Exploring the Livelihood Assets Utilisation and the Business Sustainability Among Garment Businesses at Tingkir Lor District, Salatiga

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ABSTRACT
This paper explores how accumulation of livelihood assets of entrepreneur affects the business sustainability of MSMEs positively. Bringing up a case study of entrepreneurs running Small Medium garment businesses in Tingkir Lor, Salatiga, this paper provides empirical evidence of how optimum utilization of livelihood assets at the early stage of their business has improved their capabilities to develop their business. Using qualitative research methods, this article analyzes the entrepreneurs' strategies in exploiting livelihood assets from start up to business development. Optimum utilization of livelihood assets in those two business stages has improved the capabilities of the entrepreneurs to sustain their livelihoods.

Keywords: Livelihood, MSMEs, Livelihood assets, Strategy, Tingkir Lor.

ABSTRAK
Artikel ini mengeksplorasi bagaimana akumulasi aset penghidupan para pengusaha di Usaha Kecil Menengah (UKM) mempengaruhi keberlanjutan usaha UKM. Dengan mengambil studi kasus pengusaha yang menjalankan usaha garmen skala kecil di Tingkir Lor, Salatiga, makalah ini memberikan bukti empiris bagaimana pemanfaatan yang optimal terhadap aset penghidupan pada tahap awal bisnis mereka telah meningkatkan kemampuan mereka untuk mengembangkan usaha. Dengan menggunakan metode penelitian kualitatif, artikel ini menganalisis strategi para pengusaha dalam memanfaatkan aset penghidupan mulai dari tahap pendirian hingga pengembangan bisnis. Pemanfaatan yang optimal terhadap aset penghidupan pada kedua tahap bisnis tersebut telah meningkatkan kemampuan para pengusaha untuk menjaga penghidupan mereka.

Kata kunci: Penghidupan, UKM, Aset penghidupan, Strategi, Tingkir Lor.
INTRODUCTION

MSMEs (Micro, Small and Medium Enterprises) contribute to growth of the world economy. Ninety percent of the global economy is supported by 62.9 million MSME units (Cull et al., 2006; Ozgulbas et al., 2006; Poon & Swatman, 1999). Meanwhile in Indonesia, MSMEs contribute significantly to job creation and natural resources management (Kuncoro, 2018; Putra & Basri, 2019; Rahmana, 2009). However, many MSMEs experience assets limitations and are managed informally involving family members as unpaid workers (Sasono & Yuliana, 2014) and low asset utilisation.

Despite their important role in economic development of many developing countries, the sustainability of MSMEs is not easy to reach. More than 50% of MSMEs in a number of developing countries including Indonesia, failed to continue their business at different stages of their business development. In Malaysia, the Philippines and Vietnam, on average, new SMEs collapse within five years of establishment (Munawaroh et al., 2022). Similarly, Botswana, Africa, also records more than 80% business failure among MSMEs, with 70% of Start Up failed their businesses within less than 18 months (Temtime & Pansiri, 2004). Meanwhile, Indonesia is a country in ASEAN with very high MSMEs entrepreneurial failures. 70% failed in the second generation and 93% failed in the third generation (Munawaroh, et al., 2022).

The sustainability of MSME businesses is often disrupted due to limited financial capital, competition with foreign investors and limited skills or knowledge (Ciptosari et al., 2019; Lasso & Dahles, 2018). Limited access to assets is one of the factors affecting the capability of MSME entrepreneurs to maintain their livelihoods (Yuwinanto, 2018).

Eventhough, majority of MSMEs in the developing world struggle to sustain, there are also cases showing that they grow and manage to remain in the business for generations. This article will particularly portray the experiences small garment business proprietors at Tingkir Lor who manage to sustain their businesses by utilizing their assets. Their ability to accumulate and employ financial, social and human assets enable them to strategically respond to business dynamics.

In analysing the sustainability of MSMEs at Tingkir Lor, authors employ the concept of sustainable livelihoods as the approach. The concept of Sustainable Livelihood illustrates that the sustainability of community livelihoods is influenced by the context of macro vulnerabilities including trends, seasonal changes, and shocks (DFID, 1999). In other words, externalities such as the market taste changes, peak and low seasons, and sudden negative events including financial crises, war, pandemic, and others may threaten the sustainability of community livelihoods. Further at the micro level, livelihood sustainability can also be affected by vulnerabilities that occur at the household level. The context of vulnerability, both macro and micro, not only affects the availability of the asset itself, but also affects the sustainability of livelihoods.

Scoones (2009) explains that livelihoods are sustainable if individuals are able to cope and recover from stresses or shocks, do not damage natural resources and can
maintain the ability of their assets. In achieving sustainable livelihoods, there is an asset pentagon (DFID, 1999) which includes human, natural, financial, physical and social.

![Sustainable Livelihood Framework](source.png)

Source: DFID, 1999

Picture 1. Sustainable Livelihood Framework

Ashley (2000) reveals that the equal management of the five assets is able to produce a positive impact on livelihood sustainability. Human resource assets encompass personality, competence, knowledge, capability, good health, and education. Natural assets consist of water availability, forests, land ownership, and biodiversity. Meanwhile, financial assets refer to income, access to credit, savings, and cash. Physical assets consist of infrastructure such as houses, vehicles, or access to such infrastructure. The last asset is the social asset such as networks, trust, and relationships among members of the community (DFID, 1999; Masud et al., 2016).

Social networks, trust and membership in social communities play an important role in the utilization of social assets (DFID, 1999; Narayan & Cassidy, 2001). These social assets are interwoven based on the scope of the bond which consists of three forms of ties. The first one is the bonding ties which refer to strong bonds between individuals and their families, close friends, and also between members in an ethnic community (Levitte, 2004; Sabatini, 2008). Social ties with a wider scope are bridging ties, where these ties enable communities to access opportunities and resources available beyond their community (Sabatini, 2008; Stone et al., 2003). The last ties, linking ties, are ties that exist between members of the community or the community as a group with institutions, company owners or customers. This relationship can bring benefits to the parties involved in it (Sabatini, 2008; Stone et al., 2003).

The discussion of MSMEs in Sustainable Livelihood studies emphasizes the importance of strategies to survive in difficult times. In the case of the microeconomic sector entrepreneurs in the Uttranchal region, India, the flour milling businesspeople utilize natural resource assets, the water, as renewable energy to maintain the sustainability of their livelihoods in a shortage of electricity supply (Kooijman-van Dijk, 2005). Another example comes from the traditional wood carving industry in Jepara,
the MSMEs employ product innovation in responding to global, regional and local challenges to ensure their business sustainability and profitability (Patria et al., 2019).

Lockwood (1997) states that small businesses commonly utilize assets as a response to sudden problems, but not as an anticipatory action to problems. In the perspective of sustainable livelihoods, asset utilization should also be applied to equip the community’s capabilities (Chambers & Conway, 1992) in order to better cope with difficult times. Supporting these views, we argue that asset utilization is crucial for livelihood sustainability; that MSMEs entrepreneurs should implement this approach not only during a crisis, but also in the early period of their business to anticipate crises that may occur in the future. Utilization of livelihood assets accumulated before the crisis may potentially increase community’s resilience during crisis. Different from other researches, this research explored asset utilization strategies done by garment small business owners at Tingkir Lor since business Start-Ups in order to increase their capability to respond to challenges potentially disrupt their businesses.

We continue our discussion by describing the profile of garment small business proprietors in Tingkir Lor. Subsequently, we explore how those MSME entrepreneurs initiate their businesses. We then analyze the strategic frameworks adopted by garment business proprietors in Tingkir Lor. Finally, we synthesize these findings to illuminate the asset utilization strategy integral to establishing and progressing garment enterprises.

**METHODS**

This research is a qualitative research involving fifteen garment small business owners at Tingkir Lor Village, Salatiga City. Tingkir Lor is a small garment business center located in Tingkir District, Salatiga City, Central Java. There are two categories of entrepreneurs in this area. The first are the garment producers, who concentrate on producing different types of garment products and the second are the garment sellers. They inherited the businesses from their parents. Their business has been in operation for more than three decades and has contributed greatly to the economy of the people in Tingkir Lor. Therefore, it is interesting to explore how garment small business owners manage to sustain their livelihoods.

The garment small business owners in this area can be categorised into two groups. The first group is a group of garment producers, they are those who make and sell their garment products. While the second group specializes in selling. Table 1 presents the research participants with their business profiles.

**Table 1. Business Profile s of the Research Participants**

<table>
<thead>
<tr>
<th>No</th>
<th>Name</th>
<th>Garment producers</th>
<th>Garment sellers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ms. Utari</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Ms. Tutik</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>
Exploring The Livelihood Assets Utilisation and The Business Sustainability Among Garment Businesses at Tingkir Lor District, Salatiga

<table>
<thead>
<tr>
<th></th>
<th>Ms. Anik</th>
<th>√</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Mr. Dodi</td>
<td>√</td>
</tr>
<tr>
<td>5</td>
<td>Ms. Uswatun</td>
<td>√</td>
</tr>
<tr>
<td>6</td>
<td>Ms. Sari</td>
<td>√</td>
</tr>
<tr>
<td>7</td>
<td>Ms. Suwanti</td>
<td>√</td>
</tr>
<tr>
<td>8</td>
<td>Ms. Siti</td>
<td>√</td>
</tr>
<tr>
<td>9</td>
<td>Ms. Widiastuti</td>
<td>√</td>
</tr>
<tr>
<td>10</td>
<td>Ms. Rina</td>
<td>√</td>
</tr>
<tr>
<td>11</td>
<td>Ms. Zahra</td>
<td>√</td>
</tr>
<tr>
<td>12</td>
<td>Ms. Riwanti</td>
<td>√</td>
</tr>
<tr>
<td>13</td>
<td>Ms. Nela</td>
<td>√</td>
</tr>
<tr>
<td>14</td>
<td>Ms. Ina</td>
<td>√</td>
</tr>
<tr>
<td>15</td>
<td>Ms. Nunung</td>
<td>√</td>
</tr>
</tbody>
</table>

(Source: Field Research, September-December 2020)

The data collection process was carried out for three months using in-depth interviews and observation. During the interviews, we explore issues related to their business Start Up and development processes by focusing on how the informants utilize their livelihood assets to ensure the sustainability of their businesses. During the field work, we observed the social interaction taking places between the entrepreneurs and their employees and also buyers. The results of the interviews were transcribed, coded, and classified into themes. Subsequently, thematic analysis was carried out. The text was summarised into matrixes to help analyse the similarities and differences of the asset utilization by the informants.

FINDING & DISCUSSIONS

This section will discuss the findings followed by analysis. We will first present how the community at Tingkir Lor started and developed their garment businesses. Then, the discussion will specially focus on the utilisation of different types of assets which affect the sustainability of their businesses positively.

**Tingkir Lor Garment MSMEs and PT. Damatex**

Before switching to the garment business, the community of Tingkir Lor were farmers and tailors. Residents living in Rukun Warga\(^1\) (RW) I, II and III initially made farmers’ trousers, while the majority of residents in RW IV, V and VI worked as farmers. In the 1980s, Indonesia government launched a foster parent (Bapak Angkat) scheme, in

\(^1\) A local government system which divides the village area into hamlets.
which larger companies were obliged to support the development of MSMEs. PT. Damatex\textsuperscript{2} implemented this program by selling waste cloth at low prices to the residents of Tingkir Lor. A number of traders collected and sold the clothes to tailors at Tingkir Lor to be processed into clothing. Since then, PT. Damatex and the residents of Tingkir Lor Village are intertwined, and PT. Damatex became the only supplier of raw materials for the tailors at Tingkir Lor.

However, since 2014, PT. Damatex slowly lost their business, therefore waste cloth supply to garment producers in Tingkir Lor slowed down. PT. Damatex was unable to compete with foreign garment companies, especially since 2014 when Chinese garment companies invested in Indonesia. The condition pushed garment business owners to look for other suppliers and some switched products such as pillowcases, bed sheets or bed covers.

\textbf{Start Up business of Garment Business Owners}

Garment business owners at Tingkir Lor had different experiences in the way they started their businesses. The producers who had been in the business for more than a decade generally continued their parents’ business. Two participants started their business from family inheritance. Mrs. Uswantun, the owner of Ribel Shop, founded her business in 1996 and sells underpants, \textit{mukena}, clothes and bed linens. She started her own business from her parents in law’s house. Before running Ribel Shop, Mrs. Uswantun assisted her parents with their garment business. From then on, she planned to start her own business. Mrs. Uswantun asked for a soft loan of Rp 12,500,000 (twelve million five hundred thousand rupiah) from a State-Owned Bank with a land certificate as collateral to buy a house, sewing machine and one unit of overlay. Mrs. Uswantun said, "In the past, my parents' house was in an alley, but I wanted to have a one on the main road." Since the initial loan was insufficient, six months later, Mrs. Uswantun applied for a second loan to a state bank. Mrs. Uswantun explained, “...before, my sewing business was still at my in-laws' house. I want to have a larger place to display more products, that's why I applied for a loan and moved here."

Inheriting parents’ business was also the case of Ms. Sari who entered the garment business when she was still a student in 1999. Ms. Sari explained, “... When I graduated from high school, I liked watching my grandmother cut cloth. Then, when I was studying at STAIN (a university) I began learning how to cut cloth. So, while studying (at university) I bought clothes to practice (cutting and sewing).” Her learning process didn't stop there. Ms. Sari later participated in training for independent workers that was organized by the Manpower department at the Salatiga municipality. From this program, Ms. Sari got connected with several important parties. From then on, Ms. Sari started her garment business.

Beside inheriting parents’ business, six participants explained that they started as putting outworkers for garment business owners. The business owner provides raw

\textsuperscript{2} PT DAMATEX is the biggest textile factory in Salatiga, established in 1960.
materials and the work done either at home or at the business owner’s place. Soon after the work finished, they brought back the products. Mrs. Utari, a garment producer, was grateful that she had the courage to swift from a worker to a producer. She used her savings to start her own business. As stated by Mrs. Utari, “I started my own business with Rp. 1,000,000 to buy cloth and a sewing machine. After I could slowly develop my business, I got married and in 2001 I quitted from work and ran my own garment business with my husband.”

Among this group of participants. Two participants switched from resellers to producers. Ms. Tutik is one of the tailors who started being a reseller of Muslim dresses. She said, “… at the end of 2016 I became a reseller before I opened my own business. (I did this) because I wanted to learn first to reduce the risk. I became a reseller after I met a moslem dress producer in Semarang. The products I resell were not all sold because most of my customers were young mothers, whose body sizes did not suit the products.” Due to the problem, in 2017 she finally switched from being a reseller to a garment producer specializing in Muslim clothing. She hired 1 employee and bought one sewing machine. Her business, Rosmada Muslim Clothing was started with a capital of Rp 5,000,000 (five million rupiah) from her saving.

Some garment producers directly joined the business. Two participants initiated their garment business by accepting small party orders. One is Mr. Dodi, who was previously making a living by running a culinary business. He switched to garment business in 2001 after meeting a cloth hawker, Mr. Dodi was inspired to start a garment business. He used his limited savings to buy a sewing machine and a small amount of cloth to test the market. By establishing good relationships with customers, Mr. Dodi has managed to sell his products to Bali and Kalimantan.

Similar to Mr. Dodi, Ms. Anik also started a business by accepting small orders. Ms. Anik has been a garment producer specializing in making school uniforms since 2005. She started her business utilizing her connections with teachers and staff at her son’s school. Due to limited financial capital, Ms. Anik asked her customers to pay a down payment (50% of the total inquiry), and she used the money to buy the material to make school uniforms. She started this business only with one sewing machine. She later established relationships with schools in the Tingkir Lor Village area and its surroundings. Ms. Anik said, “… I don’t need financial capital. When a transaction is settled, my customers then pay half of the price, (after that) I start the sewing process. (By applying this strategy) I do not need too much financial capital.” Her ability to build relationships and maintain the trust of the school is one of the reasons why her business continues to grow.

A general description of how the garment producers initiated their business can be seen in table 2 below.

Table 2. The Process of Initiating Garment Business

<table>
<thead>
<tr>
<th>Entrepreneur</th>
<th>Family Legacy</th>
<th>Reseller</th>
<th>Sewing Workers</th>
<th>Accepting Small Party</th>
</tr>
</thead>
</table>
To start the business, most of the garment business producers used their own savings and only one participant used both bank loans and savings. An overview of the initial financial sources is presented in Table 3.

Table 3. Garment Business Initial Capital

<table>
<thead>
<tr>
<th>Entrepreneur</th>
<th>Bank Loan</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms. Utari</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Ms. Tutik</td>
<td>✓</td>
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<td>Ms. Anik</td>
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<td>Ms. Suwanti</td>
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<td>Ms. Zahra</td>
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<td>Ms. Riwanti</td>
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</tbody>
</table>

(Source: Field Research, September-December 2020)

The Process of Garment Sellers Starting a Business

The process of starting a business among garment sellers is similar to that of garment producers. Ms. Ina, a garment seller, inherited the business of her parents who have been working as a tailor since the 1990s. Ms. Ina and her husband previously lived in Sumatra, but the family decided to return to Salatiga to continue their parents' business in the 2000s. However, learning that it was not easy for tailors to obtain raw materials, Ms. Ina decided to focus on garment selling. Moreover, as her house is located on the main street, Ms. Ina sees an opportunity to be a garment seller and decides to convert her house into a kiosk.
Some garment sellers switched from garment producers to garment sellers, like Ms. Nunung and her husband. They switched their business because her husband, who was the tailor in the business, got a new job. At first, Mrs. Nunung and her husband made and sold their products directly to buyers or entrusted their products to garment sellers. However, the business did not run well, and her husband decided to work in Kalimantan. Ms. Nunung admitted, “The one who is good at cutting cloth and sewing is my husband. Because my relative offered him an opportunity to work in Kalimantan, he left (this business). I wanted to continue (the business), I did not really understand (how to sew)” For this reason, Mrs. Nunung shifted her business from a garment production to a garment selling. By working in Kalimantan her husband helped distribute products to this region. An illustration of the use of initial capital in the business of selling garment products can be seen in Table 4.

Table 4. Start Up Business of the Garment Sellers

<table>
<thead>
<tr>
<th>Entrepreneur</th>
<th>Family Legacy</th>
<th>Instantly Become A Seller</th>
<th>Become A Tailor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms. Nela</td>
<td></td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>Ms. Ina</td>
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<td>√</td>
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<tr>
<td>Ms. Nunung</td>
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</tr>
</tbody>
</table>

Source: Field Research, September-December 2020

Finance also plays a role in the early period of garment selling business. In contrast to the garment producers, all participants in the garment sellers used their savings as initial capital to buy garment products. None of the participants in this group applied for loans.

Business Development of Garment Producers

Tingkir Lor garment producers generally set aside their profits to develop their business. Ms. Utari explains that her profit is more than enough for production cost, living expenses, and saving. Every month she sets aside 30% saving. When she saved enough, she invested in sewing equipment and a car to help with product distribution. Similarly, Ms. Tutik takes some of the profits to buy a more representative house as her business place. Her decision to move to a more strategic place proved to have significantly increased her income.

Some garment producers use their house as their business place. Seven of the twelve participants use their homes as a business place. Generally, they modify rooms in their house. Ms. Widiastuti renovates her house to have a larger room to display her products to make her place more comfortable for the customers. As a result, more customers visit her place because she can provide a more comfortable place for them.

Garment producers also expanded their network to widen the market. Family members play a role in expanding the market. For example, Ms. Anik’s relatives supported her as marketing agents. She accessed a school in Semarang from her brother who lives there and also a school where her son goes. In the case of Ms. Utari, her
husband concentrates on gaining buyers.

Realizing the importance of networking, garment producers maintain good relations with their customers. Network from former working experience is important for these people. Ms. Tutik who previously worked as a public servant has used her network to market her products. “Until now, my colleagues in public service, particularly those who live in Temanggung and Semarang, are still my biggest customers. Temanggung is the biggest (market). They regularly send me messages; they even promote my products to other friends.” Ms. Tutik admitted that her social network is a significant factor in supporting her business. She also builds good relations with authorities, religious leaders and community leaders to introduce her products. their business so that it has an impact on selling products.

In addition to developing a marketing network, garment producers are also aware that punctuality in meeting customer demands is important. Therefore, when demand increases, garment producers add the number of sewing machines and employees. Ms. Utari previously hired five employees but currently there are twenty-five to thirty people working for her. Similarly, Ms. Tutik also added the number of employees because her customers continued to grow. She focuses on producing custom moslem outfits such as kaftan, abaya, gamis, tunic, kebaya, and koko shirts based on customers’ requests. Currently the number of her employees increases from three to thirty-five employees.

Business development of Garment Sellers

Garment sellers also save part of the profits to develop their businesses. The group utilizes the profits to increase their financial capital to buy more products. For example, Ms. Nela explains that her daily minimum turnover is IDR 500,000. This figure will be tripped on special occasions like Eid al Fitr day. She saves 20% of the profit to buy more products to increase sales in the next trade. In addition, Ms. Nela also makes herself save Rp. 50,000 per day.

Marketing network is vital for garment sellers to expand the market. Similar to garment producers, good relationships with customers is one of the strategies applied to expand the market. The family also functions as a sales agent in other areas. Ms. Nunung takes advantage of her husband’s position who works in Kalimantan to become a marketer for her products. This group also needs to establish good relationships with the garment producers in order to have more variety of products and an acceptable payment system.

Garment sellers also need to invest in display rooms to attract customers. As an example, Ms. Ina renovated her house into a bigger kiosk to accommodate more products along with the increasing number of customers.

Utilization of livelihood assets

In this section, we will discuss three types of both tangible and intangible livelihood assets. Those are financial assets as the tangible asset, and social assets, and
human assets as the intangible assets. The combination of these three assets is prominent in supporting the sustainability of MSMEs businesses at Tingkir Lor.

**Financial Assets**

Utilization of livelihood assets plays a significant role in the two groups of garment MSME business people at Tingkir Lor. Community access to available assets is crucial for the sustainability of local livelihoods (DfID, 1999), however, this access is sometimes constrained by the fact that people are unaware of the assets they own (Lasso, 2017). The Tingkir Lor’s garment entrepreneurs display a different situation. These people are aware of their livelihood assets and utilize these financial assets optimally to start and develop their businesses.

Financial assets are crucial during startup up for both garment producers and sellers. Unlike the finding of Atieno (2009), he expressed that the crucial assets for establishing small and medium enterprises are, the access and productivity of those businesses. In the case of Tingkir Lor, the majority of garment entrepreneurs used their own savings optimally. The majority of our participants. Garment entrepreneurs at Tingkir Lor are disciplined in managing profits. They use profits to add or improve production equipment (DfID, 1999) or to develop human assets to boost production. Meanwhile, garment sellers use their profits to increase business capital. As a result, they are able to maintain the sustainability of their livelihoods (Chambers & Conway, 1992). This experience is different from the findings of Farwitawati (2018), in which MSME businesspeople use the profits to meet personal needs.

**Social Assets**

The majority of garment entrepreneurs in Tingkir Lor continue their parents' business. This shows that garment entrepreneurs in Tingkir Lor take advantage of bonding ties which are ties that exist between family, close friends, or people in one community (Levitte, 2004; Sabatini, 2008). Bonding ties among family members play a role in providing free business places or inherited business systems. Family members also play crucial roles in the business development process as they become marketing agents to reach a wider market. Meanwhile, the bonding ties at the community level is in the form of good relations based on trust; it is seen when the garment producers facilitate payments for the sellers.

Previous studies found that the smallest scope of bonds, the bonding ties, did not always have a positive impact. In some cases, this bond has become one of the inhibiting factors or only provides short-term assistance that does not solve the main problem (LASSO, 2017; Stone et al., 2003; Turok et al., 2004). However, in the case of Tingkir Lor, bonding ties contribute to the capability improvement to develop businesses. The garment business people highly depend on bonding ties. The assistance given by the family members is long-term. Family assistance in the form of business inheritance, free business place and roles as marketing agents ensure the sustainability of the business. The bonding ties among these garment business people become the main source of social assistance that the community relies on (Koning and Hüsken, 2006)
Besides bonding ties, producers and sellers of garment products also rely on bridging ties with customers to maintain the sustainability of their business (Sabatini, 2008; Stone et al., 2003). Good relations with customers resulted in regular orders and even they become the marketing agents. Trust is very crucial in maintaining good relations. This trust encourages firm cooperation and facilitates the realization of mutually beneficial relationships from the parties involved (Robbins, 2016).

**Human Assets**

Human assets are one of the important capitals in the initial process of establishing garment SMEs at Tingkir Lor. Human assets in entrepreneurship consist of knowledge, competence, skills, health, education and experience related to entrepreneurial activities owned by individuals (DfID, 1999; Hessels & Terjesen, 2008; Masud et al., 2016). For garment producers, sewing skills are the main asset in running their business obtained from experience involving the parents' business. Having good quality sewing workers is important to compete in this business. Therefore, like their previous employers, these people trained their sewing workers to improve their employees' sewing skills. In running MSMEs, human resource development must be carried out not only for MSME owners, but also for their workers (Dewi & Utari, 2014).

Garment sellers depend highly on their marketing skill. This skill is well supported by good communication skills to open networks and build relationships. Human assets play an important role for these two business groups, the garment producers and sellers in the form of experience, sewing skills, communication skills in building relationships, and financial management skills. Good use of human assets is one of the keys to the success of these garment entrepreneurs in starting and developing their business. This confirms that human assets are very important in business development because they encourage competitive advantage for the businesses they run (Ganotakis, 2012).

**CONCLUSION**

Tingkir Lor garment MSME entrepreneurs succeeded in starting and developing their businesses by optimally utilizing various livelihood assets. Financial, social, and human are important livelihood assets for Tingkir Lor garment entrepreneurs. Eventhough they started their businesses with limited capital, slowly they manage to accumulate and optimise the utilisation of both tangible and intangible assets to ensure the sustainability of their businesses. During business development, Tingkir Lor garment entrepreneurs are able to accumulate their financial, social, human, and physical assets.

This article focuses mainly on the contribution of livelihood assets in supporting the sustainability of the garment businesses using qualitative approach. Hopefully, future research on MSMEs resilience can explore not only on their adaptive strategies but also on the anticipatory strategies prior to crises.

Note: In order to protect research participants' privacy, all the names used here are
pseudonyms.

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