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**THE GOVERNMENT POLICY'S INFLUENCES ON ENTREPRENEURSHIP AND
INCREASING MICRO INDUSTRY INCOME TO REDUCE POVERTY**

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Abstract. The existence of Micro, Small, and Medium enterprises in Indonesia is cannot be underestimated. Moreover, it has contributed to the growth of economy. The government, especially Regional Government has established several efforts in developing the influence of Regional Government's policies on entrepreneurship. Thus, this research has **purpose** to know the influence of Regional Government's policies on entrepreneurship to reduce poverty. Afterward, this research is conducted in two regions in Indonesia which are Pamekasan and Tulungagung. The research used mix **method** approach between qualitative and quantitative. The **results** show that the Regional Government put more emphasis on three things. First, capital assistance is considered important because the micro industry is more based on families whose capital is limited. Second, marketing assistance is expected to expand the market reach of the products produced. Capital assistance is carried out with various schemes. Third, the training assistance as well as the fourth assistance for Industrial and Trade (TPL) extension workers. Yet, it found that several assistances provided by the government are insignificant. Hence, the right strategy in developing small industries in Pemekasan and Tulungagung Regencies is to increase attention to policies in terms of capital assistance and capital assistance which still face many obstacles. The obstacles faced are the limited budget for increasing capital assistance and marketing assistance. The ease of access to business assistance sources and the opportunity to participate in product promotion exhibitions is less affected by entrepreneurs. The right strategy in developing small industries in regions under research is to increase attention to policies in terms of capital assistance which still face many obstacles.

Keywords: micro, small and medium enterprises, government policy, regional government, poverty reduction, micro industry income

JEL Classification: D6, O4, Q0

INTRODUCTION

Micro, small, and medium enterprises in Indonesia is a contributor of economic growth. Morrison (2002) as researcher and observer of the small enterprises development stated that small businesses are well recognized and acknowledged worldwide as vital and significant contributors to economic development, job creation, and the general health and welfare of economics, both nationally and internationally. The similar statement has uttered by Mazzarol (2000); Storey (2016) in which small business is a booster for economic growth, innovation incubator and solution to reduce the unemployment in millennium era.

Based on the data from Research Centre Agency in 2012, industry sector has able to employ the

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labors amount 15.37 million people from 118 million work forces. From the employment by the industry sector, it count about 61,57% are obtained by Small and Medium Enterprises (IKM). In this case, the development of Small and Medium Enterprises is a way to empower the society under weak economy in any field of economics (Liedholm and Mead, 2013). The development of Small and Medium Enterprises should be performed sustainably to reduce the amount of unemployment and will also decrease level poverty.

Liedholm and Mead (2013) then explain further if the effort in developing society through Small and Medium Business formulated by creating programs that agreed by society itself. Then, the determination toward the burden equalization for small industry is based on the assumption of the weak condition's phenomenon of micro and small enterprises. The weakness of modal, management, human resources, technology, marketing and production quality become the factor that causing the weakness condition of small enterprises. Therefore, the government and other elements' support in society becomes the key of entrepreneurship development.

From the above exposure, there are several things that should be specific concentration in this research, including: (1) some policies obtained by Regional Government for micro industry to poverty reduction; (2) the influences of Regional Government's policies toward entrepreneurship for poverty reduction; (3) the influences of Regional Government's policies in increasing the income of micro industry for poverty reduction; (4) the obstacles in the implementation of Regional Government's policies for micro industry to increasing entrepreneurship and micro industry income for poverty reduction; (5) the right strategies performed by Regional Government in improving entrepreneurship and micro industry income for poverty reduction.

LITERATURE REVIEW

a. Micro and Small Industry

The government attention toward micro and medium enterprises considered to be less. It can be proved from the way government including that industry into cooperation, rather than single state of industry. Hence, up to 1995, no criteria and regulation regulate small industry. In 1995, the government just issued law number 9 of 1995 about micro industry. The law stated that small industry is depicted as economic activities which are obtained by individual, household, and or certain agency aimed to produce materials or services for commercial. The net wealth should be mostly amounted IDR 200.000.000 excluding land and building for business. Afterward, the proceeds of the sale are not more than 1 billion rupiahs (Article 5).

Micro industry or enterprises is smaller than small industry (Tahi Hamonangan Tambunan, 2011). This term has emerged since 1990s due to the existence of industry which is not far smaller than small industry. In 2008, the government has issued Law Number 20 of 2008 about micro, small, and medium enterprises. In Article 6 verses 1-3 mentions that (1) industry categorized as micro if the investment merely at most fifty millions rupiah and the sales turnover reach three hundred million rupiah, meanwhile it acknowledged as small industry if the investment reach fifty million rupiahs and the sales turnover start from three hundred million rupiah up to two half billion rupiah. The next criteria mentioned in Article 6 verse 3 is about medium enterprises are (1) the investment between five hundred million rupiah and ten billion rupiah and (2) the sales turnover between two half billion million rupiahs and fifty million rupiah.

According to the studies conducted by Mitzerg et al. in Sutojo et al. (1994), mentioned the characteristics or general characteristics for small enterprises are: a) the activities is tend to informal and rarely has enterprise plans; b) the organizational structure is more simple; c) the amount of labors is limited by a loose division of labor; d) most of its industry do not provide separation between personal wealth and company assets; e) the accounting system is not good enough; f) the economic scale is too

slight that will difficult to reduce costs; g) the marketing capabilities and market verification is tend to be limited; h) profit margins is too slight.

However, in the implementation of micro and small industry, there are several obstacles face by Micro, Small, and Medium Enterprises, including:

- 1) Modal Issue: Some industries still depend on the support modal of the government;
- 2) Marketing Issue: Less coordination which causes bad competition between the similar industries; information to market the product is considered to be less as well;
- 3) Raw Material Issue: the supply and the price of raw material is inadequate and fluctuates; the low quality of raw material; the payment system or raw material done by cash, while many payment sales are done by credit; the price of raw material is high.
- 4) Technology Issue: the technology used by Micro, Small, and Medium Enterprise is relatively low; cannot access the information of technology source; the specification of tools is difficult to found.
- 5) Management Issue: the suitable management and enterprise development are difficult to determine, cause by the less ability and management skill.
- 6) Partnership Issue: the partnership between micro and small enterprises as well as between medium and large enterprises in the transferring technology is low. It was due to the ineffectiveness of partnership pattern in the small enterprises (Watson et al., 1998; Yusuf, 1995; Baldacchino, 1995).

b. Entrepreneurship

Drucker (1994) defines entrepreneurship as ability to create something new and different. It was in line with Schumpeter explanation in Idrus (Idrus, 1999) in which entrepreneurship is support power in economic growth which formulates new economic combination through (1) new product development; (2) new material source development; (3) accumulate modal sources; (4) introduce new product as well as its functions, and (5) organize and develop new business.

Furthermore, Kobia and Sikalieh (2010) tried to give their statement about entrepreneurship as the process whereby an individual or a group of individual use organized effort and mean to pursue opportunities to create value and grow by fulfilling wants and needs through innovation and uniqueness. In this case, entrepreneur acknowledged as dynamic process and vision, as well as creative development. Meanwhile, enterprise is ability to use organized business to create entrepreneurship value. Hence, entrepreneurship can be concluded as a sequence with enterprise.

Scarborough and Zimmerer in Suryana (2006) has explained eight characteristic such as:

- 1) Desire for responsibility means that entrepreneur have responsibility for their business;
- 2) Preference for moderate risk means that entrepreneur tend to choose moderate risk, not the low or high risk;
- 3) Confidence in their ability in success means that entrepreneur have confidence to be success;
- 4) Desire for immediate feedback;
- 5) High level of energy means that the entrepreneur have courage and do hard work to actualize the dreams to be better in future;
- 6) Future orientation means the entrepreneur should have better perspective and insight;
- 7) Skill at organizing means the entrepreneur having skill in organize resources to growth the economics;
- 8) Value of achievement over money means that the entrepreneur is appreciates achievement than money or income.

In addition, Barreira (2010) has added the characteristic of entrepreneurship. He stated that besides as inventor, the entrepreneur also has courage to take a risk moderately, tolerance to the ambiguity and uncertainty and so forth, as stated in the table 1:

Table 1

Characteristics of entrepreneur according to behavioristic community

<i>Num</i>	<i>Characteristic</i>	<i>Num</i>	<i>Characteristic</i>
1.	Innovator	13.	Self-awareness
2.	Leader	14.	Confidence
3.	Moderate risk takers	15.	Tolerance to the ambiguity and uncertainty
4.	Creator	16.	Involved in the long term
5.	Energetic	17.	Initiative
6.	Original	18.	Learner
7.	Persistent	19.	Using resources
8.	Optimistic	20.	Having sensitivity
9.	Oriented to the results	21.	Aggressive
10.	Flexible	22.	Tend to believe to others
11.	Able to seek resources	23.	Money as measurement of appearance
12.	<i>Need of Achievement (N-Ach)</i>		

Source: Barreira (2010: 16; cited from Homady, 1982, Nelson, et.al, 1982, Timmons, 1978, dalam Fili on, (1997), Meredith (1996) Gartner (1990); Sahut & Periz-Ortiz (2014).

METHODOLOGY

This research used mix method approach between qualitative and quantitative. There are three concepts that become variables in this research.

1) The regional government policies about Micro, Small, and Medium Enterprises which is refer to the Law Number 20 of 2008 Chapter 5 Article 7:

- a. Technical training assistance (X1)
- b. Capital assistance (X2)
- c. Marketing assistance (X3)
- d. Help of extension staff (X4)

2) Entrepreneurship (Y1) which is marked by:

- a. Confidence and optimistic
- b. Oriented to the task and result
- c. Unafraid to take risk and challenge
- d. Have power leader
- e. Have original and innovative idea
- f. Oriented to the future

3) Increased Income (Y2) depicted as achievement achieved by the entrepreneur as reflection to the entrepreneur's ability in generate profit, increase the amount of investment, as well as increasing of the amount of employee in a year.

For the location of the research, it was conducted in Pamekasan and Tulungagung Region based on the reasons: 1) Pamekasan is having a large micro industrial especially in Batik; 2) Tulungagung is having a large micro industrial especially in marble stone and clothes.

Afterward, the method in collecting the data is involving questionnaires to the respondents (in this case are entrepreneur). The questionnaire has been approved by identified the validity and reliability toward research. Interview is also obtained in depth with the government officials in the research's location especially with the Department of Industry and Trade.

In this research, the data used are involving primary and secondary data. The primary data is obtained from sampling of the Batik and clothes micro industrial in the both of research's location. Meanwhile, the populations are involving the entire entrepreneur of Batik and clothes micro industrial in both Pamekasan and Tulungagung. The central sample taken from 10 percentage of the central exist, and each of them then is taken 10 percentage of entrepreneur from the total amount of entrepreneur in the central (Sugiyono, 2014).

RESULT AND DISCUSSION

A. The Regional Government's Policies in Developing the Entrepreneurship

Pamekasan and Tulungagung Government are trying to improve and facilitate its Micro, Small, and Medium Enterprises. There are several steps performed by the Government as the implementation of its strategies. Such as:

1. Technical Training Assistance

The first step that is obtained by the government is giving technical training to the entrepreneur of Micro, Small, and Medium Enterprises. The government has done it clustery and individual. In the Medium Term Development Plan of Pamekasan Government has budget amounted IDR 375.270.000. The budget is used for developing the business support system for Micro, Small, and Medium Enterprises. Meanwhile, Tulungagung Government has budget IDR 700.000.000 to developing science and technology of production system in 90 small and medium industries.

2. Funding Assistance

Pamekasan or Tulungagung government has performed development strategies in the micro financial institution which the member are about 30 people as like women cooperation and others institutions.

In Pamekasan region, the amount of funding assistance is about IDR 80.000.000. Then, in Tulungagung region, the amount of funding assistance given is about IDR 150.000.000. There are several reasons using cooperation as place to revolving loan assistance. Firstly, cooperation is formed by the society and thus the society who are responsible to its development. Secondly, since cooperation is formed by society, hence the administrator and member should come from society itself. Thirdly, trust is needed as primary key in the saving and loan enterprises. The members can borrow in a certain amount, but it should make sure that it will be paid based on the deadline.

3. Marketing Assistance

There are several ways performed by Regional Government to support the marketing. First, Regional Government inserts the entrepreneur information in the official website of Regional Government especially dealing with the superior products of small business. Second, Regional Government held routine promotion every year, particularly in the folk exhibition. The entrepreneurs also ask to involve in the promotion activities by opening stand. Third, Regional Government asks the small and medium enterprises to involve in the exhibition either in province or national. However, in the exhibition held by the non-Government, the government is ready to fund for the promotion. While performing for promotion, besides the relief in the stand payment, the Regional Government also help the making of leaflet, billboard and others electronic media by informing through local radio.

4. Industry and Trade Counseling Assistance

Department of Industry and Trade in each of the region also support the enterprises by giving business counseling. The assistants, more precisely known as extension agents, are visiting to every small and medium enterprise and giving information either technical or principal about modern, measurable and capable toward the changing era.

The Significant Government Policies

The data from this research has shown that there are two from four government policies that is realized well and suitable to the expectation of micro industrial entrepreneur in both Pamekasan and Tulungagung. The two policies are referring to the training and counseling assistance in which it has influence the entrepreneurship of entrepreneur. However, in terms of income increasing is none of them has influenced.

Firstly, the influence of regional government in form of training toward entrepreneurship has proved to be significant. It shown from the count of path coefficient from training assistance toward entrepreneurship is about 0,312 bigger that T-statistic and P-value which are 1,762 and 0,043, respectively.

Secondly, the support of counseling has proved to be significant as well. The result of measurement showed that path coefficient from counseling assistance toward entrepreneurship is about 0,549 bigger than T-statistic and P-value which are 2,475 and 0,009, respectively.

Industrial and trade extension assistance is very beneficial in increasing the knowledge and skills of entrepreneurs and providing a direct and significant influence on the power of leadership owned by entrepreneurs. If it is related to the length of business occupied by entrepreneurs in the micro industry, around 63% of entrepreneurs have pursued their business for more than 5 years and it can be said that they have experience in training and educating employees to the marketing of their products. It all started with perseverance and sincerity of the business leaders in fostering their employees so as to make loyal employees work, as well as support from the government in the form of industrial and trade training and extension assistance.

B. The Influences of Regional Government on Entrepreneurship and Poverty Reduction

1. Confidence and Optimism

In the table 2, the respondents are given several questions about confidence and optimism. Optimism is shown from the desire to rely on its own abilities. Entrepreneur should have strong self-confidence in their business ability, preserver in solving problems, having initiative and patient in accepting the shortcomings of the employees.

Table 2

Confidence and Optimism of the entrepreneur of Micro, Small, and Medium Enterprises

Number	Statements	VD	D	LA	A	VA
1	2	3	4	5	6	7
1	Understanding task and scope of responsibility	-	-	2 (2,2%)	52 (56,5%)	38 (41,3%)
2	Optimism and Independent/do not depend on others	-	-	-	52 (56,5%)	40 (43,5%)

Table 2 continuation on the next page

Table 2 continuation

1	2	3	4	5	6	7
3	Having confidence toward business ability	-	-	2 (2,2%)	56 (60,9%)	34 (37,0%)
4	Persevere in solving problems	-	-	2 (2,2%)	56 (60,9%)	34 (37,0%)
5	Having high initiative in doing works	-	-	2 (2,2%)	54 (58,7%)	36 (39,1%)
6	Energetic in doing works	-	-	-	48 (52,2%)	44 (47,8%)
7	Patient in accepting shortcomings of the employee	-	-	2 (2,2%)	52 (56,5%)	38 (41,3%)

Note:

VD: Very Disagree

D : Disagree

LA: Less Agree

A : Agree

VA: Very Agree

2. Oriented to the Task and Result

In this section, the first question ask to the respondent is that whether entrepreneurs planned and having certain purposes. Most of the respondent agreed that there should be well planned and certain purposes to achieve. Furthermore, respondent also agree that to be an entrepreneur is to be a leader for their employee. Consistency is also needed in doing business, and most of respondent has agreed to it.

Then, to obtain a good result, most of respondent has put their assumption to do evaluation of works' result. It is become primary key for entrepreneur to introspect in case to be succeeded as well as loss.

Table 3

Result of Respondents which are Oriented in Task and Result of the entrepreneur of Micro, Small, and Medium Enterprises

Number	Statement	VD	D	LA	A	VA
1	Always arrange work plan and purpose which want to be achieved	-	-	2 (2,2%)	52 (56,5%)	38 (41,3%)
2	Able to be Leader of the Employee in finishing works	-	-	2 (2,2%)	54 (58,7%)	36 (39,1%)
3	Consistent in work and responsible	-	-	2 (2,2%)	58 (63,0%)	32 (34,8%)
4	Having broad knowledge	-	-	2 (2,2%)	46 (50,0%)	44 (47,8%)
5	Evaluate the result work obtained	-	-	-	58 (63,0%)	34 (37,0%)

3. Dare to Take Risk and Like Challenges

Some entrepreneurs have realized that if they want to step forward, so the target market should not merely limit in their surroundings. But, it has to be reaching out national or even international. Besides, the sensitivity toward trends in market should be taken care of (see in table 4). Thus, it will lead into further innovation and to be more creative.

Table 4

The Entrepreneurs' Courage to Take Risk and Like Challenges in Micro, Small, and Medium Enterprises

Number	Statement	VD	D	LA	A	VA
1	Consistent in doing what has been planned	-	-	2 (2,2%)	52 (56,5%)	38 (41,3%)
2	Having innovation and oriented to the market	-	-	4 (4,3%)	46 (50,0%)	42 (45,7%)

4. Leadership

Table 5

The Entrepreneur Leadership Power in Micro, Small, and Medium Enterprises

Number	Statement	VD	D	LA	A	VA
1	Having sincerity in training the employee	-	-	2 (2,2%)	60 (65,2%)	30 (32,6%)
2	Humble in accepting suggestion and critics from the employee	-	-	-	44 (47,8%)	48 (52,2%)
3	Giving service and making pleasure for the employee in finishing the work	-	-	-	60 (65,2%)	32 (34,8%)

In table 5 above, each respondent are given three questions dealing with leadership. Most of them are between agree and disagree. However, there is something to be concern more in leadership such as humble characteristic in accepting critics and suggestions.

5. Originality

Originality is ability of entrepreneur to create new things, as like management pattern, products, and market system. Based on table 6, most of respondent acknowledged and performed originality. Thus, originality can be shown from the improvement or variation of the products.

Table 6

Entrepreneurs' Originality of Micro, Small, and Medium Enterprises

Number	Statements	VD	D	LA	A	VA
1	Have courage to market the product as the result of innovation and creativity	-	-	2 (2,2%)	52 (56,5%)	38 (41,3%)
2	Oriented to the needs of customers	-	-	2 (2,2%)	54 (58,7%)	36 (39,1%)

6. Oriented to the Future

Table 7 show others attitude that is needed for entrepreneurs.

Table 7

Entrepreneurs' Oriented to the Future

Number	Statements	VD	D	LA	A	VA
1	Customers is business partner	-	-	-	46 (50,0%)	46 (50,0%)
2	Open for critics and suggestions from customers	-	-	-	48 (52,2%)	44 (47,8%)
3	No day without further innovation	-	-	2 (2,2%)	46 (50,0%)	44 (47,8%)

Entrepreneurs from Tulungagung and North Sumatra region have agreed that customers are business partners. They also agreed to be open to suggestions and criticism from their customers.

In the Table 8 shows a number of dominant factors of entrepreneurs' characteristics.

Table 8

Entrepreneur's Enterprises

Number	Characteristics	Less	Normal	High
1	Confidence and Optimism	4 (4,3%)	56 (60,9%)	32 (34,8%)
2	Oriented to the Result	2 (2,2%)	58 (63,0%)	32 (34,8%)
3	Dare to take risk and like challenges	4 (4,3%)	40 (43,5%)	48 (52,2%)
4	Having Leadership Power	38 (41,3%)	20 (21,7%)	34 (37,0%)
5	Orginalitty	2 (2,2%)	60 (65,2%)	30 (32,6%)
6	Oriented to the Future	38 (41,3%)	8 (8,7%)	46 (50,0%)

C. The Influences of Regional Government toward Micro Industrial Income Increased

All indicators used in this research including training assistance (x1), marketing assistance (x2), capital assistance (x3), counseling assistance (x4), entrepreneurship (y1), and income increasing (y2) has proved to be significant. It also shows that each indicator can explain the characteristics of each variable.

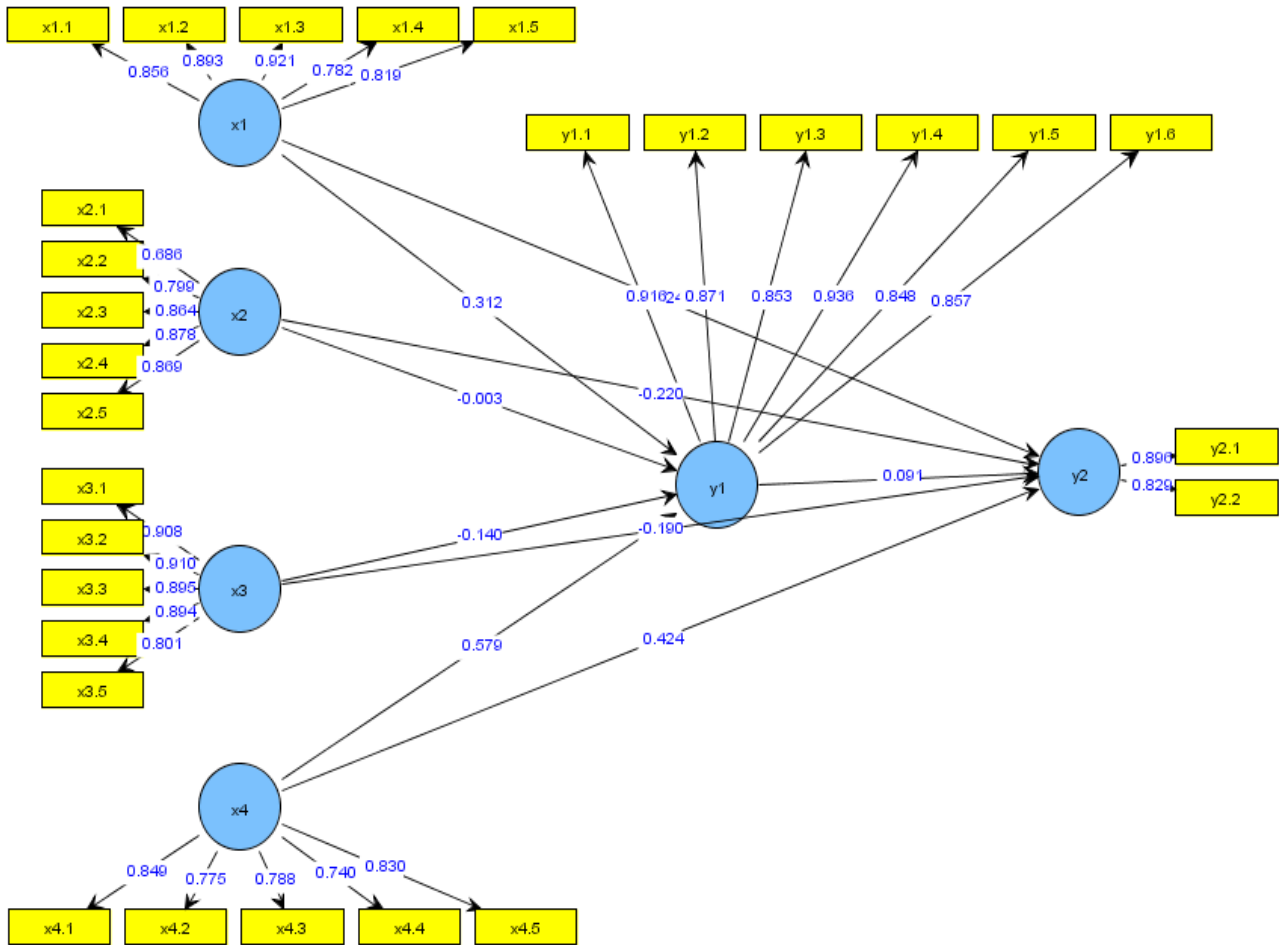


Figure 1. PLS Final Model

Table 9

The measurement per item of indicator

	Original sample estimate	mean of subsamples	Standard deviation	T-Statistic	p-value	Note
1	2	3	4	5	6	7
x1.1	0,856	0,862	0,056	15,156	0,000	Significant
x1.2	0.893	0,891	0,062	14,504	0,000	Significant
x1.3	0.921	0,917	0,034	22,710	0,000	Significant
x1.4	0,782	0,756	0,131	5,992	0,000	Significant
x1.5	0,819	0,794	0,105	7,822	0,000	Significant
x2.1	0,686	0,715	0,075	9,091	0,000	Significant
x2.2	0,799	0,779	0,085	9,352	0,000	Significant
x2.3	0,864	0,846	0,089	9,704	0,000	Significant
x2.4	0,878	0,858	0,068	12,828	0,000	Significant
x2.5	0,869	0,847	0,075	11,571	0,000	Significant

Table 9 continuation on the next page

Table 9 continuation

1	2	3	4	5	6	7
x3.1	0,908	0,908	0,027	33,339	0,000	Significant
x3.2	0,910	0,898	0,041	22,475	0,000	Significant
x3.3	0,895	0,886	0,051	17,516	0,000	Significant
x3.4	0,894	0,883	0,045	20,027	0,000	Significant
x3.5	0,801	0,795	0,050	16,064	0,000	Significant
x4.1	0,849	0,851	0,046	18,520	0,000	Significant
x4.2	0,775	0,784	0,065	11,846	0,000	Significant
x4.3	0,788	0,789	0,048	16,576	0,000	Significant
x4.4	0,740	0,742	0,074	10,020	0,000	Significant
x4.5	0,830	0,824	0,058	14,308	0,000	Significant
y1.1	0,916	0,910	0,034	27,089	0,000	Significant
y1.2	0,871	0,873	0,047	18,721	0,000	Significant
y1.3	0,853	0,851	0,048	17,646	0,000	Significant
y1.4	0,936	0,938	0,020	46,135	0,000	Significant
y1.5	0,848	0,858	0,052	16,254	0,000	Significant
y1.6	0,857	0,862	0,054	15,810	0,000	Significant
y2.1	0,896	0,897	0,043	20,701	0,000	Significant
y2.2	0,829	0,819	0,108	7,673	0,000	Significant

* '█': the most dominant indicator in influencing each variable

Table 10

PLS Result Model Measurement

	Original sample estimate	mean of subsamples	Standard deviation	T-Statistic	p-value	Note
x1 -> y1	0,312	0,381	0,177	1,761	0,043	Significant
x2 -> y1	-0,003	-0,021	0,230	0,012	0,495	Insignificant
x3 -> y1	-0,140	-0,161	0,219	0,640	0,263	Insignificant
x4 -> y1	0,579	0,568	0,234	2,475	0,009	Insignificant
x1 -> y2	0,324	0,245	0,285	1,135	0,131	Insignificant
x2 -> y2	-0,220	-0,213	0,289	0,763	0,225	Insignificant
x3 -> y2	-0,190	-0,137	0,264	0,720	0,238	Insignificant
x4 -> y2	0,424	0,486	0,264	1,604	0,058	Insignificant
y1 -> y2	0,091	0,100	0,200	0,453	0,326	Insignificant

Source: PLS results of data processing

In the table 10 the level of relation significant between variable x and y is shown. For variable x, it is merely x 1 and x4 that significantly relate to the y1.

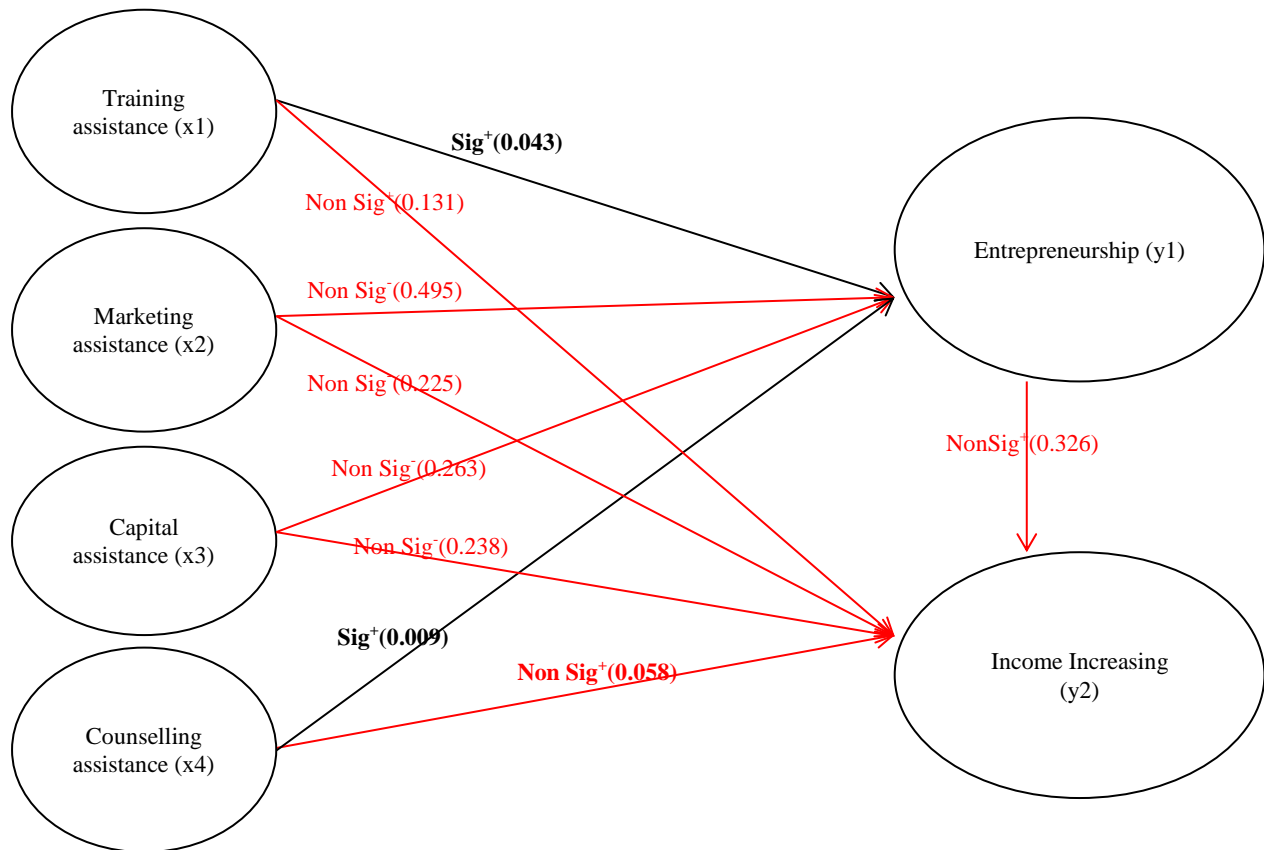


Figure 2. Last decision of PLS final model

In the figure 2, there are several things that should be taken care of:

1. Training assistance (x1) significantly give positive influence toward entrepreneurship (y1) macro industry in Pamekasan and Tulungagung.
2. Marketing assistance (x2) do not significantly influence toward entrepreneurship (y1) macro industry in Pamekasan and Tulungagung.
3. Capital assistance (x3) do not significantly influence toward entrepreneurship (y1) macro industry in Pamekasan and Tulungagung.
4. Counseling assistance (x4) significantly give positive influence toward entrepreneurship (y1) macro industry in Pamekasan and Tulungagung.
5. Training assistance (x1) do not significantly influence toward income increasing (y2) macro industry in Pamekasan and Tulungagung.
6. Marketing assistance (x2) do not significantly influence toward income increasing (y2) macro industry in Pamekasan and Tulungagung.
7. Capital assistance (x3) do not significantly influence toward income increasing (y2) macro industry in Pamekasan and Tulungagung.
8. Counseling assistance (x1) do not significantly influence toward income increasing (y2) macro industry in Pamekasan and Tulungagung.

D. Obstacles and Strategies in Regional Government Policies for Micro Industrial

In opposite with the influence of regional government that is proved to be significant, marketing and capital assistance assumed as urgent concern and necessary proactive action from government. It is due the result of the research which is stated that the two policies do not have significant

influences toward entrepreneurship and income increasing in micro industrial in Pamekasan and Tulungagung.

In this research, regional government policies in marketing assistance do not significantly influence toward entrepreneur and Micro, Small, and Medium Enterprises performance which is relatively less. Hence, it is not evenly distributed to all craftsmen.

Furthermore, capital assistance also does not significantly influence the entrepreneurship and craftsmen performance. It is due to the limit of budget. However, the result is different with the previous studies conducted by Manan (1999) in which Manan's research showed that capital assistance is significantly influences toward micro industry.

Then, the right strategy for developing micro industrial in Pamekasan and Tulungagung is by increasing more attention toward capital policies as well as giving more training.

CONCLUSION

Attention to the micro-industry business is actually not only the monopoly of the central government through various poverty alleviation programs and industrial development programs, the district government also has attention and interest in improving the quality of micro-industry enterprises. In various analyses of literature studies on the objective conditions of micro-industry entrepreneurs, the Regional Government put more emphasis on three things. First, capital assistance is considered important because the micro industry is more based on families whose capital is limited. Second, marketing assistance is expected to expand the market reach of the products produced. Capital assistance is carried out with various schemes. Third, the training assistance as well as the fourth assistance for Industrial and Trade (TPL) extension workers.

From the PLS analysis, it was found that government policies in the form of training assistance and extension workers according to the perceptions of craftsmen proved to be significant for increasing entrepreneurship. Entrepreneurship that is formed from everyday life and the pattern of parenting this family will in turn form business actors to strive and create local potential. Local potential becomes a product that has good economic value. Government policies in the form of training assistance and mentoring for extension workers have increased the ability of business actors in various ways, from product creation to building marketing networks.

Government policies in the form of training assistance, capital assistance, marketing assistance and assistance to extension workers did not play a role as a key word for increasing entrepreneurship and increasing the income of entrepreneurs for poverty alleviation.

The right strategy in developing small industries in Pamekasan and Tulung Agung Regencies is to increase attention to policies in terms of capital assistance which still face many obstacles. The obstacles faced are the limited budget for increasing capital assistance and marketing assistance. The ease of access to business assistance sources and the opportunity to participate in product promotion exhibitions is less affected by entrepreneurs.

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ВПЛИВ ДЕРЖАВНОЇ ПОЛІТИКИ НА ПІДПРИЄМНИЦТВО І ЗБІЛЬШЕННЯ ДОХОДІВ МІКРОІНДУСТРІ ДЛЯ СКОРОЧЕННЯ БІДНОСТІ

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Значення існування мікро-, малих і середніх підприємств в Індонезії не можна недооцінювати. Більше того, це сприяло зростанню економіки. Уряд – особливо регіональний – вжив ряд заходів для підсилення впливу своєї політики на підприємництво. Таким чином, метою

даного дослідження є вивчення впливу політики регіонального уряду на підприємництво, спрямованої на скорочення бідності. З цією метою дослідження проводиться в двох регіонах Індонезії: Памекасан і Тулунгаунг. У дослідженні використовувався змішаний якісно-кількісний метод. Результати доводять, що регіональний уряд приділяє найбільшу увагу трьом явищам. По-перше, фінансова підтримка вважається важливою, оскільки мікроіндустрія більшою мірою заснована на сім'ях, капітал яких обмежений. Фінансова підтримка здійснюється за різними схемами. По-друге, маркетингова підтримка, як очікується, розширить охоплення продукції, що виробляється. По-третє, допомога в навчанні, а також допомога для працівників сфери промисловості і торгівлі (TPL). Проте, було встановлено, що деякі види допомоги, що надаються урядом, незначні. Отже, правильна стратегія розвитку малих підприємств в регіонах Памекасан і Тулунгаунг полягає в підвищенні уваги до політики щодо фінансової та маркетингової підтримки, яка все ще стикається з багатьма перешкодами. Основною перешкодою є, в першу чергу, обмежений бюджет для збільшення фінансової і маркетингової підтримки, в меншій мірі перешкоджають розвитку підприємництва в аналізованих регіонах доступність джерел підтримки бізнесу і можливість брати участь в заходах просування продукції. Дієва стратегія розвитку малих підприємств в досліджуваних регіонах країни полягає в підвищенні уваги до політики щодо допомоги капіталу і підтримки малого та середнього підприємництва, механізми здійснення якої продовжують стикатися з багатьма перешкодами.

Ключові слова: мікро-, малі та середні підприємства, регіональний уряд, скорочення бідності, дохід мікроіндустрії.

ВЛИЯНИЕ ГОСУДАРСТВЕННОЙ ПОЛИТИКИ НА ПРЕДПРИНИМАТЕЛЬСТВО И УВЕЛИЧЕНИЕ ДОХОДОВ МИКРОИНДУСТРИИ ДЛЯ СОКРАЩЕНИЯ БЕДНОСТИ

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Значение существования микро-, малых и средних предприятий в Индонезии нельзя недооценивать. Более того, это способствовало росту экономики. Правительство – особенно региональное – предприняло ряд мер для усиления влияния своей политики на предпринимательство. Таким образом, целью данного исследования является изучение влияния политики регионального правительства на предпринимательство, направленной на сокращение бедности. С этой целью исследование проводится в двух регионах Индонезии: Памекасан и Тулунгаунг. В исследовании использовался смешанный качественно-количественный метод. Результаты показывают, что региональное правительство уделяет наибольшее внимания трем явлениям. Во-первых, финансовая поддержка считается важной, так как микроиндустрия в большей степени основана на семьях, капитал которых ограничен. Финансовая поддержка осуществляется по различным схемам. Во-вторых, маркетинговая поддержка, как ожидается, расширит охват производимой продукции. В-третьих, помощь в обучении, а также помощь для работников сферы промышленности и торговли (TPL). Тем не менее, было установлено, что некоторые виды помощи, оказываемые правительством, незначительны. Следовательно, правильная стратегия развития малых предприятий в регионах Памекасан и Тулунгаунг заключается в повышении внимания к политике в отношении финансовой и маркетинговой поддержки, которая все еще сталкивается со многими препятствиями. Основным препятствием является, в первую очередь, ограниченный бюджет для увеличения финансовой и маркетинговой поддержки, в меньшей мере препятствуют развитию предпринимательства в анализируемых регионах доступность источников поддержки бизнеса и возможность участвовать в мероприятиях продвижения продукции. Действенная стратегия развития малых предприятий в исследуемых регионах страны заключается в повышении внимания к политике в

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отношении помощи капиталу и поддержке малого и среднего предпринимательства, механизмы осуществления которой продолжают сталкиваться со многими препятствиями.

Ключевые слова: микро-, малые и средние предприятия, региональное правительство, сокращение бедности, доход микроиндустрии.