

The Relationship Between Regional Regulations and Adaptation of Global Culture; A study of Makassar Indonesia

Manoj Kumble

Dr. Bulbeer Singh Sardar

Faculty of Cultural Studies, Gadjah Mada University, Indonesia

Abstract

The study of the results of this study found that there was an impact of globalization on regional regulations, so that a development management strategy was needed, in this case related to managing the development of small and medium enterprises in Makassar City. The management of small and medium enterprise development has not optimally achieved the stated goals. This was influenced by the Covid-19 outbreak which had an impact on declining sales results which continued to decline. Covid-19 has also limited the space for small and medium businesses to market their products directly, due to limited marketing space and sluggish sales due to the global economic recession and inflation. So it is necessary to optimize the government's role in solving these problems by formulating more operational regional regulations to adjust and integrate local, regional, national and even international culture with the adaptation of new habits. This qualitative research uses a grounded theory method that seeks to develop the hidden theory behind the data collected and analyzed systematically. The finding is that the Makassar City Government has optimized efforts to empower MSMEs by formulating regional regulatory policies that are adaptive to change, flexible in their application, and responsive to needs.

Keywords:

Government Policy, Global Culture, Policy Network, The Importance of Management Strategy

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1. INTRODUCTION

Based on the results of an analysis of Indonesia's growth prospects for 2020-2024 it can reach a growth rate of 6% and above, following the perspective of Indonesia's potential and the growth rate of balance of payments constraints, as well as the role of the manufacturing sector as an engine of growth. The development of structural transformation ideas includes the concept of diversification and refinement (sophistication) of productive economic structures, by realizing that not all programs and activities have the same consequences for development, including the development of MSMEs in Makassar City. This framework is based on three components, which together provide the rationale for advances in modern industrial policy: (i) accumulation of productive capabilities, (ii) structural transformation, and (iii) shared roles between the public and private sectors.

The impact of implementing regional regulatory policies and management strategies for developing small and medium enterprises in Makassar City is that they can increase local revenue, increase the income of the community and the business world.

In addition, it can expand the network of cooperation in the community, open a network of entrepreneur partnerships, improve the socio-economic status of the community, increase and expand employment opportunities, and reduce unemployment (Brewer et al., 2006). Indonesia should continue to support and strive for Small and Medium Enterprises (MSMEs) to become one of the bases for strengthening efforts to achieve social welfare. Considering that MSME related to SDGs is one of the pillars of creating various products and services needed by the community to improve the quality of their standard of living. The government's strategy in trying to increase new entrepreneurs can enable Indonesian MSMEs to be more

advanced, and can support the government's main program in creating new jobs to overcome unemployment. The hope is that in 2021, the global economy can recover and rise to positive growth, with the trend of improving the global situation. Indirectly it will be a positive environment for the emergence of new entrepreneurs, who run their businesses using technology. One of the trends for MSMEs is online-based sales, which have also been implemented in various economic sectors. Furthermore, strategic management is also a form of modern management thought paradigm, in managing MSME development. We know that the position of strategic management in public administration is not as a theory, but functions as a theoretical instrument in implementing various approaches in the study of public administration, especially in New Public Management (J. Bryson & George, 2020; J. M. Bryson et al., 2010). Where strategic management allows organizations to detect various changes in a very dynamic environment, by finding the right solutions, ways, and models to solve problems. In practice strategic management really helps leaders and anyone who needs it, not only used in public organizations but also in private organizations (Demil & Lecocq, 2010; Van Rijmenam et al., 2019).

Furthermore, the Office of Cooperatives and SMEs of South Sulawesi Province has set a policy direction in the form of general policies, namely policies that will become the operational basis for the South Sulawesi Provincial Cooperatives and SME Service in carrying out its main duties and functions, or can be considered as the Standard Operating Standards for the Cooperatives and SMEs Service South Sulawesi Province so that it can become the basis for implementing programs and activities to realize the vision and mission of the South Sulawesi Province Cooperatives and MSMEs office. The vision of the Office of Cooperatives and MSMEs is " Making Cooperatives, Micro Enterprises, Small and Medium Enterprises the Main Pillars of the Economy in South Sulawesi." While the mission is: a) Empowering cooperatives and MSMEs to increase quality and sustainable economic growth; b) Expanding job opportunities and increasing the role of cooperatives and MSMEs in reducing poverty in the context of realizing South Sulawesi as a network node for the acceleration of the community's economy.

2. LITERATURE REVIEW

Public policy has a variety of meanings, some experts suggest, including Robert Eyestone, broadly explaining that public policy is defined as "the relationship of a government unit with its environment". Then Gianttaya put forward, "policy as a tactic and strategy aimed at achieving a goal". So that the policy contains three important elements, namely: (1) identification of the goals to be achieved, (2) tactics or strategies for various actions to achieve the desired goals, and (3) providing various inputs to enable the actual and proper implementation of the policy. Furthermore, policy tactics or community strategies are the relationship between the government and interest groups in society which are called policy networks. It is this close relationship between the government and stakeholders in the policy network that determines the achievement of the public interest. Lindquist (1996) further said that there are two structural axes, namely: state capacity, autonomy, and the development of community actor organizations, as attributes that shape the dynamics of power between the state and society in narrower policies or sectors.

a. Policy Networks

Policy networks are needed to find holistic solutions to various public problems (Enserink et al., 2013; Peters et al., 2017). The point of view that assumes that everything belongs to the realm of the unity of power. In the Big Indonesian Dictionary, Holistic has two kinds of meanings, namely: (1) As a way to approach a problem and symptom as a unified whole; (2) As a trait, where the holistic are interconnected as a whole which is more than just a group of parts. The word network or network has two meanings, first it means establishing contacts for profit, and second, from the language of computer technology, namely connected computers. The term network in public policy concerns how policies emerge from interactions between people and organizations and provides a more informal picture of how real policies are implemented (John, 2013). Networks that connect state and community actors are needed to unite in the public policy process from the policy formulation stage so that the goals of the public interest can be achieved (Stone, 2004; Wedel et al., 2005). This relationship is referred to as a policy network, the interaction between several departments and organizations with the community is a policy network that plays a role in the public policy process. The strength of the policy network depends on the degree of integration, stability of membership, resources, and relations with the public. The unification of the thoughts and workings of various government actors makes the existing theories not fully adhered to and implemented in the implementation of programs and activities in

the MSME development section. It was noted that there were irregularities in the implementation of governor regulations and a closed coordination system within the MSME Institution so that the policy network became closed and limited between the government, the business world, and the community. If the policy theory and strategic management system are adhered to and implemented properly, the researcher believes that the achievement of the objectives in the policies and rules that have been set can be achieved optimally. However, what is seen in the MSME Organization is a closed and limited policy network between the government and the community.

Policy networks are autopsy or self-creating, forming a network pattern in them, each component participating with other components in the network to produce activities, production, or network transformation so that it is a system (Callicott, 2002). Usually, people who live in a healthy public administration can achieve the public interest by forming a deliberative society, where public policy is made based on: 1) the exchange of information and arguments that are the most acceptable, 2) being inclusive and open to the public, no one has absolute power over that other, 3) free from internal and external seats that reduce the equality of participants, 4) decision making on agreements and not on voting under pressure from the majority institution, 5) equality and equality of interest groups' rights to participate, 6) there is room for bargaining and compromise fair, as well as anti-generalization interests, which take place outside the non-deliberative institutional arrangements. Smith and Larimer (2009:5) state that thus "there is no field of public policy study, there are several fields of public policy study". In the field of public policy studies, it can be simplified to "any research related to or advancing the public interest" (Palumbo, 1981:8). Meanwhile, in previous research Dror (1968:49) defined it as "a rational and rational application of knowledge to perceived social problems" and De Leon (1988:219), concluded "a general term describing a broad measure of intellectual approach applied to studying problems critical social problems. Therefore, the government needs to pay attention to public policy strategies in the form of policy convergence, and policy mobility.

The strengthening of a multidisciplinary approach in the study of public administration with the main contribution of organizational theory, management theory, and public policy, influences public policy as stated by Harold. Furthermore, the policy has an orientation: multi methods, multi disciplines, and focuses on problems. So that it can produce various improvement and renewal efforts, related to mapping the contextuality of policy processes, policy options, and policy outcomes (Dwight & Hugh, 2017; Rosenbloom et al., 2009). All of this has led to the birth of various thoughts, one of which is based on various results of a thorough and comprehensive analysis of Indonesia's options to revitalize the manufacturing sector in order to achieve higher growth rates in the coming years, reflecting moderate optimism for the Indonesian economy during 2020-2024. Even though there is a possibility that there will be various influences from a very negative international scenario that can derail the world economy and its consequences, but Indonesia will continue to grow rapidly, although not as fast as many people would like around 7%-8%. Indonesia needs to pursue policies that lead to further economic transformation. In the future, it is hoped that policy makers in Indonesia will need to carry out and continue to carry out major policy reforms, which enable and support economic transformation in a more advanced direction. One of them is the regional policies discussed in this study, including policies, especially regional regulations in the development of MSMEs. Emphasis on the complexity and volatility of policy making can allow for underlying tendencies of stability and bargaining.

b. The Importance of Strategic Management

The concept of "new public management, changing the ways and models of traditional public bureaucracy to private ways and business models and market development" (Manning, 2001). The impact brings many changes to progress, such as the chief executive who is required to carry out an accountability process for the achievement of organizational goals (Chan & Rosenbloom, 2010; Wang, 2002). As well as creating a new process of measuring work productivity by conducting a reengineering system that reflects a strong commitment to public accountability. New public management encourages a new approach by viewing public administration as governance, with the main focus no longer on government as an institution that is given the authority to regulate society and become the main provider of public services but rather on processes. Strategic management is a systematic process in helping managers make strategic decisions and formulate strategic plans, there are several elements, components, and elements that must be carried out as a function of strategic management. Management strategies are needed in approaching various problems because management strategies usually provide solutions with complete analysis from various perspectives (Chan & Rosenbloom, 2010; Ginter et al., 2018; Joyce, 2015).

Visible developments are the birth of various formulations of strategic management, in which the

elements of strategic management are formulated as follows: a) Mission and Objectives, are formulations of what an organization will do and what goals it wants to achieve; b) Analysis and Diagnosis, is an activity to determine problems and opportunities, and see how the challenges and threats are from the external environment, and analyze the presence of internal strengths and weaknesses; c) Selection is an activity that encourages alternative solutions to problems, evaluates solutions and chooses the best solution; d) Implementation is part of the activities that make the strategy work properly, by creating a structure and mapping to support the running of the strategy, to develop plans and policies that are right on target; e) Evaluation is the final part of the activity, namely feedback to determine whether the strategy has been going well, and taking strategic steps to make it successful in realizing the goals to be achieved.

It is the most important part, namely a key component of strategic management practices that require answers to questions about where the business is going for the future, where the business is currently, what is the best business for the future, and tracing the various changes that will occur in the business environment. Höglund et al., 2018). Based on the key aspects of strategic management, it can include several smart steps starting with environmental analysis, determining the company's mission, strategy formulation, strategy implementation, strategy evaluation, and control. After observing several components of the key aspects of strategic management which include a view for the company's long term, and also determine the business line to ensure the right strategy can be applied to the company based on environmental conditions. Thus this idea shows that the right strategy can help organizations take advantage of emerging opportunities to minimize threats posed by an unstable market environment to the external environment (Chofreh et al., 2020; Omsa et al., 2017).

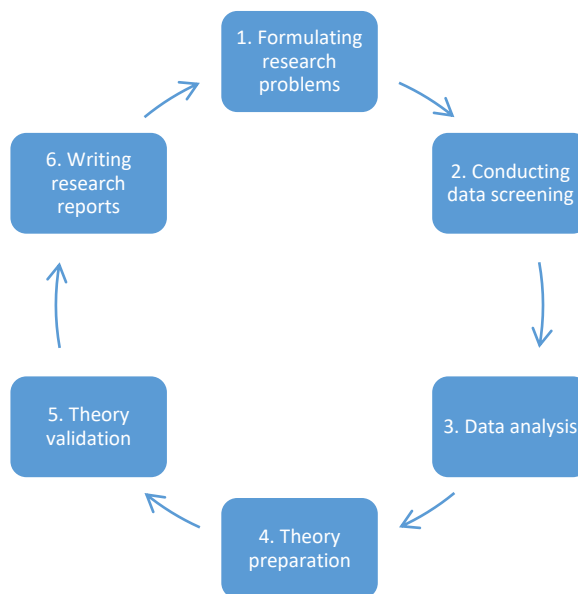
The process in strategic management consists of four basic elements, namely: a) Environmental Scanning, which consists of analysis activities on the external and internal environment. Where SWOT analysis can be used as a strategy in analyzing the internal and external environment, in the form of an analysis of Strengths, Weaknesses, Opportunities, and Threats; b) Formulation of the Strategy is the making of a long-term plan to streamline management in formulating the right steps to achieve the goals set by taking advantage of opportunities and minimizing challenges in formulating the strengths and weaknesses of the organization. The formulation of the strategy can be started with the activity of formulating the mission, goals, strategies and policies; c) Strategy Implementation is the process of implementing strategies and policies into actions taken by management to create programs, prepare budgets, and establish procedures as well; d) Evaluation and Control as a process to link ideal performance results with actual performance implemented. Meanwhile, the components of strategic management are (1) analysis of the business environment needed to detect opportunities and threats; (2) analysis of company profile to identify strengths and weaknesses of the company; (3) the business strategy needed to achieve company goals with due regard; (4) the company's vision and mission.

It is necessary to document the distribution of company size, employment, value added, exports, and the complexity of the manufacturing sector, by examining the factors limiting the growth of small companies, by selecting one of the options that can be provided by global value chains, such as the current incentives, namely the system for manufacturing sector, and how the existence of fiscal and monetary policies can further support higher growth rates. The strategic management process was born through four stages, namely: 1) basic finance, namely striving for better operational control through budget meetings; 2) forecast-based planning to find a more effective growth plan by trying to predict the future by estimating achievement after next year; 3) planning that is oriented towards the external environment in strategic planning: making efforts to increase responsiveness to the market and conducting competitive competition while still trying to think strategically; 4) strategic management: namely trying to optimally manage all available resources to develop competitive advantage and help create a successful future (Andi Cudai Nur, Et. Al.,2021; Nur. A.C.,Koliopoulos T.,2022; A.C.Nur, Et. Al.,2022). Government policies regarding the implementation of management strategies in development are very appropriate, because the policies that have been determined need to be supported by their implementation so that these policies can be implemented properly and on target. So that the impact of government policies on the implementation of management strategies in development provides benefits and reliable breakthroughs. In addition, the government also needs to optimize the management of public policy strategies in its implementation, with a policy convergence approach, policy mobility, and multi-stakeholder in the pentahelix network.

3. METHODOLOGY

This qualitative research is a research with a grounded theory research method approach that seeks to develop a theory that is hidden behind the data, then collected and analyzed systematically. Through this methodology, efforts are made to find inductive theories that can enable researchers to develop existing theoretical explanations through the general characteristics of a topic that are observed simultaneously, based on empirically observed data records. The findings are that management is distorted and implemented not holistically, from all elements of strategic management, and data shows that MSMEs should be directed more towards young entrepreneurs who are very smart in using the On-Line digital system according to the development of the socio-economic institutions of the community. As a result, MSMEs have not succeeded in increasing income and developing community businesses. The grounded theory method has a working procedure that is carefully designed so that it meets the criteria as a scientific method, namely the existence of precision and accuracy, the existence of conformity or significance between theory and observation, which can be proven and reviewed. This grounded theory method is suitable for this research because it presents a different methodology to produce theories that offer prospects that reflect some of the complexity and richness of the environment in which accounting and management are practiced. Holistic implementation is carried out so as to find out how the policies that have been well designed by the local government by involving various related elements have not been implemented optimally and have achieved their goals. After tracing various data and information, it was found that there was an imbalance in the knowledge of the general public about MSMEs which they considered as MSME Management Institutions that could help entrepreneurs to improve and advance their business, but what happened was the closure of information and communication which was one-sided without compromise. So that the Network Policy theory does not work and the management strategy does not exist in the MSME management system in the field. This is what makes the implementation of achieving the goals of the policies that have been set is not optimal.

What distinguishes grounded theory most from many other qualitative research methods is that it appears explicitly, which does not test hypotheses, but acts of research aimed at understanding the research situation to find implicit theories in the data. The grounded theory focuses on qualitative research, and is research that starts from existing data, where researchers come directly to the field without bringing certain conceptual ideas, propositions, or theories as is done in qualitative research in general. The data in this study is a source of theory, and the theory is called grounded because it is based on existing data. As for the steps in grounded research:



Furthermore, the structure of the report is grounded research is highly dependent on the design used. If

the design used is an emerging or constructivist approach, the structure of the research report is flexible. Next is the following qualitative data chart:

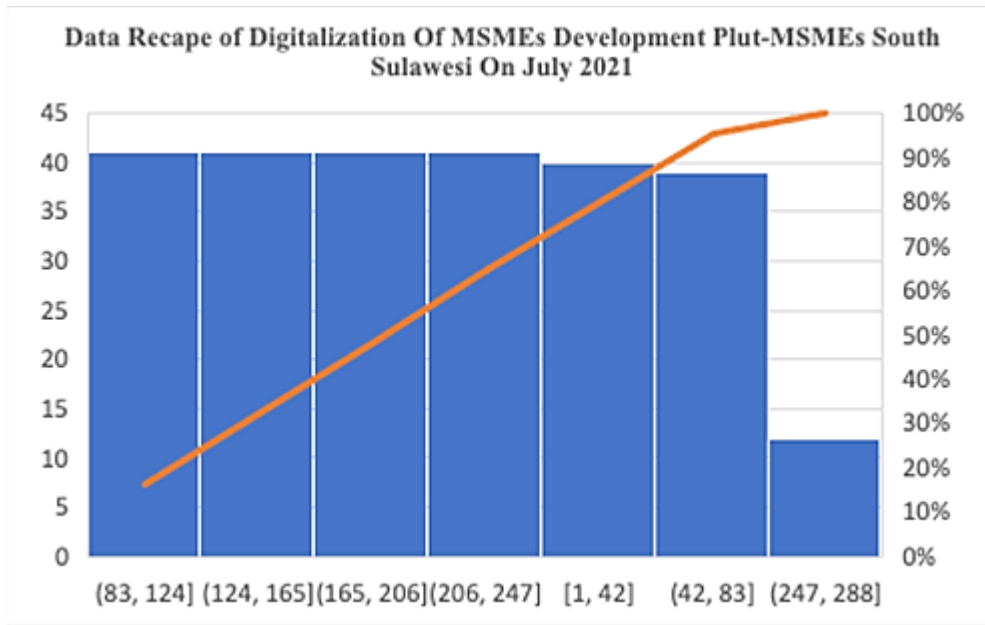


Chart 1. Data Recapitulation of Plut - MSMEs South Sulawesi MSMEs Development 2021, Final Report of UNM Postgraduate PNPB Research, Entrepreneurship Development Policy Strategies in Empowering Online-Based MSMEs in South Sulawesi, (p. 27), by Andi Cudai Nur 2021, LP2M UNM: Makassar

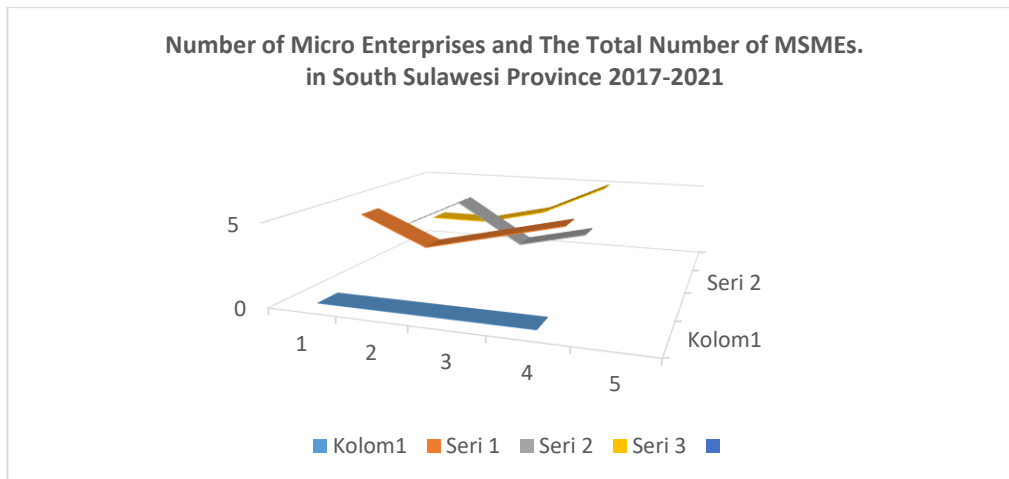


Chart 2. Data Number of Micro Enterprises and The Total Number of MSMEs. in South Sulawesi Province 2017-2021, Final Report of UNM Postgraduate PNPB Research, Strategy of Entrepreneurship Development Policy in Empowering Online-Based MSMEs in South Sulawesi, (p. 73), by Andi Cudai Nur 2021, LP2M UNM: Makassar

The data shows that online SME activities are more prevalent in Makassar than 23 districts and cities in South Sulawesi, various types of online-based SMEs and more people who carry out entrepreneurial activities as micro and macro entrepreneurs, so it is appropriate to add qualitative data, by narrating qualitative information in-depth information to provide comparative and complete information on the data needed to draw a conclusion. Data on the number of MSMEs and Total MSMEs in South Sulawesi Province in 2017-

2021 are as follows:

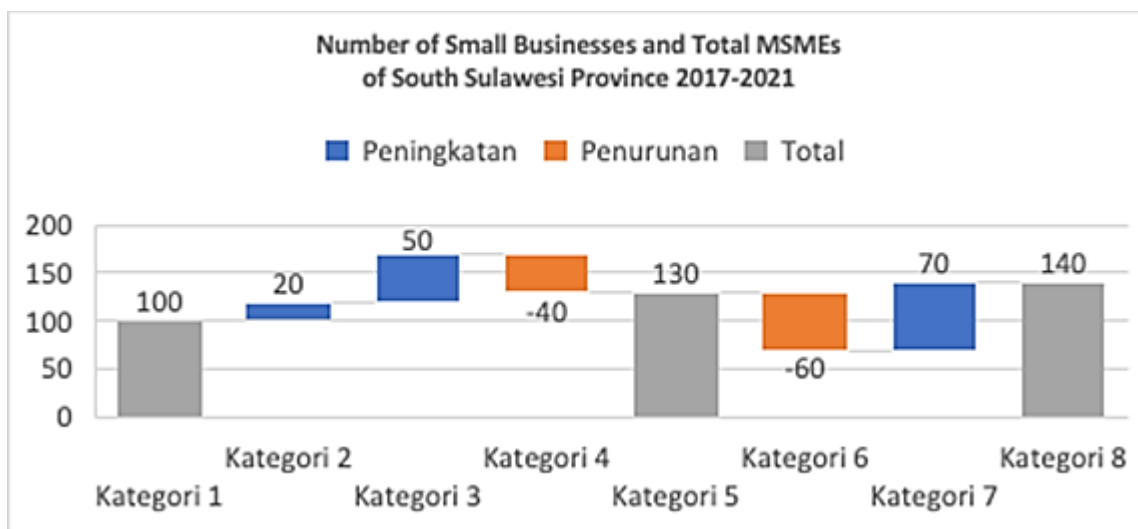


Chart 3. Data Number of Small Businesses and Total MSMEs of South Sulawesi Province 2017-2021, Final Report of UNM Postgraduate PNPB Research, Strategy of Entrepreneurship Development Policy in Empowering Online-Based MSMEs in South Sulawesi, (p.104), by Andi Cudai Nur 2021, LP2M UNM: Makassar

In addition, more people are engaged in entrepreneurial activities, namely as small and medium entrepreneurs, so it is possible to add quantitative data. Furthermore, more in-depth information with qualitative data so that more comparative data and information can be obtained. Micro and macro businesses that have been recorded and are based on line receive assistance from the Makassar City Cooperative and MSME Office. Then data the organizational structure of the Department of Cooperatives and SMEs South Sulawesi province is also following the various policies and rules that have been set, such as the Governor Regulation No. 67 the Year 2016, that to implement the provisions of Article 10 Regional Regulation No. 10 the Year 2016 on the Establishment and Composition of the Region, it is necessary to stipulate a Regulation of the Governor of South Sulawesi concerning the Composition of Position, Organization, Duties, and Functions, and Work Procedures of the South Sulawesi Provincial Secretariat. The legal basis is: Law no. 12 of 2011, Law no. 5 of 2014, Law no. 23 of 2014, Law no. 30 of 2014, PP. 18 of 2016, Government Regulation No. 10 of 2016, and Regional Regulation of South Sulawesi Province No. 7 of 2019 concerning Empowerment of Cooperatives and Small Businesses.

4. RESULTS AND DISCUSSION

There has been an increase in the number of Micro, Small and Medium Enterprises actors in South Sulawesi, namely around 3% per year, so they are considered capable of playing a bigger role in driving a people-based economy. For this reason, a strategy is needed to support growth and increase, by carrying out various efforts and activities such as implementing program preparation and training activities, carrying out various aspects of activities, one of which is continuous mentoring of MSMEs to encourage the growth of MSMEs in the regions. Various assistance and training were also carried out for MSMEs in preparing initial steps, stages of a series of encouragement for small and medium enterprises, and improving performance in the MSME segment to make it more attractive. Emphasizing on providing facilities in various aspects, such as involving MSMEs in exhibitions to assisting product marketing, the Government of South Sulawesi has also rolled out efforts so that MSMEs in the regions can build a wider marketing network. A strong network can encourage an increase in the quantity aspect, by striving for these MSMEs to sharpen their business lines with digital-based technology-based sales. The role of MSME players engaged in the real sector has made a significant contribution to the structure of the South Sulawesi economy which is consistently above the national average. According to data from the Central Statistics Agency, South Sulawesi's economic growth in 2019 has reached 7.23%, where this condition occurs in all business fields. The highest growth was achieved by the accommodation sector and the provision of food and beverages, with an increase of 11.66%. Followed

by the wholesale and retail trade sector, as well as the car and motorcycle repair sector with an increase of 10.74%. To support the implementation of the development and improvement of MSMEs in Makassar City, it is necessary to build a team to create an environment that is right on target to build a network of cooperation, and seek various interactions and collaborations with various parties. Collaboration is the process of working together to produce various ideas or ideas in solving common problems towards the realization of a shared vision within the organization. Basically organizations are interdependent, and certainly require collaboration as the key to creative thinking to achieve common goals. Collaboration is important to achieve the best results in solving complex problems in dealing with developments in organizational dynamics. The development of cooperation shows the existence of a model of cooperation starting from the simple one consisting of two parties, then developing into three, four, and up to five parties, or several more parties.

Some experts, such as Etzkowitz and Leydesdorff (1995), have introduced a three-party collaboration known as the triple-helix approach. This collaboration emphasizes the interaction of the three parties in the components of the collaboration and is the main key to improving conditions conducive to the birth of innovation, skills, creativity, ideas in the development of a creative economy. The triple-helix is also an approach that describes how an innovation emerges from a balanced, reciprocal, and sustainable relationship between academia (universities and research and development institutions), the government, and business actors or the entrepreneurial sector. The synergy between the collaborating parties, namely the three components, is known as ABG (Academic, Business, and Government).

In fact, the concept first proposed by Carayannis & Campbell (2009) of the quadruple-helix, which adds a fourth helix to the existing Triple-Helix model. This fourth helix is identified as the helix associated with the terms or designations: 'media', 'creative industries', 'culture', 'values', 'lifestyle' and 'art'. The reason for adding the fourth helix is because of values and culture on the one hand, and how public reality is formed and communicated by the media. Media on the other hand is expected to have an impact on the innovation system of a community or country, so that it can be more developed and advanced. The role of the media is actually very important in shaping or directing what development innovation is a priority in a country, but sometimes it is misused so that it is considered to have a bad impact. Then the penta-helix concept was also put forward by Carayannis & Campbell (2010), namely the existence of an environmental helix. Pentahelix has five helices that emphasize aspects of the natural environment or social ecology of society, and economics to generate knowledge production and innovation systems in development.

The development of the Penta Helix concept originated from the Triple Helix theory which believes that the strength of the Triple Helix relationship from Academicians, Business and Government (ABC) can encourage better innovation both economically and scientifically (Etzkowitz & Leydesdorff, 1997). The addition of another helix is based on the thought that the Triple Helix can work better and produce benefits and make optimal contributions. The Triple Helix was then developed into a Quadruple Helix with the addition of media as a 4th helix which was also proposed by Carayannis & Campbell, 2010; Ivanova, 2014; Leydesdorff, 2012a, which later developed into the Penta Quintuple Helix (Carayannis, Barth, & Campbell, 2012; Fyodorov, Peshina, Gredina, & Avdeev, 2012; Halibas, Sibayan, Lyn, & Maata, 2017; Tonkovic et al., 2015; E. Veckie & V. W. Veckie, 2014).

However, in development it seems that the concepts and theoretical constructions of the Quadruple Helix and Penta (quintuple) Helix are considered immature, this can be seen from the differences in the proposed fourth and fifth helix. The quadruple helix concept proposed by Carayannis and Campbell (2010), Leydesdorf (2012a), Ivanova (2012), with the addition of helicals in collaboration is intended as a conceptual framework to support innovation, which was proposed without empirical validation. Then, the concept of the Quintuple Helix Innovation model was developed by Carayannis et al. (2012), this model is used as a framework for analyzing the drivers of innovation.

Fundamentally the existence of the penta-helix project is aimed at empowering local and regional authorities, which find innovative approaches to cost savings in undertaking various efforts to develop, fund, implement, scale up sustainable energy and action plans. Pentahelix's real goal is to develop a penta-helix-based method, and use it to engage and support authorities at multiple levels. The existence of the government together with other key stakeholders in various sectors, is to enhance the development and implementation of an activity. The roles of each helix actor include: 1) Academics in the penta-helix model act as drafters. Such as establishing standardization of business processes as well as product certification and human resource

skills. Academics in this case are a source of knowledge in making concepts, theories that are up to date and relevant; 2) The business in the penta-helix model acts as an enabler. Business is an entity that carries out business processes in creating added value and maintaining sustainable growth; 3) The community in the penta-helix model acts as an accelerator. In this case the community is people who have the same interests and are relevant to a growing business. Act as an intermediary or become a liaison between stakeholders; 4) The government in the penta-helix model acts as a regulator. The government acts as a regulator as well as a controller that has regulations and responsibilities in developing business; 5) The medium in the penta-helix model acts as an expander. The media plays a role in supporting publications in promotion and brand image creation.

The organizational structure of the Cooperatives and UMKM Office of South Sulawesi Province follows the Governor's Regulation Number 67 of 2019 which has been adjusted, to implement the provisions of Article 10 of Regional Regulation Number 10 of 2019. Then to maintain the stabilization of fines, efforts from the use of raw materials, marketing, labor, network, financing, utilization of technology, policies, regulations, government bureaucracy, legal protection and improvement of internal management and minimizing external or internal obstacles in the business that are considered to interfere with the company's operations. MSME activities in Makassar City by providing complete supporting facilities and infrastructure to complete production equipment In particular, the rules in the policy in the Governor's Regulation have not been maximally implemented by MSMEs because of the unavailability of various resources and policy networks that do not work well according to existing theory. Must comply with the opinion of Höglund et al., and carry out key aspects of strategic management, namely: environmental analysis, determination of company mission, strategy formulation, strategy implementation, strategy evaluation, and control. (Höglund et al., 2018)

Followed by the wholesale and retail trade sector as well as the auto and motorcycle repair sector with an increase of 10.74%. The following is an outline of the flow of this writing:

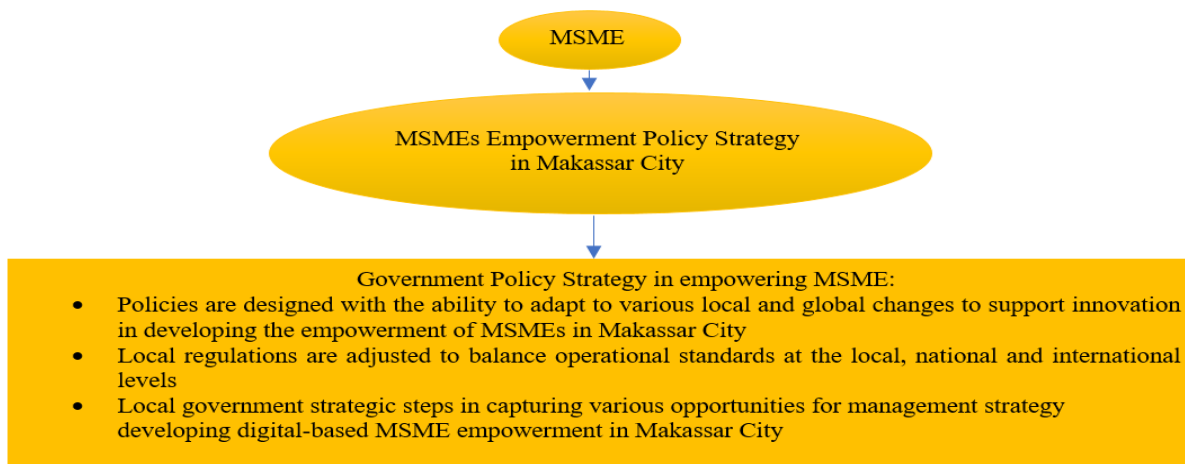


Figure 2. Writing Framework, adapted from the Final Report of UNM Postgraduate PNBPN Research, Entrepreneurship Development Policy Strategy in Empowering Online-Based MSMEs in South Sulawesi, (p. 24), by Andi Cudai Nur 2021, LP2M UNM: Makassar

Especially for Small and Medium Enterprises and SMEs Provincial South Sulawesi is a unit of regional apparatus that has a major role in the empowerment of cooperatives and SMEs in the province of Sulawesi South with arranging performance plan annual is the process of further elaboration of the goals and programs that have set in a strategic plan that includes a period yearly. The organizational structure of the Office of Cooperatives and MSME of South Sulawesi Province is following the governor's regulation number 67 of 2019 which has been adjusted, to implement the provisions of Article 10 of Regional Regulation Number 10 of 2019. Then to keep the stabilization of fine effort from the use of raw materials, marketing, labor, networking, financing, utilization of technology, policies, regulations, government bureaucracy, legal protection and improve internal management and minimizing the barriers externally or internally in business which is considered to be disrupting the operational activities of MSMEs in Makassar City by providing complete supporting facilities and infrastructure to complement the production equipment. More details can

be seen in the following SWOT analysis in Makassar City:

| SWOT MSMEs | Strengths | Weaknesses |
|---|---|--|
| <p>Internal</p> <p>External</p> | <p>Government policy, characteristics business, Regulation area, A lot of the number and types of SMEs, Regulation government support, Making available funding from the central government, Making available a wide range of facilities to support SMMES Regional Regulations Potential protective laws, General public awareness and young generation for entrepreneurship The magnitude of the number of consumers both local, national, & international The technology network is open and available Means technology is more modern/high quality The variety of choices in production Technology is getting a lot which gives the ease of production and marketing</p> | <p>Market issues or marketing, Limitations market, Distribusi or broad an intended market. Financial problems are not evenly information and designation Related with security and ease of set up businesses Limitations capital, it is difficult to seek additional capital and limitation in administration accounting/finance, payment systems that require the application of technology in the system of buying and selling, low skills human resource technology applications for SMEs. Problems in the field of Human Resource Management, in association with level low education, motivation is low, the mastery of technology is still limited, the ability of the application of technology applications is low, the number of SMMES that are not recorded, SMEs have not been officially registered, have received less attention and coaching, changing system information-based management started online, limited and not optimal tools, facilities, and infrastructure in accordance standard national and international</p> |
| <p>Opportunities</p> | <p>Strategy for problem-solving, repair, and development</p> | |
| <p>Increasingly variety human needs, instant lifestyle, type of work more professional, the availability of various facilities in government assistance, legal protection more real, providing a source of funding that is easy and inexpensive, and the opening of global markets, diverse array of system sales, the ease of access technology because of government support, government attention is getting higher, and the public has started to realize the importance of MSMEs in creating jobs Entrepreneurial knowledge and information is increasing Creativity and innovation is getting increased</p> | <p>S / O</p> <ol style="list-style-type: none"> 1. Regulation is there to protect and provide convenience for SMEs to set up 2. Increasing cooperation by building local, national, & international building business networks 3. Increasing SMEs cooperation by expanding the network of the business world or private networks 4. Take advantage of technological advances to assist MSMEs in developing their businesses 5. Creating the kind of work just to utilize entrepreneurship in the diversity of the products business, the type of care services are creative & innovative | <p>W / O</p> <ol style="list-style-type: none"> 1. Formulation of policies and regulatory region can open thinking society and instigators of SMEs to be optimistic in implementing entrepreneurship 2. Utilizing the joint meeting forum of stakeholders for the program and download develop knowledge of entrepreneurship in society general 3. Through the office of the Department of Cooperatives and SMMES development, education and training of entrepreneurship for the instigators of SMEs improved 4. Take care, advantage of technological advances to support, facilitate and expand the marketing reach of production |
| <p>Threats</p> | | |

| | | |
|--|--|---|
| <p>Climate change, changes in life style habits, general disasters, natural disasters, global health problems, global economic recession, uncertain international security stability, the phenomenon of changing life problems, global competition, higher competitiveness of society, and the changing needs of human life that sometimes hard to predict</p> | <p>S / T 1. I ncrease the competitiveness of MSMEs by improving the quality of the implementation of education and training for the wider community, especially the MSMEs business world 2. T here is support from the local government to develop for MSMEs</p> | <p>W / T 1. Facilitate forums and programs to improve the dissemination of development SMEs 2. Improve communication with stakeholders. in finding solutions to any existing problems and changes in the management system of MSMEs</p> |
|--|--|---|

Table1. SWOT Analysis, adapted from Final Report of UNM Postgraduate PNBPN Research, Strategy of Entrepreneurship Development Policy in Empowering Online-Based MSMEs in South Sulawesi, (p. 141), by Andi Cudai Nur 2022, LP2M UNM: Makassar City

With a look of optimism and prospects for the development of micro, then to a financing strategy covering four aspects of the MSMEs sector; a) Strategies to strengthen the investment climate and business climate; b) Strategies to strengthen entrepreneurial skills and business activities; c) Strategy to strengthen the financial sector, especially banking to finance the MSME sector, and d) Strategy for infrastructure development. In particular, the fourth strategy is considered quite important both in access to information and in assessing the magnitude of business risk in the MSME sector. Furthermore, strengthening policies and regulations by: 1) Adjustment of regulations as a legal basis for collection and strengthening of collection management; 2) Strengthening human resources and institutions as tax and retribution collectors; 3) Exploring various potential new revenues in accordance with the authorities and laws and regulations, especially outside of regional taxes and levies; 4) Increasing transparency and accountability of regional revenue management by utilizing information technology-based information systems; 5) Encouraging the establishment of a regional revenue payment system that goes directly to banks/financial institutions; 6) Improving coordination, cooperation and support between cooperative institutions, small and medium enterprises related to regional revenue management; 7) Improving the evaluation, monitoring and supervision of regional revenue management; 8) Increasing the participation and role of third parties in providing regional development costs; 9) Specifically for regional taxes, tax management improvement is carried out by: (a) increasing the intensity and effectiveness of tax arrears collection; (b) increasing the ease of paying taxes through: Increasing the capacity of the on-line tax payment system, one-stop-one cellular administration system (samsat mobile), increasing the effectiveness of drive-thru, simplifying the system and procedures for paying taxes. (c) increasing local tax information and communication; (d) increasing the effectiveness of coordination and transparency between agencies related to regional tax services; (e) building a tax payment system through electronic payments (e-payment) and gradually eliminating the face-to-face tax payment system with Fiscus. Efforts are also being made for Micro, Small and Medium Enterprises in entering the 4.0 era, developing competitiveness through the use of digital platforms, using on-line systems to carry out various buying and selling transactions, utilizing technology to support various business activities, and using the expansion of industrial networks in market their business. Exploring the private realm of public policy will survey the literature on the concept of policy networks and demonstrate the importance of understanding certain policy areas in their formulation (Marsh et al., 1992).

5. CONCLUSION AND RECOMMENDATION

The Makassar City Government should optimize efforts to empower MSMEs by formulating more innovative operational policies by taking into account the balance of local, national and international cultural norms. The existence of a policy network is important for finding holistic solutions to various public problems. The policy network is self-generated to form a network pattern within it. Each component participates with other components in the network to produce activity, production, or network transformation so that it becomes a system (Callicott, 2002). Optimizing the design of government policies that adapt to current and future conditions. Adjustment to the culture of the people of Makassar City, in drafting regional

regulations regarding protection and licensing policies, providing business support facilities, facilitating access to financing, optimizing business continuity, providing assistance and guidance in business management for the younger generation, increasing knowledge and training in technology skills, absorbing digitalization in MSMEs, and provision of supporting facilities to collaborate with multi-stakeholders in the penta-helix. It is recommended to prepare policy tools with a strategic management system in managing digital-based MSMEs that can adapt to various global changes. The government in developing MSME empowerment can innovate in applying various sustainable populist economic theories that are rooted in people's social life, such as expanding local economic networks through data-based mapping analysis, analysis of broader marketing networks, optimizing production quality, expanding sustainable economic networks, increasing creative economy life cycle, information openness and transparency, as well as the sustainability of MSME organizations.

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