ORGANIZATIONAL CAPACITY OF THE COOPERATIVE, UMKM, INDUSTRY AND TRADE OFFICE OF SUKABUMI CITY IN THE DEVELOPMENT OF MICRO, SMALL AND MEDIUM ENTERPRISES (UMKM)

Ranti Riani,
Faculty of Administrative Sciences and Humanities,
University of Muhammadiyah Sukabumi,
rantiriani85@gmail.com;

Ike Rachmawati,
Faculty of Administrative Sciences and Humanities,
University of Muhammadiyah Sukabumi,
ikerachmawati@ummi.ac.id;

Tuah Nur,
Faculty of Administrative Sciences and Humanities,
University of Muhammadiyah Sukabumi,
tuahnur@ummi.ac.id;

ABSTRACT
In conducting the development of micro, small and medium enterprises, the Department of Cooperatives, MSMEs, Industry and Trade (Diskoperindag) of Sukabumi City has the role and authority to do so. However, in the implementation in the field, based on the results of the author's interview with the Head of the SME Division in carrying out these activities, Diskoperindag experienced several obstacles. This study uses the theory of Horton (2003) which has 5 dimensions, namely human resources, technological infrastructure and financial resources, management programs and processes, the last dimension of networks/relationships with other organizations and stakeholders. This research uses descriptive qualitative approach documentation. The results of the study show that the organizational capacity of Diskoperindag in developing MSMEs is not yet adequate, because it is not fully in accordance with the theory of organizational capacity from Horton, et al. Of the five dimensions, only the strategic leadership dimension is adequate. Meanwhile, the dimensions of human resources, infrastructure, technology and financial resources, program and process management and network/relationship dimensions with other organizations and stakeholders are inadequate.

Keywords: Organizational Capacity, Development, Micro, Small and Medium Enterprises

A. INTRODUCTION
The government has the power and ability to strengthen the community, which is one of its duties, to prosper the region. In addition, by carrying out community empowerment, in this case related to the growth of small and medium
enterprises, these duties and authorities can be progressively transferred to local
governments. The development of cooperatives, small businesses, and medium-
sized enterprises is categorized as mandatory government affairs that are not
related to basic services in the *Undang-Undang Nomor 23 Tahun 2014* about
regional government. The government and local governments are required to
regulate the empowerment of micro, small and medium enterprises in accordance
with their authority, as per *Undang-Undang Nomor 17 Tahun 2013* article 2 of the
Government Regulation, the *Peraturan Bupati Sukabumi No. 108 Tahun 2021* also
states that the Sukabumi City Cooperatives and SMEs Office develops activities,
such as micro business empowerment, in accordance with sector operational plans.

In the effort to develop the community's economy, especially in Sukabumi
city, the development of Cooperatives, Small, Micro, and Medium Enterprises
(MSMEs) can be categorized as core businesses that must be implemented as local
government initiatives and included in local government development policies. The
*Undang-Undang Nomor 20 Tahun 2008* about Micro, Small and Medium Enterprises defines MSMEs as stand-alone productive economic enterprises,
which are carried out by individuals or business entities. Indrawijaya and Pranoto
(2011) further explained that organizational capacity building is an important
strategy so that a public service organization has the ability to develop strategic
plans aimed at making the organization achieve its objectives clearly and is able to
design the organization to ensure efficiency, effectiveness, responsiveness.

In developing micro, small and medium enterprises, the Office of
Cooperatives, MSMEs Industry and Trade of Sukabumi City has the role and
authority to do so, including conducting training on production techniques and
conducting e-commerce training. However, based on the results of the author's
interview with the Head of the SME Division in carrying out these activities,
Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City
experienced several obstacles. As in the implementation of production technique
training, which is not routinely carried out every year, due to the limited amount
of budget and constraints hindered by Covid-19. Then e-commerce training or
electronic-based trading has not been optimal. So this shows that the need for
organizational capacity in order to achieve its goals clearly. Based on the results
of observations and interviews, the author found several indications of problems
that cause problems in the field related to the organizational capacity of the
Sukabumi City Office of Cooperatives, MSMEs Industry and Trade of Sukabumi
City in developing micro, small and medium enterprises, including:

1. Human resources are an important aspect of the organisation because they are
   the main driving force for the organisation to achieve its goals. Based on the
   results of interviews with informants, it is said that the human resources owned
   by Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City are
   still lacking because many employees have retired and moved duties. It can be
   seen from the table below:
Table 1 List of employees of Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City in the field of MSMEs 2023

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Agus Mulyana, S.IP</td>
<td>Head of Micro Business</td>
</tr>
<tr>
<td>2</td>
<td>H. Martin Wahyudi, S.E., M.A.B.</td>
<td>Junior Expert Policy Analyst &amp; Implementer</td>
</tr>
<tr>
<td>3</td>
<td>Iman Kurnia</td>
<td>Executive</td>
</tr>
<tr>
<td>4</td>
<td>Aep Saefudin</td>
<td>Executive</td>
</tr>
</tbody>
</table>

It can be seen that in terms of quantity, the number of employees in the MSME sector is still limited and requires more employees to handle the program implemented. The current number of employees is said to be inadequate to run the MSME program implemented so that MSME sector employees are currently assisted by other sectors, namely the cooperative sector.

2. Financial resources, according to the performance report of Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City Kota Sukabumi, stated that there was budget efficiency which resulted in less than optimal coaching both in terms of quality and quantity of coaching this year. The budget realization ratio in 2020 decreased by about 0.8% from the previous year.

3. Technology, at this time Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City as the implementer in the affairs of the MSME sector still has obstacles in terms of technology, such as the absence of a website for MSME actors so that there is no information about training or information about MSME program that are run.

4. Inadequate physical resources such as not having the main facilities and infrastructure, such as the unavailability of tools to photograph MSME products.

Therefore, organizational capacity must continue to be considered and optimized in order to produce maximum output. Seeing the problems and challenges faced, this is interesting to be used as a research study for researchers on organizational capacity which includes 2 major components, namely the resource component and the management component (Horton, 2003). So in this study, the researcher conducted a study with the title "Organizational Capacity of the Office of Cooperation, SMEs, Industry and Trade (in the development of MSMEs)."

B. LITERATURE REVIEW

Organizational Capacity

In general, capacity means an ability or strength. Capacity is the ability of an individual, group, organization or community to carry out objectives to solve problems, and set and achieve goals (UNDP, 2004) in (Yusuf et al, 2018). The definition of capacity can be interpreted as the ability, skills, understanding, attitudes, values, relationships, behavior, motivation of human resources, and conditions that enable individuals, organizations, networks/sectors and systems to
carry out their functions and achieve development goals that have been set over time (Morgan, 2006) in (Yusuf et al. 2018). It is also explained that capacity refers to the ability and competence of the organization with a level of efficiency in managing planning designed to provide output to the community that is its responsibility. For this reason, capacity needs to be instilled as something very important for the organization to achieve maximum goals. (Odelia, 2018).

Organization is a rule of members that is useful to make it easier to achieve the goals that have been set. An organization is a group of people in a container who work together to achieve success and common goals. Thus the organisation is a place or a means of accommodating the activities of a group of people carried out in mutual cooperation (Sulistio and Sulistiwati, 2014).

Based on the above explanation, organizational capacity usually refers to the ability of an organization to perform work in an organization or enable the organization to carry out its functions to achieve goals. In the government sector, organizational capacity is the government's ability to manage, develop, direct and control financial, human resources, and information resources (Abdurahman, n.d.). The focus of capacity development is on efforts to achieve organizational performance results by measuring inputs and outputs, setting benchmarks, and aiming to improve organizational efficiency. To support an organization in order to maintain its existence, it needs reliable human resources/workforce/employees who have skills and have motivation (Strauss and Sayles, in (Sahadia, 2015.)

Internally an organization can direct its goals, and can create the infrastructure to actualize these goals. Externally, the organization can collaborate with other organizations with the aim of mutual benefit to utilize the capabilities possessed by the organization as a public organization’s goal of creating public value. In addition, understanding organizational capacity can also help organizations to place resources to achieve better targets (Irawan, 2016).

Organizational capacity is the ability that an organization has that is useful for solving problems, and can achieve the goals set. In this case, organizational capacity is very important for the life of an organization. (Horton et al., 2003) states that organizational capacity can be grouped into two major components, namely: Resource component and Management component as shown below:

![Figure 1 Components of Organisational Capacity](source: Horton et al., 2003)

The figure shows that overall organizational capacity depends on resources (human, physical, financial, and technological resources) and on management
(leadership, program and process management, and networks and relationships with others).

1) Human Resources (staff members/personnel), is the main factor driving organizational activities to achieve organizational goals. HR includes quality, qualifications, quantity in handling various obstacles/problems in the implementation of archives.

2) Infrastructure, technology, and financial resources, are all facilities and infrastructure used to support the smooth process of archive management activities, as well as the required budget.

3) Strategic leadership, leadership in organizations plays a very important role in directing organizational goals. This refers to the superior to direct the organization through a clear vision, mission, able to work with employees, and provide the information needed to realize the vision and mission.

4) Program and process management, which is a mechanism that shows that employees both individually and in groups within the organization can carry out work to achieve predetermined goals. The program can be seen from the results of the organization’s performance in carrying out the program set out in archive management at the relevant Office. While process management concerns the internal processes of the organizations supporting the set program. This process management can be seen from problem solving and monitoring and evaluation (Yusuf et al, 2018).

5) Networking and Linkages, covering the organization’s ability to interact and cooperate with other agencies, namely with stakeholders and partners.

**Development of Micro, Small and Medium Enterprises (MSMEs)**

A micro-enterprise is a stand-alone productive economic enterprise, conducted by an individual or business entity that is not a subsidiary or branch of a company that owns, controls, or is part directly or indirectly of a medium enterprise, small enterprise, or large enterprise that fulfills the criteria of a micro-enterprise as referred to in the Law. Micro, small, and medium enterprises are significant economic players in Indonesia. The ability of micro, small, and medium enterprises to grow independently is critical to the future of development. In 1999, micro, small and medium enterprises accounted for approximately 60 per cent of Indonesia's GDP, with small and micro enterprises accounting for 42 per cent and medium enterprises accounting for 18 per cent. (Hanim, 2018)

The empowerment of Micro, Small and Medium Enterprises (MSMEs) is very important in anticipating the future economy, especially in strengthening the national economic framework. The current national economic crisis has had a significant impact on national, economic and political stability, which has resulted in large business activities getting worse, while MSMEs and cooperatives have been relatively able to maintain their business activities.

In general, the objective is to create Micro, Small, and Medium Enterprises (MSMEs) that are resilient and independent, highly competitive, and play an important role in the production and distribution of basic needs, raw materials, and capital in the face of free competition. MSMEs are stand-alone productive business units, conducted by individuals or business entities from all economic sectors. In general, the distinction between Micro Enterprises (MSEs), Small
Enterprises (SEs), Medium Enterprises (MSEs), and Large Enterprises (UBs) is based on initial asset value (excluding land and buildings), average annual turnover, or number of permanent employees. However, the definitions of MSMEs based on these three measurement tools vary by country. As a result, it is difficult to compare the importance or function of MSMEs in different countries.

C. RESEARCH METHODS

This research uses descriptive qualitative research methods. The descriptive analysis method carried out by researchers is by describing the facts which are then followed by analysis, not only describing but also providing understanding and explanation of the phenomenon of problems at Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City. The indicators used in measuring based on the phenomena that occur are using indicators from the Organisational Capacity theory proposed by Horton (2003) which includes 5 (five) aspects, namely: (1) staff members/personnel (human resources), (2) infrastructure, technology, and financial resources, (3) strategic leadership, (4) programme and process management, and (5) networking and linkages.

Determination of informants using purposive sampling technique which is a technique of determining informants with certain considerations, in this case the person is considered to know the information needed best, the use of purposive sampling in this study seeks to find out how the implementation of MSMEs and capacity building at the Sukabumi City Cooperative Office In obtaining and collecting research data, using data collection techniques in the form of observation, interviews and documentation. Data validation was conducted using triangulation of data sources and triangulation of techniques because researchers will maximize the process of checking data from various sources, and checking data with different techniques(Creswell, 2015). So that the data obtained is more credible and can be used as a conclusion by the researcher. In this study, the steps taken by researchers in conducting data analysis using the Miles & Huberman theoretical flow model by taking the initial steps through data reduction, data presentation, and conclusion drawing are expected to answer the research focus that will be carried out by researchers, so that the final result finds a temporary result that is used as a substantive theory using certain methods.

D. RESULTS AND DISCUSSION

Organizational capacity is all the components that an organization needs to achieve its mission. The government as the largest public organization has a mission to provide responsive services to the public. The threats faced in the era of globalization and its impact on what the government must do through its public organizations to be able to adapt and respond to rapidly changing economic, social, political and technological trends. The challenges of globalization require public organizations to mobilize all their components and potential to be able to overcome all challenges and be able to improve services that provide satisfaction among citizens with government functions and services provided.

Capacity is required for political growth since it is a basic essential of the political system to adapt to or absorb new demands coming from its social,
economic and international context. According to that view, capacity defines as a trait or a function, may alter or increase in response to societal demands. (Wulandari, 2022). Horton (2003:19) explains that organizational capacity is the potential that an organization has to carry out its activities, according to him organizational capacity includes 5 (five) aspects, namely: (1) staff members/personnel (human resources), (2) infrastructure, technology, and financial resources, (3) strategic leadership, (4) program and process management, and (5) networking and linkages.

**Staff members/Personnel**

Human resources focus on the quality, qualifications and quantity of employees who are qualified in terms of doing what is their main task and function. The quality, qualifications and quantity of human resources are what drive the wheels of the organization. Based on the results of observations and interviews with informants 1 and 3, seen from the aspect of the number of employees, and employee development is not in accordance with what is needed by the organization, even though these aspects are the main key in the dimension of human resource capacity, namely the organizational process aimed at recruiting qualified and skilled employees, adequate employee resources that can be seen by the number of employees and the level of skills and expertise, as well as organizational resources and processes that provide professional development and opportunities for employees to practice (Bryan, et. al 2011).

1) Number of Employees

<table>
<thead>
<tr>
<th>No.</th>
<th>Position</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Head of Cooperatives and MSMEs</td>
<td>1</td>
</tr>
<tr>
<td>2.</td>
<td>Young MSME Policy Analyst</td>
<td>1</td>
</tr>
<tr>
<td>3.</td>
<td>Cooperative Development and Empowerment Section</td>
<td>4</td>
</tr>
<tr>
<td>4.</td>
<td>UMKM Development and Empowerment Section</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>9</td>
</tr>
</tbody>
</table>

In the table above, it can be seen from the aspect of the current number of employees in the MSME sector that it is still inadequate, currently it is said that there is a lack of employees where the SME sector only has 1 Head of field and 3 MSME development sections which results in other field staff having to help handle the vacancies in running the MSME sector program as stated by the informant.

2) Employee Development

In employee development, Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City, especially in the field of MSMEs, there are still many who have not participated in training, according to data obtained by observation in 2023 only 2 people participated in competency development training with technical and functional training types, this certainly causes a lack of managerial and technical mastery as a result of training that is not followed.
Infrastructure, technology, and financial resources

1) Infrastructure
Completeness of facilities and infrastructure is an important thing to ensure the optimization of organizational performance. Facilities and infrastructure are supporting organizational activities to run according to their main tasks and functions, the quantity of facilities and infrastructure is also needed to support the productivity of organizational performance. The Diskoperindag as an MSME development institution certainly needs adequate physical support so that the implementation can be carried out optimally so that the MSME development process can run optimally.

Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City currently has a good quality building, but according to the results of observations and interviews with informants, the hall used to conduct training or mentoring in developing micro, small and medium enterprises is not optimal due to the lack of space. Also, the facilities and infrastructure for the MSME development program are still inadequate, such as the absence of tools to take pictures of products such as cameras, lighting, backgrounds, which are an obstacle to exhibiting MSME products.

2) Technology
According to (Horton et al., 2003) the technology dimension looks at the extent to which organizations are able to apply technology and make maximum use of it to help carry out organizational tasks. However, the reality in the field that researchers found that the Sukabumi City Diskoperindag has not kept up with current technological developments, such as not having an information system in the form of an online-based application where this application is useful to make it easier for users to access anytime and anywhere just by visiting the web address that has been provided. This is due to the lack of human resources who understand the technology part and also due to budget constraints.

Likewise with the information system in the form of a website, the information system in the form of a website is useful for promoting the products of MSME players, besides that the website is also useful as a portal for providing information in the form of training activities that will be carried out by Diskoperindag as the organizer cannot be realized due to the limited ability of employees at Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City.

3) Financial Resources
In the financial dimension as stated (Horton et al., 2003) this dimension looks at the financial resources the organization has in carrying out its duties and the extent of the organization’s efforts to obtain other support so as to obtain sufficient funding as needed. In the Amended Strategic Plan of the Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City, it is explained that there was a decrease in the budget from 2019 to 2020 which can be seen in the table below:
Table 3 Budget Realisation of MSMEs Development Programme

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget Realisation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>373.911.500</td>
</tr>
</tbody>
</table>

From the table above, it can be seen that in the programme to develop support for micro, small and medium enterprises, the budget absorption is very high. The amount of the budget is the result of the allocation of the total existing budget, where the entire budget must be divided so that sometimes it is not sufficient.

**Strategic Leadership**

Good leadership in an organization is very important, because good leadership can affect the success of the organization’s capacity to perform its main tasks and can maintain its flexibility and make the organization’s performance more organized. One of the factors that influence the success of organizational capacity building is leadership, in this case the leadership style becomes the basis for driving the effectiveness of an organization due to increasingly severe challenges and limited resources (Djumandi, 2006) in (Alam, 2015).

Leadership in organizations plays a very important role in directing organizational goals. Strategic leadership is related to the vision of the organization, which can create an organization that has its own characteristics (Horton, 2003) in (Simanjuntak, 2001). Good leadership according to Bush (2008) is a leader who has a transformational leadership style. The main focus of transformational leadership is that leaders find activities that have influence and results. Northouse (2013) in suggests five important factors related to transformational leadership, namely: (1) idealized influence, (2) charisma, (3) inspiring motivation, (4) intellectual circuitry, and (5) adapted judgment.

Based on the results of interviews with informants, the leadership strategy at Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City is going well such as:

1) Regarding the ability of leaders to analyze or interpret the environment outside the organization related to the development of MSMEs, Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City Kota Sukabumi already has a clear organizational direction through strategic plans and work plans.

2) Motivation, regarding the ability of Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City Kota Sukabumi to motivate employees has been done by providing intensive in the form of materials, praise and rewards.

3) Adapted considerations, based on the results of interviews, the head of the UMKM sector as a leader is very concerned about his subordinates, such as listening to opinions and giving consideration to the opinions expressed so that organizational goals at Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City are achieved as desired.
Programme and Process Management

1. Program

The program aspect is the core of the administrative process that describes the capacity of the organization to carry out programs and activities in the public administration system (Yusuf et al., 2018). The Sukabumi the Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City program is the output of the main tasks and functions that have been determined by the agency.

![Diagram showing programme and process management]

- **Input:** Community of MSME Players
- **Process:** Micro, Small and Medium Enterprises activity
- **Output:** Increased percentage of MSME players, increased ability/skills of MSME players and increased market share

**Figure 2 Flow of Micro, Small and Medium Enterprises development at Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City of Sukabumi city**

The above table shows the flow of MSME development in Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City Kota Sukabumi. Organisational performance in achieving the set objectives must be effective and efficient. However, in reality, the desired output in the implementation of MSME development in Sukabumi city has not been achieved, as shown below:

1) Percentage of Micro and Small Enterprises as many as 16,343 Units (83.83%), not achieved from the targeted 16,642 Units (84.50%)
2) Number of Micro, Small and Medium Enterprises Product Promotion through Exhibitions as many as 4 category products, not achieved from the targeted 10 products with a performance achievement of 40.00%.
3) Percentage of new young entrepreneurs created through Sukabumi KECE program not implemented.

**Process Management**

Process management occurs in every organization. Process management aims to support the programs that will be carried out in the organization, in this case process management can be seen through

1. Problem Solving

   Process management has indicators in the form of problem solving in an organization carried out to get solutions to solve the problems faced. According to (Yusuf et al., 2018) process management, namely problem solving occurs in every organization. In this case, the problem is to evaluate the performance results so that the desired output is achieved.

2. Monitoring And Evaluation
This monitoring and evaluation is carried out in order to determine the extent of the program output. To address this, the supervision and evaluation carried out on the MSME development program is to encourage MSME access to business financial resources and productive resources, improve facilities and assistance in the development of MSMEs from the previous year, and increase the capacity of MSME actors.

**Networking and Linking to other Organizations and stakeholders**

Networking and linkages include the organization’s ability to interact and cooperate with other agencies that support the organization’s activities. This can be seen through the cooperation and relationship of the Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City with stakeholders and partners. Morgan in (Rizkwanti, 2017) said that the capacity that can help organizations to carry out their functions and survive in a complex environment can be done by establishing relationships to attract resources and support. This ability is related in the context of cooperation with external parties. So far, the network of partners built by the government, namely cooperation with other agencies, is:

<table>
<thead>
<tr>
<th>No.</th>
<th>Organisation</th>
<th>Co-operation Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Sukabumi City Health Office</td>
<td>Hygiene Sanitation course for MSME players</td>
</tr>
<tr>
<td>2.</td>
<td>Food Security, Agriculture, and Fisheries Office (DKP3), Bulog, and TP-PKK Sukabumi City</td>
<td>Mobile Cheap Market and Exhibition/Bazaar</td>
</tr>
<tr>
<td>3.</td>
<td>Ministry of Trade</td>
<td>Cheap market operation for cooking oil</td>
</tr>
</tbody>
</table>

Based on the results of interviews with informants 4 and 5, Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City Kota Sukabumi collaborates with other agencies, one of which is with cheap markets and bazaars, but the results are still not optimal, such as the number of product promotions for Micro, Small and Medium Enterprises through Exhibitions as many as 4 category products were not achieved from the targeted 10 products with a performance achievement of 40.00%.

Cooperation and relationships between the Sukabumi City Cooperative, MSME, Industry and Trade Office with stakeholders and partners must continue to be improved so that the main tasks and functions as an institution in developing MSMEs can run as mandated. Based on the results of research conducted by researchers, that cooperation with stakeholders has been going well, but the implementation of coaching programs has not been carried out optimally.

**E. CONCLUSIONS**

Based on the results of the research and discussion in the previous chapter, it can be concluded that the organizational capacity of the Sukabumi City Office
of Cooperatives, MSMEs Industry and Trade of Sukabumi City in MSMEs is inadequate, because it is not fully in accordance with the theory of organizational capacity presented by (Horton et al., 2003) This can be seen from the dimensions of organizational capacity as follows:

1) Human Resources
   In the human resources dimension, the condition of staff or employees at Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City is still limited both in terms of quantity and quality. The lack of employees is an obstacle to running program and management processes in developing MSMEs at Office of Cooperatives, MSMEs Industry and Trade of Sukabumi City.

2) Infrastructure, Technology, Financial Resources
   Inadequate infrastructure from the less spacious hall building and lack of pre-facilities, then for the lack of maximum use of technology such as the absence of applications and websites for MSMEs so that there is a lack of information about program and places to promote MSME products. For financial resources, budget conditions are said to be insufficient due to budget cuts in the previous year so that programs cannot be maximized properly due to reduced budget constraints.

3) Leadership strategy
   Furthermore, for the management category, only the strategic leadership dimension is adequate, which is seen from the leader's ability to interpret the environment outside the organization, set the direction of the organization, motivate employees by providing intensive in the form of honoraria, praise and rewards.

4) Program and Process Management
   As for program and process management, the organization has not been able to fully commit to producing the desired outputs and outcomes in accordance with the flow of micro, small and medium enterprise development.

5) Networking with other organizations and stakeholders
   For networks and relationships with other organizations and stakeholders, it can be seen from the lack of maximum results from exhibitions/bazaars held with other agencies, namely the number of promotions of Micro, Small and Medium Enterprises products through exhibitions as many as 4 products, which is not achieved from the targeted 10 products with a performance achievement of 40.00%.

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