	PM01	0,660		0,608	Valid
	PM02	0,722			
	PM03	0,785			
	PM04	0,673			

PM05	0,748
PM06	0,748
PM07	0,647
PM08	0,658
PM09	0,837
PM10	0,613
PM11	0,721
PM12	0,781
PM13	0,582
PM14	0,463

Indices: AVE = Average Variance Extracted*

Source: Smart PLS Bootstrapping's process (2023).

Table 3 shows the results of convergent validity testing, indicating outer loading values of research items >0.7 , except for items MS01 with an outer model value of 0.691; MS07 with an outer model value of 0.699; PM01 with an outer model value of 0.660; PM04 with an outer value of 0.673; PM07 with an outer value of 0.647; PM08 with an outer value of 0.658; PM10 with an outer value of 0.613; PM13 with an outer value of 0.582; and PM14 with an outer value of 0.463. Thus, the mentioned items are considered invalid and are excluded from the testing. MK_01 has an outer loading of 0.839, indicating that this item validly measures the working capital variable. The outer loading values for other items meet expectations with values >0.7 . Therefore, the other items are considered valid. This indicates that these items can explain the constructs well. After assessing the loading factor values of research items, it is necessary to calculate the AVE value to continue the convergent validity test.(Hair et al., 2016), advised that the AVE should exceed 0.5, as an AVE below this threshold would suggest that more error remains in the items than the explained variance. The results shown in Table 3 indicate that the AVE values of all indicators are >0.05 . Therefore, the variables in the above table can be considered valid. Therefore, it can be concluded that the data in this study statistically establish convergent validity. Next, we will conduct discriminant validity testing, starting by examining the cross-loading values in Table 4, which indicate that the cross-loading values of all items are > 0.70 for each construct or against their respective latent variables, higher than the correlation values between other constructs and latent variables.

Table 4 Cross-Loading Value

Items	Working Capital	Social Capital	Psychology Capital	Community Empowerment
MK01	0,833	0,587	0,537	0,661
MK02	0,865	0,628	0,526	0,680
MK03	0,841	0,575	0,506	0,710
MK04	0,845	0,607	0,579	0,690
MK05	0,818	0,695	0,649	0,707
MK06	0,772	0,650	0,623	0,702
MK07	0,814	0,719	0,700	0,720
MK08	0,824	0,588	0,584	0,696
MK09	0,858	0,546	0,595	0,689
MK10	0,876	0,597	0,666	0,721
MK11	0,843	0,595	0,530	0,690
MP03	0,708	0,714	0,812	0,725
MP04	0,554	0,726	0,832	0,532
MP05	0,463	0,565	0,811	0,489
MP06	0,451	0,482	0,769	0,432
MP07	0,612	0,703	0,873	0,526
MP08	0,656	0,688	0,876	0,582
MS03	0,625	0,759	0,660	0,571
MS04	0,496	0,796	0,597	0,479
MS05	0,465	0,761	0,632	0,494
MS06	0,444	0,771	0,562	0,501
MS09	0,596	0,786	0,580	0,601
MS10	0,608	0,807	0,654	0,643
MS11	0,686	0,852	0,644	0,628
MS12	0,713	0,815	0,709	0,646
MS13	0,528	0,824	0,674	0,567
MS14	0,665	0,809	0,594	0,657
PM02	0,642	0,527	0,549	0,748
PM03	0,675	0,565	0,532	0,820
PM05	0,637	0,599	0,549	0,763
PM06	0,578	0,561	0,471	0,752
PM09	0,665	0,608	0,509	0,846
PM11	0,549	0,515	0,492	0,738
PM12	0,776	0,613	0,586	0,787

Source: Smart PLS Bootstrapping's process (2023).

Additionally, we confirmed the discriminant validity of the data using the Fornell and Larcker (1981) criterion. Bold values in Table 2, exceeding the off-diagonal values, indicate distinctions among latent constructs. The bold values correspond to the square roots of constructs' AVEs, while off-diagonal values denote correlations among them. This demonstrates that discriminant validity is not an issue in our study. The specifics of the Fornell and Larcker criterion are outlined in Table 5.

Table 5 Fornell-Lacker Value

Variable	Working capital	Psychological Capital	Social Capital	Community Empowerment
Working capital	0.836			
Psychological Capital	0.783	0.816		
Social Capital	0.768	0.815	0.784	
Community Empowerment	0.835	0.754	0.748	0.780

Source: Smart PLS Bootstrapping's process (2023).

Table 6 Heterotrait-Monotrait Ratio (HTMT)

Variable	Working Capital	Psychology Capital	Social Capital	Community Empowerment
Working capital				
Psychological Capital	0.848			
Social Capital	0.798	0.892		
Community Empowerment	0.896	0.843	0.807	

Source: Smart PLS Bootstrapping's process (2023).

We also assessed Discriminant validity using the Heterotrait-Monotrait Ratio (HTMT). According to Hair (2016) suggestion, the HTMT criterion should be standardized between 0 and 1 in PLS-SEM. Table 6 indicates that all HTMT values for each latent variable were below 1. In summary, the assessment of the measurement model reveals that reliability and validity are not problematic in our study.

Table 7 Cronbach's Alpha and Composite Reliability Value

Variable	Cronbach's Alpha	Composite Reliability	Information
Working Capital	0,957	0,957	Reliable
Social Capital	0,937	0,940	Reliable
Psychology Capital	0,910	925	Reliable
Community Empowerment	0,892	0,896	Reliable

Source: Smart PLS Bootstrapping's process (2023).

Table 7 shows that the Cronbach's Alpha and Composite Reliability values in this study range from 0.892 to 0.957. It can be concluded that working capital, social capital, psychological capital, and community empowerment are dependent and independent variables in this study and are reliable because Cronbach's Alpha and Composite Reliability values are > 0.6 and 0.7.

Table 8 Inner Variance Inflated Factor

	VIF
Working Capital -> Community Empowerment	2,424
Social Capital -> Community Empowerment	3,23
Psychological Capital -> Community Empowerment	2,934

Source: Smart PLS Bootstrapping's process (2023).

After the outer model testing is completed, we will proceed to conduct inner model testing, which is the next stage. Table 8 shows the estimation result that the inner VIF value is less than 5 points, which means that the multicollinearity level between variables is low. This outcome reinforces the robustness and unbiased nature of the parameter estimation in PLS-SEM.

Table 9 R-Square Value (R^2)

CONSTRUCT	R-square	Information
Community empowerment	0.727	strong observational validity

Source: Smart PLS Bootstrapping's process (2023).

Table 9 presents the R-squared values for the dependent variable of community empowerment. It shows that the R-square of the effective community empowerment variable is 0.727. It means that the community empowerment variable is 72% influenced by working capital, social capital, and psychological capital. In addition, the remaining 28% may be impacted by other factors. Table 10 displays a Q-Square score of 0.683, indicating that the model's Q-Square value exceeds 0. This suggests that the model exhibits strong observational validity.

Table 10 Q-Square Value (Q^2)

	Q-Square (Q^2)	RMSE	MAE
Community empowerment	0.683	0.581	0.459

Source: Smart PLS Bootstrapping's process (2023).

Table 11 F Square Value (F^2)

Variable	Community empowerment
Working capital	0.609
Social Capital	0.068
Psychological Capital	0.044

Source: Smart PLS Bootstrapping's process (2023).

Table 11 presents the F-square values, ranging from 0.609 to 0.044 in this study. The impact of working capital on community empowerment, with a value of 0.609, surpasses 0.35, indicating a significant influence. Meanwhile, the impacts of social capital and psychological capital on community empowerment, with values of 0.055 and 0.044, respectively, exceed 0.02 but are below 0.15, suggesting a relatively minor influence. Subsequently, we will conduct hypothesis testing, with the results shown in Figure 1. The results of SmartPLs bootstrapping are said to be influential if the T-Statistic is > 1.96 . Furthermore, the criteria used in hypothesis testing are at a significance level of 5%, and the hypothesis can be said to be accepted if the P-value is < 0.05 .

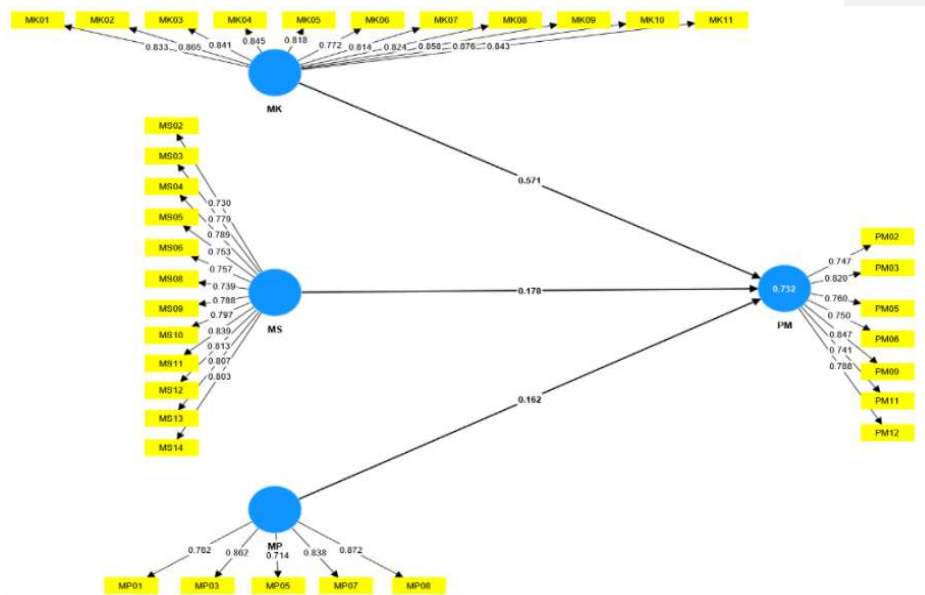


Figure 1 Path Analysis of Hypotheses Testing
Source: Smart PLS Bootstrapping's process (2023).

Table 12 Hypothesis Test Result

Hypothesis	Hypothesis Statement	Original Sample(O)	P value	T statistic (O/STDEV)	95% confidence interval path coefficient	
					Lower limit	Upper limit
H1	Working capital -> Community empowerment	0.571	0,000	10,664	0.470	0.679
H2	Social Capital -> Community empowerment	0.178	0.014	2,394	0.023	0.315
H3	Psychological Capital -> Community empowerment	0.167	0.017	2,450	0.040	0.29

Source: Smart PLS Bootstrapping's process (2023).

Based on the 12, it is evident that working capital significantly influences community empowerment, as indicated by a path coefficient of 0.571. This suggests that an increase in the working capital variable leads to a positive impact on community empowerment. The bootstrap analysis yielded a t-statistic value of 10.664, resulting in a p-value of 0.000. Since the p-value is less than 0.05, the data strongly supports the hypothesis, indicating that working capital significantly affects community empowerment in Karangasem Village. This indicates that working capital has a significant influence on community empowerment in Karangasem Village. After that, we can see that social capital significantly influences community empowerment with a path coefficient of 0.178, indicating a positive influence of the social capital variable on community empowerment.

The bootstrap analysis yielded a t-statistic value of 2.394, and within the 95% confidence interval, the influence of social capital on community empowerment ranges from 0.023 to 0.315. The resulting p-value is 0.000, which is less than 0.05, thereby supporting Hypothesis 2. This indicates that Social Capital significantly affects community empowerment in Karangasem Village. It also shows that psychological capital significantly influences community empowerment with a path coefficient of 0.167, indicating a positive influence of the psychological capital variable on Community Empowerment. The bootstrap analysis yielded a t-statistic

value of 2.450, and within the 95% confidence interval, the influence of psychological capital on community empowerment ranges from 0.040 to 0.299. The resulting p-value is 0.014, which is less than 0.05, thereby supporting Hypothesis 3. This indicates that Psychological Capital significantly affects community empowerment in Karangasem Village.

Discussion

Working capital

According to the findings of this research, perceptions regarding working capital positively impact community empowerment. This implies that effective management of working capital leads to an increase in community empowerment. Consistent with prior studies, effective working capital management ensures business sustainability. Poor working capital management can lead to inefficient asset utilization, significantly contributing to business failure. (Kasiran et al., 2016). Based on the data analysis results, it can be inferred that the most impactful indicators of working capital in empowering the community of Karangasem village are as follows:

Table 13. Indicators of Working Capital

Indicator	Working capital	Loading Factor	Information
Capital/Assets	MK_01	0.833	Valid
	MK_02	0.875	Valid
	MK_03	0.841	Valid
	MK_04	0.845	Valid
Cash	MK_05	0.818	Valid
	MK_06	0.772	Valid
Supply	MK_07	0.814	Valid
	MK_08	0.824	Valid
Receivables	MK_09	0.858	Valid
	MK_10	0.866	Valid
	MK_11	0.843	Valid

Source: Smart PLS Bootstrapping's process (2023).

Based on table 13, the most influential working capital indicator is MK_02, with an outer loading of 0.875. This indicates that approximately 76% of any variation in working capital reflects on the capital indicator ($0.875 \times 0.875 = 76\%$). Working

capital is a crucial liquidity source, highlighting the importance of effective management in community empowerment initiatives through BUMDes and PKK Programs. Proper allocation of working capital, obtained from governmental funds and other sources, tailored to meet community needs, is essential to enhance community income.

Social Capital

Table 14 shows that social capital positively affects the community empowerment program. This shows that social capital is important in developing the Karangasem Village community empowerment program. This research is supported by (Kesuma & Saputri, 2020) that trust, norms, and networks inherent in social capital play a significant role in fostering the sustainability of BUMDes

Table 14. Indicators of Social Capital

Indicator	Social capital	Loading Factor	Information
Trust	MS_01	0.730	Valid
	MS_02	0.779	Valid
	MS_03	0.789	Valid
	MS_04	0.753	Valid
	MS_05	0.757	Valid
Network	MS_06	0.739	Valid
	MS_07	0.788	Valid
	MS_08	0.797	Valid
	MS_09	0.839	Valid
	MS_10	0.813	Valid
Norm	MS_11	0.807	Valid
	MS_12	0.803	Valid

Source: Smart PLS Bootstrapping's process (2023).

According to the data analysis of social capital indicators, it is evident that the network indicator holds the highest value, with a loading factor of 0.839. This implies that approximately 70% of any changes in social capital are reflected in the network indicator ($0.839 \times 0.839 = 70\%$). Following closely are norms, with loading factor values of 0.87 and 0.803, respectively, and finally, the Trust indicator. Social capital plays a pivotal role in community empowerment programs. The high social capital is attributed to the active participation of each member,

enabling the consistent implementation of empowerment initiatives. Additionally, mutual support among community members fosters a positive environment and a strong sense of camaraderie. Trust among community members alleviates internal pressures, promoting collaboration during regular meetings and interactions with administrators who provide guidance.

Psychological Capital

Table 15 shows that the perception of psychological capital positively affects Community Empowerment. It demonstrates that encouragement from individuals in terms of hope, optimism, resilience, and self-confidence influences the implementation of community empowerment programs.

Table 15. Indicators of Psychological Capital

Indicator	Working capital	Loading Factor	Information
Self-confidence	MP_01	0.782	Valid
Hope	MP_03	0.862	Valid
Optimism	MP_05	0.714	Valid
	MP_07	0.872	Valid
Toughness	MP_08	0.838	Valid

Source: Smart PLS Bootstrapping's process (2023).

The indicator with a notably high outer loading value is observed in the optimism indicator. Optimism demonstrates an outer loading value of 0.872, suggesting that approximately 76% of any variation in social capital is mirrored in the network indicator ($0.872 \times 0.872 = 76\%$). The study elucidates that psychological capital significantly impacts job performance and satisfaction. (Novitasari & Priyono, 2022). Resilience pertains to the capacity to respond effectively even when confronted with disruptions. The findings indicate that the Karangasem village community displays a relatively high level of resilience in dealing with changes. Optimism significantly correlates with responding to change, where hope and self-confidence are closely intertwined with individual determination to enact organizational changes. Based on the research findings regarding the role of capital types in community empowerment in Karangasem village, it can be inferred that

working capital plays the most influential role in community empowerment. This conclusion is drawn from the data analysis results.

Table 16. Original Sample Result

	Original sample (O)
Working capital -> Community empowerment	0.571
Social Capital -> Community empowerment	0.178
Psychological Capital -> Community empowerment	0.162

Source: Smart PLS Bootstrapping's process (2023).

As evident from Table 16, the findings reveal that working capital exerts the greatest influence on community empowerment, with an original sample value of 57%. This underscores the pivotal role of funding streams in community empowerment initiatives. Following this is social capital, with an original sample value of 17%, indicating that external support or social connections contribute to community empowerment. Lastly, psychological capital registers an original sample value of 16%, suggesting that individuals' self-motivation influences community empowerment, encompassing factors such as attitude, resilience, self-confidence, hope, and optimism. The remaining 10% is influenced by types of capital beyond the scope of this research. Future studies can delve into this matter by incorporating larger sample sizes and additional variables to provide a more comprehensive understanding of community empowerment, particularly in village programs with longer observation periods.

Conclusion

This study examined the impact of different types of capital on community empowerment programs in Karangasem Village. Through the distribution of questionnaires and direct observations, it was found that various forms of capital, including working capital, social capital, and psychological capital, significantly influence community empowerment programs in the village. Working capital emerges as the most influential type of capital, accounting for 78% of the significance, with its primary indicator being capital itself. This suggests that the operation of village programs in Karangasem village is heavily influenced by

capital, where increased capital leads to enhanced empowerment programs. Effective and efficient capital management is crucial, ensuring that increased capital flows are accompanied by appropriate fund allocation. The receivables indicator closely follows, representing ownership rights to transaction proceeds. Social capital serves as the second most influential type of capital in fostering community empowerment in Karangasem Village. Notably, networks emerge as the highest indicator of social capital, highlighting the importance of expanding community networks both internally and externally to enhance community empowerment. Psychological capital also significantly impacts community empowerment, serving as internal motivation for various empowerment initiatives. The distribution of questionnaires revealed that optimism is the indicator with the highest outer loading, indicating a high level of community optimism towards community empowerment programs. The limitations of this research include the fact that the scope of the research only takes three types of capital in the community (working capital, social capital, and psychological capital), while the research methodology uses a quantitative approach from data in the field through questionnaires. So, it is still open for future researchers to include other typologies of capital that develop in communities, such as cultural, human, political, and natural. Meanwhile, a qualitative research approach can also be used to gain an in-depth perspective.

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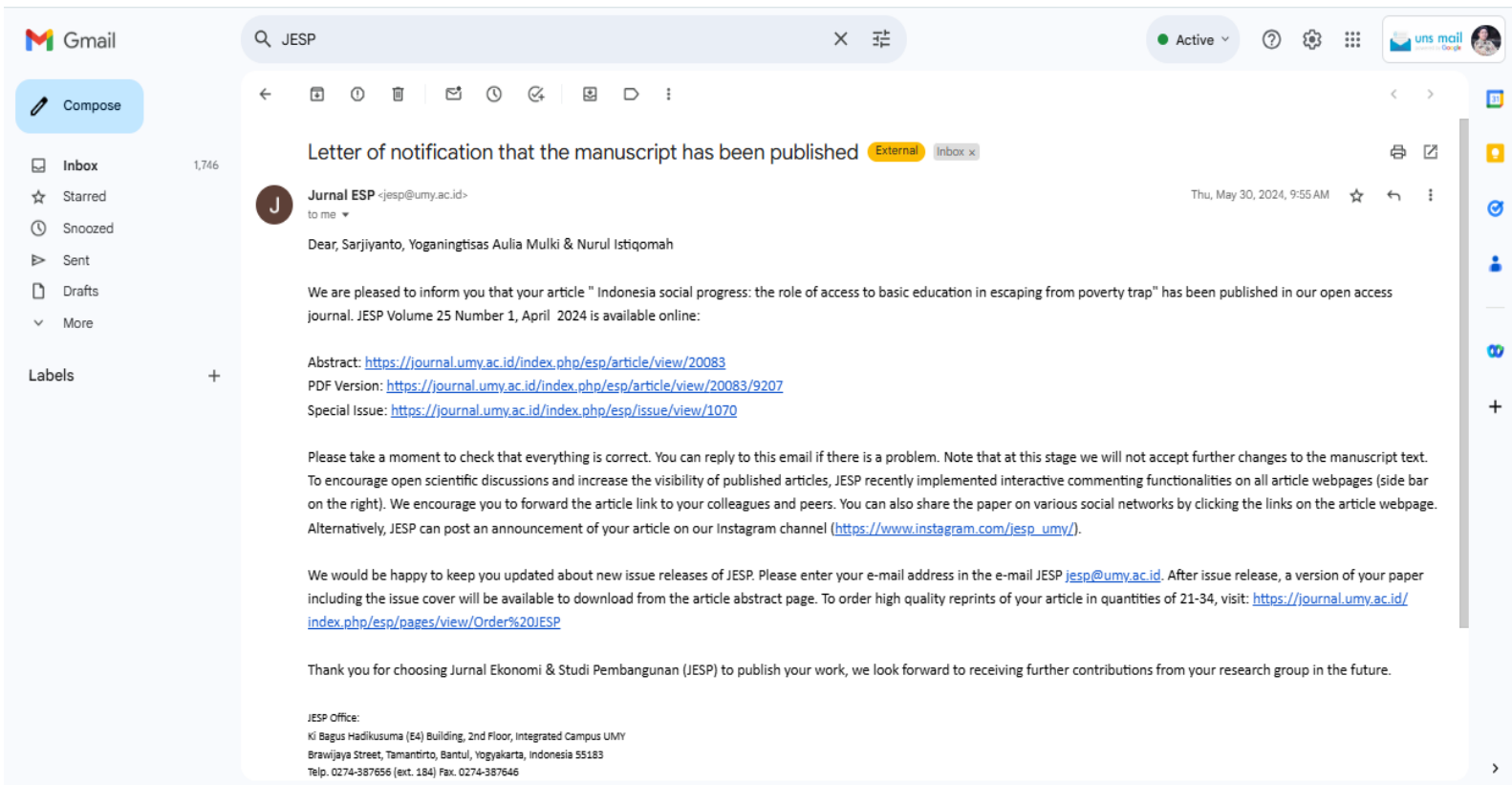
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Sarjiyanto*, Yoganingtias Aulia Mulki and Nurul Istiqomah

**AFFILIATION:**

Department 1 Development Economics, Faculty of Economics and Business, Universitas Sebelas Maret, Central Java, Indonesia

***CORRESPONDENCE:**

masyanto@staff.uns.ac.id

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Abstract: The transition from the ancient paradigm, where communities were only seen as objects of development, to a new approach that emphasizes community involvement and collaboration with local institutions highlights the importance of empowerment and enriching the quality of communities. This evolution towards community empowerment is paramount for positive societal development in Indonesia, necessitating active participation from the community to attain the desired objectives. This study endeavors to ascertain the correlation between working capital, social capital, and psychological capital in community empowerment programs, as well as to discern which capital plays a more substantial role in empowering the community in Karangasem village. Utilizing a quantitative method, data was collected through questionnaires from 255 community beneficiaries of the empowerment program in Karangasem Village, Sukoharjo, Central Java, Indonesia. Structural Equation Modelling (SEM) was employed for analysis. The research indicates that various forms of working, social, and psychological capital significantly influence community empowerment programs. Working capital emerges as the most influential, with a noteworthy 78% significance, indicating its pivotal role in program implementation. Effective management and allocation of funds are imperative for capital utilization. Social capital, particularly networks, is vital in fostering community empowerment by enhancing internal and external connections. Psychological capital, characterized by optimism, fuels community engagement and commitment to empowerment initiatives, underscoring the importance of internal motivation in program success. These findings may serve as a basis for governmental and empowerment program managers to formulate policies to enhance community welfare.

Keywords: Working capital; Social Capital; Psychological Capital; Community Empowerment; Rural Development

JEL Classification: O1; O18; O21; O34



Introduction

The developmental disparity between rural and urban regions persists in Indonesia. From 2007 and 2018, urban residents witnessed incomes 1.7 times higher than the average earnings of rural residents. Significant income disparities present a potential risk to a nation's long-term development sustainability (Andari, 2020). The primary objective of rural development initiatives is to address national inequality by assessing the specific needs of village communities. This includes enhancing the accessibility to and quality of essential services, infrastructure, and environmental upkeep, leveraging local technical expertise and available resources.

Moreover, it involves fostering a sustainable agricultural economy on a manageable scale, adopting suitable technologies for economic advancement, and enhancing the overall peace and stability within the village community in accordance with its requirements (Yudha et al., 2020). In an effort to address the disparity problem, the Indonesian government has implemented community empowerment programs in rural areas. This initiative is perceived as a solution to bolster the local economy, wherein local governments and village communities collaborate in managing village potentials to boost rural economies (Rustiadi & Nasution, 2017; van Leeuwen & Földvári, 2016). The traditional approach to development programs views society as passive recipients rather than active participants, leading to limited involvement in development efforts.

In contrast, the emerging paradigm prioritizes community engagement and collaboration with local institutions (Sarjiyanto et al., 2022). The community plays a central role in realizing development, emphasizing the importance of enhancing empowered or capable communities, supported by (Archibald et al., 2016). Hence, community empowerment exerts a beneficial influence on community development (Sarjiyanto, Nugroho & Supriyadi, 2017). The community needs to participate adequately in order to achieve the required agenda, and these programs will lead to the evolution of regional development in Indonesia (Sarjiyanto et al., 2022).

In the societal context, empowerment denotes the ability of individuals to unite as a community to nurture collective empowerment. Community empowerment serves as a fundamental component enabling communities to adapt to dynamic change, strive for self-development, and attain progress (Rachmawatie et al., 2021). Community empowerment is the government's effort to reduce the gap between community groups in order to solve socio-economic problems sustainably. The endeavor seeks to ameliorate societal conditions resulting from poverty, with the primary objective of empowering individuals to autonomously address a spectrum of challenges, thereby enhancing overall welfare (Surya et al., 2021). (Kurniawan & Cahyono (2020) support the idea that empowerment is vital for community development, as it allows communities to participate and augment their abilities to keep up with developmental progress.

In order to measure community empowerment, it can be evident through the presence of working capital, social capital, human capital, and technological capital (Yuliarmi, 2020). Working capital is the ownership of total assets in each period, and the working capital

indicator is related to funding, such as capital, cash, inventory, receivables, and other assets (Kasmir, 2015). On the other hand, aligned with evolving perspectives on development, success is no longer solely contingent upon financial capital availability but also heavily influenced by other forms of development capital. This includes social capital, which manifests as social and economic networks within a society, facilitating mutually beneficial interactions among individuals and groups (Badaruddin et al., 2018). According to Alejandro Portes (2000), social capital is the ability to rely on its members in social networks and other structures or social interactions. Indicators of social capital are networks, norms, and trust. We also argue that psychological capital is crucial to the organization's success. Psychological capital is an internal approach to optimizing an individual's potential with indicators of self-efficacy, optimism, hope, and resilience (Bakker, 2009). It also refers to the individual traits and qualities that facilitate the expression of positive resources and talents (Santisi et al., 2020). Hubscher-Davidson (2020) states that it has been linked to the psychology of sustainability owing to its capacity to bolster well-being within organizations and promote individuals' health and performance. Consequently, this study aims to examine the impact of working, social, and psychological capital on enhancing empowerment programs.

The village development, as the smallest unit of government, stands as the cornerstone of regional and national progress. Consequently, there exists a pressing necessity for comprehensive research and analysis to discern, address, and enact solutions for village development through community empowerment. This entails enhancing motivation, mental attitudes, and socio-economic interactions, as well as tapping into community resources and potential to foster openness and harmonization (Sulaiman et al., 2022). The Indonesian government has introduced a development strategy focused on giving villages more control, as seen in the passing of Law Number 6 of 2014 about villages. This makes the obligation of the village government to facilitate the empowerment of the local community. The objective of this legislation is to bolster rural communities by enhancing their knowledge, skills, and resources through a range of policies, programs, and support mechanisms. Its overarching aim is to foster societal autonomy across economic, social, cultural, and political spheres. These endeavors are tailored to address the foundational needs of villagers, with the overarching goal of expediting their developmental aspirations (Badaruddin et al., 2018). This policy is grounded in the premise that village communities possess an inherent understanding of their interests. By granting them the authority to determine the allocation of development aid, the program may yield superior outcomes. Over the long term, this empowerment could enhance their social capital, thereby facilitating economic development (Nguyen & Rieger, 2017). It also substantiates the notion that the community functions not merely as a passive recipient of development initiatives, but rather as an engaged participant in development processes. The community demonstrates agency by harnessing the resources inherent to the village, complemented by the infrastructure and services facilitated by governmental support.

The government and the community should work together to increase development by making the village develop by utilizing the village's potential. Many efforts have been made to increase development by empowering village communities, such as villages are given the authority to form Village-Owned Enterprises (BUMDes), the Empowerment and

Family Welfare (Kembudayaan dan Kesejahteraan Keluarga/PKK) which focus on woman empowerment, the Integrated Service Centre (Pos Pelayanan Terpadu/Posyandu), and the Islamic Study Group (Kelompok Pengajian) and Youth Organization (Karang Taruna) to enhancing village development (Aritenang, 2021).

A previous study conducted by Mulema et al., (2021) argues that the empowerment of women requires an approach that enhances their capacity to discern and systematically manage interactions among resources, thereby fostering their influence and autonomy. The research, focusing on the empowerment of rural women through agricultural initiatives in Ethiopia, revealed that the provision of financial capital, whether in cash or in kind and allocated under women's names, augment their capacity to negotiate and assert independence. Consequently, this facilitates opportunities for collective endeavors and reinvestment in diverse research endeavors aimed at enhancing their well-being. Specifically, the interplay between social, human, and financial capital serves as a pivotal starting point for the empowerment of rural women in Ethiopia. Fahmi & Sari (2020) emphasize the importance of financial resources in improving life satisfaction, as exemplified in Kalibu.

Falah et al., (2022) found that the cultivation of social capital within a community can bolster its resilience and empowerment within society, facilitating the attainment of collective community objectives in Bandung. Rudito et al., (2023) also revealed that social capital plays a pivotal role in enhancing the effectiveness of corporate social responsibility (CSR) initiatives aimed at fostering community empowerment in developing nations. They argue that income not only enhances individual well-being but also cultivates social empathy within the village. Ramón-Hidalgo et al., (2018) found that individuals involved in Community Based Natural Resource Management (CBNRM) who have greater access to social capital tend to report higher levels of empowerment. Social capital is an important aspect in empowering communities. Strengthening internal bonds and identities, fostering connections between diverse communities, and equipping them with the requisite skills and resources to engage effectively with external stakeholders are imperative endeavors. This approach facilitates the pursuit of autonomous objectives rather than solely reacting to external interventions (Edwards, 2019). According to Roa & Sanusi (2018), considering tangible factors such as physical, human, social, financial, and environmental capital, alongside intangible factors like motivation, trust, and mentoring, empowerment can be heightened, thus impacting the overall welfare of the community.

On the other hand, Haji et al., (2022) indicates a strong correlation between psychological capital and empowerment, suggesting that heightened levels of psychological capital coincide with increased emotional empowerment. Individuals exhibiting elevated psychological capital and empowerment demonstrate a propensity to confront challenges and persevere in tasks within their capacity, traits commonly associated with successful entrepreneurs. Additionally, to date, there has been no investigation into the combined effects of working capital, social capital, and psychological capital on community empowerment. Thus, there exists a compelling necessity for further elucidation of this interrelation. Previous scholarly inquiries predominantly relied on qualitative

methodologies to tackle this matter. Our study endeavors to offer an innovative contribution by employing a quantitative approach.

In the administration of empowerment initiatives, challenges such as insufficient funding and limited resources frequently emerge. These factors contribute to a diminished impetus within communities to propel local development efforts forward. Research conducted in the Sidoarjo regency highlighted a conspicuous dearth of community engagement within the BUMDes program. This lack of participation stemmed primarily from inadequate outreach efforts by BUMDes administrators to disseminate information about the program among community members. (Zhafira & Choiriyah, 2022). The same issue is also faced by BUMDes in Siak Regency, in the development of BUMDes Rempak Maju Jaya, confronting the low capacity and competency of managing human resources that still lack of experience and entrepreneurial spirit, which has an impact on the stagnation of BUMDes business units (Jaya & Rafi, 2019). On the contrary, data acquired through interviews with BUMDes administrators in Kalikajar, Wonosobo, reveals that the village-owned enterprises (BUMDes) in Kalikajar are also facing operational inefficiencies stemming from inadequate capacity in managing funds and providing direction to the local community. Despite encountering myriad challenges in the development of village-owned enterprises (BUMDes) across diverse regions due to a dearth of knowledge, the proliferation of BUMDes in Indonesia has shown a consistent annual increase.

Sukoharjo Regency is situated in the Central Java Province of Indonesia. According to the Ministry of Villages in Indonesia, 94 legally established village-owned enterprises (BUMDes) are distributed across 70 villages. Nonetheless, several villages still lack such enterprises (BUMDes). Karangasem Village, located in Sukoharjo Regency, has become a tourist destination due to its abundant natural resources. Moreover, the village actively participates in the Family Welfare Empowerment program (PKK). The PKK Mobilization Team in Karangasem Village endeavors to enhance its competencies and contribute to the village's developmental objectives. This indicates that the community in Karangasem Village is empowered and mobilized towards the development of empowerment initiatives, notably through BUMDes and PKK, as endeavors to bolster the local economy.

Drawing from the aforementioned background, this study aims to examine the role of capital (namely, working capital, social capital, and psychological capital) in fostering community empowerment in Karangasem Village, Sukoharjo Regency. In accordance with this objective, three hypotheses are formulated: firstly, working capital significantly influences community empowerment; secondly, social capital plays a significant role in community empowerment; and thirdly, psychological capital significantly contributes to community empowerment. The Structural Equation Modeling-Partial Least Squares (SEM-PLS) technique is employed to analyze the data, revealing that working, social, and psychological capital exert notable effects on community empowerment endeavors. Particularly noteworthy is the significant impact of working capital, evidenced by its remarkable 78% significance level, underscoring its pivotal role in facilitating program implementation. These findings carry implications for governmental bodies and program administrators engaged in empowerment initiatives, offering insights to inform policy endeavors aimed at advancing community well-being. Subsequent sections of this paper

will be organized as follows: Section 2 will delineate the research methodology, Section 3 will present and deliberate upon the findings, and lastly, Section 4 will furnish conclusions.

Research Method

The main objective of this research is to examine the influence of working capital, social capital, and psychological capital on community empowerment and to identify which capital has the most significant impact on community empowerment. This study will take place in Karangasem Village, Sukoharjo, Central Java, Indonesia, involving a survey of 255 residents, including 15 members of village-owned enterprises (BUMDES), 45 members of tourism management groups, 120 village youths, and 75 members of the Family Welfare Movement (PKK). The research sample was selected using the purposive sampling method. Data analysis will be conducted using the Partial Least Square Structural Equation Modelling (SEM-PLS) method. Partial Least Square (PLS) is a type of component-based SEM with formative and reflective model construct properties. PLS is a powerful analysis technique that can be applied to all data scales (Hair et al., 2014). The selection of SEM-PLS as a data analysis method is predicated upon the characteristics of the research object, the assumptions underpinning the model, and the advantages inherent in SEM, which enable the simultaneous testing of complex research models and the measurement of research variables that are not directly observable (unobserved variables). In addition, it can detect and calculate measurement errors (Ghozali & Leston, 2015). As for the analysis steps in Partial Least Square (PLS), three stages must be carried out, namely: 1) outer model analysis, 2) inner model analysis, and 3) hypothesis testing. The research variables consist of the dependent variable, community empowerment, and independent variables, namely working capital, social capital, and psychological capital, with their definitions and indicators shown in Table 1.

Table 1 Variable's Definition and Indicators

Variable	Definitions	Indicators
Community Empowerment	Community empowerment is a deliberate effort to facilitate local communities in planning, decision-making, and managing their local resources through collective action and networking, ultimately enabling them to achieve economic, ecological, and social self-reliance.	Capacity development, Participation, Freedom of Information, Community Identity, Local Knowledge, and Community Organization (Sarjiyanto et al., 2023; Soler Maso et al., 2014)
Working Capital	Working capital is investments made in current or short-term assets, such as cash, bank deposits, securities, accounts receivable, inventory, and other current assets.	Gross Working Capital, Cash, Capital, Receivables, and Inventory (Kasmir, 2015)
Social Capital	Social capital describes the interaction process among individuals who build networks, norms, and social trust and facilitate coordination and collaboration for mutual benefit.	Local reciprocity, Self-empowerment, Openness, Mutual respect, Heterogeneous relationships, Environmental trust, and Environmental solidarity (Alejandro Portes, 2000; Onyx & Bullen, 2000)
Psychological Capital	Psychological capital is a component of positive psychology possessed by every individual that serves to aid them in personal growth through self-efficacy, hope, optimism, and resilience within themselves.	Self-confidence, Hope, Optimism, Resilience (Bakker, 2009; Luthans et al., 2007; Syuhada, 2020)

Based on the research background and objectives, hypotheses for this study can be formulated as follows:

H₁: Working capital has a significant influence on community empowerment in Karangasem Village.

H₂: Social capital has a significant influence on community empowerment in Karangasem Village.

H₃: Psychological capital has a significant influence on community empowerment in Karangasem Village.

Result and Discussion

The research conducted in Karangasem Village with 255 respondents, as shown in Table 2, reveals that the number of female respondents is higher 74%, compared to male respondents, which is only 26%. The respondents' ages in this study are predominantly in the range of 31-80 years, constituting 60%. The majority of respondents in this study come from a high school educational background, accounting for 54%.

Table 2 Demographic Characteristics of Respondents

Characteristic	Level	Frequency	Percentage
Gender	Male	66	26%
	Female	189	74%
Age	15-20	60	24%
	21-30	42	16%
	31-80	153	60%
Formal Education	Primary	39	15%
	Secondary	30	12%
	High School	138	54%
	Bachelor	18	7%
	Post-Graduate	30	12%
Total		255	100

After understanding the demographic distribution of the data, the hypothesis testing will be conducted using the SEM-PLS method with the analysis software Smart PLS 4. Next, we will conduct a model evaluation using two main types of model assessment. The first step, outer model testing, is performed to specify the relationship between latent variables and indicators, which involves validity testing conducted in two stages: convergent validity testing and discriminant validity testing.

7

Table 3 The Result of the Convergent Validity Test

Variable	Indicators	Outer Loading (O)	AVE *	Description
Working Capital	MK01	0.839	0.689	Valid
	MK02	0.861		
	MK03	0.847		
	MK04	0.835		
	MK05	0.828		
	MK06	0.766		
	MK07	0.809		
	MK08	0.810		
	MK09	0.857		
	MK10	0.870		
	MK11	0.846		
	MK12	0.709		
Social Capital	MS01	0,691	0,614	Valid
	MS02	0,745		
	MS03	0.774		
	MS04	0.787		
	MS05	0.766		
	MS07	0.699		
	MS08	0.732		
	MS09	0.784		
	MS10	0,782		
	MS11	0.837		
	MS12	0.809		
	MS13	0.797		
	MS14	0.796		
Psychology Capital	MP01	0.747	0.666	Valid
	MP02	0.751		
	MS03	0.814		
	MP04	0.825		
	MP05	0.784		
	MP06	0.742		
	MP07	0.854		
	MP08	0.857		
Community Empowerment	PM01	0,660	0,608	Valid
	PM02	0,722		
	PM03	0,785		
	PM04	0,673		
	PM05	0,748		
	PM06	0,748		
	PM07	0,647		
	PM08	0,658		
	PM09	0,837		
	PM10	0,613		
	PM11	0,721		
	PM12	0,781		
	PM13	0,582		
	PM14	0,463		

Indice: AVE – Average Variance Extracted*

Source: Smart PLS Bootstrapping's process (2023)

Table 4 Cross-Loading Value

Items	Working Capital	Social Capital	Psychology Capital	Community Empowerment
MK01	0,833	0,587	0,537	0,661
MK02	0,865	0,628	0,526	0,680
MK03	0,841	0,575	0,506	0,710
MK04	0,845	0,607	0,579	0,690
MK05	0,818	0,695	0,649	0,707
MK06	0,772	0,650	0,623	0,702
MK07	0,814	0,719	0,700	0,720
MK08	0,824	0,588	0,584	0,696
MK09	0,858	0,546	0,595	0,689
MK10	0,876	0,597	0,666	0,721
MK11	0,843	0,595	0,530	0,690
MP03	0,708	0,714	0,812	0,725
MP04	0,554	0,726	0,832	0,532
MP05	0,463	0,565	0,811	0,489
MP06	0,451	0,482	0,769	0,432
MP07	0,612	0,703	0,873	0,526
MP08	0,656	0,688	0,876	0,582
MS03	0,625	0,759	0,660	0,571
MS04	0,496	0,796	0,597	0,479
MS05	0,465	0,761	0,632	0,494
MS06	0,444	0,771	0,562	0,501
MS09	0,596	0,786	0,580	0,601
MS10	0,608	0,807	0,654	0,643
MS11	0,686	0,852	0,644	0,628
MS12	0,713	0,815	0,709	0,646
MS13	0,528	0,824	0,674	0,567
MS14	0,665	0,809	0,594	0,657
PM02	0,642	0,527	0,549	0,748
PM03	0,675	0,565	0,532	0,820
PM05	0,637	0,599	0,549	0,763
PM06	0,578	0,561	0,471	0,752
PM09	0,665	0,608	0,509	0,846
PM11	0,549	0,515	0,492	0,738
PM12	0,776	0,613	0,586	0,787

Source: Smart PLS Bootstrapping's process (2023)

Table 3 shows the results of convergent validity testing, indicating outer loading values of research items >0.7, except for items MS01 with an outer model value of 0.691; MS07 with an outer model value of 0.699; PM01 with an outer model value of 0.660; PM04 with an outer value of 0.673; PM07 with an outer value of 0.647; PM08 with an outer value of 0.658; PM10 with an outer value of 0.613; PM13 with an outer value of 0.582; and PM14 with an outer value of 0.463. Thus, the mentioned items are considered invalid and are excluded from the testing. MK_01 has an outer loading of 0.839, indicating that this item validly measures the working capital variable. The outer loading values for other items meet expectations with values >0.7. Therefore, the other items are considered valid. This indicates that these items can explain the constructs well. After assessing the loading

factor values of research items, it is necessary to calculate the AVE value to continue the convergent validity test. (Hair et al., 2016), advised that the AVE should exceed 0.5, as an AVE below this threshold would suggest that more error remains in the items than the explained variance. The results shown in Table 3 indicate that the AVE values of all indicators >0.05 . Therefore, the variables in the above table can be considered valid. Therefore, it can be concluded that the data in this study statistically establish convergent validity. Next, we will conduct discriminant validity testing, starting by examining the cross-loading values in Table 4, which indicate that the cross-loading values of all items are >0.70 for each construct or against their respective latent variables, higher than the correlation values between other constructs and latent variables.

Additionally, we confirmed the discriminant validity of the data using the Fornell and Larcker (1981) criterion. Bold values in Table 2, exceeding the off-diagonal values, indicate distinctions among latent constructs. The bold values correspond to the square roots of constructs' AVEs, while off-diagonal values denote correlations among them. This demonstrates that discriminant validity is not an issue in our study. The specifics of the Fornell and Larcker criterion are outlined in Table 5.

Table 5 Fornell-Lacker Value

Variable	Working capital	Psychological Capital	Social Capital	Community Empowerment
Working capital	0.836			
Psychological Capital	0.783	0.816		
Social Capital	0.768	0.815	0.784	
Community Empowerment	0.835	0.754	0.748	0.780

Source: Smart PLS Bootstrapping's process (2023)

Table 6 Heterotrait-Monotrait Ratio (HTMT)

Variable	Working Capital	Psychology Capital	Social Capital	Community Empowerment
Working capital				
Psychological Capital	0.848			
Social Capital	0.798	0.892		
Community Empowerment	0.896	0.843	0.807	

Source: Smart PLS Bootstrapping's process (2023)

We also assessed Discriminant validity using the Heterotrait-Monotrait Ratio (HTMT). According to Hair (2016) suggestion, the HTMT criterion should be standardized between 0 and 1 in PLS-SEM. Table 6 indicates that all HTMT values for each latent variable were below 1. In summary, the assessment of the measurement model reveals that reliability and validity are not problematic in our study.

25

Table 7 Cronbach's Alpha and Composite Reliability Value

Variable	Cronbach's Alpha	Composite Reliability	Information
Working Capital	0,957	0,957	Reliable
Social Capital	0,937	0,940	Reliable
Psychology Capital	0,910	925	Reliable
Community Empowerment	0,892	0,896	Reliable

Source: Smart PLS Bootstrapping's process (2023)

Table 7 shows that the Cronbach's Alpha and Composite Reliability values in this study range from 0.892 to 0.957. It can be concluded that working capital, social capital, psychological capital, and community empowerment are dependent and independent variables in this study and are reliable because Cronbach's Alpha and Composite Reliability values are > 0.6 and 0.7.

Table 8 Inner Variance Inflated Factor

	VIF
Working Capital -> Community Empowerment	2,424
Social Capital -> Community Empowerment	3,23
Psychological Capital -> Community Empowerment	2,934

Source: Smart PLS Bootstrapping's process (2023)

After the outer model testing is completed, we will proceed to conduct inner model testing, which is the next stage. Table 8 shows the estimation result that the inner VIF value is less than 5 points, which means that the multicollinearity level between variables is low. This outcome reinforces the robustness and unbiased nature of the parameter estimation in PLS-SEM.

Table 9 R-Square Value (R^2)

CONSTRUCT	R-square	Information
Community empowerment	0.727	strong observational validity

Source: Smart PLS Bootstrapping's process (2023)

Table 9 presents the R-squared values for the dependent variable of community empowerment. It shows that the R-square of the effective community empowerment variable is 0.727. It means that the community empowerment variable is 72% influenced by working capital, social capital, and psychological capital. In addition, the remaining 28% may be impacted by other factors. Table 10 displays a Q-Square score of 0.683, indicating that the model's Q-Square value exceeds 0. This suggests that the model exhibits strong observational validity.

Table 10 Q-Square Value (Q^2)

	Q-Square (Q^2)	RMSE	MAE
Community empowerment	0.683	0.581	0.459

Source: Smart PLS Bootstrapping's process (2023)

Table 11 Square Value (F^2)

Variable	Community empowerment
Working capital	0.609
Social Capital	0.068
Psychological Capital	0.044

Source: Smart PLS Bootstrapping's process (2023)

Table 11 presents the F-square values, ranging from 0.609 to 0.044 in this study. The impact of working capital on community empowerment, with a value of 0.609, surpasses 0.35, indicating a significant influence. Meanwhile, the impacts of social capital and psychological capital on community empowerment, with values of 0.055 and 0.044, respectively, exceed 0.02 but are below 0.15, suggesting a relatively minor influence. Subsequently, we will conduct hypothesis testing, with the results shown in Figure 1. The results of SmartPLS bootstrapping are said to be influential if the T-Statistic is > 1.96 . Furthermore, the criteria used in hypothesis testing are at a significance level of 5%, and the hypothesis can be said to be accepted if the P-value is < 0.05 .

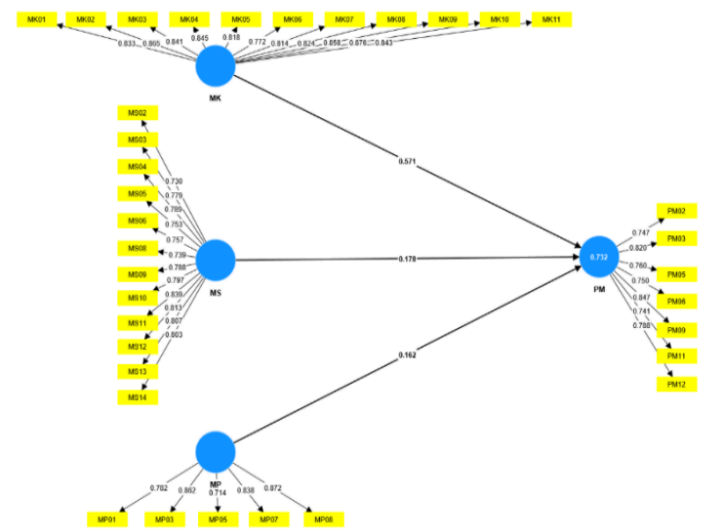
**Figure 1** Path Analysis of Hypotheses Testing

Table 12 Hypothesis Test Result

Hypothesis	Hypothesis Statement	Original Sample(O)	P value	T statistic (O/STDEV)	95% confidence interval path coefficient	
					Lower limit	Upper limit
H1	Working capital -> Community empowerment	0.571	0,000	10,664	0.470	0.679
H2	Social Capital -> Community empowerment	0.178	0.014	2,394	0.023	0.315
H3	Psychological Capital -> Community empowerment	0.167	0.017	2,450	0.040	0.29

Source: Smart PLS Bootstrapping's process (2023)

Based on the 12, it is evident that working capital significantly influences community empowerment, as indicated by a path coefficient of 0.571. This suggests that an increase in the working capital variable leads to a positive impact on community empowerment. The bootstrap analysis yielded a t-statistic value of 10.664, resulting in a p-value of 0.000. Since the p-value is less than 0.05, the data strongly supports the hypothesis, indicating that working capital significantly affects community empowerment in Karangasem Village. This indicates that working capital has a significant influence on community empowerment in Karangasem Village. After that, we can see that social capital significantly influences community empowerment with a path coefficient of 0.178, indicating a positive influence of the social capital variable on community empowerment.

The bootstrap analysis yielded a t-statistic value of 2.394, and within the 95% confidence interval, the influence of social capital on community empowerment ranges from 0.023 to 0.315. The resulting p-value is 0.000, which is less than 0.05, thereby supporting Hypothesis 2. This indicates that Social Capital significantly affects community empowerment in Karangasem Village. It also shows that psychological capital significantly influences community empowerment with a path coefficient of 0.167, indicating a positive influence of the psychological capital variable on Community Empowerment. The bootstrap analysis yielded a t-statistic value of 2.450, and within the 95% confidence interval, the influence of psychological capital on community empowerment ranges from 0.040 to 0.299. The resulting p-value is 0.014, which is less than 0.05, thereby supporting Hypothesis 3. This indicates that Psychological Capital significantly affects community empowerment in Karangasem Village.

According to the findings of this research, perceptions regarding working capital positively impact community empowerment. This implies that effective management of working capital leads to an increase in community empowerment. Consistent with prior studies, effective working capital management ensures business sustainability. Poor working capital management can lead to inefficient asset utilization, significantly contributing to business failure. (Kasiran et al., 2016). Based on the data analysis results, it can be inferred

that the most impactful indicators of working capital in empowering the community of Karangasem village are as follows:

Table 13 Indicators of Working Capital

Indicator	Working capital	Loading Factor	Information
Capital/Assets	MK_01	0.833	Valid
	MK_02	0.875	Valid
	MK_03	0.841	Valid
	MK_04	0.845	Valid
Cash	MK_05	0.818	Valid
Supply	MK_06	0.772	Valid
	MK_07	0.814	Valid
Receivables	MK_08	0.824	Valid
	MK_09	0.858	Valid
	MK_10	0.866	Valid
	MK_11	0.843	Valid

Source: Smart PLS Bootstrapping's process (2023)

Based on Table 13, the most influential working capital indicator is MK_02, with an outer loading of 0.875. This indicates that approximately 76% of any variation in working capital reflects on the capital indicator ($0.875 \times 0.875 = 76\%$). Working capital is a crucial liquidity source, highlighting the importance of effective management in community empowerment initiatives through BUMDes and PKK Programs. Proper allocation of working capital, obtained from governmental funds and other sources, tailored to meet community needs, is essential to enhance community income.

Table 14 shows that social capital positively affects the community empowerment program. This shows that social capital is important in developing the Karangasem Village community empowerment program. This research is supported by (Kesuma & Saputri, 2020) that trust, norms, and networks inherent in social capital play a significant role in fostering the sustainability of BUMDes.

Table 14 Indicators of Social Capital

Indicator	Social capital	Loading Factor	Information
Trust	MS_01	0.730	Valid
	MS_02	0.779	Valid
	MS_03	0.789	Valid
	MS_04	0.753	Valid
	MS_05	0.757	Valid
Network	MS_06	0.739	Valid
	MS_07	0.788	Valid
	MS_08	0.797	Valid
	MS_09	0.839	Valid
	MS_10	0.813	Valid
Norm	MS_11	0.807	Valid
	MS_12	0.803	Valid

Source: Smart PLS Bootstrapping's process (2023)

According to the data analysis of social capital indicators, it is evident that the network indicator holds the highest value, with a loading factor of 0.839. This implies that approximately 70% of any changes in social capital are reflected in the network indicator ($0.839 \times 0.839 = 70\%$). Following closely are norms, with loading factor values of 0.87 and 0.803, respectively, and finally, the Trust indicator. Social capital plays a pivotal role in community empowerment programs. The high social capital is attributed to the active participation of each member, enabling the consistent implementation of empowerment initiatives. Additionally, mutual support among community members fosters a positive environment and a strong sense of camaraderie. Trust among community members alleviates internal pressures, promoting collaboration during regular meetings and interactions with administrators who provide guidance.

Table 15 shows that the perception of psychological capital positively affects Community Empowerment. It demonstrates that encouragement from individuals in terms of hope, optimism, resilience, and self-confidence influences the implementation of community empowerment programs.

Table 15 Indicators of Psychological Capital

Indicator	Working capital	Loading Factor	Information
Self-confidence	MP_01	0.782	Valid
Hope	MP_03	0.862	Valid
Optimism	MP_05	0.714	Valid
	MP_07	0.872	Valid
Toughness	MP_08	0.838	Valid

Source: Smart PLS Bootstrapping's process (2023)

The indicator with a notably high outer loading value is observed in the optimism indicator. Optimism demonstrates an outer loading value of 0.872, suggesting that approximately 76% of any variation in social capital is mirrored in the network indicator ($0.872 \times 0.872 = 76\%$). The study elucidates that psychological capital significantly impacts job performance and satisfaction. (Novitasari & Priyono, 2022). Resilience pertains to the capacity to respond effectively even when confronted with disruptions. The findings indicate that the Karangasem village community displays a relatively high level of resilience in dealing with changes. Optimism significantly correlates with responding to change, where hope and self-confidence are closely intertwined with individual determination to enact organizational changes. Based on the research findings regarding the role of capital types in community empowerment in Karangasem village, it can be inferred that working capital plays the most influential role in community empowerment. This conclusion is drawn from the data analysis results.

Table 16 Original Sample Result

	Original sample (O)
Working capital -> Community empowerment	0.571
Social Capital -> Community empowerment	0.178
Psychological Capital -> Community empowerment	0.162

Source: Smart PLS Bootstrapping's process (2023)

As evident from Table 16, the findings reveal that working capital exerts the greatest influence on community empowerment, with an original sample value of 57%. This underscores the pivotal role of funding streams in community empowerment initiatives. Following this is social capital, with an original sample value of 17%, indicating that external support or social connections contribute to community empowerment. Lastly, psychological capital registers an original sample value of 16%, suggesting that individuals' self-motivation influences community empowerment, encompassing factors such as attitude, resilience, self-confidence, hope, and optimism. The remaining 10% is influenced by types of capital beyond the scope of this research. Future studies can delve into this matter by incorporating larger sample sizes and additional variables to provide a more comprehensive understanding of community empowerment, particularly in village programs with longer observation periods.

2

Conclusion

This study examined the impact of different types of capital on community empowerment programs in Karangasem Village. Through the distribution of questionnaires and direct observations, it was found that various forms of capital, including working capital, social capital, and psychological capital, significantly influence community empowerment programs in the village. Working capital emerges as the most influential type of capital, accounting for 78% of the significance, with its primary indicator being capital itself. This suggests that the operation of village programs in Karangasem village is heavily influenced by capital, where increased capital leads to enhanced empowerment programs. Effective and efficient capital management is crucial, ensuring that increased capital flows are accompanied by appropriate fund allocation. The receivables indicator closely follows, representing ownership rights to transaction proceeds. Social capital serves as the second most influential type of capital in fostering community empowerment in Karangasem Village. Notably, networks emerge as the highest indicator of social capital, highlighting the importance of expanding community networks both internally and externally to enhance community empowerment. Psychological capital also significantly impacts community empowerment, serving as internal motivation for various empowerment initiatives. The distribution of questionnaires revealed that optimism is the indicator with the highest outer loading, indicating a high level of community optimism towards community empowerment programs. The limitations of this research include the fact that the scope of the research only takes three types of capital in the community (working capital, social capital, and psychological capital), while the research methodology uses a quantitative approach from data in the field through questionnaires. So, it is still open for future researchers to include other typologies of capital that develop in communities, such as cultural, human, political, and natural. Meanwhile, a qualitative research approach can also be used to gain an in-depth perspective.

Author Contributions

Conceptualisation, S.S. and Y.A.M.; Methodology, S.S.; Investigation, Y.A.M.; Analysis, S.S. and Y.A.M.; Original draft preparation, S.S. and Y.A.M.; Review and editing, N.I. and S.S.; Visualization, S.S. and N.I.

Conflicts of Interest

The Correspondent author declare no conflict of interest. The funders had no role in the design of the study; in the collection, analyses, or interpretation of data; in the writing of the manuscript, or in the decision to publish the results.

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PAGE 4

PAGE 5

PAGE 6

PAGE 7

PAGE 8

PAGE 9

PAGE 10

PAGE 11

PAGE 12

PAGE 13

PAGE 14

PAGE 15

PAGE 16

PAGE 17

PAGE 18

PAGE 19

**SASARAN KINERJA PEGAWAI
JABATAN PELAKSANA
PENDEKATAN HASIL KERJA KUANTITATIF**

UNIVERSITAS SEBELAS MARET

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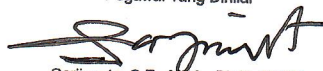
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PEGAWAI YANG DINILAI			PEJABAT PENILAI KINERJA		
NAMA	Sarjiyanto, S.E., MBA., Ph.D.,CPDS		NAMA	Bhimo Rizky Samudro, S.E., M.Si., Ph.D.	
NIP	1982053120130201		NIP	198003142006041003	
PANGKAT/GOL RUANG	Penata Muda Tingkat I/ III/b		PANGKAT/GOL RUANG	Pembina/ IV/a	
JABATAN	Lektor		JABATAN	Kepala Program Studi S1 Ekonomi Pembangunan	
INSTANSI	Fakultas Ekonomi dan Bisnis - Universitas Sebelas Maret		INSTANSI	Fakultas Ekonomi dan Bisnis - Universitas Sebelas Maret	
NO	RENCANA KERJA ATASAN LANGSUNG	RENCANA KINERJA	ASPEK	INDIKATOR KINERJA INDIVIDU	TARGET
(1)	(2)	(3)	(4)	(5)	(6)
A. KINERJA UTAMA					
1	Terlaksananya Dharma Pendidikan	Terlaksananya Perkuliahan	Kuantitas	Jumlah SKS	38.5 sks
			Kualitas	Prosentase Kehadiran (>95%)	100 %
			Waktu	Ketepatan waktu pembelajaran	12 Bulan
2	Terlaksananya Dharma Penelitian	Terlaksananya Penelitian	Kuantitas	Jumlah SKS Penelitian	1.2 sks
			Kualitas	Prosentase Keberhasilan Luaran Penelitian (Publikasi/luaran lainnya)	100 %
			Waktu	Ketepatan waktu Penelitian	12 Bulan
		Luaran Penelitian Bereputasi Global (Scopus)	Kuantitas	Jumlah Publikasi	0 Judul
			Kualitas	Skor Keterlibatan Publikasi	100 %
			Waktu	Ketepatan waktu publikasi	12 Bulan
3	Terlaksananya Dharma Pengabdian	Terlaksananya Pengabdian	Kuantitas	Jumlah SKS Pengabdian	2 sks
			Kualitas	Prosentase Keberhasilan Luaran Pengabdian (Publikasi/luaran lainnya)	100 %
			Waktu	Ketepatan waktu kegiatan pengabdian	12 Bulan
PERILAKU KERJA					
1. Berorientasi pelayanan <ul style="list-style-type: none">Memahami dan memenuhi kebutuhan masyarakatRamah, cekatan, solutif, dan dapat diandalkanMelakukan perbaikan tiada henti			Ekspektasi Pimpinan: <ul style="list-style-type: none">Belajar dari kesalahan untuk perbaikan kinerja selanjutnya		
2. Akuntabel <ul style="list-style-type: none">Melaksanakan tugas dengan jujur, bertanggungjawab, cermat, disiplin dan berintegritas tinggiMenggunakan kekayaan dan barang milik negara secara bertanggungjawab, efektif, dan efisienTidak menyalahgunakan kewenangan jabatan			Ekspektasi Pimpinan: <ul style="list-style-type: none">Menyajikan data/dokumen yang valid dan dapat dipertanggungjawabkan		
3. Kompeten <ul style="list-style-type: none">Meningkatkan kompetensi diri untuk menjawab tantangan yang selalu berubahMembantu orang lain belajarMelaksanakan tugas dengan kualitas terbaik			Ekspektasi Pimpinan: <ul style="list-style-type: none">Aktif mengikuti kegiatan pengembangan kompetensi		
4. Harmonis <ul style="list-style-type: none">Menghargai setiap orang apapun latar belakangnyaSuka menolong orang lainMembangun lingkungan kerja yang kondusif			Ekspektasi Pimpinan: <ul style="list-style-type: none">Membangun komunikasi yang lebih terbuka dan menjaga hubungan baik dengan stakeholder		
5. Loyal <ul style="list-style-type: none">Memegang teguh ideologi Pancasila, Undang-Undang Dasar Negara Republik Indonesia Tahun 1945, setia kepada Negara Kesatuan Republik Indonesia serta pemerintahan yang sahMenjaga nama baik sesama ASN, Pimpinan, Instansi, dan NegaraMenjaga rahasia jabatan dan negara			Ekspektasi Pimpinan: <ul style="list-style-type: none">Tidak menyalahgunakan jabatan dan wewenang		
6. Adaptif <ul style="list-style-type: none">Cepat menyesuaikan diri menghadapi perubahanTerus berinovasi dan mengembangkan kreativitasBertindak proaktif			Ekspektasi Pimpinan: <ul style="list-style-type: none">Mudah beradaptasi dengan perubahan		
7. Kolaboratif <ul style="list-style-type: none">Memberi kesempatan kepada berbagai pihak untuk berkontribusiTerbuka dalam bekerja sama untuk menghasilkan nilai tambahMenggerakkan pemanfaatan berbagai sumberdaya untuk tujuan bersama			Ekspektasi Pimpinan: <ul style="list-style-type: none">Aktif berpartisipasi dan berkontribusi sesuai keahliannya		

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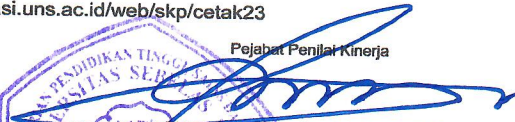
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DUKUNGAN SUMBER DAYA

- | | |
|---|---|
| 1 | Dukungan sarana prasarana untuk tercapainya target kinerja |
| 2 | Dukungan komitmen pimpinan untuk tercapainya target kinerja |

SKEMA PERTANGGUNGJAWABAN

- | | |
|---|--|
| 1 | Progres dan evaluasi pengembangan pegawai dilaporkan secara berkala. |
|---|--|

KONSEKUENSI

- | | |
|---|--|
| 1 | Apabila memenuhi ekspektasi Pimpinan direkomendasikan sebagai role model / pegawai teladan. |
| 2 | Apabila tidak memenuhi ekspektasi Pimpinan maka direkomendasikan untuk dilakukan pembinaan demi peningkatan kinerja. |

Pegawai Yang Dinilai

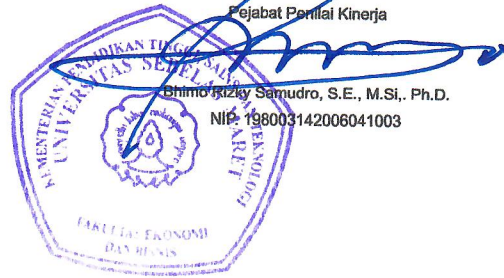


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NIP. 1982053120130201

Surakarta, 02 Januari 2023

Pejabat Penilai Kinerja



Bhimo Rizky Samudro, S.E., M.Si., Ph.D.

NIP. 198003142006041003

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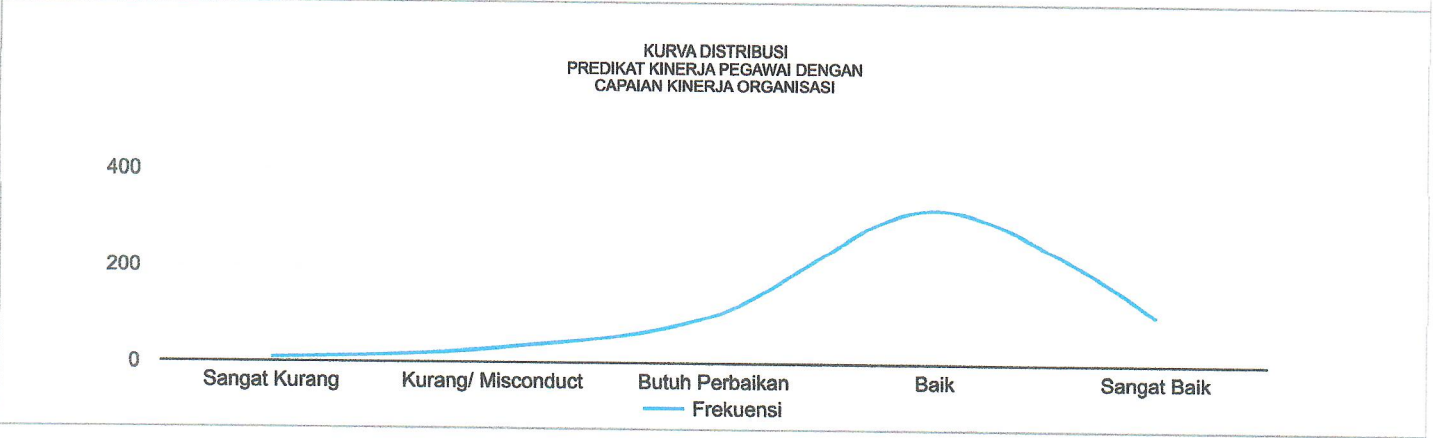
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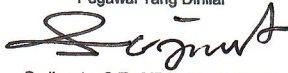
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HASIL KERJA							
NO	RENCANA HASIL KERJA PIMPINAN YANG DIINTERVENSI	RENCANA HASIL KERJA	ASPEK	INDIKATOR KINERJA INDIVIDU	TARGET	REALISASI BERDASARKAN BUKTI DUKUNG	UMPAN BALIK BERKELANJUTAN BERDASARKAN BUKTI DUKUNG
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A. KINERJA UTAMA							
1	Terlaksananya Dharma Pendidikan	Terlaksananya Perkuliahan	Kuantitas	Jumlah SKS	38.5 sks	38.5 sks	Hasil kerja sesuai jumlah target SKS yang ditetapkan. Tingkatkan!
			Kualitas	Prosentase Kehadiran (>95%)	100 %	100 %	Hasil kerja sudah sesuai yang diharapkan. Tingkatkan!
			Waktu	Ketepatan waktu pembelajaran	12 Bulan	12 Bulan	Penyelesaian kerja sesuai waktu yang ditetapkan, sesuai ekspektasi. Tingkatkan!
2	Terlaksananya Dharma Penelitian	Terlaksananya Penelitian	Kuantitas	Jumlah SKS Penelitian	1.2 sks	4 sks	Hasil kerja melampaui jumlah target SKS yang ditetapkan. Pertahankan!
			Kualitas	Prosentase Keberhasilan Luaran Penelitian (Publikasi/luaran lainnya)	100 %	120 %	Hasil kerja melampaui ekspektasi, Publikasi karya ilmiah berhasil. Pertahankan!
			Waktu	Ketepatan waktu Penelitian	12 Bulan	12 Bulan	Penyelesaian kerja sesuai waktu yang ditetapkan, sesuai ekspektasi. Tingkatkan!
3	Terlaksananya Dharma Penelitian	Luaran Penelitian Bereputasi Global (Scopus)	Kuantitas	Jumlah Publikasi	0 Judul	1 Judul	Hasil kerja telah mencapai publikasi skala Global. Pertahankan!
			Kualitas	Skor Keterlibatan Publikasi	100 %	120 %	Hasil kerja melampaui ekspektasi, Publikasi Global sebagai First Author/ Corresponding Author. Pertahankan!
			Waktu	Ketepatan waktu publikasi	12 Bulan	12 Bulan	Penyelesaian kerja sesuai waktu yang ditetapkan (menghasilkan publikasi di satu semester) diharapkan masih dapat dimungkinkan peningkatan tiap semester menghasilkan Publikasi. Tingkatkan!
4	Terlaksananya Dharma Pengabdian	Terlaksananya Pengabdian	Kuantitas	Jumlah SKS Pengabdian	2 sks	2 sks	Hasil kerja sesuai jumlah target SKS yang ditetapkan. Tingkatkan!
			Kualitas	Prosentase Keberhasilan Luaran Pengabdian (Publikasi/luaran lainnya)	100 %	100 %	Hasil kerja sudah sesuai yang diharapkan meskipun masih dapat dimungkinkan ditingkatkan menjadi pendampingan/ pemberdayaan masyarakat. Tingkatkan!
			Waktu	Ketepatan waktu kegiatan pengabdian	12 Bulan	12 Bulan	Penyelesaian kerja sesuai waktu yang ditetapkan, sesuai ekspektasi. Tingkatkan!
RATING HASIL KERJA*							
SESUAI EKSPEKTASI							
PERILAKU KERJA				UMPAN BALIK BERKELANJUTAN BERDASARKAN BUKTI DUKUNG			
1. Berorientasi pelayanan							
<ul style="list-style-type: none">Memahami dan memenuhi kebutuhan masyarakatRamah, cekatan, solutif, dan dapat diandalkanMelakukan perbaikan tiada henti			Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none">Belajar dari kesalahan untuk perbaikan kinerja selanjutnya	<ul style="list-style-type: none">Selalu berusaha meningkatkan kinerjanya berdasarkan potensi pengembangan			
2. Akuntabel							
<ul style="list-style-type: none">Melaksanakan tugas dengan jujur, bertanggungjawab, cermat, disiplin dan berintegritas tinggiMenggunakan kekayaan dan barang milik negara secara bertanggungjawab, efektif, dan efisienTidak menyalahgunakan kewenangan jabatan			Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none">Menyajikan data/dokumen yang valid dan dapat dipertanggungjawabkan	<ul style="list-style-type: none">Selalu menyajikan data/dokumen dan dapat dipertanggungjawabkan			
3. Kompeten							
<ul style="list-style-type: none">Meningkatkan kompetensi diri untuk menjawab tantangan yang selalu berubahMembantu orang lain belajarMelaksanakan tugas dengan kualitas terbaik			Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none">Aktif mengikuti kegiatan pengembangan kompetensi	<ul style="list-style-type: none">Berupaya menyelesaikan tugas dengan optimal dan secara aktif mengikuti kegiatan pengembangan kompetensi			
4. Harmonis							
<ul style="list-style-type: none">Menghargai setiap orang apapun latar belakangnyaSuka menolong orang lainMembangun lingkungan kerja yang kondusif			Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none">Membangun komunikasi yang lebih terbuka dan menjaga hubungan baik dengan stakeholder	<ul style="list-style-type: none">Secara aktif membangun komunikasi dengan stake holder			
5. Loyal							
<ul style="list-style-type: none">Memegang teguh ideologi Pancasila, Undang-Undang Dasar Negara Republik Indonesia Tahun 1945, setia kepada Negara Kesatuan Republik Indonesia serta pemerintahan yang sahMenjaga nama baik sesama ASN, Pimpinan, Instansi, dan NegaraMenjaga rahasia jabatan dan negara			Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none">Tidak menyalahgunakan jabatan dan wewenang	<ul style="list-style-type: none">Selalu memegang teguh sumpah jabatan			
6. Adaptif							

<ul style="list-style-type: none"> • Cepat menyesuaikan diri menghadapi perubahan • Terus berinovasi dan mengembangkan kreativitas • Bertindak proaktif 	Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none"> • Mudah beradaptasi dengan perubahan 	<ul style="list-style-type: none"> • Segera menyesuaikan dengan perubahan yang berkaitan dengan tugasnya
7. Kolaboratif <ul style="list-style-type: none"> • Memberi kesempatan kepada berbagai pihak untuk berkontribusi • Terbuka dalam bekerja sama untuk menghasilkan nilai tambah • Menggerakkan pemanfaatan berbagai sumberdaya untuk tujuan bersama 	Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none"> • Aktif berpartisipasi dan berkontribusi sesuai keahliannya 	<ul style="list-style-type: none"> • Memberikan kontribusi secara aktif untuk kinerja unit kerja sesuai dengan keahliannya
RATING PERILAKU KERJA* DI ATAS EKSPEKTASI		
PREDIKAT KINERJA PEGAWAI* BAIK		

Pegawai Yang Dinilai



Sarjiyanto, S.E., MBA., Ph.D., CPDS
NIP. 1982053120130201

Surakarta, 02 Januari 2024

Pejabat Penilai Kinerja



Prima Rizky Samudra, S.E., M.Si., Ph.D.
NIP. 198003142006041003




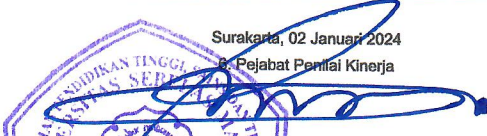
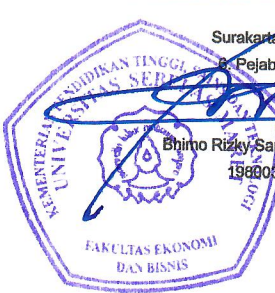
DOKUMEN EVALUASI KINERJA PEGAWAI

UNIVERSITAS SEBELAS MARET

PERIODE PENILAIAN :
02 Januari 2023 s.d 30 Desember 2023

1	PEGAWAI YANG DINILAI	
	NAMA	: Sarjiyanto, S.E., MBA., Ph.D.,CPDS
	NIP	: 1982053120130201
	PANGKAT/GOL RUANG	: Penata Muda Tingkat I/ III/b
	JABATAN	: Lektor
	UNIT KERJA	: Fakultas Ekonomi dan Bisnis - Universitas Sebelas Maret
2	PEJABAT PENILAI KINERJA	
	NAMA	: Bhimo Rizky Samudro, S.E., M.Si., Ph.D.
	NIP	: 198003142006041003
	PANGKAT/GOL RUANG	: Pembina/ IV/a
	JABATAN	: Kepala Program Studi S1 Ekonomi Pembangunan
	UNIT KERJA	: Fakultas Ekonomi dan Bisnis - Universitas Sebelas Maret
3	ATASAN PEJABAT PENILAI KINERJA	
	NAMA	: Dr. Dwi Prasetyani, S.E., M.Si.
	NIP	: 197702172003122003
	PANGKAT/GOL RUANG	: Pembina Tingkat I/ IV/b
	JABATAN	: Wakil Dekan Akademik, Riset, dan Kemahasiswaan Fakultas Ekonomi dan Bisnis (FEB)
	UNIT KERJA	: Fakultas Ekonomi dan Bisnis - Universitas Sebelas Maret
4	EVALUASI KINERJA	
	CAPAIAN KINERJA ORGANISASI	: BAIK
	PREDIKAT KINERJA PEGAWAI	: BAIK
5	CATATAN/REKOMENDASI	

Surakarta, 03 Januari 2024
7. Pegawai Yang Dinilai

Sarjiyanto, S.E., MBA., Ph.D.,CPDS
1982053120130201

Surakarta, 02 Januari 2024
8. Pejabat Penilai Kinerja

Bhimo Rizky Samudro, S.E., M.Si., Ph.D.
198003142006041003


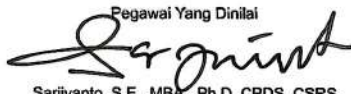
SASARAN KINERJA PEGAWAI
JABATAN PELAKSANA
PENDEKATAN HASIL KERJA KUANTITATIF

UNIVERSITAS SEBELAS MARET

PERIODE PENILAIAN :
02 Januari 2024 s.d 31 Desember 2024

PEGAWAI YANG DINILAI			PEJABAT PENILAI KINERJA		
NAMA	Sarjiyanto, S.E., MBA., Ph.D.,CPDS.,CSRS		NAMA	Anif Jamaluddin , S.Si., M.Si., PhD	
NIP	1982053120130201		NIP	198006132010121002	
PANGKAT/GOL RUANG	Penata Muda Tingkat I/ III/b		PANGKAT/GOL RUANG	Penata Tingkat I/ III/d	
JABATAN	Kepala Seksi Peraihan Dana Pengabdian Masyarakat Eksternal dan Pengembangan Pusat Studi LPPM		JABATAN	Kepala Unit Penjaminan Mutu Penelitian dan Pengabdian LPPM	
INSTANSI	Seksi Peraihan Dana Pengabdian Masyarakat Eksternal dan Pengembangan Pusat Studi LPPM - Universitas Sebelas Maret		INSTANSI	Unit Penjaminan Mutu Penelitian dan Pengabdian LPPM - Universitas Sebelas Maret	
NO	RENCANA KERJA ATASAN LANGSUNG	RENCANA KINERJA	ASPEK	INDIKATOR KINERJA INDIVIDU	TARGET
(1)	(2)	(3)	(4)	(5)	(6)
A. KINERJA UTAMA					
1	Rata-rata nilai Kinerja Anggaran atas Pelaksanaan RKA-K/L Satker minimal 80	Peningkatan Efektivitas Manajemen Operasional Lembaga	Kuantitas	Jumlah Kegiatan	8 Kegiatan
			Biaya	Target Realisasi Anggaran (90%-100%)	(Rp) 200,000,000
			Waktu	Ketepatan Waktu Kegiatan	12 Bulan
2	Terlaksananya Dharma Pendidikan	Terlaksananya Perkuliahan	Kuantitas	Jumlah SKS	33.5 sks
			Kualitas	Prosentase Kehadiran (>95%)	100 %
			Waktu	Ketepatan waktu pembelajaran	12 Bulan
3	Terlaksananya Dharma Penelitian	Terlaksananya Penelitian	Kuantitas	Jumlah SKS Penelitian	1.2 sks
			Kualitas	Prosentase Keberhasilan Luaran Penelitian (Publikasi/luaran lainnya)	100 %
			Waktu	Ketepatan waktu Penelitian	12 Bulan
		Luaran Penelitian Bereputasi Global (Scopus)	Kuantitas	Jumlah Publikasi	0 Judul
			Kualitas	Skor Keterlibatan Publikasi	100 %
			Waktu	Ketepatan waktu publikasi	12 Bulan
4	Terlaksananya Dharma Pengabdian	Terlaksananya Pengabdian	Kuantitas	Jumlah SKS Pengabdian	2 sks
			Kualitas	Prosentase Keberhasilan Luaran Pengabdian (Publikasi/luaran lainnya)	100 %
			Waktu	Ketepatan waktu kegiatan pengabdian	12 Bulan
PERILAKU KERJA					
1. Berorientasi pelayanan					
<ul style="list-style-type: none">Memahami dan memenuhi kebutuhan masyarakatRamah, cekatan, solutif, dan dapat diandalkanMelakukan perbaikan tiada henti			Ekspektasi Pimpinan: <ul style="list-style-type: none">Mengarahkan dengan bijaksana		
2. Akuntabel					
<ul style="list-style-type: none">Melaksanakan tugas dengan jujur, bertanggungjawab, cermat, disiplin dan berintegritas tinggiMenggunakan kekayaan dan barang milik negara secara bertanggungjawab, efektif, dan efisienTidak menyalahgunakan kewenangan jabatan			Ekspektasi Pimpinan: <ul style="list-style-type: none">Menjadi role model/ panutan dalam menjunjung komitmen dan integritas pegawai di lingkungan kerjanya		
3. Kompeten					
<ul style="list-style-type: none">Meningkatkan kompetensi diri untuk menjawab tantangan yang selalu berubahMembantu orang lain belajarMelaksanakan tugas dengan kualitas terbaik			Ekspektasi Pimpinan: <ul style="list-style-type: none">Menyelesaikan setiap pekerjaan sesuai dengan target dan standar kualitas yang ditetapkan		
4. Harmonis					
<ul style="list-style-type: none">Menghargai setiap orang apapun latar belakangnyaSuka menolong orang lainMembangun lingkungan kerja yang kondusif			Ekspektasi Pimpinan: <ul style="list-style-type: none">Membangun komunikasi yang lebih terbuka dan menjaga hubungan baik dengan bawahan / pihak terkait.		
5. Loyal					
<ul style="list-style-type: none">Memegang teguh ideologi Pancasila, Undang-Undang Dasar Negara Republik Indonesia Tahun 1945, setia kepada Negara Kesatuan Republik Indonesia serta pemerintahan yang sahMenjaga nama baik sesama ASN, Pimpinan, Instansi, dan NegaraMenjaga rahasia jabatan dan negara			Ekspektasi Pimpinan: <ul style="list-style-type: none">Tidak menyalahgunakan jabatan dan wewenang		
6. Adaptif					

<ul style="list-style-type: none"> • Cepat menyesuaikan diri menghadapi perubahan • Terus berinovasi dan mengembangkan kreativitas • Bertindak proaktif 	<p>Ekspektasi Pimpinan:</p> <ul style="list-style-type: none"> • Memberikan solusi dalam menyelesaikan permasalahan dengan cepat dan tepat.
<p>7. Kolaboratif</p> <ul style="list-style-type: none"> • Memberi kesempatan kepada berbagai pihak untuk berkontribusi • Terbuka dalam bekerja sama untuk menghasilkan nilai tambah • Menggerakkan pemanfaatan berbagai sumberdaya untuk tujuan bersama 	<p>Ekspektasi Pimpinan:</p> <ul style="list-style-type: none"> • Memberikan kesempatan kepada setiap pegawai untuk menyampaikan ide atau gagasan yang produktif

Pegawai Yang Dinilai

 Sarjiyanto, S.E., MBA., Ph.D., CPDS., CSRS
 NIP. 1982053120130201

Surakarta, 02 Januari 2024
 Pejabat Penilai Kinerja

 Anif Jamaluddin, S.Si., M.Si., PhD
 NIP. 198006132010121802

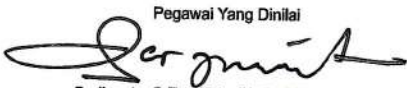


LAMPIRAN SASARAN KINERJA PEGAWAI

UNIVERSITAS SEBELAS MARET

PERIODE PENILAIAN :
02 Januari 2024 s.d 31 Desember 2024

DUKUNGAN SUMBER DAYA	
1	Dukungan pegawai yang memiliki keahlian di bidang yang relevan
2	Dukungan sarana prasarana untuk tercapainya target kinerja
3	Dukungan anggaran untuk tercapainya target kinerja
SKEMA PERTANGGUNGJAWABAN	
1	Progres dan evaluasi pengembangan pegawai dilaporkan secara berkala.
2	Progres dan evaluasi penyediaan sarana prasarana dilaporkan secara berkala.
3	Progres dan evaluasi penyediaan anggaran dilaporkan secara berkala.
KONSEKUENSI	
1	Apabila memenuhi ekspektasi Pimpinan direkomendasikan sebagai penerima penghargaan pencapaian IKU (Indeks Kinerja Utama).
2	Apabila tidak memenuhi ekspektasi Pimpinan maka direkomendasikan untuk dilakukan revisi anggaran.
3	Sudah di lakukan revisi anggaran masih tidak memenuhi ekspektasi Pimpinan maka direkomendasikan untuk diberikan pinalti anggaran.
4	Apabila memenuhi ekspektasi Pimpinan direkomendasikan sebagai penerima penghargaan pimpinan teladan.

Pegawai Yang Dinilai

Sarjiyanto, S.E., MBA., Ph.D., CPDS., CSRS
NIP. 1982053120130201



EVALUASI KINERJA PEGAWAI
JABATAN PELAKSANA
PENDEKATAN HASIL KERJA KUANTITATIF

UNIVERSITAS SEBELAS MARET

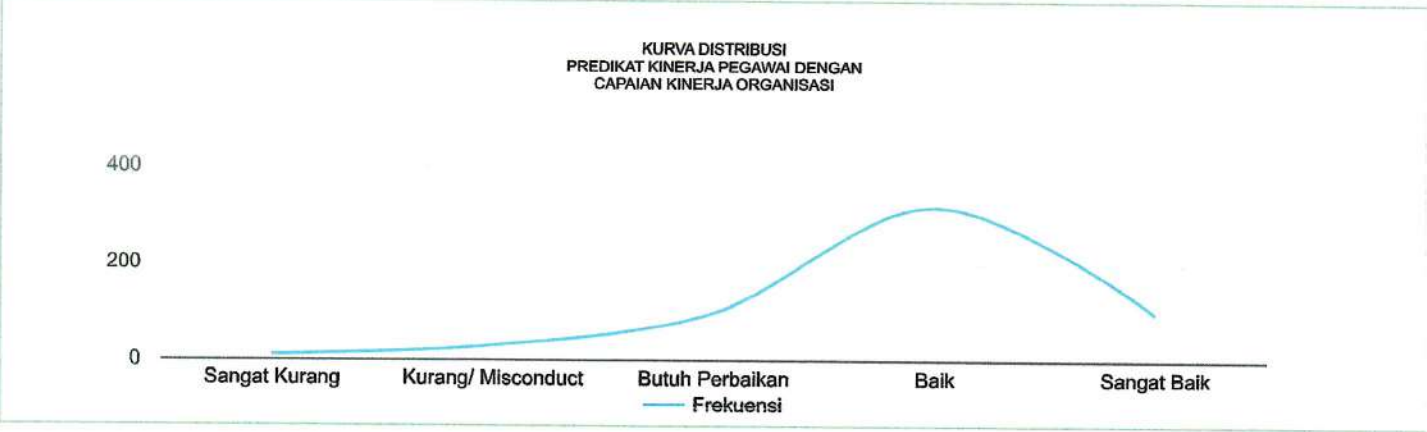
PERIODE PENILAIAN :
02 Januari 2024s.d 31 Desember 2024

PEGAWAI YANG DINILAI		PEJABAT PENILAI KINERJA	
NAMA	Sarjiyanto, S.E., MBA., Ph.D.,CPDS.,CSRS	NAMA	Anif Jamaluddin , S.Si., M.Si., PhD
NIP	1982053120130201	NIP	198006132010121002
PANGKAT/GOL RUANG	Penata Muda Tingkat I/III/b	PANGKAT/GOL RUANG	Penata Tingkat I/III/d
JABATAN	Kepala Seksi Peraihan Dana Pengabdian Masyarakat Eksternal dan Pengembangan Pusat Studi LPPM	JABATAN	Kepala Unit Penjaminan Mutu Penelitian dan Pengabdian LPPM
INSTANSI	Seksi Peraihan Dana Pengabdian Masyarakat Eksternal dan Pengembangan Pusat Studi LPPM - Universitas Sebelas Maret	INSTANSI	Unit Penjaminan Mutu Penelitian dan Pengabdian LPPM - Universitas Sebelas Maret

CAPAIAN KINERJA ORGANISASI*

BAIK

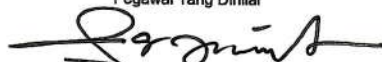
POLA DISTRIBUSI:



HASIL KERJA							
NO	RENCANA HASIL KERJA PIMPINAN YANG DIINTERVENSI	RENCANA HASIL KERJA	ASPEK	INDIKATOR KINERJA INDIVIDU	TARGET	REALISASI BERDASARKAN BUKTI DUKUNG	UMPAN BALIK BERKELANJUTAN BERDASARKAN BUKTI DUKUNG
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A. KINERJA UTAMA							
1	Rata-rata nilai Kinerja Anggaran atas Pelaksanaan RKA-K/L Sater minimal 80	Peningkatan Efektivitas Manajemen Operasional Lembaga	Kuantitas	Jumlah Kegiatan	8 Kegiatan	8 Kegiatan	Hasil kerja sudah sesuai yang diharapkan meskipun masih dapat dimungkinkan adanya perbaikan/ penyempurnaan.
			Biaya	Target Realisasi Anggaran (90%-100%)	(Rp) 200,000,000	199,324,380 (Rp)	Realisasi anggaran sudah sesuai yang diharapkan. Pertahankan!
			Waktu	Ketepatan Waktu Kegiatan	12 Bulan	12 Bulan	Penyelesaian kerja sesuai waktu yang ditetapkan, sesuai ekspektasi. Tingkatkan!
2	Terlaksananya Dharma Pendidikan	Terlaksananya Perkuliahan	Kuantitas	Jumlah SKS	33.5 sks	33.5 sks	Hasil kerja sesuai jumlah target SKS yang ditetapkan. Tingkatkan!
			Kualitas	Prosentase Kehadiran (>95%)	100 %	100 %	Hasil kerja sudah sesuai yang diharapkan. Tingkatkan!
			Waktu	Ketepatan waktu pembelajaran	12 Bulan	12 Bulan	Penyelesaian kerja sesuai waktu yang ditetapkan, sesuai ekspektasi. Tingkatkan!
3	Terlaksananya Dharma Penelitian	Terlaksananya Penelitian	Kuantitas	Jumlah SKS Penelitian	1.2 sks	14.27 sks	Hasil kerja melampaui jumlah target SKS yang ditetapkan. Pertahankan!
			Kualitas	Prosentase Keberhasilan Luaran Penelitian (Publikasi/luaran lainnya)	100 %	120 %	Hasil kerja melampaui ekspektasi, Publikasi karya ilmiah berhasil. Pertahankan!
			Waktu	Ketepatan waktu Penelitian	12 Bulan	12 Bulan	Penyelesaian kerja sesuai waktu yang ditetapkan, sesuai ekspektasi. Tingkatkan!
4	Terlaksananya Dharma Penelitian	Luaran Penelitian Bereputasi Global (Scopus)	Kuantitas	Jumlah Publikasi	0 Judul	1 Judul	Hasil kerja telah mencapai publikasi skala Global. Pertahankan!
			Kualitas	Skor Keterlibatan Publikasi	100 %	120 %	Hasil kerja melampaui ekspektasi, Publikasi Global sebagai First Author/ Corresponding Author. Pertahankan!
			Waktu	Ketepatan waktu publikasi	12 Bulan	11 Bulan	Penyelesaian kerja sangat baik sehingga menghasilkan Publikasi. Pertahankan!
5	Terlaksananya Dharma Pengabdian	Terlaksananya Pengabdian	Kuantitas	Jumlah SKS Pengabdian	2 sks	4 sks	Hasil kerja melampaui jumlah target SKS yang ditetapkan. Pertahankan!
			Kualitas	Prosentase Keberhasilan Luaran Pengabdian (Publikasi/luaran lainnya)	100 %	100 %	Hasil kerja sudah sesuai yang diharapkan meskipun masih dapat dimungkinkan ditingkatkan menjadi pendampingan/ pemberdayaan masyarakat. Tingkatkan!
			Waktu	Ketepatan waktu kegiatan pengabdian	12 Bulan	12 Bulan	Penyelesaian kerja sesuai waktu yang ditetapkan, sesuai ekspektasi. Tingkatkan!
RATING HASIL KERJA*							
DI ATAS EKSPEKTASI							
PERILAKU KERJA				UMPAN BALIK BERKELANJUTAN BERDASARKAN BUKTI DUKUNG			
1. Berorientasi pelayanan							
<ul style="list-style-type: none">Memahami dan memenuhi kebutuhan masyarakatRamah, cekatan, solutif, dan dapat diandalkanMelakukan perbaikan tiada henti			Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none">Mengarahkan dengan bijaksana	• Selalu menekankan pada improvement kualitas layanan dan mendorong pegawainya untuk patuh pada ketentuan yang berlaku.			
2. Akuntabel							
<ul style="list-style-type: none">Melaksanakan tugas dengan jujur, bertanggungjawab, cermat, disiplin dan berintegritas tinggiMenggunakan kekayaan dan barang milik negara secara bertanggungjawab, efektif, dan efisienTidak menyalahgunakan kewenangan jabatan			Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none">Menjadi role model/ panutan dalam menjunjung komitmen dan integritas pegawai di lingkungan kerjanya	• Menggunakan fasilitas pejabat hanya saat melaksanakan tugas jabatan saja			
3. Kompeten							
<ul style="list-style-type: none">Meningkatkan kompetensi diri untuk menjawab tantangan yang selalu berubahMembantu orang lain belajarMelaksanakan tugas dengan kualitas terbaik			Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none">Menyelesaikan setiap pekerjaan sesuai dengan target dan standar kualitas yang ditetapkan	• Berupaya menyelesaikan pekerjaan melampaui target yang telah ditetapkan			
4. Harmonis							
<ul style="list-style-type: none">Menghargai setiap orang apapun latar belakangnyaSuka menolong orang lainMembangun lingkungan kerja yang kondusif			Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none">Membangun komunikasi yang lebih terbuka dan menjaga hubungan baik dengan bawahan / pihak terkait.	• Sering mengadakan agenda bersama untuk merekatkan hubungan antar pegawai.			
5. Loyal							

<ul style="list-style-type: none"> Memegang teguh Ideologi Pancasila, Undang-Undang Dasar Negara Republik Indonesia Tahun 1945, setia kepada Negara Kesatuan Republik Indonesia serta pemerintahan yang sah Menjaga nama baik sesama ASN, Pimpinan, Instansi, dan Negara Menjaga rahasia jabatan dan negara 	Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none"> Tidak menyalahgunakan jabatan dan wewenang 	<ul style="list-style-type: none"> Selalu memegang teguh sumpah jabatan
6. Adaptif <ul style="list-style-type: none"> Cepat menyesuaikan diri menghadapi perubahan Terus berinovasi dan mengembangkan kreativitas Bertindak proaktif 	Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none"> Memberikan solusi dalam menyelesaikan permasalahan dengan cepat dan tepat. 	<ul style="list-style-type: none"> Mempelajari hal baru dan dapat mengarahkan bawahan untuk menyelesaikan masalah dengan cepat dan tepat
7. Kolaboratif <ul style="list-style-type: none"> Memberi kesempatan kepada berbagai pihak untuk berkontribusi Terbuka dalam bekerja sama untuk menghasilkan nilai tambah Menggerakkan pemanfaatan berbagai sumberdaya untuk tujuan bersama 	Ekspektasi Khusus Pimpinan: <ul style="list-style-type: none"> Memberikan kesempatan kepada setiap pegawai untuk menyampaikan ide atau gagasan yang produktif 	<ul style="list-style-type: none"> Rutin mengadakan koordinasi dengan pegawai dan memberikan kesempatan kepada pegawai untuk menyampaikan pendapatnya.
RATING PERILAKU KERJA* DI ATAS EKSPEKTASI		
PREDIKAT KINERJA PEGAWAI* SANGAT BAIK		

Pegawai Yang Dinilai


 Sarjiyanto, S.E., MBA., Ph.D., CPDS., CSRS
 NIP. 1982053120130201

Surakarta, 02 Januari 2025

Pejabat Penilai Kinerja



Adil Lamanuddin, S.Si., M.Si., PhD
 NIP. 198006132019121002



DOKUMEN EVALUASI KINERJA PEGAWAI

UNIVERSITAS SEBELAS MARET

PERIODE PENILAIAN :

02 Januari 2024 s.d 31 Desember 2024

1	PEGAWAI YANG DINILAI	
	NAMA	: Sarjiyanto, S.E., MBA., Ph.D.,CPDS.,CSRS
	NIP	: 1982053120130201
	PANGKAT/GOL RUANG	: Penata Muda Tingkat I/ III/b
	JABATAN	: Kepala Seksi Peralihan Dana Pengabdian Masyarakat Eksternal dan Pengembangan Pusat Studi LPPM
	UNIT KERJA	: Seksi Peralihan Dana Pengabdian Masyarakat Eksternal dan Pengembangan Pusat Studi LPPM - Universitas Sebelas Maret
2	PEJABAT PENILAI KINERJA	
	NAMA	: Anif Jamaluddin . S.Si., M.Si., PhD
	NIP	: 198006132010121002
	PANGKAT/GOL RUANG	: Penata Tingkat I/ III/d
	JABATAN	: Kepala Unit Penjaminan Mutu Penelitian dan Pengabdian LPPM
	UNIT KERJA	: Unit Penjaminan Mutu Penelitian dan Pengabdian LPPM - Universitas Sebelas Maret
3	ATASAN PEJABAT PENILAI KINERJA	
	NAMA	: Prof. Dr. I Gusti Ayu Ketut Rachmi Handayani, S.H., M.M.
	NIP	: 197210082005012001
	PANGKAT/GOL RUANG	: Pembina Utama/ IV/e
	JABATAN	: Ketua Lembaga Penelitian dan Pengabdian kepada Masyarakat
	UNIT KERJA	: Lembaga Penelitian Pengabdian Masyarakat (LPPM) - Universitas Sebelas Maret
4	EVALUASI KINERJA	
	CAPAIAN KINERJA ORGANISASI	: BAIK
	PREDIKAT KINERJA PEGAWAI	: SANGAT BAIK
5	CATATAN/REKOMENDASI	

Surakarta, 03 Januari 2025

7. Pegawai Yang Dinilai

Sarjiyanto, S.E., MBA., Ph.D.,CPDS.,CSRS
1982053120130201

Surakarta, 02 Januari 2025

6. Pejabat Penilai Kinerja



Anif Jamaluddin . S.Si., M.Si., PhD
198006132010121002