

Research article

Evaluation of Public Policy Implementation: A Case Study of the National Economic Recovery Program Micro, Small and Medium Enterprises

Gina Lucita, Nur Arkam*, Ashar Muhammad

Politeknik STIA LAN Makassar

Abstract.

The Indonesian Government issued various policies and regulations in relation to the National Economic Recovery Program (PEN) in order to mitigate the negative effects of the Covid-19 pandemic. The Government spent Rp 695.20T as an additional state expenditure to enhance economic growth. The MSME sector received Rp 123.46T in fiscal support. The South Sulawesi Provincial Government reported that around 65 percent of the IDR one trillion in PEN funds received went to MSMEs, particularly for superior commodities and to encourage exports. Given the large amount of PEN funds diverted to MSMEs in South Sulawesi Province, it is certainly interesting to investigate the impact of PEN provision. Using six indicators from William N. Dunn's qualitative research, this study examined in depth the evaluation of the PEN MSME policies in South Sulawesi Province. Effectiveness, efficiency, adequacy, equality, responsiveness, and accuracy were the indicators. According to the findings of our research, the policy was less precise, but the levels of effectiveness, efficiency, adequacy, equality, and responsiveness were all excellent.

Keywords: Covid-19, PEN, MSME

Corresponding Author: Nur
 Arkam; email:
 arkam@stialanmakassar.ac.id

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1. INTRODUCTION

The Ministry of Cooperatives and Small and Medium Enterprises (Kemenkop UKM) [6] reported that in 2018, the number of MSMEs in Indonesia was around 64,194,057, with an absorption capacity of 116,978,631 in the total workforce. This figure is equivalent to 99% of the total business units in Indonesia, with the percentage of labor absorption in the economic sector equivalent to 97%. While the remaining 3 percent is divided into the large industrial sector. Armed with preliminary research in April 2020, with a sample of MSMEs recorded at the Ministry of Cooperative SMEs, it was reported that 56% of MSMEs claimed to have experienced a decline in sales turnover due to the Covid-19 pandemic, another 22% had difficulty getting financing/credit, 15% had problems in the distribution of goods, and the remaining 4% reported difficulties in obtaining raw

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materials. Of all MSMEs recorded in this research, the composition of MSMEs engaged in micro-industry occupies 87.4%. As a result, the initial impact of the Covid-19 pandemic on the MSME sector was detected at this micro MSME level. This figure shows a fact which is higher than that reported by Bank Indonesia, which is 72.6% and lower than that reported by LIPI [2], which is 94.7%. The last two researches were conducted in June 2020, at the end of the second quarter of 2020. Talking about the MSME sector affected by the Covid-19 pandemic, Bank Indonesia reported that MSME exporters were the most affected, which was around 95.4% of the total exporters. MSMEs engaged in the handicraft sector and supporting tourism were affected by 89.9%. At the entrepreneur level, research data from the Ministry of Cooperatives and SMEs reported that MSMEs consisting of wholesalers and retailers experienced the highest impact of the Covid-19 pandemic (40.92%), followed by MSMEs providing accommodation, food and beverages (26.86%), and the least affected is the processing industry (14.25%)”.

Based on the survey results [7], the business activities of MSME actors are really affected by the current COVID-19 pandemic. There was a change in turnover, a decrease in orders, and a decrease in income as well as other obstacles related to business activities such as disrupted production processes and hampered marketing and distribution activities. In connection with this, some MSME actors affected by the Covid-19 pandemic are still trying to maintain their business and others are trying to shift their business activities to other types of business in order to keep earning income.

To contain the negative impact of the Covid-19 pandemic, the Government then issued various policies and regulations in relation to the National Economic Recovery Program (PEN) Policy. Government Regulation in Lieu of Law Number 1 of 2020 concerning State Financial Policy and Financial System Stability for Handling the Corona Virus Disease 2019 (Covid-19) Pandemic and/or in Facing Threats Endangering the National Economy and/or Financial System Stability. The regulation was later ratified as Law Number 2 of 2020 on March 31, 2020. After that, the Government issued Presidential Regulation Number 54 of 2020 concerning Changes in Posture and Details of the State Revenue and Expenditure Budget for Fiscal Year 2020 on April 4, 2020, which later amended by Presidential Regulation Number 72 of 2020 concerning Changes in Posture and Details of the 2020 State Budget and stipulated on June 24, 2020 [5].

Quoting from the Finance Media of the Ministry of Finance of the Republic of Indonesia [4], the PEN program policy itself aims to protect, maintain, and improve the economic capacity of business actors. No less than Rp 695.20T was disbursed by the government as an additional state expenditure to stimulate economic activity. Of this amount, as much as Rp 123.46T is fiscal support provided to the MSME sector. Significant

fiscal support for MSMEs shows that the sector has received great attention from the government as a priority target in the PEN program policy. The government's great attention to MSMEs is certainly very understandable to maintain the resilience of the sector in the face of the Covid-19 pandemic. Imagine, without underestimating the role of other sectors, MSMEs make an extraordinary contribution to the national economy, namely: providing 97% of the total workforce and 60.34% of the total national Gross Domestic Product (GDP). From these two aspects alone, it is natural for the government to make MSMEs a priority for the PEN program policy. Thus, this certainly provides a stimulus and a multiplier effect in an effort to increase national economic growth. The multiplier effect of the MSME sector mainly comes from the very large number of business units in this sector and its large contribution to the creation of job opportunities and sources of income, so that it can restore the Indonesian economy during this pandemic [8].

For South Sulawesi Province, according to a report from Antara News [3], the South Sulawesi Provincial Government stated that around 65% of the IDR 1T of National Economic Recovery (PEN) funds received by the South Sulawesi Provincial Government were channeled to MSMEs, especially for superior commodities and for encourage exports. It is certainly interesting to examine how the impact of the provision of PEN is given the large amount of PEN funds diverted to MSMEs in South Sulawesi Province.

Based on the description above, it is important to study further in this study on the Evaluation of Public Policy Implementation: A Case Study of the National Economic Recovery Program for Micro, Small, and Medium Enterprises (PEN MSME Program) in South Sulawesi Province

2. RESEARCH METHOD

This study uses a qualitative method with a descriptive approach that aims to provide an overview of certain social conditions or phenomena. This study examines in depth the evaluation of the implementation of the National Economic Recovery Program (PEN Program) MSME policies in South Sulawesi Province using 6 indicators research from William N. Dunn. The type of internal research is a case study. The unit of analysis is the evaluation of the implementation of the MSME PEN program policy in South Sulawesi Province. The research will be conducted at the Department of Cooperatives and MSMEs, which have distributed funding for the MSME PEN Program in South Sulawesi Province. Data collection in this study was done through interviews, observation, and document review. Data from interviews, observations, and document

reviews are reduced, triangulated, systematized, described, and interpreted based on theory, so that conclusions can be drawn to answer research questions.

3. FINDING AND DISCUSSION

3.1. Finding

As the background and objectives to be achieved in this study, namely to provide an overview of how the implementation of the MSME PEN program policy in South Sulawesi Province. The following are the results of research conducted at the Department of Cooperatives and MSMEs in South Sulawesi Province.

Based on data from the Directorate General of Treasury quoted by Bisnis.com, in general the realization of the National Economic Recovery (PEN) funds in South Sulawesi during January - November 30 2020 reached Rp437.49 trillion or 62.9 percent of the Rp695.2 trillion ceiling in 2020 and specifically for MSMEs amounting to IDR 522 billion.

1. The effectiveness of the MSMEs PEN program is a method or effort taken to measure the extent to which the MSMEs PEN program is implemented to achieve the goals that have been previously set by looking at the parties involved and the role of each institution in the implementation of the MSMEs PEN program, the information technology used in the distribution of the MSMEs PEN program, and the distribution of the MSMEs PEN program. The MSME PEN program aims to protect, maintain, and improve the economic capacity of business actors in running their businesses during the COVID-19 pandemic. For MSMEs, the PEN program is expected to extend the breath of MSMEs and improve the performance of MSMEs that contribute to the Indonesian economy.
2. The source of financing for the MSME PEN program in South Sulawesi Province comes from the APBN, not from the APBD of the South Sulawesi Provincial Government. Even though in 2020 assistance comes from the APBN to handle the prevention of Covid-19 transmission, it can indirectly encourage the regional economy in South Sulawesi.
3. The parties involved in the implementation of the MSMEs PEN program are the proposing agency, the channeling agency (Himbara), and the supervisory agency (OJK).

4. The MSME PEN program is first proposed by the proposing institution (Banks, Provincial/District/City Cooperative Offices, Cooperatives, Community Organizations, Ministries/Institutions), then cleaned by BPKP before the data is sent to the Center, then cleaned again and the recipient PEN MSMES program assistance is determined by the Ministry of Cooperatives (SK is forwarded to the Ministry of Finance). The last process is distribution to beneficiaries through Himbara which is supervised by the Financial Services Authority (OJK).
5. The implementation of the MSMES PEN program, namely when collecting data, implementers sometimes receive complaints from the public whose data has been collected while not receiving assistance from this MSMES PEN program. In addition, from the data entered, not all of them received assistance, while some received assistance from this program twice
6. The distribution of the MSMES PEN program is carried out on time and the recipient is the right party according to the cleaned data
7. The efficiency of the MSME PEN program relates to the efforts required to achieve the desired results or produce the desired level of effectiveness. The efficiency of the MSME PEN program is evaluated by looking at the plan and realization of the MSME PEN distribution, additional operational costs, MSME PEN benefits for program implementers, and the benefits/impact of PEN for the recipient MSMES (the community). The efficiency of the MSME PEN program is related to the plan and realization of the MSME PEN distribution. Quantitative efficiency is seen by comparing the proposed data with the data on the recipients of the MSMES PEN program assistance
8. The efficiency level between the plan (proposed data) and realization (recipient data) of the South Sulawesi Province's MSME PEN program accumulatively is 48%. The percentage of plans and realizations is strongly influenced by the process of proposing, cleansing, and determining recipient data carried out by the Ministry of Cooperatives and MSMES before the MSME PEN program assistance is distributed directly to recipients.
9. The MSME PEN program does not require additional operational costs because this is an emergency as a result of the Covid-19 pandemic.
10. The advantages of PEN MSMES for program implementers, especially the Cooperatives and MSMES Office of South Sulawesi Province, are the availability of MSMES data by name by address which previously was difficult to get real data

about the number of MSMEs actors in South Sulawesi Province. In addition, the South Sulawesi Province Cooperatives and MSMEs Service has been able to map the business sectors of the MSMEs themselves.

11. The benefit or impact of PEN felt for the recipient MSMEs (the community) is the economic growth in South Sulawesi during the Covid-19 period. The MSME PEN Fund drives the MSME sector due to the return of public purchasing power which is spread to 650 business actors. The adequacy of the MSMEs PEN program is related to how far the results of the program have been achieved. In this case, the adequacy of the MSMEs PEN program can be seen in the supervision carried out in the distribution of the MSMEs PEN program and the added value for program recipients and implementers. the adequacy of the MSME PEN program in the supervision carried out in the distribution of the MSME PEN program and added value for program recipients and implementers, namely supervision carried out involving several supervisory institutions such as the OJK which works directly with the Ministry of Cooperatives and MSMEs, as well as MSME PEN program assistance directly channeled to the beneficiary's account . Supervision does not appear to be too tight, encouraging the circulation of money in South Sulawesi Province so as to encourage economic growth in South Sulawesi Province during the COVID-19 pandemic.
1. Equitable distribution of the MSME PEN program relates to equitable policy benefits for existing policy groups, especially the government as a policy maker and the community as a policy impact. The benefits of the MSME PEN program policy are evenly distributed and widely felt by the community as a policy impact. The MSME PEN program touches the small community so that it can move the economy of the community at large, especially the MSME actors in South Sulawesi Province.
1. The responsiveness of the MSME PEN program relates to responses from the community about the extent to which this program can satisfy the needs, preferences, or values of the community groups that are the target of the policy. The community is very responsive to the MSME PEN program in South Sulawesi Province. This can be seen from the proposals for MSMEs PEN recipients who entered the South Sulawesi provincial office (Figure 1). In addition, the high response in the following year with the addition of recipients was due to the MSME PEN program being able to assist and satisfy the needs of the MSME PEN recipient community.
1. The accuracy of the MSMEs PEN program is related to the benefits of the program. The objectives or results obtained from the MSME PEN program implemented by

AKUMULASI 2021 - 2021			
KAB/KOTA	USULAN	PENERIMA	Persentase Penerima Vs Usulan
Kab. Bantaeng	54,314	28,265	⇒ 52%
Kab. Barru	18,745	8,496	⇒ 45%
Kab. Bone	44,457	25,402	⇒ 57%
Kab. Bulukumba	88,892	30,590	↓ 34%
Kab. Enrekang	34,538	10,327	↓ 30%
Kab. Gowa	94,893	65,472	↑ 69%
Kab. Jeneponto	154,857	50,361	↓ 33%
Kab. Kepulauan Selayar	19,185	3,783	↓ 20%
Kab. Luwu	19,980	15,244	↑ 76%
Kab. Luwu Timur	30,470	20,984	↑ 69%
Kab. Luwu Utara	31,157	12,975	⇒ 42%
Kab. Maros	23,112	13,835	⇒ 60%
Kab. Pangkajene Kepulauan	64,017	23,650	↓ 37%
Kab. Pinrang	27,247	17,977	↑ 66%
Kab. Sidenreng Rappang	113,302	25,427	↓ 22%
Kab. Sinjai	51,135	23,833	⇒ 47%
Kab. Soppeng	21,977	13,378	↑ 61%
Kab. Takalar	125,656	62,757	⇒ 50%
Kab. Tana Toraja	25,449	8,785	↓ 35%
Kab. Toraja Utara	40,159	14,224	↓ 35%
Kab. Wajo	40,057	32,344	↑ 81%
Kota Makassar	164,697	112,490	↑ 68%
Kota Palopo	32,449	16,020	⇒ 49%
Kota Pare Pare	33,811	15,784	⇒ 47%
TOTAL	1,354,556	652,403	↑ 48%

Figure 1: Data penerima Data PEN MSMEs Prov. Sulsel.

the government are truly valuable or useful. The MSME PEN program in South Sulawesi Province has been properly implemented by the government in the era of the COVID-19 pandemic. The MSME PEN program is felt to be very useful for people affected by COVID-19 because it can help the community.

4. Discussion

1. Effectiveness, with regard to whether a policy achieves the expected results or achieves the objectives of the action. This effectiveness is related to technical rationality, always measured by the unit of product or service or monetary [1]. The

effectiveness of the South Sulawesi MSME PEN program can be measured in monetary terms with the realization of Rp. 522 Billion. In terms of services, the role of the South Sulawesi provincial government as data collectors and MSME proposers is carried out in a timely manner and channeled directly to the recipient's account, in accordance with existing rules and SOPs and involves related parties such as HIMBARA as the channelling institution and OJK as Supervisory agency so that the accuracy of the data is expected to be guaranteed.

2. Efficiency, with respect to the amount of effort required to produce a certain level of effectiveness. Efficiency is the relationship between effectiveness and effort. The measures used in the efficiency criteria are the time period for implementing the policy, the human resources empowered to implement the policy. The efficiency of the MSME PEN program is related to the planning and realization of the MSME PEN distribution [1]. Quantitative efficiency is seen by comparing the proposed data with the data on the recipients of the MSME PEN program assistance. The PEN MSMES in South Sulawesi has been running effectively. The PEN MSMES program does not require additional operational costs because this is an emergency as a result of the Covid-19 pandemic. The advantages of PEN MSMES for program implementers, especially the Cooperatives and MSMES Office of South Sulawesi Province, are the availability of MSMES data by name by address which previously was difficult to get real data about the number of MSMES actors in South Sulawesi Province. In addition, the South Sulawesi Province Cooperatives and MSMEs Service has been able to map the business sectors of the MSMEs themselves.
3. Adequacy, with regard to how far a level of effectiveness satisfies the needs, values or opportunities that cause problems. This criterion emphasizes the strong relationship between policy alternatives and expected outcomes [1]. The need for capital and to meet the needs of MSMEs in South Sulawesi is very helpful, this can be seen from the fact that after the MSMEs were channelled directly to MSMEs, it really helped the economy of South Sulawesi.
4. Equality, or equity, is closely related to legal and social rationality and refers to the distribution of results and efforts between different groups in society [1]. The MSME PEN policy is an emergency policy to deal with the COVID-19 pandemic which results in restrictions on mobility which have a negative impact on the economy that requires mobility. The MSME PEN program policy is very much felt by MSMEs and the wider community as a policy impact. The distribution, which is carried out directly and touches the small strata of society, moves the economy

of the wider community, which since the pandemic has decreased, especially for MSME actors in South Sulawesi Province.

5. Responsiveness, with regard to how far a policy can satisfy the needs, preferences or values of certain community groups. Appropriateness, related to substantive rationality [1]. The response of the public is very high with the accuracy of the recipient's data which is channelled directly to the beneficiary's account.
6. Accuracy refers to the value or price of policy objectives and to the strength of the assumptions underlying these goals [1]. This program aims to protect, maintain, and improve the economic capacity of business actors in running their businesses during the Covid-19 pandemic. For MSMEs, the PEN program is expected to 'extend the breath' of MSMEs and improve the performance of MSMEs that contribute to the Indonesian economy [6]. From the objectives of this program and looking at the findings in the field, we can conclude that this program is very appropriate and has an impact on MSME actors in South Sulawesi. But the less accuracy of the MSMEs data still has a problem in the field.

5. CONCLUSION

From the findings and discussion obtained, the researcher concludes that the implementation of the MSME PEN policy in South Sulawesi Province is running effective, efficiently, fairly, well distributed, getting a positive and appropriate response, although on the one hand, the data accuracy that we consider is still very lacking.

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