

THE EFFECT OF COVID-19 ON MICRO SMALL AND MEDIUM ENTERPRISES CREATIVITY IN TANGERANG CITY

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Submitted: 11th Jan 2022/ **Edited:** 28th Feb 2022/ **Issued:** 01st April 2022

Cited on: Safii, M., & Sujadi, D. (2022). THE EFFECT OF COVID-19 ON MICRO SMALL AND MEDIUM ENTERPRISES CREATIVITY IN TANGERANG CITY. *SCIENTIFIC JOURNAL OF REFLECTION: Economic, Accounting, Management and Business*, 5(2), 353-360.

ABSTRACT

The research method in this research is descriptive qualitative. Researchers collect, study and describe all the symptoms that occur due to COVID-19. The purpose of this research is to map the policies of the Tangerang city government in strengthening micro, small and medium enterprises. The results of this study are that efforts have been made to increase the income of micro, small and medium enterprises by providing training (capacity building), the approach taken is food safety, halal certification, the importance of certification and product quality and then empowerment programs.

Keywords: Corona virus 19, Creativity, Micro Small and Medium Enterprises

INTRODUCTION

The rapid development of technology and information is one of the challenges faced by various MSME business actors, although one side of technology makes it a factor of opportunity and opportunity to be closer in terms of communication and marketing promotions with consumers. However, recently there has been a corona virus (covid-19) pandemic which has had a tremendous impact on various economic activities in Indonesia and also in various other countries. This condition causes business actors to experience difficulties including, distribution of production goods, experiencing difficulties in accessing business capital, and even experiencing a drastic decrease in production so that some business factors do not continue production for a while industries affected by the spread of this virus. The sluggish tourism sector has a domino effect on the micro small and medium enterprises sector. Based on data processed by P2E LIPI, the impact of the decline in tourism on engaged in the micro food and beverage business reached 27%. Meanwhile, the impact on small food and beverage businesses is 1.77%, and medium enterprises are 0.07%. The impact of the COVID-19 virus on wood and rattan craft units, micro-enterprises will be at 17.03%. For small

businesses in the wood and rattan craft sector 1.77% and 0.01% for medium enterprises. Meanwhile, household consumption will also correct between 0.5% and 0.8%, according to the Head of the micro small and medium . Division at the Industry, Trade, Cooperatives and Small and Medium Enterprises (small and medium enterprises cooperative trade industry service) Tangerang City, the number of MSMEs in Tangerang City is 13,368. Of that number, around 500 to 600 MSMEs have been recorded whose business operations have been affected by the Corona virus outbreak.

In this pandemic situation, according to the Ministry of Cooperatives and SMEs, there are around 37,000 people. MSMEs who reported that they were very seriously affected by this pandemic were characterized by around 56 percent reported decline in sales, 22 percent reported problems in the financing aspect, 15 percent reported problems with distribution of goods, and 4 percent reported difficulties in getting raw materials. The problems above are also increasingly widespread if they are associated with the Large-Scale Social Restrictions (PSBB) policies that are implemented in several regions in Indonesia. Referring to the Regulation of the Minister of Health Number 9/2020 concerning PSBB Guidelines in the context of Accelerating the Handling of COVID-19, PSBB includes restrictions on certain activities of residents in an area suspected of being infected with COVID-19. Including restrictions on the movement of people and or goods for a particular province or district or city to prevent the spread of COVID-19. These restrictions are at least carried out through school and work holidays, restrictions on religious activities, and/or restrictions on activities in public places or facilities. It is feared that with the PSBB, economic activities, especially production, distribution, and sales will experience disruptions which in turn will contribute more deeply to the performance of MSMEs and the national economy, as the results of the Ministry of Finance study above. It is not wrong if there are concerns, especially if you look at the large number of MSMEs in Indonesia and the number of workers absorbed by MSMEs. According to data from the Central Statistics Agency (BPS), the contribution of MSMEs to Indonesia's Gross Domestic Product (GDP) reached 61.41 percent in 2018. Of course this contribution shows the role of MSMEs as the backbone of the national economy Indonesia.

THEORETIC

Covid'19

Covid-19 has become an important concern in the medical field, not only because of its rapid spread and the potential to cause the collapse of the health system, but also because of the variety of clinical manifestations in patients (Vollono et al., 2020). Common clinical symptoms that occur in Covid-19 patients include fever, dry cough, dyspnea, fatigue, muscle aches, and headaches (Lapostolle et al., 2020; Lingeswaran et al., 2020). Based on research conducted by Huang et al. (2020), the most common clinical symptoms in Covid-19 patients are fever (98%), cough (76%), and myalgia or weakness (44%). Other symptoms found in patients, but not so often found are sputum production (28%), headache 8%, coughing up blood 5%, and diarrhea 3%. As many as 55% of the patients studied had dyspnea.

Creativity

Creativity has various meanings, there are those who mention creativity as an attitude or behavior or action, but there are also those who define creativity as a mere way of thinking. Mc. Pherson in Hubeis states that creativity is connecting and reassembling knowledge in the human mind which allows itself to think more freely in generating new things, or generating ideas that surprise others in producing useful things. Another understanding is that creativity is the pooling of knowledge from different fields of experience to produce better ideas. According to Supriadi in the book Creativity, Culture, and Development of Science and Technology quoted by Yeni Rachmawati, "Creativity is a person's ability to give birth to something new, either in the form of ideas or real works that are relatively different from what already exists.

MSME

The definition of MSME according to the 1945 Constitution was then strengthened through MPR Decree NO. XVI/MPR-RI/1998 concerning Economic Politics in the context of Economic Democracy, Micro, Small and Medium Enterprises need to be empowered as an internal part of the people's economy that has a strategic role and potential to realize the structure. the national economy is more balanced, developing and just. Small business is a productive economic business that stands alone, which is carried out by individuals or individuals or business entities that are not subsidiaries or not branches of companies that are owned, controlled or made either

directly or indirectly from medium or large businesses that meet the small business criteria as referred to in this law.

METHOD

The stages of the research methodology are described in general as follows:

1. Literature Survey. This stage is collecting literature and information related to the research title.
2. Identification of problems. Identifying what problems will be discussed related to the influence of covid-19 on the creativity of MSMEs in the city of Tangerang based on the literature and information that has been obtained.
3. Literature Study: Studying the literature that will be used as a theoretical study in this research.
4. Hypothesis: The initial question is, is there any influence of covid-19 on the creativity of MSMEs in the city of Tangerang and how much influence it has.
5. Determining Variables and Data Sources. Determine the variables of the influence of covid-19 on the creativity of MSMEs in the city of Tangerang with the limitations of the aspects of MSME creativity. Then determine what kind of data is needed based on the population, sample and sampling method. Then determine the research subjects and respondents.
6. Field Observation and Licensing. Searching for data sources and licensing to competent parties.
7. Draw a conclusion. Conclusions are drawn based on data analysis and checked whether they are in accordance with the aims and objectives of the study.

Data Analysis Method

Analysis is an important part of scientific research methods, because by doing analysis, the data can be given meaning and meaning that is useful in solving problems. There are 2 approaches to analyze information based on the type of information obtained, namely qualitative analysis.

1. Qualitative Analysis. Logical relationships are explained along with some existing theories and the results of processing data entry. If the results of the relationship analysis are in accordance with the existing theory, no further study will be

conducted. But if the opposite happens, then further discussion is needed about why it is not appropriate.

2. Types of research. The research method in this study is a qualitative descriptive method. Researchers collect, study and describe all the symptoms that occur due to covid-19 and its effects on MSME businesses in the city of Tangerang (Central Bureau of Statistics).

Population and Sample

Population according to Sugiyono (2005:90) is a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions. The population used in this study were 13,368 MSME actors in the city of Tangerang. The sample according to Soekidjo (2005:79) is part of the sample to be taken from the entire object under study and is considered to represent the entire population. The sample selection was carried out using a purposive sampling technique, namely the selection of samples with certain predetermined criteria to suit the research objectives.

RESULT

Based on the data we obtained, it can be seen in the table from year 2018 to 2020 has seen an increase in the number of MSME actors in Indonesia Tangerang City, namely in 2018 the number of MSEs was 11746, then in 2019 it was 13368 and in 2020 it was 115,166. In Figure 4.4, the largest number of MSMEs is found in the Pinang sub-district by 12%, this situation is supported by the area of the Pinang village of approximately 21.59 Km². The development of MSMEs when viewed from the available data MSMEs in Tangerang City have increased, but along with the 2019 Covid-19 outbreak, the impact is on the income earned by MSME actors so that they experience a decrease in turnover and even have an impact on closing the business. declining purchasing power, indicators that cause a decline in purchasing power due to several factors including many companies laying off work so that purchasing power decreases, then the implementation of restrictions on operating hours then other indicators that cause a decline in people's incomes include a decrease in retail industry trade, a decrease in business production In terms of increasing income in the MSME sector, local government intervention is needed, in this case the local government,

namely the City of Tangerang, has carried out various policies. bored, namely both in terms of creativity in MSMEs and other breakthroughs made by the local government.

Based on the results of interviews and discussions with the head of the Tangerang City MSME service located in the Cisadane building, Tangerang City, that they have made efforts to increase MSME income by providing training (capacity). building), the approach taken is about food safety, halal certification, the importance of certification and product quality, then an empowerment program that can be utilized by Angkasa Pura II (Soekarno-Hatta Airport) and alternative financing programs, namely in collaboration with PNM (Madani National Capital) is a non-bank financial institution. As for what is being done for promotion and marketing of MSME products, the city government provides space for MSME actors themselves, such as installing storefronts in every strategic place for related offices and no less unique marketing of MSME products in the MUI (Indonesian Religious Leader) building. as well as in the Regional People's Representative Assembly building which is located in the center of the Tangerang City government and is also spread across every sub-district. As for other efforts, namely assistance provided to MSMEs for business development, the local government provided assistance in the form of revolving funds, namely Tangerang Emas, where the Tangerang Emas concept was given to MSME actors to develop their businesses during the COVID-19 pandemic.

The efforts made by the local government are of course not only solutions to all the problems that exist during the pandemic at least can reduce the burden for MSME actors, but of course there needs to be concrete steps as well as innovation and creativity from MSME actors themselves in improving and developing their business. . So in this case the local government is only helping, but in the end it is the SMEs themselves who can develop their businesses so that they are able to survive and compete during this covid-19 pandemic.

CONCLUSION

Based on interviews and data obtained:

1. The need for additional access to capital for MSMEs and providing convenience in applying for credit facilities

2. The need for a wider marketing and promotion space, so that it can be accessed by the wider community
3. The efforts of the local government not only to provide training but also the need for sustainable assistance to these MSMEs (sustainability)

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