# STRATEGY FOR EMPOWERING MICRO BUSINESSES DURING THE COVID-19 PANDEMIC IN SURABAYA CITY

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## ABSTRACT

The impact of the Covid-19 pandemic was felt by the Micro Businesses assisted by the City of Surabaya. The Surabaya City Government is making efforts in an empowerment strategy so that the Micro Businesses fostered continue to produce in a pandemic. This study aims to analyze and describe the Empowerment Strategy of Micro-Business Assisted During the Covid-19 Pandemic in the City of Surabaya using the indicators of the empowerment strategy of Ismawan (1995) in Prijono & Pranaka (1996). This type of research is qualitative with data collection techniques in the form of observation, interviews, and documentation. The research location is in DP5A Surabaya City, DINKOPUM Surabaya City, DISDAG Surabaya City. The focus of research is on Strategies for Empowering Micro Businesses During the Covid-19 Pandemic in the City of Surabaya. Sources of research data are primary data and secondary data. The results of the study said that the empowerment of Micro Patronage during a pandemic covid-19 made by DP5A Surabaya, DINKOPUM Surabaya, DISDAG Surabaya has run according to the rules. However, empowerment still needs to be optimized and there is a need for better data collection for the Micro Businesses in each sub-district of the City of Surabaya.

Key words: Strategy, Empowerment, Fostered Micro Enterprises, Covid-19 Pandemic, Surabaya City

### A. INTRODUCTION

In 2020, Indonesia is in a bad state due to the Covid-19 pandemic, the Covid-19 pandemic has brought the national and global economy towards an economic recession. The contraction was caused by a decrease in household consumption due to social restrictions to prevent Covid-19 as regulated in the *Peraturan Pemerintah Nomor 21 Tahun 2020* concerning Large-Scale Social Restrictions in Order to Accelerate Handling Covid-19 and implemented according to the *Peraturan Menteri Kesehatan Nomor 9 Tahun 2020* concerning the *Pembatasan Sosial Bersekala Besar*/PSBB (Large-Scale Social Restrictions) Guidelines, to reduce the positive number of Covid in Indonesia. In addition, this

was also caused by a decrease in investment spending, including for construction and acquisition of fixed assets, and a decrease in government spending, including expenditure on goods, as well as a sharp decline in foreign trade. Therefore, the Covid-19 pandemic has severely hit the national economy, such as the business sector which is difficult to operate due to Covid-19, especially MSMEs.

According to the Ministry of Cooperatives, Small and Medium Enterprises (KUKM) in 2018, the number of MSME actors was 64.2 million, or 99.99% of the total number of business actors in Indonesia. The absorption capacity of MSME workers is 117 million workers or 97% of the labor absorption capacity of the business world. Meanwhile, the contribution of MSMEs to the national economy (GDP) was 61.1%, and the remaining 38.9% was contributed by large business actors, which amounted to only 5,550 or 0.01% of the total number of businesses actors. The MSMEs are dominated by micro-enterprises, amounting to 98.68% with a labor absorption capacity of around 89% and the contribution of MSMEs during the Covid-19 Pandemic is very unstable because all lines of micro, small and medium enterprises are very affected by the coronavirus outbreak. The impacts include declining sales, capital side, decreased orders, difficulty in raw materials, and bad loans.

The city of Surabaya is the second-largest city in Indonesia after Jakarta and has a population recorded in January 2019 of 3,095,026 people. The number of MSMEs spread across the city of Surabaya based on Rafika (2021) is in the range of 11 thousand in 2019. MSMEs in the city of Surabaya has excellent potential in improving the regional economy. SMEs in Surabaya has an important role in the economy of the people of Surabaya. In addition, the city of Surabaya has potential economic power and has an important role in increasing GRDP and determining the direction of development policies for the province of East Java. Because Surabaya is the capital city of East Java which is the center of government and as the axis of the economy in East Java has a great contribution to the economy of East Java.

The condition of Micro, Small, and Medium Enterprises in the city of Surabaya which was originally stable has become shaken, due to several policies implemented by the central government and implemented strictly in the city of Surabaya regarding PSBB and social distancing. So that it makes the space for movement or the scope of targets for Micro, Small, and Medium Enterprises to be not as wide as the previous conditions so that it affects the income earned. The unstable condition of MSMEs due to the Covid-19 pandemic in the city of Surabaya prompted the Surabaya City Government to take responsive steps to overcome this problem. In the business sector, the most affected are Micro Enterprises because Micro Enterprises are productive businesses that have the criteria for net worth and the smallest annual sales results than small and medium enterprises, in the MSME sector the number of which is very large and the absorption of labor is very large are micro-enterprises.

The Micro Businesses assisted in the City of Surabaya are covered by 3 related agencies, namely the Surabaya City Office of Population Control, Women's Empowerment and Child Protection (DP5A), Surabaya City

Cooperatives and UMKM Service (DINKOPUM), Surabaya City Trade Office (DISDAG), each of which has a function, different in protecting MSMEs in the city of Surabaya. Where the Department of Population Control, Women's Empowerment, and Child Protection of Surabaya City (DP5A) is more inclined to develop human resources who have the task of developing creativity and production capabilities of the people of Surabaya City in order to create a product. After having the product, the business actor will join the micro-enterprise assisted by the Surabaya City Cooperatives and UMKM Service (DINKOPUM) and join as a member of the association in the sub-district which will then be assisted to improve the quality and quality of the product through training so that it has a good selling value and a good capital program, provided by the Department of Cooperatives and SMEs of Surabaya. Furthermore, if the micro-enterprises that have been fostered by the Cooperatives Service have obtained good selling points so that the turnover obtained is quite high, then the Surabaya City Trade Service (DISDAG) is tasked with expanding the market for the micro-enterprises assisted by assisting the marketing of the products of the fostered micro-enterprises such as through national and international exhibitions and provide information and training related to business marketing.

These Micro Enterprises are referred to as Micro Enterprises Assisted by the Surabaya City Government. To overcome the problems that are being faced by Micro Enterprises assisted by the Surabaya City Government. The Surabaya City Government has made several efforts to improve the situation, especially the economic situation where the community lives. The Surabaya government is taking swift steps to empower Micro Enterprises to assist economic recovery. This is as stated in the *Peraturan Daerah Provinsi Jawa Timur Nomor 6 Tahun 2011* concerning Empowerment of Micro, Small and Medium Enterprises which reveals that the empowerment of MSMEs as one of the actors of East Java's economic development needs to be carried out comprehensively, optimally, and sustainably. The implementation is through the development of a conducive environmental climate, providing business opportunities, support, protection, and business development as widely as possible, so as to improve the position, role and potential of MSMEs in advancing development and being able to absorb labor.

Empowerment has a purpose as stated in the Undang-Undang Republik Indonesia Nomor 20 Tahun 2008 concerning Micro, Small and Medium Enterprises and implemented according to the Peraturan Pemerintah Republik Indonesia Nomor 17 Tahun 2013 concerning the Implementation of the Undang-Undang Nomor 20 Tahun 2008 concerning Business Micro, Small and Medium Enterprises who explained that the purpose of empowerment was to realize a national economic structure that was (balanced, developed, and just), to grow and develop the capabilities of MSMEs into strong and independent businesses, to increase the role of MSMEs in (regional development, job creation, income distribution, economic growth, and alleviating people from poverty).

According to data obtained from the Surabaya City Trade Office, the number of Micro-Businesses fostered by the City of Surabaya in 2019 was 841 while in 2020 it was 654, there was a decrease in the number of micro-enterprises assisted by 187. Therefore, it can be said that the Covid-19 pandemic had an

impact on the number of micro-enterprises. Micro-businesses fostered by the City of Surabaya in 2019 to 2020. This can happen because there are several microenterprises that are unable to survive the Covid-19 pandemic and have gone bankrupt. In addition, the Covid-19 pandemic also affected the decline in business turnover from data from the City Trade Office Surabaya in 2019 a turnover of Rp. 30,011,630,515.00 and in 2020 it is Rp. 28,988,650,851.82, so the percentage decrease in turnover is 3.41%. Therefore, it is very important to empower the assisted Micro Enterprises to overcome the conditions during the Covid-19 pandemic, so that empowerment can continue even though in the midst of the Covid-19 pandemic, the Surabaya City Government has made several efforts in the empowerment strategy so that the assisted Micro Business actors are still active can produce in today's difficult circumstances.

To review the Strategy for Empowering Micro-Business Assistance During the Covid-19 Pandemic in the City of Surabaya, the researcher used the theory from Ismawan (1995) in Prijono & Pranaka (1996) that the empowerment strategy can be seen from 5 indicators, namely Human Resource Development by conducting training and coaching during the Covid-19 pandemic to increase knowledge and creativity of human resources and motivate them to survive in the midst of a pandemic, Group Institutional Development by providing assistance by controlling the conditions of micro-enterprises fostered during the Covid-19 pandemic both between individuals and groups and in order to exchange the latest information about the business world, Community Capital Fertilization by providing business capital through the proposing Micro Business Productive Assistance (BPUM) program, Productive Business Development by utilizing promotional and sales facilities provided by the Surabaya City Government as accessibility in marketing the products of the assisted Micro Enterprises. And Provision of Appropriate Information by strengthening fostered micro businesses to target export markets and publishing information media about business. Through these 5 indicators, it is possible to describe how the Strategy for Empowering Micro Businesses Assisted During the Covid-19 Pandemic in the City of Surabaya so that Micro Businesses fostered by the City of Surabaya can survive and continue to produce during the pandemic.

## **B. LITERATURE REVIEW**

#### a. Strategy

Strategy is the expansion of the mission to bridge the organization with its environment. The strategy itself is usually developed to address strategic issues, where the strategy describes the organization's response to key policy choices. Strategy in general will fail when the organization does not have consistency between what is said, what is tried and what is done (Hutapea, 2017). Meanwhile, Mangkuprawira (2004: 14), argues in Bahri (2015) that strategy is defined as a way of doing something to achieve certain goals.

From the above understanding, the researcher can conclude that strategy is a process of determining the plan of top leaders that focuses on the long-term goals of the organization, accompanied by the preparation of a series of actions within an organization into a unified whole based on opportunities, external threats and internal capabilities and weaknesses of the organization. anticipation of changes in the environment, as well as the unity of the movement to assist the preparation and allocation of resources owned by the organization so that these goals can be achieved.

# b. Empowerment

The Undang-Undang Republik Indonesia Nomor 9 Tahun 1995 concerning small businesses, empowerment is defined as an effort made by the government, the business world, and the community in the form of growing a business climate, fostering and developing so that small businesses are able to grow and strengthen themselves into strong and sustainable businesses independent. Totok and Poerwoko (2013:14) in Said (2015) provide a definition of empowerment as a process, namely a series of activities to strengthen and or optimize the empowerment (in terms of ability and or competitive advantage) weak groups in society, including individuals who experience poverty problems. Then Wrihantnolo and Dwidjowijoto (2007:2) argue that empowerment is a process not an instant process, as an empowerment process has three stages, namely awareness, capacity and empowerment.

According to Aswas (2014: 58-60) quoted in Hamid (2018) the principles of community empowerment in question include:

- 1. Empowerment is carried out with full democracy, full of sincerity, is there no element of coercion, because every community has problems, needs, and different potentials, so that they have the same right to be empowered
- 2. Every community empowerment activity should be based on the needs, problems, and potentials of the target group. This can be clearly seen if the identification and socialization process in the early stages takes place with full involvement of the target group.
- 3. The main target of empowerment is the community, so it must be positioned as a subject/actor in empowerment activities, and become the main basis in setting goals, approaches, and forms of empowerment activities.
- 4. Re-growing cultural values and local wisdom, such as the spirit of the *gotong royong* (work together), the young respecting the elders, and the older loving the younger ones, because this becomes social capital in development.
- 5. It is carried out in stages and continuously, because it is a process that takes time, is carried out logically and simply leading to more complex things.
- 6. Pay attention to the diversity of character, culture and habits of the community that have been rooted or have lasted for a long time from generation to generation
- 7. Pay attention to all aspects of community life, especially social and economic aspects
- 8. There is no element of discrimination, especially against women
- 9. Always apply the decision-making process participatory decisions, such as timing, materials, activity methods, etc.
- 10. Mobilizing community participation in various forms, both physical (materials, labor, materials) and non-physical (advice, time, support)
- 11. Apparatus/ empowerment agent acts as a facilitator who must have the ability/competence according to the potential, needs, problems faced by the

community. Willing to cooperate with all related parties/institutions and community institutions/NGOs.

Furthermore, Ginanjar Kartasasmita (1996:159-160) mentions three main aspects that need to be carried out in the community empowerment process quoted in Mulyawan's book (2016:62), namely:

- 1. Creating an atmosphere or climate that allows the development of the potential or power of the community (*enabling*). Here the starting point is the recognition that every human being, every society has potential that can be developed. Empowerment is an effort to build the power to push (*encourage*), motivate and raise awareness (*awareness*) will be their potential and strive to develop it.
- 2. Strengthening the potential or community-owned power *(empowering)* through the provision of inputs in the form of financial assistance, infrastructure development, funding agencies, research and marketing as well as opening up access opportunities that makes people become more and more powerless.
- 3. Protecting the community through siding with the weak to prevent unequal competition. Community empowerment does not make people dependent on programs *charity*.

According to Ismawan (1995) in Prijono & Pranaka (1996) stipulates the existence of 5 indicators of empowerment strategies, namely as follows:

- 1. Human Resource Development, covering various kinds of education and training, both for group members and administrators, including education and training in management skills group institutions, technical production and business.
- 2. Group Institutional Development, including assistance in developing organizational mechanisms, management, administration and household regulations.
- 3. Fostering Community Capital is carried out by means of a savings and credit system for members as well as linking groups with local financial institutions to obtain benefits for further capital accumulation.
- 4. Productive Business Development, including increasing production and service businesses, marketing accompanied by business feasibility studies, market information.
- 5. Provision of Appropriate Information, is carried out by adjusting the level of group development, in the form of program exposures, publication of magazine books, and others that can provide inputs that encourage inspiration towards further business innovation.

From some of these opinions, it can be concluded that empowerment is a series of activities with a long process carried out by the government, the business world, and the community in the form of growing the business climate, fostering and developing as well as paying attention to the principles and specifications of empowerment to strengthen or optimize empowerment, so that it is able to grow. and develop into a strong and independent business.

## c. Micro, Small and Medium Enterprises

Based on the Undang-Undang Republik Indonesia Nomor 20 Tahun 2008

concerning Micro, Small and Medium Enterprises, the definition of Micro, Small and Medium Enterprises is a business carried out by companies with the aim of expanding employment and being able to contribute to increasing national economic growth, equitable distribution and increase people's income, and can provide national stability. Based on this, Micro, Small and Medium Enterprises (MSMEs) are a good forum for the creation of productive and labor-intensive employment opportunities do not require certain requirements such as education level, skills (skills) of workers, and the use of relatively little business capital and technology use tends to be simple. Micro, Small and Medium Enterprises (MSMEs) still play an important role in improving the Indonesian economy, both in terms of the number of businesses, in terms of job creation, as well as in terms of national economic growth as measured by Gross Domestic Product.

Based on the Undang-Undang Republik Indonesia Nomor 20 Tahun 2008 concerning Micro, Small and Medium Enterprises (MSMEs), the criteria for MSMEs are as follows:

- 1. The criteria for Micro Enterprises are to have a net worth of at most IDR. 50,000,000.00 (fifty million rupiahs) excluding land and buildings for business. And have annual sales of a maximum of IDR. 300,000,000.00 (three hundred million rupiahs).
- 2. The criteria for a Small Business is to have a net worth of more than IDR. 50,000,000.00 (fifty million rupiahs) up to a maximum of IDR. 500,000,000.00 (five hundred million rupiahs) excluding land and buildings for business premises. And have annual sales of more than IDR. 300,000,000.00 (three hundred million rupiahs) up to a maximum of IDR. 2,500,000,000.00 (two billion five hundred million rupiahs).

3. The criteria for Medium Enterprises are to have a net worth of more than IDR. 500,000,000.00 (five hundred million rupiahs) up to a maximum of 10,000,000.00 (ten billion rupiahs) excluding land and buildings for business premises. And have annual sales of more than IDR 2,500,000,000.00 (two billion five hundred million rupiahs) up to a maximum of IDR 50,000,000,000.00 (fifty billion rupiahs).

## d. Pandemic Coronavirus Disease (COVID-19)

Coronavirus by Yuliana (2020), Covid-19 is a new virus infection resulting in infection of 90 308 people per March 2, 2020. This virus originated in Wuhan, China on December 31, 2019. The virus is an RNA virus this single positive strain infects the respiratory tract. Enforcement of the diagnosis starts from general symptoms of fever, cough and difficulty breathing to close contact with countries that have been infected. Taking throat and airway swabs is the basis for the diagnosis of *coronavirus disease*. Treatment in the form of isolation must be done to prevent spread.

The most easily calculated losses, quoted from the journal Hadiwardoyo (2020) are aggregate losses nationally. However, because it is macro, this calculation is only used by large-scale economic actors, or by the state in preparing (revised) the *APBN* (State Budget). One way to calculate can use the reference Gross Domestic Product (GDP), which is the total accumulation of production in a country for a year. National economic losses will affect the state

budget. The business sectors hardest hit are those that rely on crowds, then supporting businesses, businesses that cannot implement *physical/social distancing*, tertiary product businesses whose sales depend on people's savings funds and supporting businesses such as leasing and other lending institutions. The energy sector is also under great pressure due to the drastic reduction in business activity, except for *PLN* (State Electricity Company). And there are many other sectors that are affected in various ways. The state suffers 'losses' as revenue falls, especially from taxes. Meanwhile, spending soared due to having to deal with emergency conditions, providing social safety nets, dealing with sick people, deploying extra health personnel and personnel, paying interest on new debts, etc.

### C. METHOD

Scientific research requires a research method that is in accordance with the subject matter and objectives to be studied, in order to obtain relevant data from the research problem. The research method or scientific method is a procedure or stage that is carried out in obtaining knowledge scientific, the research method is a systematic way to compile a science. Therefore, research methods have a very important role in determining the direction and activities of research so that a goal desired by the author can be achieved optimally.

The research method used in this research is descriptive qualitative research method. According to Anggito & Setiawan (2018:8), Qualitative Research is collecting data in a natural setting with the intention of interpreting the phenomena that occur where the researcher is the key instrument, sampling of data sources is carried out *purposively* and *snowballing*, collection techniques with triangulation (combined), and the results of qualitative research emphasize meaning rather than generalizations. The locations of this research are the Surabaya City Office of Population Control, Women's Empowerment and Child Protection (DP5A), Surabaya City Cooperatives and UMKM Service (DINKOPUM), and the Surabaya City Trade Office (DISDAG). The focus of this research is on the Strategy for Empowering Micro Businesses Assisted During the Covid-19 Pandemic in the City of Surabaya based on the theory of Ismawan (1995) in (Prijono & Pranaka, 1996: 240) which stipulates 5 indicators in the empowerment strategy, namely Human Resource Development, Group Institutional Development, Community Capital Fertilization, Productivity Business Development, Provision of Appropriate Information.

In this study, the author uses data sources in the form of primary data and secondary data with the following explanation:

1. Primary Data

According to Sugiyono (2019: 296) is a data source that directly provides data to data collectors. Primary data regarding the Strategy for Empowering Micro Businesses Assisted During the Covid-19 Pandemic in the City of Surabaya. Primary data is data obtained from the first source both from individuals and individuals such as the results of interviews.

2. Secondary Data

According to Sugiyono (2019:296) secondary data is a source that does not

directly provide data to data collectors, for example through other people or through documents. Secondary data is data from other sources that have relevance to research on the Empowerment Strategy of Micro-Business Assisted During the Covid-19 Pandemic in the City of Surabaya.

According to *Lofland* as quoted by Moleong (2002:112), the main data source in qualitative research comes from informants in the form of words and actions, the rest is additional data such as documents and photos. In this study, the authors use other data collection techniques as follows:

#### 1. Observation

According to Sukmadinata (2005) states that observation is a technique or method of collecting data by observing ongoing activities (Hardani et al. .2020:123-124).

#### 2. Interview/Interview

Interview according to Hardani et al. (2020:137) is an oral question and answer between two or more people directly or a conversation with a specific purpose. The conversation was conducted by the two parties, namely the interviewer who asked questions and interviewed that provide answers to the question. The researcher has prepared a research instrument in the form of written questions as an opening for the interview, which will then be adjusted to the exposure of the informants' answers regarding the Strategy for Empowering Micro Businesses during the Covid-19 Pandemic in the City of Surabaya.

3. Documentation

Documents according to Sugiyono (2019:314) are records of events that have passed. The documents used by the researchers here are in the form of photos, pictures, and data regarding the Strategy for Empowering Micro-Business Assistance During the Covid-19 Pandemic in the City of Surabaya.

In this study, the authors use data analysis technique using an interactive model (*INTERACTIF models of* analysis) developed by Miles & Huberman (2014: 8) in Sugiyono (2019: 330) are as follows:

#### 1. Data Collection

Collection Data, namely the data collected in the form of words not a series of words. And it has been collected in various ways (observations, interviews, documents, tapes). And before it's ready to use via (note-taking, typing, or stationery).

## 2. Data Condensation

Data condensation tends to the process of selecting, focusing, simplifying, abstracting and transforming data that approximates all parts of written field notes, interview transcripts, documents, and other empirical material.

# 3. Presentation of Data

In general, data presentation is an organization, unification of information that allows inference and action. Presentation of data can be in the form of graphs, charts and other forms so that it will be easier to understand.

# 4. Conclusions Drawing and Verifying

From data collection, qualitative analysis interprets non-patterns, explanations, causal flows, and propositions. The final conclusion will not come until the data collection data collection ends. Depending on the size of the field

notes, their coding, storage and search methods used, the attractiveness of the researcher and other limits that can be found.

#### **D. EXPLANATION**

The impact of the Covid-19 pandemic was felt by all sectors including the business sector. Therefore, the empowerment of micro-enterprises assisted during the pandemic in the city of Surabaya is a strategy for the Surabaya city government so that all micro-businesses fostered by the city of Surabaya can continue to produce and survive in the midst of the pandemic. The empowerment strategy during the Covid-19 pandemic was carried out by 3 related agencies with different tasks, namely the Surabaya City Office of Population Control, Women's Empowerment and Child Protection (DP5A), Surabaya City Cooperatives and UMKM Service (DINKOPUM), Surabaya City Trade Office (DISDAG).

The entry of Covid-19 in the City of Surabaya has made the Surabaya City Government to be responsive and fast in empowering the Micro Businesses so that business actors do not go out of business. Empowerment of assisted micro enterprises during the pandemic is carried out with various efforts so that the fostered micro enterprises can survive.

By coordinating with various parties, both Mayors and other Regional Apparatus Organizations, to control the implementation of empowerment carried out by 3 related agencies according to their respective duties during the pandemic. For this reason, an analysis of empowerment strategies is carried out using the theory of Ismawan (1995) in Prijono & Pranarka (1996: 240) which stipulates that there are 5 empowerment strategies, namely:

- 1. Human Resource Development Strategy
- 2. Group Institutional Development Cultivation Strategy
- 3. Capital Strategy Community
- 4. Productive Business Development Strategy
- 5. Strategy for Provision of Appropriate Information

Based on the objectives in this study, namely to identify and analyze the Strategy for Empowering Micro Businesses during the Covid-19 Pandemic in the City of Surabaya, in this section the author will analyze the findings. Both data and information obtained at the research location from research informants were adjusted to the research focus.

# 1. Human Resource Development Strategy

Human resources are the most valuable asset in an organization. Without human resources, of course, the organization cannot run, so competent human resources are needed. This is in accordance with the opinion of Prihantoro (2012), that competent human resources have high enthusiasm and discipline in carrying out their roles and functions for both individual and organizational goals.

Based on the opinion of Prihantoro's theory above, the human resource development strategy has one parameter which includes education and training conducted by the Surabaya City Office of Population Control, Women's Empowerment and Child Protection. Because it can be seen according to Notoatmodjo, (formal) education in an organization is a process of developing capabilities in the direction desired by the organization concerned, while training (training) is part of an educational process, which aims to improve a person's special abilities or skills or groups of people (Wahdiniawati, Ma`arif, & Dirjosuparto, 2014).

During the Covid-19 pandemic, education and training were provided in the form of home visit assistance and the provision of socialization facilities and virtual training for fostered micro businesses. These efforts are useful for adding insight, knowledge, and skills as well as knowledge of micro businesses fostered by the City of Surabaya.

As Rohmah (2018) argues that the development program is adapted to the needs and challenges of the organization both now and in the future. Human Resource Development in the form of education and training carried out by assisting home visits and distributing information and experiences through socialization and virtual training from similar business places with more adequate human resource capacity.

This is in accordance with the concept of empowerment as contained in the *Undang-Undang Republik Indonesia Nomor 9 Tahun 1995* concerning small businesses, empowerment is defined as an effort made by the government, the business world, and the community in the form of growing the business climate, fostering and developing so that small businesses are able to grow and strengthen itself into a strong and independent business.

The home visit assistance was carried out by providing motivation and knowledge about entrepreneurship to the fostered micro business actors, this home visit assistance also accommodated all the aspirations of business actors who experienced difficulties in running their businesses during the pandemic. Assistants help to find alternative solutions to every problem experienced by business actors.

As the main aspect of Ginanjar Kartasasmita (1996:159-160) quoted in Mulyawan's book (2016: 62), that what needs to be done in the process of community empowerment is to create an atmosphere or climate that allows the development of the potential or power of the community (*enabling*). Because empowerment is an effort to build up power to push(*encourage*), motivate and raise awareness(*awareness*)will be their potential and strive to develop it.

Meanwhile, for virtual socialization and training, it is carried out by connecting the micro-businesses fostered to the agency organizing activities, so the Surabaya City Office of Population Control, Women's Empowerment and Child Protection is the coordinator that connects the micro-enterprises fostered to be able to join in the socialization and virtual training activities that exist during the pandemic.

The Human Resource Development Strategy can run optimally, if all human resources can be active in participating in the programs provided. As stated by Wrihatnolo and Dwijowijoto who define that successful empowerment requires community involvement to be active in activities, in this case SMEs (Amiruddin, 2018).

However, based on the interviews that the author conducted, it was found that there were several obstacles in the development of human resources, namely the refusal of the assisted micro businesses when the assistants visited the residences of the business actors to provide home visit assistance, for various reasons ranging from *physical distancing* and the lack of desire to continue their business.

As well as the unequal distribution of information regarding socialization and virtual training and Micro-Business Assisted by the City of Surabaya, the facilities provided by the Surabaya City Office of Population Control, Women's Empowerment and Child Protection have not been properly utilized.

2. Institutional Development Strategy

Institutional Group is a set of values or norms that regulate the relationship between members of an organization and institutional formation is very closely related to the goals to be achieved (Darwin, 2018). Hapsari & Surya (2017) argue that, Institutional is a social system that makes efforts to achieve certain goals that focus on behavior with values, norms, and rules that follow it, and has the form and area of activity in which it takes place.

The group institutional development strategy has one parameter which includes Assistance in Developing Organizational Mechanisms, Organizational Management, Administration, and Household Regulations carried out by the Surabaya City Cooperative and Micro Business Office. The development of group institutions during the COVID-19 pandemic is in the form of virtual coaching carried out by appropriate supervisors to discuss business-related problems.

In addition, it also carries out MONEV every 3 months, in order to update micro-enterprise data so that the association can conduct member screening so that interactions and organizational mechanisms can run more effectively. And to find out the development of the micro-enterprises assisted during the covid-19 pandemic, in order to control the business being in a stable or declining position, or even no longer active.

This is in accordance with what was revealed by Latisia, (2019) The influence given by the environment has an impact on the policies and strategies that will be taken. Changes in the internal environment will affect the strengths and weaknesses, as well as changes in the external environment will have a potential and fundamental influence on the creation of opportunities and threats in the present and in the future.

The implementation of MONEV is carried out by visiting the homes of the micro business actors who are assisted according to the sub-districts they are fostering, of course with the approval of the parties concerned. This is in accordance with the principles of community empowerment according to Aswas (2014: 58-60) quoted in Hamid (2018) that empowerment is carried out with full democracy, full of sincerity, there is no element of coercion, because every community has problems, needs, and different potentials, so that they have the same right to be empowered.

So that it can determine the patterns of action and social relations as well as social unity which is a concrete form of the fostered micro-enterprise community in every sub-district of Surabaya City. Asargues Darwin (2018), the choice of institutional form will determine the achievement of the goals or functions of an organization or agency. However, the contribution of the service in the community is still in the process of updating and screening active members and not only through MONEV. So that there has been no review from the service of the elected chairman to get guidance to become a leader.

3. Strategy for Cultivating Community Capital

Community Capital fertilization is an effort made to develop individual or group capital that is allocated for more productive purposes. The strategy of cultivating community capital has one parameter which includes connecting groups with financial institutions carried out by the Surabaya City Cooperative and Micro Business Office.

As according to ginandjar kartasasmita (1996: 159-160), quoted in the book Mulyawan (2016: 62), that needs to be done in the process of community development is to strengthen the potential or community-owned power *(empowering)* through the provision of inputs in the form of aid funding, infrastructure development, development of funding institutions, research and marketing as well as opening access to various opportunities *(opportunities)* that make the community more empowered. Prior to Covid-19, the capital facility provided by the Surabaya City Cooperatives and Micro Enterprises Service was in the form of providing links to the KUR loan program to state-owned banks.

Meanwhile, during the COVID-19 pandemic, facilities for cultivating community capital in the form of Productive Micro Business Assistance (BPUM) were provided to help micro-enterprises in obtaining venture capital assistance in order to survive in the in the midst of the COVID-19 pandemic. So that they can continue to produce and develop business potential even during the Covid-19 period.

As revealed by Sabirin (2001), it is clear that to empower the weak economic group or the small business sector is to provide affordable sources of business financing (Latisia, 2019). However, the distribution process This BPUM has not been distributed evenly so there are several micro-enterprises who have not received because they do not meet the requirements and some have already register as a BPUM recipient but have not yet passed. And no attempt from the service to find alternative funding for micro-enterprises that have not get an injection of funds during the covid-19 pandemic.

4. Productive Business Development Strategy Productive Business

Development is an assistance program to develop potential in a productive business. Kien (2012) states that productivity is an important factor for building organizational competitiveness, maintaining strategic and financial performance, achieving desired goals and meeting stakeholder value propositions (Prabawa & Supartha, 2018).

The Productive Business Development Strategy has two parameters which include marketing and market information carried out by the Surabaya City Trade Office. The Productive Business Development is carried out to support business development to be productive even in the midst of the COVID-19 pandemic. The entry of the pandemic in the city of Surabaya certainly affects the marketing of micro business products, because of the decline in sales turnover resulting from the decline in people's purchasing power. So that it encourages the Surabaya City Trade Office to carry out Productive Business Development in the form of marketing through online marketing directions both using the existing *marketplace* and social media as well as through the *E-Local Market* provided by the Surabaya City Trade Office since before the pandemic came as a marketing tool.

This is in accordance with the opinion of Mardiani & Imanuel (2013) Marketing through online media or (E-marketing) is a marketing process that uses the internet, where with E-marketing consumers can obtain information about products, conduct buying and selling transactions with sellers and promote products that have been consumed by consumers and even promote sellers or companies whose products have been purchased by consumers. In addition, market information is provided through information on projects for making PPE and masks needed by medical personnel and the people of the City of Surabaya, as well as projects for dry *tempeh*, *abon*, and *sambal pecel* which are used to meet the food aid needs of the citizens of Surabaya.

On line marketing is carried out to help micro businesses get additional income after selling offline and market information activities are carried out so that the fostered micro businesses can continue to produce and develop business potential even during the Covid-19 period.

This is in accordance with the principles of community empowerment according to Aswas (2014: 58-60) quoted in Hamid (2018) that every community empowerment activity should be based on the needs, problems, and potentials of the target group.

However, the development of productive businesses still faces obstacles in the transaction process and shipping costs in the *E-Local Market* as well as the provision of market information which is still minimal so that it does not cover the needs of micro businesses in various fields to be able to survive in the midst of the covid-19 pandemic.

As revealed by Aswas (2014: 58-60) in the principles of empowerment that the empowerment apparatus/agent acts as a facilitator who must have the ability/competence according to the potential, needs, problems faced by the community. Willing to cooperate with all relevant parties/institutions as well as community institutions/NGOs

5. Strategy for Provision of Appropriate Information

Provision of appropriate information is an effort to provide input towards business innovation. Arman (2017) explains that, Information is the result of data processing so that it becomes an important form for the recipient and has usefulness as a basis for decision making that can be felt as a result directly at that time or indirectly in the future.

The Strategy for Provision of Appropriate Information has two parameters which include program presentation and publication of information media conducted by the Surabaya City Trade Office. The provision of Appropriate Information is carried out to determine alternative options for making a decision, and as a form of providing publications for related micro-businesses assisted by the City of Surabaya in order to increase innovation during the Covid-19 pandemic.

Provision of Appropriate Information in the form of program presentations through socialization and training on export management and product quality standardization which is carried out to broaden the horizons of business actors and improve the quality of business products so that their marketing can be carried out more broadly. In addition, the publication of information media through published content is carried out through the official Instagram of the Surabaya City Trade Office.

Starting from the publication of the activities that have been carried out, then updating the prices of basic commodities, content appeals to support micro business products fostered by the City of Surabaya, and important information about marketing the business world, as an incentive for the wider community, especially residents of the City of Surabaya to participate in advancing their business.

City of Surabaya in accordance with the principles of community empowerment according to Aswas (2014: 58-60) quoted in Hamid (2018) that empowerment must mobilize community participation in various forms, both physical (material, labor) and non-physical (advice, time, support).

However, the effort to provide this appropriate information has not run optimally, due to the pandemic constraint which resulted in the lack of information about the business world and the large amount of content to reduce the number of the Covid-19 pandemic, as well as training and socialization related to business world marketing that has not covered all the micro-business sectors fostered by the City. Surabaya.

## **E. CONCLUSION**

From the results and discussion that the author has described, the following conclusions can be drawn:

- 1. The Human Resource Development Strategy is carried out by the Surabaya City Population Control, Women Empowerment and Child Protection Service. With the parameters of education and training during the COVID-19 pandemic, it will continue to be carried out through home visit assistance, as well as an appeal to take part in virtual socialization and training held by the central government and private agencies. Human resource development has not been optimal due to several obstacles, such as the refusal of the micro-enterprises assisted in assisting home visits and the unequal distribution of information submitted by the office regarding socialization and virtual training.
- 2. The Group Institutional Development Strategy is carried out by the Surabaya City Cooperatives and Micro Business Office. With the parameters of assistance in compiling organizational mechanisms during the Covid-19 pandemic, it is carried out through MONEV 2020, to update micro business data so that the association can screen members so that interactions and organizational mechanisms can run more effectively. In addition, MONEV is also carried out to find out the development of micro-enterprises assisted during the covid-19 pandemic, and control businesses that are in a stable or declining position, or even no longer active.
- 3. The Strategy of Community Capital Fertilization is carried out by the Surabaya City Cooperatives and Micro Business Office. With parameters connecting Groups with Financial Institutions during the Covid-19 pandemic, it was

carried out through Micro Business Productive Assistance (BPUM). This BPUM distribution process has not been distributed yet evenly because some of the micro-enterprises that meet the requirements have not passed as a BPUM recipient. And there is no alternative funding from the department for micro businesses that have not received an injection of funds during the covid-19 pandemic.

- 4. Productive Business Development Strategy is carried out by the Surabaya City Trade Office. With marketing parameters and market information during the Covid 19 pandemic, which was carried out through online marketing directions, both using the *marketplace* and *E-Local Market*. And through information on the project for making PPE as well as masks and projects for dry tempeh, shredded, and sambal pecel, which are needed by medical personnel and the people of Surabaya. The transaction process and shipping costs in the *E-Local Market* are the cause of the *E-Local Market* not being accessible to the wider community, while the provision of market information is still not in accordance with the needs in various fields of micro-businesses fostered to survive in the midst of the COVID-19 pandemic.
- 5. The Strategy for Providing Appropriate Information is carried out by the Surabaya City Trade Office. With the parameters of program exposure and publication of information media during the Covid-19 pandemic, it was carried out through socialization and training regarding export management and product quality standardization as well as through the publication of information media in the form of content published on the official Instagram of the Surabaya City Trade Office. The provision of training or socialization has not met the needs of the various fields of micro-enterprises fostered, whilecontent information for the business world during the COVID-19 period is also limited.

Based on the explanation above, it can be concluded that the strategy for empowering micro-enterprises fostered by the City of Surabaya is implemented by 3 related agencies, namely the Office of Population Control, Women's Empowerment and Child Protection in the City of Surabaya, the Office of Cooperatives and Micro Enterprises in the City of Surabaya, and theCity Trade Office.

SurabayaEmpowerment efforts for fostered micro-enterprises during the COVID-19 pandemic, however, are still not optimal in their implementation because there are still several obstacles in each empowerment indicator.

Based on the conclusions above, the authors can provide suggestions, among others, as follows:

- 1. The Surabaya City Department of Population Control, Women's Empowerment and Child Protection needs to increase socialization and training and assistance to be more comprehensive so that the micro-enterprises fostered are more innovative to survive in the midst of a pandemic.
- 2. The Department of Cooperatives and Micro Businesses of the City of Surabaya needs to provide assistance in formulating the mechanism of the association, the management of the association, the administration of the association, and the formation of the association's regulations. So that existing associations can

run more effectively in exchanging information.

- 3. Cooperatives and Micro Enterprises Office of Surabaya City It is hoped that it will expand access to capital for Micro Businesses that have not yet received BPUM, so that they can be linked with other financial institutions to obtain an injection of business funds.
- 4. The Surabaya City Trade Office needs to optimize marketing by improving the reach of the *E-Local Market* so that it can be accessed by the wider community, especially Surabaya City residents and the need for providing market information that is in accordance with the needs in various fields of micro-enterprises fostered to be able to survive in the midst of the covid-19 pandemic.
- 5. The Trade Office of the City of Surabaya needs to provide training or socialization according to the needs of various fields of micro-enterprises fostered and optimize social media to disseminate information related to the marketing of micro-businesses fostered by the City of Surabaya.

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