

Social Entrepreneurship Model In Du'anyam MSMEs: A Case Study Of Women's Empowerment Through Traditional Woven Crafts

Original Article

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Abstract

This research aims to understand the social entrepreneurship model applied by Du'Anyam MSMEs in empowering women in remote areas through traditional woven production activities made from palm leaves. This study uses a qualitative approach with a case study method. Data was collected through in-depth interviews with founders, field managers, and women artisans, as well as observations of production and marketing activities. The results of the study show that Du'Anyam's social entrepreneurship model emphasizes a balance between social, economic, and cultural values through the empowerment of local communities. Du'Anyam is able to integrate social missions in a sustainable business strategy that involves training, community-based production systems, and market penetration through products with modern designs and cultural stories. These findings reinforce that social entrepreneurship can be an effective strategy to realize inclusive development in the MSME sector.

Keywords: Social Entrepreneurship, Women's Empowerment, MSMEs

1. Introduction

The phenomenon of social entrepreneurship in Indonesia in recent years has shown rapid development in line with increasing public awareness of social and environmental issues. Challenges such as poverty, gender inequality, low access to education and health in remote areas, and the impact of climate change demand the emergence of businesses that are not only oriented towards financial gain, but also towards the creation of sustainable social value. In the midst of these conditions, social entrepreneurship is present as a new approach in the business world that combines economic innovation with social mission. This business model is believed to be able to be a bridge between the profit sector and the social sector, because it uses entrepreneurial principles to overcome societal problems.

Ideally, entrepreneurial practices are expected not only to grow the economy but also to encourage social welfare and environmental conservation. In the framework of sustainable development, this concept is known as the *Triple Bottom Line* (Elkington, 1997), which emphasizes the three main dimensions of sustainability: *profit* (economic profit), *people* (social welfare), and *planet* (environmental sustainability). By integrating these three dimensions, businesses are judged not only on their ability to generate profits, but also on their contribution to society and the environment. Ideally, business actors, especially those



engaged in the micro, small, and medium sectors (MSMEs), can develop a business model that balances economic efficiency and social responsibility.

But in reality, there are still many MSME actors in Indonesia who face a dilemma between financial sustainability and social goals. Most MSMEs are still focused on achieving short-term profits and face limitations in access to capital, technology, and markets. In addition, the low literacy of social entrepreneurship causes many businesses that actually have the potential to empower the community to fail to survive because they do not have an adaptive and sustainable business strategy. This phenomenon creates a gap between socially oriented entrepreneurial ideals and the reality of practice in the field, where economic pressures often force business actors to ignore social and environmental aspects.

In this context, the emergence of social MSMEs such as Du'Anyam is an important example of how the social entrepreneurship model can be implemented in real terms in Indonesia. Du'Anyam was founded in 2014 by a group of young female entrepreneurs with the aim of empowering women in rural East Nusa Tenggara (NTT) through palm leaf weaving activities. Weaving activities that were previously only low-value domestic jobs have been transformed into productive economic activities with high added value through modern design and access to national and international markets. Du'Anyam carries a community-based empowerment approach, which combines the preservation of local culture with socially oriented business strategies.

Du'Anyam's business strategy is not solely aimed at selling handicraft products, but rather at building an inclusive economic ecosystem. In this model, women weavers are not just a workforce, but are part of a value chain that actively contributes to decision-making. Du'Anyam also applies the principle of environmental sustainability by using natural raw materials and a production process with minimal waste. Through this approach, the company manages to achieve a balance between social mission and economic performance. The phenomenon of Du'Anyam's success is interesting to study more deeply because it provides a concrete picture of how the *Triple Bottom Line* principle can be operated on an MSME scale in Indonesia.

However, Du'Anyam's success is inseparable from challenges. One of the problems faced is maintaining a balance between market expansion while maintaining local social and cultural values. On a larger business scale, the risk of commercialization and decreased community engagement becomes a threat to the company's social identity. Additionally, long-term financial sustainability is still a major concern, as most of the profits are reused to fund empowerment programs. This raises questions about the extent to which social entrepreneurship models such as Du'Anyam are able to survive in competitive market dynamics, without sacrificing the social values they carry.

Based on these phenomena and gaps, this study aims to analyze the social entrepreneurship model applied by Du'Anyam in integrating social missions and business sustainability. In particular, this study seeks to understand how the *Triple Bottom Line principle* is implemented in Du'Anyam's operational practices, as well as how women's empowerment and local cultural preservation strategies are carried out in a sustainable manner. In addition, this research also aims to identify the challenges faced as well as adaptive strategies used to maintain a balance between social, economic, and environmental aspects. Through this study, it is hoped that a deeper understanding of the locally-based social entrepreneurship model can be obtained, which has the potential to be an inspiration for the development of sustainable MSMEs in Indonesia.

2. Literature Review

2.1. Triple Bottom Line

The concept of *the Triple Bottom Line* was introduced by John Elkington (1997) as a framework that assesses business success not only from the economic aspect (*profit*), but also from the social (*people*) and environmental (*planet*) aspects. According to Elkington, sustainability-oriented organizations must balance these three dimensions to make a positive contribution to the wider community. In the context of social entrepreneurship, TBL is an important foundation in designing business models that are ethical, responsible, and socially impactful.

The application of TBL theory to social entrepreneurship allows business actors to measure success not only from profits, but also from how much they contribute to community welfare and nature conservation. Thus, TBL helps understand how organizations like Du'Anyam sustainably conduct business activities without neglecting their social responsibility.

2.2. Entrepreneurship

Entrepreneurship basically refers to the ability of individuals or groups to identify opportunities, allocate resources, and create economic value through innovation. Schumpeter (1934) emphasized the role of entrepreneurs as *agents of change* who bring innovation and encourage economic dynamics. In the modern context, entrepreneurship is not only seen from the ability to create new products or services, but also from its ability to respond to social and environmental changes. Drucker (1985) added that entrepreneurship is a systematic practice that turns opportunities into profitable businesses by considering efficiency and sustainability.

In the context of MSMEs, entrepreneurship is the backbone of the local economy because it is able to create jobs and improve community welfare. However, the challenges faced by small entrepreneurs are often not only economic, but also social and cultural. Therefore, the emergence of the concept of social entrepreneurship is an evolutionary step in expanding the function of entrepreneurship in a more humanistic and inclusive direction.

2.3. Social Entrepreneurship

Social entrepreneurship is the process of creating and managing businesses that aim to solve social problems innovatively and sustainably. According to Dees (1998), social entrepreneurs act as *change makers* who utilize business principles to achieve social goals. They combine social values with economic efficiency so that they are able to create a balance between social mission and financial sustainability. This concept is increasingly developing in the context of sustainable development, where businesses are no longer solely pursuing profits, but also paying attention to the welfare of the community and environmental sustainability.

In practice, social entrepreneurship is often manifested in the form of MSMEs that target marginalized groups as the main beneficiaries. Business activities are not only aimed at earning income, but also to empower people to be more economically independent. The business models adopted by social entrepreneurship are typically community-based, inclusive, and oriented towards creating measurable social impact.

3. Methods

This study uses a qualitative approach with a single case study design. The object of the research is Du'Anyam MSMEs operating in East Nusa Tenggara. The data was collected through in-depth interviews with three groups of informants, namely founders, operational managers, and five local artisans. In addition, direct observation was made of the weaving production process and the activities of the weaving women's community in villages around East Flores Regency. Data is also obtained from company documentation, annual reports, and online media publications. Data analysis is carried out by thematic techniques through three stages: data reduction, data presentation, and a conclusion drawn. The validity of the data is maintained through triangulation of sources and methods to ensure the accuracy of interpretation. This approach allows researchers to understand the social and economic context in which Du'Anyam's social entrepreneurship model is implemented.

4. Results and Discussion

4.1. Results

The results of this study show that the social entrepreneurship model run by Du'Anyam MSMEs is built on the principles of social empowerment, preservation of local culture, and economic sustainability. Based on the results of interviews with the founder and operational manager, it is known that the initial idea for the establishment of Du'Anyam arose from concerns about the high poverty rate and low economic participation of women in rural East Nusa Tenggara (NTT). Weaving activities have actually been part of the lives of NTT women for decades, but so far, these activities have not provided significant economic value. Du'Anyam then saw the great potential of these traditional skills to be raised as a source of income through design innovations and more modern marketing strategies.

From the results of interviews with weavers in Leworok Village, it is known that before the existence of Du'Anyam, most women only weaved for household needs, such as making harvest containers or traditional equipment. There is no clear economic exchange rate because their products are not widely sold. After joining Du'Anyam, the women received training on product quality, size standards, and design patterns that were more varied according to market tastes. One of the informants, Maria, 47, said that her monthly income has more than tripled compared to before she joined, and she is now able to pay for her children's education. This shows that economic activities based on local wisdom can be an effective means to improve family welfare and reduce gender inequality in rural areas.

Field observations also show that Du'Anyam implements a participatory partnership pattern. Weavers are not positioned as passive labor, but are involved in the planning and decision-making process, especially in terms of production and distribution. Each weaver community has a local coordinator who serves as a liaison between the center's management and community members. This system creates trusting relationships and strengthens social solidarity among weavers. Du'Anyam also facilitates access to microcapital, financial literacy training, and simple business management assistance.

From an economic perspective, the results of interviews with operational managers show that Du'Anyam implements a hybrid business model, which is a combination of profit orientation and social mission. Profits from the sale of woven products, such as bags, baskets, and household goods, are not only used to cover the company's operating costs but also to fund new empowerment programs in other regions. With this strategy, Du'Anyam is able to

maintain financial sustainability without having to rely entirely on grants or outside assistance.

From an environmental aspect, observations of the production process show that the main raw material, in the form of palm leaves, is taken from trees that grow naturally around the village and do not damage the ecosystem. The remains of raw materials are reused or composted to reduce waste. In addition, the products are packaged using recycled materials as part of the company's commitment to environmentally friendly principles. These findings show that traditional production activities can be integrated with the principles of ecological sustainability without compromising the aesthetic and commercial value of the product.

The results of the study also found that one of the keys to Du'Anyam's success is their ability to build a network of strategic partnerships with various parties, including local governments, non-governmental organizations (NGOs), and the private sector. This collaboration allows the company to expand the market, increase production capacity, and strengthen its bargaining position at the national and international levels. Du'Anyam has managed to penetrate the corporate market through cooperation with various large companies that need handicraft products as souvenirs or eco-friendly gift products. This strategy provides income stability while strengthening the company's social image in the eyes of the public.

Overall, the results of the study show that Du'Anyam's social entrepreneurship model succeeds in integrating social, economic, and environmental values in a balanced manner. This practice shows that social entrepreneurship can function as an effective empowerment mechanism as well as an instrument of sustainable development in rural Indonesia.

4.2. Discussion

The findings of this study reinforce the view that social entrepreneurship is a form of innovation that bridges business interests and social missions. In the context of Du'Anyam, the social entrepreneurship model was developed by adopting the *principle of the Triple Bottom Line* (Elkington, 1997), which emphasizes the balance between *profit, people, and the planet*. These three dimensions seem to complement each other and create double value, both economically and socially.

From the *perspective of the people*, Du'Anyam places women's empowerment at the core of its business model. This is in line with Dee's (1998) social entrepreneurship theory, which states that the main goal of social entrepreneurs is to create systemic and sustainable social change. Through training, mentoring, and active involvement in production, Du'Anyam has succeeded in improving women's bargaining positions at the household and community levels. Women who previously depended on their husbands' income now have an independent source of income. Improving the family economy has a wider social impact, such as a reduction in early marriage, increased participation of girls in education, and a growth in confidence and social solidarity among community members.

From the *profit* dimension, Du'Anyam was able to prove that socially oriented businesses can still generate sustainable profits. Market diversification strategies and product design innovation make traditional woven products more competitive in the modern market. In this case, Du'Anyam applies a *value co-creation approach*, where economic value is created through collaboration between weavers, designers, and consumers. This model reflects the essence of Schumpeter's (1934) entrepreneurial theory, which emphasizes the importance of innovation as the main driver of economic growth. Du'Anyam's success in penetrating the national and international markets proves that local products with strong cultural identities can compete if packaged with the right business strategy.

The third dimension, which is *planet*, shows that Du'Anyam has integrated the principles of environmental sustainability in its entire production chain. The use of natural materials and environmentally friendly production systems is an example of the application of ecological responsibility in the MSME sector. This practice is relevant to the idea of *ecopreneurship*, where business actors take advantage of the potential of the environment without damaging the ecosystem, while creating a collective awareness of the importance of protecting natural resources for the next generation.

When viewed from the perspective of organizational theory, Du'Ayam's business model can be categorized as a *hybrid organization* because it combines social and commercial logic simultaneously. This type of organization operates with a strong social mission, but still uses market mechanisms to maintain financial sustainability. This is in accordance with Yunus' (2010) view of *social business*, which is a form of business that is oriented towards solving social problems without relying on donations. In practice, Du'Anyam reinvests the gains made to expand the reach of empowerment to new territories, showing that social and economic success can be mutually reinforcing.

In addition, the findings of this study indicate that local cultural factors have a significant role in strengthening the sustainability of social entrepreneurship models. By using traditional weaving as a business base, Du'Anyam not only creates jobs but also preserves cultural heritage that is beginning to become endangered. This approach distinguishes Du'Anyam from many conventional MSMEs that tend to ignore local values in pursuit of economic gain. The integration between culture and innovation is the main strength in building sustainable competitiveness.

From a public policy perspective, the Du'Anyam model can be a reference for the government in designing social-based MSME development programs. Social entrepreneurship has been proven to be able to contribute to the achievement of the *Sustainable Development Goals (SDGs)*, especially in the aspects of poverty alleviation, gender equality, decent work, and economic growth. To expand impact, regulatory support is needed that encourages synergy between the business and social sectors. The government can provide tax incentives, ease of licensing, and incubation programs for MSMEs that carry a social mission.

Thus, this discussion confirms that social entrepreneurship, as carried out by Du'Anyam, is a future business model that is not only relevant for national economic development but also in line with global sustainability values. Du'Ayam's success proves that when a business is managed with a social and sustainability orientation, it can be a transformative force that creates real social change at the grassroots.

5. Conclusion

This study concludes that *Du'Anyam* is a successful example of social entrepreneurship at the MSME level that is able to integrate economic, social, and environmental values in a balanced manner through *the Triple Bottom Line* principle. Through the empowerment of women in rural areas, *Du'Anyam* not only improves family welfare and gender equality but also maintains environmental sustainability and local wisdom. The application of adaptive and innovative community-based business models shows that social entrepreneurship can be a strategic solution to socio-economic challenges, while encouraging inclusive and sustainable development.

The policy implications of these findings underscore the importance of government support in strengthening the social entrepreneurship ecosystem through regulations, fiscal incentives, and inclusive access to finance. Local governments and educational institutions need to collaborate with social enterprise actors to expand the impact and replication of models such as *Du'Anyam* in various regions. By strengthening the capacity of social innovation and cross-sectoral partnerships, social entrepreneurship can become a new economic driving force that is not only profit-oriented, but also on social welfare and environmental sustainability.

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