

# Interest in Employment in the Informal Sector: The Effect of Socio-Economic Factors

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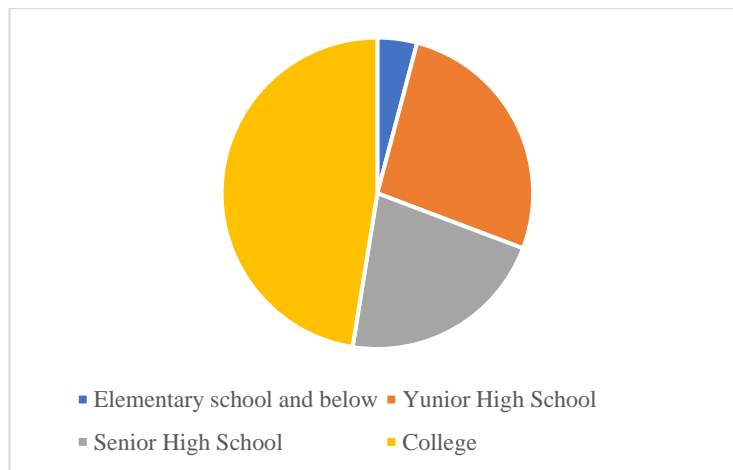
**Abstract.** This study aims to analyze the interest of members of the sekaa teruna teruni in the informal sector business try to provide a policy solution for the Denpasar City government in an effort to reduce unemployment and stimulate creative economic development. This study uses the type of primary data with proportional random sampling, the number of samples used is 100 respondents with multiple regression analysis techniques logit model. The results of this study indicate that the level of education, family income, and number of family members have no effect on the interest to work in the informal sector business in Denpasar City, while the cost of continuing school, the necessity of being a civil servant, and entrepreneurship training have a positive and significant effect on the interest of members of the sekaa teruna teruni working in the informal sector business in the city of Denpasar.

**Keywords:** Informal Sector, Interest in Work, Social, Economic.

## 1. Introduction

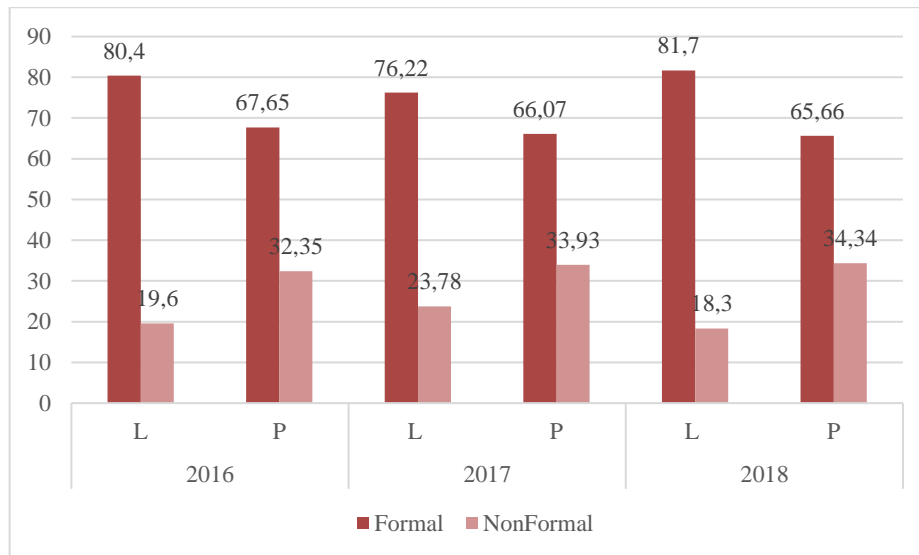
The formal sector, which is regulated or protected, and the informal sector, which is unregulated or unprotected, are the two distinct sectors or segments that make up the urban labor market in developing countries, according to [1]. The development of a free market economy in Indonesia is hampered by the huge informal sector [2]. The city of Denpasar as the capital of Bali was chosen by migrants because it has adequate infrastructure facilities, in supporting a job. The increasing number of immigrants in the city of Denpasar, has made the number of job seekers also increase, where on the other hand the availability of job opportunities in the city of Denpasar cannot keep up with the number of job seekers which continues to increase, especially in the formal sector. On the other hand, there are still a lot of long-term residents in Denpasar, particularly those who are of working age but have not found employment because they are not engaged in the workforce. The open unemployment rate for elementary school and below is 0.34. The open unemployment rate for Yuniior high school is 2.20. The open unemployment rate for senior high school is 1.80. The value of college open unemployment rate is 3.92. It can be seen that the open unemployment rate for college is the highest compared to other levels of education, on the contrary, the open unemployment rate for elementary and below is the lowest. This again reflects that in general the highly educated population is becoming pickier in finding jobs that are

suitable for their skills. But on the other hand, this can be a signal that these highly educated unemployed people must be optimally empowered to help support the economy in Denpasar City. The number of unemployed indicates that there are still people who have not optimally utilized their abilities to meet their daily needs, so efforts are needed to reduce the number of unemployed and increase the productivity of human resources in Denpasar City. The open unemployment rate presented in Figure 1.



**Fig. 1.** Open Unemployment Rate by Highest Level of Education Completed in Denpasar City in 2019 (Percent)

The informal sector, which is still largely traditional or semi-traditional, is critical to the development and modernization of society [3]. Workers from the traditional sector strive to work in the informal sector before working and conducting business there. They transition to the contemporary formal sector after accumulating knowledge, skills, and experience in the informal sector. According to [4], the informal sector is primarily characterized by poor job security, erratic income, a lack of work remuneration, and a lack of social protection for employees. Additionally, the informal sector is crucial for nations with big populations since it can absorb a lot of people due to its labor-intensive nature. According to job status in the formal and informal sectors, the proportion of Denpasar City citizens who work presented in Figure 2.



**Fig. 2.** Percentage of Working Population by Formal and Non-formal Employment Status 2015-2018

Based on Figure 2, it is clear that Denpasar City has seen the same pattern in employment for the past three years, with non-formal workers accounting for just about 26% of total employment. *Sekaa teruna teruni* is a group, forum, and social organization in the Banjar or region dedicated to the advancement of the younger generation. *Sekaa teruni teruni* is made up of residents of each banjar who are working age (productive) and who typically conduct activities in the form of fundraising through bazaar procurement activities once every six months, for example.

Interest is a persistent tendency in the subject to feel interested in a particular field and feel happy to be involved in it [5]–[7] Interest in choosing the informal sector is the desire, interest and willingness to work hard or have a strong will to be independent or try to fulfill their needs through the informal sector. According to [8], those that affect interest in establishing a business can be broadly grouped into two factors, namely: first, intrinsic factors are factors that arise due to the influence of stimuli from within the individual, namely income, self-esteem, feelings of pleasure. Extrinsic factors are factors that affect individuals due to the influence of external stimuli. Factors that affect the individual because of the influence of external stimuli, namely the family environment. According to the 2007 national economic survey, socio-economic indicators are related to various aspects of life, including demographics, health, education, housing, crime, socio-culture, and household welfare [9].

Education is one of the factors that influence interest in working in the informal sector. Human capital theory states that individuals can increase their income through increased education. Education will be able to improve one's work ability and skills. The more skilled a worker is, the more expensive it will be in the labor market so he will have a greater opportunity to choose the job that offers the highest wages.

Research conducted by [10], [11] shows that education has a negative and significant effect on decisions to work in the informal sector. This explains that education plays an important role in developing a person's skills, so that they are not considered the informal sector as their livelihood but they have other businesses outside the informal sector. Someone with low education will permanently settle in the informal sector [12].

Based on Figure 2, it is clear that Denpasar City has seen a trend in employment for the past three years: the official sector absorbs the majority of workers—roughly 74 percent—while the non-formal sector absorbs only around 26 percent. The Banjar region's Sekaa Teruna Teruni is a group, forum, and social organization dedicated to the upbringing of the younger generation. Sekaa Teruni Teruni is made up of residents of each banjar who are working age (productive) and who typically conduct activities in the form of fundraising through bazaar procurement activities once every six months, for instance. The number of family members will influence how many needs the family has [13]. The larger the family, the more it needs to be satisfied. Additionally, with fewer family members, there are fewer needs that the family must provide for. There will therefore be a lot of wants in a large family that must be satisfied. As a result of having more members, a larger home will ultimately have a heavier financial burden in order to provide for everyone's daily needs. According to [14], entrepreneurship training is a course that emphasizes explicitly developing knowledge and abilities in order to launch a firm. This course also directs participants to engage in practice. Entrepreneurship education may improve the skills needed to start a business. According to research by [15], entrepreneurship training has a favorable and significant impact on a person's desire to start a firm.

Based on the background outlined, the following research questions are addressed:

- RQ1 : What is the influence of socio-economic conditions on the interests of members of the *teruna teruni* in informal sector businesses in the city of Denpasar?
- RQ2 : What are the policies of the Denpasar City Government in the field of unemployment and stimulus for the development of the creative economy?

## 2. Literature Review and Hypotheses

Human capital focuses on capital accumulation in the form of physical capital, human capital, and effective labor that results in endogenous growth, where human capital is considered the main determining factor to encourage the acceleration of a country's economic growth [16]. Human capital has the attributes of education, experience, motivation, talent and skills to achieve superior performance. [17] revealed that human capital can be measured through education and health. Human capital has a positive and significant effect on performance [18]. Human capital is an advantage in value creation and performance excellence [19], [20].

According to [21] time is the raw material of life. The use of time can be done in three ways. First, it can carry out market work, namely selling time in the labor market to earn income. When someone offers labor, they usually give back time to the employer to get wages. Second, a person can do non-market work, that is, spend time

producing their own goods and services. Non-market work includes the time a person spends washing clothes, cooking and so on. It also includes time spent acquiring skills and education in order to increase one's productivity. Third, one can convert direct time into free time, namely time used for non-work activities. The allocation of work or leisure time is influenced by opportunity costs, a person's level of well-being and a person's set of choices.

The informal sector in Indonesia is identical with small-scale economic activity, is less productive and does not have promising prospects. In the informal sector workers are not guaranteed rights and social protection [22]. The informal sector does not have an organizational structure and is only responsible for individuals, not legal entities but only based on agreements. Workers in the informal sector do not require special requirements such as education and skills.

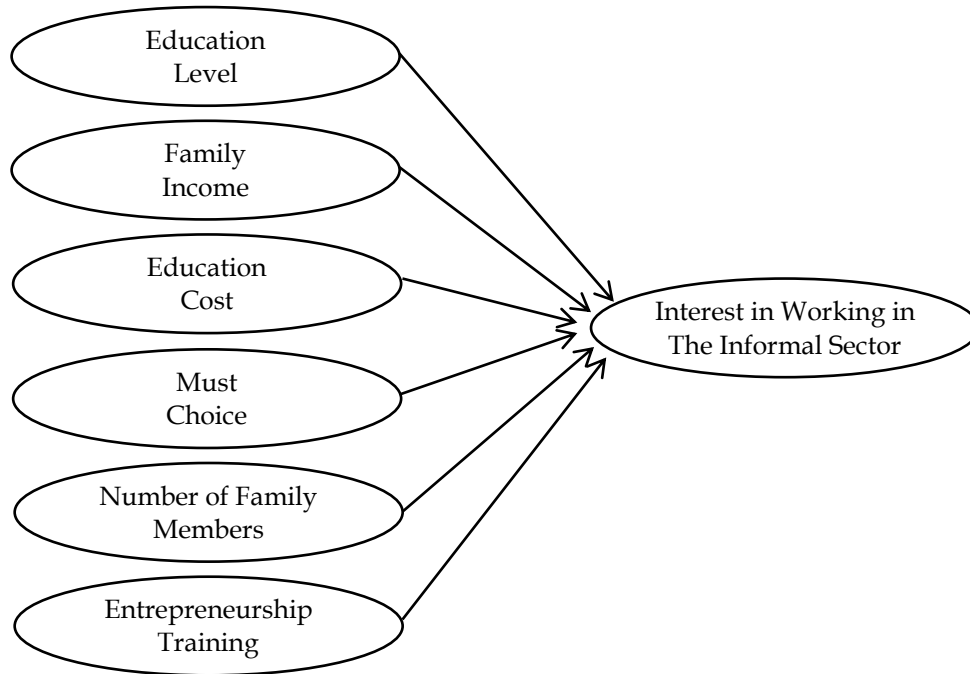
Socio-economy is everything related to meeting needs. Some indicators that are included in the social economic aspect are income, savings, investment and education [23]. that exist in society or are more generally related to the welfare of society. According to [24], [25] socioeconomic status is a person's position in a group which is determined by income, education level, age, and wealth owned. The socio-economic conditions that most prominently distinguish the people in Denpasar City include education level, family income, population status, employment status, and number of family members.

Interest is a state in which a person is interested in something and is motivated to learn more and conduct additional research [26]. Internal motivating elements, social motivating factors, and emotional motivating factors are the factors that support interest.

Referring to theory and empirical, this study proposes the following six hypotheses

- H1 : Education level has a significant effect on interest in working in the informal sector.
- H2 : Family income has a significant effect on interest in working in the informal sector.
- H3 : Education Cost has a significant effect on interest in working in the informal sector.
- H4 : Must Choice has a significant effect on interest in working in the informal sector.
- H5 : The number of family members has a significant effect on interest in working in the informal sector.
- H6 : Entrepreneurship Training has a significant effect on interest in working in the informal sector.

Based on the study of theories and hypotheses in the research, the conceptual framework of the research can be described as follows :



**Fig. 3.** Conceptual Framework

In an effort to lower unemployment and promote creative economic development, particularly for the younger generation, this study analyses the interest of members of the sekaa teruna teruni in the informal sector in terms of socioeconomic conditions. It also attempts to offer policy recommendations to the Denpasar City government.

### 3. Literature Review and Hypotheses

This type of research is quantitative using the associative paradigm, namely research conducted to find the relationship or effect of one or more variables (Sumanto, 2014). The location of this research was conducted in Denpasar City, because Denpasar has the highest population and has a high economic attractiveness as the provincial capital.

The types of data used in this study are quantitative and qualitative data. Sources of data used in this study is primary data. The method of collecting data is structured interview and observation. Sampling was carried out by proportional random sampling of 100 members of the sekaa teruna teruni consisting of 25 people in each sub-district in Denpasar City who had not worked. The data analysis method is the Logit method. The econometric model can be written in the following equation:

$$\ln p/(1-p) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + D_1 X_3 + D_2 X_4 + \beta_3 X_5 + D_2 X_6 + \mu_i \dots \dots \dots (1)$$

Information :

$p/(1-p)$  : Probability of interest of sekaa teruna members in informal sector businesses

$\beta_0$  : intercept

$\beta_1\beta_2\beta_3$  : regression coefficient

D1 D2 : dummy coefficient

X1 : level of education

X2 : family income

X3 : continuing school fees

X4 : must choose to work in government agencies/PNS

X5 : number of nuclear family members who are not parents who have not worked

X6 : entrepreneurship training

#### 4. Result and Discussion

The developed logistic regression model yields the significance and regression coefficient values shown in Table 2.

**Table 2:** Logistics Regression Test Results

		Variables in the Equation					
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	Education Level	-0.192	0.563	0.116	1	0.733	0.825
	Family Income	0.000	0.000	1.022	1	0.312	1.000
	Education Cost	2.098	0.934	5.049	1	0.025	8.147
	Must Choice	-2.386	0.735	10.535	1	0.001	0.092
	Number of Family Members	0.101	0.264	0.147	1	0.701	1.107
	Entrepreneurship Training	2.228	0.835	7.111	1	0.008	9.277
	Constant	1.788	1.661	1.159	1	0.282	5.978

a. Variable(s) entered on step 1 as shown on Table 2.

Source: Prepared by Author (2023)

The shape of the association between variables is revealed by the regression coefficient for each examined variable. When testing a hypothesis, the significance value (sig.) and error rate (alpha) are compared. As a result, the following equations represent the logistic regression model used in this investigation:

$$Ln \frac{p}{1-p} = 1.788 + -0.192EL + 0.000FI + 2.098EC + -2.386MC + 0.101NFM + 2.228ET + \mu_i$$

### **The Effect of Education Level on the Interest of *Sekaa Teruna Teruni* Members in the Informal Sector Business in Denpasar City**

Based on the results of the analysis, the level of education has a negative effect with a regression coefficient of -0.192 and is not significant on the interest of members of the *Sekaa Truna Truni* in the informal sector business in Denpasar City with a significance level of  $0.733 > 0.05$ . Education is one of the main factors that are believed to be able to increase human resources so that they can create productive humans who are able to advance the nation [27]. The results of the study are in line with the research of [28] which states that the level of education does not affect a person's interest in working in the informal sector. However, according to [29], [30] the level of education has an effect on community participation or interest, the higher a person's education, the higher the level of knowledge of the importance of something, so the higher the participation/interest.

The level of education has a negative effect indicating that the higher the level of education, the lower the interest in the informal sector business in Denpasar City. This is because someone who has a higher education level will prefer to work in the formal sector compared to the informal sector. The higher a person's education, the more capable that person will be to capture better economic opportunities around him and with education will also improve the quality of work while increasing productivity [31]–[33]

The results of research conducted by [34] which states that education has a positive effect on the work that will be obtained by someone. This causes the interest of someone with higher education to work in the informal sector is decreasing. In addition, the informal sector is a solution for those who do not get jobs in the formal sector [35]. Youth tend to have low interest in entering the informal sector because they have higher education so they choose jobs according to the formal education they get [36].

In the informal sector workers are not guaranteed rights and social protection [22]. Workers in the informal sector do not require special requirements such as education and skills [37], [38]. The informal sector is the economic sector of small-scale business units that produce and distribute goods and services with the main aim of creating job opportunities and income earning opportunities for the perpetrators. *Sekaa truna truni* members in Denpasar City who have a high level of education prefer to work in the formal sector. This is because they have the ability, insight, knowledge and are a resource with great potential to enter the formal sector. Meanwhile, *sekaa truna truni* members in Denpasar City who have a low level of education will choose to work in the informal sector because it is easier for them to get work in the informal sector compared to the formal sector [28]. Higher education will indirectly bring consequences to individual choices in getting a job [39].

### **The Effect of Family Income on the Interest of *Sekaa Teruna Teruni* Members in the Informal Sector Business in Denpasar City.**

Based on the results of the analysis of family income, it has a positive effect with a regression coefficient of 0.000 and is not significant to the interest of members of the *Sekaa Truna Truni* in the informal sector business in Denpasar City with a significance level of  $0.312 > 0.05$ . Total household income is the total net cash income received by the household and all its members in the specified reference period [40]. Family income



is income earned by the family within one month which is used to meet the living needs of all family members. In addition, family income also has an effect on the interest of members of the Sekaa Teruna Truni in the informal sector business in Denpasar City.

Based on the analysis conducted, family income has no significant relationship with the interest of the truna truni in informal businesses in Denpasar City. The results of the study are in line with research conducted by [40], [41] which states that the family income factor does not affect a person's interest in the informal sector business. The results of research conducted by [42] stated that there was no effect of family income on interest in entrepreneurship, this was supported by [6] stating that there was no effect of socioeconomic status on interest in entrepreneurship. According to him, family income tends to be more supportive of business interest in the informal sector. However, the results are different in [43] research which states that family income has a significant effect on business interest in the informal sector. Family income is not the main factor that determines a person's interest in the informal sector business, there are other factors that effect business interest in the informal sector that comes from within a person such as self-confidence and motivation.

Based on the analysis conducted, family income has a positive relationship to the interest of the truna truni in informal businesses in Denpasar City. This research shows that the higher the family income received, the more interested the truna truni to enter the informal sector will increase. This condition is caused by the ease of establishing or getting a job in the informal sector business. According to [44] states that someone who has low capital tends to choose to run their own business in a household business as a survival strategy in urban areas. Establishing the informal sector does not require large capital, is not legally bound, special knowledge, special education and flexible working hours. When family income increases, the sekaa truna truni who are workers who are classified as young will choose to open a business in the informal sector such as trading. This is due to the availability of sufficient capital to build a business in the informal sector.

The establishment of informal sector businesses will affect the availability of job opportunities. Informal sector businesses have a major influence on employment and income distribution.

#### **The Effect of Continuing School Fees on the Interests of *Sekaa Teruna Teruni* Members in the Informal Sector Business in Denpasar City.**

Based on the results of the analysis of the cost of continuing school, it has a positive effect with a regression coefficient of 2,098 and is significant on the interest of members of the *Sekaa Truna Truni* in the informal sector business in Denpasar City with a significance level of  $0.025 < 0.05$ . Cost is defined as a resource that is sacrificed or released (forgone) to achieve certain goals [45]. The cost of continuing school is a form of sacrifice made and aims to get more benefits to get a higher level of education. The cost of continuing school is a necessity that is the responsibility of the family. The need to continue schooling requires the family to have sufficient income. The higher the need, the higher the income must be to meet these needs [46].

The results of the analysis that show a positive and significant relationship between the cost of continuing school and the interest in the informal sector business proves that the informal sector business is one way out for members of the truna truni in Denpasar City to collect the costs used to continue schooling. [47] states that access to work in the informal sector is easy so that the opportunity to work in this sector is

very large. The ease with which they enter a business in the informal sector causes members of the *truna truni* in Denpasar City to choose the informal sector as an effort to find work and increase their income. Informal sector businesses that do not require special skills and quite promising income have made the interest of members of the *truna truni* in the informal sector business in Denpasar City to increase along with the increasing needs.

### **The Effect of the Choice of Being a Civil Servant on the Interests of *Sekaa Teruna Teruni* Members in the Informal Sector Business in Denpasar City.**

Based on the results of the analysis of the necessity of being a civil servant, it has a negative effect with a regression coefficient of -2.386 on the interest of members of the *Sekaa Truna Truni* in the informal sector business in Denpasar City with a significance of  $0.001 < 0.05$ . The choice to become a civil servant is a form of mindset that develops in society. Working as a civil servant is one of the jobs in the formal sector such as government and agencies. The informal sector is an alternative choice for workers who fail to enter the formal employment sector [11].

The results of the regression analysis which showed that there was a negative and significant relationship between the necessity to choose to become a civil servant and the interest of the members of the *truna truni* in the informal sector business in Denpasar City showed that the higher the desire/necessity to become a civil servant, the lower the interest of the *sekaa truna truni* in the informal sector business. Motivation to become a civil servant is influenced by several factors, namely the freedom to choose a job according to interests and talents, socialization of civil servant information, the tendency of social personality types, and social support [48]. In addition, several other factors that influence the motivation to become a civil servant are the need for career growth, workload, the need for income and family support. Where all of these things cannot be guaranteed in informal sector businesses, this of course makes most members of the *Sekaa Truna Truni* in Denpasar City motivated/desire to become civil servants.

### **The Effect of the Number of Family Members on the Interest of *Sekaa Teruna Teruni* Members in the Informal Sector Business in Denpasar City.**

Based on the results of the analysis, the number of family members has a positive effect with a regression coefficient of 0.101 and is not significant on the interest of members of the *Sekaa Truna Truni* in the informal sector business in Denpasar City with a significance level of  $0.701 > 0.05$ . According to [41] the number of dependents is a burden that must be met so that the head of the household must contribute more to the welfare of the family. The term "family dependents" refers to all members of the family who reside in the same home as the household but are not supported by employment. This includes both siblings and non-siblings. The needs that are satisfied increase with the size of the household.

So that the income is not sufficient to meet their needs and the family is in an unbalanced or poor condition. The large number of dependents in the family will affect income because the increasing number of dependents in the family will force the workforce indirectly to seek additional income. So it can be concluded that people who have a large number of family dependents need an increasingly large amount of income, if the income needed is not enough, poverty will occur [49].

The positive relationship between the number of dependents of the family on the interest of members of the truna truna in the informal sector business in Denpasar City shows that the higher the number of dependents of the family, the interest of the members of the truna truni in the informal sector business in the city of Denpasar increases, and vice versa. The high number of dependents in the family requires the income in the family to increase. This is because the needs in the family are increasing. To increase family income, some people will choose to work in the informal sector. This is because working in the informal sector does not require special skills, higher education, large capital, is not bound, and of course it is easier to accept work compared to the formal sector. The informal sector is not only traditional but there is also a modern informal sector [37]. The informal sector is the right choice to increase income without having to have special skills, higher education, and other special requirements that are not necessarily able to be met to get a job for those who have a large enough number of dependents

#### **The Effect of Entrepreneurship Training on the Interests of Sekaa Teruna Teruni Members in the Informal Sector Business in Denpasar City**

Based on the results of the analysis, entrepreneurship training has a positive effect with a regression coefficient of 2.228 on the interest of members of the Sekaa Truna Truni in the informal sector business in Denpasar City with a significance level of  $0.008 < 0.05$ . This shows that entrepreneurship training is able to increase the interest of Sekaa Truna Truni members in informal sector businesses in Denpasar City. Training is an activity to improve the ability of employees/individuals by increasing knowledge of operational skills in carrying out a job [50], [51]. Training is a brief educational process that uses controlled and methodical steps to teach technical knowledge and abilities to non-managerial staff for specific reasons [52]. Entrepreneurship training can increase creativity, innovation and the ability to be entrepreneurship. So that entrepreneurship training will be able to encourage someone's desire to set up a business. This condition will certainly increase interest in establishing informal sector businesses. The results of the study are in line with research conducted by [8] which states that entrepreneurship training and education affect a person's interest in the informal sector business. Research conducted by [42], [53] states that entrepreneurship training affects a person's interest in informal sector businesses.

The informal sector is a sector that is easy to enter, operates on a small scale, is labor intensive, business activities are not well organized, small capital, premium technology, low production, low productivity and income [54]. The provision of entrepreneurship training is useful for increasing one's productivity, increasing the ability to manage resources, so as to increase income in running informal sector businesses. Entrepreneurship training will indirectly or directly increase the interest of members of the truna truni in the informal sector business in Denpasar City. In addition, protection for the informal sector may take the form of patents, assured flow of imported technology, mentoring, counseling, lending with relatively low interest rates, and so on [54].

Although there are many jobs in the informal sector that do not require skills such as port porters, casual laborers, cigarette vendors, used goods collectors, many also

require skills, especially in independent business activities such as clothing salesmen, maids, craftsmen, painters and so on. Entrepreneurship training is important to improve skills in running a business such as how to start a business, create and select products, attract customers, manage resources, marketing, packaging and much more. Entrepreneurship training has an effect on the development of small and medium enterprises. Entrepreneurship training is able to increase productivity in informal sector businesses which will have a broad impact on improving people's welfare because informal sector businesses are a place where many people confuse their sources of life [38]. The informal sector makes a significant contribution to its output capacity and workforce support [55]. Therefore, entrepreneurship training is expected to support the progress of informal sector businesses.

## **5. Conclusion**

The findings indicate that youngsters (*The teruna teruni*) in Denpasar have less interest in working in the informal sector the more education they have. High levels of education increase one's self-confidence to pursue employment in the formal sector, which reduces interest in employment in the unofficial sector. One of the reasons for the low interest in working in the informal sector is also the social environment in which they live, where people still value someone with a higher education working in the formal sector rather than in the informal sector. Higher education holders who opt to work in the unorganized economy frequently feel ashamed of their surroundings.

From a family perspective, the *teruna teruni* Denpasar's desire in working in the informal sector is unaffected by the family's income level. This indicates that their desire to work in the unorganized sector is unaffected by their family's social standing. No matter how much money their family makes, they still choose to labor in the unorganized sector. They are still looking for employment in the formal sector since it is thought to carry more status than employment in the unofficial sector.

The cost of continuing education has an impact on the *teruna teruni* Denpasar's interest in working in the unorganized economy. The youthful generation's interest in working in the unorganized sector has increased as a result of the high expenditures associated with continuing their education. Working in the informal sector is something to think about if you want to start earning money before you have to pay for further schooling. In addition, the family's financial situation, which is likely to make it difficult for the younger generation to afford the fees of finishing their education, also influences their decision to work in the unorganized sector.

Members of the Denpasar City Troops are less interested in working in the informal economy because they must choose to work for the government. This is very logical given that civil service openings occur in numerous government organizations virtually annually. Younger generations are more likely to choose to work for the government than in the informal sector due to the allure of a reasonably high fixed pay paid each month, easy work, and the availability of a pension guarantee. It is not surprising that

despite the tiny size of the required formation, a large number of young individuals applied when the civil servant formation was launched.

The number of family members has no appreciable influence on the teruna teruni's desire to work in the unorganized sector in Denpasar. The size of the family has a beneficial impact, but it has little impact on the desire to work in the unorganized sector. This makes sense because most of them do not yet have to worry about providing for the requirements of more family members, thus they do not give the number of family members any thought while picking a job.

Interest in employment in Denpasar's teruna teruni's informal sector is influenced by entrepreneurial training. This demonstrates that the entrepreneurship training program has thus far been successful in piquing their interest in starting their own firms and working in the unorganized sector. They learn more about the ins and outs of the business world as well as potential challenges through entrepreneurship training. Additionally, training in entrepreneurship can help people connect with a larger network so that they can support the firms they will operate. Their confidence in deciding to work in the informal sector is increased by the increased knowledge and networks they have gained from entrepreneurship training.

Increasing the younger generation's interest in working in the unorganized sector, which has demonstrated resilience in the face of numerous economic crises, By working with business actors to give hands-on experience in the field, entrepreneurship training must be carried out in order to expand the knowledge of the younger generation about the many ins and outs of the business world. Collaboration with the banking industry and other financial institutions is also necessary to facilitate access to funds in order to do so quickly and affordably. Younger generations will be interested in working in the informal sector if diverse amenities are made available.

In rural areas, there must be efforts made to increase young people's enthusiasm in working in the unorganized sector. Because there are not enough jobs available for the younger generation in the hamlet to support themselves, there is a high rate of urbanization. This makes it crucial to do research into what influences the younger generation in the village to be interested in working in the informal sector, in order to boost local resources and slow down urbanization.

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