

# Communication Strategy for the Empowerment of MSMEs During the Covid-19 Period in Indonesia Through PT PII Share

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## ABSTRACT

Since the Covid-19 pandemic hit the world, including Indonesia, various levels of society have felt the economic and social impacts directly. In fact, many have lost their jobs and of course have an impact on increasing the number of unemployed in Indonesia. The government quickly and consistently made breakthroughs to overcome the impact of the pandemic, including providing social assistance in the form of cash and basic food assistance. In this context, the government also involves BUMN, private companies to work together in providing assistance and support to the affected communities. Through financial assistance, market opening, and digital training, the government continues to empower MSMEs to be able to survive and contribute to the country's economy. During the period of the Covid-19 outbreak in Indonesia, the businesses that continued to run and survive were MSME activities, especially culinary activities, in this case food and beverages. The government through BUMN has empowered and carried out massively in various cities in Indonesia to reach 64 million MSME actors, especially the informal sector. The BUMN that is the object of this research is PT Penjaminan Infrastruktur Indonesia (Persero) with the PT PII Share program.

Keywords: MSME empowerment, Indonesia, government, Covid-19

## **1. INTRODUCTION**

In order to maintain the sustainability of Micro, Small and Medium Enterprises (MSMEs) as Indonesia's economic strength during the Covid-19 pandemic, the efforts that must be made are strengthening and empowering so that they can adapt to technological advances, especially digitalization. The presence of the government is urgently needed through regulations and concrete actions so that MSMEs can run and become a buffer for the Indonesian economy during these Covid-19 times. This is in line with the statement of Tanaka and Ekyawan [1].

The existence of MSMEs in Indonesia cannot be underestimated, in terms of capital it does not require large costs, but is able to absorb a large workforce. Strengthening MSMEs must be a government policy from upstream to downstream so that an economic order is built both during the Covid-19 period and even in normal times later. The presence of the government and stakeholders will be a force for improving the fate and future of MSME actors in Indonesia [2].

Indonesia as the most populous country, has also experienced an impact, especially on the health sector and even the tourism sector which is one of the mainstay sectors of foreign exchange. The government's program, which is focusing on improving tourism, has been badly hit by the Covid-19 pandemic. Even when referring to IMF data, the global economy grew minus 3%. But in the second year of the Covid-19 period, the government changed its strategy, namely strengthening MSMEs through injection of funds, training and assistance. This can be seen from the cross-sectoral ministry programs carrying out various movements so that the economy can recover and grow [3].

The presence of cross-ministerial and BUMN diverts various work budgets to be used to restore the national economy. The Ministry of Economy through national policies cooperates with companies engaged in production and manufacturing. The government's optimism is in line with improving health by preventing the spread of Covid-19 in the country. Various movements, with the slogan of buying domestic products, fostered movements or being foster fathers for MSME actors. Each company, both government-owned and private, synergizes, even to the point of paving the way for exports. Cooperation in capital with direct assistance schemes, facilitating access to business licenses, tax free and technological support from various providers. The momentum of the Covid-19 period has become an era of collaboration between the government and various parties to jointly advance the economy so that it recovers with the long-term goal of a stable economy and fast growth [4].

To significantly address the increasingly bad impact on society, the Government has created a special legal umbrella for Micro, Small and Medium Enterprises (MSMEs). That as a continuation of efforts to help and protect MSME actors who are facing the impact of the Corona Virus Disease (Covid-19) pandemic, the government provides assistance to MSME actors as stated in Permenkop No. 6 concerning general guidelines for the distribution of government assistance for MSME actors. This ministerial regulation explicitly stipulates that there is a need for guidelines for distributing assistance to MSME actors so that they are ready to support economic recovery and are ready to face the threat of Covid-19 and can save the national economy. This regulation further strengthens the position of MSMEs in Indonesia to date [4] [5].

This legal umbrella has also been refined so as not to cause problems, namely to increase the number of recipients of government assistance for MSME actors, it is necessary to complete the provisions of the Minister of Cooperatives. With this regulation, it becomes a guide and guide for government institutions, including BUMN and private companies, in taking part in distributing assistance to MSME actors as a series of economic recovery programs in facing the impact of Covid-19 and saving the national economy. Through this article, we take pictures and find answers on how SOEs contribute to empowering MSME actors in Indonesia so that they are able to get out of a prolonged crisis [6] [7].

Increasing the contribution of MSME activities to national income must continue to be pursued. As a sector that plays a role in creating jobs for (96.87%) of the workforce in Indonesia, MSMEs have an important position in the sustainability of the Indonesian economy. As stated by the Minister of Economy Airlangga Hartarto in his official statement quoted from the Ministry of Cooperatives and MSMEs, said that the contribution of MSMEs reached 60.34% of GDP in 2017. This means that this data shows that it is right on target in supporting MSME actors in Indonesia [8].

PT PII always works hard to continue to grow without forgetting to be responsible for various aspects of society and the environment around us. We believe that PT PII's business sustainability will be realized through a balance achieving between financial performance, social performance and environmental performance. It is appropriate that the economic value we obtain also provides benefits to the community and the environment. PT PII is committed to implementing good governance and paying attention to the quality of the Company's performance. PT PII takes an active role in paying attention to the welfare of the community and contributing to preserving the environment. PT PII also supports the Government in accelerating the development of community development in Indonesia, namely Education and Community Economic Empowerment [9].

Under these conditions, PT PII took part in a program called PT PII Share. Empowerment of MSMEs is the focus of the company, especially in areas that are the center of the company's infrastructure projects. The company empowers with a strategy that has been set by management so that it is right on target and has a concrete impact on MSME actors. (Pradana, Personal Interview, September 2021).

## 2. MSME EMPOWERMENT

As mentioned by Rudjito (2003), MSMEs play a very important role in the Indonesian economy, meaning both from the element of job creation and from the element of the number of businesses created. But in terms of understanding MSMEs is an effort to build community strength by encouraging, motivating, and raising awareness of their potential and trying to develop it. This means that from this definition community economic empowerment in this case must be carried out by the government in collaboration with various interest groups so that synergy is built [10].

It must be admitted, MSMEs in the Indonesian economic system were previously a top priority before Covid-19 hit Indonesia. But the facts prove that MSMEs are a business sector that is very resistant to various situations, including health crises. In very large numbers, that is why professional transitions occur so quickly when the crisis comes because they are able to absorb a large number of workers. Even MSMEs do not need such high and heavy requirements, anyone can run them even from their own homes. Currently the key word for MSMEs is the existence of concrete and real empowerment [11].

So, what is included in the concept of empowerment when referring to Law no. 20 of 2008 concerning Micro, Small and Medium Enterprises, especially Chapter I Article 1 in detail explains that what is meant by Micro, Small and Medium Enterprises (MSMEs) are: First, Micro Enterprises are productive businesses owned by individuals and/or entities effort. an individual who meets the criteria for a micro-enterprise as regulated in this Law. Second, small businesses are productive economic businesses that stand alone, which are carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become part of either directly or indirectly. That medium or large businesses that meet the criteria for small businesses as referred to in this Law. Third, medium-sized businesses are productive economic businesses that stand alone, which are carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become a part either directly or indirectly with small businesses or large businesses with a total amount of assets, net sales or annual proceeds as regulated in this Law [12] [13].

## 3. MSME EMPOWERMENT STRATEGY

Scott M. Cutlip & Allen H. Center (2009), stated that the work program planning process went through a "four-step process or main steps" which became the basis of reference for the implementation of the management work program mentioned by the 4 STEPS strategic planning model [14].



#### 3.1. Step 1: Defining Problems

When developing a strategy for empowering MSME actors, PT PII Persero took steps to define the problem. In this stage, PR conducts observations or observations regarding problems related to news/issues that surfaced in the mass media as well as in print media as well as on social media, such as Facebook, Twitter as the initial stage of data collection and identify problems that have surfaced that have already been identified. into attitudes, public opinion and public behavior [15].



Figure 1 Problem Mapping

## 3.2. Step 2: Planning and Programming

At this stage, what management can do is make a plan which is a regular and sequential breakdown of the steps that will be carried out to achieve certain goals. Programming is the arrangement of events, namely the details of time or timing on a regular basis and according to a certain sequence of step-by-step implementation in accordance with what has been determined in the planning. In addition, a planning and program that is so mature, but not ideal if there is no publication element, then PR must be smart to know what media will be used to support these management activities. Cutlip, Center and Broom [16] classify media into 3 categories, which can be used for internal public as well as external public, namely the printed word, the spoken word and the image. The printed word can be done through organizational magazines, brochures, speeches. Then spoken word can be done in the form of press conferences, press interviews or meetings, then the image can use electronic media, print media and social media in the form of political advertisements, political publications of democratic parties and so on.



Figure 2 Planning Program Empowerment

## 3.3. Step 3: Implementation

The third stage, management must take action and communicate (taking action and communicating). (1) The Action Component of Strategy (action strategy), in this case PR must be able to take actions that are "acting responsively and responsibly", in the sense that they are willing to listen to the wishes of the public and are responsible for the public they represent in connection with all activities carried out. (2) The Communication Component of Strategy Management must concentrate on communication, of course it must consider all communication components that are carried out starting from using media, using media sources, bringing communicants or people, namely Education and being targeted communication in the desired direction, modifying a good message, can lead public opinion, attitudes and behavior. (3) Implementing the strategy (implementation of the strategy) [17].







Figure 3 Implementation Strategy

#### 3.4. Program Evaluation

Program (Evaluating the Program), this stage is carried out, first, to evaluate and measure the success of the activities that have been carried out. Opinion poll and attitude test are methods or techniques used by PR in an effort to achieve goals that have been determined by the organization. The final step in this process is to assess program preparation, implementation and outcomes. Adjustments will be made while evaluating feedback on how the program was successful or not. Then the program results obtained based on media monitoring reports, social media analysis and research on programs that have been carried out will then be reported by the PT PII Persero implementation team to the directors who will be used as evaluations and formulate future programs [18].



Figure 4 Evaluation

## 4. MSME EMPOWERMENT AS CSR

Corporate social responsibility (CSR) is an important part of a company, because in Indonesia there is a law (UU) that regulates it. In addition to complying with the law, CSR is also carried out because of the company's awareness in helping the state in alleviating poverty [19]. One of the companies in the infrastructure sector, PT PII Persero, has a CSR program with empowerment, namely PT PII Share. From this article, the PT PII Share program refers to the Triple Bottom Line (TBL) concept which reinforces that in running a business, the company does not only focus on profit (profit), but also provides something concrete to the wider community (people), and which is no less important. which plays an active role in protecting the environment (planet). This concept that is consistently implemented by various companies and applied in their business activities when communicating with the community is Corporate Social Responsibility (CSR) [20] [21].

#### 4.1. Profit

The understanding of profit in this concept is that the company in running a business is certainly profit-oriented in running the business continuously. Profit can be interpreted materially in the form of money so that it is able to pay company employees. But in another sense, there are social and economic benefits that are correlated with the good name of the company. In this context, CSR is broadly defined, namely the commitment of a business to behave ethically, practice according to the law and have a positive impact, contribute to community social activities, support employees to be more advanced and engage the community. The company in running its business is also profit-oriented (economic aspect), but also thinks about the community and the environment. Profit (profit) is not defined only for the value of the company which is reflected in its financial condition (financial). The profits obtained by the company will be used for community empowerment through various CSR activities [22].

#### 4.2. People

Understanding People (society) are people who are one of the supporting elements that determine the sustainability of the company, and the planet is the environment that has a causal relationship with the company. The word people is well understood by the company to support the progress and improvement of human resources. Continuously developing human resources will have implications for community empowerment. The profits obtained by the company will be used for community empowerment through various CSR activities periodically [23].

## 4.3. Planet

The definition of planet (earth) planetary means that we are committed to protecting the ecosystem and the environment. This principle is very important, but often forgotten. Companies cannot think only of living today, but must pass on the world and the planet to future generations. Planet means the company's commitment to protect and preserve the environment and natural resources. This means that it can be conveyed that the concept of the triple bottom line (profit, people, planet) is the main basis for carrying out sustainable development with all its contents so that harmony is established and an ecosystem is created that is mutually beneficial for its residents [24].



## 5. CONCLUSIONS

What is outlined by PT PII Persero has the goal of being the main driving SOE that is consistent and active in accelerating and developing sustainable infrastructure in Indonesia with the mission of improving the quality of life of the Indonesian people as the ideals set by the state constitution. The findings that can be explained in this article are that PT PII through the PT PII Share program is actively and continuously implementing its Corporate Social Responsibility (CSR) program. Especially during the Covid-19 pandemic, PT PII focused its CSR programs in dozens of cities in Indonesia, both on the islands of Sumatra, Java and Kalimantan and Sulawesi. The CSR program is designed to empower communities around infrastructure project locations who are SMEs. PT PII Share in its implementation is adjusted to the company's vision and mission, namely in developing human resources, specifically in the field of education, providing scholarships and training to improve their business so that they are able to be independent. Second, providing support for environmental sustainability, namely helping farmers and communities living on the coast to participate in preserving nature and producing natural products to be used as a livelihood during this Covid-19 period. Furthermore, PT PII Share moves to build collaborations with various parties that can support community progress. Priority in advancing MSMEs is supported by local governments, universities and community and community groups. The findings in this article are that PT PII Persero consistently empowers MSMEs with a communication strategy so that MSME actors are appropriate and on target as determined by the company and the government through supporting policies and regulations.

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