

The Implementation of Policy on the Development of Micro Enterprises in the Culinary Sector in Serang City

Raden Iva Handiana

Program Studi Administrasi Publik Fakultas Ilmu Sosial dan Ilmu Politik Universitas Sultan Ageng Tirtayasa

radeniva20@gmail.com

ABSTRACT

Micro enterprises represent the most common form of business operated by communities across Indonesia, including in Serang City. The majority of these micro enterprises are engaged in the culinary sector, which often faces various challenges such as incomplete legal documentation, limited access to online markets, difficulties in obtaining raw materials, and constraints in utilizing technology to create attractive product packaging. These issues form the core problems addressed in this study and require attention from the local government, which is responsible for implementing policies to support the development of micro enterprises – particularly in the culinary sector – to overcome existing obstacles, foster growth, enhance competitiveness, and encourage these enterprises to become advanced, resilient, and independent, ultimately scaling up into small businesses. This research aims to analyze the implementation of policy for the development of micro enterprises in the culinary sector in Serang City. The study applies Charles O. Jones' theory of public policy implementation, which includes three interrelated dimensions: organization, interpretation, and application. Using a qualitative descriptive approach, the findings reveal that the implementation of policy for the development of micro enterprises in the culinary sector has been carried out but has not yet reached optimal effectiveness. The implementation process encounters several barriers, including limited budget allocations, ineffective coordination and communication among policy implementers, and restrictions in determining the number of participants.

Keywords: Implementation, Policy, Development, Micro Enterprises, Culinary Sector

Background

One of the key business sectors in Indonesia is the Micro, Small, and Medium Enterprises (MSMEs). MSMEs serve as a productive economic sector owned and managed by local communities at a small scale, as regulated in Law No. 20 of 2008. Among these, micro enterprises are the most preferred type of business undertaken by many people across Indonesia, including in Serang City. According to data from the Department of Cooperatives, Micro, Small and Medium Enterprises, Industry, and Trade of Serang City, the number of micro enterprises has continued to increase each year, reaching a total of 8,441 units in 2022 across various sectors. Among these

sectors, the culinary sector ranks first with 5,422 business units in 2022, and the number continues to grow annually.

The existence of MSMEs, particularly micro enterprises in the culinary sector in Serang City, contributes significantly to the regional economy through income generation and employment opportunities. These enterprises are expected to reduce unemployment by creating jobs for the community. However, in reality, data from the Central Bureau of Statistics (BPS) of Banten Province in 2022 shows that Serang City recorded the highest open unemployment rate among the four cities in Banten, reaching 8.17%. This figure contradicts expectations, as the increasing number of micro enterprises in the culinary sector should ideally lead to more job creation, yet this has not been the case.

This contradiction may be attributed to several challenges faced by culinary micro entrepreneurs in Serang City, such as incomplete business legality – including Business Identification Numbers (NIB), Home Industry Food Production Certificates (SPP-IRT), labeling, and halal certification – limited ability to market products online, lack of understanding of modern technology, inability to produce attractive product photos and packaging, difficulties in sourcing raw materials, and failure to separate business and personal finances.

Given these issues, it is essential that micro entrepreneurs in the culinary sector receive appropriate support and solutions to overcome these obstacles in order to achieve business sustainability and contribute effectively to regional economic growth. According to Panggabean (2008:128), the implementation of cooperative and MSME development programs can promote community welfare. Therefore, the development of micro enterprises, particularly in the culinary sector of Serang City, is crucial. This development is regulated under Regional Regulation of Serang City No. 3 of 2015, which serves as a guideline for implementing micro enterprise development initiatives. The local government, as the authority responsible for micro enterprise affairs, must play an active role in ensuring that the development of micro enterprises in the culinary sector leads to sustainable growth, enhanced competitiveness, and business independence, enabling these enterprises to scale up into small businesses and overcome existing challenges.

Literature Review

Public Policy

A policy can be understood as a set of actions – or deliberate inactions – designed to achieve specific goals. According to Friedrich (as cited in Widodo, 2007:13), policy refers to an action that provides direction toward predetermined objectives formulated by an individual, group,

or government in response to a problem, serving as a means to achieve desired goals and targets. Abidin (2012:7) explains that the term public in public policy refers to society as a whole. Therefore, public policy represents a series of government choices and actions in the form of decisions that are implemented through concrete measures – or through decisions not to act – in order to resolve public problems and accomplish established objectives.

Public Policy Implementation

Nugroho (2017:728) states that the implementation of public policy is essentially the process of ensuring that a policy achieves its intended goals. Policy implementation is a crucial stage in the overall public policy process, following the policy formulation phase. This stage plays a decisive role in determining whether a policy succeeds or fails in addressing public issues, as it involves executing the substance of a policy that has been previously formulated. The public policy implementation model applied in this study refers to Charles O. Jones (as cited in Agustino, 2020:167–170), who identifies three interrelated dimensions influencing policy implementation: organization, interpretation, and application.

Micro Enterprises

A micro enterprise is a small-scale productive business owned and managed by an individual or a sole proprietorship, with total business capital not exceeding IDR 1,000,000,000 (one billion rupiah) – excluding land and buildings used for the business – and an annual sales turnover of no more than IDR 2,000,000,000 (two billion rupiah). Typically, micro enterprises employ a small number of workers, ranging from one to four people. These enterprises generally operate in a traditional and informal manner, often unregistered, lacking formal legal status and business licenses, and seldom fulfilling tax obligations.

Development of Micro Enterprises

The development of micro enterprises refers to the processes and efforts undertaken by local governments, communities, and stakeholders through facilitation, guidance, mentoring, and financial support to enhance the capacity and quality of micro entrepreneurs. The goal is to ensure that micro enterprises can continue to grow, develop, compete, and sustain their businesses while ultimately improving the welfare and living standards of entrepreneurs. Such development initiatives are essential for strengthening the resilience, competitiveness, and sustainability of micro enterprises within the local economy.

The success of micro enterprise development is highly dependent on the effectiveness of public policy implementation and the commitment of local governments to support entrepreneurial growth. As stated by Grindle (1980), the implementation of public policy is influenced by the content of the policy itself and the context within which it is executed. These include factors such as the availability of resources, the capacity of implementing agencies, coordination mechanisms, and the level of participation from the target community. In the context of micro enterprise development, the local government's ability to translate policy goals into concrete actions – such as training, financial assistance, and access to markets –

plays a crucial role in determining whether the intended outcomes can be achieved. Effective policy implementation requires not only administrative efficiency but also social engagement, as policies must align with the needs and capacities of the beneficiaries.

Furthermore, the development of micro enterprises, particularly in the culinary sector, is closely related to economic empowerment and sustainable local development. According to Todaro and Smith (2011), the growth of small and micro businesses contributes to poverty reduction, job creation, and income distribution in developing economies. In Indonesia, where the culinary industry has become a dominant sector within the creative economy, empowering micro enterprises through well-implemented public policies can strengthen regional competitiveness and support inclusive economic growth. The integration of innovation, technology adoption, and business formalization are key strategies to ensure that micro enterprises evolve from informal and survival-based operations into resilient and competitive business entities capable of contributing to local and national economic progress.

Method

Research Method and Location

This study employs a qualitative research method with a descriptive approach, aiming to explore the implementation of policy on the development of micro enterprises in the culinary sector in Serang City. Data were collected through observation, interviews, and document analysis conducted in the field. The findings were then described in clear, detailed explanations to provide meaningful insights that could be interpreted and concluded as useful information for readers. The research was conducted in Serang City, which serves as the primary location of the study.

Research Informants and Selection Technique

The study involved two categories of informants: key informants and supporting informants. The purposive sampling technique was used to select informants intentionally, based on specific characteristics, expertise, or representativeness relevant to the research objectives. This technique enables the researcher to obtain comprehensive and accurate information from individuals who are most knowledgeable about the issues being studied.

Data Collection

The data sources in this research consist of primary and secondary data. Primary data were obtained through in-depth interviews with selected informants, while secondary data were gathered from relevant books, academic journals, government documents, and other supporting materials. The data collection techniques included non-participatory observation, interviews, literature review, and documentation.

Data Processing and Analysis Techniques

The data analysis in this study follows the interactive model proposed by Miles and Huberman (as cited in Sugiyono, 2020:133), which consists of four main stages: data collection, data reduction, data display, and conclusion drawing. This analytical process was conducted continuously throughout the research to ensure the accuracy, coherence, and validity of the findings.

Result and Discussion

In analyzing and assessing the **implementation of policy on the development of micro enterprises in the culinary sector in Serang City**, this study employs **Charles O. Jones' theory of policy implementation**, which consists of three key dimensions: **organization**, **interpretation**, and **application**. These dimensions are used as analytical tools to understand how the policy is executed, interpreted, and practiced by relevant stakeholders.

Organization

The organizational dimension refers to the effort to structure and manage resources and methods to ensure that a policy is effectively implemented and produces outcomes consistent with its objectives and targets. The organizational framework influences the success of policy implementation, including the participation of external parties, bureaucratic interpretation, and institutional perspectives on program direction. Within this study, the organizational dimension evaluates aspects such as the **implementation structure**, **human resources**, **budgetary resources**, and **time allocation** available to the implementing bodies responsible for the development of micro enterprises in the culinary sector.

Interpretation

The interpretation dimension involves the process of understanding and translating policy directives into actions that can be effectively communicated, implemented, and accepted by target groups. In the context of developing micro enterprises in the culinary sector, it is essential that all stakeholders—both internal and external policy implementers as well as beneficiaries—maintain strong communication and coordination to ensure the policy's objectives are achieved optimally. This dimension assesses the **ability of policy implementers** to interpret the development policy through effective **communication and coordination mechanisms** with relevant stakeholders.

Application

The application dimension refers to the routine activities of executing a policy. For a policy to achieve its goals, it must be implemented continuously and consistently over time. Policy application is a dynamic process involving both implementers and beneficiaries, guided either by formal policy directives or by adaptive practices aligned with real-world conditions. In this study, the application dimension evaluates the **accuracy of policy targeting**, including the **capability of beneficiaries**, the **obstacles encountered**, and the **benefits received** by the micro enterprises in the culinary sector as the primary policy recipients.

Based on the qualitative research conducted through observation, in-depth interviews, and document analysis, the findings reveal that the **implementation of the policy on the development of micro enterprises in the culinary sector in Serang City** has been carried out by the local government but has not yet reached an optimal level of effectiveness. The research process involved collecting diverse data from key and supporting informants, including government officials, culinary micro entrepreneurs, and representatives from related institutions. The triangulation of data from these sources allowed the researcher to gain a comprehensive understanding of the dynamics and challenges encountered in implementing the development policy.

Implementation of Policy According to Organizational Dimension

From the organizational perspective, it was found that the main implementing body – the Department of Cooperatives, Micro, Small, and Medium Enterprises, Industry, and Trade of Serang City – has established the necessary administrative framework and work structure to execute the policy. However, limitations were observed in several aspects, including insufficient human resources, limited budget allocation, and lack of inter-agency coordination. The small number of officers and field staff made it difficult to supervise and assist the large number of culinary micro enterprises spread across Serang City. Consequently, the development programs, although implemented, have not been maximally distributed or continuously monitored. These findings highlight that the strength of the organizational dimension plays a crucial role in determining the success of policy implementation.

Implementation of Policy According to Interpretative Dimension

In terms of interpretation, the study found that not all actors involved in policy implementation share the same understanding of the policy's purpose and objectives. Government implementers often focus on administrative targets, while the micro entrepreneurs perceive the program mainly as short-term financial or material

assistance. This gap in interpretation has led to inconsistencies in policy execution. Furthermore, communication between implementing agencies and beneficiaries has not been fully effective, particularly in disseminating information about program objectives, requirements, and long-term development goals. These findings suggest that the interpretative process—how a policy is understood and translated into action—is a determining factor in ensuring successful implementation and stakeholder engagement.

Implementation of Policy According to Application Dimension

From the application dimension, the study revealed that although various empowerment programs such as entrepreneurship training, marketing workshops, and business legality facilitation have been conducted, the implementation is not yet continuous and systematic. The selection of participants has not always been based on clear criteria, leading to less targeted outcomes. Additionally, the monitoring and evaluation processes remain weak, making it difficult to measure the long-term impact of these programs on business sustainability. Many micro entrepreneurs continue to face similar obstacles related to business legality, access to capital, and digital marketing competence, indicating that the existing initiatives have not been fully effective in addressing the core problems.

Conclusion

Based on the findings obtained from field observations, interviews, and document analysis, it can be concluded that the implementation of the policy on the development of micro enterprises in the culinary sector in Serang City has generally been carried out, yet its execution has not been fully optimal. This condition arises due to several challenges and obstacles encountered during the implementation process, particularly within the three dimensions of policy implementation as proposed by Charles O. Jones—organization, interpretation, and application—which mutually influence one another. Therefore, continuous attention and improvement across all aspects are still needed to enhance policy effectiveness and sustainability.

From the organizational dimension, the implementation of the policy has not been carried out optimally due to limited budget resources. The lack of sufficient funding has constrained the implementing agency's capacity to extend the reach and intensity of development programs for culinary micro enterprises. As a result, the coverage and sustainability of such programs remain limited.

Within the interpretative dimension, the implementation has also faced shortcomings related to ineffective communication and coordination between implementing agencies and policy beneficiaries. This condition has led to differing understandings of program objectives, causing inconsistencies in execution and limited alignment among stakeholders involved in policy implementation.

Regarding the application dimension, the findings show that the implementation remains suboptimal as well. The budget limitations have directly affected the number of micro entrepreneurs who can participate in each development program, with only around 50 participants per activity. Considering that there are thousands of culinary micro enterprises in Serang City, this number represents only a small fraction of the potential beneficiaries. Consequently, the policy has yet to achieve its maximum intended impact on local economic empowerment.

Recommendations

Based on the conclusions above, several recommendations can be proposed to improve the implementation of the policy on the development of micro enterprises in the culinary sector in Serang City:

1. Increase budget allocation for the development of culinary micro enterprises to ensure broader program coverage and more effective implementation.
2. Enhance communication and coordination among the parties involved, including both policy implementers and target beneficiaries, to ensure shared understanding and stronger collaboration.
3. Expand the participation quota for culinary micro enterprises to include more than 50 participants in each development program, given the large number of culinary entrepreneurs operating in Serang City.

These recommendations are expected to strengthen the policy's impact on the growth, competitiveness, and sustainability of micro enterprises in the culinary sector and, ultimately, to support the city's economic development.

Reference

Books:

- Abidin, Said Zainal. 2012. *Kebijakan Publik*. Jakarta : Salemba Humanika.
- Agustino, Leo. 2020. *Dasar-Dasar Kebijakan Publik*. Bandung : Alfabeta.
- Nugroho, Riant. 2017. *Public Policy*. Jakarta : PT. Alex Media Komputindo.
- Sugiyono. 2020. *Metode Penelitian Kualitatif*. Bandung : Alfabeta.

Widodo, Joko. 2007. Analisis Kebijakan Publik: Konsep dan Aplikasi Proses Kebijakan Publik. Malang: Bayumedia.

Journal:

Panggabean, Riana. 2008. Dampak Pemberdayaan UMKM Dan Koperasi Melalui Program Pembiayaan Produktif Koperasi Dan Usaha Mikro (P3UKM) Bagi Anggota Koperasi (Studi Kasus Di Kabupaten Brebes). Jurnal Infokop.

Policy:

Peraturan Daerah Kota Serang Nomor 3 Tahun 2015 tentang Pemberdayaan dan Pengembangan Usaha Mikro.

Undang-Undang Republik Indonesia Nomor 20 Tahun 2008 tentang Usaha Mikro Kecil dan Menengah.

Other Sources:

Dinas Koperasi Usaha Mikro Kecil Menengah Perindustrian Perdagangan Kota Serang

Badan Pusat Statistik Provinsi Banten