

CHAPTER IV

CONCLUSION AND RECOMMENDATIONS

4.1 Conclusion

The Center for Integrated Services of Small, Medium Enterprises and Cooperation is the lead program of the Deputy for Business Restructuring Ministry of Cooperatives and SMEs of the Republic of Indonesia. This program is a part of the government's plan in addressing the challenges of the Economic Community ASEAN in 2015. There are 49 CIS-SMESCO units of all over province/regency/city in Indonesia. The Center for Integrated Services of SMESCO in D.I.Yogyakarta is the only one of CIS unit that operates as a section under regional Cooperation and SME board. CIS DIY had been appointed as the national model for other CIS units all over Indonesia not long after it was launched on 2014. CIS DIY in 2016 won a title in SME's SUMMIT and AWARD as the best CIS SMESCO management. CIS DIY is also famous with its non-budget program called *Kelas Bisnis Selasa Pagi* (Tuesday Morning Business Class), which has been running since 2014 till now. Yet, positioned a section under cooperation and SME board of DIY have of course caused limitations of CIS in D.I.Yogyakarta to do more especially to set their own target and strategy as well as the budgeting that is very crucial to carry its functions and duties.

CIS SMECO D.I.Yogyakarta is quite successful in implementing CISSMESCO's function. The CIS SMESCO DIY has to implementing the seven services: bussiness consultation, business mentoring, facilitation of funding access, marketing and promotion, business training, networking service, and entrepreneur library service. Each services in CIS DIY handled by consultant who are expert in their own field and have to be in accordance to the deputy regulation of Cooperation and SME Ministry No.02/Per/Dep.4/1/2017. However, the successful implementation of seven services to strengthen the CIS member (craft-based SME) toward ASEAN Economic Community by CIS SMESCO DIY is only seen through the quantity while the real outcome of the services to the CIS member are still hard to measure the success. There are still some flaws on the implementation of CIS SMESCO DIY services. It can be explained through the successful implementation factor as communication, resources, disposition and bureaucracy structure.

In communication aspect, CIS DIY still has problem in delivering information regarding business training seminars and other news update regarding business opportunity on a daily basis. The utilization websites and social media (*Whatsapp* and *BlackBerry Messenger*) as to ease the transmission of information still facing strains. It is when the website got attacked by malwares so it could shut down the updates of newest information and it takes quite a long time to recover it to be function as usual. The social media groups also confronting problems in clarity of information as the spread of announcements

sometimes not appear in all groups as it available only to few. The consistency of information also affected when CIS DIY staffs could not give quick response over clear information which quite different from the CIS center.

CIS DIY still has to deal with some inadequacies of resources when it comes to monitoring toward CIS members. Although CIS DIY already has sufficient personnel to do monitoring, budget becomes obstacle because the authority of CIS DIS as a section reduce its institution ability to plan the program budgeting based on their assessment. Therefore, the CIS DIY still could not perform over all monitoring of its member's business development progress, which is very important for both institution and CIS members. In the other hand, the two facilities as part of seven services offered by CIS DIY that run not quite good are library entrepreneur and product gallery. The CIS entrepreneur library only as 'archive' and lending books but actually it could do more than just those by doing more on regular discussion on books or journal that could help SME member with ideas that could solve their business problems. It is required comprehensive strategy by CIS DIY to promote and manage to encourage more people to visit or purchasing SME products in CIS gallery in order to make it more lively.

On the dispositions factor, the CIS DIY did very well with the commitment of CIS DIY's consultants in carrying out their spirit of service in Tuesday Morning Business Class without fund provision from central or local

government budget since 2014. That supports the CIS DIY won the award as the best management CIS SMESCO.

Meanwhile, the bureaucratic structure of CIS DIY has strain on performing maximum the standard operational procedure. Not well documentation on implementing control card to each CIS member indicates that the CIS DIY still has not efficient in managing the human resources that available. Especially if the successful criteria of the program lay on the quantity of member who are consulting, taking business coaching or joining training and also on how many activities that has been done by CIS DIY. Hence, knowing how far the service outcome on helping to strengthen CIS member's business improvement would be very hard if there is less further monitoring by CIS SMESCO DIY.

4.2 Recommendations

4.2.1 For the Government (CIS DIY)

1. There should be done more field monitoring by CIS DIY. The filed monitoring which should include assistance in solving business problems that are being faced by CIS SME partners as well as knowing how far the CIS SME partner's business development after they received the services, particularly for those who have been participated in the extensive business mentoring or training.

2. The CIS DIY should have creative strategy in developing CIS gallery product to be more attractive and could maximize CIS gallery existence to give many benefits to its member.
3. The CIS SMESCO DIY also need to encourage more to its member to keep informing their development to CIS DIY. So it would ease the monitoring program and there shall no the pattern of thought who needs who as the CIS SMESCO DIY happen to serve Cooperation, Small and Medium Enterprises. Otherwise the existence of CIS SMESCO DIY would be no different with any of government program of helping SME that just have had only a small impact due to very limited budget for most programs, also when it comes to direct assistance it lasts only for a very short period of time.

4.2.2 For CIS Member

1. The CIS DIY member need to be more proactive in approaching CIS DIY in order more extensive assistance in developing their business. The waiting for the CIS DIY make a first move would not result a very good thing as CIS member need more to strive more in utilizing the existence of CIS-SMESCO DIY.
2. There is also a need to form a group of CIS member if their aspiration as an individual member did not responded well by CIS SMESCO DIY. Groups are more effective if it comes to the aspiration and shall watch

together their aspiration regarding CIS DIY services. Whether that would get respond and there are improvements made by CIS-SMESCO DIY.