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## Empowerment of Pmi Based Collaborative Government Productive Economies

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### Abstract

Referring to the results of the field study, a number of contrasting similarities and differences can be emphasized regarding the micro and macro performance of BPUM. The similarities are that the majority of beneficiaries of the BPUM program are women, they are still within the productive age limit, the allocation of funds assisted by BPUM is more used to strengthen their micro business capital, they generally do not have micro business diaries, do not yet have a NPWP, and micro businesses have been established for a relatively long time. On average, it was more than 1 year ago, so that among ordinary citizens, there was no specific phenomenon of the occurrence of symptoms of residents flocking to establish micro-enterprises solely to welcome the arrival of the BPUM program grant aid program. Meanwhile, the most prominent difference relates to the collaboration process between the proposer and distributor with village/kecamatan officials. In the implementation of the BPUM program in urban areas, the proposing and channeling banks did not systematically dominate the process of determining potential recipients of the BPUM program. In contrast, in rural areas, the proposing and channeling banks greatly dominate the process of determining potential beneficiaries of the BPUM program to be proposed and channeled through the banking sector. The dominance of the proponents and distributors has led to deviations which tend to be 'silenced', particularly with regard to the application of the criteria for prospective recipients of the BPUM program who have never received the BP-UM program in the previous year. Whereas in the existing formal regulations, there is no requirement like this. This tendency to be dominated by proposers and distributors has made it difficult to achieve synergy or synchronization between the BPUM program and other MSME empowerment programs. Including the synergy of the BPUM program with the desmigrative program, as well as the phenomenon of decline in MSME businesses, this has become a common feature of the dynamics of other MSMEs in the era of the Covid-19 pandemic throughout the country or occurring in various parts of Indonesia. In order to achieve synchronization between the BPUM program and various other MSME empowerment programs, it is recommended that the central government institutions: (1) make a national and high-level joint commitment to MSME development; (2) the formation of the National MSME Development Council chaired by the President of the Republic of Indonesia is one of the options to realize this high-level commitment; (3) adjustment of regulations regarding the Kemenkop UKM institution as the coordinator and harmonizer of MSME empowerment policies and programs in Indonesia. Institutional strengthening of the Ministry of Cooperatives and SMEs is needed so that this ministry has the authority and capacity to carry out cross-sectoral coordination functions, including building an integrated program database and reporting cross-sector MSME empowerment programs in a "one-gate policy"; (4) amendment to Law Number 20 of 2008 with the additional article that the Ministry of Cooperatives and Small and Medium Enterprises is the overall coordinator of the MSME empowerment program at the national level and has the right to organize an integrated database system across sectors and a system for monitoring and evaluating policies and programs; (5) increasing the category of authority of the Ministry of Cooperatives and SMEs to category-1 to carry out the function of harmonizing policies and special programs for SMEs; (6) budget allocation for the Ministry of Cooperatives and SMEs to build a database and report on cross-sector MSME empowerment policies and programs at the national and regional levels; (7) building an integrated database of MSME empowerment programs at the national and regional levels. After having coordinating authority through the regulation adjustment stage, the Ke-Menkop UKM can coordinate the preparation of an integrated database of comprehensive MSME empowerment policies and programs at the national and regional levels. Kemenkop UKM can then identify overlapping program recipients and identify policy and program needs for various types of MSMEs, and (8) build a monitoring system and evaluate policies and programs for empowering MSMEs.

**Keywords:** Empowerment, Pmi Based, Collaborative Government, Productive Economies

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## Introduction

BPUM's Joint Program Monitoring Team (2021) emphasized "productive assistance for micro businesses besides being a cash buffer so that MSMEs can survive during a pandemic, it also functions as a complement to other government assistance programs (TNP2K, 2021). Therefore, in the future "the synergy between the BPUM program and other empowerment programs really needs to be improved" (TPBP-BPUM, 2021). A similar issue was conveyed by TKPKE-S'TNP2K & LD FEB-UI (2021) which emphasized "the many empowerment programs and implementing agencies have created various MSME empowerment programs, the results have not been optimal. Therefore, synchronization and harmonization of MSME empowerment programs is urgently needed. In line with the issue of urgency for synergizing and synchronizing between various empowerment programs, starting in 20119 researchers have been continuously assisting the productive economic businesses of ex-migrant women in the village of Arjowilangun Kalipare District, Malang. The PMI groups have a productive economic business in the form of vegetable chips made from local cassava leaves. In order to open new markets and grow the business, it has been agreed to form a partnership with the former 'super migrant worker', Mr. Suyekti, who also lives in the village of Arjowilangun. He is known as a super TKI thanks to having a productive economic business based on various fried cassava chips which are marketed all the way to the capital city of DKI Jakarta. Through this productive economic business, Mr. Suyekti was able to earn a turnover of up to Rp. 400 million per month. Apart from that, they have also been able to employ 30 former PMI women who come from and at the same time live in the village of Arjowilangun. In line with the Covid-19 pandemic, which is full of 'non-man-made' patterns, "has made MSMEs 'proven vulnerable' to economic crises" (OJK & BCG, 2020: xii), including Mr. Suyekti's productive economic business. So that plans to establish partnerships or partnerships, become neglected or fall apart. In line with the Government's concern and commitment to the sustainability of MSMEs during the pandemic, this article aims to highlight the performance of efforts to synchronize the BPUM program with other empowerment programs at a narrower level. Specifically, at the micro level at the village level as well as the results of research in Arjowilangun village in 2021. The results of this field research are then compared with performance at a larger level, in true harmony, the central goals and expectations for the BPUM program are to be synergized with other empowerment programs, the formulation of the problem to be studied is:

1. How is the actualization of the process of collaboration between stakeholders at the micro level in Arjowilangun village in supporting the implementation of the integration or synergy of the BPUM program in 2021, especially with the desmigrative programs?
2. What are the results achieved (temporary impact) from the collaboration process between stakeholders at the micro level in Arjowilangun village in supporting the implementation of the BPUM program which will be implemented in 2021, including for synergy with other empowerment programs, especially desmigrative programs?

Starting from the formulation of the research problem, the central objectives of this research are: (a) to examine, describe and analyze the various activities carried out in the collaborative process between various stakeholders at the micro level to support the implementation of the BPUM program in 2021 in Arjowilangun village , including synergy with other empowerment programs, especially desmigrative programs; and (b) review, describe and analyze the various main impacts that have arisen at the micro level from a series of collaborative actions on the dynamics of MSMEs receiving the BPUM program in 2021 in Arjo-wilangun village, including for synergy with other empowerment programs, especially desmigrative programs. The central benefits of the research are divided into 2 (two) groups, viz. (1) academic benefits, especially in the form of sharpening, deepening and enriching research results at the micro level related to the implementation of the BPUM program, especially in the midst of the Covid-19 pandemic, and (2)

practical benefits, especially in the form of strengthening and improving the quality of collaborative actions to support the implementation of the BPUM program at the micro level which is more integrated with other empowerment programs, especially with the desmigrative program in Arjo-wilangun village in the future. especially at the macro or national level.

During the last two decades, a new government strategy emerged "collaborative governance". Ansell & Gash (2007) defines collaborative governance as a regulation that regulates one or more public bodies directly involving non-state stakeholders in a collective decision-making process that is formal, consensus-oriented and deliberative (deliberative) that aims to make or implement public policy or managing programs and/or public assets. Smith (1998) argues that collaboration is a representation of the main interest groups. Connick and Innes (2003) also define collaborative governance as representing all relevant interests. Whereas Reilly (1998) describes collaborative governance as an effort to solve problems that involve government institutions and concerned people. So, collaborative governance is concluded as an effort to solve problems through representatives of relevant interests by involving the government and non-state stakeholders. Collaborative governance is intended to distinguish it from two alternative patterns of policy making, namely adversarialism and managerialism (Bussenberg, 1999; Futrell, 2003; Purba et al., 2019; Williams and Matheny, 1995). The adversarialism pattern explains that collaborative governance is not a form of intermediation with the concept of "winner-take-all". In collaborative governance, stakeholders will often experience debate with each other which goal is to be more cooperative. Debates in the world of politics will involve bargaining to develop cooperative alliances between interest actors. Meanwhile, the pattern of managerialism, political institutions make decisions unilaterally or through closed decisions that rely on experts in making decisions (Futrell, 2003; Williams and Man-theny, 1995). So, it can be concluded that collaborative governance focuses on evaluating the results of the collaboration process rather than the results of policy or management. Following is the collaborative governance model according to Ansell and Gash (2007).

Micro, small and medium enterprises (MSMEs) have a very significant role in the economies of developing countries. Formal small and medium enterprises have contributed to 40 percent of the gross domestic product (GDP) in developing countries. Even according to the World Bank (2020), where "as many as 90 percent of business entities are MSMEs whose contribution to global employment reaches 50 percent" (TNP2K & LD-FEB UI, 2021:19). TNP2K then classifies MSME empowerment policies based on 3 main pillars<sup>8</sup>, namely MSME, financial institutions, and ecosystems that support MSME in Indonesia. These three main pillars are aimed at: (1) increasing the business capacity and competence of MSMEs, (2) encouraging financial institutions to be friendly to MSMEs, and (3) increasing cross-sectoral coordination to support the MSME ecosystem, including licensing. Of the 120 programs identified, 72 programs are part of Pillar 1, 11 programs are related to Pillar 2, and 37 programs are included in Pillar 3 (TNP2K & LD-FEB UI, 2021). Even though grouping has been carried out, the implementation of the MSME program is often seen as still not optimally supporting MSME development. The Organization for Economic Co-operation and Development (OECD) report in 2018 stated that "the small business scale compared to international standards and the low labor productivity in the MSME sector are indications that efforts to develop MSME have not been optimal" (TNP2K & LD- FEB UI, 2021). The results of the OECD study show that "economic ecosystems that still do not support the ease and sustainability of doing business, as well as the lack of national-scale MSME policy coherence and program synergies for business development services, are obstacles to MSME development in Indonesia" (TNP2K & LD-FEB UI, 2021 :19). So, the government's efforts to support MSME development are not sufficiently demonstrated through the existence of various MSME development policies and programs. More than that, it is very urgent for more structured efforts to synergize various policies, programs and MSME development activities between

sectors. The absence of this more structured effort has resulted in various MSME empowerment programs that have been implemented so far, the results of their development are often "assessed as not yet optimal" (TNP2K & LD FEB-UI, 2021:57). This condition was primarily triggered by the frequent occurrence of overlapping or clashing policies between ministries, which resulted in an uneven distribution of information and assistance. Coordination, synergy, and synchronization are very important to overcome conditions like this (Siahaan et al., 2022; Nasution et al., 2023; Ingtyas et al., 2021).

Synchronization and harmonization of MSME empowerment programs is considered to be able to increase the effectiveness of program implementation, especially to develop MSME businesses and contributions. This synchronization effort requires complete information about the distribution and types of MSME empowerment programs, as well as the preparation of a synchronization implementation model. The results of the Mapping of the MSME Empowerment Program that have been compiled by TNP2K and the FEB UI Demographic Institute show that MSME empowerment programs generally focus on capital for micro-scale enterprises. As for programs aimed at building competency and expanding market access, they are still carried out with relatively small coverage and do not have clear target criteria for recipients/participants. In order to increase the effectiveness of the MSME empowerment program, the Indonesian government has a vision to synchronize the MSME empowerment program. In this vision, the Ministry of Cooperatives and SMEs has an important role in coordinating policies, programs and data collection for MSME programs, as well as program recipients/participants. However, to carry out the coordinating function properly, the Ministry of Cooperatives and SMEs needs support in the form of regulations and institutional changes. One of the things that is needed by the Ministry of Cooperatives and Small and Medium Enterprises to carry out the role of inter-K/L coordination is to increase the level of organization as a coordinator so as to enable the technical Ministries/Institutions to report programs and data to the Ministry of Cooperatives and Small and Medium Enterprises. In addition, strengthening human and organizational resources is also needed so that the Ministry of Cooperatives and Small and Medium Enterprises is able to build a database system, policies and programs in the "one gate policy". Experience from Malaysia, India and Taiwan shows that the commitment to bring MSMEs to a higher level and on a national scale, is a very important first step to streamline the implementation of program synchronization, both through separate agencies and through ministries" (TNP2K & LD-FEB UI, 2021).

## **Methodology**

According to the formulation of the problem and the central objective of the research, the type of research used is case study research in the form of a descriptive study with a qualitative approach. The main methods of data collection were used, in the form of: in-depth interviews based on an 'interview guide', and collection of relevant documents. The research location is in the village of Arjowilangun Kalipare, Kab. Poor. The choice of research location was based on the results of previous research, where the village of Arjowilangun had been selected as a 'pilot village' in the 'Productive Migrant Village (Desmigrative)' program by the Ministry of Manpower. While the research site is the place where the researcher collects data, in particular: the Arjowilangun Village Office and the residential addresses of the target groups of the BPUM program and the initial potential partners. The central focus of the research includes: (a) a series of concrete actions taken in order to realize collaboration and integration with other empowerment programs in the implementation of the 2021 BPUM program in the village of Arjowilangun Kalipare, Malang Regency in the midst of the Covid-19 pandemic. In particular it includes: key actors involved in a growing process of collaboration and integration; the substance of the collaboration and integration that was mutually agreed upon, (b) the main impact of the collaboration on the dynamics of the economic development of BPUM program beneficiaries in Arjo-wilangun

Village; and (c) various supporting and inhibiting factors in developing collaboration and integration with the desmigrative program in the context of implementing the 2021 BPUM program in the village of Arjowilangun.

Furthermore, the main data sources in this study are grouped into two, namely: (a) Primary Data, which is data and information obtained from research results originating from informants in field studies. This primary data source was obtained through in-depth interview techniques with key informants. The key information includes: (1) the head of the village of Arjowilangun, (2) the head of the village head who handles the implementation of the BPUM program, and (3) the target group who are recipients of the BPUM program, namely 9 BPUM recipients in 2021 selected by purposive sampling; (b) Secondary Data, is data obtained from various documents and graphics as well as objects and others that can enrich the primary data. Secondary data in this study are in the form of archives related to forms of activity and their results in the context of implementing the BPUM program for the 2021 fiscal year in the village of Ar-jowilangun Kalipare, Malang Regency. The data analysis technique is in the form of a qualitative descriptive analysis technique which is carried out interactively and continues continuously until completion. As emphasized by Miles, Huberman and Saldana (2014: 30) the qualitative analysis of several activity flows which is an interactive process, aims to present data in a systematic, factual, and accurate manner. The flow of data analysis includes the following; 1) Data Collection, 2) Data Condensation, 3) Data Display, 4) Drawing and Verifying Conclusions.

## **Results and Discussion**

### ***Process and Micro Performance of the BPUM Program in Arjowilangun***

The BPUM program in Arjowilangun village starting in 2020 and 2021 has been running quite massively. As explained by the key informant-2 who plays the role of head of the Barisan hamlet and implementer of the 2021 BPUM program in Arjowilangun village. He was also a migrant worker in South Korea in the period 2001-2007. He explained that "the number of beneficiaries of the BPUM program in 2021 in Arjowilangun village is 475 people". In terms of determining the recipients of the BPUM program, it was explained that "in 2020 the recipients of the BPUM program will be more prepared and determined by the proposing and channeling banks, namely the BRI bank itself. The village side is more than just facilitating the distribution of BPUM program funds from the BRI bank as the proposer and distributor to the target group of residents in the Arjowilangun village area in particular. There is no intensive involvement from the village in the registration process to determine the number and names of residents who will be proposed as potential recipients of the BPUM program in 2020. However, in 2021, the process of proposing and disbursing BPUM program funds has begun to change significantly. As explained by the key informant-2 through 'in-depth interviews' explained that "in 2021, the BRI bank as the proposer and distributor has begun to open up to collaborate with the village in the process of registering residents to be proposed as potential recipients of the BPUM program in 2021. For Based on this information, the village side is working with the local RT head to register residents who have micro-businesses to be proposed as potential recipients of the BPUM program in 2021. There are also the number of potential recipients of the BPUM program in 2021 proposed by the village. through the local RT head in the village of Arjowilangun, there were 475 residents who all owned micro businesses and in the previous year had not or did not receive a similar BPUM program.

Regarding the amount of BPUM funds received by the target community in 2021, as explained by

the kungsi-2 informant, namely: "As for the amount of BPUM assistance in 2021, the amount is Rp. 1.2 million per micro business actor. This amount is smaller than BPUM in the previous year, namely in 2020 which reached Rp. 2.4 million per micro business actor. So there is a decrease in terms of the amount of aid provided by the government and will be received by residents who will be the target group for the 2021 BPUM program recipients. The next information related to information on the main requirements for becoming a recipient of the BPUM program and the duties of the village party as explained by him, namely "the main requirements include: having an original KTP and Family Card, not having the status of ASN either PNS, TNI and Polri or BUMN, owning a business micro businesses that are self-managed and managed, have never received a BPUM program or other assistance from banks, such as KUR and the like, do not have to have an account at a bank, including an account at BRI, because they will later be made an account by the bank as the proposer and as well as distributors of the BPUM program to the target recipients". While the main task of the village, he further explained that key informant-2 explained that "to collect data on RT residents who have micro businesses. The citizen data collection is mainly carried out directly by the head of the local RT. The results of the data collection were then submitted by the head of the RT to the village. For those who own a micro business, a certificate of ownership of a micro business will be issued by the village apparatus, as well as a complete requirement to be submitted as a candidate for the BPUM program in the future.

The results of citizen data collection were carried out by the head of the local RT, then the key informants explained as follows: "after being collected and recapitulated in the sub-district or village of Arjowilangun, the results of the recap after being completed with a certificate as a micro entrepreneur as part of the requirements submitted as a potential recipient of the BPUM program in 2021. This recap data is then sent to the district for further recap by the district. After that, the results of the recap by the district were sent to the BRI bank as the proposer and distributor of the BPUM program funds in 2021. So, the method of registering potential recipients of the BPUM program in Arjowilangun village in 2021 is more 'direct/off-line' than 'online'. This registration method is more direct in nature, considered to be more concise and at the same time thorough, because it does not make the village and related parties carry out the same activity back and forth. Information on the certainty of residents as potential recipients of the BP-UM program, was delivered directly by the Bank through the main method, namely: "where the BRI submitted the draft names of the residents of Arjowilangun village which BRI proposed to become BPUM program recipients in 2021 to the village apparatus. Furthermore, village officials through the head of the RT convey it to residents who will be recipients of the BPUM program.

In terms of gender, "as many as 66.66% (6 people) of BPUM recipients were women, while the remaining 33.33% (3 people) were men". From the variety of businesses, they are spread across various micro businesses, in the form of: "(1) coffee shops, (2) pecel and vegetable stalls, (3) cattle fattening, (4) goat fattening, (5) mobile vegetable sellers, (6) grocery stores, (7) online sales for nesi, taperware & oriflamme, (8) hair salons and barbershops, and (9) HP services", Overall or 100% of residents receiving the BPUM program in 2021 stated that BPUM received from BRI is intact/full without deductions, namely Rp. 1.2 million". The informants who received the BPUM program in 2021, through in-depth interviews "on the whole (100%) knew or received information about the BPUM program. In particular, 66.66% (6 people) stated that they received BPUM information from the RT, and 11.11% (1 person) from the Bank, and 11.11% (1 person) from social media".

Then the main information received, "in majority 88.88% (8 people) regarding the requirements to become beneficiaries and as much as 11.11% (1 person) regarding the procedure for obtaining BPUM

program assistance". Meanwhile, regarding the registration method to become BPUM program recipients, "overall 100% (9 people) stated that the method for registering as BPUM recipient candidates was 'direct/off-line'. In terms of the registration method, "overall 100% (9 people) stated that registration could be done through 'registering with the RT/RW'. Apart from that, regarding problems with registration, "77.77% (7 people) stated 'no problems', while the remaining 22.22% (2 people) said there were problems, especially in the form of 'data not filled in' complete', especially with regard to the issue of business licenses considering that micro-entrepreneurs generally do not have any permits at all." Regarding the information aspect regarding disbursement, of the research respondents who were key informants, "as much as 77.77% (7 people) stated that they received disbursement information from 'RT to residents' and the remaining 22.22% (2 people) stated that they obtained disbursement information from the 'website/wa'. As for 'account activation', "overall 100% (9 people) stated they 'successfully activated', because like the previous year they received assistance funds from BPUM directly from BRI which was entrusted to village officials",

Regarding the issue of disbursing BPUM assistance, "overall, namely 100% (9 people) stated that they had disbursed it". As for the use of BPUM assistance funds, "88.88% (8 people) said BPUM assistance was used to purchase 'raw materials' and the remaining 22.2% (1 person) was used to purchase 'tools or production equipment'". Regarding the issue of whether there were additional costs when disbursing BPUM assistance, "as many as 100% (9 people) stated 'no' additional costs when disbursing BPUM assistance funds even though the funds were entrusted to village officials". As for the status of managed micro-enterprises, "overall 100% stated that when BPUM assistance was received, the status of the micro-enterprise was 'still operating', meaning it had not stopped or died". As for the amount of turnover from the recipients of BPUM funds in 2021, "the average is around Rp. 30,000 – Rp. 250,000 per day, with a dominant trend after assistance is received, sales turnover has increased from the previous period. Especially when compared to the period before receiving BPUM assistance. This includes those who have micro businesses in the form of fattening goats or cattle, where BPUM assistance can increase supplies or stocks of feed ingredients and medicines for their livestock. More specifically, the type or variety of micro-enterprises from BPUM program recipients is "there are 9 main types including: coffee shops, pecel and vegetable shops, online traders, mobile vegetable traders, goats, cattle fattening, cellphone service, and basic food shops". While business owners, "the majority of 66.66% (6 people) are women and the remaining 33.33% (3 people) are men".

From the proponent's point of view, it can be explained that "100% (9 people) of BPUM program recipients in 2021 are the villagers to Bank BRI in particular". Meanwhile, from the aspect of the length of time a micro business has, "at least 5 months for 1 person, more than 1 year for 3 people and the most dominant is more than 4 years for 4 people". This condition at the same time reflects that the existence of the BPUM program is not a triggering factor for villagers to set up micro-enterprises solely for the sake of pursuing the BPUM grant itself. In terms of age, the beneficiaries of the BPUM program, "the average ranges from 15-65 years or is still within the productive age limit and even very productive". Meanwhile, regarding the problems faced in the production aspect, the majority are very diverse according to the type of micro business that is occupied. In general, "there were 33.33% (3 people) who stated that there were no problems related to the production aspect, 11.11% (1 person) stated that they were just starting out in running their micro business, 11.11% (1 person) stated many rivals, 11.11% (1 person) stated that the price of animal feed and medicine was expensive, and the remaining 11.11% (1 person) stated that there were difficulties with the place of business. Meanwhile, with regard to problems related to the financial aspect, of the 9 BPUM

recipients, "only 11.11% (1 person) stated that there were no problems related to the financial aspect of the business and 11.11% (1 person) stated that they depended on their own money. The dominant part stated that "there are financial difficulties in running a micro business, especially related to the availability of operational cash to support the micro business. Likewise with regard to the cash reserves of micro-enterprises that they manage, 'only 11.11% (1 person) stated that there were no cash reserves and 11.11% (1 person) stated that they were sufficient through 'independent funds', and more dominantly there were the cash reserves for micro-enterprises are more in the form of funds from BRI in a roundabout way.

Regarding the main strategy for overcoming financial problems, "22.22% (2 people) said they tried not to borrow, and 22.2% (2 people) said they tried to make their own money." While for the rest, "the more dominant part stated that they were trying to borrow something from friends/family, from the bank and from non-bank parties". The time they started the youngest business was "at the beginning of 2021, namely 11.11% (1 person), and in 2000 there were 11.11% (1 person). The more dominant part is that they have established their micro business in 2015 or more than 4 years ago. Regarding the problem of the complementarity of the BPUM program with other programs, "as many as 88.88% (8 people) stated that they had not received other assistance and only 11.11% (1 person) stated that BPUM needed to be supplemented with other assistance. As for the assistance that is more expected, "only 22.22% (people) stated that it needed to be combined with cash assistance only, and as many as 77.77% (7 people) stated that a combination of cash assistance and business equipment was needed. Meanwhile, related to the use of daily business records, "only 55.55% (5 people) used daily business records and a smaller portion, namely 44.44% (4 people) said they did not use daily business records. Brands generally also do not have an NPWP, where "77.77% (7 people) stated that they did not have an NPWP, 11.11% (1 person) said they did not know, and only 11.11% (1 person) stated already have NPWP".

### ***Similarities and Differences in Micro and Macro Performance of the BPUM Program***

From the whole explanation above, there is a dominant trend when BPUM is carried out in urban areas such as research conducted by TPB-BPUM (2021) and micro-scale research related to the implementation of BPUM in rural areas. There are a number of striking similarities and differences. The similarities, in particular, are that the majority of beneficiaries of the BPUM program are women, they are still within the productive age limit, the allocation of funds assisted by BPUM is more used to strengthen their micro-enterprises, they generally do not have daily business records and do not yet have an NPWP, and micro-enterprises have been established for a relatively long time. . The average is more than 1 year, so it is true that among ordinary citizens there is no phenomenon of efforts by residents to flock to establish micro-enterprises solely to welcome the arrival of the BPUM program grant aid program.

Meanwhile, the most prominent difference is related to the collaboration process that occurs between the proposer and distributor and village or sub-district officials. In the implementation of the BPUM program in urban areas, the proposing and channeling banks did not systematically dominate the process of determining potential recipients of the BPUM program. On the other hand, in rural areas the proposing and channeling banks greatly dominate the process of determining potential beneficiaries of the BPUM program to be proposed and channeled through the banking sector. The dominance of the proponents and distributors has led to irregularities which tend to be 'silenced', especially the criteria for potential BPUM program recipients who are stated to have never received the BPUM program in the previous year. In fact, in a series of existing formal regulations, there is no



requirement like this. The tendency to be dominated by proposers and distributors has made it increasingly difficult to achieve synergy or synchronization and harmonization between the BPUM program and other MSME empowerment programs. Including the integration of BPUM with the demigrative program.

## Conclusion

Referring to the results of the analysis and discussion that have been carried out in the implementation of the BPUM program based on macro and micro perspectives, a number of conclusions can be drawn: (1) there are a number of striking similarities and differences in the performance of the BPUM program implementation in urban and rural areas. The dominant equation is that the dominant beneficiaries are women, are of productive age, the allocation of aid funds is more dominantly used to strengthen their micro business capital, they generally do not have daily business records, do not yet have an NPWP, and micro businesses have been established for a relatively long time. The average is more than 1 year, so that among ordinary citizens there is no specific phenomenon in the form of residents flocking to set up micro-enterprises solely to welcome the arrival of the BPUM program grant aid program; (2) while the most prominent difference relates to the process of collaboration between the proposer and the distributor with village/kelurahan officials. In the implementation of the BPUM program in urban areas, the proposing and channeling banks did not systematically dominate the process of determining prospective BPUM program recipients. On the other hand, in rural areas the proposing and channeling banks greatly dominate the process of determining potential beneficiaries of the BPUM program to be proposed and channeled through the banking sector.

The dominance of the proponents and distributors has led to irregularities which tend to be 'silenced', especially the application of the criteria for prospective recipients of the BPUM program having never received the BPUM program in the previous year. In fact, in a series of existing formal regulations, there is no requirement like this; (3) the implementation of the BPUM program is managed through the proposing and channeling banks, which has triggered a synergy between the BPUM Program and other empowerment programs, especially the desmigrative program, which is still far from expectations; (4) Synergy did not occur, because there was a strong tendency that the BPUM program itself had not been designed in a serious and consistent manner with the various characteristics of MSMEs and each MSMEs needed support and assistance which varied both in terms of the form and volume of assistance it needed; and (5) there is no synergy between the BPUM program and the desmigrative program in Arjowilangun village, which has triggered setbacks and even business bankruptcy for prospective collaborative partners and productive economic business groups of ex-migrant women or PMI who already exist but are still having difficulty growing. in the village of Arjowilangun, and (6) the phenomenon of decline in MSME businesses has become a common feature of the dynamics of other MSMEs in the Covid-19 pandemic era throughout the country or occurring in various parts of Indonesia.

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