

# Length of Business and Capital on the Income of Female Workers in Informal Sector

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**Abstract:** Increasing the income of women workers in the informal sector is one example of strategies that can be taken to support the economic development of a country. The purpose of this study is analyze effects of financial capital, Length of business , and social capital on income and analyze social capital in as moderating variable. This research conducted in Badung, Bali with the population of the are female workers in the informal sector with 100 respondents. The results y indicate financial capital, length of business, and social capital simultaneously have significant effect on the income of informal sector female workers. Financial capital, length of business, and social capital partially have a positive and significant effect on the income of informal sector female workers in Badung , Bali . Social capital as a moderating variable weakens the effect of financial capital on income and length of business on the income of women workers in the informal sector.

**Keywords:** Financial Capital, Length of Business, Social Capital, Income, Female Workers, Informal Sector.

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## I. INTRODUCTION AND LITERATURE REVIEW

Economic development is one of the ways in which the income per capita of a society in a country increases in a vulnerable period of time (Wulandari & Gede, 2016). The aim of a national development is to improve the economic performance of a country in order to create jobs for its people and improve the welfare of its population (Yanthi & Marhaeni, 2015). Human resources (HR) is one of the factors causing increased economic development. The main objective of economic development efforts is to be able to increase human resources and create equitable economic growth. In Indonesia alone, besides abundant natural resources, Indonesia also has many human resources that are quite promising to be developed. However, Indonesia is faced with limited jobs that make human resources in Indonesia become unemployed.

Communities belonging to the low economic class or work which where not looking for profit but to meet the needs of daily life, the role of women in the family to make a living help her husband do to maintain the household economy. Women use all their resources such as sources of funds, their ability and time to maintain the household economy by earning a second income. Even in circumstances where the husband's income is insufficient, erratic and even not income that makes women the main support of the family economy. In rural areas the strategy undertaken by the female workforce in survival is through economic activities in the informal sector. Many female workers enter the informal sector where the reason is that the informal sector has flexible time and does not require any conditions to enter it (Mahi & Nazara, 2015).

The informal sector is a sector that has a strategic role in Sustainable Development Goals (SDG's) which is one of the programs in welcoming sustainable economic development, because in addition to having a role in employment and economic growth, it also plays a role in the distribution of development outcomes . The presence of the informal sector is considered as one of the economic sectors that emerged as a result of a situation of high labor growth. Those who enter small-scale businesses initially only have the aim to find work opportunities and get the maximum benefit. Most of their backgrounds are neither entrepreneurs nor capitalists who make large capital investments, they only have small-scale businesses aimed at finding employment opportunities and increasing income (Thomas, 2019).

The informal sector is a form of employment choice because in the informal sector not many requirements are issued. For example, it is authorized by law and does not need to have an organizational structure. Although it is often considered inferior and officials try to bring order to small businesses in the informal sector such as roadside traders who disturb public order, the informal sector can unwittingly reduce the amount of unemployment. Although it has been recognized that the informal sector has the potential in providing employment and income earning opportunities, there are still conflicts between the government as economic development planners for informal sector workers who work to earn income (Parinduri, 2016). the informal sector in addition to increasing income, can play a role in overcoming the problem of poverty and income inequality for the welfare of society. Although the income obtained from businesses in the informal sector is not too large, but businesses in this sector are able to provide employment that is labor intensive (Purnastuti *et al.*, 2015).

Based on the occupational status of the population in the Province of Bali listed in the Table I, they mostly work as laborers / employees as many as 1,144,726 people with a proportion of 685,808 people consisting of men and 458,918 people from women. The unique status of work in the informal sector, especially in the main jobs that are self-employed and family workers are dominated by women. This is indicated to occur because to enter this sector does not require requirements, does not require higher education, and large capital, and is not required to obtain official permission for the founder of a business. If you look at the ratio of the percentage between female and male workers according to their main employment status is 46.03 percent and 53.97 percent. This result shows that almost half of the workers whose main jobs are in the formal and informal sectors are supported by women.

**TABLE I: Population 15 Years and Over Who Work by Main Job Status and Gender in Bali Province in 2018**

No	Job status	Male (people)	Female (people)	Amount (people)	Percentage (%)
<b>Informal Sector</b>					
1	Freelance	157.807	191.624	349.431	14,03
2	Trying to be Assisted by Non-permanent / Unpaid Workers	220.044	186.462	406.506	16,32
3	Free Agriculture Workers	41.052	33.958	75.010	3,01
4	Non-Agricultural Free Workers	83.258	28.708	111.966	4,50
5	Unpaid Workers / Family Workers	77.595	215.785	293.380	11,78
<b>Amount of Informal Sectors</b>		<b>579.756</b>	<b>656.537</b>	<b>1.236.293</b>	
<b>Formal Sector</b>					
6	Trying to be Assisted by Permanent Workers / Paid Workers	78.773	31.078	109.841	4,41
7	Labor / Employee	685.808	458.918	1.144.726	45,96
<b>Amount of Formal Sectors</b>		<b>764.581</b>	<b>489.996</b>	<b>1.254.577</b>	
<b>Total</b>		<b>1.344.337</b>	<b>1.146.533</b>	<b>2.490.870</b>	-
<b>Percentage (%)</b>		<b>53,97</b>	<b>46,03</b>	-	<b>100</b>

Source: Secondary Data, 2018

Badung Regency, is one of the districts that has quite a large population working in the informal sector in the Province of Bali. Many women run small businesses even with small capital which is one of the characteristics of the informal sector. This condition shows that the participation of women workers in the informal sector in this area began to develop because the activities of taking care of the household and equal braya can already be done along with work in the informal sector. Badung people who are the majority of Balinese residents still adhere to the patrilineal system. This system requires women to care for children and take care of the house, while men are responsible for meeting the economic needs of the household (Sari, 2016). The position and role of women, especially Balinese women, in their families, communities, and cultural customs need to be considered, so as to maintain the values of Balinese heritage. Women often find unfavorable positions in several aspects of life. Women are often thought to have no role in passing on heredity. So that parents often discriminate between their sons and daughters in anything, especially education in particular. This condition makes it difficult for girls to find decent jobs in the future and always considers boys as the successors of offspring and the future survival of the household. To meet the increasing need for the provision of facilities and infrastructure for offerings as a

characteristic of Balinese culture, female workers are needed in this regard. The role of women in society in both urban and rural areas needs to be increased in the application of quality human resource development and promoting the values of customs and traditions to maintain local Balinese wisdom.

The encouragement of women to enter the labor market is due to the lack of household economic conditions with a large family burden, husband's income is insufficient to meet the needs of children, so women will tend to participate to make a living without ignoring their household duties and the task of matching braya which is very closely related to the customs of Balinese culture. women now are not only focused on homework as a mother, but also help to make a living to meet the needs of the family. Dogrul (2015) who said women have a higher opportunity to work in the informal sector than men. Income is the amount of income received by community members for a certain period of time as compensation for the factors of production that they contribute to the formation of national products (Kurniawan, 2016.). That income is used as a tool to meet their own needs and needs in the family. The more income earned, the more fulfilled the desired needs, so that someone will be closer to prosperity. Women's participation today does not merely demand equality but also states that its function has meaning for development in Indonesian society.

Badung residents still continue to pursue the tertiary sector, namely the trade sector, restaurants, and hotels. This is proven by the number of people living through livelihoods through trade, restaurants and hotels totaling 140,335 people. The number of people working in the agriculture, plantation, forestry and fisheries sectors is 31,658 people. In the processing industry as many as 26,843 people, buildings as many as 24,169 people, transportation as many as 18,385 people, financial as many as 18,075 people, social services as many as 82,513 people and the lowest are residents who work according to the electricity, gas and water businesses as much as 1,251 people, and mining and excavation did not exist.

Women workers in the informal sector dominate more, especially in trade employment. In the field of trade, trade is able to provide more opportunities for women to take part in the world of work. Many women run small businesses and do not choose jobs even with small capital which is one of the characteristics of the informal sector. This condition shows that the participation of the informal sector female labor force in this area has begun to develop. The factor influencing women to work in the informal sector is to increase family income, so that it does not depend on their husbands. Another factor is the intention to prioritize the interests of cultural customs, preserve local Balinese wisdom, the desire to learn the meanings of religious offerings in Bali, and to fill leisure time that encourages women to work in the informal sector.

**TABLE II: Total of Population in Badung Regency Aged 15 Years and Over Who Worked a Week Ago According to the 2017 Business Field**

Standard Classification of Business Field	Amount (People)
1 Agriculture, Plantation, Forestry, Hunting and Fisheries	31.658
2 Mining and Excavation	0
3 Processing industry	26.843
4 Electricity, Gas and Water	1.251
5 Building	24.169
6 Trade, Restaurants and Hotels	140.335
7 Transportation, Warehousing and Communication	18.385
8 Financial Institutions, Insurance & Building Rental Business	18.075
9 Community, Social and Individual Services	82.513
10 Others	0
Total	343.229

**Source: Secondary Data, 2019**

The results of interviews with informants stated that there were several issues related to not increasing the income earned by informal sector women workers in Badung. There are several factors that determine the size of the income are working capital, land area, labor, business duration, entrepreneurial behavior and business competition. the capital factor often influences a trading business, which can have an impact on other problems such as improvised capital, so a person is only able to open a trading business without being able to maximize the scale of his business. Capital is one important factor that influences business revenues. The capital referred to in this study is overall capital that is, own capital and loan capital.

Capital is a complex need because it relates to spending decisions in business activities to increase income and achieve maximum profit.. There is relatively little capital owned by informal sector entrepreneurs so that it will be difficult to increase productivity. Due to lack of capital in the informal sector, it is difficult for businesses in this sector to develop. Capital, which is one of the factors of production, will determine the productivity of the company which will affect the company's income. In an effort the cost must be incurred to buy stock of goods derived from capital owned by traders. The more capital owned, the greater the stock of goods that can be purchased and company revenues will increase. When traders are able to sell goods above the purchase price, the trader has experienced economic efficiency. This indicates that the capital variable is important to examine the effect on income (D.Rothenberg, 2016).

Furthermore, there are factors that determine a person's income in the business that is the length of business that is run. Business duration is a determinant of income, especially in the informal sector. The length of a business is the time an entrepreneur has spent in running his business. The length of effort determines experience, the longer the business will be, the better the quality of the business. The longer a business person is engaged in the trading business, the more experience and knowledge of consumer behavior and market behavior will also increase. Increasing trading skills, the more business relationships and customers are successfully captured. But it is also not certain that traders who have shorter experience have less income than traders who have longer experience (Rahayu & Tisnawati, 2015). The length of time the business operates will have an impact on increasing the number of more customers and this will have a positive effect on the trader, ie the trader will have a higher acceptance and indirectly this increase in customers will have an impact on increasing company efficiency. This indicates that the business duration variable is one of the important factors that must be examined for its effect on income.

In addition, there is one factor that can determine the level of income of someone who works, namely social capital. Social capital is created from hundreds or even thousands of interactions between individuals or groups every day. Social capital is a place for women to develop their work productivity. In interactions between individuals or groups, trust is important for economic activities, so that economic activity can take place productively, efficiently, and economically. Social capital has a relationship with productivity which will increase the income of women workers by channeling knowledge and directing innovative ideas that will increase productivity (Neves et al., 2018)

The higher social capital owned by a woman in the community will certainly affect the work productivity of these women. Social capital is usually obtained by women because of the nature of women who are easier to get along with and interact with one another in the community which will have a positive impact on improving the quality of human resources to produce products in economic activities. In traditional society, economic transaction relationships that are always recurring and produce good achievements, have long-term expectations of survival rather than economic relations that are filled with manipulation. It is this social capital in the form of expectations and trust that can be transformed into excellence to obtain economic benefits (Yustika, 2008).

## II. HYPOTHESES DEVELOPMENT

Working capital is needed to increase sales, because with sales growth, companies must have funds to finance current assets or day-to-day operations. Therefore, the existence of capital will affect the income that will be received. The core of this social capital lies in the ability of individuals, families and communities to build a network of mutual and mutual interactions. The higher social capital of a woman in the community, will also provide additional income for women who work in the informal sector, especially for the process of buying and selling their transactions to the community because of a relationship of mutual trust. According to Ningsih & Indrajaya (2015) social capital in society will add to the relationship of recurring economic transactions and produce good achievements, in the long run to survive in all economic situations. Social capital is a form of expectation and trust between individuals, groups and society that can be transformed into advantages for obtaining income in economic activities. People with high levels of social capital will have better physical and mental health, a stronger economy, and a better system for education and care for young people. Various empirical evidence that a society with a higher level of social capital will create various benefits. Lange (2015) states that the network which is a dimension of social capital has a significant effect, both directly and indirectly on the productivity which will increase the income of workers.

The length of the business is the time that has been passed by the entrepreneur or trader in running his business. The long time that has been spent in running a business, the income will be even greater, this is because the longer the business that is run it will make entrepreneurs become experienced so that the level of production will be greater and of course income will increase. The length of an effort can lead to the experience of trying, in which experience can affect one's observations in behavior

Setiaji & Fatuniah (2018) stated that the length of business had a positive effect on the income of traders after the relocation of Pasar Johar in Semarang City, where a long business period would also lead to high income. Rani (2019) states that business experience has a positive and significant effect on the income of traditional traders because business experience is a very important factor for small business owners. Then the hypothesis proposed in this study is as follows.

H1: Financial capital, length of business, social capital simultaneously affect the income of informal sector female workers in Badung Regency.

H2: Financial capital, business duration, and social capital partially have a positive effect on the income of informal sector female workers in Badung Regency.

H3: Social capital moderates the influence of financial capital and business length on the opinions of women workers in the informal sector in Badung Regency.

### III. METHODS

This research conducted in Badung Regency. In this study primary data obtained through observation and interviews with respondents which included social capital, financial capital, business duration, and income from respondents. population in this study are female workers in the informal sector. The population in this study are 61,475 people in 2017. Using the Slovin formula, a population of 61,475 women workers in the informal sector in Badung Regency and a error limit of 10 percent, a sample of 100 informal sector women workers in Badung obtained. Sampling method using Cluster Random Sampling. Data collection methods used in this study are the observation, structured interviews, in-depth interviews. The analysis technique used in this study goes through several stages, among others, factor analysis to obtain factor scores from latent variables formed by indicator variables and latent variables, and moderating regression analysis to determine the effect between research variables in the presence of moderation variables. Data are analyzed using SPSS and Excel programs.

### IV. RESULTS AND DISCUSSION

The social capital variable was observed to be able to find out the state of social capital of the community, especially informal sector women workers in Badung Regency. Social capital in this study uses 3 indicators, namely to measure the level of trust of respondents both consumers, traders or other workers or distributors or collectors, network indicators that look at the extent of the respondent's relationship in relation to building good relationships with consumers, traders or other workers or distributors or collectors and indicators of social norms that see the respondent's behavior in complying with applicable norms or in terms of protecting the good name of individuals or groups, and consistency in conducting a right business.

80 people out of 100 total respondents or around 80 percent said that they did not agree if there were consumers who conducted transactions by borrowing. However, there were 2 respondents who agreed, because the person who owed them was the respondent's family or closest relative. Furthermore, the second statement relates to maintaining a business if the respondent is not in a place where the largest total respondents agree because the trust in the person being asked to maintain the business is very high where respondents usually entrust their business to traders or businesses that are next to their business or the respondent's family . But there are 2 respondents who stated disagree because it is better to close the business for a moment than to leave the business to someone else. And for the last statement of confidence indicators, the largest percentage is 49 percent or 49 people agree that cooperatives or other financial institutions can alleviate problems in the business process. However, 18 respondents or 18 percent of the total respondents stated that they quite agreed because in the context of borrowing money for capital, respondents were still doubtful about financial institutions and preferred to trust their family or relatives rather than the financial institutions.

**TABLE III: Respondents' Perceptions Regarding Trust Indicators**

No	Statement	Answer					Mean
		Strongly Disagree	Disagree	Neutral/Doubtful	Agree	Strongly Disagree	
		People (%)	People (%)	People (%)	People (%)	People (%)	
1	I trust people if they borrow or owe me	0 (0%)	80 (80%)	18 (18%)	2 (2%)	0 (0%)	<b>2,22</b>
2	If I'm not in the place, I trust people close to me to look after my business	0 (0%)	2 (2%)	22 (22%)	60 (60%)	16 (16%)	<b>3,90</b>
3	I believe that having a cooperative or other financial institution can alleviate the problems faced individually	0 (0%)	0 (0%)	18 (18%)	49 (49%)	33 (33%)	<b>4,15</b>
<b>Average Total</b>							<b>3,42</b>

Source: Research Result, 2019

Related to the results of in-depth interviews with respondents regarding trust indicators, both in the form of trust between people and God, an average of 3.42 was obtained. This means that indicators of trust are classified as good criteria. Regarding the opinion of one worker who works as a farmer through in-depth interviews, that some informal sector women workers are more distrustful of consumers who are in debt because many do not want to be honest or even do not want to pay or run away, but women workers trust people to leave their business briefly to those closest to and trust in financial institutions can ease the burden on women workers, especially in money.

In addition to trust indicators, there are other indicators used in this study to be able to measure the social capital variable. The indicator is the network. In the network indicators there are several things that are judged, namely based on relationships with consumers, other workers, collectors or other distributors in an undertaking, in addition to the perception of the need or not of workers to be able to join a social gathering between workers or other associations. Another thing is about the importance of establishing partnerships with suppliers of raw materials or collectors will be able to obtain production facilities that are on time, on the right amount, on the right price in order to increase their income. Next is looking at the respondents' perceptions about how to market their products or business by means of people telling or marketing to other people or using technology to market their business results such as promotion through social media. And the last is to see the respondent's perception of consumers or people who come to his business whether the respondent is a person who is friendly to people or not, which will increase the indicator of one's wider network.

**TABLE IV: Respondents' Perceptions Regarding Network Indicators**

No	Statement	Answer					Mean
		Strongly Disagree	Disagree	Neutral/Doubtful	Agree	Strongly Disagree	
		People (%)	People (%)	People (%)	People (%)	People (%)	
1	I feel the need to join a social gathering between workers or other associations	0 (0%)	10 (10%)	33 (35%)	51 (51%)	6 (6%)	<b>3,53</b>
2	Establishing partnerships with suppliers of raw materials or third parties will make it easier to obtain production facilities in a timely, right amount and right price	0 (0%)	0 (0%)	6 (6%)	59 (59%)	35 (35%)	<b>4,29</b>
3	I easily market business results through person to person or technology	0 (0%)	0 (0%)	4 (4%)	44 (44%)	52 (52%)	<b>4,48</b>
4	I always take the time to interact with people who come as well as with a group	0 (0%)	0 (0%)	0 (0%)	27 (27%)	73 (73%)	<b>4,73</b>
<b>Average Total</b>							<b>4,26</b>

Source: Research Result, 2019

Perceptions answered by respondents through questionnaires distributed in the first statement item are about the need for respondents to join a social gathering or other association with a percentage of 51 percent agreeing, but there are 10 respondents stating that they disagree because of lack of trust in terms of social gathering or association the other. Furthermore, there were 59 respondents or 59 percent of the total respondents who agreed to establish partnerships with material suppliers or collectors to facilitate production facilities, but there were 6 respondents who answered that they agreed or were hesitant about establishing partnerships because of a lack of trust in suppliers or collectors in giving production facilities. In addition, in the third statement it is easy to market production through person-to-person or technology, 52 percent of them strongly agree, but there is 4 percent who agree enough to market through person to person or technology because of the same thing, namely the lack of confidence of respondents to consumers who come to explain his efforts to others or to technology. And for the last statement which is about whether respondents always take the time to communicate with people where there are 73 percent said they strongly agreed and there were 27 percent agreed that because if they did not interact primarily with consumers, the business could not progress or was devoid of consumers.

Regarding in-depth interviews conducted, most respondents have almost the same response in understanding the statements in network indicators. On the results of field research, based on in-depth interviews that where the way to market a business result is to make comfort or memorable for consumers who come so that consumers spread the positive side of the business and provide information to others, but also through technology can expand the network existing in marketing business results. This makes it very easy to increase their income. Respondents' perceptions with an average result of 4.26 prove that through the assessment of network indicators the results are very good which means that informal sector women workers rely more on their existing networks where they can easily in terms of capital or in terms of marketing their businesses. But there are some people who still disagree with the existence of related networks in the first statement which in the case of a group of social gathering or other associations. Furthermore, for other things such as marketing goods, supplying raw materials or communicating to consumers, the average female informal sector worker is more positive towards strengthening their networks.

**TABLE V: Respondents' Perceptions Regarding Social Norm Indicators**

No	Statement	Answer					Mean
		Strongly Disagree	Disagree	Neutral/Doubtful	Agree	Strongly Disagree	
		People (%)	People (%)	People (%)	People (%)	People (%)	
1	I always do business properly and correctly in accordance with existing rules	0 (0%)	0 (0%)	0 (0%)	35 (35%)	65 (65%)	<b>4,65</b>
2	I pay the existing dues	0 (0%)	2 (2%)	17 (17%)	43 (43%)	38 (38%)	<b>4,17</b>
3	I always return money for business capital that was lent to me	0 (0%)	0 (0%)	7 (7%)	37 (37%)	56 (56%)	<b>4,49</b>
<b>Average Total</b>							<b>4,44</b>

**Source: Research Result, 2019**

The last indicator used in measuring social capital variables in this study is the social norm indicator. In this social norm indicator there are several things that are assessed, namely in the case of workers doing their business properly or correctly in accordance with applicable regulations, in addition to paying existing dues, and finally in returning the money lent for financial capital.

Respondents' perceptions of social norm indicators that are judged based on doing a good business, accuracy in paying contributions, and in returning money lent to capital on time. The first statement about doing a good and right business with a total of 65 percent of respondents stated strongly agree and 35 percent agreed to do a good and right business. Furthermore, the second statement, which is 43 percent, agreed to pay the existing contributions, but there were 2 respondents who disagreed because at the place where they tried, there were no more contributions. The last statement there were 56 respondents' perceptions stated strongly agree about paying loan money for capital in a timely manner, but there were 7 respondents stated quite agree because of the limited money available which was an obstacle to repay loans on time. The results of research on the perception of respondents on the variable social capital with social norm indicators obtained an average of 4.44. This means that indicators of social norms are classified as very good criteria where on this indicator the average female informal sector worker obeys existing rules and norms.

**A. The simultaneously effect of capital, length of business and social capital on the income of women workers in the informal sector**

**TABLE VI: Simultaneously Effect Result**

		ANOVA <sup>a</sup>				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	246.213	3	82.071	36.894	.000 <sup>b</sup>
	Residual	211.330	95	2.225		
	Total	457.543	98			

**Source: Research Result, 2019**

From the result, because F-count (36.894) > F-table (3.09), with a significance level of 0.000 < 0.05 which means that capital, length of business and social capital simultaneously have a significant effect on the income of women workers in the informal sector.

**B. The partially effect of capital, length of business and social capital on the income of women workers in the informal sector**

**TABLE VII: Partially Effect Output**

		Coefficients <sup>a</sup>				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-9.261	3.823		-2.422	.017
	X1	.652	.217	3.355	3.007	.003
	X2	.490	.197	1.862	2.494	.014
	X3	3.133	.953	.585	3.286	.001

**Source: Research Result, 2019**

The results of data analysis show that the significance value of the capital variable is smaller than the specified significance requirements, this means that the capital variable in this study has a significant effect on the income earned by informal sector women workers in Badung Regency. Revathy & Shanti (2016) which states that capital which is one of the factors of production will determine the productivity of companies that have an impact on income.

Based on the results of the analysis obtained that partially the length of the business variable (X2) has a positive and significant effect on the income (Y) of the informal sector female workers in Badung, Bali. The significance value of 0.047 which is smaller than 0.05 which means that the length of the business variable (X2) has a significant effect. The regression coefficient of the length of business (X2) is 0.490, which means that for every 1 year increase in business, this will be followed by an increase in income of 0.490 million rupiah, assuming the other variables are constant.

Miralles et al. (2016) increased business experience can affect the increase in income of traders in the Klithikan Notoharjo Market in Surakarta. The results of this study were also corroborated by interviews, the length of time an informal sector women's business worker in Badung District became a strategy in an effort to increase experience regarding certain situations concerning her business and decision making. According to Park et al. (2017) to increase income and efficiency, traders should improve their entrepreneurial behavior by broadening their horizons by seeking information from various sources both from electronic media, social media and other media. Febriyanto (2019) stated that the length of business had a positive and significant effect on the income of business actors in Balekambang Beach, Srigonco Village, Malang Regency, this proves that when persevering for a long time the business certainly has a large income. Ernawati et al. (2019) also support the results of the study with the statement that entrepreneurs who spend more capital and maintain their business over a long period of time can increase income because entrepreneurs are able to manage their finances well and can overcome the risks faced so that the business is still going well.

From the results of the analysis show that the social capital variable has a significantly smaller effect, which means that the social capital variable has a significant effect on the income of women workers in the informal sector in Badung



Regency. The higher the social capital a person has, such as trust, networks, and social norms, the impact on the income earned. Myeong & Seo (2016) states that the existence of social capital (trust, norms, and networks) has an influence on the level of income

Based on the results of an interview one of the respondents stated that social capital is something important for someone who works especially those working in the informal sector in Badung Regency. Sun et al (2018) that the better the formation of social capital of farmer groups, the more influence the increase in income. Lee et al. (2017) stated that the elements of social capital that influence the income level of farmers are trust, norms, networks, and participation. Sageder & Mitter (2018) also supports this research with the statement that the better the social capital owned by the trader, the future will always create a very close kinship and have a positive effect on business continuity and will also increase the income of the Batik Trader.

### C. Moderation regression analysis results (MRA)

**TABLE VIII: First Moderation Regression Analysis Results**

		Coefficients <sup>a</sup>				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	-1.901	1.961		-.969	.335
	X1	.543	.204	2.799	2.656	.009
	X3	1.109	.487	.207	2.279	.025
	X1X3	-.098	.049	-2.138	-2.005	.048

Source: Research Result, 2019

Information:

X1 = Capital

X2 = Sosial Capital

X1X2 = Interaction

Y = Income

Based on the results of the analysis show the social capital variable as a moderating variable has a smaller significance value which means that the interaction of the capital variable with social capital (X1X3) is significant. The regression coefficient value of the interaction variable between the capital variable and social capital (X1X3) states that each indicator in the social capital variable does not strengthen the relationship between capital and income. The social capital variable has a smaller significance value which means that the social capital variable is significant. Based on the results of the significance value for the variable social capital and social capital moderating the effect of capital on income is significant, then the social capital variable is said to be a quasi-moderating variable. Pseudo moderation means that the social capital variable can be used as a moderating variable and can be used as an independent variable.

**TABLE IX: Second Moderation Regression Analysis Results**

		Coefficients <sup>a</sup>				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	-6.253	3.815		-1.639	.104
	X2	.470	.234	1.805	2.013	.047
	X3	2.925	.953	.545	3.069	.003
	X2X3	-.150	.060	-2.200	-2.497	.014

Source: Research Result, 2019

Based on the results of the interview stated that the respondent responds to social capital is very important to increase income and one of the capital that must be needed for someone entrepreneurial or doing something business or work. Social capital is considered able to provide benefits for a business actor, especially in the informal sector, but this study does not strengthen the effect of capital on income. This result states that the income obtained with large capital from informal sector women workers in Badung Regency can be weakened by social capital. This means that social capital owned by a woman worker in the informal sector can reduce income from the capital obtained. Social capital variable as a moderating variable has a smaller significance value, which means that the interaction of the business length variable with social capital (X2X3) is significant. The regression coefficient value of the interaction variable between the length of business and social capital (X2X3) states that each indicator in the social capital variable does not strengthen the relationship between length of business and income.

Based on the results of the interview stated that respondents respond to social capital is very important, especially maintaining consumer confidence to increase income. Social capital is said to provide benefits for a business actor, especially in the informal sector, but this study does not strengthen the effect of business duration on income. These results state that the income earned for a long time by an informal sector female worker in Badung Regency can be weakened by social capital. This means that social capital owned by a woman worker in the informal sector can reduce income from the length of a business. Sageder & Mitter (2018) which states that the social networks are dynamic and undergo various changes, depending on the development of the era and industrial development.

## V. CONCLUSION

The government is expected to care, help and be able to contribute to small sectors, especially informal sector workers by providing assistance such as capital in order to develop the business of informal sector workers, making it easier to obtain sources of raw materials, providing guidance, training, and counseling skills especially in the use of technology, providing a special place for informal sector businesses, paying more attention to the conditions and security of informal sector workers, especially traditional markets. In connection with financial capital for women workers in the informal sector, it is better to do proper capital management because most of the capital comes from own capital and rotates from the income earned, so that the business can continue to run. In connection with the long-term effort to maintain business continuity, it is better for informal sector women workers to have long enough business experience so that in the future they can further enhance their experience, skills, and be able to see tastes, behavior, and market opportunities today. Lastly related to social capital, it is better to continue to maintain trust, networks, relationships, and cooperation with consumers, traders or other workers, distributors or collectors as well as the government, especially the Badung regional government, so that later they can maintain business continuity.

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