

Human Capital, Creativity and Productivity of Work Craftsman at Boneregency in South Sulawesi Province INDONESIA

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Abstract :- This research is one of the efforts to improve the productivity of Songkok Recca craftsmen that are on Government of South Sulawesi Prov. Bone, because it is known that from 2012 to 2016 the level of productivity of the craftsmen declined as seen from the number of products produced are on the wane. This research will look at and measure aspects of human capital and the level of creativity that is owned by the craftsmen Songkok Recca in relation to the level of productivity of the craftsmen Songkok Recca. From searches are expected to be able to find solutions to solving of various problems of the handicraft business in Government. Bone Prov. of South Sulawesi. A number of problem-solving strategies need to be drafted more precisely in an effort to increase productivity through the craftsman approach of human resource management theory and theory of creativity that discuss the concept of human capital and creativity. The problem of the subject matter of the research is: How did the relationship between human capital and creativity that is owned by the craftsmen in improving their work productivity. The research method is quantitative, analysis models using Structural Equation Models (SEM) that could elaborate on the existence of the relationship and influence either directly or indirectly between the variables endogenous and Eksegogenous variables. Analysis of the results obtained that the influential Human capital directly to productivity of 0734 direct effect, and creativity to productivity of 0263. While the influence of human capital to productivity through creativity only influential craftsman of 0.1389. To emphasize that market conditions and the business will follow the ever-changing demands of the times, so it is necessary to change the mindset of the craftsmen, that creativity is very important if you want it SMASH this persists and the sustainable.

Keywords : Human Capital, Creativity And Productivity.

I. INTRODUCTION

A. Background

Songkok Reccahome industry is one of the types of industries that recognized his presence from the outset he incubated and until now. According to the history of the Songkok recca was created by residents of the Sub-District of Awangpone, Kab. Bone in South Sulawesi Province in 1683, and then serve as official or skullcap songkok greatness for Kings, Nobles and Royal officials in 1931 by the King to the Bone-32 Lamappanyukki. To differentiate the level of equal dignity between them, then the songkok recca made with gold fringes (pamiring pulaweng) which shows the strata of the wearer. Early emergence of Songkok Reccacan only be used by the Bugis just Bone up on this patented songkok 1986 became Songkok To Bone, but over time the walking now anyone is entitled to wear the songkok recca.

Songkok Recca is a songkok characteristic of Kab. Bone produced in the village of Pacing, district Awangpone. Residents of the village known as lontar tree fibre matting craftsmen that made into a Songkok Recca, this is a traditional skullcap Songkok which is a superior product in the Kab. Bone. Even the marketing of these products, both on the local, national, and international. But unfortunately the forefront makes this side still regarded songkok by craftsmen, whereas this is a product that songkok devotees not only among locals but already of interest to overseas. Data from the Department of cooperatives and SMEs Kab. Bone, 2016 noted that each year the longer songkok Recca craftsmen on the wane, and followed by a decrease in the number of products from 2012 to 2016. This is unfortunate because the songkok recca which is one of the cultural-based products, is a product of a lot of devotees with a relatively high selling price of tens of thousands to tens of millions.

This craftsman should more effort built and developed, because this business can contribute to a better economy against craftsmen. Unfortunately this has not yet been realized by them how important it is to develop this

business. They still regard the effort to make this is a side venture songkok which at any time can be changed. Unfortunately this effort to increase awareness of the longer declining. One of the reasons for the lack of creativity that caused the lack of implementation of human capital from the craftsmen.

In General that the problems that often occur in the form of small craft industries are capital, marketing, lack of knowledge and lack of qualified human resources. In the context of the increase of the competitiveness, the mastery of science and technology as an important factor to boost productivity to enhance competitiveness. Low mastery of science and technology on a small industry in General can be influenced by internal factors and external factors. Internal factors are (1) the lack of awareness and the will to implement appropriate knowledge, (2) the limitation of capital to improve the mastery of technology, (3) lack of ability to take advantage of the business world and (4) lack of access to sources of technology and knowledge. These bumps on the ability of the human resources available.

Thus, the low educated people but got good training will have the same relative productivity with highly educated people from formal level. This argument is formalized in a theory known as the theory of allocation or the status of the competition has the support of Meyer Jhon (1977) and Randall Collins (1979).

The concept of the investment of human resources (human capital investment) that support the economic growth (economic growth), has been around since the days of Adam Smith, Heinrich Von Thunen and the other classic theorists before 19th century that stressed the importance of human skills investment. Schultz (1961) and Deninson (1962) then showed that the development of human resources with education sector as its core focus has contributed directly towards a country's economic growth, through improved skills and production capabilities of the workforce. Human capital is the stock of skills and knowledge productively in society. Marshal Alfred once said "the most valuable of all the capital invested in is that human beings" (Becker, 1975). In this case the human capital is a long-term investment in the development of human resources to increase productivity. The importance of human capital is the knowledge that exists in the human resources base is the driving force in the improvement of productivity.

Creativity is not just innate talent from birth or the Affairs of the field experience but also can be learned and taught. Someone who has an entrepreneurial talents can develop her talent through education because some are people who know the potential (traits) and learn to develop its potential to capture the opportunities as well as to organize his efforts in realizing his ideals and thus to become the entrepreneurial success is not enough to just have the talent but must also have knowledge of all aspects of the business which is practiced and to acquire the knowledge required education or training. This is the fundamental relationship of human capital and entrepreneurial creativity. This is in line with the results of research from Niels Bosma and Mirjam van Praag (2004)

which States that the Human capital and social capital can improve the performance of entrepreneurship are substantial. L.a.p.d. research conducted by Jens m. Unger and Andreas Rauch (2010) stating that the Human capital that included education, experience, knowledge and skills to the success of the effort.

On the basis of the background above, specifically the issue of the research is How the influence of human capital against its impact on entrepreneurship and creativity of craftsmen in the region of Kec.recca songkok. AwangponeKab. Bone Of South Province of Sulawesi.

B. Problems

- a. How the influence of human capital to productivity on a craftsman ?
- b. How to influence creativity to productivity on a craftsman ?
- c. How the influence of human capital to productivity through creativity of craftsmen ?

C. Research objectives

Based on the description on the background and problem identification, then this research aims to find out and analyze:

- a. The influence of human capital to productivity on craftsmen.
- b. Influence of creativity to productivity on craftsmen.
- c. The influence of human capital to productivity craftsmen through the creativity of craftsmen

II. A REVIEW OF THE LITERATURE

A. Previous Researchers

Jens m. Unger and Andreas Rauch, 2010, found that human capital increases the ability of business owners to find and exploit its business opportunities, and they find a higher relationship between human capital with entrepreneurial task.

Martanda Margaret, 2009, researching on the influence of human capital and entrepreneurship in small-scale enterprises in Kenya, Nairobi find the research results that Human capital in this experience greatly influences the soul of entrepreneurship that are related to the development of innovation related product is. Dr. Sunday o. Okpara, 2007 suggests that someone who has the ability to kretivitas and innovation will be able to encourage entrepreneurship, to be able to explore the opportunities and being able to do things the new way.

B. Theory Framework

- *concept and theory of Human Capital*

The shift of the concept of human resources into human capital has invited attention and study more deeply. The concept of human capital refers to the potential of human beings and can be improved through education, both formal and non-formal as well as the improvement of the health of a society and migration

Stockley (2003:107) defines the notion of human capital is *"The term of human capital is recognition that people in the organization and business are an important an essential asset who contribute to development and growth, in a similar way the U.S. physical assets such as machines and money. The collective attitude, skill and abilities of people contribute to organization performance and productivity. Any expenditure in training, development, health and support is an investment not just an expense"*.

It means that human capital is a concept explained that people in organizations and businesses is an important asset, which has donation towards development and growth, as well as physical assets such as machinery and working capital. Attitudes and skills and abilities have contributed to performance and productivity.

Human capital is the stock of skills and knowledge productively in society. Marshal Alfred once said "the most valuable of all capital is that invested in human beings" (Gary Becker, 1975). In this case the human capital is a long-term investment in the development of human resources to increase productivity. The importance of human capital is the knowledge that exists in the human resources base is the driving force in the improvement of productivity. Long before Gary Becker (1964) stated that investment in human resources may be the stock of knowledge, skills and abilities of embedded in an individual that results from natural endowment and subsequent investment in education, training and experience. In this context, Gary Becker's emphasis on the aspects of the knowledge, skills and abilities that are present in an individual that results from natural resources and subsequent investment in education, training and experience.

Mayo (2001) describes the human capital is as follows:

"A capability, knowledge, skill, experience, and networking, with the ability to achieve results and the potential for growth; individual motivation in the form of aspirations, country, drives, motivations and work productivity; work group effectiveness in the form of mutual supportiveness, respect sharing and value; leadership in the form of clarity of vision and ability to communicate that vision; organizational climate in the form of culture particularly the freedom to innovate, openness, flexibility and respect for the individual".

From the Mayo in a simple opinion can be interpreted as that human capital is the knowledge, skills, abilities, experience, and networks, with the ability to achieve results and growth potential, the motivation of the individual in the form of aspiration, ambition, drive, motivation and work productivity, effectiveness of group work in the form of support, sharing a mutual respect and values, leadership in the form of a clarity of vision and the

ability to communicate that vision; the climate of the Organization in the form of culture in particular freedom to innovate, openness, flexibility and respect for the individual within an organization.

The opinion of the author can be concluded that the concept of human capital also has an important dimension i.e., training and education, raise the level of knowledge, skills, values, social assets, and employee satisfaction and company performance

- *Concepts and theory of creativity*

Throughout the history of humanity, creativity becomes a topic of concern, but since a few decades the creativity be the subject of empirical and scientific research. According to Munandar (2009) creativity is defined as the ability to have fluency, flexibility, and originality in thinking as well as the ability to elaborate on (develop, enrich, detail) an idea. Campbell (1986) adds that creativity is an activity that bring results to its new, useful, and understandable. Supriadi (2001) defines creativity as the ability of a person to give birth to something new, either in the form of the idea nor the real work, which is relatively different to what has existed before creative activities contain changes direction. It is supported by Yeni Rachmawati and (2010) which refer to creativity as the ability of generating a new form of art, or in the machinery, or in solving problems with new methods.

According to the quoted from LevitTeodore Zimmerer, creativity is the ability to think is new and different. According to Levit, creativity is thinking something new (thinking new thing), therefore he thinks entrepreneurship is thinking and acting something new or thought something of the old with the new ways. According to Zimmerer (2008) with the title of the book "Entrepreneurship And New Venture Formation", it is revealed that the ideas of creativity often emerges when entrepreneurship see something old and think of something new and different. Therefore creativity is creating something from that originally None (generating something from nothing).

Innovation is the ability to apply their creativity in order to solve the issues and opportunities to improve and enrich the lives or are outlined as follows:

"Inovation is the ability to apply creative solutions to those problems ang opportunities to enhance or to enrich people's live. Sometimes creativity involves generating something from nothing. However, creativity is more likely to result in colaborating on the present, in putting old things together in the new ways, or in taking something away to create something simpler or better".

From the definition above, contains the sense of creativity, i.e.:

1. Creativity is creating something that is originally not there.

2. The present cooperation to rectify the past in a new way.
3. Replace something with something simpler and better.

- *The concepts and theory of Productivity*

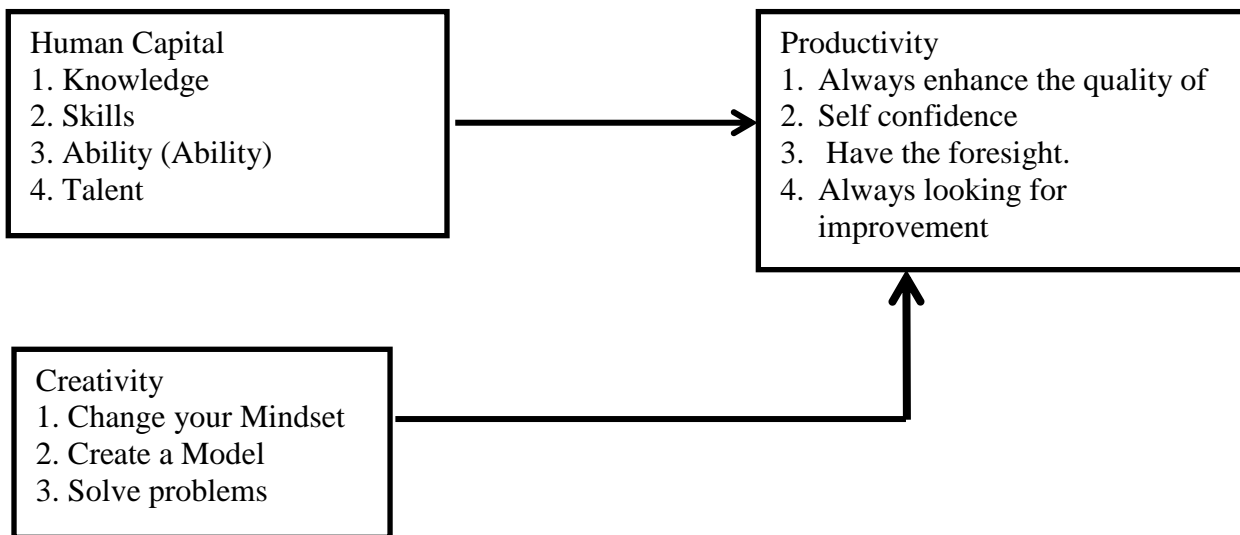
Payaman j. Simanjuntak (2000) explains that in improving work productivity requires a good mental attitude of the employees, besides the increase in work productivity can be seen through the workings of which are used in carrying out the activities and results of work is obtained. So the notion of it can be concluded that in work productivity there are staple items that constitute the criteria to judge it. The third element is as follows:

1. Elements of the spirit of the work can be defined as the mental attitude of the employees in the discharge of his duties, where this mental attitude shown by the excitement in performing tasks and encouraging him to work better and more productive. So when such conditions can be

maintained and developed continuously, not impossible effort to increase work productivity can be achieved. To assess the morale of employees can be seen from its responsibility in carrying out the task improvements.

2. Elements of the workings or working methods. Ways or methods of work of employees in carrying out the duties of his work can be seen through the willingness of employees to work effectively and efficiently.
3. Element is the result of work. The work is the result of the work carried out by the employees. The results of the work are obtained by employees is work achievement officer in carrying out his duties. The results of this work can be seen from the above number or frequency standards established. This indicates that the employee is productive in completing the duties of his job.

C. Framework Concepts



III. METHOD STUDIES

A. Location of Research

This research was conducted at the Kec. Awangpone, Government of South Sulawesi Prov. Bone.

B. population and Sample

The population in this study are all the crafters of 150 people.

C. Data analysis techniques

The data are analyzed by quantitative descriptive analysis and analysis using Structural Equation Modeling (SEM). The use of SEM analysis to examine: 1) relationship between the free variables (the independent variables) and its effects, either simultaneously (together) or partial (each), against variable between (intervening variable); 2) influence

of variables between against variable (dependent variables); as well as 3) free variables influence against variable, either directly or indirectly through a variable between.

IV. RESULTS AND DISCUSSIONS

A. Results

- *Test validity and Reliabilitas invalid constructs research (Outer Model)*

Testing the validity and reliability of the indicators in this study refers to the discriminant validity, convergent validity, and compositereliability.

- *Covergent Validity*

The results of the Outer loadings (measurement model) or convergent validity is used to test the unidimensionalitas of each invalid constructs. According to Chin (1998), the value

of the indicator of loading factor that is greater than or equal to 0.5 can be said to be valid. Here are presented the values

of outer Loading invalid constructs of all variables. In table 1

Table 1. The Results of Calculation of Outher Loading Invalid Constructs

Variabel	Indikator	Outher Loading	t-statics	t-tabel $\alpha = 5\%$
Human Capital	HC 1	0.920	85,981	1,960
	HC 2	0.757	9,322	1,960
	HC 3	0.757	9,322	1,960
	HC 4	0.815	14,616	1,960
Creativty	KV 1	0.849	15,479	1,960
	KV 2	0.905	24,255	1,960
	KV 3	0.673	6,772	1,960
Produktivty	PR 1	0.887	79,864	1,960
	PR 2	0.875	35,189	1,960
	PR 3	0.646	13,856	1,960
	PR 4	0.875	35,189	1,960

Based on the results of data analysis, if viewed from the value estimation on outer loading for each indicator is then all the above indicators shows high above the loading factor of 0.5 means all these indicators able to explain from each. On the Human capital variables, indicators of knowledge (HC 1) have the greatest factor loading means the knowledge of craftsmen was very influential on the Human capital of these craftsmen. On Creativity of indicator Variables created a model (KV2) has a loading factor of i.e. 0.905 means that the ability of the craftsmen in creating models is an indicator that is able to measure the level of creativity of craftsmen. On the variables productivity, indicators always improve the quality (PR 1) has a loading factor of comparison by loading factor of other indicators. This means that this indicator was able to explain the level of productivity of the craftsmen. In addition, the t-value calculate all indicators suggest that have a higher value than the value t table (1.960) at a confidence level of 95%. Thus

it can be concluded that, of all the indicator variables have significant value in measurement.

• *Discriminant Validity*

Evaluation of discriminant validity in this research uses value crossloading, AVE and the square root of the average variant ceextracted (AVE), and the value of the composite reliability and or cronbach alpha. The purpose of this evaluation is to test whether the research instrument is valid and reliability in explaining or reflect the latent variables.

➤ *CrossLoading*

Discriminant validity of the measurement model is assessed based on the measurement of cross loading with invalid constructs

Table 2
The Results Of Calculation Of Cros Loading Invalid Constructs The Research

	HC	KK	PR
HC 1	0,920816	0,347798	0,887733
HC 2	0,754504	0,109394	0,429972
HC 3	0,754504	0,109394	0,429972
HC 4	0,816499	0,222156	0,686749
KK 1	0,264651	0,849065	0,393663
KK 2	0,165494	0,905415	0,356402
KK 3	0,227886	0,673385	0,373330
PR 1	0,820816	0,347798	0,887733
PR 2	0,552522	0,401089	0,875222
PR 3	0,521300	0,415934	0,646060
PR 4	0,552522	0,401089	0,875222

Source: processed PLS, 2017

Based on table 2 it can be seen that the value of cross loading variable indicators for the orientation of the Human Capital is above the value of cross loading of other

latent variable charge indicators will. In other words, that the value of cross loading or loading factor the greatest indicator of HC HC 1, 2, and 3 are present in variable HC

Human Capital (HC). This suggests that the indicators i.e. knowledge, skills, ability, and talent able to explain variable Human Capital (HC) is better compared to other variables. Similarly the value of cross loading indikator for each Variable of Creativity i.e. change thought patterns, creating the models and solve the problem of being able to explain a variable of creativity (KV) is better compared to other variables. Any such Productivity variable with four cross loading charge indicators will mampumenjelaskan a variable productivity (PR) is better compared to other variables

➤ *The Average Variance Extracted (AVE) and the Square root of AVE (Root AVE)*

Average variant ceextracted (AVE) or root AVE used to measure reliability component latent variable "score. The value of the AVE AVE or root of the discriminant validity shows that 0.500 has been reached, i.e. the indicators used have been able to explain the variables that were formed than other variables.

Table 3. The value of the root Variable AVE and Research

	HC	KK	PR
HC 1	0,920816	0,347798	0,887733
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loading charge indicators will able to explain a variable productivity (PR) is better compared to other variables

The test results in table 3 show that the value of the square root of the average variance extracted (root AVE) all variables that are designed in this study is larger compared to the value of the AVE, so that instruments of each variable is said to be valid diskriminant.

➤ *Reliability and Cronbach Alpha Compositing*

Composite reliability and cronbach alpha was used to test the value of reliability or reliability between indicators of invalid constructs that shape it. The value of the composite reliability and cronbachalpha is said to be good, if it worth above 0.60

Table 4. The value of the variable cronbachalpha and reliability of composite research

Variabel	Composite Reliability	Cronbachs Alpha
Human Capital (HC)	0,886679	0,844085
Kreativitas (KV)	0,854231	0,737002
Produktivitas (PR)	0,895216	0,841392

Based on table 4 can be seen that the value of the composite reliability on Human Capital variables (X) by 0.886679, the variable of creativity (Y1) of 0.854231, variable productivity (Y2) amounting to 0.895216, everything is worth more than the value of the limit 0.600. It can be interpreted that the latent variables used have a composite reliability is good. Cronbach alpha value of all

variables is also greater than 0.600 so it can be said that the latent variables have a high reliability.

B. Testing Goodness of Fit (Inner models)

In this research, the structural model is evaluated by observing the R-square (R2) and Q2 (predictive relevance model). Q2 (predictive relevance model) that

measures how well the observation values produced by the model. Q2 based on coefficient of determination (R2) of the endogenous variable throughout. Quantity Q2 has a value with a range of 0 to 1, Q2 << getting closer to a value of 1 means the better the model. Following the results of the calculation of the goodness of fit coefficients or determination (R2) of the endogenous variables are presented in the third Tabel5.

Based on the results of the calculation of the nilaiQ2 above shows that the value of sebesar0 relevance,734 predictive. It can mean that the accuracy or appropriateness of the research model can explain the diversity of Human capital variables, creativity, to productivity sebesar73.4%.

Sisanya26 .6% explained by other variable which is not found in the research model.

C. Structural Model Test Coefficient Line direct influence and the influence of Indirect

• Direct Influence Testing

Direct influence of test results between research variables other than indicated by the path coefficients and t-statistics, can also be seen in the diagram on the line the following table 6.

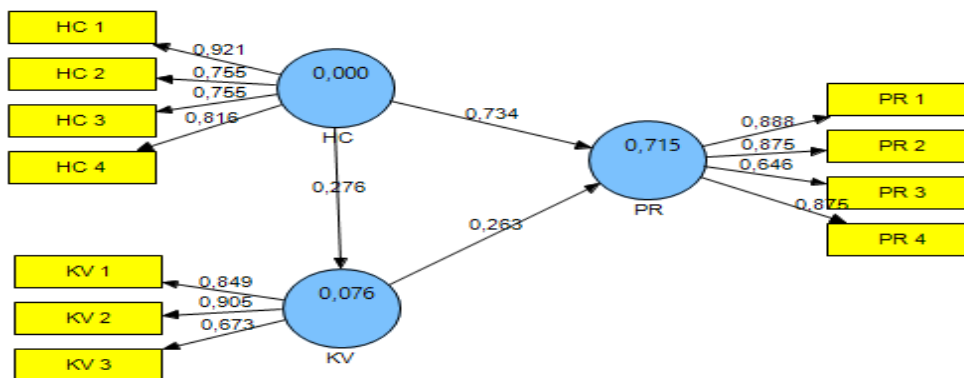
Table 6 . The results of Path Coefficients and hypothesis testing direct influence

Variabel Eksogen	Variabel Endogen	Koefisien Jalur	t-statistics tkritis=1,960	Ket.
Human Capital	Kreativitas	0.276	3,996	Signifikan
Human Capital	Produktivitas	0.734	21,014	Signifikan
Kreativitas	Produktivitas	0.263	5,943	Signifikan

Source: processed PLS, 2017

Based on the results of the analysis as shown by table 6, it is seen that these three variables and all direct and significant effect

Figure 1 . Diagram of the path coefficients and hypothesis testing direct influence



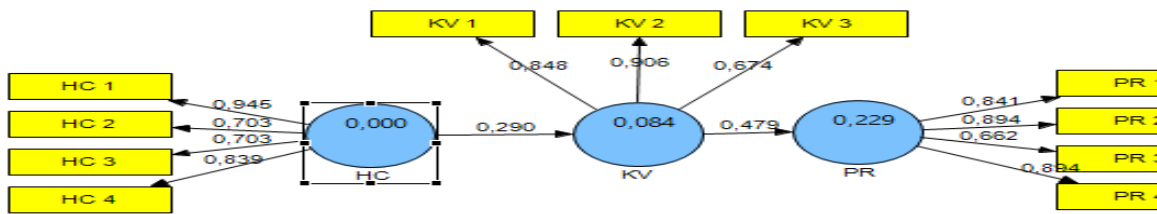
Source: processed PLS, 2017

➤ Hypothesis testing of indirect Influence (Mediation)

Testing the influence of indirect (mediation) aims to detect the position of the variable in the model of mediation. Testing was conducted to determine the nature of the mediation relation between variables as variables mediating perfect (complete mediation), mediation partially

(partial mediation) and not mediation variables. Indirect influence test results between research variables other than indicated by the path coefficients and t-statistics, can also be seen in the diagram of the line in Figure 2 below.

Figure 2
Image Line With Variable Coefficients Of Mediation



From Figure 2 it can be seen that the indirect influence of the human capital to productivity through creativity with the influence of coefficient of = 0.1389 (0290 x 0479) at the level of significance of 0.05 (T calculate > 1.96 table T). Visible in Figure 2 that an R-Square of the Productivity of that productivity can be interpreted 0.229 craftsmen can be described simultaneously by human capital variables and creativity of 22.9% were the rest of 77.1% explained by other variables outside of the researched.

B. Discussion

• *Testing direct influence*

➤ *The influence of Human Capital to productivity*

Human capital effect directly against the productivity of the craftsmen of 0734 21.014 table with t. The coefficients marked with lines that can be interpreted as positive relationships with human capital productivity craftsmen on this SME is unidirectional. This means that human capital variables with indicators of knowledge, skill, ability and talent can explain the high to the low productivity of the craftsmen. In other words, the higher human capital craftsmen then will be increasingly higher productivity a craftsman. The importance of Human Capital from the craftsmen on SMES because it produces the product is that it requires a special talent such as experience and ability of weaving that is not obtained from the education school but through the learning experience of the family environment. This is the type of SME SME of its existence have been around for decades so that the product is produced is the product is value history and culture. This is the cause why the craftsmen on this SME is the one person who has a skill, the skills they have acquired from a family who is also a craftsman. But the craftsmen are still requires the formal nature of education that touches such as entrepreneurial training, the training included in the meetings with the craftsmen-successful craftsmen, to opening an insight into their mindset and not just create a product is but also how can open up a better business opportunity again.

➤ *The influence of creativity to productivity*

The influence of creativity to productivity 0263 with t count of 5,943. The is positive and marked lines mean that the relationship of creativity with productivity at this small industry are unidirectional. Creativity with variable indicator of the ability of changing the mindset, the ability

of creating a model, and the ability to solve problems may explain the high to the low productivity of the craftsmen. Direct influence of variable against creativity productivity only of 0263, smaller when compared to the influence of human capital to productivity, is caused because generally the craftsmen are still lacking in terms of information on how to be innovative and kreativ craftsmen, still shut down by environmental and business opportunities there and still lack of interest from the craftsmen to follow entrepreneurial training are usually conducted by the local government.

➤ *The influence of human capital to productivity through creativity*

From the results of the analysis over the influence of human capital to productivity through creativity of craftsmen with the t statistics 0.1389 7,078. These results prove that human capital effect significantly to the productivity of craftsmen through the mediation of creativity. The coefficients marked with lines that can be interpreted the US positive relationships with human capital productivity through creativity is unidirectional. When compared with the direct influence, the value of the indirect influences (0.1389) is much smaller when compared with the value of the direct influence (0734) between human capital to productivity. Seen here that the human capital of the craftsmen that include knowledge, skill, and talent is so ability affects the productivity of the craftsmen, they tend to require no creativity side so that the resulting products are monotone or less innovation. Human capital of the craftsmen of this purely from the family truly blessed upbringing and environment are hereditary u.s. craftsmen. To emphasize that market conditions and the business will follow the ever-changing demands of the times, so it is necessary to change the mindset of the craftsmen, that creativity is very important if you want it SMASH this remain and are sustainable.

V. CONCLUSIONS AND SUGGESTIONS

A. Conclusions

Human capital effect directly against the productivity of the craftsmen of 0734 21,014 table with t. Direct influence between human capital to productivity is enormous because SME is indeed produce a product is that it requires a special talent such as the experience and capabilities of the weaving

that are not retrieved from the education school but through the learning experience of the family environment.

The influence of creativity to productivity 0.263 with t count of 5.943. Overall influence of creativity is difficult to be developed in enriching element of work on SME-based crafters of culture like this, but if a craftsman has gained the knowledge, skills, work attitudes, competence as well as talent, then it would make a crafters are increasingly able to work with high creativity.

The influence of human capital to productivity through creativity of craftsmen with the t statistics 0.366 26,375. In the findings of the research, influence is caused due to less utilization of advances in technology that rapidly is not currently offset by the ability of human resources as a reliable craftsmen. This is understandable because the concept and practice of technology users is on the concept of technology handmade and the concept of productivity is more to the element value. So the productivity value to product quality rather than quantity of products produced.

B. Suggestions

Craftsmen must dare to change his habits and mindsets which are the routine and monotony in order to further improve the elements of creativity at craft results investments. The elements of creativity becomes imperative in order to do crafts that highlight the uniqueness and characteristic areas can survive and have a high competitiveness and followed by the adaptive and innovative nature of the development of market information, applying technology and business management in the face of a more competitive trade in the future. In addition, they should also continue to improve the new motifs that market demand by both domestic and foreign tourists so that productivities can also be increased. This is in anticipation of the buyers who come from a variety of areas including Foreign Affairs seeking souvenirs for returning to his native region.

For policy makers, suggested local governments through a work unit (SKPD) area device according basic tasks and functions that deal with small and medium enterprises to be able to resolve the problem of low the creativity of craftsmen who have characteristics and the uniqueness of the area by creating a program and activities that can increase the dimensions of the human capital through non formal education, training, workshops to improve skills and competencies of a period or any fiscal year in accordance with the needs of the crafters , trying to boost creativity through coaching to crafters so motifs and designs of the resulting product is constantly evolving and being able to adjust the market demand.

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