

Empowerment of Micro Business in the Department of Trade, Industry, Cooperative and Small and Medium Enterprises

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Abstract—This economic crisis that has been happening so greatly influence the regency economy. In a short time, the country's economy was sharply shattered. The weakening of the rupiah made the prices of basic necessities continue to increase which also pushed up the inflation rate. With soaring prices of basic necessities, it increasingly complicates the level of the social life of the community. In order to improve the country's economy, an effort that the government can do is to empower the micro-businesses in all regions in Indonesia. The purpose of this study was to determine the extent to which Small Business Empowerment in the Department of Trade, Industry, Cooperative, and Small and Medium Enterprises of Selayar Island Regency. This research uses a descriptive qualitative approach. The data collected is not in the form of numbers; the data comes from interview scripts, field notes, documents, memo notes, and other official documents. The researcher works by considering the problems observed and utilizing the field notes on the empowerment of micro businesses in Selayar Regency. The results of this study indicate that of each component in the aspect that is used as a benchmark of this study, ranging from the possible aspects with effective results, aspects of reinforcement with less effective results, aspects of protection with effective results, supportive aspect with effective results and aspects maintenance with effective results. Based on these five aspects, the majority shows effective results, so that it can be understood that the process of empowering small businesses in Selayar Island Regency which is carried out by the Department of Trade, Industry, Cooperative, and Micro Small and Medium Enterprises of Selayar Island has been quite effective. The implication of this research is that all people who work in small-scale business in Selayar Island Regency must always strive to empower and innovate so as to produce superior products.

Keywords—empowerment, micro business, government

I. INTRODUCTION

The economic crisis that has hit Indonesia in recent years due to the influence of the weakening of the rupiah against foreign currencies is inseparable from the government's mistakes in implementing development strategies, which are so focused on economic development with high growth targets. Policies that are more directed towards large-scale business development are actually weakening the national economic system.

According to the Selayar Regency Regulation Number 02 of 2007 concerning Coaching and Development of

Cooperatives, Micro Enterprises, Small Businesses and Medium Enterprises that "Cooperatives, Micro, Small and Medium Enterprises (MSMEs) can be empowered by providing good business opportunities to be able to realize an optimal role in developing the regional economy of Selayar Regency ". In fact, the MSMEs sector is able to show better performance in the face of this critical period. The contribution of the MSMEs sector to the national economy has also been quite significant. Based on data from the Ministry of Cooperatives and MSMEs, more and more people are starting their own businesses. The number of new entrepreneurs in Indonesia rose to 3.1% of the total population in the three years of President Jokowi's governance [1].

The problem that occurred was before the crisis occurred, where the Government paid little attention to the MSMEs sector. At that time, funds and power from the government were only more focused on large business groups. When a crisis occurs, most of these large business groups suffer huge losses, and at the same time, it is precisely the MSMEs sector that can survive. Many of the big businessmen who suffered huge losses due to the business that was built so large with debt, so that when the crisis occurred, they could no longer pay debts - debts that were due, not to mention the raw material debt used based on foreign currency. Another situation that struck during the crisis was the high raw material prices while the ability of the purchasing power of the people continued to decline. In contrast to the situation experienced by MSMEs actors who tend to be more able to survive by relying on local resources and not supported by loan funds from the Bank.

Research Results explains that the effectiveness of small business empowerment policy programs, entrepreneurship motivation, and entrepreneurial competence have a significant relationship to the performance of small businesses. If the government runs a small business empowerment program, the performance of small businesses will be increased related to the environmental aspects (business climate) [2].

Various efforts have been made by the Selayar Island Regency government in developing the micro business sector which aims to improve the competitiveness and productivity of the people's economic level in Selayar Island Regency. Based on the temporary observations made by the researchers, it is seen that there are still many micro-

enterprises experiencing limitations both in terms of capital, creativity, and even technology. This can be seen from the products that are offered are still using clear plastic packaging that is given a paper that says the type of product and the name of the business that is offered and closes it by burning it on a candle on each side, and marketing that has not penetrated the online market.

Therefore, a direction is needed to review the steps or efforts taken by the government, especially the Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises of Selayar Island Regency in order to achieve the economic development targets in Selayar Island Regency.

According to Makmur, what is meant by empowerment is as follows: Empowerment is an effort to create a change in the state of human life by using the abilities and strengths of energy in order to achieve the goals of life in order to achieve the goals of life that they had aspired to before [3].

To realize the achievement of micro business empowerment which is the focus of this research carried out by the Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises of Selayar Island Regency, there are several empowerment approaches that can be achieved so that the objectives of micro business empowerment can be achieved effectively. Empowerment approach through 5P according to Suharto is more clearly described as follows:

A. Possibility

The possibility is to create an atmosphere or climate that enables the potential of society to develop optimally. An indicator of this possibility is the provision of location and granting of business licenses.

B. Strengthening

Strengthening is to strengthen the knowledge and abilities of the community in solving problems and meeting their needs. Indicators of this strengthening phase are the provision of entrepreneurship training and capital assistance.

C. Protection

Protection is protecting the community, especially weak groups so that they are not oppressed by strong groups. Indicators of this protection stage are protection from disruption from large businesses and thugs and control of raw material prices.

D. Support

Empowerment must be able to support the community so as not to fall into conditions and positions that are increasingly weak and marginalized. Indicators of this stage are assistance in the form of funds or equipment and local marketing assistance.

E. Maintenance

Maintenance is to maintain a good condition so that a balance of power distribution between various groups in society continues to occur. Indicators at this stage are the distribution of power between business actors and maintaining market balance [4].

II. METHOD

The method used in this study is a qualitative descriptive method. The purpose of descriptive type research is to describe in detail certain social phenomena. In order to get a deeper phenomenon, qualitative methods are used. According to Anggara [5], in qualitative research, researchers do not use numbers in collecting data and in giving an interpretation of the results [5]. Qualitative data is data in the form of words, sentences, schemes, and images. The data analysis technique used in this study is the analysis carried out continuously both in the data collection process and after the data collection is complete. The data analysis process used in this study is According to Miles, Huberman, and Saldana [6] namely Interactive Model which classifies data analysis in three steps, namely Condensation Data (Data Condensation), data presentation (Data Display), and drawing conclusions and verification (Conclusion: Drawing / Verification) [6].

III. RESULT AND DISCUSSION

Based on data obtained from the Department of Trade, Industry, Cooperatives and MSMEs of Selayar Island Regency and small-scale business actors in Selayar Island Regency, the small-scale business actors in running their businesses are inseparable from the Department of Trade, Industry, Cooperatives and MSMEs of Selayar Island Regency which continue to improve and keep trying develop and empower MSMEs in the Selayar Island Regency. The small business actors are the local community of Selayar Island Regency. They utilize all the assistance and training provided by the Department of Trade, Industry, Cooperatives, and MSMEs of Selayar Island Regency so that their business can develop. To find out the discussion of the results of an analysis of how empowerment of small businesses in Selayar Island Regency, the researchers used the 5P empowerment theory from Suharto about the empowerment approach namely the possibility, strengthening, protection, support, and maintenance [4], for more details 5 approaches the following:

A. Possibility

The intended purpose is the creation of an atmosphere or climate that allows businesses to develop their potential optimally through activities carried out by the local government so that business actors can develop their businesses. Based on the results of observations and interviews of researchers, it showed that small-scale entrepreneurs in Selayar Island Regency were very capable of competing with other entrepreneurs. With this great competitiveness, the community took the initiative to build their own businesses and develop them through the assistance provided by the Department of Trade, Industry, Cooperatives, and MSMEs of Selayar Island Regency. From the development of small businesses in the Selayar Island Regency, so many changes have been made from the surrounding communities that were previously dominated by farmers and seafarers, until now they have received additional income from the business they built through the assistance and training provided by the Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises of Selayar Island Regency.

B. Strengthening

Strengthening is intended to strengthen the knowledge and abilities possessed by small businesses, where they still have limited knowledge about business management, marketing and so on. Responding to the problems faced by small-scale business actors, the Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises of Selayar Island Regency through its program, provides reinforcement to business people by providing several kinds of training and socialization. The training provided varies from product marketing to technology utilization. The training aims to make businesses know how to serve consumers to be interested in buying their products and how businesses can explore and utilize the online market so that the products offered can be known by the wider community.

The Department of Trade, Industry, Cooperatives and Small and Medium Enterprises of Selayar Island Regency have made every effort to improve empower the small business by providing various trainings from several types of small businesses in Selayar Island Regency such as baking training, sewing training to product marketing training for people so that their products are looked at by regional and outside regional customers.

C. Protection

Protection is to provide protection for small businesses from various threats. Protection by the Selayar Island Regency government is given to businesses so that they feel comfortable and safe from interference from other parties. This protection is given to business people, especially weak groups, so that they are not oppressed by powerful groups. Protection is also intended to make smaller businesses avoid unequal competition from large companies and businesses to avoid all forms of discrimination that can damage various business groups.

The Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises of Selayar Island Regency has an important role in the protection stage which is one of the empowerment processes of the MSMEs in accordance with its main task of providing protection to cooperatives and MSMEs. This phase emphasizes the role of the Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises of Selayar Island Regency in providing access to justice and protecting businesses to avoid any threats that could damage their businesses.

D. Supporting

Supporting is the existence of assistance in the form of funds and equipment provided to small business actors, either from the local government, the Department of Trade, Industry, Cooperatives and Small and Medium Enterprises of Selayar Island Regency, or from the Banking Business so that businesses run by small business actors can always grow to become larger businesses.

This support stage is one of the empowerment processes that must be carried out the Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises of Selayar Island Regency in order to be able to support businesses so that they do not fall into increasingly weak and marginalized conditions and positions.

E. Maintenance

Maintenance is the role of the Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises of Selayar Island Regency in balancing the distribution of power between various small-scale business groups, such as small-scale business actors must always be able to cooperate well with medium-sized businesses and other MSMEs and also connected with the local government.

Maintenance is the final stage of an empowerment process where this maintenance is expected to be able to guarantee harmony and balance that allows every business actor to have a great opportunity to develop his business. In this case, it discusses the role of the Industry Trade Office of Cooperatives and MSMEs in regulating MSMEs actors with small micro-capacities down and middle and above and the division of business groups so that coordination between various business groups are established with the Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises.

For increase actors, micro business has models many of our models of entrepreneurial activity in developing countries treat human capital as fixed and focus instead on financial constraints and information asymmetries in credit and equity markets [7]. Similarly, much of the microfinance industry focuses on the infusion of financial capital into microenterprises, not human capital, as if the entrepreneurs already have the necessary human capital. Some development practitioners, however, actively pursue strategies to teach adults (typically women) entrepreneurial skills. These programs are strikingly heterogeneous, and little is known about their impact on economic outcomes for the poor [8].

Another case is research conducted by Jonathan & Marcela about micro and small business. However, the improvements to productivity associated with mobile use do seem to be improving the livelihoods of many individuals in the MSE sector. The results of this review inform development practice in two ways. First, by disaggregating and identifying distinct impacts of mobile use, the review provides a more accurate representation of the value of mobile use to MSEs than was previously available [9].

Micro Business is one of the most developed businesses in Indonesia. Micro businesses even become one of the new economical sources in Indonesia. In addition, Micro Business is one of the various types of businesses in Indonesia that are able to withstand the current economic crisis that has hit Indonesia. Therefore, it has become a necessity to continue to strengthen and empower this micro-business sector. According to Zimmerer et al., "those micro business owners are often the most respected and most trusted citizens of the community" [10].

According to Tambunan, in Article 1 paragraph 2 of Act Number 20 of 2008 concerning Micro, Small and Medium Enterprises, what is meant by Micro Enterprises is productive business owned by individuals and / or individual business entities that meet the criteria for micro-businesses as stipulated in the law that [11].

According to Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises Article 6 paragraph 2.

Microbusiness criterions are as follows:

1. Having a net worth of a maximum of IDR. 50,000,000 (fifty million rupiahs) not including land and building of business premises; or
2. Have annual sales results of a maximum of IDR. 300,000,000.00 (three hundred million rupiahs).
3. Micro Business Empowerment
4. The empowerment of Micro, Small and Medium Enterprises (MSMEs) continues to be carried out by the central government and regional governments, considering that MSMEs are one of the fields that can grow the Indonesian economy. Referring to Government Regulation Number 17 of 2013 concerning Implementation of Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises, in Chapter V Article 52 Paragraph (1) that as follows: Coordination and control of empowerment of Micro, Small Business and Business Enterprises Intermediate is carried out in a systematic, synchronous, integrated, sustainable and accountable manner to create a strong and independent micro, small business and medium business.
5. Micro Business Empowerment Program in the Department of Trade, Industry, Cooperatives, and Small and Medium Enterprises of Selayar Island Regency [12].

As is well known, the current problems in general in Selayar Island Regency are mostly perpetrators, especially in micro businesses, namely, the use of technology, the limitations of production and management techniques, and the difficulty of marketing. For example in terms of innovation which can increase competitiveness in product marketing.

IV. CONCLUSION

The Microbusiness empowerment that carried out by the Department of Trade, Industry, Cooperatives and MSMEs of Selayar Island Regency can be categorized as effective. This can be seen from each component in the aspect that is used as a benchmark of this study, ranging from the possible aspects with effective results, aspects of reinforcement with less effective results, aspects of protection with effective results, supportive aspects with effective results and aspects of maintenance with effective results. Based on these five aspects, the majority shows effective results, so that it can

be understood that the process of empowering micro businesses in Selayar Island Regency which is carried out by the Department of Trade, Industry, Cooperatives and MSMEs of Selayar Island Regency has been running quite effectively. The implication of this research is always to strive to empower and innovate so as to produce superior products.

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