

Strategy of the Department of Industry In Improving Industrial Development

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Abstrak. Tujuan dari penelitian ini adalah untuk mendeskripsikan dan menganalisis strategi Departemen Perindustrian dalam Meningkatkan Pembangunan Industri di Kota Samarinda. Teknik pengumpulan data dalam penelitian ini diperoleh dengan menggunakan teknik *purposive sampling*. Analisis data yang digunakan dalam penelitian ini bersifat deskriptif kualitatif yang bertujuan untuk mendeskripsikan secara mendalam strategi Dinas Industri dalam Peningkatan Pembangunan Industri di Kota Samarinda. Analisis data model interaktif yang diawali dengan reduksi data, penyajian data, kondensasi data, dan penarikan/verifikasi kesimpulan. Hasil penelitian ini menunjukkan bahwa Dinas Industri Kota Samarinda telah melakukan upaya dengan bimbingan teknis, perbaikan dedak lokal, perbaikan kemasan, penetapan izin dan peraturan halal. Hal ini terlihat dapat memberikan motivasi dan peningkatan keterampilan bagi personel Industri Kecil dan Menengah.

Kata kunci: Strategi; Pengembangan; Industri

Abstract. The purpose of this study is to describe and analyze the strategy of the Department of Industry in Improving Industrial Development in Samarinda City. The data collection technique in this study was obtained using the Purposive Sampling technique. The data analysis used in this study is qualitatively descriptive which aims to describe in depth the strategy of the Industrial Service in Improving Industrial Development in Samarinda City. Interactive model data analysis, which begins with data reduction, data presentation, data condensation, and conclusion drawing/verification. The results of this study show that the Samarinda City Industrial Office has carried out efforts with technical guidance, improving local bran, improving packaging, establishing permit and halal regulations. This can be seen to provide motivation and skill improvement for Small and Medium Industry personnel.

Keywords: Strategy; Development; Industry

INTRODUCTION

The growth of the small and medium industry (SMI) sector in Samarinda continues to experience a positive increase. From data from the Samarinda City Industry Office, it is recorded that in the last three years, the number of SMEs continues to grow. In 2012, the development of the creative industry in Indonesia is increasingly showing significant development (Windaryanti et al., 2018). Even now some people are starting to predict that the growth of the creative industry can soar quite high, namely to reach three times compared to previous years. We can see this condition from the growth of the creative industry which is increasingly active day by day, so that the absorption of labor and the capacity of creative power in our country begins to crawl up and has a fairly positive impact on economic development in Indonesia. It was noted that in 2017 the number of SMI sectors in Samarinda was 1,406 types of businesses. In 2018 it increased to 1,430 types of businesses. Provisional data, in 2019 increased again to 1,713 types of businesses. Which is divided into four business type sectors. With the increasing types of businesses in Samarinda, the Department of Industry has a positive impact where it can be judged that the success of the Industrial Service. First, is the type of business in the fields of metals, machinery, engineering, electronics and means of transportation (Barsegyan et al., 2020).

Both types of businesses are miscellaneous. The three types of businesses in the fields of forest products, chemicals, and building materials. And finally, the type of business in the agro or culinary field (Barsegyan et al., 2020).

A type of formal business that is already registered and licensed. Out there, there are still many types of non-formal businesses that are not licensed. The increasing industrial sector also has an impact on the number of labor absorption. In the last two years, the SMI sector absorbed approximately 900 new workers. From here it can also be seen that many industrial sectors that do not have this permit should have a permit because from the permit it can have a good impact on the owners of industrial sectors such as their industries can develop with the help of the Department of Industry (Mohamed et al., 2020). From this problem, the Department of Industry also wants to increase industrial development but is hindered by the fact that there are still many industries that do not have permits (Lubnina et al., 2017). The potential for the development of SMEs in Samarinda is still very large. Because so far, this suburban city still supplies a lot of people's necessities, both food, and clothing from outside the area. To build a new industry in Samarinda, it must change the mindset of citizens who tend to be spoiled and consumptive. As

well as fostering a sense of pride in the typical products of Samarinda City, especially Amplang.

The Karang Asam Ulu Samarinda area has been proposed to be an industrial center area of Amplang crackers by the Samarinda City Industrial Office based on the similarity of finished products, raw materials and production processes in an area without being supported by a cluster feasibility analysis. This snack has become a characteristic food of East Kalimantan, and shops selling amplang as souvenirs have mushroomed in major cities in East Kalimantan, including Samarinda City. Amplang is a type of fish-based cracker mixed with tapioca flour and spices. The basic fish ingredients used are usually belida fish, or mackerel typical of the Mahakam River or Karang Mumus river. Processing raw materials to finished products and continuing to distribute products to reach consumers, it was found that there were 30 SMI of Amplang crackers with adjacent locations in the Karang Asam Ulu area, precisely along Jalan Slamet Riyadi. Where, around 83.33% of SMIs get the main raw material supply from the Ijabah fish market located in the same area, 96.67% of SMIs act as producers, 13.33% act as distributors and 100% SMEs act as retailers. This shows that the Karang Asam Ulu area has great potential to be classified as an Amplang cracker cluster. The entrepreneurial spirit and work ethic of the people of Samarinda can continue to be improved to support economic growth. Because the increasing economic growth will be in line with the welfare of the people. Research is a certain activity consisting of stages that have a systematic relationship in order to solve a problem at hand and to make up for human ignorance in order to gain more knowledge about the problem. Research activities are one of collecting and processing existing facts that can be communicated by the researcher and the results can be used for the benefit of man. Along with the Formulation of Problems, the purpose of this study is to describe the obstacles faced by the Strategy of the Industrial Service in Increasing Industrial Development in Samarinda City and identify the supporting and inhibiting factors faced by the Strategy of the Department of Industry in Increasing Industrial Development in Samarinda City.

METHODS

Based on the problems that the author will examine, it can be seen that the type of research used in this study is qualitative research, namely methods to explore and understand the meaning that a number of individuals or groups of people consider to be derived from social or humanitarian problems. This qualitative research process involves important efforts, such as asking questions and procedures, collecting specific data from participants, analyzing data inductively ranging from specific themes to general themes, and interpreting the meaning of the data. The final report for this study has a flexible structure or framework. Anyone involved in this form of research must apply a research

perspective that is inductive in style, focuses on individual meaning, and translates the complexity of a problem. The qualitative approach model in this study is a descriptive research method, which directs the research to the aim of explaining and describing the Strategy of the Industrial Service in Improving Industrial Development in Samarinda City.

The data source in this study is the subject of research where data can be obtained to make it easier to classify data. Data source is a technique used in the selection of speakers accompanied by an explanation of the process of taking it. The source of the data is usually a person, place or symbol, who gives answers either in written, oral, display, or sign form. In qualitative research, the term respondent or research subject is referred to as informant, which is a person who provides information about the data desired by the research related to the research being carried out (Muhammad, 2009). In addition, an informant can also be interpreted as a person who is used to provide information and data about situations and conditions from the research background. The use of informants for researchers is so that in a relatively short time a lot of information is affordable because informants are used to talk, exchange ideas or compare an event found from other subjects. In this study, the determination of informants was carried out using the Purposive Sampling Technique method. Unlike other ways of determining the sample, the determination of the source of information purposively is based on certain goals or considerations first. Therefore, the retrieval of sources of information (informants) is based on predetermined intentions. Purposive can be interpreted as intent, purpose or usefulness (Devito, 2011). Because the research departs from cases where the existence of individuals or groups in certain social situations as referred to by Spradley (Yusuf, 2015) who uses the term "social siteion" (social situation) to describe the group under study, it is distinguished in three elements, namely (1) actors , are the perpetrators of these activities; (2) place(place), that is, the place where the activity was carried out; and (3) activities , are all activities carried out by actors in that place in the actual context. Thus, this study the author establishes 3 (three) people as Informants which include: (1) Head of the Samarinda City Industrial Service; (2) Head of the Industrial Subdivision of the Samarinda City Industry Office; and (3) Owner of The Small and Medium Industry of Samarinda City.

(Sugiyono, 2016) expressed his opinion regarding data collection techniques, which is the most strategic step in research, because through data collection techniques, authors as researchers who carry out research and compile research results can obtain data precisely and accurately. The implementation of the collection of the necessary data, the author determines several kinds of ways or techniques of data collection in the author's research, including:

1. Literature Research. Literature research is a technique for collecting data from the literature of books, and other sources related to writing problems.
2. Field Research. The research was conducted through direct observation of hunger and collecting data directly by using data collection techniques, namely observations, interviews, and documents.
3. Observation. (Sugiyono, 2017) stated based on his view that observation is a complex process, a process composed of various biological and psychological processes. Two of the most important are the processes of observation and memory.
4. Interview. (Sugiyono, 2016) explained that an interview is a meeting of two people to exchange information and ideas through question and answer, so that meaning can be contributed to a certain topic.
5. Document. (Sugiyono, 2016) documents are records of events that have passed. Documents that take the form of writings, drawings, or monumental works of a person. Documents in the form of writings such as diaries, life histories, stories, biographies, rules, and policies. Documents in the form of works such as works of art in the form of pictures, sculptures, films, and others. Document studies are complementary to the use of observation and interview methods in qualitative research.

According to (Sugiyono, 2016), the analysis has begun since formulating and explaining the problem, before going into the field, and continues until the results of the research. Data analysis becomes a handle for subsequent research until if possible, grounded theory". So the data analysis is carried out from the moment of formulating the problem and lasts until the collection of data and the drawing of conclusions at the end of the study. In accordance with the type of research above, the researchers used an interactive model from Miles and Huberman to analyze the data from the study. Activities in qualitative data analysis are carried out interactively and last continuously until it is complete, so that the data is saturated. This research uses interactive model data analysis techniques from Milles and Huberman, namely

data analysis consisting of several activity flows that occur together, namely: data collection, data condensation, data presentation, conclusion drawing/verifiability.

RESULTS

Strategy of the Department of Industry in Improving Industrial Development in Samarinda City

Strategy is a consistent pattern of past behavior or a planned program to achieve a set of predetermined goals or ideals. Strategy refers not only to the fundamental mission, goals, and objectives of the organization but also to the program policy strategy as well as to the methods necessary to ensure that the strategy is carried out in order to achieve the goals of the organization. It has been explained earlier that strategy has a very close relationship with management in an organization (Carroll, 2010). Therefore, a plan that is prepared and managed by taking into account various sides with the aim that the influence of the plan can take into account various sides with the aim that the influence of the plan can have a positive impact on the organization at length.

Development of Small and Medium Industries (SMI)

The development intended by the Samarinda City Industry Office in the Strategy to make Samarinda City an Industrial Center, carrying out various innovations, one of which is by improving the Quality of the Amplang Industry by means of technical guidance, increasing local bran, improving packaging and complying with permit and halal regulations. From the results of interviews conducted by several speakers, it can be described that developing the industry by conducting technical guidance that requires hard work from all parties, not only from one party but the other party must also support each other, the guidance carried out by the Industry Office provides technical guidance in order to meet the standards of good production methods and comply with permit and halal regulations.

Table 1
Performance Determination of the Samarinda City Industry Office

Strategic Goals		Performance Indicators	Target	Realization	Performance Achievement (%)
1.	Increasing Industrial Development	Percentage of IKM Growth	2,10	51,47	2.450,95
		Percentage of IKM Investment Growth	2,10	2,45	116,67

source: processed data

Table 1, the Activity to Increase the Productivity and Quality of Samarinda City Craftsmen carried out training 3 times which was attended by 150 people, held promotions and exhibitions 3 times both inside and outside the city displaying 3 superior industrial products of Samarinda City, namely Samarinda Sarong Woven Fabric, Manic Crafts and Amplang. In the IKM Coverage indicator that was fostered, it was obtained from the results of the sum of IKM actors who had

participated in the bimtek / training, due to budget constraints for 2017 participants only amounted to 20 people. This achievement in the value did not work. Furthermore, the IKM Coverage indicators that were fostered were obtained from the results of the sum of IKM actors who had participated in bimtek / training, for 2018 there were 125 people. If the realization is compared with the target, the achievement of this indicator reaches 104.16%, the achievement is classified

as very successful. Meanwhile, the number of SMIs in 2019 was 2,166 business units and the number of SMIs in 2018 was 1,430 business units. The percentage of IKM growth was 51.47%. If the percentage of industry growth in 2019 is compared with the target, the achievement of this indicator reaches 2,450.95%, the achievement is classified as very successful.

Planning and developing an Amplang industrial allotment area in Samarinda City.

In terms of planning and developing the amplang industrial area, the Department of Industry conducts marketing locally around Samarinda City for

industrial development. In addition to increasing local brands, it is also to avoid unfair competition between the amplang industry assisted by the Department of Industry and the individual-owned amplang industry. From the results of the observations above, it can be seen that the production of amplang is an obstacle to industry in Samarinda City. The erratic price of materials is an obstacle. The government is making good production efforts so that amplang marketing becomes better. The amplang industry is also a characteristic of Samarinda City, therefore the Industry Office helps *online* and *offline* marketing for industrial development in Samarinda City.

Table 2
Percentage of the establishment of industrial estates in Samarinda City

Key Performance Indicators	How to Calculate IKU	Unit	Data Sources	Explanation	IKU Achievement Strategy
The percentage of the formation of industrial estates in the city of Samarinda	Number of industrial estates created/target industrial estates made x 100	%	Department of Industry	The percentage of the formation of industrial estates in Samarinda City	Planning, Building and developing industrial estates (Establishment of industrial estates)

source: processed data

Table 2, for 2017, the realization of the formation of industrial estates has not been achieved due to the absence of appropriate land availability, but activities to support the achievement of this target have been carried out, namely the formation of a special team for industrial estates. The special team of the industrial park has the task of preparing matters related to the establishment of an industrial park in Samarinda City. In accordance with the target of activities, namely 1 document, the achievement of this indicator, namely 1 document in the form of the availability of the Decree of the Special Team for Industrial Estates, is considered to have been fulfilled by 100%. This achievement is included in the very successful group.

Planning, building and developing an industrial center (Establishment of an industrial center) in Samarinda City.

In terms of planning, building and developing an amplang industrial center in Samarinda City, the

Department of Industry makes various efforts including technical guidance, improving local bran, repairing packaging, complying with permit and halal regulations. From the results of the interview above, it can be seen that the implementation of the strategy by maximizing various existing efforts although there are still many shortcomings in the amplang industry in Samarinda City but this is a good start in developing Samarinda City as an industrial center, in the future the Samarinda City Industry Office hopes that not only officials and entrepreneurs are engaged but from various circles to support, it could be that in terms of helping the promotion of local brands, this is felt to be more effective and efficient than the industrial service and entrepreneurs who have to move alone, although in essence the Industrial Service has an important role in terms of improving and developing the city of Samarinda into an industrial center area.

Table 3
Performance Determination of the Samarinda City Industry Office

Strategic Goals	Performance Indicators	Target	Realization	Performance Achievement (%)
1. Increasing Contribution of the industrial sector to GRDP	Percentage of contribution of the industrial sector to GRDP (%)	8,52	7,99	93,78
2. Increased coverage of IKIM fostered	Scope of IKIM fostered	120	125	104,16
3. Establishment of an Industrial Estate in Samarinda City	The number of rules on Industrial estates	1	1	100
4. Increase in the number of business legalities	Percentage increase in the number of business legalities in the industrial sector (TDI and IUI) %	3.25

source: processed data

The formation of a special team for industrial estates supports preparations related to the formation of

industrial estates, the teams formed are useful for formulating the basis for the formation of industrial

estates in the form of rules contained in regional regulations or mayoral regulations. The Samarinda City Industrial Service in 2018 has made a study of industrial estates in Samarinda City, the study was made by a special team of industrial estates according to the target of 100%. Monitoring, Evaluation, Supervision, and Control of Industrial Business Legality activities carried out in the Samarinda City area create a conducive industrial business climate so that business actors' awareness of the importance of business legality arises, this automatically has a positive impact on increasing the number of industrial business legalities. The achievement of performance indicators for the fourth target is 68%. From the results of the achievement of Performance Indicators and Strategic Goals, it can be concluded that the success of achieving Performance Indicators and Strategic Goals is due to the role of the community, craftsmen and business actors supported by programs and activities implemented by the Samarinda City Industry Office.

Factors factor in the Strategy of the Department of Industry in Increasing Industrial Development in Samarinda City

In implementing these strategies, there are often obstacles or successes in implementing the strategy. Based on the results of the study, there are factors that hinder the strategy of the Department of Industry in Increasing Industrial Development in Samarinda City. Supporting Factors are things that have little or even effect on smoothing things out more than ever. Based on the results of the study, there are several factors that support the Strategy of the Department of Industry in Improving Industrial Development in Samarinda City: (1) Samarinda City Industrial Service Program that supports the development of industrial businesses; (2) Guidance to craftsmen in particular and society in general; (3) Awareness from industrial business actors to legalize their business; (4) Conducive industrial business climate; (5) Development of industrial allotment areas.

Inhibiting factors are things that have little or no effect on stopping something from becoming more than ever. Based on the results of the author's research, there are several factors that hinder the Strategy of the Industrial Service, namely as follows: (1) Budget; (2) Raw Materials. From the results of the observations above, it can be seen that the production of amplang is an obstacle to industry in Samarinda City. Erratic material prices are an obstacle and especially related to the department has not been able to prepare raw materials suitable for the material for making amplang. In this case, the Government needs to try to find solutions to improve good production quality so that amplang marketing becomes better. The amplang industry is also a characteristic of Samarinda City, therefore the Industry Office helps online and offline marketing for industrial development in Samarinda City; (3) Network Marketing; (4) Production Quality. From

the results of the observations above, it can be concluded that in this case the Government needs to try to find solutions to improve good production quality so that amplang marketing becomes better. The amplang industry is also a characteristic of Samarinda City, therefore the Department of Industry needs to help expand the online and offline marketing network for industrial development in Samarinda City; and (5) Quality of Human Resources

CONCLUSION

Based on the results of the research discussion in the previous chapter, the conclusion of this study is the Strategy of the Industrial Service in Improving Industrial Development in Samarinda City, there are 3, namely: (1) The development of small and medium industries (IKM) where the Industry Office as an Industrial Center, carries out various innovations, one of which is by improving the quality of the existing amplang industry and expanding amplang marketing; (2) Planning and developing an amplang industrial allotment area in Samarinda City. The Department of Industry conducts marketing locally around Samarinda City for industrial development; and (3) Planning, building and developing an industrial center (Establishment of an industrial center) in Samarinda City makes various efforts including technical coaching, improving local brands, improving packaging, complying with permit and halal regulations.

Some of the supporting factors in this research strategy include the Samarinda City Industrial Service program which supports the development of industrial businesses, guidance to craftsmen in particular and the community in general, awareness from industrial business actors to legalize their businesses, a conducive industrial business climate and the development of industrial designation areas. The strategy of the Department of Industry also has several inhibiting factors including the budget where more funds are needed but for donors do not achieve budget planning. Both raw materials whose availability does not always correspond to the planned targets. Finally, network marketing, where amplang products themselves are difficult to market because people think that amplang products do not have competitiveness.

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