Determinants of Community Market's Merchants' Empowerment and Wellbeing to Promote Denpasar as Local Custom Visionary-City in Bali Province

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ABSTRACT: This research aims at: 1) analyzing the effect of human resource, funding resource, social capital, and market infrastructure on community market's merchants' empowerment in Denpasar City, 2) analyzing the effect of human resource, funding resource, social capital, market infrastructure, and empowerment on community market's merchants' well-being in Denpasar City, 3) analysing empowerment mediating the effect of human resource, funding resource, social capital, and market infrastructure on community market's merchants' well-being in Denpasar City. The sample of this study was 193 people from 3,734 merchants as the population. The sampling technique employed stratified random sampling based on the subdistrict and the sample of this study was interviewed using accidental sampling technique. Data analysis technique used was path analysis using SEM PLS. The results of the analysis conclude that: 1) human resource, funding resource, social capital, and market infrastructure influenced positively and significantly toward community market's merchants' empowerment in Denpasar City, 2) funding resource, market infrastructure, and empowerment influenced positively and significantly toward community market's merchants' well-being in Denpasar City. However, human resource and social capital influenced positively but insignificantly toward community market's merchants' well-being in Denpasar City, 3) empowerment mediated partially the effect of funding resource and market infrastructure towards well-being and mediated fully the effect of human resource and social capital towards community market's merchants' well-being in Denpasar City.

KEYWORDS: social capital, funding resource, market infrastructure, empowerment, well-being

I. INTRODUCTION

A community's well-being can be achieved if the community members are able to fulfil the needs on clothes, food, and Place to live. The government always pays attention to those things by conducting various efforts to promote the realization of the community's well-being. The fulfilment of the community's necessities related to goods and services cannot be separated from the emergence of community market which is a traditional market as an organization that continuously experiences degradation in addition to the massive technology innovation these days. Something that is never predicted previously has happened, which devastates the economy so that the economy activities weaken, due to the Covid-19 pandemic.

The impact of Covid-19 pandemic can still be experienced by all levels of community members. This condition also affects on the limited operational system of Small and Medium Micro Enterprises including the merchants of community market. Even though it has been known the resilience in facing economy deceleration, the turnover of the merchants also decreases because the transaction done in traditional market decreases as well.

Based on the result of the preliminary interview with several merchants in Denpasar City, it was stated that the turnover or sale volume was decreasing, the number of buyers was also decreasing, so that the sold commodity was also decreasing. The merchants who usually sell the goods for the tourists' souvenirs was also impacted in this pandemic era due to the smaller number of visits from both domestic and international tourists. The decreasing tourists' visit influenced the average income of the merchants which also tended to decrease.

The empowerment and well-being of the merchants in community market is not only influenced by the availability of market infrastructure which makes them and the visitors comfortable, they are apparently influenced by other factors. The factors predicted to put effect are the quality of human resource, indicated by the education level, experience, and the frequency of

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attending training programs to upgrade the business management, funding resource, social capital, market infrastructure, and also other variables that cannot be detected.

The growth of Denpasar City's Human Development Index for the past five years, from 2015 to 2019, tended to increase even though the growth percentage fluctuated and tended to decrease (BPS, 2020). This condition can also reflect the community well-being of Denpasar City which also experienced such fluctuation. Income is not only affected by input factors such as capital but also physically affected by intangible capital factor such as social capital.

(Month)

Social capital also significantly contributes to the other capitals in empowering small and medium enterprises. This is Indicated by the honest conduct, obeying the established norms and rules, fear of violating the rules because there will be a penalty, and the formed networks among the merchants, consumers, and commodity distributors kept to promote the business productity. Similar to the other capitals, productivity can also be determined by social capital (Coleman, 1988).

Education and experience reflecting human capital significantly affected company's performance (Okafor, 2012). Salwa & Mara Ridhuan (2016) propose that human resource in small and medium enterprises has different roles in business life cycle's stages. Therefore, investment in human resource contributes to the superiority of small and medium enterprises in value creation and performance excellence. The sufficient development of human resource is pretty much needed for the company's sustainability especially small and medium enterprises (Ofoegbe et al., 2013). Sharafat (2017) concludes that training and experience affect significantly on company growth, thus funding resource also becomes an important variable.

Financial resource ability has significant effect on employee's performance, playing the key role in organization performance (Bartocho, 2016). Palacios et al. (2016) display empirical evidence that internal funding resource affected positively but insignificantly towards working performance. Small business capital can come from various resources, they are personal capital, bank credit, and the combination between the two (Struky, 2011). Referring to the supporting and the contradicting research findings especially regarding the use of external funding resource on business performance, this research becomes significant to be conducted to portray the correlation among one variable and the other variables.

Based on those explanations, the objectives of this research are: 1) analyzing the effect of human resource, funding resource, social capital, and market infrastructure on community market's merchants' empowerment in Denpasar City, 2) analyzing the effect of human resource, funding resource, social capital, and empowerment on community market's merchants' well-being in Denpasar City, 3) analyzing the empowerment mediating the effect of human resource, funding resource, social capital, and market infrastructure on community market's merchants' well-being in Denpasar City.

II. LITERATURE REVIEW

Individual or community's well-being is influenced by many factors, both the one originated from the individual himself or from outside of individual or community members. If humans are able to increase the possessed potential optimally, they will be able to fulfill all material and non-material necessities in conducting economic and social activities. If humans are able to create interaction with others and the surrounding environment, it can be concluded that they are capable of improving their personal potentials. If humans have the capability to conduct interaction with others well and are able to keep their relationship and protecting the environment well, it reflects social capital (Krishna and Uphoff (1999).

Humans who have sufficient social capitals and are able to promote to be better will push the increase of empowerment and well-being. Well-being is a condition where all physical and psychological needs of the household can be fulfilled according to the life level (BPS, 2007).

Measuring well-being can be done using various approaches both cardinally which is measured in rupiah value and ordinally which is measured in relatively value-in-use. According to economics theory, well-being can be approached using NeoClassic approach developed by Pigou, Bentham, Sidgwich, Edgeworth, and Marshall and the modern well-being economics approach (Stiglitz, 2011). Neo-Classic approach assumes that value-in-use is cardinal and the additional consumption increase is getting smaller in the value-in-use (diminishing marginal utility). All individuals have similar utility function so that it is meaningful to compare individual's utility value and other people's utility value. Those who devote Neo-Classic approach use optimal well-being measure if there is no individual who can be improved without making other better worse.

Community well-being as stated by Stiglitz (2011) covers dimensions of: material life standard (consists of income, consumption, and wealth), health, education, community members' activities including occupation, politics and government, social capitals namely kinship relationship and others, current and future living environments, safety problem in terms of economic and non-economic sectors.

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Well-being can also be measured from Human Development Index (HDI). The development objective is measured from a number of basic components indicating life quality. HDI as a life quality measure is shaped using three fundamental approach dimensions including long and healthy life, knowledge, and qualify life. Those three dimensions are related to many aspects so that they have a wide range of definitions. To measure health dimension, life expectancy is used; to measure knowledge dimension, the combination of literacy indicator and average length of education are used; while to measure qualify life, we use the indicator of community's purchase ability towards some primary necessities which is overviewed from the average of spending amount per capita as income approach representing development objective for qualify life (BPS RI, 2017).

Well-being level of a community is quantitatively indicated by the income attained by the community. The higher community well-being level is portrayed by the bigger income of a community. Community income can be approached by the spending; if the income of a household is high, there is a tendency that the spending is also sufficient for bigger food and nonfood consumptions compared to the households with low income (Susenas, BPS RI 2018).

There are three empowerment dimensions which are often suggested by experts namely self-empowerment through individual action, joint empowerment which is interpersonal, and social empowerment in producing social actions. Several experts postulate that empowerment is giving the energy so that the related parties can move independently (Roebyantho et al (2007), referring to the statement of Sumodiningrat (2000). Empowerment basically contains the meaning of creating healthy and fair competition climate which will give the opportunity for small and medium enterprises to grow.

Empowerment is a critical condition to upgrade poor people's life (Alvares et al, 2018). Investing modern culture values such as hard working, economical, openness, able to show high responsibility is said to be a part of empowerment efforts (Bagong Suyanto, 2001). If an individual or community group has the knowledge, capability, and action toward the possessed potentials by individual and community group and is able to show high working ethics, empowerment can be realized. Therefore, empowerment process is prioritized on the increase of family's capability to work hard in fighting against stupidity, laziness, and poverty in a wide range of meaning (Muljono et al., 2016).

Empowerment is a social, economy, and politic change prosess aiming to empower and strengthen the community's Ability which can be done with cooperation to achieve the more independent and participative life so that sustainable well-being can be realized (Mardikanto, 2003). According to Sumodiningrat (2002), the efforts of empowering the community have to be viewed from three perspectives. First, the efforts have to be able to create an atmosphere or climate enabling the community's potential to grow. Second, they have to strengthen the community's potential and power (empowering). Third, they also contain the protecting power.

Ife (2002) proposed that community empowerment program is only be able to realize empowerment indicators if it is conducted following empowerment principles such as holism, sustainability, diversity, organic development, balance development, and solving harmful structure. These principles should be implemented consequently to make the empowerment program as community empowerment which can empower the community. Community empowerment program can only be able to realize empowerment indicators if it is held based on the empowerment principles.

Human resource is an important factor to increase production which later can determine empowerment and finally is able to increase well-being. Family empowerment can be increased if they can manage the human resource well. The potential possessed by family which can be managed well will be able to upgrade family well-being. Resource coming from individual capability can be seen from employee's knowledge, talent, skill, education, and experience in a company (Bontis et al., 2000). Salwa & Mara Ridhuan (2016) stated that small and medium enterprises need to differentiate human resources according to their role in different business life cycle stages to achieve the entire human resource potentials.

Human capital is categorized into three categories namely capability and potential, motivation and commitment, and innovation and learning. Capability and potential are related to current education level, professional skill, experience, attitude, personal network, values, and employee capability to develop in organization. Motivation and commitment are correlated to coordination of their own interest and company's interest while innovation and learning show employee's openness to change (Mayo, A, 2001).

Human capital concept as the community investment through education and training is a very important thing because investment in human capital refers to increasing human productivity which will refer to the positive level (Fatoki (2011). Sufficient human resource development is highly necessary for company's sustainability especially small and medium enterprises (Ofoegbe et al. (2013). Human capital is a dimension of intellectual capital based on human knowledge and their experience and can influences company value by affecting other elements (Mushrel, 2014). The results of a study conducted by Ojokuku, R.M & Sajuyigbe, A.S. (2015), Tessema (2014) showed that human resource development variable significantly influenced small and medium enterprises' performance because human capital investment is able to improve company's performance. Education and experience positively influence new company's performance according to the research findings by Sharafat (2017). The results of

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a study conducted by Eny Lestari (2015) portrayed that human capital elements (education level, motivation, and experience) significantly influenced small and medium enterprises' performance in Indonesia.

Social capital refers to social organization characteristics such as network, norms, and trust which facilitate coordination and beneficial cooperation. Business owners are able to develop their social capitals by constructing network providing external, information, support, financial, and expertise resources which enable them to mutually learn and assist each other (Cope et al., 2007).

Social capital may contribute in expanding happiness and well-being (Dowling and Fang (2007). Social capital dimensions including bonding, bridging, and linking social capital influence poor community's empowerment (Babaei, et.al, 2012). Productivity can also be upgraded by improving the role of social capital. However, if the working passion is decreasing, the productivity will also decrease. High working spirit, high working ethic, mutual trust, mutually sharing information are reflections of social capitals. If social capital decreases, the business performance also decreases, consequently business activities are also obstructed. Sharing information plays an important mediation role among three social capital dimensions (trust, network, continuous transaction) dan the increase of company's competitiveness. The forms of social capital are always correlated to social structure where the community is living. If the social capital forms depend on trust and expectation, someone is considered as honest and has good reputation will be appreciated more easily compared to the individuals with no credibility, for example to get certain loan or credit (Yustika, 2012).

III. RESEARCH METHOD

This research was designed using associative quantitative approach by employing latent variables of independent and dependent variables. Community market's merchants' empowerment and well-being were influenced by several independent variables such as social capital, human resource, funding resource, and market infrastructure. Empowerment variables are mediation variable with multiple functions as the influenced variable and the influencing variable. This research was conducted in Denpasar City which had the third biggest number of markets compared to the other sub-districts in Bali Province; they are Gianyar Sub-district and Badung Sub-district.

Endogenous variable was well-being (Y2), the well-being of community market's merchants was a condition which could be showed from several community market's merchants' well-being indicators which were able to reflect respondents' well-being levels. Those indicators were: ability to fulfill family's education need (Y21), ability to fulfill family's health need (Y22), ability to hold religious ceremony (Y23), ability to increase the business's income (Y24). Empowerment variable was a mediation variable which was the empowerment of community market's merchants indicated by indicators of: ability to increase sale volume (Y11), ability to sustain and increase the number of customers (Y12), ability to manage the business's sustainability (Y13), ability to create a good working environment and protect the environment (Y14). Human resource of community market's merchants was an exogenous variable (X1) which was measured using indicators of: education level (X11), experience (X12), merchant's capability or skill (X13). Community market's merchants' funding resource (X2) (exogenous variable) was the funding resource used to conduct business activities as the merchants measured using several indicators of: personal/internal funding resource (X21), funding resource from union (X22), funding resource from Village Financial Institution (LPD) (X23), funding resource from bank (X24), other funding resources (X25). Social capital (X3) which was an exogenous variable was social capital from community market's merchants measured from the indicators of: norms (X31), trust (X32), network (X33). Meanwhile, market infrastructure variable (X4) as an exogenous variable was the infrastructure available in the merchants' place to conduct business activities measured using: parking infrastructure availability (X41), washing hands facility availability (X42), security facilities availability (X43), environment cleanliness (X44), restroom availability (X45).

The data used in this research were quantitative and qualitative data. Quantitative data were the data which could be measured with numbers in this research such as market number. The qualitative data were in the form of explanation and description related to respondents' perception supporting the analysis as they described further to strengthen the result of statistical analysis. The used data were retrieved from the primary and secondary data. Primary data in this research were the data collected directly in the field using the instrument in the form of question list or questionnaire which had been prepared. Secondary data used in this research were the data collected by some agencies such as Bali Province Department of Industry (2020), Perumda of Sewakadarma Market in Denpasar City (2020) to retrieve data related to the number of markets and merchant.

The population of this study was all merchants taken from each market representing four sub-districts in Denpasar City; 3,734 merchants were the population of the research (Perumda of Sewakadarma Market of Denpasar City, 2020). By employing Slovin formula, this research used error rate of 7% to get 193 community market's merchants in Denpasar City as the sample. The sampling technique implemented in this study was Stratified Random Sampling based on the geographical location which was

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subdistrict represented by one market each. To determine the sample unit as the interviewed respondents, the researchers employed accidental sampling technique.

This research used several methods in collecting the data (Jogiyanto, 2004) as follow: 1) non-participant observation method to collect secondary data by observing and taking a note on the information retrieved from documents originated from BPS or correlated agencies; 2) structured interview method was employed to collect primary data through an interview with market merchants as the respondents by using the questionnaire that has been previously designed.

The research instrument used in this study was a designed questionnaire. This research employed quantitative method and the data collection was conducted directly with first-person source. The first step in this research was testing the questionnaire to get the feedback whether the question items could be well-understood by the respondents. This research employed validity and reliability tests to get the picture on the eligibility of those validity and reliability tests as the criteria to become a consideration in determining the next research steps.

Validity testing is employed to measure whether or not an instrument is valid. An instrument is considered as valid if the question in the questionnaire is able to answer the measured aspect in the questionnaire. This testing was conducted using Pearson Correlation by calculating the correlation among the scores of each question item and the total score (Ghozali, 2018). One validity criterion is when the correlation among the scores of each question item and the total score had the significance level below 0.05, then the question item was considered as valid. If the correlation of the score from each question item and the total score had the significance level of above 0.05, the question item was considered as invalid. Reliability test is to measure an instrument which becomes an indicator of a variable or construct. An instrument or questionnaire is considered as reliable if someone's answer towards the question is consistent or stable from time to time. To measure the reliability in this research, Cronbach Alpha statistical test was employed. A variable is considered as reliable if the value of Cronbach's alpha > 0.60. Meanwhile, when the value of Cronbach's alpha < 0.60, the variable is considered as unreliable.

This research employed quantitative analysis approach using Structural Equation Modeling (SEM) with the calculation process assisted with Partial Least Square (PLS) application using a SmartPLS software. The steps in PLS analysis technique included the conversion of structural model Path diagram to mathematic model and the conversion of measurement model path diagram to mathematic model. Constructing path diagram is the construction of inner model and outer model which was later stated in path diagram as shown in Figure 3.1 (Ghozali, 2008), (Hair et al., 2010).
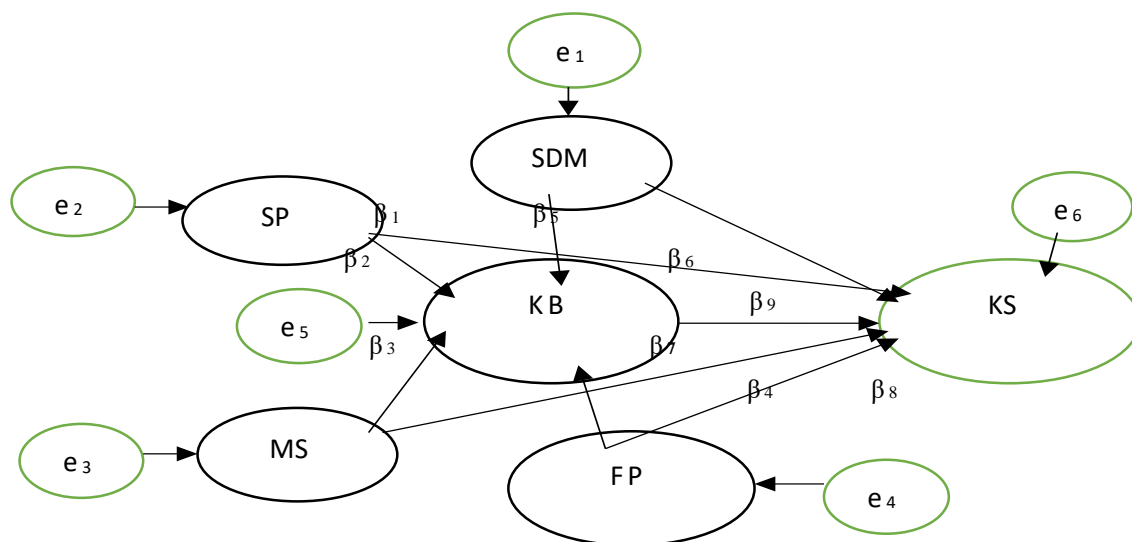

Figure 3.1. *Model Structure from PLS path diagram*
Source : Research (2021)

Note:

SDM : Sumber Daya Manusia (Human Resource)
SP : Sumber Pendanaan (Funding Resource)
MS : Modal Sosial (Social Capital)
FP : Fasilitas Pasar (Market Infrastructure)
KB : Keberdayaan (Empowerment)
KS : Kesejahteraan (Well-being)

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IV. FINDINGS AND DISCUSSION

Each affiliation must include, at the very least, the name of the company and the name of the country where the author is based (e.g. Causal Productions Pty Ltd, Australia).

Email address is compulsory for the corresponding author

A. Inferential Analysis

(1) Construct Validity

The method used to measure the construct validity was *Average Variance Extracted* (AVE) of each latent variable. If the score of AVE is bigger than 0.5, the construct validity is good. The analysis result indicated that the AVE score of latent variable was bigger than 0.5 as shown in Table 4.8.

Table 4.8 AVE Scores

Variable	AVE
Human Resource	0.562
Funding Resource	0.515
Social Capital	0.629
Market Infrastructure	0.515
Empowerment	0.548
Well-being	0.533

Source: Research 2021

Construct reliability test can be conducted through two criteria namely composite reliability and Cronbachs Alpha to Measure the construct. Composite reliability measure the reliability score among the indicator blocks of the shaping construct. A construct is considered as reliable if the composite reliability and Cronbachs Alpha scores are above 0.70. From the analysis result, it was shown that both scores to measure construct reliability were above 0.70 which could be viewed in Table 4.9.

Table 4.9 *Composite reliability* and *Cronbachs Alpha* scores

Variable	*Composite reliability*	*Cronbachs Alpha*
Human Resource	0.836	0.740
Funding Resource	0.827	0.725
Social capital	0.836	0.705
Market Infrastructure	0.840	0.760
Empowerment	0.823	0.715
Well-being	0.945	0.766

Source: Research 2021

(2) Structural Model Evaluation (Inner Model)

Structural model which is considered as fit can be seen from R^2 indicating goodness of fit model test. Inner model test can be seen from the score of R^2 in the equation among the latent variables. From the analysis result, the score of R^2 was shown in Table 4.10.

Table 4.10 R^2 scores

Variable	R Square
Empowerment	0.903
Well-being	0.919

Source: Research 2021

According to the score of R^2 as shown in Table 4.15, the score of Q^2 is as follow: $Q^2 = 1 - (1-0.903)(1-0.919)$

$= 1 - (0.097)(0.081)$

$= 1 - 0.007857 = 0.992$

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The score of Q^2 was 0.992 which could be interpreted that the model was good it could explain the phenomenon of community market's merchants' well-being as much as 99.2 percent. It means that the variation of community market's merchants' wellbeing level which was 99.2 percent can be explained by the latent variables of the roles of human resource, funding resource, social capital, market infrastructure, and empowerment while the rest 0.8 percent is explained by other variables outside the model. The correlation among the research variables is shown in Table 4.11.

Table 4.11. The Influence among Variables

Latent Variable	Coefficient	Error Standard	t-statistic	P Value	Note
$X_1 \rightarrow Y_1$	0.136	0.050	2.715	0.007	Significant
$X_1 \rightarrow Y_2$	0.102	0.070	1.452	0.147	**Insignificant**
$X_2 \rightarrow Y_1$	0.625	0.077	8.166	0.000	Significant
$X_2 \rightarrow Y_2$	0.618	0.104	5.951	0.000	Significant
$X_3 \rightarrow Y_1$	0.092	0.055	1.669	0.096	Significant
$X_3 \rightarrow Y_2$	0.073	0.078	0.932	0.352	**Insignificant**
$X_4 \rightarrow Y_1$	0.126	0.071	1.761	0.079	Significant
$X_4 \rightarrow Y_2$	0.171	0.090	1.903	0.058	Significant
$Y_1 \rightarrow Y_2$	0.626	0.092	6.817	0.000	Significant

Note:

X_1 : Human Resource

X_2 : Funding Resource

X_3 : Social Capital

X_4 : Market Infrastructure

Y_1 : Empowerment

Y_2 : Well-being

a) The influence of funding resource, human resource, social capital, and market infrastructure toward community market'smerchants' empowerment in Denpasar City

Human resource influenced positively and significantly towards community market's merchants' empowerment level in Denpasar City which is indicated from the t-statistics of 2.715 > t-table 1.645 or the significance score of 0.007 < 0.05. It means that the more qualified the human resource of the market's merchants is, the more capable they are in increasing the empowerment. Partially, the funding resource also influenced positively and significantly towards empowerment level which is indicated from the t-statistics of 8.166 > t-table 1.645 or the significance score of 0.000 < 0.05. Social capital also partially influenced positively and significantly toward community market's merchants' empowerment level in Denpasar City which is indicated from the t-statistics of 1.669 > t-table 1.645 or the significance score of 0.096 for two-way test or 0.043 for one-way test < 0.05. It means that the stronger the social capital possessed by the market's merchants is, the higher the empowerment level is. Market infrastructure influenced positively and significantly towards community market's merchants' empowerment in Denpasar City because the retrieved t-statistics was 1.761 which was above the t-table 1.645 or the significance score of 0.079 for two-way test and 0.039 for one-way test < 0.05. It means that the more sufficient the market infrastructure is will be able to improve community market's merchants' empowerment in Denpasar City.

The analysis result showed that human resource influenced positively and significantly towards the empowerment level of community market's merchants in Denpasar City. The merchants were highly aware that to be able to become a merchant with sufficient numbers of customers and loyal customers, they need the ability to attract the customers using a great service, friendliness, skill, experience, education even though they are not in the category of high education, will be very helpful toward their business and improve the business performance so that it can increase the empowerment level and, thus, increase their well-being. The merchants with more experience and sufficient skill in serving the customers will certainly be able to attract customers. By keeping the commitment in conducting the business and running the business diligently, they are capable in business and, in the end, it can upgrade their well-being.

Funding resource used by market's merchants influenced positively and significantly towards the empowerment of community market's merchants in Denpasar City. The easier they access funding resources to fulfill their need of business capital, the more capable they are to increase the business performance so that they can be more empowered. The funding resources

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used to conduct business activities came not only from internal resource but also external resource such as LPD, Union Organization, Bank, and other funding resources.

Social capital influenced positively and significantly towards the empowerment of community market's merchants in Denpasar City. The strong social capital is represented by norms, trust, and network which can increase empowerment. Conducting a transaction among the agents of business including among the merchants, among the merchant and commodity distributor, among the merchant and funding organization such as LPD, Union organization, Bank, and other Micro Financial Organizations can improve empowerment. Maintaining good relationship by referring to the norms which contain honesty in doing a transaction is a reflection of the strong social capital. This research supports several research as a reference like the one conducted by Maqhfiranti et al (2014) that non-physical working environment influenced positively towards the employees' performance; that the better the infrastructure used is, the better the conducted program is, which then increase productivity (Lupiyaodi, 2006). Meanwhile, Coleman (1988) highlights that social capital is equal to the other capitals in increasing the productivity. Similar statement is pronounced by Okafor (2012) that human capital significantly influences company's performance while Salwa & Mara Ridhuan (2016) suggest that investment in human resource gives small and medium enterprises a superior value in terms of creation value and performance superiority. Ofoegbe *et al*. (2013) state that the sustainability of a company especially the small and medium enterprise highly needs the sufficient development of human resource. The financial resource ability has significant influence towards the employees' performance as it plays a key role in organization performance (Bartocho (2016). Palacios *et al.* (2016) portray empirical evidence that internal funding resource positively and significantly influences working performance. Small business capital can be retrieved from various resources namely personal, bank credit, and the combination between the two (Struky, 2011). Manullang (2002: 78) pronounces that the sufficient working environment availability also becomes one of the important factors which can increase productivity.

b) The influence of human resource, funding resource, social capital, and market infrastructure, and empowerment toward well-being

Human resource, funding resource, social capital, market infrastructure and empowerment influencing positively

Toward well-being level was not entirely true. Human resource and social capital influenced positively but insignificantly toward the well-being of market's merchants indicated from the significance score respectively of 0.147 and 0.352 which were bigger than 0.05 but funding resource, market infrastructure, and empowerment influenced positively and significantly towards wellbeing which indicated from the significance scores of 0.000, 0.058 for the two-way test and 0.029 for one-way test and 0.000 was smaller than 0.05. It means that the available and accessible funding resources can fulfill the capital insufficiency in conducting a business so that they can utilize the provided funding resources to be able to purchase the bigger amount and variety of commodities according to the consumers' needs. If they are able to be provided and sold, the increasing income will lead to the increased well-being as well. The more adequate market infrastructure is and the more empowered they are in running a business, the more capable they are in getting the increased income and, thus, become more prosperous

The analysis result indicated that funding resource, market infrastructure, and empowerment influenced positively and significantly toward the well-being of community market's merchants in Denpasar City. However, human resource and social capital influenced positively but insignificantly toward the well-being of community market's merchants in Denpasar City so that they cannot be concluded as influencing well-being significantly. If the community market's merchants are able to utilize the funding resources to enhance the capitalization used to run a business and increase the number of the commodities, the sale can also increase and, consequently, escalate the well-being. It is a similar case if market infrastructure is available sufficiently, the merchants can conduct their business well because they get clean, safe, and comfortable environment. Therefore, the consumers can also make a transaction comfortably which also influence the income increase and lead to the increased merchants' well-being.

Social capital directly influenced insignificantly towards well-being even though it was directed to the positive side

According to the hypothesis. It means that social capital possessed by the market's merchants which is measured using norms, trust, and network was not able to increase well-being directly yet. The very strong social capital possessed by the market's merchants have to be maintained well and increased continuously because it can improve independence in conducting business so that the well-being can also increase. If empowerment is able to be improved in any way, the well-being can also increase. Similar case happens to human resource which influenced insignificantly towards well-being directly also need to be increased in term of the quality since it is capable to enhance empowerment and empowerment enhancement will lead to the increased well-being. This research finding is in line with the previous research conducted. The result of a research conducted by Mardikanto (2003) explains that empowerment can embody well-being because the empowerment is a process of social, economic, and

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political changes in order to empower and strengthen the community's capability which can be done through cooperation so that they can achieve the more independent and participative life and sustainable well-being can be actualized.

c) Indirect influence of social capital, funding resource, human resource, and market infrastructure mediated by the empowerment level toward the well-being of community market's merchants in Denpasar City

Empowerment mediating the influence of human resource, funding resource, social capital, and market infrastructure was proven. Empowerment was able to mediate partially the influence of funding resource and market infrastructure toward well-being and mediate fully the influence of human resource and social capital toward the well-being of community market's merchants in Denpasar City. The analysis result correlating the latent variables can be shown through the analysis result in Table 4.11 and the full model figure shown in Figure 4.1.

The analysis result indicates that the empowerment level mediated partially the influence of funding resource and

Market infrastructure toward well-being and mediated fully the influence of human resource and social capital toward the wellbeing of community market's merchants in Denpasar City. The strong social capital and qualified human resource are able to escalate the empowerment which, then, influenced well-being. To support Denpasar as a city with local custom knowledge, they need to maintain the environment, safety, comfort, and the sufficient market infrastructure availability. By keeping the market condition as great as possible, Denpasar City can be realized as a city with local wisdom according to the vision portrayed all these years.

Community market has been available to provide the materials for daily primary needs and sell the materials for the

Religious ceremonies' need which are closely related to the local wisdom. The visiting tourists can also purchase souvenirs sold in community markets to bring to their homelands. Therefore, community markets are able to synergize the primary needs and the tourists' need and, thus, can keep the environment to stay clean and cozy. Also, implementing the health protocols in the pandemic era is an effort that has to be applied accordingly. These research findings are also supported by previous research's findings that social capital can also influence the entrepreneurship orientation of industry business's agents (Gandhiadi et al., 2017). The research findings of Yuliarmi *et al*,. (2020) indicate that union's social capital and empowerment influenced positively and significantly toward well-being.
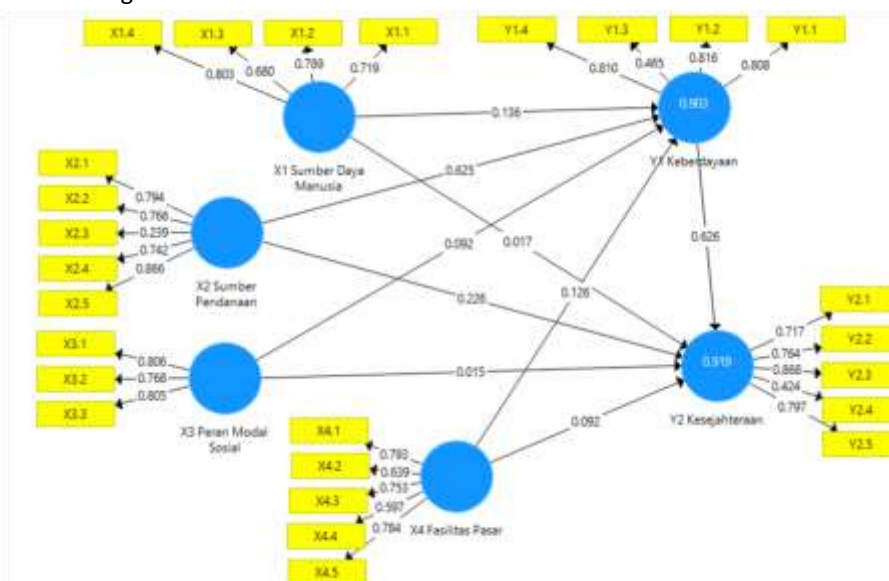

Figure 4.1. Full Model Analysis

V. CONCLUSION AND SUGGESTION

A. Conclusion

Based on the findings of the analysis and the discussion done, it can be concluded as follow:

1) Human resource, funding resource, social capital, and market infrastructure influenced positively and significantly toward community market's merchants' empowerment level in Denpasar City.

2) Funding resource and market infrastructure influenced positively and significantly toward community market's merchants' well-being while human resource and social capital influenced positively but insignificantly toward community market's merchants' well-being in Denpasar City.

3) Empowerment mediated partially the influence of funding resource and market infrastructure and mediated fully the influence of human resource and social capital toward community market's merchants' well-being in Denpasar City.

B. Suggestion

The suggestions delivered in this research are as follow:

1) The community market's merchants should be able to optimize the use of funding resources to increase the capitalization in conducting business activities.
2) It is suggested to keep upgrading the quality of human resource because it is very important to improve the business's performance.
3) It is suggested to improve the role of social capital in doing a transaction because it can escalate empowerment.
4) Market management team should be able to improve the availability of sufficient market infrastructure so that the improvement on the service to market's merchants can be achieved.

STATEMENT OF GRATITUDE

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