

## **Human Resource, Culture and Innovation as The Success Factors of The Coastal Tourism Community Objects**

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### **ABSTRACT**

Currently the central government and government of North Sulawesi Province are actively doing implementation of infrastructure development, especially, infrastructure development which connects with coastal tourism area in North Minahasa regency, Indonesia. Therefore, it is necessary to look that impact on tourism and coastal community's economics growth.

This purposed of study were to analyze the factors of human resources, 'Mapalus' culture and technological and product innovations. Those factors indicated could strengthen the sustainability of community businesses around the coastal tourism at North Minahasa, North Sulawesi Province, Indonesia. The method was used in this research is a qualitative method. Data were collected with in-depth interview to several key informants and community business in the vicinity of North Minahasa Regency coastal tourism objects.

The results showed that the factor of human resources play an important role in community entrepreneurship groups, such as ownership and business integrity. Research also figure out some business groups have not succeeded yet, even though they were supposed had enough knowledge, experience and skills due of some of them were the participants of entrepreneurship upgrading. The cultural value of 'Mapalus' were also always seen when the one group of fishermen go out to sea. However, from the research discover surprising result, the value of 'Mapalus' culture has been missing their noble value. That fact, seen from the cultural values has begun to erode due to the development of villages which are valued more with financial exchange. The technology and product innovation capabilities factors in the coastal areas are still low and need to be improved. The results indicate coastal business community need of presence of the expert assistants to increase technology and product innovation capabilities.

Keywords: coastal tourism, human resource, Mapalus culture, innovation

### **INTRODUCTION**

The growth of tourism on the coast of Minahasa Utara Regency in North Sulawesi Province is able to contribute to development and economic growth. This demands alterations in the human and cultural resources of business groups on the coastal communities. Many business groups have been supported by the government and the private sector to date, however, they have not developed and in fact some have even gone collapsed, thus, the level of poverty in this area does not decrease. Data exhibit that 59% of families on the coast of East Likupang District and West Likupang District are still under disadvantaged families category, there are even villages with a very high percentage of poor families such as poor families in Likupang II with 77%, Lihunu Village still with 64%, Kinunang Village with 71%, and Likupang Kampong Ambong with 66%.

The sector of coast as well as agriculture, performs a significant role in decreasing the level of unemployment and poverty, but in Indonesia the contribution of output in the marine sector is still low in terms of the workforce who earn a living in the sea only by 4.12% compared to other sector (Nurkholis et al., 2016). Productivity in the agricultural sector including marine resources on the coast also plays a role in decreasing poverty. This is in accordance with the findings from (Maroc Ivanic, Will Martin, 2017) that in countries classified as poor, increasing productivity in agriculture has a large effect on reducing poverty compared to industry or services.

The tourism sector has characteristics in its management. Factors of human resources, culture and technology play an important role in anticipating tourists who have sensitivity to existing changes. This is based on the findings of Simonceska (2012) that in the tourism business has a specific character that sees change and innovation into something powerful.

One method that is vital to human resources comprehends that changes in the entrepreneurial mindset are an essential factor in business management. As the finding that the entrepreneurial mindset determines business development both technological innovation and marketing. (Wongpreedee, K., Kiratisin, A., & Virutamasen, P., n.d.)

Furthermore, human resource factors play an important role in strategies to win the competitiveness of a business, intellectual capital and social capital in the industry determine the success of entrepreneurship. This is in line with what was stated by Spirkova, Daniela Caganova, Dagmar Bawa, Manan, (2015)\_ In strategic terms, the social and intellectual capital can be understood not only as one of the most important factors in the success of entrepreneurial subjects but also as an important source of competitive advantages. Qualitative and quantitative dimensions of knowledge assets also affect the overall **competitiveness** of the enterprise.

Moreover, culture is one of the determining factors for business sustainability. Mapalus culture is a working togetherness that has become a characteristic in the life of the Minahasa tribe. Mapalus culture is expressed in the form of mutual cooperation, mutual respect for one and another, obeying every regulation that exists in one group (Tangkudung & Senduk, 2017). Mapalus culture is applied in social activities such as parties, deaths, agricultural activities in farming and picking (Wuryaningrat et al., 2017). Mapalus culture is the value of adhesives in order to foster cooperation among members of the business group and become an adhesive value so that it contributes to the sustainability of the business.

Talking about innovation is very complex. Innovation will relate to sustainable economic growth with advancements in a country or region and what stands out from that innovation is technological development and will lead to the development of product and service innovations. As Nobel Prize winner Robert Solow said that for sustainable economic growth technological advances are more important than the accumulation of factors. For Schumpeter, behind innovation (eg the economic application of technological improvement) is entrepreneurship. Innovation involves the industrial or commercial use of something new: new goods or services, new production methods, new markets or sources of supply, new forms of organization or new methods of financial organization. (Veselinova & Gogova Samonikov, 2012).

With the innovation there must be changes in the organizational environment, including the environment of small and medium business organizations that exist on the coast as an object of local and foreign tourists. This is consistent with the findings of Simonceska

(2012) that Change and innovation can be done in four main areas of organization: organizational structure, technology, human resources and organizational culture.

The innovations in this paper focus on product innovation on the coast which is an object of tourism, therefore as small businesses exist, it is expected that product innovations will be carried out so that they can compete with tourism products originating from outside the region. In doing innovation, it needs support from various parties including the government that handles tourism in addition to the private sector or companies that are concerned with tourism development. Filipova et al (2016) research focuses on product innovation that contributes more efficiently to the management of SMEs in the tourism industry so it shows product innovations that contribute to more efficient use of capacity in case studies of SMEs in the tourism industry and also the possibility of public support to finance this innovation.

### **Research Objectives**

This study aims to analyze the factors of human resources, culture of "Mapalus" and innovation of technology and product which strengthens the sustainability of business on the coast of North Minahasa Regency, North Sulawesi Province.

### **RESEARCH METHOD**

The method used in this study is a qualitative method using the technique of collecting in-depth interview data to several key informants such as the Village Head, Community Leader, Chairperson of Local Area Assistance, Business Actors Group, several farmers and fishermen, youth groups, and other community groups that have joined the government and private aid business groups. Then triangulation was carried out to get confirmation from the provincial and district agricultural offices, the provincial and district fisheries offices, PT MSM (mining companies near the coastal research site), thus, the triangulation requirements and Focus Group Discussion were fulfilled.

### **RESULTS AND DISCUSSIONS**

Investigation on human resource factors in farmer groups, tourism souvenir groups shows that the aspect of human resources plays an important role in running a business as one of the key informants (SA) said that "We already have the skills to go fishing or farming, but we are easily tempted by other job offers, if we are tired of working in other places, we return to the group. Thus, we don't keep fishing or farming until the business collapsed". Another interviewee (ST) from the private sector who have helped the groups said that "There has been a lot of assistance and aid given, especially in the villages around the mine including on the coast but their businesses only run for 1 to 2 years and finally collapsed, but there are some who are assisted by the company and some of the assets of the fishermen have continued their business until now". From the information obtained, supplemented by FGD proves that aspects of Human Resources play an important role in an entrepreneurial group, such as from the sense of belonging and business integrity. The findings show that even though there is knowledge, experience and skills, it does not guarantee the sustainability of the business. Research and Focus Group Discussion from stakeholders founded that the factors of human resources such as the change in business mindset, business integrity, knowledge and skills in entrepreneurship and a sense of business ownership play an important role for business sustainability. Meanwhile, the cultural factors that determine business continuity are the value of joint work and help one and another.

Furthermore, the investigation on Cultural Factors (Mapalus Culture) shows that the characteristics of Mapalus culture in coastal villages in the form of cooperation and helping one and another are very strong seen in activities such as when making paths, renovating village halls, making tents (tents for families experiencing grief) and other social activities carried out by gentlemen and youth while mothers bring free consumption. The value of Mapalus culture is also seen when fishing when the fishermen go to work. Surprisingly, the finding also revealed that the value of Mapalus culture began to erode in villages closer to the subdistrict center because a lot of work in the development of the village had been valued with money. Based on interviews with several community leaders in villages near the sub-district center that cooperation, helping one and another or community participation in village development began to disappear, but it was more focused on funds budgeted in the budget of village funds or other aid funds. The research findings exhibited that the value of Mapalus culture is increasingly eroded in the communities near the subdistrict city, therefore, Mapalus culture needs to be improved again and should not disappear because it is a social capital that is very useful for increasing economic and social development primarily in the countryside or rural. (Uniwersytet Warmińsko-Mazurski w Olsztynie & Pawlewicz, 2016)

There are several businesses that are still micro and not yet incorporated as a culinary business that provides food in tourism places both on the Pulisan beach in the Pulisan village, the Paal beach in the Marinsouw village, and the Surabaya beach in the Maen village. Then there are culinary businesses in the center of East Likupang sub-district in Likupang Satu village, and Likupang Dua village. In addition to culinary businesses there are souvenir businesses that have been initiated by the coastal community groups, both initiated by the Government, in this case the Industrial Service and the district government, and there is a business initiated by the university in this case Manado State University.

The culinary production process was found to still use simple technology because the production produced was still limited and dependent on consumer orders, while the souvenir business had begun to use semi-modern production technology. (Researchers' findings in the field and interviews with business group leaders and individual businesses). This was also reinforced by the results of interviews with the village and sub-district governments where the use of culinary production technology was still simple and the technology of souvenir production was semi-modern.

Quality product findings for culinary products have not yet been achieved because of both the taste and packaging and the presentation has not been well standardized such as dried fish, banana chips, sweet potato chips, fish nuggets, fish balls, etc.

While the quality of souvenir products is very dependent on the perseverance of members in the culinary business, because the research findings have products that are neatly made but some are not yet neat, so are the standardized forms according to the patterns and preferences of tourists visiting the small and easy to carry souvenirs including inexpensive (findings in the field and results of interviews with visiting tourists)

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