



Implementation of Micro Business Productive Assistance Program

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Article Information Abstract

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The Covid-19 pandemic has had an impact on all levels of society. In particular, micro-entrepreneurs have experienced a decline in income and reduced mobility in buying and selling activities. The government provides stimulus assistance, Productive Assistance for Micro Enterprises (BPUM), to reduce this impact. This study aims to analyze the implementation of the Micro Business Productive Assistance (BPUM) Program in Kediri City. The results are achieved by collaborating with each actor who played a role in the action program and individual projects, the resulting outcomes, and analysis of supporting factors and obstacles to implementing the BPUM program in Kediri City based on the Merilee S. Grindle implementation policy model. This study uses qualitative research methods with case study methods. The study's results found that program implementation needs to be improved by understanding and further coordination by program implementers to make it better and more efficient. This research contributes to the excellent collaboration of each actor who plays a role in action programs and individual projects by using implementation policies from Merilee S. Grindle so that microenterprises are more actively seeking information assistance from the government either directly or indirectly. In addition, the government can update the amount of data for micro-entrepreneurs and make backups through a one-door system, so that duplicate data does not occur when registering or submitting assistance.

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) have a vital and strategic role in the national economy. MSMEs can create opportunities to create large jobs. This fact is shown by the increasing number of MSMEs, going hand in hand with the increase in employment, the contribution of MSMEs to GDP, and the contribution of exports. There is an increase in the number of MSMEs, which continues to increase in Figure 1, from 2017 to 2021.

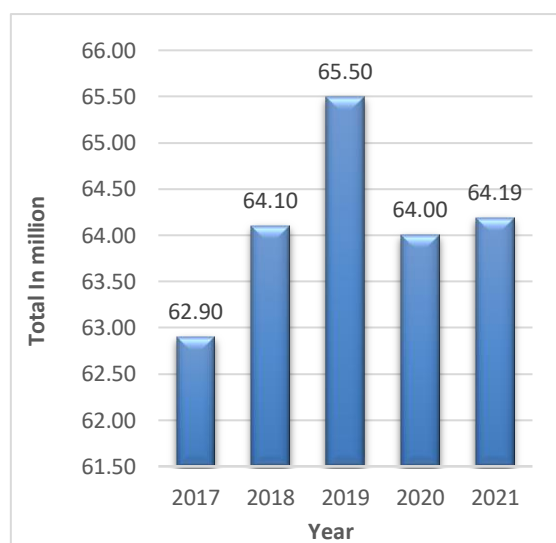


Figure 1. The number of MSMEs

Source: The Ministry of Cooperatives and SMEs of The Republic of Indonesia, 2022 (Processed)

The number of MSMEs in Indonesia is very influential on the Indonesian economy. Figure 2 shows the magnitude of the contribution of MSMEs to the Gross Domestic Product (GDP). The results show that the contribution of MSMEs to GDP has a fluctuating trend, but there was a decrease in 2020 caused by the Covid-19 pandemic. MSMEs contributed the most to GDP in 2021. These data show that MSMEs can overcome poverty, advance GDP, and absorb labor (Supriyanto, 2006). However, this economic decline occurred due to the Covid-19 pandemic, which has hit Indonesia since March 2020. This economic pandemic has reduced the performance of micro-businesses, which has become a competitive advantage for micro-business actors, but in this case, the existing data

sources have not been able to optimize their performance optimally (Malini and Herawati, 2021)

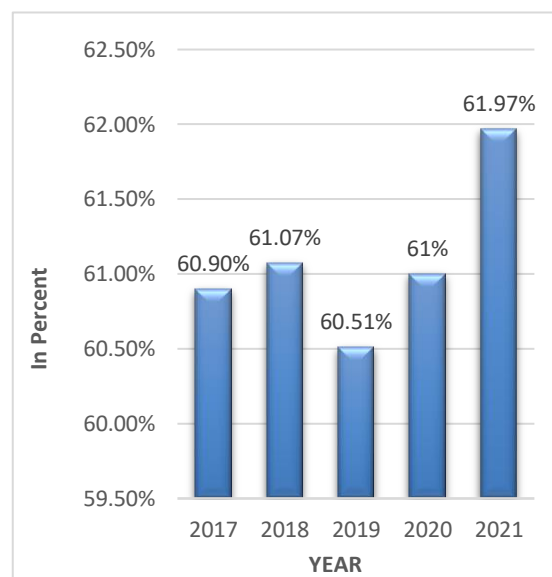


Figure 2. Contribution of MSMEs to Gross Domestic Product (in Percent)

Source: The Indonesian Ministry of Cooperative and SMEs, 2022 (Processed)

In addition to contributing to GDP, MSMEs also contribute to export value. However, this contribution is relatively small compared to the odds. 2021 is the year with the highest contribution of MSMEs to GDP, namely 61.97%

Besides their contribution to GDP, Indonesia's MSMEs have experienced various economic upheavals. MSMEs are persistent in economic upheaval, proven by the turmoil crisis, starting from the 1998 crisis to the global recession in 2008 (The Ministry of Finance, 2020). However, MSMEs experienced different conditions during the Covid-19 pandemic in March 2020 (Pitaloka *et al.*, 2020). In 2020 the number of formal micros and small business enterprises decreased by 412.39 thousand people (9.24%) from 4.46 million in 2019 to 4.05 million (Public Relations of the Ministry of Cooperatives and SMEs, 2021). According to data from the Ministry of Cooperatives, Small and the Medium Enterprises Republic of Indonesia, in March 2021, the number of MSMEs reached 64.2 million with a contribution to GDP of 61.07% or

Rp. 8,573.89 trillion, absorbing capable 97% of the total GDP. The total existing employee and be able to collect up to 60.42% of the total investment in Indonesia (The Ministry of Finance, 2020)

The Covid-19 virus attacks human health and impacts the Indonesian people's economy, education, and social life. The government has implemented several policies to reduce transmission and not spread further, such as the Lockdown, The lower level of public activity restrictions (PPKM), or The large-scale social restrictions (PSBB). Of course, this policy limits the space for entrepreneurs to develop their businesses. Due to this policy, many business enterprises experienced a decline in sales, reduced buyers, and went out of business. Research from (Lumampow, Sambiran, and Rachman, 2021) states that the Covid-19 pandemic has impacted the completion of the space for entrepreneurs.

The Covid-19 pandemic has had a significant impact on MSMEs. According to The Ministry of Finance (2020), MSMEs are the most vulnerable sector to be affected by the policies implemented to reduce the transmission of Covid-19, namely a decrease in turnover, shocks in the supply of materials, and capital difficulties. In addition, reduced demand, difficulties in distributing business products, and increased raw material prices (Ministry of Cooperatives and SMEs of The Republic of Indonesia, 2021). Meanwhile, Savitri *et al.* (2020) explained that the Covid-19 pandemic on the survival of MSMEs caused three impacts. First, there is a decline in sales. The decline in sales had an impact on MSME business capital which was decreasing while production continued. Second, there are product distribution barriers. The enactment of policies to reduce community mobility has an impact on MSMEs, where there are several regions implementing border policies. Expeditionary services limit the delivery of goods due to the spread of the Covid-19 pandemic, thereby reducing their income. Third, is the difficulty of raw materials from other industrial sectors. MSMEs that depend on other industries are also affected because many factories that

provide raw materials have stopped temporarily. As a result, it has hampered the process of making MSMEs products. The same thing was also explained by (Syarifah, 2021) regarding the impact of the Covid-19 pandemic, namely difficulties in finding raw materials, declining sales, depleting capital, decreased production, and hampered distribution. To reduce the impact of the Covid-19 pandemic on MSMEs, the government has taken a policy to maintain the sustainability of the community's economy during the Covid-19 pandemic crisis. One of them is the Implementation of the Micro Business Productive Assistance (BPUM) Program organized by the Ministry of Cooperatives and SMEs of the Republic of Indonesia.

Implementation is an action taken by an individual/official/group of government or private to achieve the goals set in policy decisions (Van Meter and Van Horn, 1975). Meanwhile, according to Mazmania and Sebastiar (Abdul Wahab, 2001), the implementation of fundamental policy decisions in the form of laws or orders or important executive decisions or decisions of the judiciary. The implementation program is a step in implementing policies to achieve the program's objectives. Jones (Rohman, 2009) states that program implementation is an authorized effort to achieve goals. With the program's implementation, we hoped it could be carried out smoothly and achieve its goals.

Based on the General Guidelines for Distribution of Government Assistance for Micro Business Actors Number 2 of 2021, the Assistance for Micro Business Actors (BPUM) Program is one of a series of budget realizations for the Economic Recovery Program (PEN) which is to accelerate the handling of the Covid-19 pandemic which is threatening the national economy. BPUM is assistance for micro business enterprises affected by Covid-19 in the form of capital assistance sourced from the State Revenue and Expenditure Budget (APBN).

The BPUM program has implemented in 2020 and 2021. In these two years, there are

differences, especially in the amount of money given to micro-business actors, originally from IDR 2,400,000, then down to IDR 1,200,000. The funds are given as additional capital to Micro Business actors who have been handed over directly through the accounts of each recipient. The target of this program is micro-business enterprises affected by Covid-19 whose businesses experience limitations in their business activities which have an impact on decreasing income, limited raw materials to difficulties in fulfilling their welfare.

The Regulation of the Ministry of Cooperatives and SMEs of The Republic of Indonesia (2021), concerning General Guidelines for Distribution of Government Assistance for Micro Business Enterprises Number 2 of 2021, explains that to obtain BPUM funds, business owners must meet several criteria. Some of these criteria are Indonesian Citizen (WNI), have an Identity Card (KTP), have a micro-business as evidenced by a letter of proposal for prospective BPUM recipients from the BPUM proposers, not a Civil Servant (PNS), not from members of the Indonesian National Armed Forces (TNI), not a member of the Indonesian National Police (Polri), not an employee of a State-Owned Enterprise (BUMN) or an employee of Regional-Owned Enterprise (BUMD), has never received BPUM funds or has received BPUM funds in the previous budget and not currently receiving People's Business Credit (KUR).

Since the implementation of the BPUM program, there has been no specific evaluation from the government on recipients of funds, such as the presence of several micro-entrepreneurs who have not been able to get access to information about BPUM properly, and the funds received have not been able to compensate for the losses they have experienced (Fadilah, 2020), several resources who do not use BPUM funds according to their goals (Lumampow, Sambiran, and Rachman, 2021), and the implementation of the BPUM program has not been able to produce outcomes for community

economic recovery. However, it only focuses on input and output, so its implementation has not been effective (Putra, Abubakar, and Abubakar, 2021).

Research on implementing the Micro Business Productive Assistance Program needs to be carried out to discover the problems in the depth of the actors who play a role in this program. The problems in Kediri City related to the BPUM program in 2020 and 2021. Distribution of assistance has not been evenly distributed and is not yet on target; many new micro businesses appeared, micro-business that had businesses affected by the pandemic did not receive assistance, and the status of recipients was unknown. The proposing agency, namely The Office of Cooperatives, Micro Enterprises, and Manpower Kediri City, lacks coordination between proposing institutions, less information, and misinformation to the public. There are BPUM recipients who receive funds but have not used them for their business, ID number that does not match the recipients of funds' data, and other administration issues.

Based on the results of the researcher's initial observations, it is known that the Kediri City area has as many as 6,000 micro-business actors who were recorded at the Office of Cooperatives, Micro-Enterprises, and Kediri City Manpower as of December 31, 2019, namely before there was information about the provision of Micro Business Productive Assistance (BPUM). Meanwhile, after the information became available regarding Micro Business Productive Assistance (BPUM) for each Micro Business actor in all districts/cities, there was a surge in registering as many as 23,407 business actors in 2020 and as many as 3,887 business actors in 2021.

Figure 3 shows the number of registrants for the BPUM program in 2020 and 2021 in each sub-district. The highest number of applicants occurred in 2020. This is because the Covid-19 pandemic was widespread and just happened that year and had a significant impact on micro-businesses. In 2021 they automatically became

BPUM fund recipients, so re-register was unnecessary. Micro Business Actors hope these funds will help them improve their business.

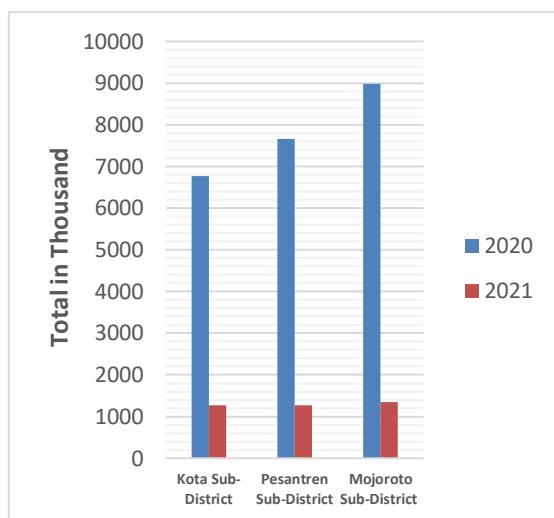


Figure 3. The Number of Registrants for the BPUM Program.

Source: The Office of Cooperatives, Micro Enterprises, and Manpower in Kediri City, 2022 (Processed).

Based on the results of the interview with Mr. Agus Sudono as the Production and Development Section of Micro Enterprises show that the data for the recipients of the BPUM program in 2021 are 11,179 micro business enterprises which are divided into 16 stages of disbursement (April 4, 2022, 10.00 A.M). Figure 4 shows that three sub-districts are receiving BPUM program funds with the Mojoroto sub-district being the most recipients of assistance. The initial data obtained is only in 2021 because, according to Mr. Agus Sudono explained in 2020 there is an obstacle to transparency data and a lack of communication and coordination between program implementers, so it becomes an obstacle to finding out how many recipients of the BPUM program funds are and the distribution systematics. The same problem also occurs in several regions in Indonesia due to a lack of coordination and communication between program implementors (Dzakiyati and Astuti, 2021) and, (Putra, Abubakar, and Abubakar, 2021).

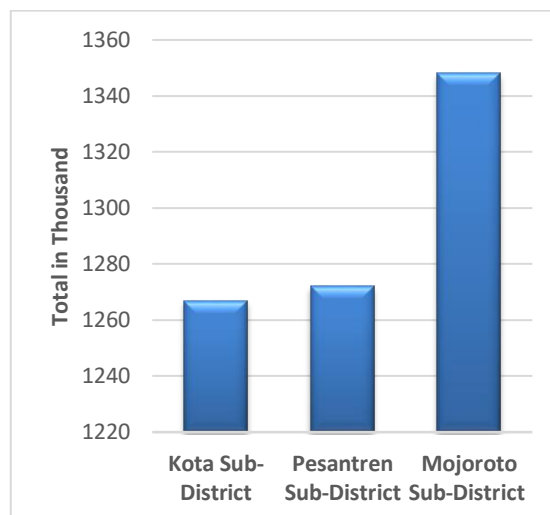


Figure 4. The Number of Recipients of BPUM Program Assistance in 2021

Source: The Office of Cooperatives, Micro Enterprises, and Manpower in Kediri City, 2022 (Processed).

The purpose of this study was to determine the implementation of the BPUM program in Kediri City using the policy implementation model of Merilee S. Grindle (Tachjan et al., 2006) by collaborating with each actor who plays a role in action programs and individual projects that will be achieved in the short or medium term, how the outcomes are produced for BPUM recipients, as well as analyzing the supporting and inhibiting factors of the implementation of BPUM in Kediri City. So that there is a collaboration between the government and the community in implementing the BPUM program in Kediri City, this research is also able to explain the role of each actor involved in the program so that it will produce detailed and precise analysis results that can later be used as a guide in determining a new policy.

RESEARCH METHODS

This study uses qualitative research methods with case study methods. Qualitative research explores and understands the meaning of several individuals or groups of people originating from social problems (Creswell, John, 2009). The research site is in Kediri City. Research with the case study method focuses more on questions that start with the word

"what" and has a broader case study design to use than research that begins with the words "how" and "why". The case study method is suitable for studying phenomena where the directly involved actors cannot be manipulated.

The data used in this research uses primary and secondary data and using data collection techniques using observation, interviews, and documentation. Primary data is data taken directly without intermediaries. The primary data sources used were interviews and direct observations of the implementers of the BPUM program, who were directly involved in the program, namely the person in charge of the BPUM program, namely Mr. Agus Sudono (KP1) as the Micro Business Production and Development Section, MSME Clinical Assistant (KP2-KP5) which has the task of assisting registration, promotion, information officers and data collection for the BPUM program.

The KP's consisting of 3 women and 1 man with the characteristics of respondents based on education level showed that the majority of respondents were Bachelor's degree with a frequency of 3 people and respondents who graduated from Associate's Degree were 1 person the existing data there are 5 women and men as many as 4 people consisting of 3 different people in each sub-district in Kediri City namely Kota sub-district, Pesantren sub-district, and Mojoroto sub-district because Kediri City consists of 3 sub-districts and diverse so that it uses 3 people in the 3 sub-districts as resource persons so that each sub-districts is represented, ages ranging from 30 years to 68 years, the majority of businesses in the trade sector are 7 people and 2 service people and The products traded range from snacks, workshops, basic food shops, furniture, fashion, traders and tailors. Meanwhile, the characteristics of respondents based on education level showed that the majority of respondents were high school graduates with a frequency of 7 people and respondents who graduated from elementary school were two people (April 4, 2022, 10.00 A.M).

While secondary data is a data source that provides data indirectly, the secondary data sources used are documentation data from

scientific papers/journals, web data, newspapers, government regulations, reports from the Department of Cooperatives, Micro Enterprises and Manpower of the City of Kediri, and Central Bureau of Statistics (BPS).

This study aims to find out how the implementation of the BPUM program using the policy implementation model from Merilee S. Grindle (Tachjan et al., 2006) by collaborating on each actor who plays a role in action programs and individual projects will be achieved in the short or medium term, how the outcomes are produced, and analyzing the supporting and inhibiting factors of BPUM implementation in Kediri City. This model explains that the success of implementation is determined by the degree of implementation of the policy, namely the Content of the Policy and the Context of Implementation.

Content of Policy is one of the essential factors in formulating a policy and will affect the implementation process. The content of the Policy consists of (a) the Interest Affected that every policy taken requires consideration of the resulting impacts such as social, economic, and political changes. In this research, formulate the stages or designs that will affect the smooth implementation or not; (b) Type of Benefits, that the implementation process is influenced by the goals to be achieved and how to formulate these goals. In this study, the government formulates the benefits to be generated and how to achieve these goals; (c) Extent of Change Envisioned, a program designed to provide changes in behavior, economy, and social experience experienced by the community. In this study, there are expected changes in the implementation of a program; (d) Site of Decision Making, the policies implemented are related to the position of policymakers from national to regional levels. The position of policymakers in this study starts from the national, provincial, and district/city levels; (e) Program Implementation, the policy formulation stage will explain who and how the program implementer implements a program. In this study, program implementers have different roles in various bureaucratic units that are directly involved in program management; (f)

Resources Committed, to implement the program, it is necessary to have resources involved to achieve a goal. In this study, the assigned resources carry out their duties and obligations according to their national and regional positions.

Meanwhile, the Implementation context consists of (a) Power, Interest, and Strategies of Actors Involved in implementing the program requires many actors. Each actor has different powers, interests, and strategies in implementing the program. In this study, there are many actors to implement the program to achieve the objectives; (b) Institution and Regime Characteristics, and each institution has different interests and characteristics. Implementers of different programs in each institution will interact with each other in the context of their respective institutions to achieve common goals. In this study, the characteristics of institutions and authorities vary from national to regional levels; and (c) Compliance and Responsiveness, to achieve the objectives of a program, there is compliance from various interactions of program implementers so that the final results achieved can be realized. Quick responsiveness is provided by program implementers so that beneficiaries obtain full service. In this study, the beneficiaries felt the compliance and responsiveness of program implementers. The model can be explained as follows:

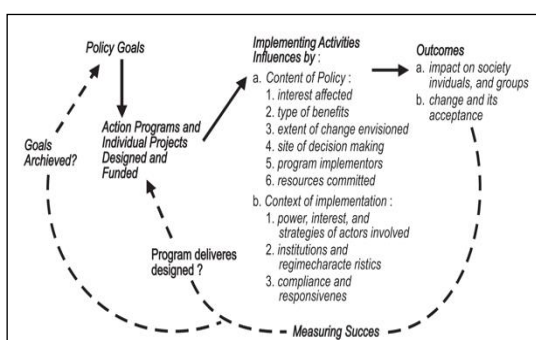


Figure 5. Implementation as a Political and Administrative Process

Source: Merilee S. Grindle, 1980: 11 (Tachjan *et al.*, 2006)

Researchers used data collection techniques for observation, interviews, and documentation in this study. Meanwhile, the

data analysis technique in this study used model data analysis techniques (Miles, M. B. & Huberman, M., 1992).

This model consists of 3 stages: data reduction, data presentation, and conclusion drawing/verification. (1) Data reduction by selecting, abstracting, and transforming rough data from written notes in the field. This reduction takes place continuously throughout the research process. This data reduction continues after the field research until the final report is complete. (2) Presentation of data is a collection of information that allows drawing conclusions and taking action decisions. The presentation of data can be in the form of matrices, graphs, networks, and charts. Thus the data can be used to draw correct conclusions. (3) Conclusion/verification, namely by collecting the conclusions during the research and then concluding/verification. Schematically, the data analysis process can be seen in the following chart:

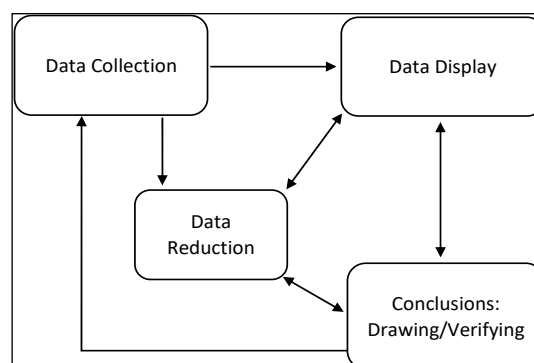


Figure 6. Analysis Interactive Model from Miles & Huberman

Source: (Miles, M. B. & Huberman, M., 1992)

RESULTS AND DISCUSSION

The Productive Assistance for Micro Enterprises provided by the Ministry of Cooperatives and SMEs of The Republic of Indonesia in the context of national economic recovery has not been effective in its implementation in Kediri City.

The purpose of this study is to find out the implementation of the BPUM program in Kediri City by collaborating on each actor who plays a role in action programs and individual projects

that will be achieved in the short or medium term, how the outcomes are produced, and to analyze the supporting and inhibiting factors of BPUM implementation in Kediri City using the theory of Merilee S. Grindle, namely Content of Policy: Interest Affected; Types of Benefits; Extent of Change Envisioned; Site of Decision Making; Program Implementers; and Resources Committed and then Context of Implementation: Power, Interest, and Strategies of Actors Involve; Institution and Regime Characteristics; and Compliance and Responsiveness.

The content of the Policy consists of the interest affected, based on the technical guidelines and regulations for the implementation of the BPUM Program. The Corona Virus Disease (Covid-19) pandemic. The interests affected by the existence of the BPUM Program policy are to assist and maintain the business continuity of micro-business enterprises facing the impact of Covid-19. The recipients of this assistance are micro-business enterprises that did not receive credit from banks (Ministry of Cooperatives and SMEs of The Republic of Indonesia, 2021). Similar assistance was also carried out in several countries to reduce the impact of the covid-19 pandemic. (Burhan et al., 2021) explained that government assistance is one of the things most needed for SMEs as a quick response to the impact of Covid-19, and other assistance in the form of building a network of stakeholders, the willingness of business actors, and formal planning.

Moreover, research conducted by Adam & Alarifi (2021) in Saudi Arabia shows that external assistance in the form of direct assistance, such as financial assistance, and indirect assistance in the form of consultations, assistance from a team of experts, and educational institutions greatly assist SMEs in restarting their businesses. Another study is also in line with this, conducted by, (Park, Lee, and Kim, 2020), who examined 42,261 SMEs in Korea and showed that financial resources from the Korean government built the survival of SMEs in the short term.;

The types of benefits that will be generated from The BPUM Program based on the

Technical Guidelines and Regulations for the Implementation of the BPUM Program are the use of BPUM funds for working capital, business development facilities, or business rescue owned by the micro-business enterprise. During the Covid-19 pandemic, business actors are one of the affected elements of society. Benefit from BPUM assistance, 8 out of 9 interviewees stated that the BPUM assistance they received was very effective in helping the survival of their business. Only one resource person stated that BPUM assistance has not been practical due to micro-scale restrictions/PPKM, which hinder their business and is expected to be abolished soon.

KP14 said, "*The existence of BPUM assistance has not been effective for my business because there are no buyers even though I have added my merchandise because my shop is in the PPKM area*" (April 23, 2022, 3.00 P.M).

According to data from the Department of Cooperatives, Micro Enterprises and Manpower of the City of Kediri, the number of business actors affected by Covid-19 and receiving the 2021 BPUM program is 11,179 to reduce the short-term impact of Covid-19. In some countries, one of the biggest problems business actors face during the Covid-19 pandemic is access to finance (Wang, 2016). According to Lu et al., a survey of 3,194 SMEs showed a decrease in short-term income and the inability to work and produce due to the Covid-19 pandemic. The existence of this assistance makes SMEs able to maintain their business. In addition, (Belghitar, Moro, and Radić, 2022) research shows that the UK government's financial assistance program affects their capacity to survive the COVID-19 pandemic. The study found that 59% of SMEs experienced a decrease in income and survival from 164 days to 139 days without government assistance.

However, there are some recipients of BPUM assistance who use the fund,s not for working capital, business development, or business rescue but the funds are used to pay debts, pay employees and buy secondary needs;

KP8 said, "... *BPUM money that I received to pay my debts*" (April 12, 2022, 08.00 P.M.P.M.).

KP10 explained, "...*The funds I received, and I used to pay my employees because during Covid-19 there was no income*" (April 25, 2022, 08.00 P.M).

KP12 said, "*I used the money to buy clothes and household items*" (April 20, 2022, 10.00 A.M).

The extent of Change Envisioned is for working capital, business development facilities, or business rescue owned by the micro-business enterprise. Based on the interview results, 6 out of 9 business actors explained that the capital received was used to develop their business, such as adding raw materials, labor costs, purchasing business companion materials, financing business debt, and financing operating expenses. BPUM program helps businesses to survive during the pandemic. In addition, some business actors use their business capital outside their business, such as paying household debts, paying employees, and costs of secondary needs. So that it is not by the goals to be achieved by the BPUM program;

KP6 said, "*as you can see, I used BPUM's assistance to buy a cart because my cart was damaged and not fit for use*" (April 11, 2022, 09.00 A.M.).

KP8 said, "... *BPUM money that I received to pay my debts*" (April 12, 2022, 08.00 P.M.).

KP9 said, "*I am happy to receive this assistance because I can add raw materials to my business to increase my turnover*" (April 19, 2022, 01.00 P.M.).

KP10 explained, "...*The funds I received, and I used to pay my employees because during Covid-19 there was no income*" (April 25, 2022, 08.00 P.M).

The site of Decision Making of the BPUM Program is the President of the Republic of Indonesia, Joko Widodo through the Ministry of Cooperatives and SMEs of the Republic of Indonesia, whose task is to make this policy. This policy is appropriate because to deal with the threat of Covid-19, the government needs to handle it so as not to endanger the national economy and financial system stability to continue to increase people's purchasing power. In addition, the BPUM Program funds come from the APBN, which can be utilized by the

entire community, especially micro-enterprises affected by the Covid-19 Pandemic.

KP1 explained that "*the policies made by President Joko Widodo were very appropriate considering the current situation, given the impact of Covid-19 on micro-enterprises and the need for assistance to recover quickly*" (April 4, 2022, 10.00 A.M).

In addition, all recipients of BPUM assistance also said that they were grateful and greatly helped by the BPUM program because it helped micro-enterprises affected by Covid-19 recover quickly with the capital assistance provided;

KP6 said, "*I thank the president because, with this assistance, I can survive during a pandemic*" (April 11, 2022, 09.00 A.M.).

KP13 said, "*With BPUM's help, I am pleased because my business has been able to survive and hopefully recover soon*" (April 22, 2022, 09.00 A.M.).

Program implementers of this program are the BPUM Distribution Policy Committee, Deputy Program Manager, Budget User Authority, Commitment Making Officer, Paying Order Signing Officer, Expenditure Treasurer, BPUM's Proposer, Data Management Team, BPUM Distribution Bank, BPUM's Secretary and BPUM's Distribution Work Group at the Provincial/DI Level (Ministry of Cooperatives and SMEs of The Republic of Indonesia, 2021).

In addition, KP2 said, "*Program implementers in Kediri City are specifically carried out by MSMEs clinic assistants who directly collect data from the beginning of registration to provide information about the distribution of BPUM assistance. MSMEs clinic assistants make BPUM registration online and offline to reduce physical contact during the Covid-19 pandemic, and file submissions had given in stages to avoid mass accumulation. If there are problems during the registration process until the disbursement of MSMEs clinic assistants, they also open chat services through social media for the Kediri City MSMEs Clinic, namely Whatsapp and Instagram*" (April 6, 2022, 10.00 A.M).

KP1 explained, "*I did my best in disseminating information and services regarding access to BPUM assistance in coordination with the*

central government and distributors. However, apart from that, several obstacles still exist in distributing BPUM assistance. Namely, other agencies collect data but do not coordinate with the Department of Cooperatives, Micro Enterprises, and Manpower of Kediri City, resulting in miscommunication. This certainly causes problems because there is misinformation, and it is necessary to take firm action such as warnings not to collect BPUM assistance data without the knowledge of the Department of Cooperatives, Micro Enterprises, and Manpower of the City of Kediri" (April 4, 2022, 10.00 A.M).

In addition, similar findings were also conveyed by the MSMEs clinic assistant, who explained that the lack of coordination between the other proposers and the Department of Cooperatives, Micro Enterprises, and Manpower of the City of Kediri

KP3 Said, "BPUM recipients were also constrained in managing the wrong requirements when registering their identity in banking institutions, and registration BPUM online assistance is also considered difficult for BPUM recipients because they are unable to use technology" (April 6, 2022, 10.00 A.M).

Resources committed to this program are the BPUM Distribution Policy Committee, Deputy Program Manager, Budget User Authority, Commitment Making Officer; Paying Order Signing Officer, Expenditure Treasurer, BPUM Proposer, Data Management Team, BPUM Distribution Bank, BPUM Secretary and BPUM Distribution Working Group at the Provincial/DI Level (Ministry of Cooperatives and SMEs of The Republic of Indonesia, 2021).

In addition, based on the results of an interview with MSMEs clinic assistants (KP2-KP5) explained, "MSMEs clinic assistants specifically carried out program implementers in Kediri City. According to the MSMEs clinic assistant, in the initial distribution of information on BPUM assistance by utilizing information technology to spread widely, the opening of offline offices was limited to direct consultation. Online data input and sorting were carried out carefully to comply with the specified requirements" (April 6, 2022, 10.00 A.M).

Context of Implementation consists of power, interest, and strategies of actors involved, based on the results of an interview with KP1

explained, "The BPUM program, explaining that the BPUM program has a high attractiveness, has proved by a large number of applicants. Register online via Google form (<http://bit.ly/bpumkotakediri2021>), namely, in 2020, as many as 23,407 registrants, and in 2021 as many as 3,887 registrants. Registration has decreased because most people register in 2020 and automatically become recipients of BPUM in the following year. To inform the BPUM Program, The Office of Cooperatives, Micro Enterprises and Manpower In Kediri City coordinated with the Office of Cooperatives and SMEs of East Java Province once and the Ministry of Cooperatives and SMEs of the Republic of Indonesia 3 times to discuss technical implementation and obstacles to implementing the BPUM program in 2020. and 2021 by zoom meeting" (April 4, 2022, 10.00 A.M).

In addition, KP2-KP5 said, "We promoted social media at the MSMEs Clinic the opening of the BPUM Program and collaborated with the Social Media Team of The Office of Cooperatives, Micro Enterprises and Manpower In Kediri City and the official social media of the city government of Kediri City, so the information was spread evenly and micro-enterprises. Can receive the benefits provided, socialization with the heads of Neighbourhood, Hamlet, and community associations. However, even though they have carried out massive promotions and courses, there were still some people who did not know this information" (April 6, 2022, 10.00 A.M).

The results of interviews with the micro-business enterprise that received BPUM assistance showed that 4 out of 9 BPUM beneficiaries did not know about this program indirectly. They learned this information from neighbors, relatives, and friends directly. The research results from (Syarifah, 2021) explained that BPUM socialization was carried out by disseminating information by letter to all sub-districts and through the internal website. This is an obstacle when registering for the BPUM program, namely being late in registering and long disbursing;

KP6 said, "...I got information on capital assistance from a neighbor, and then I registered. Thank God I passed" (April 11, 2022, 09.00 A.M).

KP8 explained, "The information was from my family who was in the service, and then I got it

because I needed help for my sales" (April 12, 2022, 08.00 P.M.).

KP9 said, *"The information was from relatives I already registered, and I tried it too"* (April 19, 2022, 01.00 P.M.).

While KP11 said, *"...the info came from a friend who knew there was registration, so I just registered"* (April 26, 2022, 04.00 P.M.).

The results of the interview with Mr. Agus Sudono, the Production and Development Section of Micro Enterprises, about Institution and Regime Characteristics is

KP1 explained, *"the institutions that implemented this program were the BPUM Distribution Policy Committee which is tasked with socializing, evaluating and giving consideration in determining the recipient of BPUM, the Deputy in charge of the program in charge of compiling BPUM implementation instructions, collecting and cleaning recipient data BPUM, Budget User Proxy, Commitment Making Officer, Paying Order Signing Officer and Expenditure Treasurer who are on duty by the provisions of laws and regulations, BPUM Proposer tasked with recruit prospective BPUM recipients, submit the recipient proposal to the Minister CQ. Deputy in charge of the program and coordinate BPUM recipients for administrative settlement, make proposals and revise submitted proposals, Data Management Team in charge of processing data received from BPUM proposers, BPUM Channeling Banks, BPUM Secretary in charge of assisting PPK administration tasks, PPSPM and the Expenditure Treasurer, and the BPUM distribution working group at the provincial/di level in charge of socializing the bpum program to the district/city office and coordinating and implementing the program in the kediri City specifically carried out by MSMEs clinic assistants who have tasked with promoting, data processing teams and BPUM registration"* (April 4, 2022, 10.00 A.M.).

According to the MSMEs clinic assistant regarding Compliance and Responsiveness, implementing the BPUM program from the beginning of registration to disbursement still has policy problems. Even though the human resources involved are adequate, the lack of commitment from policy implementers causes errors such as data on BPUM recipients who

have addresses that do not match their place of residence according to their id cards, lack of responsiveness and coordination between Channeling Banks and the Department of Cooperatives, Micro Enterprises, and Manpower of the City of Kediri regarding the disbursement flow of BPUM funds, so BPUM recipients lack information about the disbursement flow. In addition, the recipients of the BPUM Program also comment:

KP5 also explained, *"there was no notification whether the recipient became a BPUM recipient or not, so some BPUM recipients were late in making disbursements, and some funds could not be withdrawn"* (April 6, 2022, 10.00 A.M.).

The outcome of program implementation is an Impact on society, individuals, and groups. The results of interviews and observations indicate that the BPUM program had an incredible impact on helping the economy of individuals and communities. Individually, BPUM recipients can expand their business by buying carts for sale, buying raw materials, and production equipment, while as a group, community groups were also helped because their members were able to survive during the pandemic;

KP6 said, *"as you can see, I used BPUM's assistance to buy a cart because my cart was damaged and not fit for use"* (April 11, 2022, 09.00 A.M.).

KP9 said, *"I am happy to receive this assistance because I can add raw materials to my business to increase my turnover"* (April 19, 2022, 01.00 P.M.).

KP13 said, *"I used this capital assistance to buy production equipment because my previous equipment was damaged and not working"* (April 22, 2022, 09.00 A.M.).

KP14 said, *"I am a member of a sewing group. Some of our group members received this assistance, so they were able to survive during the covid-19 pandemic"* (April 23, 2022, 3.00 P.M.).

Change and its acceptance, changes that occur due to the Covid-19 pandemic, must be accepted by micro-enterprises. They must continue to fight so that their business continues to run by registering for the BPUM program to

increase their income and survive during the Covid-19 pandemic.

KP13 said, *"...my business is empty of buyers due to Covid-19, but with the BPUM program, my financial situation has improved, and I have been able to survive amid the Covid-19 pandemic"* (April 22, 2022, 09.00 A.M).

KP14 said, *"I am a member of a sewing group. Some of our group members received this assistance, so they were able to survive during the covid-19 pandemic"* (April 23, 2022, 3.00 P.M).

Supporting and inhibiting factors in the implementation of the BPUM program. Supporting factors that influence the implementation of the BPUM program are the use of information technology to facilitate communication, the use of information technology currently supports implementation of the BPUM program to help micro-enterprises know government assistance through social media, socialization through other media indirectly, and facilitates the coordination of program implementers and facilitates program implementers to select BPUM recipient data so that it is faster and does not accept the KUR program so that there are no duplicate data;

KP3 explained, *"There are no BPUM beneficiaries who also access the people's business credit program because data checking is carried out with sophisticated technology, so there are no data similarities"* (April 6, 2022, 10.00 A.M).

KP4 explained, *"the use of information technology such as WhatsApp and Zoom Meetings are beneficial in communication between program implementers"* (April 6, 2022, 10.00 A.M).

KP7 said, *"I got information on registering for the BPUM program from the social media of the Office of Cooperatives, Micro Enterprises and Labor in the City of Kediri, and then I registered"* (April 14, 2022, 04.00 P.M).

KP10 said, *"Through community groups, I learned about this BPUM program, and I need funds for my business"* (April 25, 2022, 08.00 P.M.).

The implementers programs commitment is very active in implementing to achieve the goals of the BPUM program. This plays a vital role in program implementation;

KP1 said, *"I am the person in charge and assistant to the MSMEs clinic. Clinical assistant as field executor to assist the community in registration, information, or data collection on BPUM assistance"* (April 4, 2022, 10.00 A.M).

KP2 said, *"I am very active in promoting this BPUM program through my social media and providing information to the MSMEs clinic group"* (April 6, 2022, 10.00 A.M).

KP3 said, *"to achieve the objectives of the BPUM program, and I collaborated with community groups to provide this information"* (April 6, 2022, 10.00 A.M).

The area of the city is not too wide, and the area of Kediri City, which is not too wide, makes it easier to promote and coordinate with the village community. The public can ask directly The Office of Cooperatives, Micro Enterprises, and Manpower In Kediri City to find out information about the BPUM program to facilitate the registration of the BPUM program;

KP2-KP5 said, *"We promoted social media at the MSMEs Clinic the opening of the BPUM Program and collaborated with the Social Media Team of The Office of Cooperatives, Micro Enterprises and Manpower In Kediri City and the official social media of the city government of Kediri City, so the information was spread evenly and micro-enterprises. Can receive the benefits provided, socialization with the heads of Neighbourhood, Hamlet, and community associations. However, even though they have carried out massive promotions and courses, there were still some people who did not know this information"* (April 6, 2022, 10.00 A.M).

Support from the community and the policy environment also affect program implementation. A policy environment supports the achievement of program implementation, so without support, the crisis will cause business actors to spend more and worse due to Covid-19 (De Nicola et al., 2021). The people of Kediri City, especially micro-enterprises, are very supportive of this program by actively asking questions through social media, visiting MSMEs Clinics and Village Halls, and asking others.

KP3 said, *"the people of Kediri City are active in this program. Many people ask at the MSMEs clinic"*

or through our social media" (April 6, 2022, 10.00 A.M.).

KP6 said, *"..I got information on capital assistance from a neighbor, and then I registered. Thank God I passed"* (April 11, 2022, 09.00 A.M.).

KP8 explained, *"The information was from my family who was in the service, and then I got it because I needed help for my sales"* (April 12, 2022, 08.00 P.M.).

While the inhibiting factors affecting the BPUM program are started first, there is no monitoring and evaluation.

KP12 Said, *"The assistance that micro-business enterprises have received was not monitored and evaluated so, which makes the community assistance from the government not required to be used as capital assistance"* (April 20, 2022, 10.00 A.M.).

KP5 said, *"..the people think this is just aid funds, and they ask whether there is monitoring and evaluation. We do not know yet, and until now, there has been no monitoring and evaluation of the disbursement, only disbursement of funds"* (April 6, 2022, 10.00 A.M.).

Second, Not yet optimal communication and coordination. The needs of considering the coordination and communication between program implementers were crucial, so the program implementation became efficient and effective. The results of the interviews with

KP1 that *"the implementation of the program carried out between program implementers, namely the village or sub-district, city, district, and provincial leveler was still lacking. Such as the lack of communication and coordination between The Office of Cooperatives, Micro Enterprises, and Manpower In Kediri City and the Channeling Bank, namely Bank BRI, regarding notification of recipients of BPUM funds and administrative constraints such as ID number names with different BPUM recipient names, differences in 1 or 2 digits of ID number with the ID number listed. in the recipient of BPUM funds, the ID number's ad, dress, and residential address were different. This obstacle was detrimental to the recipient because it has not explained the flow of the BPUM program submission. Hence, people must go back and forth to the bank and The Office of Cooperatives, Micro Enterprises, and Manpower In Kediri City"* (April 4, 2022, 10.00 A.M.).

KP3 said, *"it is essential to do communication so that it will make program implementation effective and efficient"* (April 6, 2022, 10.00 A.M.).

In addition, did not notify the recipients of BPUM funds was also a problem 4 out of 9 recipients of BPUM explained that they did not receive notifications via message or telephone.

KP6 explained, *"I could not get a message or call that the power was the recipient of BPUM funds, then I asked a friend, it turned out my name was on the beneficiary list at the channeling bank"* (April 11, 2022, 09.00 A.M.).

KP8 said, *"I did not get a notification, then I asked the officer, and it turned out that I was assisted through online checking..."* (April 12, 2022, 08.00 P.M.).

KP10 explained, *"I did not know any info from the cellphone even though when registering I included the cellphone number and then I asked a neighbor and got BPUM assistance"* (April 25, 2022, 08.00 P.M.).

While KP12 said, *"a friend said I got info from message or telephone, but in fact, I couldn't, then I read the news to check BPUM assistance"* (April 20, 2022, 10.00 A.M.).

The researchers concluded that the BPUM program procedures had not implemented all aspects according to the existing criteria, which was researched by (Rinaldi et al., 2022);

Third, lack of mastery of information technology, and lack of ability of micro business enterprises the use information technology, both computers, and cell phones, were obstacles during the registration process and notification of acceptance of the BPUM program. Several micro-enterprises cannot register via a google form, do not have a mobile phone number, and cannot access the BRI E-form;

KP6 said, *"At the time of registration, I went to the office because I could not register via the link, and my cellphone was not yet Android"* (April 11, 2022, 09.00 A.M.).

KP7 said, *"... I do not have a cellphone number, so I used my child's number."* (April 14, 2022, 04.00 P.M.).

KP5 said, *"at the time of disbursement of funds, there was the recipient of BPUM funds who*

could not access BRI's e-form, so I helped to check it" (April 6, 2022, 10.00 A.M).

Fourth, Not on target. The assistance provided is not right on target. BPUM recipients affected by Covid-19 who were supposed to receive BPUM program funds did not qualify, according to BPUM recipient data in 2021. It shows that some recipients passed and received BPUM recipient decrees who did not live in Kediri City even though they registered at the Cooperatives, Micro Enterprises and Manpower Office. So it is necessary to improve the data to be right on target.

KP2 said, *"There are several BPUM applicants who, in our opinion, should receive assistance but are not registered as BPUM recipients, so we as officers can only receive results from the verification team"* (April 6, 2022, 10.00 A.M).

KP4 explained, *"When the registration was opened, it was clear in the announcement that those who registered were people who had KTPs for the City of Kediri, but there were still people outside the City of Kediri who did the registration, so we sorted out the data, and when the data was sent to the province there was still wrong data, so it entered become the recipient of BPUM funds."* (April 6, 2022, 10.00 A.M).

The findings in this study are the use of grants to increase and develop the businesses of the actors themselves and business groups, structured coordination between actors in the Kediri city area with the addition of human resources (clinical assistants) so that they can provide good service. There are still several parties who lack coordination, causing problems; registration is done online, namely through a link to facilitate registration, promotions through social media and community groups, there is data that is not appropriate, there is no notification from the bank to beneficiaries so that there are some who have not disbursed funds. The community continues to register even though they have not passed to become assistance recipients.

In addition, the factors that support the program implementation are the utilization of information technology in terms to facilitate communication, namely by registering assistance online, promotion regarding assistance and

information services about assistance, actors who play a role in the program are very active in carrying out program implementation, the area is not too large facilitating promotion and coordination between the community and the Cooperatives, Micro Enterprises and Manpower of Kediri City, and community support for the program by actively asking questions via social media, visiting the MSMEs clinic office, village halls, and other communities.

The inhibiting factors include the absence of monitoring and evaluation of the use of funds that have been provided so that some people are less responsible in using these funds, lack of communication and coordination with other parties such as lack of communication and coordination between the Office of Cooperatives, Micro Enterprises, and Manpower in Kediri City and the Channeling Bank namely BRI regarding notification of recipients of BPUM funds and administrative constraints, the lack of ability of micro-entrepreneurs in using Information Technology both computers and cellphones is an obstacle during the registration process and notification of the receipt of the BPUM program and several recipients pass and get BPUM beneficiary decrees but do not live in Kediri City.

CONCLUSION

The implementation of BPUM to assist and maintain the business continuity of micro-enterprises facing the impact of the Covid-19 pandemic in Kediri City needs to be improved. The intervention of the government and micro businesses needs to be increased, such as implementing monitoring and evaluating the use of funds, assisting in using aid funds, and carrying out double checking, so that recipient data is valid. The public must actively follow information about government programs directly or indirectly (social media). This study concludes that the Covid-19 pandemic has impacted the economic slowdown throughout the world and all economic actors, including the MSMEs sector.

The results of policy implementation using Merilee S. Grindle's theory can answer the extent to which program is implemented and how the

outcomes are generated from a policy. Program implementors need further understanding and coordination to make it better and more efficient. This program's outcome impacts individuals and groups, and the changes that occur must make micro-enterprises continue to struggle against the Covid-19 pandemic. This program is very profitable for micro business actors affected by Covid-19, such as the use of information technology on term of program communication, commitment to program implementation, an area that is not too wide, and support from the community. Although, implementing the BPUM program has several inhibiting factors, such as no monitoring and evaluation of program recipients, not yet optimal communication and coordination, lack of mastery of Information Technology, and not being right on target.

The suggestions provided by the research are expected to be utilized by the government, stakeholders, and business actors to access government programs more efficiently. The government needs to integrate MSME data between agencies in the government, the central agency, namely the Ministry of Cooperatives and SMEs, and local governments, namely the Provincial Cooperatives and SMEs Office and the City/Regency Cooperatives and SMEs Office. Coordination between institutions in the central government and local governments, as well as business actors, must be done massively to make it more efficient and use information technology systems. In the distribution of aid, it is necessary to involve various parties and massive communication between institutions so that it is distributed evenly. In addition, the need for MSMEs assistance for recipients of BPUM assistance so that the capital obtained can be helpful during the covid-19 pandemic is expected to be integrated with new product/service innovations.

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