



# **IMPLEMENTATION OF REGIONAL REGULATION NUMBER 7 OF 2014 CONCERNING EMPOWERMENT OF SMALL MEDIUM MICRO BUSINESS COOPERATIVES AT THE MANPOWER DEPARTMENT, TRANSMIGRATION OF SMALL AND MEDIUM BUSINESS COOPERATIVES IN NORTH BARITO REGENCY, CENTRAL KALIMANTAN PROVINCE**

**Robiyanto\*, Setia Budhi, Bachruddin Ali Ahmad**

Master of Government Science Study Program, Faculty of Social and Political Sciences, Lambung Mangkurat University,  
Banjarmasin City, South Kalimantan, Indonesia

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**\*Corresponding author**

## **Abstract**

The research objective is to understand in depth the implementation of PERDA No. 7 of 2014 regarding the empowerment of Cooperatives and SMEs in North Barito Regency. The research method is qualitative and descriptive type. Data collection techniques with interviews, observation and documentation. Data analysis using Miles and Huberman model. The study found that the implementation of PERDA Number 7 of 2014 in the content of policy and the context of implementation, targets the interests of the target group of Cooperatives and MSMEs as stated in the content of the policy, the types of benefits received. In the research, there are inhibiting factors, namely inadequate programs and human resources. Community support is still not strong and cooperative management is weak. Empowerment by way of guidance or assistance is considered to be more effective and efficient so that the predetermined targets can be more easily achieved. Barriers to the development of cooperatives, which are still not of common interest but are individual profit oriented, should be revitalized to become multi-purpose oriented. So that the function and role of the cooperative can run optimally in accordance with its principles.

**Keywords:** Implementation, Empowerment, Cooperative-UMKM, North Barito Regency.

## INTRODUCTION

In 2004 the number of MSMEs was estimated to have exceeded 44 million MSME units and had absorbed more than 79.0 million workers or 99.5 percent of the total workforce in the same year. This number of workers increased by an average of 3.10 percent per year from the position in 2000. The contribution of MSMEs in gross domestic product (GDP) in 2003 was 56.7 percent of the total national GDP, up from 54.5 percent in 2000. Meanwhile, in 2003, the number of cooperatives was 123 thousand units with 27,283 thousand members, or an increase of 11.8 percent and 15.4 percent respectively from the end of 2001 (Nofianti, 2013; Suyahya, 2017; Asriati, 2018; Yusuf, 2021).

The Central Kalimantan Province Cooperatives and MSMEs Service was stipulated by the Central Kalimantan Governor Number 3 of 2012 Amendment to the Regional Regulation Number 6 of 2008 dated 18 April 2008 regarding the Organization and Work Procedures of the Central Kalimantan Provincial Office. And there was a change in PERDA and PERGUB where the Office of Cooperatives, Small and Medium Enterprises of Central Kalimantan Province was stipulated in the regulation of the Governor of Central Kalimantan Number 44 of 2016, based on PERDA No. 04 of 2016 concerning the Establishment and Composition of Regional Apparatuses of Central Kalimantan Province. Therefore, in connection with the purpose of preparing this LKIP, it is necessary to first describe matters relating to the position, duties and functions of the Central Kalimantan Province Cooperatives and MSMEs Office.

The development of the implementation of one-stop service units in various districts/cities; the formation of cross-agent forums for empowering SMEs in the regions, providing assistance for land rights certification to more than 40 thousand micro and small entrepreneurs in 24 provinces; development of a network of business development services by business development service (BDS) providers in the regions accompanied by the formation of an association of Indonesian BDS providers; increased capital capacity of around 1,500 KSP/USP units in 416 districts/cities including KSP in the agribusiness sector; the establishment of a promotion center for cooperative and MSME products; and the development of an export-oriented and technology-based MSME development incentive system in the agro-industry sector (Susila, 2017; Munthe, 2020; Yusuf, 2021).

These results have encouraged the increasing role of cooperatives and MSMEs in expanding the provision of employment, economic growth, and equitable distribution of income increases, 2021).

The classic problem faced is low productivity (Lestari, 2010; Hendrayani & Manihuruk, 2018). This situation is caused by internal problems faced by MSMEs, namely: the low quality of MSME human resources in management, organization, mastery of technology, and marketing; weak entrepreneurship of MSME actors; and limited access of MSMEs to capital, technology and market information, and other factors of production. Meanwhile, the external problems faced by MSMEs include the large transaction costs due to the unsupportive business climate and the scarcity of raw materials (Haris & Puspaningrum, 2016).

Obtaining formal legality is still a fundamental problem for MSMEs in Indonesia, following the high costs involved in obtaining permits (Riani, 2011; Ratnasari, 2016; Parapat, 2021). Meanwhile, the lack of understanding of cooperatives as business entities that have unique/distinctive institutional structures and incentives compared to other business entities, as well as lack of public information about correct cooperative practices (best practices) have led to the low quality of cooperative institutions and organizations (Chalik et al., 2014; Mashar, 2015).

Along with these problems, cooperatives and SMEs also face challenges, especially those posed by the rapid development of economic globalization and trade liberalization along with the rapid rate of technological progress (Kurniawati & Lestari, 2013; Yunirti, 2019; Nuswantoro & Jaya, 2021). In general, the development of cooperatives and MSMEs in 2006 is expected to still face basic problems and challenges as faced in the previous year, namely low productivity, limited access to productive resources, low quality of cooperative institutions and organizations, and lagging performance of cooperatives (Garuda, 2010; Saidi, 2008).

The SME Cooperatives Office of Central Kalimantan Province in collaboration with the Department of Manpower, Transmigration, Cooperatives and SMEs (Disnakertranskop and UKM) of North Barito Regency held a business management and marketing training at the Muara Teweh Hotel, Friday, October 18, 2019. Head of Manpower and Transmigration Office and UKM of North Southeast Barito "The vision and mission of the regional head for the 2019-2023 period is the realization of accelerated development in various fields as well as improving the economy of the community in a just manner towards a sustainable and prosperous North Barito Regency. The importance of this research is to contribute to the development and empowerment and revitalization in general and especially Cooperatives and SMEs in North Barito Regency.

In connection with the problems and phenomena of cooperatives mentioned above in the implementation of local government policies in the form of regional regulations. The other section describes the business climate, protection and meeting the targets of the central government's policy programs. Therefore, it is necessary to conduct research related to the implementation of Regional Regulation Number 7 of 2014 concerning Empowerment of Cooperatives and Micro, Small, Medium Enterprises in Manpower, Transmigration, Cooperatives and SMEs Service Offices in North Barito Regency.

## **RESEARCH METHOD**

This study uses a qualitative descriptive approach, namely to find out or describe the reality of the events being studied or research conducted on independent or single variables, namely without making comparisons or connecting with other variables. In addition, descriptive research is also limited to efforts to disclose a problem, situation or event as it is so that it is merely revealing facts and providing an objective picture of the actual state of the object under study.

This research belongs to the type of descriptive research, which is intended to study and find out intensively about the background of the problem, circumstances, situation, position of an event that is currently taking place and is happening at this time, as well as the environmental interactions of certain social units that are what the research subject is. in the form of individuals, groups, institutions, institutions or society. Descriptive research is an in-depth study of certain cooperative government institutions and MSMEs and the results of this study provide a broad and in-depth picture of the role of government in empowering cooperatives in North Barito Regency.

Data and information that are very necessary for this qualitative research, it will be necessary to have research informants. The key informants in this study were the Cooperative Chair, Cooperative Secretary, Cooperative Members, Cooperative Assistant, Head of Cooperatives, Head of UKM, Representatives of Savings and Loans Groups and Representatives of Cooperative Observer Groups, Cooperative Observers (related agencies in the district) in the North Barito district, Kalimantan Province. Middle.

Data collection techniques include observation, interviews, and documentation. Observations were made to obtain preliminary information related to the existence of cooperatives and their development in North Barito Regency. Initial information will determine who is actively involved and for further interviews to be conducted. Interviews were conducted in-depth and intensively using a list of questions in the form of interview guidelines which were specially designed for research so that the research objectives could be achieved. Documentation is done by recording sound, coverage, video is a form of information, either documents or notes related to research problems.

The data obtained will be arranged systematically in each category. The tendency of each category will be analyzed so that it is hoped that a picture will emerge that can reveal the research problem. The technique used in this study is a qualitative analysis technique according to Miles and Huberman in Sugiyono (2012) to analyze the data in the study by going through three stages, namely:

- 1) Data reduction, namely the selection process, focusing on simplifying abstracting and transforming raw data or raw data that appears in written notes in the field. Data reduction is done by making summaries, developing coding systems, tracing themes, creating clusters and writing memos.
- 2) Data presentation, namely the process of compiling complex information in a systematic form so that it becomes simpler and more selective. And the meaning can be understood, the presentation of the data is intended to determine meaningful patterns and provide the possibility of drawing conclusions and taking action. After the data is reduced, the researcher presents the data so that the data regarding the research can be organized, arranged in a relationship pattern to facilitate understanding.
- 3) Drawing Conclusions, Drawing conclusions according to Miles and Huberman (1996) is part of an activity from a complete configuration. Conclusions were also verified during the course of the study.

## **RESULTS AND DISCUSSION**

### **1. Results of Research**

#### **a. Contents of Regional Regulations**

In relation to the content of the PERDA that the dynamics of economic growth in North Barito Regency has experienced significant development and growth, this development cannot be separated from the increase in the number of business units in all sectors, both in terms of the number and types of businesses carried out by SMEs that contribute to increasing people's income. This has a direct impact on the development of regional income. Until 2018, according to data from the SME Empowerment Sector, the Cooperative and SME Office noted that the growth of cooperatives has increased every year, both in terms of the number and types of businesses run by business actors. The Head of the Cooperative, UMKM and Manpower Office, Drs. Southeast says:

The contents of the Perda when viewed in terms of benefits are very large, and can be read from the aspect of empowerment and protection of every community business. Therefore, the contents of the Regional Regulation are very much in line with efforts to develop the economic resources of the community. Protection for the business world is very important and is connected with the increasingly fierce business competition. Moreover, North Barito Regency is dependent on other regions as a source of economic support. The openness of this region allows the entry of rulers outside the region.

Field research shows that the quality of cooperative managers is still largely low, with minimal technical expertise, competence, entrepreneurship and management; On the other hand, it is difficult for cooperative actors to develop because they do not reach an economic scale of business, with individual business entities, closed business management and inadequate business legality and institutional administration.

### **b. Implementation Environment**

Implementation will be better if it is interpreted as an administrative process to execute political decisions by utilizing a series of policy instruments to produce social change in the desired direction, which also includes a series of negotiation processes between the implementor and policy targets to ensure the achievement of the policy mission (Sueca, 2020). Implementation is defined as a stage in the policy process that is between the stages of policy formulation and the results or consequences caused by that policy (output, outcome) (Ramdhani & Ramdhani, 2017; Sasmito & Nawangsari, 2019).

The preparation of the 2014 PERDA, there are differences in conditions at the time of preparation with current conditions. At first, the focus of activities arranged in the strategic plan was focused on socialization programs, this was more due to the conditions of cooperatives and SMEs at that time. The choice of priority for regional work plans that decide to change the focus of activities to the mission of developing rural/urban community economic enterprises, so that it is carried out in the Strategic Plan.

Policies from the central government in efforts to develop MSMEs with a focus on activities to the preparation of business formation which are the forerunners of SMEs and MSMEs. From the results of the research, BPMD's strategic plan in developing MSMEs has been implemented well, this can be seen from the achievement of performance indicators in the development program of rural economic institutions, namely the formation of independent micro, small and medium enterprises. In fact, this indicator has been exceeded because it is not only micro-institutions that are the forerunners of MSMEs that have been formed, but also the quantity or number. Regarding the implementation context, interview with the Office of Cooperatives, MSMEs and Transmigration:

"It is true that the formation of the Perda is to look at the situation and condition of the Cooperatives in Muara Teweh, we have to set a target for achieving the number of cooperatives fostered. The Perda is needed as an umbrella for the rules so that we can move in the field to implement it. Moreover, the central government is trying to make MSMEs as strongholds. local economy. The program target as mandated in the regional regulations, we continue to implement empowerment programs for cooperative units in North Barito, but this is also a target for the central government through the Ministry of Cooperatives and MSMEs.

### **c. Institutional Empowerment**

The description of members and actors of cooperatives and SMEs based on education level and age group includes First, based on the level of education completed, the proportion of cooperative administrators graduated from high school (31.93%) compared to those who graduated from SD and SMTP which were 25.41% and 15.57%. Meanwhile, SME entrepreneurs who did not complete elementary education/equivalent reached 16.39%. SME entrepreneurs with diploma education and above reached 10.66%. This shows that the quality of human resources is still inadequate. The number of UKM actors according to the level of education completed is 894 elementary school graduates, 486 elementary school graduates, 750 SMTP graduates, 644, DIII

and S1 graduates 81. Second, 17,655 actors , the grouping of Cooperative and SME actors based on age, shows the following percentages: (1) SME actors aged 20-24 years are 8.20%; (2) SMEs aged 25-44 years around 63.11%; (3) SMEs aged 45-64 years reached 24.59%; and (4) SMEs over the age of 65 are only around 2.46%. This shows that SME entrepreneurs in the city of Banjarbaru are generally young entrepreneurs (25-44 years old).

The size of the invested capital will greatly affect business turnover and the development of SMEs. The source of capital from a business indicates a legally valid condition for ownership of business capital. The condition of SME actors can be viewed from the proportion and source of capital ownership, as follows.

Table 1. Education levels of North Barito regency cooperative management and members in 2018-2020

No	Cooperative Type	Education		
		SMP	SMU	Sarjana
01	Saving and loan cooperative	19	45	10
02	Multipurpose Cooperative	15	33	7
03	Sharia Cooperative	10	17	8
04	Civil Service Cooperative	8	55	12
05	Market Cooperative	22	16	5
	Total	77	166	52

Data Source Processed, May 2020

The government's role in empowering SMEs is needed. The role of local governments as regulators is very ideal, because the government's role, which has been based on a facilitator approach for the present and the next few years, seems to be increasingly difficult. The role as a regulator is also very in line with the concept of people's economic development which is now more directed at empowerment (empowering).

Table 2. Number of North Barito regency cooperative empowerment activity programs 2018-2020

No	Cooperative Type	Empowerment		
		Socialization	Training	Accompaniment
01	Saving and loan cooperative	10	10	3
02	Multipurpose Cooperative	9	7	9
03	Sharia Cooperative	5	5	2
04	Civil Service Cooperative	12	12	10
05	Market Cooperative	15	15	15
	Total	51	59	39

Data source, Processed in 2020

Empowerment of SMEs can be done through partnership policies. This strategy is likely to be more effective than the government's role as a facilitator using a service strategy. Increasing access to productive resources is directly related to financing. Therefore, the development strategy is aimed at strengthening capital for SMEs in various forms of credit schemes, especially KUR, and various other forms of schemes that are in accordance with the conditions and needs of SMEs, including financing after land certification. Interview with the Head of the Department of Cooperatives and SMEs of North Barito Regency:

“A lot of training activities have been carried out, we have also made various brochures to provide direction and motivation so that the cooperative can continue to grow. This is part of the empowerment of cooperatives. In addition, members continue to make visits to several cooperative administrators both within the city as well as in the sub-districts and villages. The aim is to get input as well as a place to socialize about the importance of cooperatives for business activities”. At the next stage we always involve the media that we have been active in cooperative activities. We intend this media to convey the programs that we have implemented (To the Cooperatives and SMEs Office)

Optimizing the coordination of this policy direction is aimed at realizing the empowerment of SMEs that are more coordinated and participatory, supported by increasing the role of private and community institutions, providing national and regional regulations/policies that support the empowerment of SMEs. An important aspect in improving the business climate is the development of policies that facilitate and support the growth and development of SMEs.

#### **d. Capital Empowerment**

Program implementation activities in the context of growing new businesses are carried out through SME Business Meetings where SME actors and partners meet each other to help SME businesses. The strategic role of the Cooperatives and SMEs Service is to support and facilitate business meeting activities between SME players and banking partners and financial institutions in an effort to increase capacity and strengthen Cooperative business units with the hope of increasing the number of business volumes and production markets for SMEs participating in these activities. government policy that gives authority to regions to regulate and manage the interests of the community, the development of small, medium and cooperative businesses involves all components in the region.

Field research shows that in business development, the Cooperatives and SMEs Office always strives to improve the quality and quantity of business actors, including for superior products such as souvenirs and regional specialties, as explained by Pak UWI (interview in May 2020) below.

"We are happy to be able to make products typical of North Barito Regency such as lempok durian culinary, honey from river fish. But we frankly are still very limited in marketing. It is also good if the members of the cooperative are empowered by, for example, building a center by a cooperative managed by the cooperative, government assistance, or the local government connecting us with entrepreneurs or banks. Everyone of us is empowered so that we don't compete. As for competing, we need other supporting facilities and infrastructure for office activities. However, we want to convey here that the mentality of our society has changed, managing this cooperative is only people who are sincere for the benefit of the people. The rest are retired people."

#### **e. Empowerment of Business/Production Units**

Factors that support the role of empowering the Cooperatives and SMEs Office in SME Empowerment. The supporting factors for the role of the Cooperatives and SMEs Office in empowering SMEs are as follows: 1. There is support from banks to SMEs regarding the provision of capital for SMEs, which greatly assists SMEs in increasing their business. Support facilities provided by banks through the mechanism of providing loans with low interest rates will greatly assist SMEs in increasing their business scale to be larger than before. In addition, with this support, the market share of SME products will be more open and the ability of SMEs

to carry out market expansion will also be open, as well as encourage the efficiency of production activities for SMEs so that production capacity both in terms of quality and quantity will be better due to additional capital for activities. production from lending from banks. 2. The active role of associations in supporting SME empowerment activities that have a high contribution in efforts to empower cooperatives. Institutions or associations are very important and become strategic partners of the Department of Cooperatives and SMEs in developing and fostering SMEs to be more effective and efficient. This can be seen when the Department of Cooperatives and SMEs.

#### **f. Improving the Quality of Cooperative Human Resources**

The election of supervisors and administrators who incidentally are members of cooperatives should be chosen not from members who are solely high in their social strata, but are people who are considered capable and have sufficient logic in supervising and running cooperatives as commissioners and directors in other business entities. . The assistance can take the form of socializing to members about the cooperative concept when the cooperative will be established as well as training the personnel. Interview with community leader Pak Antung (43 years old) who is active in the field of empowerment.

It is not enough for the current management of cooperatives to only be social, mutual cooperation and togetherness, but they must be supported by an aggressive entrepreneurial spirit, many cooperatives remain in name because their management cannot see business opportunities. Now, BUMDES is popping up in every village. Cooperatives seem to be increasingly being abandoned. I have done a lot of mentoring, not only cooperatives but other NGO institutions. What I get is that we have felt that in the world of competition, financial institutions have reached villages, they have strong capital, good finances, a good network and a good management system. This is where the challenges faced by cooperatives in North Barito Regency come from.

#### **g. Improving the Quality of Cooperative Governance**

In order to improve the quality of management of cooperatives and MSMEs in North Barito, the Regent and the ranks of the Service take part in every activity outside the district, with the aim that the products of Cooperatives and MSMEs in this area are more widely known.

*“Pemerintah menggelar Festival UMKM dan Pariwisata Kalteng dalam rangka untuk mendorong perubahan perekonomian ke arah digitalisasi industri 4.0. Adapun pembukaan disaksikan secara langsung Menteri Koperasi dan UMKM, Menteri Pariwisata dan Ekonomi Kreatif serta lainnya. Dari daerah ini, Bupati Barito Utara, Nadalsyah, Asisten II, Kadis Nakertranskop dan UKM, Kadis Budparpora, Ketua TP PKK dan perbankan turut mengikuti jalannya pembukaan. Dalam kesempatannya, Nadalsyah mengatakan kegiatan ini dapat menjadi peluang bagi para UMKM dan pemkab untuk dapat memasarkan produk-produk serta pariwisata daerah. “Dengan website sebagai media promosi dan penjualan pada masa keterbatasan mobilitas masyarakat, diharapkan dapat memacu tingkat pertumbuhan ekonomi,” kata Nadalsyah. Selain itu, saat ini UMKM yang telah terdaftar dan teregistrasi pada Disnakertranskop dan UKM Barito Utara sebanyak 969. “Tentunya akan menjadi peluang yang sangat baik untuk memasarkan hasil produksinya,” jelasnya. Sementara itu, Kepala Perwakilan Bank Indonesia Provinsi Kalimantan Tengah, Rihando menyampaikan dampak pandemi covid-19 mengakibatkan turunnya kinerja UMKM dan pariwisata daerah. Tetapi juga menciptakan banyak peluang, mendorong integrasi ekonomi dan digitalisasi secara cepat”.*

## **2. Research Discussion**

### **a. Findings in Research**

Implementation as one of the stages in the policy process of the North Barito Regional Government, usually implementation is carried out after a policy is formulated with clear objectives. Nugroho (2012), Policy implementation in principle is a way for a policy to achieve its goals, nothing more and nothing less. To implement the policy, there are two choices of existing steps, namely direct implementation in the form of programs or through the formulation of derivative policies or derivatives of these policies. The derivatives of PERDA are activities and programs which in this case are the empowerment of cooperatives and MSMEs.

Santoso (2002) states that implementation will be better if it is interpreted as an administrative process to execute political decisions by utilizing a series of policy instruments to produce social change in the desired direction, which includes a series of negotiation processes between the implementor and policy targets to ensure the achievement of the mission. policy. Implementation as a stage in the policy process that is between the stages of policy formulation and the results or consequences caused by the policy (output, outcome).

The government is the first focus in an effort to accelerate changes from the top level to the lowest level (Tahjan, 2007). The government has an important and decisive role in fulfilling and serving the needs of the community, government services to the community are a necessity and a necessity because the people are the holders of state sovereignty. By understanding the authority of the central government and local government respectively, the next issue can be stated that at the implementation level it is important for the government to find an effective mechanism with the available resources (Purwanto, 2012).

This is used to make various breakthroughs in the form of general policies, strategic programs and operationalization of activities so that they are able to create change for every individual and community group in general. In this regard, the existing authority of autonomous regions is regulated in Law Number 23 of 2014. The implementation of community empowerment through cooperatives is in accordance with the stages of empowerment: 1) capacity building and 2) capacity transformation to be able to take on roles. 3) improvement of initiative ability and innovative ability on independence. Strengthening cooperative institutions as and empowering the community through independence and competitiveness.

The paradigm shift from government to governance has implications for the emergence of two other actors besides the state, such as society and intermediary groups, namely the media and political parties, making the context of empowerment important (Peter, 2000)<sup>3</sup>. The meaning of empowerment (empowering) in absorbed Indonesian is written as empowerment, which basically is to give power to the community to make this entity an actor that needs to be strengthened in its existence and position.

Empowerment efforts have existed since 1980 along with the dissemination of good governance ideas throughout the world. In the case of Indonesia, the echo of empowerment only started at the end of 2006. In this case, there are two basic tendencies towards the emergence of empowerment; First, the primary tendency, namely the emergence of capacity limitations owned by the state in the control and regulatory functions so that extra independent parliamentary powers are needed to control. Second; The secondary trend is the need to strengthen the capacity needed by the community in strengthening its institutionalization capacity as an empowered actor.

Empowerment is defined as an activity to give power to the community to become an entity that has strength in the existence of a position in its environment. There are 3 (three) keys to empowerment that can be done (Ken Blancard, 2002)<sup>6</sup>, namely;

- 1) Sharing accurate information with everyone is the initial key to empowering the target group, by: a) Letting people understand the real situation, b) Building trust across empowerment targets, c) Eliminating traditional hierarchical thinking, d) Helping people become more responsible, and e) Encourage people to act like empowerment.
- 2) Creating autonomy through the limits of work authority, with steps; a) Building autonomy on the basis of sharing information, b) Clarifying Vision/goals by asking for input from each object of empowerment, c) Helping in translating the Vision into empowerment roles and targets, d) Determining the values and rules that underlie the desired actions , because if the values are clear then decision making will be easier, e) Develop structures and procedures that can empower people, and f) Remind everyone who is the object, that empowerment is a journey.
- 3) Replacing hierarchical thinking with independent teams, by teaching others everything they can do to not be dependent, for it is necessary ; a) Empowered teams can do more than empowered individuals, b) People don't start with knowledge of how to work in independent teams, they will be empowered directly in a team, c) Dissatisfaction must be recognized as a natural step in the empowerment process , d) Everyone must be trained in Team skills, e) Commitment and support must come from superiors or empowering parties, f) Teams with information and skills can replace old thinking.

#### **b. Inhibiting Factors for Cooperative Empowerment**

Cooperatives are basically legal entities like other business entities such as CV, PT, Firm and so on. But on the other hand cooperatives are required to prosper its members. On the one hand, cooperatives clearly need profits for their business continuity, but on the other hand, their existence based on their establishment is to advance the welfare of their members. When cooperatives are seen as business entities, of course, cooperatives (in this case the manager) are required to optimize profits by getting as much income as possible.

However, considering the spirit of the establishment of cooperatives is to advance their members, cooperatives such as consumer cooperatives or savings and loan cooperatives certainly cannot take large margins (for consumer cooperatives) or cannot set large rates of return (for savings and loan cooperatives). Because this cooperative certainly operates to serve consumers who in fact are members themselves. As stated by one of the administrators of the cooperative, Bunda Lian (56 years old), she has been a member of the cooperative for a long time and wants a change in the program, so that it is not just a routine:

“Faktor kesadaran berkoperasi sering muncul dalam pelaksanaan dan operasional kegiatan koperasi, anggota-anggota yang berbeda pandangan, apalagi kemudian kalau koperasi diarahkan “hanya” untuk kepentingan pihak tertentu untuk tujuan yang jauh dari prinsip kebersamaan, faktor seperti ini seringkali dan bahkan menghambat perkembangan koperasi di daerah ini. Rendahnya kesadaran berkoperasi pada anggota koperasi sendiri bisa disebabkan oleh banyak faktor, salah satunya adalah rasa bosan para anggota koperasi dalam mengikuti kegiatan koperasi yang monoton. Kegiatan yang sedikit berbeda dan segar bisa jadi peningkat semangat para anggota koperasi untuk datang ke koperasi. Misalnya diadakan pertemuan rutin diluar rapat-rapat koperasi seperti acara seminar tentang pentingnya berkoperasi atau sekadar pertemuan

ringan sesama anggota koperasi dan bahkan mungkin kegiatan lain yang dapat memperkuat ikatan antar anggota”

The lack of development of cooperatives is also closely related to the financial condition of the business entity. Often the constraints on the capital owned by the cooperative hinder the development of cooperatives. This capital constraint could be due to the lack of strong capital support from within or even the opposite is too dependent on capital from sources outside the cooperative itself. Capital constraints from within are not strong, usually they cannot be covered by external sources of capital due to the lack of professional management of cooperative management. This can be caused by a lack of management such as poor bookkeeping or in terms of cooperative finances that are not healthy.

As a result, when the cooperative wants to apply for capital to external parties such as banks or other financial institutions, it is often rejected. Meanwhile, when accumulating capital from the cooperative's finances, it is less possible to expand the business due to too little rate of return obtained. On the other hand, when they rely too much on external capital, the costs that become the burden of the cooperative's activities are greater than the rate of return, so that from a financial point of view it is even more burdensome.

The low work ethic also affects. Apart from being related to the low quality of human resources, it can also be caused by a lack of stimulation to increase the work enthusiasm of the personnel involved in the cooperative's own activities. Organizationally, cooperative members (who are only limited to being members) only have a stake in raising capital whether it comes from principal savings, mandatory savings or other deposits. But on the other hand, those who are responsible and spend a lot of sweat and thoughts are the personnel involved in managing the cooperative, starting from the supervisors, administrators, or managers (managers).

Most of the existing cooperatives only rely on marketing based on conventional systems, for example the lack of publications either through leaflets, print media, electronics or the internet. Although it is possible that some have used the internet, television, radio, and others. However, many still rely on the old ways of disseminating information. MSME actors who live in Muara Teweh City (Mr. Binun, 58 years old) gave their opinion on a lot of information conveyed by the Ministry of Cooperatives.

“Dalam rangka memberikan kemudahan/penyerdahanaan persyaratan berusaha untuk mendorong UMKM go global, Kementerian Koperasi dan UKM (KemenKopUKM) dan BPOM Badan Pengawas Obat dan Makanan RI telah menandatangani nota kesepahaman. Nota kesepahaman tersebut menyepakati tujuan bersama dalam meningkatkan pelayanan perizinan dan keamanan produk dari Koperasi dan UMKM. Harapannya, Koperasi dan UMKM yang telah memiliki izin usaha dan izin edar yang lengkap bisa unggul dalam persaingan pasar lokal maupun global. Terus ikuti website dan media sosial resmi dari KemenKopUKM ya Sobat untuk informasi program-program peningkatan kapasitas usaha tersebut lebih lanjut”.

It is very important to utilize IT both for the benefit of product development and marketing. According to a study by the research institute AMI Partners, only 20% of SMEs in Indonesia own a computer. This is presumably due to the low adoption of IT by SMEs in Indonesia. Once again this is related to human resources and of course also limited capital. This study revealed that there are still many cooperatives under the auspices of the Cooperatives and UKM service that do not use computers because they do not feel important (82.2%), limited financial support and because they do not have the expertise to use database-oriented computer equipment and marketing tools.

## CONCLUSION

The implementation of PERDA Number 7 of 2014 in the content of policy is quite good, however, in the context of the context of implementation, there are still obstacles and implementation has not been maximized. Cooperatives and MSMEs as the target of PERDA have not taken full advantage of the business protection provided by the regional government. Achievements in the form of programs supported by human resources and assistance are routine activities. Even though the local government actually has a training program and assistance for Cooperatives and SMEs, community support is still not strong enough with the management of cooperatives related to their human resources. A strong cooperative organization can make MSMEs stronger. However, if the cooperative is not healthy, the business opportunities will become smaller and will not be able to compete with other economic institutions. But the problem is that product and marketing competition is the most serious, especially awareness of cooperatives which is still not maximized. It is targeted that the achievement of cooperative growth is still sluggish, but the achievement of MSME growth is quite good. The contribution of cooperatives and SMEs in the economy provides opportunities for the welfare of the community. However, the condition of cooperatives in North Barito Regency from year to year has fluctuated. Some of the inhibiting factors for the development of cooperatives and SMEs include human, financial, mentoring and mentoring aspects and cooperative skills that have not been maximized.

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