



Implementation of Dinoyo Ceramic Industry Development Policy in Malang City

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Abstract. One of the government's efforts to strive to address the problem of poverty is through various programs and community empowerment projects. The industrial sector that has the opportunity to be developed and controlled by the government is the creative industry. In the context of developing the creative economy in cities in Indonesia, the creative industry has more potential to develop in major cities or cities that have been "known" such as Malang City. One of the Small And Medium Industry (IKM) centers that are targeted by UPL activities in Malang City is the Dinoyo ceramic industry center. Currently the condition of the ceramic center can be said to have decreased compared to its heyday, while ceramic "Dinoyo" is one of the icons of Malang City and has been known nationally and even internationally. The study used descriptive qualitative methods to clearly describe phenomena, and used factors influencing policy implementation in grindle's model as the focus of the study. The goal is to find out the success of policy implementation in the center of the ceramic industry dinoyo according to grindle policy implementation model. The results of the study are expected to be input and reverence material for interested parties.

Keywords: Policy Implementation · Grindle's Implementation Model · Community Empowerment · Ceramic Industry · Malang City

1 Introduction

Creative industries have big potential to grow in cities or cities that have been "known" such as Malang City, also known as the City of Education. It is because of the availability of reliable human resources as well as the market. The strategy to develop the creative economy can be done by utilizing city landmarks or social activities such as festivals as venues to introduce regional specialties. In addition, Malang City also has a diversity of tourism potential along with the hospitality of its people, making Malang City one of tourist destinations in Indonesia. The success of the Malang City in attracting tourists has provided many benefits to the community, through the creation of jobs, encouraging the results of the handicraft industry as well as a source of regional foreign exchange that is able to become a leading sector of regional economy.

The industrial sector has a fairly large role in the GRDP of Malang City with 25.12 percent and its growth reaching 5.7 percent (BPS Malang City, 2019) the industrial

sector become the second of the largest contributor to the GRDP of Malang City. The industrial sector in Malang City is dominated by the small and medium industry sector and the non-formal industrial sector with 99.9%, while the large industry is only 0.01% (Data from the Malang City Cooperative, Industry and Trade Office, 2019).

Small and Medium Industries are spread evenly in five sub-districts in the Malang City area, in some areas of Small and Medium Industry (IKM) small industrial clusters are formed. There are 16 small industrial centers in Malang, namely Balearjosari rattan center, Sanan tempe and chips center, Pandanwangi corn chips center, Tunjung Sekar furniture center, Dinoyo ceramics center, Penanggungan pottery center and Karangbesuki sanitair center.

Most of these industrial centers are hereditary businesses and have a long history. The unstable condition are influenced by many factors such as regional, national and global economic conditions, changes in government policies as well as socio-political conditions. The unstable condition of the Small and Medium Industry (IKM) center can be described through several phenomena:

- Rattan centers experienced a very significant decline. As an illustration, in the 1990s there were hundreds of rattan craftsmen, while based on the results of data collection from the Cooperatives, Industry and Trade Office in Malang City in 2019, the number of rattan craft business actors currently only dozens.
- The ceramic center experienced a decrease in the number of business actors, from hundreds of business units, in 2019 there were only 31 business units that produced ceramics, gypsum, and only as traders. The number of SMIs that produce ceramics is only 5 business units.
- The center of the furniture industry has also experienced a decline in the number of business actors from previously in the hundreds, now there are only ± 50 Small and Medium Industry (IKM), besides that most of the Small and Medium Industry (IKM) currently no longer produce their own furniture, but only process semi-finished goods obtained from Pasuruan and Jepara.
- This conditions occur in other centers, the others has the same issue.

The condition of the Small and Medium Industry (IKM) center cannot be separated of some of the classic problems that must be faced by SMIs. The access to capital and the opportunity to get business, production problems, availability of raw materials, marketing, network and technology. In general, SMIs are also still weak in their vision, entrepreneurial attitude and most basic business management, although they are often claimed to be able to survive the economic crisis.

The problems faced by small and medium-sized industrial centers are a task that must be solved by the government. Especially when considering the magnitude of the benefits of clusters in regional economic development, namely: (1) The creation of product specialization in an area; (2) the development of collaboration and a strong networking between SMIs and local economic actors in the region to learn together, accelerate local production and increase innovation capabilities; (3) joint activities can be formed to solve SMIs problems, including problems in marketing; (4) the ease of obtaining inputs, innovation; (5) the ease of attracting sellers and buyers to win the market; (6) the ease of promoting and marketing; and (7) the more effective government policies while working with SMIs.

Paying attention to the benefits of centers for the economy of Malang City, while there are still many problems should be solved to maintain the existence of Small And Medium Industry centers, innovation and integrated development for center entrepreneurs are needed. The coaching clinic is carried out for Small and Medium Industry (IKM) through the Direct Assistance Unit (UPL) for Small And Medium Industry (IKM) Malang City.

One of the Small And Medium Industry (IKM) centers targeted by UPL in 2019 is the Dinoyo ceramics industry center. Dinoyo ceramics industry center is chosen is because the current condition of the ceramic center have decreased compared to its former glory, while Malang City ceramics or “Dinoyo” ceramics is one of the icons of Malang City and has been known nationally and even internationally. It helps ceramic center to survive, especially to face increasingly high competition with the opening of the free market.

The role of the Malang City Government is very much needed to support the development and empowerment of the creative economy actors. As part of driving economic growth, increasing industrial competitiveness occupies a strategic position. Industrial development in terms of institutional aspects has increased due to conducive security conditions and simplification of investment licensing procedures as well as efforts to stimulate the growth of the creative economy in the community.

The great potential of Malang City is the basic capital for creative economic development through planning, developing and fostering business actors/creative people as well as facilitating the marketing management of creative products so they have quality, value added and competitive prices in the market, especially Malang City is also supported by the mayor’s mission, Creating a productive and competitive city based on a creative economy, sustainability and integration.

Empowerment is also the key to improve the quality of people’s lives, this is in line with what was conveyed by Narayan [1]: Empowerment is key for: (a) Quality of life and human dignity, (b) good governance, (c) Pro-poor growth and, (d) Project effectiveness [1].

Apart from the active role of the community that plays an important role in the development of the ceramic industry, the government often pays more attention to the ceramic industry. The concern of the government can be seen in the form of frequent training by the relevant agencies.

Assistance is provided by supporting goods such as ceramic production machines and exhibitions are often held to promote the products of the ceramic industry. In addition, in order to improve the quality of the ceramic industry production, the government also held a comparative study for ceramic craftsmen which was carried out in West Java and Central Java. This is in accordance with the objectives of community empowerment in Law Number 25 of 2000 concerning the National Development Program (PROPE-NAS) of 2000–2004 and The Regional Development Program states that the purpose of community empowerment to increase community empowerment through strengthening local community institutions and organizations, poverty alleviation and social protection to the community, increasing community self-reliance to help the community improve their economic, social and politics.

Based on the those background, the researchers are interested to study government policies/programs in the ceramic craftsman industry in Dinoyo Village, Lowokwaru District, Malang City, because researchers consider that industrial development plays an

important role to contribute in economy of the people of Malang City, so the researchers took the title Research on the implementation of the Dinoyo Ceramic Industry Development Policy in Malang City with the formulation of the problem, namely how is the implement of Development Policy in Dinoyo Ceramic Industry in Malang City?.

2 Literature Review

2.1 Public Policy

In the Indonesian Dictionary, policy is defined as a series of concepts and principles that become the outline and basis of a planning the implementation of a job, leadership, and way of act (about government, organization, etc.); a statement of ideals, goals, principles and guidelines for management in achieving goals. Thomas R Dye as quoted by Islamy [2], defines public policy as "whatever government chooses to do or not to do". This definition emphasizes that public policy is about the realization of "action" and is not a mere statement of the will of the government or public officials. In addition, the government's choice not to do something is also a public policy because it has an influence (the same impact as the government's choice to do something). Carl J Federick as quoted by Leo Agustino [3], defines policy as a series of actions/activities proposed by a person, group or government in a certain environment where there are obstacles (difficulties) and opportunities for the implementation of the proposed policy in order to achieve specific purpose.

The process of making public policy is a complex because it involves many processes and variables that must be studied. Therefore, some political experts who are interested in studying public policy divide the processes of public policy formulation into some steps. The purpose of this distribution to make easier for reviewing the policy. However, some experts may divide these stages in a different order. The stages of public policy according to William Dunn as quoted by Budi Winarno [3], are as follows:

Preparing the Agenda. Elected and appointed officials put matters on the public agenda. Previously, this issue competed to be included in the policy agenda. In the end, several issues entered the policy agenda of the policy makers. At this stage there may be a problem that is not up for discussion, while other problems are set to be the focus of discussion, or there are also problems for certain reasons that have been postponed for a long time.

Policy Formulation. Issues that have included in the policy agenda are then discussed by policy makers. The problems were defined to find the best solution for the problem. The solution to this problem comes from policy alternatives/policy options. In policy formulation, each alternative competes to be chosen as the policy to solve the problem. In this stage, each actor will compete and try to propose the best solution to the problem.

Policy Adoption. From many policy alternatives that has offered by policy makers, in the end one of the policy alternatives is adopted with the support of a legislative majority, consensus between agency directors or judicial decisions.

Policy Implementation. A policy program will only be the records of the elite if the program is not implemented, that is, carried out by administrative bodies and government agencies at the lower levels. The policies that have been taken are implemented

by administrative units that mobilize financial and human resources. At this stage of implementation, various interests will compete with each other. Some policy implementations have the support of the implementers, but some others may be opposed by the implementers.

Policy Evaluation. In this stage the policies that have been implemented will be assessed or evaluated, to see the extent to which the policies are made to achieve the desired impact, solving problems of the community. Therefore, measures or criteria are determined as the basis for assessing whether the public policies that have achieved the desired impact or objectives or not.

Many experts propose types of public policies based on their respective points of view. James Anderson as quoted by Suharno [4], conveyed the following categories of public policy:

- Substantive policy versus procedural policy. Substantive policy is a policy that concerns what the government will do. While procedural policy is how the substantive policy can be implemented.
- Distributive policy versus regulatory policy versus redistributive policy. Distributive policy concerns the distribution of services or benefits to society or individuals. Regulatory policies are policies in the form of restrictions or prohibitions on the behavior of individuals or community groups. Meanwhile, redistributive policies are policies that regulate the allocation of wealth, income, ownership or rights among various groups in society.
- Material policy versus symbolic policy. Material policies provide resource benefits to the target group. Meanwhile, symbolic policies are policies that provide symbolic benefits to the target group.
- Policies relating to public goods (and private goods. Public goods policy is a policy that regulates the provision of public goods or services. Meanwhile, private goods policy is a policy that regulates the provision of goods or services for the free market.

2.2 Grindle Model Policy Implementation

Grindle [5], model, this model is determined by the content of the policy and the context of its implementation. In the implementation policy model, Grindle [5], called his model "Implementation as a Political and Administrative Process". In this model, it shows that there is a link between policy objectives, action programs and individual projects that have been structured and financed, policy implementation activities, and policy outcomes.

According to Grindle [5], the factors that influence the implementation of the policy are the "content" and "context" of the policy.

Content

Interest Affected. The success or failure of a policy really depends on the interests that exist in the policy. In this case, whether the policy represents the interests of certain people or represents the interests of the wider community. A policy will be successful

if it gets broad support from the community as the target group. A policy will get broad support from the target group if the policy represents its interests, and vice versa.

Type of Benefits. The success of a policy if the policy provides many benefits to the target group and the policy will receive broad support from the target group. This also happened on the other hand, if a policy provides no benefit to the target group.

Extension of Change Evisoned. A policy that wants big changes, the more difficult it is to implement it. In this case, if big changes that are the goal of a policy, so there are difficulties in achieving its goals.

Site of Decision Making. The success or failure of a policy is highly dependent on the place where the decision is made. The farther away the decision-making location is, the more likely it is that the policy implementation will not succeed and vice versa.

Program Implementors. One of the determinants of the success or failure of policy implementation is the implementers. Implementers who have strong capabilities and commitments will certainly succeed.

Resources Committed. The availability of supporting resources for policy implementation will greatly affect the success of the policy. The lack of supporting resources will complicate the implementation of a policy.

Context

Power, Interests, and Strategies of Actor Involved. The success of a policy if the actors who involved in the implementation of the policy has the power, interests, and strategies in the implementation of a policy.

Institution and Regime Characteristics. The success of the policy will also be determined by the support of the institutions and regime in power. This support varies depending on the characteristics of the regime in power.

Compliance and Responsiveness. The policy will be successful if there is a match between the objectives and the form of the program. The policy will be successful if the implementers are responsible for the implementation of the policy.

Based on the model of the policy implementation process proposed by Grindle [5], it can be seen that its advantages are its ability to identify and explain not only the characteristics of the bureaucracy as executor, but also power and groups. -interest groups related to the implementation of the policy. The weakness is that it is unclear which variables have a direct and indirect effect on policy outcomes.

2.3 Creative Industry

The definition of Creative Industries from the Government's vision is as follows: Industries that rely on individual creativity, skills and talents that have the ability to improve living standards and create manpower through the ideas and exploitation of intellectual property rights. (Taken from the definition of the UK Department of Culture, Media and Sport, 1999 in Nenny, [6]). Creative industries can be grouped into 14 sub-sectors,

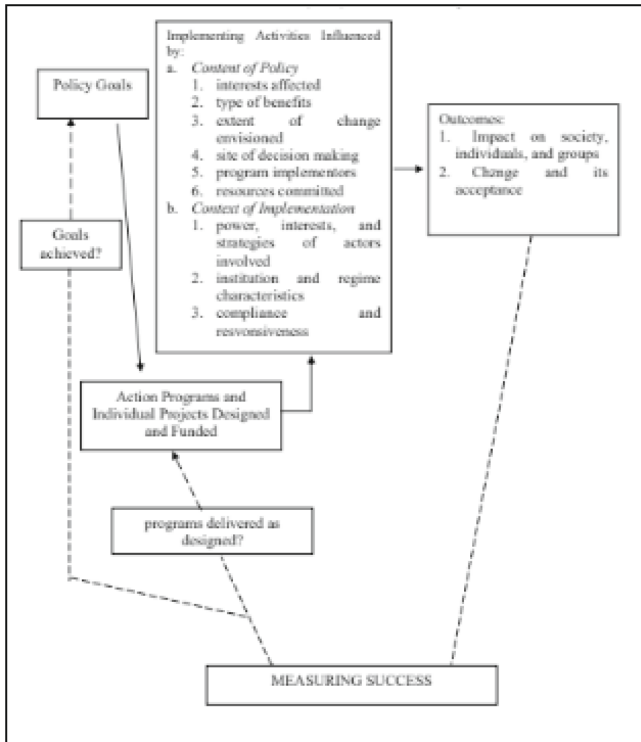


Fig. 1. The relationship between variables of policy.

namely: advertising; architecture; art and antiques market; craft; design; fashion (fashion); film, video, and photography; interactive games; music; performing Arts; publishing and printing; computer services and software; radio and television; and research and development.

If it is associated with the ceramic creative industry, the appropriate sub-sector is crafts. Creative Industries in the handicraft sub-sector are creative activities related to the creation, production and distribution of products made and produced by craftsmen starting from the initial design to the finishing of the product, including handicrafts made of: precious stones, natural and artificial fibers, leather, rattan, bamboo, wood, metals (gold, silver, copper, bronze, iron) wood, glass, porcelain, cloth, marble, clay, and chalk. Based on raw materials, handicraft products are categorized into:

- Ceramics and pottery (such as clay, terrathen ware, pottery, stoneware, porcelain)
- Metals (such as gold, silver, bronze, iron, copper)
- Natural fiber, natural fiber (bamboo, roots, rattan)
- Stones (such as precious stones, semi precious stones, jade)
- Textiles (such as cotton, silk, linen)
- Wood (including paper and lacquer ware)

2.4 Development of Industry

According to Pamuji [7], development is defined as: "A development is changing something so that it becomes new and has a higher value. Thus it also contains the meaning of renewal, namely making efforts to make something more suitable or suitable for needs, for the better or useful". Development efforts can be carried out through various activities, both in the form of software and hardware. The software includes the provision of education and training to improve knowledge and skills, business development, trade promotion assistance, and convenience provided to small entrepreneurs in order to encourage business development. Hardware includes: providing shared facilities, such as cooperatives for business centers in small industrial centers, direct assistance to small industrial entrepreneurs such as providing business premises and capital assistance.

The purpose of industrial development according to Dumairy [8], is as an argument for job creation, having a comparative advantage and developing good and healthy competition and preventing dishonest competition, as a stepping stone in other words industrial development will use more sophisticated technology, will certainly provide a very large added value.

Small industries have strategies in themselves that can create competitive advantages to compete with other businesses. Factors that can be used to increase the competitive advantage of small industries, namely:

- Flexibility, meaning that small industries have a small production capacity and quantity.
- Innovation, small industries have more opportunities to develop existing products.
- Proximity to customers, a strategy that can be carried out by industry owners for the development of their company.
- Product quality, another way to develop small industries is from quality, namely the character of a product or service.

3 Methods

This study uses a descriptive research method with a qualitative approach. The definition of a qualitative approach according to Creswell [9], are methods for exploring and understanding the meaning that a number of individuals or groups of people consider to be derived from social or humanitarian problems. The process of qualitative research involves important efforts, such as asking questions and procedures, collecting specific data and participants, analyzing data inductively starting from specific themes to general themes, and interpreting the meaning of the data. While the definition of descriptive research according to Sugiyono [10], is research conducted to determine the existence of independent variables, either only on one or more variables (stand-alone variables) without making comparisons and looking for relationships between these variables and other variables. Through descriptive research with a qualitative approach, the researcher intends to describe systematically, factually, and accurately about community empowerment programs in developing ceramic crafts, Malang City.

The research location is on Jl. MT Haryono, Dinoyo Village, Lowokwaru District, Malang City, with a research site at the Cooperatives, Industry and Trade Office of Malang City, Dinoyo Ceramic Tourism Village on Jl. MT. Haryono Gang IX, and

Suharto's Ceramic Small and Medium Industry (IKM). This location was chosen because Dinoyo Village in the 90s had experienced its glory as a center for ceramic crafts.

The focus of this research is content and context that affect policy implementation in the Grindle model. Content (policy content) includes: Interest affected, Type of benefits, Extent of change, Site of decision making, Program implementors, and Resources committed. Context (policy environment), consists of: Power, interests, and strategies of actors involved; Institution and regime characteristics; and Compliance and responsiveness. The focus is used to limit research problems and determine the factors that influence the implementation of policies related to Dinoyo Ceramic Small and Medium Industry (IKM) in Malang.

4 Results and Discussion

This study uses a theoretical model of policy implementation from Marilee S. Grindle in which the implementation model emphasizes the process in the development of the Dinoyo ceramic industry. By using the Marilee S. Grindle implementation model, this research study the implementation of the development of the Dinoyo ceramic industry. A more in-depth model of the implementation of this policy will be very helpful to see whether the factors influencing the implementation of the policy is enough to support the implementation of the policy for the development of the Dinoyo ceramic industry in the city of Malang.

Regarding the content (policy) of the Marilee S. Grindle model, the following describe the policy regarding the development of the Dinoyo ceramics industry, as follows:

4.1 Content

Interest Affected. Organizational resources are all parties involved in the Dinoyo ceramics center from the Cooperatives, Industry and Trade Office of Malang City who carry out the policy, as well as training providers, both facilitated by the Cooperative, Industry and Trade Office as well as those who come from members of the Cooperative, Industry. And Trade Office, etc. Non-human resources in the form of tools, facilities, etc.

Organizational human resources for policy implementation are Mr. Fahmi Fauzan as Head of the Industrial Division of the Malang City Cooperative, Industry and Trade Office stated that:

“The Cooperatives, Industry and Trade Office of Malang City is divided into several sections, the first is the Secretariat, which consists of: Planning Subdivision; Finance Subdivision; General and Personnel Subsection. Then there is the Cooperative Division, which consists of the Institutional Section; Empowerment, Facilitation and Development of Cooperative Human Resources Section; Cooperative Health Monitoring Examination and Assessment Section. Also, Micro Business Sector which consists of: Business Development and Strengthening Section; Business Protection Section; Micro Business Facilitation Section. In addition, there is the Industrial Sector, which consists of: Industrial Resources Development Section; Industrial Facilities and Infrastructure Section; Industry Empowerment Section. Then there is the Trade Sector, which consists of: Trade

Development Section; Control and Supervision Section; Market Arrangement and Street Vendor Arrangement Section. In addition to fields, here are also UPT, namely UPT (Technical Service Unit and Procurement of raw materials); and the rest are Functional Position Groups.”

Organizational human resources for policy implementation are Mrs. Niskha as Functional Officer of Industrial and Trade Extension Officer (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that:

“At the Cooperative, Industry and Trade Office, there are functional officials tasked with providing counseling and assistance at Dinoyo, namely the Industrial and Trade Extension Functional Officers (PFPPP). I was one of them, becoming an extension worker/assistant at Dinoyo Ceramics in 2019. Counseling is not only in the form of training, but also has the task of finding out the problems in ceramic craftsmen and business people, starting with diagnosing the problems. Then we provide alternative solutions to the problem, either through activities from the service, or entrusted directly to the craftsmen to solve the problem.”

The organization’s (non-HR) resources for policy implementation are Mrs. Niskha as Functional Officer of Industrial and Trade Extension Officer (PFPPP), General Section of the Office Malang City Cooperatives, Industry and Trade said that:

“In the workshop, there is a stimulus for providing tools, namely infrastructure, then the center is revitalized. Related to such revitalization, it is planned that there will be provision of parking lots, built an alley that reads Dinoyo Ceramics Industrial Estate, and so on.”

Type of Benefits. In implementing a policy or program, of course, requires coordination with social entity, consisting of two or more people, who work on a relatively continuous basis to achieve a common goal or group of goals or what we call an organization. Cooperative, Industry and Trade Office is responsible for the industry development policy. An organization need to set goals. In this regard, the Cooperatives, Industry and Trade Office of the Malang City has drawn up organizational goals, Mr. Fahmi Fauzan as Head of the Industrial Division of the City Office of Cooperatives, Industry and Trade. Malang states that:

“The Cooperatives, Industry and Trade Office of Malang City has a vision of Realizing Cooperative, Industry and Trade Sector that is Tough and Competitive as a Sector of Equitable Economic Drivers. Meanwhile, the objectives stated in the RPJMD, Renstra and Renja are to increase purchasing power of food and non-food commodities and to increase creative economic growth. So for the last few years the economy of Malang City has been dominated by the cooperative, trade, industry and service sectors, so strengthening this sector is very necessary in order to increase regional competitiveness at the regional, national and global levels. If we focus on the Dinoyo Ceramics center, the field that handles it is the Industrial Sector. The objective of this field as stated in the Strategic Plan is to increase the growth of the creative economy, while the target is to increase the growth and competitiveness of the industry.”

From the explanation given by Mr. Fahmi Fauzan as the resource person, that the organization’s goals have been set and have been stated in planning documents such as RPJMD, Renstra, Renja. This goal will be a reference for the Cooperative, Industry and Trade Office to implement its duties and functions.

Extent of Change Evisoned. The benefits that can be obtained are closely related to the range of changes expected from the existence of a policy. A policy that is too demanding significant changes in attitudes and behavior will be more difficult to implement. In addition, policies that have been designed to achieve long-term goals can also encounter difficulties in the implementation process compared to policies that can actually provide direct benefits to the target group.

In relation to the design and technology improvement sub-activity, Mrs. Niskha as the Functional Officer of Industry and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that (Table1):

“There are various kinds of training that we provide, most of which are technical training, previously we often held design training, including ceramic shape design, ceramic design that adapts to today’s updated conditions, then some time ago we invited craftsmen for a comparative study. to Bandung Ceramics Center to gain insight into some ceramic product ideas. In 2020 we will also invite persons from Jakarta, ceramic craftsmen are given training to make models, because so far they have had difficulties so that ceramic designs cannot develop, then they are taught with simple but fast techniques using a lathe. So far, only one person in Dinoyo has mastered the model, therefore they are trained to improve their ability to make models, and the craftsmen are very happy, they feel that training on ceramic models is very important for them. Next year, besides we want to increase the wealth of ceramic models, we also want to create fashion products, because so far what they have made is only for craft ceramics, we want to take

Table 1. Activities and sub-activities of the cooperative, industry and trade office Malang city.

No	Activity	No	Sub activities
1	Resource Development	1	Improved design and technology
		2	Competency-based training up to certification
		3	Mapping the supply of industrial raw materials
		4	Partnership
		5	Counseling for IKM
		6	New entrepreneurial growth
2	Infrastructure Development	1	Center revitalization
		2	Facilitation of standardization and intellectual property
3	Industrial empowerment	1	Organizing creative events
		2	Creative industry imaging
		3	<i>Workshop</i> technical
		4	Institutional strengthening
		5	Product development

advantage of the opportunities and potentials that exist to make functional ceramics, yesterday we had time to make table ware. Fashion ceramics made are jewelry, rings, necklaces, etc.”

Regarding the competency-based training sub-activities up to certification, Mr. Sony Suharto as the craftsman of Dinoyo ceramics said that:

“In my opinion, the Cooperative, Industry and Trade Office, including the City and Province as well as the Ministry, are very helpful for the development of ceramics, especially those in Malang, at least 2 times a year coaching is held through training, which consist of design training, financial management training, marketing, become very helpful for ceramic craftsmen in running their business”.

In relation to the sub-activity of mapping the supply of industrial raw materials, Mr. Sony Suharto as the producer and craftsman of Dinoyo ceramics said that:

“We buy raw materials at the UPT (Technical Service Unit and Procurement of raw materials). The raw material can be found in Java and Outside Java. Paguyuban sometimes hold deliberations related to the processing of raw materials, currently the materials have run out, we want to discuss how to proceed. Indeed, raw materials such as SiO₂, quartz sand, clay, feldspar, basic oxides, potash feldspar, limestone, soda ash, Al₂O₃, kaolin, which are handled by ceramic craftsmen themselves through a joint business group (KUB) whose members come from all over East Java. So there is collaboration with the UPT in charge of managing raw materials such as grinding materials and so on. According to a Government Regulation issued in 2014, I forget the PP number, which basically says that we cannot process raw materials ourselves, because they are related to waste and other hazardous materials, so we finally handed them over to the UPT for processing. UPT can only process and receive retribution from the processing of these raw materials. Hopefully the collaboration can continue like this, because the quality will be guaranteed, if it is only held by the government, it cause a commotion, because what the craftsmen ask for is sometimes different from what is provided by the government.”

In relation to the partnership sub-activities, Mrs. Niskha as the Functional Officer of Industry and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that:

“We have made a cooperation agreement with ITS to develop the Dinoyo ceramic industry, related to the study of area revitalization, SDGs, strengthening design and technology, etc. In 2021 we will continue to strive to continue the previous program, by continuing to provide design workshops, product development to minimize product defects, etc. We have signed an MoU with ITS in December 2020, we hope that it will go well, not only for product development and technical workshops, but also for developing the Dinoyo Ceramic Village Area to become a tourist destination.”

In relation to the partnership sub-activities, Mrs. Niskha as the Functional Officer of Industry and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that:

“The form of community cooperation with stakeholder is PERTAMINA’s CSR. The purpose of this collaboration is to promote ceramic products and increase sales volume, in an effort to increase innovation in addition to training as well as to provide facilities in the development. Since 2014 PT. Pertamina BBM Terminal Malang cooperates with ETU State Polytechnic of Malang for assistance and business training for groups of

craftsmen. There are many forms of cooperation provided by PERTAMINA, including 4 sets of Vibrator Filters, training to increase soft skills in the field of business management. Training and assistance in the use of tools by ETU State Polytechnic of Malang. Procurement of activity signage, which was given in 2014.”

Still related to the sub-partnership activity, Mr. Syamsul as one of the workers in the Dinoyo ceramic business said that:

“We have received assistance from PERTAMINA, in the form of training and provision of infrastructure, a park that is identical with ceramics is built as a sign that the people who are visiting here are in the Dinoyo ceramic industry area, then if you can see, in the park there are PERTAMINA’s name pinned as a party who has provided assistance to us”.

In relation to the extension activities for Small and Medium Industry (IKM), Mrs. Niskha as the Functional Officer of Industrial and Trade Extension (PFPPP), General Section of the Cooperatives, Industry and Trade Office of Malang City said that:

“At the Cooperative, Industry and Trade Office, there are functional officials tasked with providing counseling and assistance at Dinoyo, namely the Industrial and Trade Extension Functional Officers (PFPPP). I was one of them, becoming an extension worker/assistant at Dinoyo Ceramics in 2019. Counseling is not only in the form of training, but also has the task of finding out the problems faced by ceramic craftsmen and business people, starting with diagnosing the problems faced by craftsmen, Then we provide alternative solutions to the problem, either through activities from the service, or entrusted directly to the craftsmen regarding solving the problem.”

In relation to the sub-activities of growing new entrepreneurs, Mrs. Niskha as the Functional Officer of Industrial and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that:

“There is no successor generation become the weakness in the Dinoyo ceramic industry, sometimes there are vocational school students who do internships there, they are the ones we train. We always monitor the progress, because so far our shortcoming is to nurture the next generation. The ones we always train are the old people of the craftsmen Dinoyo, so that it doesn’t grow a new generation, it’s already very difficult to be invited to develop, but if we let it go to become extinct, because this is a rare potential in this era, especially making ceramics is quite difficult and takes a long time, especially the next generation. Today’s young people like things that are instant. Therefore, we create an alternative by training apprentices from SMK, it could also be from other sources. Actually, we still have hope, because there are still young ceramic craftsmen who are opening their businesses in the Sulfat area.”

Regarding the sub-activities of industrial revitalization, Mrs. Niskha as Functional Officer of Industrial and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that:

“In the workshop, there is a stimulus for providing tools, namely infrastructure, then the center is revitalized. Related to such revitalization, it is planned that there will be provision of parking lots, built an alley that reads Dinoyo Ceramics Industrial Estate, and so on.”

Regarding the sub-activities of industrial revitalization, Mrs. Niskha as Functional Officer of Industrial and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that:

“In the workshop there is a stimulus for providing tools, namely infrastructure, then entering the center for revitalization.”

In relation to the sub-activity of organizing creative events, Mrs. Niskha as the Functional Officer of Industrial Extension and Trade (PFPPP), General Section of the Cooperatives, Industry and Trade Office of Malang City said that:

“Empowerment that focuses on creativity is a follow-up to City Mission which makes the creative economy one of the focuses of economic development. In 2019, we held the Malang floating market by inviting Dinoyo Ceramics and cafes in Malang, with the hope of fostering cooperation.”

In relation to the creative industry imaging sub-activity, Mrs. Niskha as the Functional Officer of Industrial and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that:

“In the past we have helped Dinoyo ceramic Small and Medium Industry (IKM) in improving its image through the website as well as promotion or advertising their products, we helped build the website and then we handed it over to the Small and Medium Industry (IKM) to manage, but after that it seems that it can't run optimally. Therefore, in addition to making a website, we help to sell their products into the official marketplace. Each Small and Medium Industry (IKM) also seems to already have an Instagram account that they independently manage apart from what is facilitated by the service, the university sometimes also help facilitate ceramic craftsmen by creating social media accounts.”

In relation to the sub-activity of the Technical Workshop, Mrs. Niskha as the Functional Officer of Industrial and Trade Extension (PFPPP), General Section of the Office.

Malang City Cooperatives, Industry and Trade said that:

“We have made a cooperation agreement with ITS to develop the Dinoyo ceramic industry, related to the study of area revitalization, SDGs, strengthening design and technology, etc. In 2021 we will continue to strive to continue the previous program, by continuing to provide workshops, bringing in trainers or instructors from Probolinggo, Bandung, etc. We took a trainer from Bandung because Balai Besar is located in Bandung, product development to minimize product defects, etc. We have signed an MoU with ITS in December 2020, hopefully it can go well, not just product development and technical workshops, but also being able to develop the Dinoyo Ceramic Village Area to become a tourist destination.”

Still related to the Technical Workshop, Mr. Syamsul as one of the workers in the Dinoyo ceramic business also felt quite helped by the technical workshop held by the Malang City Cooperative, Industry and Trade Office, he said that:

“I feel very happy with the trainings facilitated by the service, I got new knowledge about glazes, knowledge to make ceramics to make them look shiny, and so on. It is hoped that this training or workshop will be held regularly by the local government.”

In relation to the sub-activity of institutional strengthening, Mrs. Niskha as the Functional Officer of Industrial and Trade Extension (PFPPP), General Section of the City Cooperative, Industry and Trade Office Malang said that:

“From the results of extracting information with ITS, ceramic craftsmen apparently experienced cases of hair cracks, then holes such as pores, so we want to fix things like that. One of them is by holding training and inviting experts. There are also institutional strengthening efforts, we try to attract young people. Because some students from Brawijaya University plan to join in several Dinoyo ceramic industry activities, plus students from ITS who have collaborated with us.”

In relation to the product development sub-activity, Mrs. Niskha as the Functional Officer of Industry and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that:

“Next year, besides we want to increase the wealth of ceramic models, we also want to create fashion products, because so far what they have made is only for craft ceramics, we want to take advantage of the opportunities and potentials that exist to make functional ceramics, yesterday we had time to make table ware, if the fashion ceramics that are made are jewelry, rings, necklaces, etc.”

Site of Decision Making. Making decisions in a policy take an important role in the implementation of a policy, where the location of decision making to be implemented must be explained first. The content of a policy will show the position of decision making.

Policies in certain areas are usually decided by a large number of units of policy makers. The implication of the number of decision makers is that the more involved, the more difficult it will be in implementing the policy.

Mr. Fahmi Fauzan as the Head of the Industrial Division of the Malang City Cooperative, Industry and Trade Office stated that:

“Policy decision making is at the Cooperatives, Industry and Trade Office, Malang City”

Program Implementors. In the implementation process of a policy involves several behaviors that are responsible for implementing the program and causing obedience to the target group. In addition, in implementing a program, there are also other matters concerning the network of political and social forces that can directly influence the behavior of all parties involved and which ultimately affect the objectives of the program implementation that has been designed and compiled, both positive and negative.

With regard to organizational human resources for program implementation, Mr. Fahmi Fauzan as Head of the Industrial Division of the Malang City Cooperative, Industry and Trade Office stated that:

“The Cooperatives, Industry and Trade Office of Malang City is divided into several sections, the first is the Secretariat, which consists of: Planning Subdivision; Finance Subdivision; General and Personnel Subsection. Then there is the Cooperative Division, which consists of the Institutional; Section for Empowerment, Facilitation and Development of Cooperative Human Resources; Cooperative Health Supervision, Examination

and Assessment Section. Also. Micro Business Sector which consists of: Business Development and Strengthening Section; Business Protection Section; Micro Business Facilitation Section. In addition, there is the Industrial Sector, which consists of: Section Industrial Resources Development; Industrial Facilities and Infrastructure Section; Industry Empowerment Section. Then there is the Trade Sector, which consists of: Trade Development Section; Control and Supervision Section; Section of Market Arrangement and Street Vendor Arrangement. In addition to fields, here are also UPT, namely UPT (Technical Service Unit and Procurement of raw materials); and the rest are Functional Position Group.”

Resources Committed. The resources are one of the keys to the success of a policy implementation process. Therefore, even though the contents of the policy have been communicated clearly and consistently, if the implementor lacks the resources to implement the policy, then the implementation will not be effective. These resources can be in the form of human resources, natural resources and financial resources and even equipment, facilities/infrastructure and so on. Without the support of resources, a policy will only be a document exposed on paper.

With regard to organizational human resources for program implementation, Mrs. Niskha as the Functional Officer of Industrial and Trade Extension Officer (PFPPP), General Section of the Cooperative Service, Malang City Industry and Trade said that:

“At the Cooperative, Industry and Trade Office, there are functional officials tasked with providing counseling and assistance at Dinoyo, namely the Industrial and Trade Extension Functional Officers (PFPPP). I become an instructor/assistant at Dinoyo Ceramics in 2019. Counseling is not only in the form of training, but also has the task of finding out the problems faced by ceramic craftsmen and business people, starting with diagnosing the problems faced by craftsmen, then we provide alternative solutions to the problem, can be through activities from the service, or entrusted directly to the craftsmen regarding solving the problem.”

With regard to organizational non-Human Resources for program implementation, Mrs. Niskha as the Functional Officer of Industry and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office said that:

“In the workshop, there is a stimulus for providing tools, namely infrastructure, then the center is revitalized. Related to such revitalization, it is planned that there will be provision of parking lots, built an alley that reads Dinoyo Ceramics Industrial Estate, and so on”.

4.2 Context

Power, Interests, and Strategies of Actor Involved. In a policy, the issue of power, interests and strategies of the actors involved in the implementation process of a program must be reconsidered, so that the program or activity that is prepared can be run smoothly. If this is not taken into account, the results of the program to be implemented will be far from what is expected.

In the planning process, of course, the role of the reporting process is also important in the process of determining the plans that will be prepared in the future, as material

for evaluation and consideration. This was conveyed by Mrs. Niskha as the Functional Officer of Industrial and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office, that:

“The Cooperatives, Industry and Trade Office of Malang City conducts a 5R analysis (Concise, Neat, Clean, Treat, Diligent). For example, making sure that the leftovers have been grouped according to their type, but usually the producers are constrained by the narrow space so that the items cannot be separated. From the Neat analysis, for example, the FIFO system has been implemented. From clean analysis, for example, cleaning has been carried out but cannot run optimally because it is not scheduled. From the treatment analysis, for example, maintenance has been carried out on ceramic production machines or not. From Diligent analysis, for example, it turns out that the craftsmen do not wear work clothes properly, sometimes they only wear t-shirts and shorts, and many more”.

In addition to conducting a 5R analysis as an evaluation and consideration material, the Cooperatives, Industry and Trade Office of Malang City also investigated the problem of the Dinoyo ceramic center and then carried out a SWOT analysis. This was conveyed by Mrs. Niskha as the Functional Officer of Industrial and Trade Extension (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office, that:

“At the Cooperative, Industry and Trade Office, there are functional officials tasked with providing counseling and assistance at Dinoyo, namely the Industrial and Trade Extension Functional Officers (PFPPP). I was one of them, becoming an extension worker/assistant at Dinoyo Ceramics in 2019. Counseling is not only in the form of training, but also has the task of finding out the problems faced by ceramic craftsmen and business people, starting with diagnosing the problems faced by craftsmen by conduct an investigation, then we provide alternative solutions to the problem, it can be through activities from the service, or entrusted directly to the craftsmen regarding solving the problem. After we find out the problems faced by the craftsmen, we analyze the driving and inhibiting factors from the internal side, then analyze the opportunities and threats from the external side. The SWOT can be used as material for evaluation to then be used as the basis for making proposals and be considered in preparing future plans”.

Institution and Regime Characteristics

Vision: *Kota Malang Bermartabat.*

Mission:

- Ensure access and quality of education, health and other basic services for all citizens.
- Realizing a productive and competitive city based on a creative economy, sustainability and integration.
- Creating a harmonious and tolerant city based on diversity and alignment with vulnerable communities and gender.
- Ensuring public satisfaction with government services that are lawful, professional, and accountable.

An organization needs to arrange institutions in the form of an organizational structure. Likewise with the Cooperatives, Industry and Trade Office of Malang City. In relation to the organizational structure, Mr. Fahmi Fauzan as the Head of the Industrial Division of the Malang City Cooperative, Industry and Trade Office stated that:

“The Cooperatives, Industry and Trade Office of Malang City is divided into several sections, the first being the Head of the Service, then the Secretariat, which consists of:

Planning Subdivision; Finance Subdivision; General and Personnel Subsection. Then there is the Cooperative Division, which consists of the Institutional Section; Empowerment, Facilitation and Development of Cooperative Human Resources Section; Cooperative Health Supervision, Examination and Assessment Section. There is also. Micro Business Sector which consists of: Business Development and Strengthening Section; Business Protection Section; Micro Business Facilitation Section. In addition, there is the Industrial Sector, which consists of: Industrial Resources Development Section; Industrial Facilities and Infrastructure Section; Industry Empowerment Section. Then there is the Trade Sector, which consists of: Trade Development Section; Control and Supervision Section; Section of Market Arrangement and Street Vendor Arrangement. In addition to fields, here are also UPT, namely UPT (Technical Service Unit and Procurement of raw materials); and the rest are Functional Position Group.”

Based on the explanation of Mr. Fahmi Fauzan, that the Cooperatives, Industry and Trade Office of Malang City already has a structure composed of the Head of Office, Secretariat, Head of Division, Head of Section, Staff, UPT, and other functional positions.

Compliance and Responsiveness. The issue of compliance and responsiveness relates to the response of the subject to the content of the policy. Regarding the level of compliance and the response from the implementers by the Malang City Cooperative, Industry and Trade Office, Mrs. Nishka as the Industrial and Trade Extension Functional Officer (PFPPP), General Section of the Malang City Cooperative, Industry and Trade Office stated that:

“The Strategic Plan of the Cooperatives, Industry and Trade Office of Malang City serves as a guide in carrying out the direction of the development wheel of the cooperative, micro-enterprise, industrial and trade sectors in Malang City for the next 5 years. Meanwhile, the program that focuses on the development of ceramics and is contained in the Strategic Plan and Renja for the Regional Apparatus is the Industrial Development Program, with an indicator of the percentage increase in the number of small and medium industries. The Industrial Development Program is also divided into 3 activities. The first activity is in the field of industrial resource development, the second is the development of industrial facilities and the third is the field of industrial empowerment. In the field of Industrial Resources Development, it consists of the following sub-activities: 1) Design and technology improvement; 2) Competency-based training up to certification; 3) Mapping of the supply of industrial raw materials; 4) Partnership; 5) Counseling for SMIs; 6) Industrial Incubator; 7) The growth of new entrepreneurs. For Infrastructure Development, it consists of the following sub-activities: 1) Center revitalization; 2) Facilitation of standardization and intellectual property. As for the activities in the field of Industrial Empowerment, it consists of the following sub-activities: 1) Organizing creative events; 2) Creative industry image 3) Technical workshop; 4) Institutional strengthening; 5) Product development. The preparation of planning documents from the Renstra to the Renja has followed the existing rules, namely the Minister of Home Affairs Regulation Number 86 of 2017 concerning Procedures for Planning, Controlling and Evaluation of Regional Development, Procedures for Evaluation of Draft Regional Regulations concerning Regional Long-Term Development Plans and Regional Medium-Term Development Plans, as well as Procedures for Amendment to

Regional Long-Term Development Plans, Regional Medium-Term Development Plans, and Regional Government Work Plans.”

5 Conclusion and Recommendation

5.1 Conclusion

Based on the Marilee S. Grindle Policy implementation model, the factors that influence the successful implementation of the Dinoyo ceramic industry development policy have been broadly met.

From context factors, namely 1) the parties whose interests are influenced are the Head of Service, Secretariat, Head of Division, Head of Section, Staff, UPT, and other functional positions as well as Dinoyo ceramic craftsmen; 2) The types of benefits that can be obtained are realizing the vision of the Diskependag Malang, namely “Realizing Cooperative, Industry and Trade Sector that is Tough and Competitive as a Sector of Equitable Economic Drivers” and the objectives of “Increasing purchasing power for food and non-food commodities and increasing economic growth creative”; 3) The expected range of changes is the implementation of a) Improvement of design and technology; b) Competency-based training up to certification; c) Mapping of the supply of industrial raw materials; d) Partnership; e) Counseling for SMIs; f) Industrial Incubator; g) The growth of new entrepreneurs. 4) The location of decision making is at the Cooperatives, Industry and Trade Office of Malang City; 5) Program implementers are Head of Service, Secretariat, Head of Division, Head of Section, Staff, UPT, and other functional positions; 6) The sources used are Human Resources (Functional Officers of Industrial and Trade Extension) and Non-Human Resources (infrastructure, center revitalization, parking space, etc.).

From the context factors, namely 1) The power, interests and strategies of the actors involved are to perform 5R analysis (Concise, Neat, Clean, Treat, Diligent) and SWOT. 2) Characteristics of institutions and regimes that are currently in power are Malang City with a vision of “Kota Malang Bermartabat” and Missions: a) Ensuring access and quality of education, health, and other basic services for all citizens; b) Realizing a productive and competitive city based on a creative economy, sustainability and integration; c) Creating a harmonious and tolerant city based on diversity and alignment with vulnerable communities and gender; d) Ensuring public satisfaction with government services that are lawful, professional, and accountable. 3) Level of compliance and response from implementers related to the preparation of planning documents from Renstra to Renja have followed the existing rules, namely Minister of Home Affairs Regulation Number 86 of 2017 concerning Procedures for Planning, Controlling and Evaluation of Regional Development, Procedures for Evaluation of Draft Regional Regulations concerning Regional Long-Term Development Plans and Plans Regional Medium-Term Development, as well as Procedures for Amendment to Regional Long-Term Development Plans, Development Plans.

5.2 Recommendation

Based on the results of research that has been carried out by researchers related to the implementation of the Industrial Development Program, especially in the Dinoyo

ceramic industry, there are several suggestions for the Cooperatives, Industry and Trade Office that can be considered so that the implementation of the industrial development better program in the future:

- Cooperative, Industry and Trade Office of Malang city can promote collaboration between Regional Apparatus Organizations, for example with the Youth, Sports and Tourism Office of Malang City to make the Dinoyo Ceramics center a tourist spot, or what the millennial generation is currently very interested in is by presents unique and interesting photo spots, so that it will invite many tourists, even the environmental conditions are being around campus and being in the City of Education also makes this location strategic for young people from among students to visit, so that people will be interested in re-engaging in the ceramics business or motivating the current ceramic craftsmen to continue to develop their abilities from various aspects, including the technical ability to make ceramics, improve the quality of ceramics, entrepreneurial abilities, etc.
- In order to achieve high marketing performance excellence, we need a culture that is able to implement marketing concepts in the form of entrepreneurship training Weerawerdena 2003, market research Ashikia, 2010, and product innovation Wahyono, 2008 which have been viewed by some experts as the key to organizational success. 1) High entrepreneurship training is closely related to the main drivers of profit so that an entrepreneur has the opportunity to take advantage and the emergence of these opportunities, which in turn has a positive effect on business performance. 2) Market research is something that is important for companies in line with increasing global competition and changes in customer needs where companies realize that they must always be close to their markets. 3) Product innovation is something that can be seen as product functional progress that can bring products are one step ahead of competitors' products. If the product has an advantage that is seen as added value for consumers. The Cooperatives, Industry and Trade Office can facilitate these things.
- Regarding the next generation of Dinoyo ceramic craftsmen, the Cooperatives Service, Malang City Industry and Trade can promote collaboration between Regional Apparatus Organizations, for example with the Education and Culture Office to conduct socialization to students in Malang City related to the importance of Dinoyo Ceramics center to the contribution of GRDP in Malang City, especially in the industrial sector, the importance of ceramic industry on the economy of the community, especially the residents of Dinoyo, and so on. The activity of making ceramics can also be used as an extracurricular or art lesson that can be taught to students. In addition, the Dinoyo ceramic center can be used as an internship option for students who want to explore ceramics. So that the Cooperatives, Industry and Trade Office can create the next generation of ceramic craftsmen in Malang City by nurturing young people since the early age.

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