



The Effectiveness of Kawal Incubator Program in Developing Small and Medium Enterprises in Banjarmasin



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Abstract. This research was motivated by the obstacles of Small and Medium Enterprises (SMEs) actors in Banjarmasin to develop their businesses. Their obstacles include limited capital to improve business quality and lack of product marketing, managerial skills and business digitalization. Banjarmasin Government specifically the Department of Cooperatives, Micro Enterprises and Manpower is responsible for overcoming these problems, one of them is by implementing an SMEs development program. The program implemented is Kawal Incubator program. This program is a business incubation to improve the capacity and quality of SMEs through mentoring and coaching. This study aims to determine the effectiveness of Kawal incubator program in developing. This research used qualitative descriptive with research subjects totaling 7 informants consisting of Kawal incubator program participants, Kawal incubator program managers, and employees from the Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City. The result showed that the implementation of Kawal incubator program has been effective in SMEs development efforts measured with five indicators: program understanding, target accuracy, timeliness, goal achievement, and real change. These five indicators are met in the implementation of Kawal incubator program.

Keywords: Development; Effectiveness; Kawal Incubator Program; SMEs

1. Introduction

National development is an effort to improve the quality of humans and society sustainably, based on national capabilities by utilizing advances in technology and science. National development includes aspects of national and state life implemented by the government and society. Society acts as the main development actor and the government is obliged to direct, protect and create a conducive climate that supports national development. One of the indicators of national development is economic development. Economic development is important in a country because it is related to increasing income and society welfare. The main goal of economic development is to increase the amount of goods, services, and employment opportunities for society (Sofyan, 2017).

In economic development, society has an important role through small and medium enterprises (SMEs). SMEs occupy a strategic role as the main actors in the local economy and community empowerment, employment providers, and new market creators, and contribute to GDP and balance of payments. SMEs play an important role as a source of growth in employment opportunities or income in Indonesia, where the job opportunities created by SMEs are more than the manpower that can be absorbed by large businesses. SMEs are



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expected to continue to play an optimal role in efforts to overcome unemployment, which increases yearly. By absorbing a lot of labor, SMEs also have a strategic role in the government's efforts to fight poverty in the country (Sofyan, 2017). SMEs play an important role in overcoming poverty barriers, inequality, and job creation. SMEs are also a source of job creators or business opportunities for the younger generation (Tambunan, 2019). SMEs are often used as the frontline in government fiscal policy for economic development and SMEs innovation. Various policy steps set by the government to promote innovation in SMEs (Ruchkina et al., 2017).

Banjarmasin is known as one of the largest cities in South Kalimantan Province and has many small and medium enterprises. This can be seen from the amount of development in small and medium enterprises (SMEs) that are quite advanced. Based on data from the Department of Cooperatives and MSMEs of Province Kalimantan Selatan in 2023, the amount of SMEs in Banjarmasin City is 37.214.

With a large number of SMEs in Banjarmasin, SMEs actors in Banjarmasin have various constraints in developing their businesses. SMEs development has several weaknesses that must be resolved and find a solution. Obstacles that influence the success of SMEs in terms of organization is the low managerial skills, education and training. SMEs problems related to the industry include the inability of entrepreneurs to understand market expectations and difficulties in market access (Yolande Smit, 2012). As reported from a news source Antara Newa Kalimantan Selatan in 2022, an obstacle often experienced by SMEs in Banjarmasin City is difficulty developing a business due to limited capital. In addition, lack of managerial ability and organizational skills, and limited marketing are also constraints for SMEs actors in Banjarmasin. Another constraint that exists for SMEs is the lack of digitalization of SMEs. Digitalization of SMEs has a major impact on an equitable and sustainable economic recovery. Amount of SMEs in Banjarmasin increases every year, but good SMEs management and non-formal skill improvement are still often ignored by SMEs actors (Badan Pusat Statistik Kalsel, 2019).

Banjarmasin Government specifically the Department of Cooperatives, Micro Enterprises and Manpower is responsible for overcoming these problems, one of them is by implementing a SMEs development program. The program implemented is Kawal Incubator program. Based on Banjarmasin Mayor Decree Number 76 of 2023, kawal incubator program was formed to carry out incubation which leads to the development of science, technology, and innovation-based businesses. Kawal Incubator is an SMEs business incubation program to increase business capacity and quality through SMEs mentoring and coaching. Kawal Incubator is expected to be a medium and forum for accelerating the growth and development of new entrepreneurs and SMEs in Banjarmasin City to be independent and competitive. Kawal incubator program focuses on developing qualified entrepreneurial talents, encouraging the creation of new jobs to help the regional economy and building a creative economy ecosystem. Through kawal incubator program, SMEs are given opportunities to develop business potential nationally and globally. With the implementation of kawal incubator program by the Department of Cooperatives, Micro Enterprises and Manpower, it is necessary to conduct research to assess the effectiveness of kawal incubator program in developing small and medium enterprises in Banjarmasin and the obstacles that occurred in the implementation of kawal incubator program.

2. Methods

2.1 *Types and Approaches of Research*

The type of research used is field research, where research is carried out in a place or research location to answer the problem to be solved (Prastowo, 2017). The research approach in this study uses qualitative descriptive methods, which is a method used to examine the status of human groups, an object, a condition, a system of thought, or a class of events in the present (Nazir, 2014). The research location in this study is the Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City.

2.2 *Subject and Object of Research*

The research subjects in this study are SMEs actors participating in kawal incubator program, kawal incubator program manager, and employees of Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City. Object of research in this study focuses on the effectiveness of kawal incubator program in developing small and medium enterprises by Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City and the obstacles occurred in the implementation of the kawal incubator program.

2.3 *Data and Data Sources*

The data in this study consists of primary data and secondary data. The primary data includes the identity of informants and informants responses about the implementation of kawal incubator program in development of SMEs by the Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City. The secondary data in this study include a brief history and organizational structure of the Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City, as well as the decree of the mayor of Banjarmasin regarding kawal incubator program. Data sources for primary data are informants consisting of kawal incubator program participants, kawal incubator program manager, and employees of the Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City as members of kawal incubator secretariat team. The data sources for secondary data are personal documents, official institutional documents, references and regulations obtained from Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City.

2.4 *Data Collection Techniques*

The data collection techniques used in this study were interviews and documentation. The interview used is a semi-structured interview, which is an interview where the subject of research can give a free and unrestricted answer, but the subject under study must not go out of the flow of a predetermined theme (Sugiyono, 2016)

2.5 *Data Processing and Analysis Techniques*

Some data processing and analysis techniques in this study include: data reduction, data presentation, and conclusions. Data reduction activities carried out by researchers are to make summaries of the main matters related to the problem under study in accordance with predetermined indicators (Andriani & Meilani, 2018). Data presentation is a stage where the data that has been studied is poured into the form of narrative text in the form of interview results to make it easier to see what happened (Lestari, 2015).

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3. Results and Discussion

3.1. *The Effectiveness of Kawal Incubator Program in Developing Small and Medium Enterprises in Banjarmasin*

The Effectiveness of kawal incubator program in developing Small and Medium Enterprises by Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City in this study was measured using effectiveness indicators from Sutrisno (2007) total of five indicators, namely : program understanding, target accuracy, timeliness, goal achievement, and real change.

3.1.1. Program Understanding

Program understanding in this discussion referred to participants of kawal incubator program, kawal incubator program manager and employees of Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City can understand the aims and objectives of kawal incubator program. The more understand the program's target for kawal incubator program, the more effective the program will be.

Based on result of interview conducted by researchers with participants of kawal incubator program, reseachers assessed that the participants could know and understand well about the purpose of kawal incubator program. The participants knew that kawal incubator program is a forum for SMEs to learn how to develop their business to become more advanced. In addition, kawal incubator participants also understand that the purpose of holding kawal incubator program is to encourage SMEs to be better prepared and better able to develop their business. The implementing of kawal incubator manager confirmed that kawal incubator program is an SMEs business incubation program to increase business capacity and quality. This in line with statement from employees of Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City that the purpose of holding kawal incubator program is to grow entrepreneurs who are skilled, independent, and competitive. In this case, it can be said that the understanding of kawal incubator program is effective.

3.1.2. Target Accuracy

Target accuracy in this discussion referred to kawal incubator program manager and Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City in determining the participants of kawal incubator program, namely SMEs actors was right on target.

Based on result of interviews that have been conducted, researchers assess that kawal incubator program can be said to be effective in achieving predetermined targets. This in accordance with the result of interviews with five informants as participants in kawal incubator program that the target program participants are Banjarmasin City residents as evidenced by the Banjarmasin City domicile ID card and have a business proven by legality, namely NIB or nomor induk berusaha. The determination of SMEs actors who take part in kawal incubator program has gone well because the determination does not focus only on one business segment, but on various types of business segments. In addition, the participants selected to take part in kawal incubator are participants who have passed through various stage of selection held by the committee. Kawal incubator program manager also added that the determination of program targets was appropriate because the determination process had

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its own filters and the selection of program kawal incubator program was carried out by kawal incubator management team. Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City calculate the amount of kawal incubator program based on government regulations whics states that each region is requires to have one city-district level incubator institution and is obliged to annually foster a minimum of 20 SMEs

3.1.3. Timeliness

A program is certainly carried out by following a predetermined time in accordance with the program policy. Timeliness in this discussion referred to measure whether the implementation of kawal incubator program is in accordance with the schedule and time that has been determined.

Based on research conducted by researchers, punctuality indicators in kawal incubator program are considered effective. This was based on the result of interviews with 5 participants of kawal incubator program who stated that the timeliness and timing of the program were appropriate. It's just that in terms of notification of activity schedule to the participants, it is rather slow because information about the activity time is informed close to the day of the activity. The timeliness of the implementation of the event with the previously planned schedule is appropriate. The researchers also conclude the results of interviews with employees of Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City that the time-line for the implementation of kawal incubator program is generally has 3 staged, namely prainkubasi, inkubasi utama, pascainkubasi.

3.1.4. Goal Achievement

The purpose of the indicators of goal achievements in this discussion is to find out whether after the program is completed, the result achieved are in accordance with the expected goals. Kawal incubator program aims to provide new entrepreneurial opportunities to develop business potential nationally & globally. In addition, kawal incubator program also aims to develop new entrepreneur who are skilled, independent and competitive.

Based on the result of interviews conducted with 5 participants of kawal incubator program, researchers found that the objectives of kawal incubator had been achieved and could be felt by the participants. The participants of kawal incubator program can increase the escalation of knowledge and skills in doing business through the activities of kawal incubator program. Through kawal incubator program, participants of kawal incubator program can develop their business potential through direct assistance carried out by mentors and experts in business field. With kawal incubator program, participants are able to expand networking in the business world because they are met with fellow business partners, so they can discuss and exchange opinions about the business being undertaken. In addition, participants of kawal incubator program also get funding in kawal incubator program to develop business both quality and quantity. Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City revealed that in the implementation of kawal incubator program, the result achieved were in accordance with expected goals with a percentage of 70-80%. In the implementation of kawal incubator program, there is an increase in the capacity of participants who take part in kawal incubator program and the quality of participants business. Meanwhile, according to the manager of kawal incubator program, the result achieved in the program are

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in accordance with the expected goals with percentage of 80%. Therefore, the indicators of goal achievement can be said to be effective.

3.1.5. Real Change

According to Sutrisno (2007), the indicator of real change, namely a program, is said to be effective if the program has real changes obtained directly by the program target. The real change in kawal incubator program is the extent to kawal incubator program has succeeded in bringing about change. Based on the result of interviews conducted by researchers with 5 participants of kawal incubator program, researchers assessed that the indicators of real changes in kawal incubator program can be said to be effective because there are real changes after the holding of kawal incubator program. The participants had a positive impact from implementation of kawal incubator program, which was to gain a lot of knowledge and a new mindset about the world of business and entrepreneurship. This greatly supports the development of their business if they apply all the knowledge they have gained. In addition, the participants of kawal incubator program admitted that kawal incubator program made their business improve both in quality and quantity. Researchers can draw conclusions that kawal incubator program provides real changes to SMEs owned by kawal incubator program participants.

3.2. Obstacles Occurred in the Implementation of Kawal Incubator Program

In the implementation of kawal incubator program in development of SMEs in Banjarmasin City, Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City has obstacles, including the lack of knowledge about the technical implementation of kawal incubator program because there has been no training issued by the government that discusses kawal incubator program in detail. This cause difficulties in adjusting the implementation of the program with the administration because there are regulations from the city government that Regulating the administration of kawal incubator program so that informants have difficulty making adjustments to existing regulations. Manager of kawal incubator program has constraints from internal and external factors. For internal factors, there are problems in terms of determining the curriculum of activities because there are often changes in the curriculum of kawal incubator program. Then from external factors, there are obstacles, namely sometimes wrong in choosing tenants or SMEs because these tenants do not follow kawal incubator program properly. Then the obstacles felt by the participants of kawal incubator include that one of the participants has a busy schedule because he manages his own business so that when there is an implementation of kawal incubator program, participants need to do time management so that the schedule of kawal incubator program does not interfere with their business, then other participants have obstacles, namely difficulties in time management to participate in kawal incubator program and to carry out business activities. Another obstacle felt by the participants of kawal incubator program is the notification of schedule for the implementation of training in kawal incubator very close to the implementation day, which is notified 3-4 days before the implementation day, causing participants to find it difficult to change.

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4. Conclusions

Based on the results of research and analysis conducted by researchers can be concluded as follows :

The implementation of kawal incubator program implemented by Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City has been effective in efforts to develop SMEs. The effectiveness of the program implementation is measured from five indicators : program understanding, target accuracy, timeliness, goal achievement, and real change. These five indicators are fully fulfilled in the implementation of kawal incubator in Banjarmasin City.

The obstacles faced in the implementation of kawal incubator program in Banjarmasin City include : participants of kawal incubator program experience obstacles, namely difficulties in time management to participate in kawal incubator program and to carry out their business activities, managers of kawal incubator program has obstacles in terms of determining the activity curriculum because there are often changes in the curriculum of kawal incubator program and sometimes wrong in choosing tenants or SMEs because these tenants do not follow kawal incubator program properly, Department of Cooperatives, Micro Enterprises and Manpower of Banjarmasin City experience obstacles, namely the lack of knowledge about the technical implementation of kawal incubator program because there has been no training issued by the government that discussed kawal incubator program in detail. This causes difficulties in terms of adjusting the implementation of the program with the administration. However, all these obstacles can be overcome so that the program continues to run well and effectively.

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