



Micro, small and medium-sized enterprise development strategy based on collaborative governance in Pananrang Village, Mattiro Bulu district

Siti Rahma ^{1,*}, Ani Fatimah ²,

^{1,2} Fakultas Ekonomi dan Bisnis Islam, Institut Agama Islam Negeri Parepare, Indonesia
Email: stirahma154@gmail.com ¹, anifattimah263@gmail.com ²

ARTICLE INFORMATION	ABSTRACT
ARTICLE HISTORY Received: (25-08-2024) Revised: (08-09-2024) Accepted: (22-09-2024)	<p>This article addresses Micro, Small, and Medium Enterprises (MSMEs) players in operating enterprises, MSMEs' obstacles, and types of collaborative governance carried out in Pananrang Village MSMEs. The purpose of this study is to find out how business players operate enterprises and how kinds of collaborative governance are carried out among businesspeople. The research technique entails qualitative research, while the research methodology employs case studies. Data sources include MSME actors and government cooperation partners; data collection instruments, specifically interview guidelines; data collection procedures, including observation, interviews, and recording; and assessing the quality of the data using triangulation techniques. Research results: (1) MSMEs in Pananrang Village are classified as micro firms with turnover ranging from IDR 37,000,000 to IDR 198,000,000/year. (2) The hurdles for MSME players in establishing their enterprises are: (a) the quality of human resources is still low; (b) limited technology and a lack of product innovation; (c) not having work partners; and (d) a lack of money to build the firm. (3) The form of collaborative governance carried out by the Department of Industry, Trade, Energy, and Mineral Resources together with the Department of Cooperatives and SMEs provides programs in the form of (a) coaching, providing material on how to develop a business; (b) mentoring, searching for work partners for MSMEs; (c) capital assistance, provision of capital to develop a business; and (d) creation of a business climate and fast business licensing facilities; while for the investment and one-stop integrated services side, there is a Jabat Erat program, namely business development seminars and provision of capital for MSMEs in Pinrang Regency. The results of the analysis show that there is a development of MSMEs for actors who follow collaborative governance procedures.</p>
Keywords Keywords 1; Collaborative Governance Keywords 2; Development Keywords 3; Micro, Small, and Medium Enterprises	



1. Introduction

Small and Medium Micro Enterprises (UMKM) is one of the endeavors to enhance the standard of living of the people towards improved quality of life. (Mudrajad Kuncoro, 2007). Businesses (producers, distributors, dealers, and investors) are more interested in small and medium-sized microenterprises because they offer more appealing profit margins. (Dumairy, 2014). Small and medium-sized firms in the countryside are recognized as an extra source of family income and also as supporters of agricultural operations, which are the fundamental livelihoods of most rural populations. Small and medium-sized enterprises (MSMEs) in rural regions have vital relevance in attempts to decrease poverty levels in the rural areas, or, in other words, are intended to enhance the well-being of the rural population. Pinrang district, especially in the hamlet of Pananrang, is a village that boasts entrepreneurs with a range of companies.

The high number of small and medium-sized firms in the village require aid to expand, since these enterprises can satisfy the needs of the community and may increase the economy of the village, and such growth needs help from both internal and external sources. The fundamental challenge of an area in implementing development is the lack of ability of the local government to execute mature planning plans and a lack of serious analysis of the potential of the territory. The huge number of households in an area does not make the place have a healthy economy (Desy Astrid, 2021). The role of the government in creating the economy might begin with strengthening the efforts of the community. The evolution of governance and the notion of collaborative governance have become a trend and a new phenomenon that draws all over the nation, both developed and developing countries. (Azharri, 2019). Collaborative governance itself is increasing fast since the government has to cooperate with other stakeholders in government activities, both obligatory and voluntary. (Sedarmayanti, 2003). The hamlet of Pananrang has various projects that may grow on collaborative governance efforts; that is, there are seven projects since government cooperation focuses only on a few projects on collaborative governance.

Small and medium-sized companies (SMEs) generally have many restrictions that cause the firms that society does not develop to overcome such difficulties, which require collaborative governance. Collaborative governance is a set of arrangements in which one or more public institutions directly involve non-state stakeholders in a formal, consensus-oriented, and deliberative policy-making process aimed at creating or implementing public policies or regulating public programs (Vina Prasa Fitragusi, 2014). Pananrang village has several households, and based on the initial observations, the government runs several agencies that specialize in regulating and overseeing small and medium-sized industries or micro-enterprises in Pinrang district, such as the Capital Plantation and Integrated One-door Services Service and the Cooperation and SME Service, where each of these agencies focuses on the development of existing community enterprises in the Pinrang District. Research on the development strategy of small and medium-sized companies (UMKM) based on collaborative governance has been carried out by numerous scholars. One of them is the research or observation conducted by Handoko Dwi Susantyo in 2022, "Collaborative Governance in Integrated Entrepreneurship Development in Pancoran District of the City of Southern Jakarta Administration." The results of this research show that collaborative government in integrated enterprise development already involves government, public, and private stakeholders and has gone well but is not optimal. What distinguishes this article is that its object is focused on integrated entrepreneurial development, while this article focuses on the development of micro, small, and medium enterprises (UMKM). In the research performed by Ratna Trisuma Dewi (2020) "Factors Affecting Collaborative Governance in the Development of Small Industries (Case Study on Reyog Crafts and Reyog Showings in Ponorogo District)," The hindering reasons include the lack of commitment from the

government, the loss of trust, and the limits of information gained by the artisans. The difference from this article is also found in its object: the research of Ratna Trisuma Devi is more focused on the growth of small industries, whereas this essay concentrates on the offenders of UMKM in establishing corporations. As for the research (Alif Salsabila Katya, 2021), "Collaborative Governance in Enhancing the Competitiveness of Small and Medium Small Enterprises (UMKM) Through the Jakpreneur Program," The results of the study indicate that the results of this research show that the process of collaboration is going on effectively between stakeholders because the entire collaboration actors complement each other and are responsible for their commitment to empower UMKM at DKI Jakarta to be competitive. The clear difference from this article is that Alif Salsabila Katya's study focuses on enhancing competitiveness via the Jakpreneur program, but this paper merely looks at UMKM development based on collaborative governance and does not include a particular program. In this study, namely: Strategy for the Development of Small and Medium-sized Micro Enterprises Based on Collaborative Governance of the Pananrang Village of Mattiro Bulu.

2. Literature Review and Hypothesis Development

Business Development Strategy Concept

Business development is the duty and preparation process of identifying possible growth possibilities and supporting and monitoring the execution of business growth opportunities, but it does not cover the decision-making strategy and executing company growth prospects. The growth of a company is the duty of every entrepreneur or businesswoman, who requires vision, drive, and innovation. If this can be done by any entrepreneur, then there is a tremendous chance to be able to develop a tiny start-up into a medium-sized or even a huge firm. (Anoraga, 2017). With relation to various KPIs in the company development plan (Novi S, 2018), as follows: 1) Innovation and Technology Development in the field of innovation and technology aims to improve the ability of microenterprises in design and technology as well as quality control, enhance cooperation and transfer of technology, provide incentives to microenterprises that develop technology and preserve the environment, and encourage microenterprises to obtain certificates of intellectual validity (Raihanah Daulay, 2016). 2) Human Resources Development in the sphere of human resources may be done by integrating and supporting entrepreneurship, strengthening technical and management abilities, building and growing educational and training institutions, advocating for the motivation and inventiveness of business, and developing new firms. 3) Marketing development in the area of marketing can be carried out by conducting research and analysis of marketing, disseminating market information, enhancing management and marketing skills, providing means and facilities that include holding market trials, marketing agencies, provision of trading houses, promotion of micro enterprises, providing promotion support, marketing network, distribution, and providing professional consultants in marketing (Pratama Dika, 2021). Financial management is a choice and action, including the attempt to collect money and allocate funds on the basis of planning, analysis, and control in line with the principles of management, i.e., an endeavor to acquire and allot funds with consideration of efficiency and effectiveness.

Micro, Small and Medium Enterprises Concept

According to the Law of the Republic of Indonesia No. 20 of 2008 about UMKM, Article 1, a microbusiness is defined as a private productive enterprise and/or a private enterprise that fulfills the requirements for micro enterprises under the regulations. A small enterprise is the sole owner of the productive economy, managed by individuals or enterprises that do not mean subsidiaries or corporations that are not related to, exclusively owned, or not

personally owned or controlled by medium or large enterprises, as meant to meet many criteria (Kadeni & Ninik Srijani, 2020). According to Act No. 20 of 2008, there are micro, small, and medium businesses (UMKM): a. Microbusinesses are productive operations held by private individuals that satisfy the conditions of microbusinesses specified in this legislation. b. Small enterprises are the individual productive economic activities carried out by persons or legal entities that are not a subsidiary company or branch of the struggle that owns, controls, or becomes an exclusive or non-personal part of medium enterprises or big enterprises qualifying to be "small enterprises" in this Act. A medium-sized business is a productive economic activity that is self-established and carried out by individuals or regulatory bodies, which does not indicate that a subsidiary or affiliate belongs to a corporation that personally or indirectly owns or becomes part of a small or big enterprise. Net assets, or yearly turnover, according to this statute.

Collaborative Governancet Concept

Collaborative governance is a measure of government that involves the involvement of all parties between government, civil society, and the private sector in the conduct of government within the framework of egalitarianism and democracy, which gives rise to a system of governance that takes precedence over the interests of the public. The participation of private parties and the public in the formulation and implementation of public policies is required to realize good governance. In collaborative integrity, there is the delivery of vision, purpose, and strategy of activity between the parties, each of whom has the authority to take decisions independently and has authority to manage the organization even though they obey and submit to joint agreements . (Agus Dwiyanto, 2011). With relation to the indicators of collaborative governance (Ansel and Gash, 2003), as follows: 1) Face-to-face communication All kinds of collaborative governance are formed through the direct face-to-face discussion of each stakeholder engaged. This open discussion may lessen the animosity and disdain of the parties involved. Thus, stakeholders may work together in accordance with a single objective and benefit. 2) Trust building is not simply about bargaining amongst stakeholders; more than that, it is an endeavor to establish trust with each other. Confidence-building has to be done as soon as feasible when the initial collaborative process is under way. It is meant to guarantee that stakeholders do not perceive inter-institutional egocentrism. Therefore, in establishing this trust, we need leaders who are cognizant of the necessity of teamwork. (Syarif Firman, 2020). 3) Commitment to process. Commitments must have a solid link to the process of cooperation. Commitments are an incentive to engage in or participate in collaborative governance. The strong commitment of each stakeholder is necessary to avoid the hazards of the collaborative process. Although commitment is a tricky issue in partnerships, Commitment is the obligation of stakeholders to perceive the connection as something fresh, and that responsibility has to be cultivated. 4) Share Understanding At the same moment in the collaboration process, stakeholders engaged must share a concept of what they can achieve through cooperation. These shared understandings may be stated as a common goal, common purpose, common objective, common vision, common ideology, and so on.

3. Research methods

This study is a sort of field research employing descriptive research methodologies. This study is aimed at examining the development strategy of small and medium-sized microbusinesses (UMKM) based on collaborative governance in the hamlet of Pananrang district in Mattiro Bulu. This study is situated in the Pananrang village of Mattiro Bulu. The study employs the topic of UMKM as well as the participation of the government, especially the Department of Capital Plantation, Integrated One-Door Services, Cooperation, and SMEs.

The main data is gathered directly at the location of the investigation from the core informant (the UMKM behavior), while the secondary data was gained via papers, journals, and findings of prior research utilized as comparisons or references. As for data-gathering procedures employing observations, interviews, and documentation, The triangulation method is the process of assessing the validity of data by comparing the findings of observations against the target of the investigation. As for data analysis methodologies, researchers employ qualitative interactive analysis, where they limit data received in the field via documentation by picking and concentrating data on items that meet the study goals. After the data is reduced, the next step is the data presentation. The data presentation is done in the form of a brief presentation. The preparation is done by adding the results of the analysis to a record, then, in a sentence, an explanation of the findings gained from the observations, interviews, and documents in the field, and the data is grouped depending on the topic of the study. The last phase in the qualitative data analysis of interactive models is withdrawal from verification. Based on the data that had been reduced and presented, the researchers formed judgments backed by good evidence during the data gathering stage.

4. Results and Discussion

Small and Medium Micro Enterprises (UMKM) in Pananrang Village is one of the villages with many UMKMs because Pananang Village has a traditional market that exists every two times a week. This makes a lot of people who come to Panan Rang Village to do shopping, so many people in Panaanrang Village use it as an opportunity to get income.

Micro, Small and Medium Enterprises (MSMEs) in Pananrang Village in Running Business

The market in Pananrang Village opened up a range of opportunities, not only for the inhabitants of Pananang Village but for nearby communities.

According to the chart, there are 47 UMKMs in Mattiro Bulu's Pananrang village. The figure reflects the passion of the people in operating the company since the village is a strategic village to conduct business because, besides being on the Pinrang Poros Road, the town also has a traditional market, so many tourists come every two days of the week. However, this does not offer the community the potential for expansion; many of the community's efforts are still tiny, even if there are already possibilities for development. As a result, the UMKM in the hamlet of Pananrang requires assistance from both internal and external sources. Collaborative governance is a form of cooperation developed by the government for the growth of community entrepreneurship. Collaboration governance in the hamlet of Pananrang has been carried out in several community businesses, i.e., there are handicraftsmen, cake makers, wood craftsmen, and know-how manufacturers. There are only four kinds of companies that are formed of seven firms subscribing to collaborative governance. This is due to a lack of desire and incentive to grow the undertaking; as a result, there are only four types of undertakings that belong to collaborative governance.

Table 1.
Collaborative Governance

No	Usaha Masyarakat	Pekerja
1.	Pengrajin Kuningan 1	10
2.	Pengrajin Kuningan 2	8
3.	Pembuat Kue 1	5
4.	Pembuat Kue 2	4
5.	Pembuat Kue 3	4
6.	Pengrajin Kayu	3

7.	Pembuat Tahu-Tempe	4
----	--------------------	---

Sumber: Data diolah 2023

Based on the data it can be observed that the UMKM that exists in the hamlet of Pananrang employee comprises of just 3 to 10 workers. However, even considering tiny firms, the goods created can fulfill the necessities of everyday life workers.

Table 2.
Pananrang Village MSMEs

No.	Usaha Masyarakat	Laba/Bulan	
		Laba Kotor	Laba Bersih
1.	Pengrajin Kuningan 1	Rp7.220.000	Rp2.200.000
2.	Pengrajin Kuningan 2	Rp4.800.000	Rp1.900.000
3.	Pembuat Kue 1	Rp17.250.000	Rp8.000.000
4.	Pembuat Kue 2	Rp6.750.000	Rp2.650.000
5.	Pembuat Kue 3	Rp9.600.000	Rp4.700.000
6.	Pengrajin Kayu	Rp4.200.000	Rp1.100.000
7.	Pembuat Tahu-Tempe	Rp6.600.000	Rp1.300.000

Sumber: Data diolah 2023

The money collected from certain firms contains a modest income if split by the number of current workers, but the workers at UMKM Village Pananrang make the job as side workers only. a. Yellow artisans The yellow craft is a craftsman that manufactures wedding accessories from yellow materials. Generally, the consumers of the yellow artists are those who prefer to rent bridal accessories, often termed "indo botting." The hamlet of Pananrang has two handicraft businesses, and each village has a distinct number of workers. In village 1, there are 10 workers, while in town 2, there are 8 workers in a single production house. The village has an average monthly revenue of Rs 2,000–Rs 8,000, but the amount has not been decreased by production expenses and so on, and the number is not guaranteed owing to the unpredictable booking of the village. The artisan canalizes his products by selling them solely at the production house, i.e., by selling the items of production on "indo botting," so that when the buyer does not arrive, the revenue obtained by the craftsmen will not be there either. In Pananrang Village, cake manufacturers are divided into three separate establishments.

As for the cakes made, they comprise a range of traditional cakes, but the primary product is cakes because of their popularity, so the cake maker in Pananrang Village wants to sell cakes. Cakes manufacturers at Panan Rang Village market their goods differently, for cake maker 1 has a working partner in the traditional market of Pannarang, where the market is held twice a week on Tuesday and Friday, in addition to conventional markets. Pannrang cake makers 1 also have a partner working in the shop that is in Pinrang City, so for the cake maker 1 every day and on the day market always produce cakes for 3 locations included in the production house of workers from the manufacturer 1 I consist of 5 workers. As for the money collected by the cake manufacturers in Pananrang Village each month, it consists of Rs. 6,000,000–Rp18,000,000, but the amount has not been lowered by the cost of manufacturing and other factors. c. wood craftsman Pananrang village with a wood artisan enterprise-based collaborative governance consists of just one enterprise. In the conduct of the company, wood crafters generally manufacture tables, chairs, cabinets, and so on, depending on the needs of the customer. Usually the income received by wood artisans is in the range of Rs. 2.000.000–Rp6.000.000/month, with an uncertain income for the wood craft, so the income is not enough for the daily needs of wood craftsmen, plus with the workers consisting of 2 workers,

such income will be divided according to the agreement that has been specified in advance for the purchaser's request. d. There is only one business in the hamlet of Pananrang, where the know-temper will make the know-temper a day before the day of the market alone, where traditional markets are conducted twice a week. Know-temp making by four people will make approximately 100 tempe per day, while knowing about 40 bags per day.

As for its promotion, it will be offered at two specific sites in the historic Pananrang market. With a sales volume of just eight days, the firm generates roughly Rs. 6,600,000 in monthly turnover. Small and medium microbusinesses (UMKM) are based on collaborative governance in Pananrang Village, which comprises four categories of businesses. In carrying out the enterprise, firms have their own marketing strategies. As far as these enterprises are able to satisfy the daily needs of workers, although there are some enterprises that are still said to be very small, meeting daily needs is difficult, so the average entrepreneur in the village of Pananrang makes small and medium enterprises (UMKM) as a side job, where the average worker has other jobs such as a farmer, which is the main job of most enterprise workers. Besides the farmers, there are also seams, drink sellers, pebblers, and so on.

Obstacles to Micro, Small and Medium Enterprises (MSMEs) in Developing Business in Pananrang Village

Human Resources (HRM) The number and quality of human resources (HRM) are vital in building an organization. Human resources (HMM) are the combined capacity of the cognitive and physical forces that a human has. The performers and the characters are created by their lineage and by their circumstances, while their work is driven by the desire to satisfy their pleasures. (Kardavi, 2021). So, as a firm grows, the quality of its human resources becomes an essential aspect of business development. Businesses in Pananrang Village are largely governed by the quality of human resources, where some firms only have a few workers. Besides that, the typical worker does not stay long, and some workers also simply need money, so they choose to work for a certain company. The quality of the worker's thinking is extremely significant, so it is required of a worker who is able to think not only for himself but also for the survival of an enterprise that is done. b. Technology and innovation Technologies and innovations are important in the development of an enterprise, where development in the field of innovation and technology aims to enhance the ability of microenterprises in the areas of design and technology as well as quality control, enhance cooperation and transfer of technology, provide incentives to microenterprises that develop technology and preserve the environment, and encourage microenterprises to obtain certificates of intellectual validity (Radika Handini, 2020).

The amount of customer demand for online shopping is growing. Various impacts such as ease of access to the Internet, the degree of proficiency in the use of technology, the perceived advantages of online shopping, and a range of demographic characteristics. Online retail, commonly referred to as e-retail, gives customers a distinct experience compared to physical purchasing. A website-based shop may be open continually, cautious, giving quick deals, and specifically built for anybody who utilizes dynamic pricing to provide real-time pricing, which reflects current market demand and provides suggestions and reviews from other site users. (Musmulyadi, 2021) Technology is a barrier to certain firms development owing to the restricted use of technology and the lack of the lack of expertise to innovate on technology. Entrepreneurs are still less aware of the availability of technology, which may reduce the manufacturing process. The use of technology is done only by two enterprises, the craftsmen and the woodworkers, where the craftsmen only need one tool in their manufacture, the milling machine, whereas the timberworkers require a variety of machines for their production.

All the machines used by the handicrafts are only the basic machines for the production

of goods. In addition to technology, product innovation is also highly significant, as entrepreneurs currently do not concentrate on innovation and just focus on marketing. However, there are still some entrepreneurs who care about product innovation, such as cake makers 1 and 3, who innovate on the marketing part by putting stickers on the cake boxes. Besides, cake maker 1 also has a large board on the production house as a marker of the place of sale of cakes, so that with the presence of such innovation, the consumer will know the existence of the cookie maker by looking at the markup boards or the stickers on the cookie box, thus indirectly increasing the revenue of the cook maker. This indicates that innovation in the product will grow company revenue in accordance with the development the organization has experienced. Marketing plays a significant role in creating company operations and fulfilling a firm's goals. Marketing management deals with everything linked to product marketing, from the stage of manufacture to sales.

The only crucial error in management that is frequently missed by entrepreneurs is the recording of cash in and out. Some entrepreneurs are still ignored and don't even have an outgoing entry on the grounds that an outbound entry is not vital to write. This is because some of the firms are still expanding traditionally and are downstream enterprises; thus, the entrepreneur does not have a clear and less defined division of duties. Woodworkers and wood producers are examples of firms that have not yet had adequate management in the documentation of financial inputs. Wood craftsmen accumulate that the registration of cash is not necessary because the ordering of goods that come in every month is uncertain and the workers are few, so that for the distribution of wages, the workers only divide according to the initial agreement of the workers, so the woodworkers feel no need to record the cash outputs. As for the manufacturer, the company does not have an output and output record since the cash output of every production is the same; the quantity of output or inputs will be the same for each production, therefore the company doesn't have a cash record. Friendship is one of the main elements in improving marketing management. With partners, output and income will grow. Entrepreneurs, particularly small and medium-sized firms, typically characterize partnerships with collaboration, including financial assistance and promotion. Partnerships in the Pananrang Village are just a kind of promotion where a portion of the firm has a working partner to market the items in production, such as cake makers and know-how makers. Some of these firms have working partners in terms of the promotion of commodities of production to enhance revenues in each production. Partnership is very important to do because if there is a partnership, then the company has the help of other parties that help in the development of the enterprise, but there are still some enterprises that do not have a partner because it is difficult to find a partner because the fans of the undertaking are few or the sellers are too many. Financial management is a choice and action that includes the attempt to collect money and allocate funds based on planning, analysis, and control suited to the concept of management, which is an endeavor to acquire and allot funds with consideration of efficiency and effectiveness. (Sulistiyati, 2017). Money is an essential factor in financial management.

With the money of the entrepreneur, he or she may start a venture, but if there is a lack of cash, the endeavor can also fail. In Pananrang Village, capital becomes a hurdle for certain businesses. Some firms find it difficult to grow because of regulated funding. Businesses with low and unpredictable earnings are highly difficult to develop; as a result, entrepreneurs with cash limits require partners or assistance from other parties to build the firm.

This form of Collaborative Governance is implemented in Micro, Small and Medium Enterprises (MSMEs) in Pananrang Village

For entrepreneurs who are in charge of their companies' development, collaborative governance offers a way out. In Pananrang Village, government cooperation in the

development of small and medium-sized microenterprises (UMKM) facilitates business growth. The government's empowerment includes developing UMKM, supporting UMKM, providing financial assistance, and fostering a conducive economic environment.

a. Department of Cooperatives and SMEs

According to Law No. 22 of 1999, the district or city government gained authority over the construction of cooperatives for small and medium-sized microenterprises. Additionally, the Pinrang district nomenclature regulations guided the establishment and growth of these cooperatives for small and medium-sized enterprises, which were managed by the Regional Equipment Working Unit (SKPD), known as the Small and Medium Micro Enterprises and Cooperation Service, which was headed by a Chief of Service. In line with its tasks and in conjunction with this relationship, the Department of Cooperatives and SMEs has the authority to aid small and medium companies technically, from unfinished products (raw materials) to completed items. In this instance, the Service of Cooperative and SME is expected to provide training (how to create items and how to wrap goods so that they are not easily damaged), socialization (providing information and disclosure), finance, and marketing help.

1) Construction of UMKM The Department of Cooperation and SMEs organized Pemberdayaan in an attempt to raise family income because, as is well known, many of the opinions in Pinrang district have decreased since the COVID-19 pandemic. Consequently, the Department of Cooperation and SMEs have developed programs to raise community incomes. In addition, UMKM agents or UMKM personnel may track the activities in order to make it simpler to seek support via the current data as well as the information gathered from the construction activities.

2) The UMKM-accompanied efforts of the Department of Cooperation and UKM are particularly influential on the UMKM players. UMKM criminals or UMK workers who follow such actions might follow socialization. The activities also give solutions to UMKM culprits in the promotion of items that are being promoted. A working partner is one of the many forms of input that the Department of Cooperation and SMEs provide to entrepreneurs. Many entrepreneurs in the village of Pananrang are still controlled in their search for a job partner because neither the partners' interest in producing a particular good nor in promoting the goods of production is strong enough. The company provides capital support in the following ways: (a) for the purposes of its operations; (b) in order to increase income and have capital; (c) in the event that capital support is needed, other parties' assistance in providing such capital, cooperation services, and small and medium-sized businesses are a solution.

4) Creation of a suitable business environment The role of government in promoting the growth of small and medium-sized companies (SMEs) may be done by fostering an efficient and non-discriminatory business environment. In this circumstance, governments may speed up policy, legislation, and bureaucracy. Acceleration of policy and law may be accomplished by altering the terms of employment policy, business licenses, taxes, compensation, and other charges that might burden the economic expenses of small and medium-sized firms. In addition, the government may also reiterate the ban on unhealthy and fair monopolistic activities and unlawful competition in order to maximize government services and establish a healthy and robust business environment and competition among small and medium-sized firms. (Ayie Eva Yuliana, 2013). The creation of a conducive business climate has also become one of the programs of the Department of Cooperation and SMEs, where in order to create a conducive business, the Department of Cooperation and small and medium-sized enterprises strive for tranquility and security in the process of licensing enterprises (NIB, Home Permit Product Letters (PIRT), and halal letters in the liberalization program. Thus, the existence of the program offers a container for entrepreneurs to secure business licenses more swiftly, and so on.

b. Department of Investment and One Stop Integrated Services

The Department of Capital Plantation and Integrated Services of Pinrang District has

the task of assisting Bupati to carry out governmental affairs in the area of capital plantation and integrated one-door services that are the authority of the region and the support tasks given to the District in accordance with the vision, mission, and program of Bupati. The Department for Capital Planting and Integrative Services of One Door District has a strategic position to bridge between regional planning and the Long-term Regional Development Plan (RPJPD), as stipulated in the District Regulations of Pinrang District No. 3 Year 2018. 1 The Capital Plantations and Integration Services of the One Door Department have numerous policies in place. As for the policy presented in regard to the growth of small and medium-sized microbusinesses (UMKM) in this situation, the Department of Capital Plantation and Integrated Services One Door offers the Jabat Erat program as a form of collaborative governance. The program is a program involving several stakeholders in order to support the facilities of the program that will be run, as in the financing of DPMPSTP, which has established cooperation with several banks for assistance in financing and has also cooperated with modern stores in the marketing of UMKM products from Jabat.

5. Conclusion

Based on the presentation of the findings of the study and analysis of research data entitled "Strategy for the Development of Small and Medium Micro Enterprises (UMKM) Based on Collaborative Governance in the Pananrang Village at Mattiro Bulu District," the researchers might infer as follows: 1. The small and medium-sized micro businesses (MSMEs) in Pananang Village are involved in the small and medium micro enterprises (MKMEs) at Panan Rang Village and belong to the micro enterprise with a maximum revenue of Rs 200,000,000/year. There are 47 firms; however, there are only 4 kinds of companies based on collaborative governance. The entrepreneur has an average staff of 3–11 people. As for the sale of the items, it still sells itself at the production house, but there are certain firms that have partners operating in the market and outside the market. Furthermore, the turnover of the entrepreneur begins at Rs 37 million to Rs 198 million per month, so that the ordinary firm is able to fulfill the daily demands of workers. 2. Small and Medium Micro Enterprises (UMKM) in Developing Enterprises in Pananrang Village The many forms of challenges experienced by businesses in Panaanrang Village are attributable to numerous factors: a. The number and quality of human resources (HRM) are still insufficient; b. Limited technology and lack of innovation in goods; c. Marketing management has not fulfilled operational criteria. d. no working partners; e. lack of money to build the firm. 3. Collaborative governance is carried out on small and medium-sized microbusinesses (UMKM) in the hamlet of Pananrang. b. UMKM colleagues are entrepreneurs seeking partners to build the company; however, there are still entrepreneurs who do not have partners or distributors. c. Funds help; entrepreneurs are provided funds to grow the firm. d. Creation of a suitable business atmosphere; at this stage, entrepreneurs are provided with business licenses swiftly and for free. e. Jabat Erat Program, where entrepreneurs are provided a day seminar on company growth as well as cash for suitable firms. However, businesspeople in Pananrang Village are still dominated by the network and lack of understanding needed to implement government policies.

References

- Astrid, Desy. (2021). Pengaruh Etika Bisnis Islam Terhadap Keuntungan Usaha. ATTAWASSUTH: Jurnal Ekonomi Islam, 2(2), 43.
- Anoraga. (2017). Pengantar Pasar Modal. Jakarta: Rineka Cipta,.
- Ansel & Gash. (2011). Teori dan Praktis Collaborative Governance. Journal of Public

- Administration Research and Theory, 18(4), 545.
- Azharii, Y. (2019). Strategi Penerapan Kolaborasi Pemerintah Terhadap Usaha Mikro. Kabilah: Journal of Sociial Communiity, 6(2), 47.
- Daulay, Raihanah. (2016). Pengembangan Usaha Mikro untuk Pemberdayaan Ekonomi Umat Islam di Kota Medan. Jurnal MIQOT, 4(1), 77-78.
- Dika, Pratama. (2021). Usaha Mikro dan Klasifikasinya dalam Inovasi Produk. Jurnal Penelitian dan Pemikiran Ekonomi Islam, 10(1), 112.
- Dinda, Novia. (2019). Optimalisasi Peran Pemerintah dalam Pengembangan UMKM. JES (Jurnal Ekonomi Syariah), 6(2), 172.
- Erwin & Musmulyadi. (2021). Keputusan Pembelian Interaktif B2C dan B2B. Sleman: Deepublish.
- Firman, Syarif. (2020). Potret Industri Halal Indonesia: Peluang dan Tantangan. Jurnal Ilmiah Ekonomi Islam, 6(3), 77.
- Handini, Radika. (2020). Pengembangan Pelaku Usaha dalam Inovasi Produk. Jurnal Masharif Al-Syariah: Jurnal Ekonomi Dan Perbankan Syariah, 5(2), 34.
- Kadeni & Ninik Sriyani. (2020). Peran UMKM (Usaha Mikro Kecil Menengah). Jurnal Ilmiah Ekonomi, 8(2), 56-57.
- Kardavi. (2021). Optimalisasi Peran Pemerintah dalam Pengembangan UMKM. JES (Jurnal Ekonomi Syariah), 6(2), 172.
- M, Zamili. (2015). Menghindari dari Bias : Praktik Triangulasi dan Kesahihan Riset Kualitatif. Jurnal Lisan, 7(2), 43.
- Malano, Herman. (2011). Selamatkan Pasar Tradisional: Potret Ekonomi Rakyat Kecil. Jakarta: PT Gramedia Pustaka Utama.
- Nasution, Yenni Samri Juliati. (2018). Wahana kajian Hukum Islam dan Pranata Sosial. Jurnal Media Syariah, 4(1), 34-35
- Puspitasari, Atika Tri. (2015). Strategi Pengembangan Industri Kecil Lanting Di Kabupaten Kebumen. Jurnal Pendidikan Ekonomi Dinamika Pendidikan, 10(2), 67
- Puspitasari & Widiyanto. (2015). Strategi Pengembangan Usaha Mikro Berbasis Kolaborasi Pemerintah. Jurnal Pendidikan Ekonomi Dinamika Pendidikan, 10(3), 89.
- Rahmah, S. (2016). Faktor-Faktor yang Mempengaruhi Kolaborasi Pemerintah dalam Mengembangkan Usaha Masyarakat. Jurnal Pendidikan Ekonomi Dinamika Pendidikan, 5(4), 67.
- Rahmi, Ain. (2020). Mekanisme Pasar dalam Islam. Jurnal Ekonomi Bisnis dan Kewirausahaan, 4(2), 55-56.
- S, Novi. (2018). Pengaruh Pengembangan Usaha Mikro. Jakarta: Penerbit Salemba.
- Sulistiyati. (2017). Pengaruh Efektifitas Kolaborasi Pemerintah dalam Peningkatan Usaha Masyarakat, E-Jurnal Manajemen Universitas Udayana, 6(10), 110.
- Yuliana, Ayie Eva. (2013). Strategi Pengembangan Industri Kecil Berbasis Collaborative Governance. Al-Azhar Journal of Islamic Economics, 2(3), 90.