

The Implementation of Micro Business Development in the Department of Cooperative and SMEs of Minahasa Regency

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ABSTRAK - This study aims to determine and describe the implementation of the Policy on Micro Business Development in the Department of Cooperatives and Small and Medium Enterprises in Minahasa Regency. The research technique used was a descriptive qualitative research method. Based on the results of the study, then it was concluded that the Implementation of Micro Business Development Policy in the Department of Cooperatives and Small and Medium Enterprises in the District. Minahasa was not yet optimal, namely communication through socialization to business players has not been maximized, the community experiences obstacles in accessing and accepting business capital, lack of training and entrepreneurship development programs, human resources of the implementing apparatus are inadequate, the attitude of the government in related agencies in the preparation of development programs that have not yet identified the appropriate the potential and problems of business actors, the lack of budget and supporting facilities that are not yet available for micro-businesses.

Keyword: Implementation, Micro Business Development

I. INTRODUCTION

National Development aims to create a just and prosperous society both materially and spiritually based on the Pancasila and the 1945 Constitution of the Republic of Indonesia. Development is jointly organized by the community and the government. The community, in this case, is the main actor in development, and the government is obliged to direct, guide, protect and foster a favorable atmosphere and climate (Law Number 9 of 1995). Development is expected to improve the welfare of the community. Quality improvement of all Indonesian people is carried out on an ongoing basis, based on the ability to utilize advances in science and technology. By paying attention to the increasingly rapid development and

influence of globalization, it becomes a challenge for a nation to be able to be more competitive.

The implementation itself is a process for implementing policies into policy actions from politics into administration. Development of policies in the context of perfecting a program [1]. In empowering the people's economy, the State has an absolute obligation and must be precise in its implementation, so that the important role of the government is needed. In response to this, one of the efforts and strategies that were undertaken by the government is through the empowerment of Micro, Small and Medium Enterprises (MSMEs). Micro, Small and Medium Enterprises (MSMEs) are business activities that can expand employment opportunities and provide broad economic services to the community, namely to play a role in the process of equity and increasing community income, job creation, poverty alleviation, and play a role in realizing national stability and area. Besides, SMEs are one of the main pillars of the national economy that must obtain the main opportunities, support, protection, and broadest development as a form of firm alignment to the people's business, without ignoring the role of Large Enterprises and State-Owned Enterprises [2].

In connection with the important role of MSMEs in the development and growth of people's lives, it is necessary to play a role for the government in empowering MSMEs, one of which is manifested in the form of a policy governing MSMEs so that the policy objectives can be achieved, the government takes an action that is the implementation of the policy. As reference [3] reiterated by reference [4] provides an understanding that Implementation of Policy is "Implementation of basic policy decisions, usually in the form of laws, but can also be in the form of orders or executive decisions that important or judicial body decisions are generally, the decision identifies the problem being addressed, states explicitly the goals or objectives to be achieved and various ways of structuring / regulating the implementation process". Therefore it can be said that policy implementation is

an important aspect of the entire policy process. The policy referred to in this matter is contained in Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises (MSMEs). In-Law No. 20 of 2008 concerning Micro, Small and Medium Enterprises.

Furthermore, the Government issued Government Regulation (PP) Number 17 of 2013 which contained the implementation of Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises. The purpose of the issuance of this Government Regulation is as an operational policy to implement or implement Law Number 20 of 2008 concerning MSMEs.

In line with these regulations, as a strategic effort to improve and the role and institutions of MSMEs, the development needs to be carried out from the national level to the regional level, namely by the Government, Regional Government, Business World, and Society as a whole, synergistically and sustainably. In line with regional autonomy, MSMEs are one of the fields of government which becomes a mandatory authority that is devolved to the Regency / City Government. Therefore local governments have the freedom to explore and develop the potential of MSMEs, according to the capabilities of each region. The regional government is obliged to assist in the development of businesses for SMEs, with various limitations, they need to be facilitated, mobilized and motivated so that they are increasingly developed with integrated and planned efforts so that they can improve the capabilities of their resources, and are ready to face the challenges of globalization.

The Government of Indonesia carried out the development of MSMEs through the Department of Cooperative and Small and Medium Enterprises Cooperatives, in each Province to Regency / City. At the regional level, particularly in the Minahasa regency, the current existence of MSMEs is inseparable from the role of government agencies as implementers in this field, namely the Office of Cooperatives for Small and Medium Enterprises as government agencies that are authorized and responsible for managing and fostering all MSMEs in Minahasa Regency.

At the regional level, especially in the Minahasa Regency, it is generally seen that the growth of people's development is inseparable from the contribution of MSMEs. From the Minahasa District Government data, there are around 5,505 Micro, Small and Medium Enterprises that have influenced social, economic and regional income. With economic growth experiencing a pretty good increase, namely based on current prices the value of the Gross Regional Domestic Product (GRDP) reached 13.30 trillion on the constant price of 9.92 trillion rupiahs, the value was 6.09% higher than the previous year which reached 9.35 trillion (Source: BPS - Minahasa District GRDP 2016). This can be seen how important the role of MSMEs can be as a mainstay, as well as the backbone of the region while enhancing the standard of living of the community so that it becomes a real contribution especially in the face of the current ASEAN Economic Community year. The development of the

community business sector in the Minahasa regency reached around 3,900 more units dominated by Micro Business actors engaged in several business sectors, which are divided into various criteria or types of businesses that have evolved including: the trade sector, the industrial sector processing, services, agriculture, plantation, animal husbandry and the fisheries sector (Source: Database of the Office of Small and Medium Enterprises Cooperatives, 2016). Even though the micro-businesses that dominate the most, from the observations, the micro sector businesses engaged in the manufacturing industry sector have not been thoroughly considered and have not met the demands in providing business development by the local government that overshadows this sector, namely the Minahasa Regency's Cooperative Office of Minahasa. The government in its implication was not optimal in dealing with various obstacles or obstacles faced by the community as a target of policies/business actors, both internal and external, both in terms of production and processing, marketing, human resources, design and technology, and to realize a business climate support and side with business actors.

It is known based on direct observations in the field, there were various problems regarding the development of micro-businesses. From the conditions seen in the field, several factors become a problem, namely:

First, there was a direct complaint from business actors to the local government, namely the related department, where there was a lack of information from the government on how to obtain a wider source of funding to increase working capital.

Second, the lack of government namely the relevant agencies in providing various information or services regarding what programs are available and significantly given from the local government that handles this field. Whether it is in the form of dissemination of existing policies, forms of training and direct coaching from the government to improve the skills or abilities of business actors.

Third, the lack of assistance with the provision of supporting facilities provided by the Office of Cooperatives for Small and Medium Enterprises is adequate for micro-business actors in improving the production and processing processes for the sustainability of their businesses. Though it is very clearly mandated in the Law on MSMEs that the government and regional governments need to provide facilities in the provision of infrastructure for every product of micro, small and medium businesses without exception. Likewise in Government Regulation Number 17 of 2013 which states that facilitation of business development is carried out by the Government and regional governments, as referred to in the fields of processing, marketing, human resources as well as design and technology.

Fourth, the role of the government is not yet optimal, namely the relevant agencies in providing support and providing facilities/centers specifically for product promotion and disseminating network/marketing information for the business community to introduce Minahasa regional products and at the same time attract consumers from within and outside

the region. Also seen is one of the media, the official website of the Minahasa district which is also supposed to be a means of promotion for the publication of business products that are in the area of business actors that have not yet been utilized.

In line with what is mandated in the existing policies, the local government, namely the relevant department, is obliged to play a role and have the responsibility to oversee and provide full services to handle this field, especially in terms of business development, so that it can be assessed that the regulation is indeed implemented according to people's expectations. Seeing the conditions of the problems described above, the government is obliged to pay special attention to the micro-business sector in all types of businesses, because as we know, this business can play a role in improving the welfare of the community. Because the business community only expects various policies issued by the government in its implementation to be truly optimal in favor of and felt in the community.

So based on the background description that has been stated above, the researcher is interested in conducting research with the formulation of the problem namely: How to Implement policies on Micro Business Development in the Department of Cooperative and Small and Medium Enterprises of Minahasa Regency.

II. RESEARCH METHOD

This study was conducted at the Minahasa Regency's Cooperative and Small and Medium Enterprises. The research method used in this research was a descriptive qualitative method. Qualitative research methods are called naturalistic research methods because the research was conducted in a natural setting [5]. The focus of the research carried out was searching the data to find out the target and realization of the implementation of micro business development in the Department of Cooperative SMEs of Minahasa Regency.

Primary data is the data obtained directly from informants who were considered to know about the problem investigated. Secondary data was the data obtained from journal books or other information related to microbusiness development. The technique used was observation. By making observations directly to the field.

In testing the validity of the data, the researchers used four criteria, namely:

- a. Display observations
- b. Increased perseverance/persistence
- c. Negative case analysis
- d. Triangulation
- e. Member check

III. RESULTS AND DISCUSSION

Implementation of Policies Regarding Micro Business
The development in the Department of Cooperatives of Small and Medium Enterprises in Minahasa Regency.

The focus of this study was how the implementation of policies regarding the development of the micro business in the manufacturing industry sector in the Department of Cooperatives of Small and Medium Enterprises, in Edward III [6] based on indicators that lead to being used as questions in research namely: 1) Communication, 2) Resources, 3) Disposition and 4) Bureaucratic Structure. And the following results of research conducted by researchers can be analyzed and described as follows:

1) Communication

The first indicator as stated is Communication. Successful policy implementation requires that the implementor knows what needs to be done. What are the goals and objectives of the policy must be transmitted to the target group (target group) so that it will reduce the distortion of implementation. If the goals and objectives of the policy are unclear or even unknown to the target group, then there is a possibility of resistance from the target group.

As a policy implementing organization to empower micro-businesses in the Minahasa regency, the local government, namely the Department of Cooperative and SMEs of Minahasa Regency, has made plans to implement policies as outlined in operational programs. Of course what is needed in this case are ideal programs to be implemented in relation to existing policies, clearly conveyed to the objectives of the policy in dealing with the potential, needs, and problems that occur in the community as business actors. From the statements of several informants as the government and as the executor in the field of empowerment of micro-businesses, it was known that the program that has been carried out by the government here is the socialization of assistance in obtaining funding/capital called the Kedit Usaha Rakyat, by coordinating with several parties, including banking institutions to be provided for businessmen.

But from the findings in the field, that the socialization has not been carried out optimally in its implementation, where the information submitted for these activities is not fully known by micro-business actors. On the other hand, the business community that receives information from the government, has participated in socialization and is aware of policies from the local government regarding funding / capital assistance through banking institutions, but still faces obstacles to obtain the source of capital, namely the collateral requested by the banking sector in the form of training certificates, but not owned by business actors.

Furthermore, the community of business actors will also require assistance from the local government to improve development and foster a continuing business climate, both new and old entrepreneurs. Further efforts to improve the quality of human resources of business actors, the need for development programs from the government such as training and coaching one of them in terms of the production process and processing of their businesses.

The findings at the research location from the informants of several related official informants as the implementer explained that the agency itself had never conducted the program. This is even clearer based on information provided by several business communities in the processing industry sector, that there is still a lack of an active role from the local government in the form of guidance on how to improve production and processing techniques as well as the capabilities of Micro Business actors.

The success of the micro industry sector in the region to penetrate the market or deal with products in the domestic market is also determined by how the ability to develop business products to be widely known and can exist. For this reason, it is necessary for the role of the local government to provide promotional support and broader market information for business actors. From the results of the information obtained in the study, the local government here said that providing business promotion assistance through an event every year, namely the exhibition.

2) Resources

According to Edwards III in refence [7] Although the contents of the policy have been communicated clearly and consistently if the implementor lacks the resources to implement, implementation will not be effective. These resources can be in the form of human resources, financial resources or adequate facilities. Resources are important factors for implementing policies to be effective. Without resources, policies only remain on paper as documents.

First, human resources, all implementing elements or related resources in the implementation of this policy are selected in accordance with their fields and duties, from the results of the study it was found that in terms of the number of employees of the Minahasa District Cooperative Office, the Minahasa is still lacking to develop to the field as a whole.

Second, regarding financial resources, namely funds or budget for implementing policies for micro-business development programs. According to interviews with several informants in the field of empowerment of micro-businesses in related agencies, it can be concluded that the available budget and available from APBD funds are only for socialization programs, there is still limited availability of budget funds for other micro-business development programs.

Third, the researcher also gave a question about whether there is an availability of supporting facilities for the community of business actors, because according to the mandate in PP No. 17 of 2013 chapter II, the 4th article clearly explains that the facilitation of business development is carried out by the government and local governments for micro-businesses, both in the fields of production and processing, marketing, as well as design and technology. However, from the results of the research conducted, it was

found that facility assistance from the government has not been felt directly from some business community communities. Many weaknesses were found, most of them only used modest equipment, lack of mastery/ability on how to utilize technology that could provide more product added value and quality control, which could have an impact on the low productivity of entrepreneurs and product competitiveness.

3) Disposition (attitude / tendency)

The third indicator is a disposition, which is the attitude and characteristics possessed by the implementor. If the implementor has a good disposition, then he can run the policy well too. A committed and honest implementer will bring him more enthusiasm in implementing existing policy programs consistently and persist among the obstacles encountered in implementing the policies. As well as a democratic nature will create a sense of trust from the target group, that as an implementor of existing programs/policies in favor of problems or needs in the field.

In line with what is explained in PP No. 17 of 2013, that development activities carried out by local governments, in Chapter II article 5 that is carried out through: data collection, identification, development and development programs according to the potentials and problems encountered, implementation of the development program and development, and to the monitoring and control of programs made. However, from the results of the study, it was found that the government here for data collection of all micro-business operators in the Minahasa regency has not been carried out properly and maximally, and the development and development programs are only internal from the agency itself regarding existing and used work plans.

So that it can be seen that the attitude of the government here based on this indicator, has not met the demands of the policy as the program implementor, which should take sides with what is needed by entrepreneurs, especially in the processing industry sector

4) Bureaucratic Structure

Every organization whose job is to implement the policy has a significant influence on policy implementation. One important aspect of every implementing organization as an element of the policy implementor is the existence of standard operating procedures (SOP).

The results of the study found a similar statement from several informants as employees in this field that the form of operational guidelines and technical guidelines was published and based on the central government namely the Ministry of Cooperative SMEs. The local government of the relevant agencies only carry out referring to instructions/documents from the central government, regarding the explanation of how the technical implementation of the program is directed

to be carried out such as development programs for business actors, assistance, training and other programs related to what must be done, time, place and who are involved in a series of vertical work instructions given to local governments, in line from the central level to the regions.

IV CONCLUSION

Based on the research findings and discussion data described, the following conclusions are drawn:

Communication between agencies related to the community of business actors has not run optimally. The policy regarding the source of financing for business capital for SMEs in the implementation of the community of business actors still faces obstacles. Lack of active role from related agencies in improving human resource techniques and capabilities such as training and coaching programs for business actors.

Human Resources or implementing policies owned by the relevant agencies are not sufficient to handle this field, the lack of availability of financial/financial resources for existing business development programs.

The attitude of the government in the preparation of development and development programs has not paid attention to and identified according to the potential and condition of the problems faced by the business community in each of the existing business sectors.

Procedures through the operational and technical guidelines used by the implementor in the implementation of the government of the relevant agencies only implement and refer to instructions from the central government, regarding how the technical implementation of each business development program created and directed to be carried out by local governments.

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