

MSMEs Empowerment Communication in New Normal Era: The Case of Mini University Kaltim Preneurs in East Kalimantan, Indonesia

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Abstract

Indonesia's economy consists mainly of micro, small and medium enterprises (MSMEs). In this pandemic situation, the government through its various institutions has made various efforts to save Micro, Small and Medium Enterprises (MSMEs) from the impact of covid-19, including Indonesian Central Bank located in East Kalimantan Province. Its existing empowerment program named Mini University Kaltim Preneurs made an innovation to accommodate all its graduates to support each other in a local market place named Minishop. This study try to analyse the empowerment communication strategy implemented by Bank Indonesia-East Kalimantan Area in strengthening the local MSMEs in new normal era, and map out the barriers and challenges faced to improve the program. This research employs qualitative method, and using empowerment communication theory as an umbrella to analyse the data. The study found that the success of MSME rescue policy from the impact of the COVID-19 pandemic needs to be supported by some specific strategies to maintain the sustainability of MSMEs as one of the players of the Indonesian economy.

Keywords

MSMEs empowerment; empowerment communication; pandemic covid-19



I. Introduction

COVID-19 has become a global problem including in Indonesia. As of November 6, 2020, covid-19 infected patients across the country reached over 488 thousands (Indonesian Covid-19 Media Centre). Indonesia ranks 21st in the world for total cases of covid-19 infected patients based on CNN Indonesia news reported (19/11/2020). The COVID-19 pandemic has impacted economic, social, and political aspects for almost all countries in the world, including in Indonesia (Susilawati, Falefi, & Purwoko, 2020) and (Pakpahan, 2020). The World Trade Organisation (WTO) estimates that global trade volume is likely to decline by about 32% by 2020 during the COVID-19 period (2020). Restrictions on public activity in response to the COVID-19 pandemic have caused significant economic losses nationally (Hadiwardoyo, 2020). The sectors significantly affected during the COVID-19 pandemic are transportation, tourism, trade, and health; yet the economic sectors affected the most by COVID-19. Particularly the home industry sector (Susilawati, Falefi, & Purwoko, 2020) which known as micro, small, and medium enterprises (MSMEs).

Not only in the form of measurable and clearly visible economic impacts. Another impact resulting from Covid-19 is actually also felt by many individuals-communities such as increased anxiety, stress and panic that is included in this context is Panic Buying. Accurate data about the situation have not been described in research reports, but if collected in a variety of psychological opinions in the news media, it can be said that Pandemic Covid-19 threatens mental disorders. Putri (2020) wrote a report on how the emergence of panic in a

person due to Covid-19 such as; emergence of behavior of someone who always brings soap and hand sanitizer wherever they go. Not only that, the condition of the body that has a fever (chills) and itching in the throat immediately raises the worry of being exposed to Covid-19. Even in other reports it is said that reading information about the symptoms of Corona (Covid-19) can make someone feel sick (Anna, 2020), even though the condition occurs is more due to psychomatic disorders (Saleh and Mujahiddin 2020).

The increased case of COVID-19 has affected the world economy including Indonesia. The COVID-19 pandemic that has been established by the UN, affects the transportation, tourism, trade, health and other sectors. The "lock down" policy is taken by various countries to prevent further spread of covid-19, so that economic activities are hindered and put pressure on the world's economic growth in the future including Indonesia's economic growth. The Government encourages the Ministry and institutions (K/L) as well as the local government (PEMDA) to accelerate spending primarily on the first quarter 2020 schedule. This was done to reduce the pressure on Indonesia's economic growth due to the pandemic Covid-19, as well as a decline in commodity prices (Kementerian Keuangan RI, 2020a). (Susilawati et al, 2020)

This is because MSMEs occupy a strategic position in the economy in general. In Indonesia, MSMEs are one of the strategic sectors in the national economy that can be seen from the absorption of labor (Suhaili & Sugiharsono, 2019). Small businesses are among the hardest hit by the COVID-19 crisis, many are temporarily closing businesses, and others face cash flow constraints (Alao & Lukman, 2020). OECD (2020) states that MSMEs are currently at the center of the economic crisis due to the COVID-19 pandemic, even with conditions more severe than the 2008 financial crisis. The pandemic crisis that affects the MSMEs further generate serious risks where more than 50% of MSMEs will not survive the next few months. The collapse of MSMEs can broadly have a strong impact on the national economy and global growth prospects. It is assumed that the deterioration of the financial situation of MSMEs could have a systemic effect on the banking sector as a whole (OECD, 2020).

According to Sugiri (2020) and OECD (2020), the impact of the COVID-19 pandemic on MSMEs can be seen in terms of supply and demand side. From the offer, with the Covid-19 pandemic, many MSMEs are experiencing labor shortages. This is because of the reasons for maintaining the health of workers and the implementation of social distancing policies. Both causes led to people's reluctance to work while the pandemic is still happening around. On the demand side, reduced demand for goods and services has an impact on MSMEs that cannot function optimally which leads to reduced liquidity of the company. This causes people to lose income, because MSMEs are not able to pay workers' wage rights. In the worst of conditions, termination of employment occurs unilaterally.

Meanwhile, in developing countries the role of MSMEs is so prominent and becomes a mainstay to save the national economy when the country is experiencing an economic crisis. Reddy (2007) shows that small business is the deciding factor for most of the world economy. This is also the case in Indonesia, where SMEs are the main driver of the Indonesian economy. Based on data from the Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia, in 2017, 99.99 percent of the economy in Indonesia is supported by small and medium enterprises (Mufti, 07/08/2019). Therefore, the empowerment of SMEs, particularly in the current pandemic situation becomes very strategic because of its huge potential in keep running the economy of the community.

Therefore, MSMEs do need special support and protection to stay focus and afloat in this difficult situation. Empowerment programs are one of the subject of discussion and study, both at the national and regional levels that concern the lives of disadvantaged people.

This program is mainly targeted to those who have no business or those who have tried but in limited capacities. Governments and businesses entities have an obligation to pay attention to and develop businesses owned by the community on a micro, small and medium scale. MSMEs in practice experience many obstacles both internally and externally. Especially in this situation, which added to them more difficulties to become a healthy business. The movement to promote entrepreneurship has an important and very strategic meaning in keeping economic activities of current communities. The development of entrepreneurship programs can be used as a momentum to spur the growth of strong and independent small businesses. Entrepreneurship is at the heart of national excellence (Mann, Adebajo & Tickle, 2011).

Portraits of micro, small and medium enterprises are viewed in terms of coaching success and performance gained based on their resources. Both aspects can be used as a first step to formulate the entrepreneurial competencies needed and associated with MSME empowerment programs in an effort to create an institutional model that can support resilient and independent micro, small and medium enterprises. MSMEs are growing not only in the presence of government programs and assistance, but more importantly from within entrepreneurship, which is a strong entrepreneurial aspect. Some of Indonesia's entrepreneurial weaknesses are mentality that underestimates quality, a mentality that likes to pass, a distrust of one's own, the nature of being undisciplined and ignoring responsibility (Barley, 20/12/2014). Therefore, entrepreneurship competency has strategic significance in order to produce a role in the economy and its growth as a business unit.

This research aims to describe the entrepreneurial empowerment program conducted by Indonesian Central Bank (BI) in East Kalimantan area, namely 'Mini University Kaltim Preneurs' of saving its mentored MSMEs from the effects of the COVID-19 pandemic. In addition, the research is intended to provide an overview of what empowerment communication strategies can be pursued as a complement to the program.

After conducting literature studies and observations on various empowerment program to save the MSMEs sector, it can be said that the research conducted by the authors is a study that has elements of novelty and originality. This research is also still relatively rare, because it photographs current situation, so it can be presented as a reference for future research. This research was conducted on MSMEs in East Kalimantan. There are several types of MSMEs that participated, such as SMEs engaged in culinary, handicrafts, and clothing, as well as services.

II. Review of Literatures

2.1 Empowerment Theory

Empowerment is a cycle that is not a moment cycle. This process has three stages, namely; creating awareness, capacity building, and empowerment (Pigg, 2002). The first stage is creating consciousness, where at this stage the target to be empowered is given enlightenment in the form of giving awareness that they have the right to have something. The second stage is capacity building, which is often called capacity enabling. To give power, the concerned must have the ability before others. Enabling humans in both individual and group contexts. The third stage is funding, i.e. the process of granting power in accordance with the skills of the recipient. The concept of empowerment as an alternative concept of development essentially emphasizes the autonomy of decision-making from community groups based on direct personal resources (participation), democracy, and social learning through first-hand experience. Zimmerman (2000) explained that the empowerment

process is a method that seeks to change perceptions including changing one's motivation in society, so that individuals can adapt to their wider environment.

Then empowerment can also be interpreted as one of the solutions for those who experience powerlessness so that they participate in feeling the results of development that they have not fully felt, this is because development is actually considered as something that weakens the position of vulnerable communities, so Suharto (2014) empowerment refers to the ability of people, especially vulnerable and weak groups so that they have strength or ability in; (a). Fulfill basic needs so that they have freedom, in the sense that they are not only free to express opinions, but are free from hunger, free from ignorance, free from pain. (b). Reach productive resources that enable them to increase their income and obtain the goods and services they need. (c). Participate in the development process and decisions that affect them. (Adiwijaya et al, 2018).

On the other hand, according to Law of the Republic of Indonesia No. 20 of 2008 Article 1 Paragraph 8 on Micro, Small, and Medium Enterprises; empowerment is defined as an effort made by the government, local government, businesses, and society synergistically in the form of climate growth and business development towards Micro, Small, and Medium Enterprises (MSMEs) so as to grow and develop into a resilient and independent business. Lincoln et al (2002) before explains that etymologically empowerment comes from the basic word power, which means strength or ability. Hence, empowerment is defined as a process for acquiring power, strength or capability, and or the granting of power, strength or capability of the person who has power to the less or unpowered party.

Community empowerment can be interpreted as an effort to improve the ability of the poor (powerless) to participate, negotiate, influence, and control the institution of their society responsibly for the improvement of their lives. Empowerment can also be interpreted as an effort to provide empowerment or strength to the community. The power of society is the elements that allow society to survive and (in a dynamic sense) be able to develop themselves to achieve their social economic goals. Therefore, empowering the community is an effort to (continuously) increase the dignity of the "bottom" layer of society that is unable to escape from the poverty and retardation traps. In other words, empowering people is improving people's abilities, and improving people's autonomy.

2.2 Micro, Small, and Medium Enterprises (MSMEs)

According to Law No. 20 of 2008, Micro, Small and Medium Enterprises (MSMEs) are a type of small business that has a net worth of at most Rp 200,000,000 excluding land and business buildings. It is also classified as a stand-alone effort. Indonesia, which is dominated by MSMEs needs to pay special attention to this sector due to the contribution of MSMEs to a considerable national economy (Suhaili & Sugiharsono, 2019). There are at least three very important roles of MSMEs in the lives of small communities; namely the means of alleviating people from the abyss of poverty, the means to level the economy of small people, and providing foreign exchange for the state (Tambunan, 2019). In 2018, according to Indonesian Ministry of SMEs, there were 64,194,057 MSMEs in Indonesia (or about 99 percent of the total business units) and the MSME sector has employed 116,978,631 workers or about 97 percent of the total workforce in the economic sector (Djarmiko & Pudyastiwati, 2020). In 2018, MSMEs accounted for GDP on the basis of prevailing prices of 61.07% nationally (Nasution, 15/07/2020). In the case of East Kalimantan province, in 2019, the number of MSMEs identified (by name and by address) by the district/city as many as 307,343 units (poskotakaltimnews, 20/03/2020). There was an increase identified in 2018 to 2019 of 45.28 percent. It is estimated approximately 7,500 to 8.0000 units increase before the pandemic struck.

2.3 Corporate Social Responsibility (CSR)

According to Law no. 40/2007 on Limited Liability Company, which was later revealed in Government Regulation of the Republic of Indonesia No. 47/2012 on Social and Environmental Responsibility of limited liability, it states that Social and Environmental Responsibility is the company's commitment to participate in sustainable economic development in order to improve the quality of life and environment that is beneficial for the company itself, the local community, and the community at large. Furthermore, according to Kanji and Chopra (2010), Corporate Social Responsibility (CSR) is conceptualised as a business commitment to contribute to sustainable economic development, working with employees, their families, local communities, and the community in general to improve their quality of life.

Moreover, Suparmo (2011) defines CSR as the commitment of the business entities to contribute to sustainable economic development, by working with its employees and representatives, with local communities and the wider community to improve the quality of life, in a way that is good for the business itself, as well as for social economic development. Low (2016) also strengthened by saying that CSR can be defined as the company's responsibility to stakeholders, by operating ethically, minimize negative impacts and maximize positive impacts that affect the social and environmental aspects (triple bottom line) in order to achieve sustainable development goals. Therefore, from the various definitions above, in short, it can be summarised that corporate social responsibility is the obligation of the business entity in complying with the government regulations listed in the law and having a positive impact on the surrounding community both in terms of the environment and sustainable development.

III. Research Methods

This research applies descriptive qualitative methods by utilizing primary data collected from MSMEs that taking part of Mini University Kaltim Preneurs during pandemic batch. This is also enriched by secondary data derived from various literature such as books, articles, and homepages to access the latest data and information related to the policy of saving MSMEs from the impact of the COVID-19 pandemic. The use of descriptive qualitative methods aims to provide a description and get a clear picture that is useful to answer the formulation of the problem, particularly of Indonesian Central Bank, East Kalimantan area empowerment program to save MSMEs from the impact of the COVID-19 pandemic and what specific strategies have been pursued during this situation.

IV. Result and Discussion

4.1 Bank Indonesia-East Kalimantan Area' Social Program: Mini University Kaltim Preneurs

Bank Indonesia' Social Program or known as PSBI is a form of social charity program of Bank Indonesia (BI) to contribute in helping to solve socio-economic problems faced by local community. PSBI is another name of Corporate Social Responsibility (CSR) in this institution, which contains activities or programs called Mini University. PSBI seeks to increase public awareness and understanding of the existence of Bank Indonesia (BI) objectives. PSBI itself has created since 2005 and slowly began to abandon the philanthropic paradigm, towards sustainable empowerment that was able to improve economic, social and environmental values in community. Specifically, PSBI is now focused on empowerment programs aimed at strengthening the household economy.

Mini University Entrepreneurial Development Program established in 2013 which was designed as attractively as possible to create new entrepreneurs and Micro, Small and Medium Enterprises (MSMEs) that can contribute positively to the economy and prosperity in East Kalimantan. In addition, the program was created to answer the challenge of the Governor of East Kalimantan who specifically asked Bank Indonesia (BI) to create a specific program to give way out on the rising problem of unemployment.

The purpose of this program is as an alternative solution to create new MSMEs that can contribute positively to the economy and prosperity in the area. The targeted participants are the victims of termination of employment (layoffs) in the field of mining, housewives, unemployed, people with disabilities, cancer sufferers, artisans, students, farmers, new entrepreneurs, and existing entrepreneurs whose businesses have not developed yet. Demographically 69.9% of participants are from Samarinda and 23.5% are from Kutai Kartanegara, 2.9% are from Balikpapan, 1.5% is from Bontang, and the rest are spread across various districts/cities in East Kalimantan, Indonesia.

4.2 The Impact of Covid-19 Pandemic to Micro, Small, and Medium Enterprises in East Kalimantan, Indonesia

Indonesia is one of the countries affected mainly on the economic side due to this covid-19 pandemic (Guild, 2020). This pandemic has various impacts on the economy such as difficulty in finding jobs, difficulty to meet daily living needs, not having income in fulfilling daily needs, and also many other difficulties generated from all sectors of the economy in all areas (Donthu & Gustafsson, 2020). As of April, 2020 a total of 37,000 MSMEs reported themselves to the Ministry of Cooperatives and SMEs affected by the COVID-19 pandemic (Rahman, 16/04/2020). In East Kalimantan itself, there is about 100,834 MSMEs that got affected economically by this situation according to the Head of Indonesian Central Bank, East Kalimantan area (Nomorsatukaltim, 14/09/2020) with outstanding value amounted to Rp 2.47 trillion. According to the data release, the difficulties experienced by MSMEs during the pandemic were divided into four problems. First, there was a decrease in sales due to reduce outside community activity as consumers. Second, capital difficulties due to declining capital levels. Third, there are product distribution barriers due to restrictions on the product distribution in certain regions. Fourth, there is difficulty in raw materials because as MSMEs rely on the availability of raw materials from other industrial sectors. The impact of pandemics on SMEs is believed to be greater, due to the high level of vulnerability and lack of resilience caused by limited human resources, suppliers, and options in overhauling the business model (Chowdury et al, 2020).

Apart from that, since 2014 economy conditions in East Kalimantan-Indonesia, has experienced a negative growth trend. At that time, commodity prices, especially coal, experienced a significant decline. This situation further has an impact on regional economic growth that later creates more unemployment rate caused by layoffs. So far, 40% of East Kalimantan's economic growth has been supported by the mining sector. Dealing with this situation, the local has sought to develop strategic thinking to face these social and economic situations following the fall of the mining industry. Therefore, the revival of MSMEs after COVID-19 is in desperate need of support from all stakeholders. Cahyono, the Head of BI-East Kalimantan Representative in the interview (17/10/2020) recommends that the policy of revitalization of MSMEs be carried out by increasing synergy between programs and between government agencies, increasing the modern promotion of MSME products to domestic and export markets, enforcing credit policies with low interest rates and simple processes, and encouraging the improvement of MSME supporting facilities and the creativity of MSMEs to be highly competitive.

4.3 MSMEs' Empowerment Communication Approach by Indonesia Bank -East Kalimantan Area in COVID-19 Pandemic

Mini University Kaltim Preneurs program is designed as a place to study business, as well as mentoring for micro, small, and medium enterprises (MSMEs). The method used in this program is a combination between sit-in class learning, and practicing in the business site. Mini University class itself having a program themed "Today is a student, tomorrow is a business professional". Learning materials given are arranged with technical services that handle economic, banking, academic, and business people who have successfully run their businesses. All materials are delivered by competent speakers, as well as materials provided around business planning, financial management, brand activation, management development, online marketing and others. This program is considered by some parties able to participate in building urban poor people, especially in East Kalimantan area.

Indonesian Bank (BI) strives to provide alternative solutions to overcome sluggish economic growth and also to maintain the inflation in East Kalimantan by formulating a program named as New Entrepreneurial Development Program of Bank Indonesia (WUBI). WUBI is a technical assistance program provided by Indonesian Central Bank in developing regional economic potential through improving the competence and capacity of local MSMEs in East Kalimantan, and has been held since 2013.

However, since 2016, WUBI has been more innovatively packaged, effective, efficient and branded with the name "Mini University Kaltim Preneurs". The branding program aims to improve WUBI participants, and further encouraged them to be patron model of the MSMEs development programs. Through this program, BI wants to provide a more selective and exclusive class packaging to increase its brand and value in public. Therefore, the main focus of this program is the creation and development of local MSMEs in East Kalimantan. Since BI itself commits to be an important part of helping to grow new MSMEs in the area.

In order to participate in The Mini University Kaltim Preneurs, the prospective candidates must participate in the walk in interview selection with the Bank Indonesia appointed staffs accompanied by the manager of Mini University. The interview process is conducted to find out how participant understands about business, or to dig into the story of the field of business that has been run by those prospective enthusiasts, their motivation to follow the program, the targets made after joining the program, and their commitment to fully participate in the program until graduation. Since 2016 – 2020, Mini University Kaltim Preneurs has approved \pm 1000 participants.

On this new normal era situation, there are about nine types of empowerment communication activities that are carried out which was implemented, including:

1. Business Owners Training, which is a training that aims to provide strategies in building a business so that the existing business able to grow rapidly and able to generate more profit.
2. Brand Activation Class, which focus on learning activity designed to study on promotional activity about activating brand interactively and closely relate with their users through various activities.
3. Product Research Class, which focus on learning activity designed to taught participant on how to do product research to reveal what products people currently need and its potential profit.
4. Human Resources Management Class, which focus on systemic procedures for collecting, storing, maintaining, pulling, and validating data on human resources required by a business organization, as well as the characteristics of its organizational units.

5. Business Roadmaps Class, which focus on Standard Operating Procedure (SOP); online marketing tricks training; packaging products training, as well as product video and photography practical training.

All these activities are actually the regular program implemented in the Mini University Kaltim Preneurs program. However, during these pandemic, the study system has shifted to follow the health protocol where the participants are limited in numbers. The off-line learning system also combined with online class to avoid the crowd of participant.

Moreover, there are four empowerment communication activities carried out by Bank Indonesia-East Kalimantan area to encourage the growth of skill-full entrepreneurs through mini university programs, such as:

1. Mini University Goes to Campus

In accordance with its name this is a collaborative activity with higher education institutions in East Kalimantan to have a sharing session on entrepreneurship with the objective to increase the interest of millennials to become independent young entrepreneurs. During this time, this program has been implemented in some faculties in Mulawarman University, and Widyagama Mahakam University in online platform

2. Mini University Goes to School

This is an activity that provides extracurricular entrepreneurship program implemented in high school. Mini University staff collaborate with high school teacher working together with their teacher giving 12 intensive class on how to find business potentials. During this year, Mini University Kaltim Preneurs have cooperated with SMK 3 Samarinda, SMK IT Airlangga Samarinda, SMK 1 Samarinda and SMA Negeri 8 Samarinda.

3. Mini University Start-Up Digital

Different to other two programs, this program provides mentoring program on entrepreneurship but given specifically to those who already run digital start-up. Currently the participants are from State Agricultural Polytechnic in Samarinda, consists of two local start-ups for three months intensive internship.

4. Talk Show Business Model Canvass

This program is a casual discussion about business that is pared down with several local and national speakers to discover and formulate a simpler business concept. There are several important elements discussed in Talk Show Business Model Canvas, such as customer segments, value proposition, channel, customer relationship, revenue stream, key activities, key resources, key partners, and cost structure.

Hence, Mini University Kaltim Preneurs also carried some types of empowerment communication evaluation in order to improve the implementation of Mini University program. These activities consist of below activities:

1. *BI Preneurs Home Coming*, which is a reunion session devoted to alumni of Mini University participants held routinely every year. The purpose of this activity is not only to strengthen the network connection but also to evaluate the business development progress of the Mini University alumni. This activity is considered interesting because the session is design as a casual talk about business delivered by national business coach and complemented with an activity called One Day Training Business Owner Transformation.
2. *Monitoring BI Preneurs*, or better known as BI Preneurs monitor and coaching. This is an on-site checking-up and monitoring activity conducted by the Mini University Coach Team to see the progress of the business run by participants. This session usually will be held two months after participants graduate from the mini university classes. In order to

help monitoring the progress as learned in program, each participant will be visited one by one of their coach at their respective business locations.

3. *Mini University for Scale Up*, which is a monitoring and coaching activity conducted by Bank Indonesia-East Kalimantan area staff which is volunteered to help the alumni scaling up their business to the next level. This program duration is normally run in about one month special assistance.

The program implemented by Bank Indonesia-East Kalimantan area has been running as it should be, as seen from the percentage of mini university alumni success rate in encouraging the creation of new entrepreneurs. Based on the finding, as many as 89% or about 762 people from the total participants of Mini University already have their own business. Moreover, it can be summarised that about 25 % of the 533 Mini University Kaltim Preneurs participants program experienced a significant increase in profit. In other words, this program which is aimed to help empowering the economy of local people by creating a tougher entrepreneur in its implementation has been running optimally. In its implementation, this Mini University Kaltim Preneurs has received a wide range of appreciation from various market place as its respective stakeholder. Such as from OLX, Shopee, Bukalapak.com, and also from Tokopedia.

Hence, this research focuses on the activities of Mini University Kaltim Preneurs during pandemic season to see how this program keep on maintaining and saving their graduates passing through this economic crises. As many institutions introduced or adopted mix programs to save the small and medium business sector or MSMEs, BI and WUBI also introduce two additional empowerment communication special programs to help the members during this pandemic. First, encourage the development of self-employed innovation in order to mutually help other WUBI members. And second, encourage the digitization of MSME businesses in order to continue to operate in the condition of restrictions on the movement of people by initiating a local marketplace named 'Minishop'. To keep continuing their efforts to encourage the creation of more new MSMEs to decrease the number of unemployment rate induced by this pandemic, WUBI consistently implement MSMEs training in order to have enough skilled new-born entrepreneurs. The existence of Minishop in this case helps all the WUBI members to mutually doing economic transaction to help one another especially during this crisis.

Moreover, there are some supporting factors influenced the success of this Mini University Kaltim Preneurs empowering program. Such as major support of the Government of East Kalimantan Province and also from the East Kalimantan community, especially micro, small and medium entrepreneurs. In this case, the Government of East Kalimantan Province provides full support in the form of business license issuance policy that can be done in sub-districts easily and quickly. In addition, the Government of East Kalimantan Province in collaboration with local financial institutions also create a policy of low-interest capital loans for mini university alumni whom meet certain requirements. Meanwhile, this program also supported by local community that shown from the high number of applicants in every batch (even in pandemic covid-19 time) and also the high rate of passion and enthusiasm in attending the training, according to the mini university representative interviewed.

On the other hand, there are also some factors that obstruct the implementation of this Mini University Kaltim Preneurs Program. The first is that Bank Indonesia does not have exact data on the business continuity of all Mini University. This constrain happened is mainly due to the low quality of human resources who handled alumni data, since not all Mini University participants understand how to write financial statements based on the Financial Accounting Standards of Small Medium Micro entities (SAK EMKM). Therefore

to solve this problem, Bank Indonesia create a strategy by conducting BI Preneur Home Coming which previously convene once a year to be four times a year since 2019. This strategy taken to allow Mini University alumni to declare and submit their financial statements related to the continuity of participants' business activities. The second challenge is the ability of business managers caused by the quality of human resources and their limited to productive resources. So there needs to be some innovative, effective and efficient solutions to solve these problems; such as making better planning preparations, starting with identifying the needs of training materials, then monitoring and post-training follow-ups. Another challenge is supporting climate within related stakeholders, both from public and private sectors to collaborate empowering these local MSMEs. Therefore, to prevent this problem in the future, it is likely there should a macro policy that serves coordinate these program effective and efficiently for micro, small and medium-sized enterprises (MSMEs).

V. Conclusion

Based on the research above, it can be concluded that just like in other part of Indonesia, the MSMEs sector in East Kalimantan is experiencing the impact of the COVID-19 Pandemic. The impacts were declining sales, capital difficulties, product distribution barriers, and raw material difficulties. Bank Indonesia-East Kalimantan are with its Mini University Kaltim Preneurs program then equipped its existing empowerment program adaptive to MSMEs current situation in the covid-19 pandemic. There are several MSMEs empowerment communication approaches appended to keep local MSMEs, both the alumni and the new participant able to develop their business products.

To support this program, Bank Indonesia-East Kalimantan area through Mini University staff representatives considered some strategies. Those strategies relate to the implementation of strict health protocols, providing opportunities and encouragement of digital services as supporters of MSMEs, socialization of business associations, and efforts to drive business strategy change. Another long-term strategy relates to preparing a roadmap for MSMEs development, building digital technology as a platform in MSME business processes, developing modern MSME business models, and encouraging relevant stakeholders collaboration in empowering those local MSMEs.

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