



# **EMPOWERMENT OF SMALL AND MEDIUM INDUSTRIES BY DEPARTMENT OF TRADE, INDUSTRY, COOPERATIVES AND SMALL AND MEDIUM ENTERPRISES IN BENGKULU TENGAH REGENCY**

## **(Study of Small and Medium Industries Development Program in Bengkulu Tengah Regency)**

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### **ABSTRACT**

This study aims to determine the Empowerment of Small Industries by the Department of Trade, Industry, Cooperatives and Small and Medium Enterprises of Bengkulu Tengah Regency through the SMIs Development Program in Bengkulu Tengah Regency. This research is a descriptive qualitative research. Data sources are informants, observed events or activities, as well as documents and archives. The sampling technique used was purposive sampling, the instruments used in this study were interviews; observation; and document review..

The results of the study illustrate that the implementation of Empowerment of Small Industries by the Department of Trade, Industry, Cooperatives and SMEs in Bengkulu Tengah Regency. Steps to empower small industries based on Government Regulation Number 32 of 1998 concerning the Development and Development of Small Businesses begin with identifying the potentials and problems as well as the needs of small industries in Bengkulu Tengah Regency. The results are formulated into an empowerment program that will be implemented. While the Small Bamboo Crafts Industry in 2018 and 2019 received training in craft production and in 2019-2020 also attended direct visits to bamboo craft centers in Agam Bukit Tinggi Regency, Sumatra Barat Province and Black Bamboo Community Indonesia in Cimahi City of West Java.

**Keywords :** Empowerment, Small and Medium Industries, Office of Trade, Industry.

### **INTRODUCTION**

Along with the latest technological developments and cheaper production, transportation and promotion systems, international market competition is becoming increasingly stringent. Globalization of trade encourages domestic companies to assist the progress of state finances as a form of anticipation of the adverse consequences of the globalization boom.

The small and medium industrial sector is one of the priority areas for national economic development and has the potential to continue to grow. Because the industrial sector contributes to GDP growth, employment, investment, and exports, it is a sector that has a significant impact on the national economy. This country has a lot of natural resources that can be processed to meet domestic needs, thus industrial development has many potentials and benefits.

According to data from the Ministry of Industry of the Republic of Indonesia for 2021, the number of Small and Medium Industries in Indonesia has reached 4.41 million business units. The Small and Medium Industry sector is also able to absorb a workforce of 10.36 million people. With this amount, the SMIs sector makes a sizeable contribution to the Indonesian economy (<https://kemenperin.go.id>).

The existence of Small and Medium Industries (SMIs) in Bengkulu Province, especially Bengkulu Tengah Regency, is quite strategic in order to increase the economy. The development of SMIs in Bengkulu Tengah Regency itself is supported by Decree Number: 530-293 of 2020 concerning the Establishment of SMIs Centers in Bengkulu Tengah Regency, including: SMIs Centers for Various Processed Foods/Beverages (Kalamansi Syrup) in Pondok Kubang District; SMIs Center for Various Bamboo Crafts in Pondok Kelapa District; SMIs Centers for Coffee/Coffee Processing in Taba

Penanjung District; and the Andesite Stone SMIs center in Taba Penanjung District. The implementation of activities and everything related to the SMIs center is coordinated by the Disdagperinkop and SMEs Bengkulu Tengah Regency in accordance with their duties and functions.

## **MATERIALS AND METHODS**

This research focuses on examining the Implementation of Empowerment of Small Industries by Department of Trade, Industry, Cooperatives and SMEs of Bengkulu Tengah Regency through the Small and Medium Industry (SMI) development program in Bengkulu Tengah Regency. Aspects of research related to managerial aspects can be described by empowering steps in the Government Regulation of the Republic of Indonesia Number 32 of 1998 concerning fostering and developing small businesses.

## **RESULTS AND DISCUSSION**

### **1. Empowerment**

Empowerment can be interpreted as a process of obtaining power, strength or ability from those who have power to those who are less or less empowered. The process in this case refers to a series of actions or steps that are carried out chronologically and systematically which are the stages of changing from being less or not yet empowered to being empowered (Mardikanto, 2010: 20).

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### **2. Strategies of Empowerment**

In an effort to empower the community, according to Mardikanto (2010: 36) empowerment is carried out through 3 sides, namely: First, creating an atmosphere or climate that allows the community's potential to develop (enabling). Empowerment is an effort to build that power by encouraging, motivating and building awareness of its potential and developing it. Second, strengthening the potential or power possessed by the community (empowering). This strengthening includes concrete steps and involves providing various inputs as well as opening access to various opportunities that will make the community more empowered. Third, empowering implies protecting. Community empowerment does not make people more dependent on various charity programs.

### **3. Empowerment Principles and Objectives**

In an effort to empower SMEs, according to the Regional Regulation of Bengkulu Tengah Regency Number 10 of 2018 concerning Empowerment of Micro, Small and Medium Enterprises in Article 4 it states that the Empowerment of Micro, Small and Medium Enterprises is based on the principles of: Effective, Efficient, Integrated, Sustainable, Professional, Fair, Transparent, Accountable, Independence, Business Ethics and Environmentally Conscious

### **4. Small and Medium Industry Empowerment by Department of Trade, Industry, Cooperatives and SMEs Bengkulu Tengah Regency**

The Office of Trade, Industry, Cooperatives and SMEs of Bengkulu Tengah Regency implements empowerment of Small and Medium Industries through the SMIs development program, in practice the Empowerment focus is still limited to small industrial groups. Empowerment activities based on the List of Budget Implementation and the List of Implementation of Budget Changes are in the form of: Supporting Regional National Craft Council including SMI promotion activities and SMI training, construction of bamboo handicraft production houses along with tools and industrial monitoring and evaluation.

### **5. Program Setup Preparation of Guidance and Development Program According to Potential and Problems faced by Small Industries.**

After conducting surveys and data collection to identify the potential and problems faced by small industries, the Bengkulu Tengah regency Cooperatives and SMEs Industry Trade Service prepared a draft for the needs of an empowerment program to develop small industries in Bengkulu Tengah Regency.

## **6. Implementation of the Small Industry Development and Development Program**

The Office of Trade, Industry, Cooperatives and SMEs of Bengkulu Tengah Regency seeks to empower small industries through the SMIs development program to achieve increased productivity, Human Resource and marketing capabilities as well as improvement of facilities and infrastructure.

## **7. Small Industry Training**

Several small industry players in Bengkulu Tengah Regency for the 2018-2021 period such as small coffee processing industry players, various bamboo handicraft small industries, and various food/beverage processed small industries (Kalamamansi oranges) confirmed the implementation of small industry training activities. These training activities are quite helpful for small industry players in terms of increasing the capacity of small industry players, increasing the quality and capacity of products and handicrafts.

## **8. Promotion Activities**

Small industry product promotion activities were also confirmed and justified by small industry players in Bengkulu Tengah Regency where their small industrial products were assisted to be promoted by the Bengkulu Tengah Regency Department of Trade, Industry, Cooperatives and SMEs both through exhibitions and other events as well as through social media. In addition, they were also included in competition activities, as well as being introduced to the small industry community, based on the results of conformation with informants representing small industry actors: Alfred Samsuri, Ahmad Supanggi, Suwarno and Suminah.

## **9. Industry Monitoring and Evaluation**

Through this Monev activity, the latest information is collected as data that can be used as a reference for the preparation and implementation of future small industry empowerment programs based on informant Lusi Komariah, S.Sos. The Department annually conducts Monitoring and Evaluation activities for industry players, especially small industries in Bengkulu Tengah Regency, whether or not the budget is available and the limitations of the implementing team members. This shows the commitment and attention of the Department of Trade, Industry, Cooperatives and SMEs Bengkulu Tengah Regency to the sustainability of small industries in Bengkulu Tengah Regency.

## **CONCLUSION**

The small and medium industry development program as an empowerment effort is carried out in various business fields. The Small Industry Development Program can be summarized as follows:

1. Implementation of Empowerment of Small Industries by the Office of Trade, Industry, Cooperatives and SMEs.
2. Small Industry Monitoring and Evaluation (MonEV) activities in 2018-2019 were carried out using a budget and in 2020-2021 without Regional Revenue and Expenditure Budget or National Revenue and Expenditure Budget.
3. This research found other activities that have been carried out and carried out in 2019, namely the construction of packaging houses and equipment.
4. The implementation of Empowerment of Small Industries in Bengkulu Tengah Regency by the Department of Trade, Industry, and SMEs during the 2018-2021 period is already underway.

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