Research Paper　　　　　　　　　　　　　　　　　　　　　　Open Access

Analysis of Factors Influencing the Income Level of Women Informal Sector Workers in Nyanggelan Market, Denpasar

I Kadek Ari Tama[1], Ni Putu Martini Dewi [2]
[1](Udayana University, Indonesia)
[2](Udayana University, Indonesia)

ABSTRACT : The informal sector is a broad sector that includes all fields that are not bound by agreements or employment contracts, one of which is trade where everyone has the right to enter, especially women whose participation has been increasing every year. The purpose of women entering the informal sector, specifically trade, is to improve the welfare and living standards of their families. The variables that influence women's income levels include education, migration status, work experience, and working hours. This research was conducted in Nyanggelan Market, Denpasar, with a sample size of 104 people, using path analysis as the method of analysis. The results obtained indicate a positive and significant influence of education, migration status, and work experience on income. Additionally, working hours mediate the influence of education, migration status, and work experience on income.

KEYWORDS : *education, Informal Sector, migration status, working hours, work experience, income.*

I.　　INTRODUCTION

Development activities, whether at the national or international level, ultimately lead to well-being, and the well-being of all groups is closely related to the roles of both men and women. Men and women must have equal roles in improving social, economic, and political aspects through income enhancement (Kabeer, 2005). Discriminatory actions that occur in the world often involve women because women are often seen as the weaker gender compared to men, starting from various aspects of life such as education, leadership, and decision-making, where imbalances frequently occur. A study conducted by the World Economic Forum (2021) demonstrates the existence of gender gaps in order to achieve effective development in the future.

In Indonesia, there is also an occurrence known as discrimination, which affects issues such as education, job opportunities, decision-making, and political participation. According to the Central Statistics Agency (BPS) of Indonesia in 2019, there is a gender gap in societal life, particularly impacting women. Therefore, the involvement of society, the private sector, and the government is needed to achieve well-being for both parties. In addition, women face challenges, as well as migrant workers who migrate in search of improved well-being through employment. These challenges include difficulties in finding suitable jobs, low wages, and inhumane working hours. A study conducted by the International Labour Organization (ILO) (2021) addresses these issues.

The presence of the informal sector is a result of a period of high job growth, as mentioned by Suartha and MurjanaYasa (2017). The majority of participants in the informal sector are not large-scale entrepreneurs or investors, but rather small-scale businesses aiming to create job opportunities and increase income, as stated by Arung Lamba (2011). Mubyarto (2004) asserts that the informal sector not only contributes to income generation but also plays a crucial role in addressing poverty and income inequality issues within the broader society. Although the earnings of informal sector enterprises tend to be relatively low, this sector can make a significant contribution to creating strong employment, as revealed by Agyapong (2010).

The trade sector offers a high level of employment opportunities, but there is a major issue concerning migration status in this sector, namely the poor statistical structure for the business sector. The number of older employees has increased, while the younger generation is decreasing. Consequently, many businesses or companies have suffered significant losses leading to bankruptcy (Dewi and Sayu, 2017). In the informal sector, particularly in trade, the education level of women affects how individuals manage their businesses effectively (Mahendra, 2014). Higher education levels influence the quality of individuals engaged in migration activities to compete in the labor market, particularly in the job market (Astuti, 2020). Through education, it is expected that the mindset of migration status, especially for Balinese women, can transform into a more professional

migration status, enabling them to optimize their processes and service production in the informal sector. The improvement of human resources' quality will generally reflect the economic growth of a country (Anugrahita, 2002).

In addition, factors that influence the income obtained by workers in the informal sector include work experience. Work experience refers to the practical experience gained by an individual in conducting business activities and offering goods and services. The higher the level of experience, the greater the effectiveness in working or running a business (Becker, 1965). Migration status is closely related to work motivation influenced by culture and customs. If an individual has a high level of productivity and efficiency but lacks support from their surroundings, they are more likely to migrate (Wulandari, 2016). Work hours allocation refers to the distribution of working hours by an individual. If a woman has a lot of free time, she may channel it into entrepreneurial activities, becoming one of the driving forces for such individuals (Herlambang, 2022). It is mentioned that in the informal sector, if someone devotes more time, they have the potential to earn higher income. (Priyandika, 2015) states that work hours directly affect income, where an increase in operational hours leads to an increase in earnings.

The objective of this study is to determine the influence of the education level of female workers, migration status of female workers, work experience of female workers, and work hours allocation of female workers on their income in the informal sector at Nyanggelan Market in Denpasar. This research aims to study, understand, and explain the relationship between these factors and the income earned by female workers in the informal sector. To analyze the mediating role of work hours allocation in the influence of education level, migration status, and work experience on the income of female workers in the informal sector at Nyanggelan Market in Denpasar, this study aims to explore to what extent work hours allocation mediates the relationship between these factors and the income received by them.

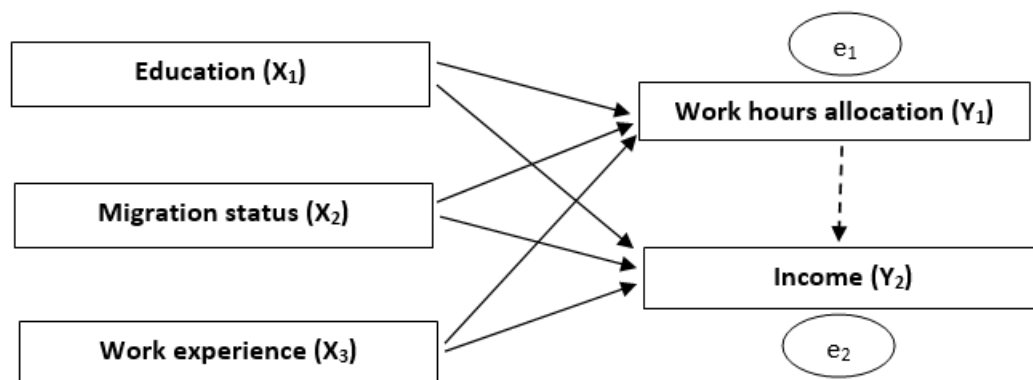## II. CONCEPTUAL MODEL AND HIPOTESIS

2.1 Conceptual Model

Figure 1. Conceptual Frame Work

2.2 Hypothesis

2.2.1 Hypothesis of Direct Influence

i) The influence of education level, migration status, and work experience on the work hours allocation of female workers in the informal sector at Nyanggelan Market, Denpasar City.

H_0: $B_i = 0$: This means that education level, migration status, and work experience do not have a significant influence on the work hours allocation of female workers in the informal sector at Nyanggelan Market, Denpasar City.

H_1: $B_i > 0$: This means that education level, migration status, and work experience have a direct influence on the work hours allocation of female workers in the informal sector at Nyanggelan Market, Denpasar City.

ii) The influence of education level, migration status, work experience, and work hours allocation on the income of female workers in the informal sector at Nyanggelan Market, Denpasar City.

H_0: $B_i = 0$: This means that education level, migration status, work experience, and work hours allocation do not have a positive influence on the income of female workers in the informal sector at Nyanggelan Market, Denpasar City.

H_1: $B_i > 0$: This means that education level, migration status, work experience, and work hours allocation have a positive influence on the income of female workers in the informal sector at Nyanggelan Market, Denpasar City.

2.2.2 Hypothesis of Indirect Influence

i. Testing the mediation of work hours allocation variable (Y1) on the relationship between education level of female workers (X1) and income of women in Nyanggelan Market (Y2).

H0: $\beta 4 = 0$: Work hours allocation (Y1) is not a mediating variable in the relationship between education level of female workers (X1) and income of women in Nyanggelan Market (Y2).

H1: $\beta 4 > 0$: Work hours allocation (Y1) is a mediating variable in the relationship between education level of female workers (X1) and income of women in Nyanggelan Market (Y2).

ii. Testing the mediation of work hours allocation variable (Y1) on the relationship between migration status (dummy 1 for migrant and dummy 0 for non-migrant) (X2) and income of women in Nyanggelan Market (Y2).

H0: $\beta 5 = 0$: Work hours allocation (Y1) is not a mediating variable in the relationship between migration status (X2) and income of women in Nyanggelan Market (Y2).

H1: $\beta 5 > 0$: Work hours allocation (Y1) is a mediating variable in the relationship between migration status (X2) and income of women in Nyanggelan Market (Y2).

iii. Testing the mediation of work hours allocation variable (Y1) on the relationship between work experience (X3) and income of women in Nyanggelan Market (Y2).

H0: $\beta 6 = 0$: Work hours allocation (Y1) is not a mediating variable in the relationship between work experience (X3) and income of women in Nyanggelan Market (Y2).

H1: $\beta 6 > 0$: Work hours allocation (Y1) is a mediating variable in the relationship between work experience (X3) and income of women in Nyanggelan Market (Y2).

III. RESEARCH METHODS

3.1 Research Methods

The analysis tool used is the path analysis technique, and it is performed using the SPSS program, path analysis is a statistical method used to test the direct effects of independent variables, such as education, migration status, and work experience, on dependent variables, such as education level and work hours. This analysis involves conducting regression tests to examine the relationships and influence between these variables, The techniques used for testing are direct effect testing and the Sobel test.

IV. RESULTS AND DISCUSSION

4.1 Direct Influence
Table. 1 Direct Influence

Relationship between variables	non-standardized coefficient		standardized coefficient beta	T	Sig.
	B	Std. Error			
$X_1 \rightarrow Y_1$	1.293	0.272	0,248	4.754	0,00
$X_2 \rightarrow Y_1$	11.088	0.932	0,591	11.902	0,00
$X_3 \rightarrow Y_1$	0.745	0.106	0,374	7.064	0,00
$X_1 \rightarrow Y_2$	152207.787	37232.586	0,213	4.088	0.00
$X_2 \rightarrow Y_2$	402201.959	179006.116	0,156	2.246	0.026
$X_3 \rightarrow Y_2$	53153.187	15968.176	0.194	3.328	0,001
$Y_1 \rightarrow Y_2$	73988.724	12360.607	0,540	5.985	0,00

i) The influence of education level, migration status, and work experience on working hours of informal sector workers in Pasar Nyanggelan has been analyzed.

The direct influence of the education level variable on working hours has been analyzed, and the research results indicate a significant relationship. Based on the analysis, a calculated t-value of 4.754 was obtained, which is greater than the tabulated t-value of 1.658. Additionally, the significance value of 0.00 is also smaller than $\alpha = 0.05$. These findings prove that the alternative hypothesis (H$_1$) is accepted, thus it can be concluded that the education level (X$_1$) has a positive influence on working hours (Y$_1$) among female workers in the informal sector in Nyanggelan. Therefore, it can be understood that the higher the education level of an individual, the greater the influence on working hours. A higher education level can enhance consistency and motivation in carrying out working hours. These findings are also consistent with the human capital theory, which states that education can improve an individual's productivity through better thinking and work abilities.

The direct influence of migration status (X2) on working hours (Y1) has been analyzed, and the results indicate a significant relationship. In the analysis, a calculated t-value of 11.902 was obtained, which is greater than the tabulated t-value of 1.666. Additionally, the significance value of 0.00 is also smaller than $\alpha = 0.05$. These findings prove that the null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted.

Therefore, it can be concluded that migration status (X2) has a positive influence on working hours (X1) among female workers in the informal sector. Thus, it can be understood that female workers with migration status tend to be more diligent in their work and have longer working hours compared to non-migrants.

The direct influence of work experience (X3) on working hours (Y1) has been analyzed, and significant results have been obtained. Based on these results, the calculated t-value of 7.064 is greater than the tabulated t-value of 1.658, with a significance value of 0.00, which is smaller than $\alpha = 0.05$. This indicates that the null hypothesis (H0) is accepted and the alternative hypothesis (H1) is rejected. Therefore, it can be concluded that work experience (X3) has a positive influence on working hours (Y1) among female workers in the informal sector at Pasar Nyanggelan.

ii) The direct influence of education variable, migration status, and experience on income of informal sector workers in Nyanggelan has been examined.

The influence of education level on work income has been investigated, and significant results have been found. Based on the analysis, after calculating the obtained t-value of 4.008, which is higher than the tabulated t-value of 1.658, with a significance value of 0.00, smaller than $\alpha = 0.05$. This indicates that the alternative hypothesis (H1) is accepted. Thus, it can be concluded that education (X1) has a positive influence on income (Y2) among female workers in the informal sector in Nyanggelan. These findings imply that the higher the education level of an individual, the greater the influence on income. A higher level of education tends to enhance consistency and motivation in seeking income.

The direct influence of migration status (X_2) on income (X_1) has been researched, and significant results have been obtained. Based on the analysis, the calculated t-value of 2.246 is greater than the tabulated t-value of 1.666, with a significance value of 0.026, smaller than $\alpha = 0.05$. This indicates that the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted. Therefore, it can be concluded that migration status (X_2) has a positive influence on income (Y_2) among female workers in the informal sector. In this context, it can be observed that individuals with migrant status tend to work more diligently through an increase in working hours compared to non-migrants.

The direct influence of work experience (X_3) on income (Y_2) has been thoroughly examined, and significant results have been obtained. Based on the analysis conducted, where the calculated t-value is 7.064, exceeding the value in the t-table of 3.328, with a significance value obtained through calculation of 0.001, which is smaller than the predetermined alpha value, $\alpha = 0.05$. This indicates that the null hypothesis (H_0) is accepted and the alternative hypothesis (H_1) is rejected. Therefore, it can be concluded that work experience (X_3) has a positive influence on income (Y_2) among female workers in the informal sector at Nyanggelan market.

4.2 Indirect Influence

Relationship between variables	VariableMediation	Ab	Sab	Z	Description
$X_1 \rightarrow Y_2$	Y_1	95667,420	256999,138	3.722	Sig
$X_2 \rightarrow Y_2$	Y_1	820386,971	153424,401	5.347	Sig
$X_3 \rightarrow Y_2$	Y_1	21445,674	12095,820	4.557	Sig

iii) The Indirect Influence of Education Level, Migration Status, and Work Experience on Income Through the Mediation of Working Hours.

The results of the mediation test show that working hours (Y_1) act as a mediator between women's education level (X_1) and income (Y_2). Based on the calculations, the obtained value of the z-test is 3.722. This indicates that working hours can mediate the relationship between the independent variable, education, and the dependent variable, income. As a result, the alternative hypothesis (H_1) is accepted, while the null hypothesis (H_0) is rejected. Therefore, it can be concluded that if the education level increases, it will lead to an increase in income through the working hours of female workers in the informal sector at Nyanggelan market.

The results of the mediation test indicate that working hours (Y_1) act as a mediator between migration status (X_2) and income (Y_2). Based on the calculations, the obtained value of the z-test is 5.347. This indicates that migration status can serve as a mediating factor in the relationship between the independent variable, migration status, and the dependent variable, income. As a result, the alternative hypothesis (H_1) is accepted, while the null hypothesis (H_0) is rejected. Therefore, it can be concluded that migration status contributes to an increase in income through the working hours of female workers with migrant status in the informal sector at Nyanggelan market. This means that migration status becomes a factor that enhances income through higher work intensity or longer working hours. These findings have important implications in understanding the influence of migration status on the income of female workers.

The results of the mediation test indicate that working hours (Y_1) act as a mediator between work experience (X_3) and income (Y_2). Based on the calculations, the obtained value of the z-test is 4.557. This indicates that the work experience of female workers can serve as a mediating factor in the relationship between the independent variable, work experience, and the dependent variable, income. As a result, the alternative hypothesis (H_1) is accepted, while the null hypothesis (H_0) is rejected. Therefore, it can be concluded that work experience contributes to an increase in income through the working hours of female workers in the informal sector at Nyanggelan market. This means that work experience becomes a factor that enhances income through higher work intensity or longer working hours. These findings have important implications in understanding the influence of work experience on the income of female workers. This study shows that work experience not only directly affects income but also operates through the mediating factor of working hours. Therefore, attention to the role of work experience in increasing income can enrich our understanding of the factors that influence the income level of female workers in the informal sector.

V.   CONCLUSION

Based on the previously explained and elaborated analysis, several conclusions can be drawn to answer the issues stated in the research problem formulation:

The educational level of female informal workers, their migration status, and their work experience have a significant and positive impact on the amount of working hours spent by female informal workers in Nyanggelan Market, Denpasar City. This indicates that the higher the educational level, work experience, and migration status of female workers, the more likely they are to spend more hours working in the informal sector. The educational level, work experience, and working hours have a positive influence on the income of female informal workers in Nyanggelan Market, Denpasar City. This means that the higher the educational level, work experience, and the number of hours spent by female workers, the higher their potential income. Working hours mediate the influence of education, migration status, and work experience on the income of female informal workers in Nyanggelan Market, Denpasar City. This implies that working hours play an important role in bridging the relationship between these factors and the income received by female workers.

Overall, these conclusions provide valuable insights into the factors influencing the working hours and income of female informal workers. They highlight the significance of education, migration status, work experience, and working hours in determining the income levels of female workers in the informal sector.

REFERENCES

[1]. Kabeer, N. (2005). Gender Mainstreaming in Poverty Eradication and the Millennium Development Goals: A Handbook for Policy-Makers and Other Stakeholders.

[2]. World Economic Forum. (2021). Global Gender Gap Report 2021.

[3]. Central Statistics Agency (BPS) Indonesia. (2019). Indonesia Statistical Yearbook 2019.

[4]. International Labour Organization (ILO). (2021). Global Estimates of Migrant Workers: Results and Methodology.

[5]. Nyoman, Suartha, and I. Gst Wayan MurjanaYasa. "The Influence of Economic Growth and Inward Migration on Population Growth and the Conversion of Native Residents' Buildings in the City." Journal of Applied Quantitative Economics 10.1 (2017): 228335.

[6]. Lamba, Arung. "The Condition of the Urban Informal Sector in the Economy of Jayapura, Papua." Journal of Economics and Business 16.2 (2011): 155-161.

[7]. Mubyarto. (2004). Introduction to Agricultural Economics, Third Edition. LP3ES. Jakarta.

[8]. Agyapong, Daniel. "Micro, small and medium enterprises' activities, income level and poverty reduction in ghana-A synthesis of related literature." International journal of business and management 5.12 (2010): 196.

[9]. Dewi, Sayu KetutSutrisna. Concept and Development of Entrepreneurship in Indonesia. Deepublish, 2017.

[10]. Mahendra, Adya Dwi, and Nenik WOYANTI. Analysis of the Influence of Education, Wage, Gender, Age, and Work Experience on Labor Productivity (A Study in Small Tempe Industry in Semarang City). Diss. UNDIP: Faculty of Economics and Business, 2014. [11].

[12]. ASTUTI, Suci Fauji. Factors Influencing Individual Decision on Inward Labor Migration in Bandung City. Diss. Universitas JenderalSoedirman, 2020.

[13]. Anugrahita, I. Gusti Ayu Made Dian, and Ni LuhKarmini. "DampakPerbedaanPendapatanPekerja Perempuan Sektor Informal Di DesaMarga." E-Jurnal Ekonomi Pembangunan Universitas Udayana 2.1 (2012): 44424.

[14]. Becker, G. (1965). Human Capital, Chicago, IL: University of Chicago Press.

[15]. Asikin, D., &Wulandari, L. D. (2016). Spatial Conservation and Psychology in Madurese Migrant

Settlements in Kotalama-Malang Subdistrict.

[16]. Herlambang, Wira, IndrayaniIndrayani, and Muammar Khaddafi. "The Influence Of Leadership, Organizational Culture, Motivation And Compensation On Employee Performance In Regional Apparatus Organizations (Opd) At BaperlitbangKarimun Regency." MORFAI JOURNAL 2.1 (2022): 143-150.

[17]. Priyandika, AkhbarNurseta, and Nenik WOYANTI. Analysis of the Influence of Distance, Business Duration, Capital, and Working Hours on the Income of Street Vendors in the Clothing Industry (Case Study in Purwodinatan Subdistrict, Semarang City). Dissertation. Faculty of Economics and Business, 2015.