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The Effect of Integrated Entrepreneurship Development on the Performance of MSMEs in DKI Jakarta During the Pandemic Period

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Abstract

The COVID-19 pandemic has had a significant impact on Jakarta, with the highest number of COVID cases, resulting in increased unemployment reaching 10.95%, even higher than the national rate, and a rise in self-employed individuals by 97,000 people. On the other hand, the COVID-19 pandemic has forced the government to reallocate funds for COVID-19, resulting in a reduction of more than 50% in the budget for the Micro, Small, and Medium Enterprises (MSMEs) development program (Jakpreneur Program) organized by the Jakarta Government. The objective of this research is to examine the influence of the Jakpreneur Program on the profit performance of MSMEs, considering internal factors. This study uses data from food sector MSMEs provided by the Jakarta Provincial Office of Food Security and the Marine and Agriculture Agency in the years 2020, 2021, and 2022. The findings from the data analysis employing Ordinary Least Squares (OLS) show that in 2020 and 2021, the marketing and licensing programs have a significant positive influence on MSME profits, while in 2022, the training program has a significant positive influence on MSMEs profits. On internal factors, the number of workers, male gender, and access to credit have had a significant positive significant influence on MSMEs profits in all years.

Keywords: *Micro Small and Medium Enterprises (MSMEs, Jakpreneur Program, MSME Profits*

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) have a substantial impact on the Indonesian economy. The number of MSMEs comprises almost 99% of the total business units. They contribute 60.5% to the Gross Domestic Product (GDP) and employ 96.9% of the national workforce (Kementerian Koordinator Bidang Perekonomian Republik Indonesia, 2022). MSMEs act as key players in various sectors, promoting local economic development and community empowerment. They create new market segments through innovation, contribute to exports, and enhance the GDP (Setyawati, 2009; Ikbal et al., 2018; Prasetyo, P.E, 2009; Li & Rama, 2015).

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Jakarta has the fourth-largest number of MSMEs out of 34 provinces (Kementrian Koperasi dan UKM Republik Indonesia, 2023). The development of MSMEs in Jakarta is organized by the Department of Trade, Industry, Small and Medium Enterprises (PPKUMKM) with assistance from five other departments : The Department of Food Security, Marine and Agriculture (DKPKP), the Department of Labor, Transmigration, and Energy (Disnakertransgi), the Department of Tourism and Creative Economy (Parekraf), the Department of Social Affairs, and the Department of Empowerment, Child Protection, and Population Control (DPPAPP). The Integrated Entrepreneurship Development Program, better known as the Jakpreneur Program, aims to create new entrepreneurs in the DKI Jakarta Province through seven stages of development (Gubernur Jakarta, 2020). As the most populous city in Indonesia, it is expected that these Jakpreneur UMKMs can contribute significantly to job creation.

The Covid-19 pandemic that started in 2020 has made Jakarta the most affected region with the highest number of positive Covid-19 cases in Indonesia. The implementation of the Community Activity Restrictions (PPKM) policy to reduce the spread of the virus also limited business activities. This has led to an increase in the unemployment rate in Jakarta, reaching 10.95%, even higher than the national rate of 7.07% (BPS, 2020). This is further supported by BPS data in 2021, which recorded an increase of 97,000 people working as self-employed individuals.

Despite these circumstances, the interest in the food and beverage sector in Jakarta has not experienced a significant decline. According to the Jakarta Provincial Economic Report in August 2022 (Bank Indonesia, 2022), based on the Business Conditions Survey, the main performance decline during the pandemic occurred in the textile and apparel industry, while the transportation equipment industry and the food and beverage industry remained stable. In the household consumption group from 2014 to 2020 (Bank Indonesia, 2021), although there was a decrease in food and beverage consumption, it tended to be less fluctuating. This can also be seen in the data on participants in the implementation of DPPKUMKM Jakarta's training in 2022, where the interest of participants in the food and beverage sector was higher compared to the fashion, crafts, animation and games, and video sectors.

On the other hand, the Covid-19 pandemic has compelled the government to reroute or repurpose funds for COVID-19 control and management through Presidential Instruction Number 4 of 2020. This has also resulted in a reduction of more than 50% in the budget for the Jakpreneur program. According to Hastings et al., (2015) and Fitzgerald, A. & Lupton,R (2015), budget cuts can impact the quality of public services and pressurize government performance, thus affecting their response to such cuts. In times of a pandemic, it is essential to further investigate the effectiveness of programs, considering the performance of MSMEs, whether the budget-constrained Jakpreneur program can accommodate their needs and improve their well-being.

The primary objective of this study is to explore or examine the performance differences of MSMEs during the pandemic, measured by profits, between those who participate and those who do not participate in training, marketing, and licensing programs, taking into

account internal factors related to human resources, marketing aspects, individual characteristics, and financial aspects. The research results are expected to serve as a reference in measuring the success rate of ongoing programs. Additionally, this research is also expected to contribute to the optimization of entrepreneurship development programs for MSMEs in DKI Jakarta.

THEORETICAL FRAMEWORK

The performance of MSMEs in Indonesia has been affected by the COVID-19 pandemic (Utami, 2021). The pandemic has led to a decrease in sales, production, and income (Hernikawati, 2022; Heryanto et al., 2022; Putra, 2021). In Jakarta, there has been a downturn in business activity, primarily characterized by a decline in micro enterprises in the trade, hotel, and restaurant sectors (Amaliyah, R., 2021).

The performance of MSMEs is the outcome of their efforts over a certain period, measured as the achievement of business success (Edison, 2016; Pramestiningrum & Iramani, 2020). In microeconomic theory, the performance of MSMEs can be measured through profit maximization (Pindyck, R.S & Rubinfeld, 2013). Profit is the difference between total revenue and total costs.

The uncertain economic conditions during the pandemic have caused people to hold back on spending as a precautionary measure. The rise in unemployment has additionally diminished individuals' buying capacity. This has resulted in a decrease in consumer demand, forcing sellers to reduce their production, which in turn reduces sales profits.

The Jakpreneur program, in relation to the performance of MSMEs, can be explained as follows. The government-sponsored training programs are provided free of charge. The absence of training costs for improving product quality reduces total production costs, thus increasing profits. Furthermore, the training provided is expected to enhance skills and enable the creation of innovations, as according to Linda et al. (2022), innovation will improve the performance of MSMEs.The marketing facilitation program allows participants to market their products, which can increase sales, income, and overall profits. Marketing programs have placed a greater emphasis on online marketing. According to Supeni & Wijayantini (2023), online marketing is highly suitable for implementation during the pandemic.The licensing program in DKI Jakarta is also provided free of charge. The business legality obtained through this program provides opportunities to access various forms of business assistance for MSMEs. The absence of costs and business assistance can reduce production costs and, consequently, increase profits.

The classification of MSMEs according to Law No. 20 of 2008 is based on annual sales and the amount of asset wealth. According to Central Bureau of Statistics (BPS), the classification of MSMEs is based on the number of employees. Meanwhile, the Provincial Government of DKI Jakarta categorizes MSMEs as "Pemula" (beginner) and "naik kelas" (upgraded). Enterpreneur Group and Membership Duration are used as control variables rather than

business age, because according Almaududi Ausat & Suherlan (2021), business age does not guarantee business sustainability in the era of information technology.

Broadly speaking, the performance of MSMEs is shaped by two primary factors: external elements and internal elements. External factors refer to factors outside the business unit or organization that influence the direction or actions taken by the business unit (Pearce & Robinson, 2011). External factors encompass government policies within the public sector, socio-cultural and economic facets, along with the involvement of relevant institutions (Sandra, A & Purwanto, 2015). Internal factors refer to the strengths or weaknesses possessed by the business unit or organization. Internal factors encompass human resources, financial components, technical and operational facets, as well as marketing elements (David, F.R., 2009; Utari & Dewi, 2014). The external and internal factors serve as the basis for determining the variables in this research.

The COVID-19 pandemic that has unfolded in Indonesia since 2020 has required the government to implement social restrictions, which have limited the business activities of MSMEs. The summary of the policies implemented by the Provincial Government of DKI Jakarta during the pandemic is as Figure 1.

The Integrated Entrepreneurship Development Program for MSMEs (PKT UMKM) began in 2018 under the name One Kecamatan One Center for Entrepreneurship (OK OCE). In 2020, the PKT program was improved and transformed into JAKPRENEUR. The main difference between the OK OCE and JAKPRENEUR programs lies in the mentoring stages. In the OK OCE program, participants are required to follow the program in a specific sequence, whereas in JAKPRENEUR, the mentoring stages are tailored to the needs of MSMEs. The seven mentoring stages include registration, training, business mentoring, licensing, marketing, financial reporting, and funding.

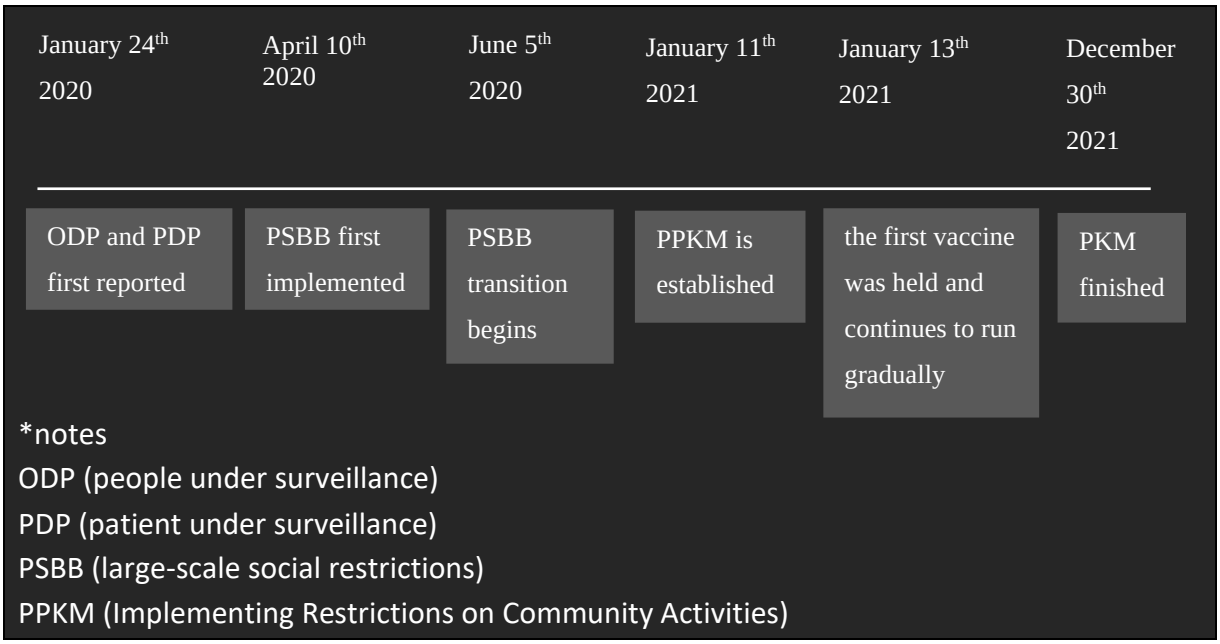

Figure 1. Journey of Pandemic Policies in Jakarta

The hypotheses of this research are as follows:

1. The provision of training, marketing facilitation, and business licensing assistance can improve the performance of MSMEs during the pandemic.
2. The provision of training, marketing facilitation, and business licensing assistance, combined with other internal factors, can enhance the performance of MSMEs during the pandemic.
3. The intensity of the program participation, combined with other internal factors, can improve the performance of MSMEs during the pandemic.

RESEARCH METHODS

This research is based on secondary data of MSMEs in the food sector from the Department of Food Security, Maritime Affairs, and Agriculture of DKI Jakarta Province in the years 2020, 2021, and 2022. It utilizes dependent data in the form of MSME profits and independent data consisting of the Jakpreneur program, including training provision, marketing facilitation, and licensing assistance. Control data is employed to identify other factors besides the DKPKP program that may affect MSME profits, such as entrepreneurial groups, duration of participation, education, labor force, digitization, gender, age, and access to credit.

The research employs the Ordinary Least Squares (OLS) simple regression model, with the following models:

Model 1:

$Ln\_Profit_{it} = \beta0 + \beta1\ Training_{it} + \beta2\ Marketing_{it} + \beta3\ Licensing_{it} + \varepsilon_{it}$

Model 2:

$Ln\_Profit_{it} = \beta0 + \beta1\ Training_{it} + \beta2\ Marketing_{it} + \beta3\ Licensing_{it} + \Sigma\ \beta4\ Control_{it} + \varepsilon_{it}$

Model 3:

$Ln\_Profit_{it} = \beta0 + \beta1\ Program\ Intensity_{it} + \Sigma\ \beta2\ Controlit + \varepsilon_{it}$

Where:

Table 1. Operational Definition of Variables

Variable	Information	Unit
Dependent Variable		
Ln_Profit	Natural logarithm of profit in year t	Rupiah
Independent Variable		
Training	Participated in training (1) ; did not participate in training (0) during year t	-
Marketing	Engaged in marketing (1) ; did not engage in marketing (0) during year t	-
Licensing	Accessed licensing (1) ; did not access licensing (0) in year t	-
Program Intensity	0 = did not participate in any programs 1 = only participated in 1 Jakpreneur program 2 = only participated in 2 Jakpreneur programs	

Variable	Information	Unit
	3 = participated in 3 (all) Jakpreneur programs	
Control Variables		
Entrepreneur Group	Upgraded entrepreneur group (1); beginner entrepreneur gropup (0)	-
Membership Duration	Duration of Jakpreneur membership until year t	Year
Education	Years of formal education	Year
Labor	The number of workers owned in year t	Person
go_digital	Have a digital marketing account (1); do not have digital marketing account (0)	-
Age	Age of the business owner in year t	Year
Gender	female gender (1) ; male gender (0)	-
Credit access	Gain credit access (1) ; did not gain credit access (0)	-
β0	Constant	
β	Regression coefficient (1, 2, 3, 4)	
Ɛ	Eror term	
i	Individual data of Jakpreneur members	
t	Time units, 2020, 2021, 2022	

RESULTS AND DISCUSSION

Descriptive analysis was conducted by comparing the data for each year to observe the dynamics during the COVID-19 pandemic in 2020, 2021, and 2022. Table 2 presents the summary of descriptive statistics for the years 2020, 2021, and 2022. The number of SMEs that reported financial statements in 2020 was 977, sharply increased to 2248 in 2021, and slightly decreased again to 1263 in 2022. The minimum profit earned by Jakpreneur participants is Rp. 100,000, and the maximum profit obtained in 2022 is Rp. 345,000,000.

In the training dummy variable, 88.9% of participants attended training in 2020, 91.7% in 2021, and 63.2% in 2022. It is evident from the data that training participants are predominantly newly joined beneficiaries and primarily from the upgraded entrepreneur group.

In the marketing dummy variable, it is observed that the highest number of participants engaged in marketing activities in 2020, accounting for 90.7% of the total. However, in 2021, fewer than half of the participants, specifically 47.7%, were involved in marketing, and only 10.2% of participants engaged in marketing in 2022. The significant participation in marketing activities during 2020 can be attributed to strict social limitations, which made the beneficiaries heavily reliant on the marketing facilities provided by the Jakpreneur Program. The declining participation in marketing during 2021 and 2022 is due to beneficiaries having

the option to market their products independently outside the facilitated marketing channels. This shift is associated with the relaxation of social restrictions that occurred in 2021 and 2022.

Table 2. Summary of Descriptive Statistics

	2020					2021					2022				
Variables	**Obs**	**Mean**	**Std. Dev.**	**Min**	**Max**	**Obs**	**Mean**	**Std. Dev.**	**Min**	**Max**	**Obs**	**Mean**	**Std. Dev.**	**Min**	**Max**
Dependent Variable															
Profit	977	3876881	7311567	100000	1.35e+08	2248	3596292	9266172	100000	3.37e+08	1263	3847466.4	11990002	100000	3.450e+08
Independent Variables															
d_training	977	.889	.314	0	1	2248	.917	.276	0	1	1263	.632	.482	0	1
d_marketing	977	.907	.291	0	1	2248	.477	.5	0	1	1263	.102	.303	0	1
d_licensing	977	.853	.355	0	1	2248	.881	.324	0	1	1263	.662	.473	0	1
Program Intensity	977	2.648	.6517	0	3	2248	2.275	.7365	0	3	1263	1.395	.8491	0	3
Control Variables															
Human Resource Aspects															
d_entrepreneur group	977	.621	.485	0	1	2248	.728	.445	0	1	1263	.794	.404	0	1
membership duration	977	1.017	.131	1	2	2248	1.027	.206	1	4	1263	1.318	.889	1	5
years of education	977	11.295	3.061	0	18	2248	10.931	3.077	0	18	1263	11.203	3.077	0	18
Number of worker	947	.635	1.066	0	10	2223	.629	1.209	0	20	1252	1.012	1.539	0	20
Marketing Aspect															
go digital	977	.961	.193	0	1	2248	.981	.135	0	1	1263	.854	.353	0	1
Individual Characteristics															
age	977	42.592	11.621	15	85	2248	43.376	11.843	18	89	1263	44.15	11.813	18	86
gender	977	.598	.491	0	1	2248	.639	.48	0	1	1263	.618	.486	0	1
Financial Aspect															
d_credit	977	.088	.283	0	1	2248	.043	.202	0	1	1263	.06	.238	0	1

In the licensing dummy variable, it is noted that 85.3% of participants processed licensing in 2020, 88.1% processed licensing in 2021, and 66.2% processed licensing in 2022. This indicates that a greater number of participants managed their licensing from 2020 to 2022 compared to those who did not, with the highest licensing processing rate in 2021. The licensing processing is closely related to the distribution of stimulus support for MSMEs during the pandemic, which required business legality as a prerequisite for receiving aid.

In the Program Intensity variable, the average participant attended programs twice in both 2020 and 2021, and once on average in 2022. The minimum number of programs attended was 0, while the maximum number attended was 3 programs. Based on the data, in 2020, beneficiaries actively participated in programs with proportions of 16.99% attending 2 programs and 74.2% attending 3 programs. In 2021, the active participation in 2 programs increased to 80.5%, while those attending 3 programs decreased to 2.98%. In 2022, there was an increase in beneficiaries who were not actively participating in programs by 17.6%, while those attending 1-3 programs were 31.5%, 44.4%, and 6.4% respectively. It can be concluded that beneficiary engagement experienced a decline in 2022.

In the entrepreneur group variable, there are more Jakpreneur participants who belong to the upgraded entrepreneur group compared to the beginner entrepreneur group. Regarding membership duration, the minimum membership is one year, and the maximum membership is five years in 2022. On average, participants have completed 10-11 years of education, with the lowest value being "no schooling" and the highest being "postgraduate" level. The number of employees possessed by participants ranges from a minimum of 0

employees to a maximum of 20 employees in 2020 and 2022. In the "go digital" variable, many participants already have digital marketing accounts. The average age of Jakpreneur participants is in their 40s, with the youngest age being 15 in 2020 and the oldest age being 89 in 2021. In terms of gender, participants are predominantly female in 2020, 2021, and 2022. Only a few participants obtained credit access.

In this study, cross-analysis was also conducted to observe the distribution of average profits based on explanatory variables. The distribution of average profits based on training variable can be observed in Figure 2. Jakpreneur beneficiaries who attended training tend to have higher average profits compared to those who did not attend training. The more intensive the government mentoring reached by the products, the higher the income and profits obtained by MSMEs (Wachid, A.A, 2015).

The distribution of average profits based on marketing variable can be observed in Figure 3. Beneficiaries who participated in marketing activities still have higher average profits. This indicates that events have had an impact on the growth of SMEs with increased sales volume and precise targeting (Longdong et al., 2022).

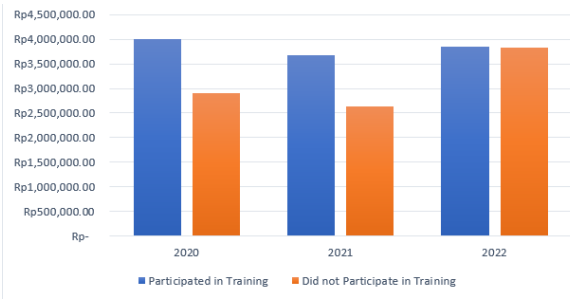

Figure 2. Distribution of Average Profits based on Training

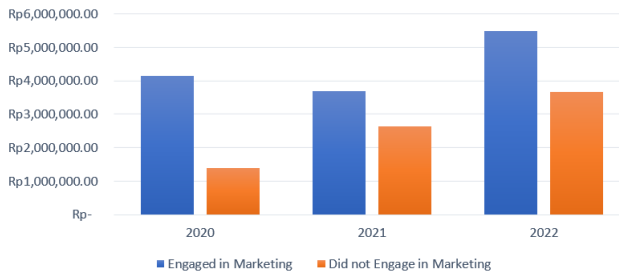

Figure 3. Distribution of Average Profits based on Marketing

The distribution of average profits based on licensing variable can be observed in Figure 4. There are variations between the years 2020, 2021, and 2022, where beneficiaries with licenses had higher average profits in 2020 and 2021, while in 2022, beneficiaries with business licenses had lower average profits. By having a Business Identification Number (IUMK), MSMEs have broad opportunities to access information and business facilities such as tax reductions, tax incentives, import facilities, and others (Erni & Jaya, 2022) that are useful for business development and can increase sales and profits.

The distribution of average profits based on program intensity variable can be seen in Table 3. Beneficiaries who participated in all three Jakpreneur programs have the highest average profits. This indicates that the more Jakpreneur programs they participate in, the higher the average profits they achieve.

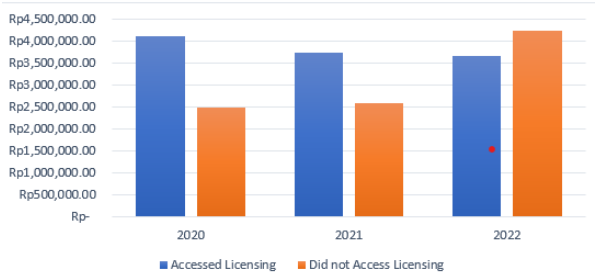

Figure 4. Distribution of Average Profits based on Licensing

Table 3. Distribution of Average Profits based on Program Intensity

Program Intensity	2020		2021		2022	
	Number of Obs.	Average (Rp)	Number of Obs.	Average (Rp)	Number of Obs.	Average (Rp)
0	5	650,000.0	49	3,230,000.0	223	4,839,237.7
1	81	2,642,963.0	238	1,796,386.6	398	3,337,474.9
2	166	2,166,108.4	1005	3,597,387.7	561	3,287,361.9
3	725	4,428,702.1	956	4,062,008.4	81	7,502,160.5

During the years 2020 to 2022, the Jakpreneur program's participant profile was analyzed, and it was found that the minimum age requirement for participation was 15 years old, with no maximum age limit. The data revealed that the age groups 35-44 and 45-54 had the highest proportion of participants throughout the three-year period. This indicates that adults above the age of 35 dominated the Jakpreneur program's participation compared to the younger generation below the age of 35. According to Suminah et al. (2022), this trend can be explained by the fact that individuals in their younger years tend to seek prestigious employment and may not be as stable in decision-making. On the other hand, adults with more experience are better equipped to run their businesses effectively, utilizing skills such as sourcing more affordable raw materials, marketing knowledge, and their proficiency in locating customers.

The data suggests that the Jakpreneur program has attracted a significant number of adults who are more mature and experienced in business matters, which could potentially be attributed to their ability to handle the challenges of entrepreneurship better than younger individuals. The program's focus on entrepreneurship development seems to align well with the needs and interests of this particular age group. However, it might be essential to explore strategies to encourage more participation from the younger age groups to ensure a diverse pool of entrepreneurs and promote opportunities for the next generation of business leaders.

Based on the distribution of educational backgrounds among the beneficiaries of Jakpreneur from 2020 to 2022, it is evident that the majority of them have completed their education up to high school level (SLTA). From this, we can conclude that small and medium-sized enterprise (UMKM) ventures have become a preferred choice for adults with lower educational backgrounds.

Based on the distribution of the number of workers employed by the beneficiaries from 2020 to 2022, it is evident that the majority of them work as self-employed or do not have any employees. This indicates that the business owners are still operating in a very basic and simple manner, and they have not yet reached the capability to expand their businesses, as their ability to employ workers remains low.

The empirical findings of this study are summarized in Table 12. The one-way ANOVA test demonstrates a Prob > F worth of 0.6613, which is greater than 0.05. This indicates that there is no statistically significant difference in average profit between the years 2020, 2021, and 2022. To test the robustness of the results, the Robust OLS Regression method was employed

by adding the "robust" command to the regression model and using three regression models. The F-test demonstrates a Prob > F value of 0.0000, less than 0.05. This indicates that all the variables used together have a significant impact on profit. The R-squared value in Table 12 is still below 30%, indicating that there are still many other variables or factors that can be included in the model to influence business profit.

Table 12. Regression Results for 2020, 2021, 2022 Models

	2020	2020	2020	2021	2021	2021	2022	2022	2022
	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)
VARIABLES	ln_profit	ln_profit	ln_profit	ln_profit	ln_profit	ln_profit	ln_profit	ln_profit	ln_profit
d_training	-0.150*	-0.103		0.0436	0.0937		0.185***	0.286***	
	(0.0902)	(0.101)		(0.0682)	(0.0649)		(0.0556)	(0.0501)	
d_marketing	0.836***	0.610***		0.170***	0.191***		-0.0589	-0.0371	
	(0.0959)	(0.143)		(0.0431)	(0.0482)		(0.0806)	(0.0734)	
d_licensing	0.308***	0.261***		0.399***	0.311***		-0.283***	-0.0770	
	(0.0851)	(0.0912)		(0.0704)	(0.0727)		(0.0583)	(0.0530)	
program intensity			0.204***			0.205***			0.0867***
			(0.0556)			(0.0293)			(0.0316)
d_entrepreneur group		0.0706	0.112*		-0.0116	-0.0308		0.174***	0.181***
		(0.0673)	(0.0663)		(0.0515)	(0.0456)		(0.0609)	(0.0623)
membership duration		0.112	0.0228		0.311**	0.330***		0.200***	0.199***
		(0.263)	(0.236)		(0.123)	(0.122)		(0.0282)	(0.0279)
years of educ		0.0104	0.00920		0.00533	0.00514		-0.0164**	-0.0180**
		(0.0117)	(0.0118)		(0.00713)	(0.00714)		(0.00747)	(0.00760)
number of worker		0.188***	0.181***		0.216***	0.218***		0.232***	0.232***
		(0.0356)	(0.0353)		(0.0212)	(0.0213)		(0.0360)	(0.0357)
go_digital		0.533**	0.944***		0.697***	0.713***		-0.647***	-0.669***
		(0.243)	(0.202)		(0.203)	(0.200)		(0.0844)	(0.0846)
age		0.00117	0.00141		0.000378	0.000407		0.000949	0.000769
		(0.00298)	(0.00303)		(0.00186)	(0.00185)		(0.00195)	(0.00197)
gender		-0.368***	-0.374***		-0.150***	-0.149***		-0.193***	-0.196***
		(0.0667)	(0.0670)		(0.0437)	(0.0437)		(0.0476)	(0.0482)
d_credit		0.279**	0.283**		0.286***	0.283***		0.228**	0.245***
		(0.133)	(0.131)		(0.0967)	(0.0950)		(0.0918)	(0.0925)
Constant	13.67***	13.11***	12.93***	14.03***	12.92***	12.89***	14.70***	14.67***	14.71***
	(0.119)	(0.388)	(0.384)	(0.0835)	(0.270)	(0.258)	(0.0569)	(0.147)	(0.148)
Observations	977	947	947	2,248	2,223	2,223	1,263	1,252	1,252
R-squared	0.065	0.136	0.125	0.027	0.112	0.110	0.024	0.263	0.248

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

The findings from the regression analysis presented in Table 12 are explained as follows. The dummy variable for training has a positive and significant coefficient in 2022, which means that Jakpreneur trainees who participated in the training program had 28.6% higher profits. This result is consistent with the research by Wachid, A.A (2015), which stated that government mentoring has a positive and significant impact on the profits of MSME entrepreneurs. This is also in line with the cross-analysis results in Figure 2. The inconsistent

results in 2020 and 2021 are likely due to the pandemic conditions during those years, which limited the interaction between sellers and buyers and hindered trainees from applying their training outcomes, leading to reduced sales. Additionally, training reduced the time available for selling.

The dummy variable for marketing has positive and significant results in 2020 and 2021, indicating that Jakpreneur participants who received marketing facilitation had higher profits of 61% in 2020 and 19% in 2021. These findings corespond with the research conducted by Longdong et al. (2022), which stated that effective events can increase sales volume and target accuracy. Research by Anugrah (2020) also stated that participating in government-provided E-UMKM programs makes MSMEs businesses more effective in increasing their profits. This is also supported by the cross-analysis results in Figure 3. The negative but insignificant result in 2022 may be because the relaxation of social restrictions opened up opportunities for SMEs to resume direct selling, leading the participants to prefer independent selling over government-provided marketing facilitation. The lower number of Jakpreneur participants utilizing marketing facilitation can be observed in Figure 3.

The dummy variable for licensing has positive and significant results in 2020 and 2021, indicating that Jakpreneur participants who accessed licensing facilitation through their mentors had higher profits of 26.1% in 2020 and 31.1% in 2021 compared to those who did not access licensing. These results corespond with the study carried out by Ahmad et al.(2012), which found that informality leads to lower performance and hampers economic growth prospects. The negative but insignificant result in 2022 is due to the reduction in utilizing business legality to obtain SME stimulus programs in that year. The Direct Cash Assistance (BLT) for SMEs provided by the government during the pandemic initially amounted to Rp. 2,400,000 per business in 2020, but decreased to Rp. 1,200,000 per business in 2021 and only Rp. 600,000 per business in 2022. This is consistent with the cross-analysis results in Figure 4.

The Program Intensity variable shows positive and significant values throughout 2020 to 2022, indicating that an increase of 1 program attended can increase business profits by 20.4% in 2020, 20.5% in 2021, and 8.67% in 2022. These findings are the same with the research by Yonis et al. (2018), which found that participating in government programs can encourage MSMEs to foster innovative business approaches and enhance resource development procedures. This can also be seen in Table 3, where participants who attended all programs had the highest average profits.

In the control variable, the number of employees shows a positive significant value at the 1% level in all years, with the interpretation that an increase of 1 person in the workforce can lead to a profit increase of 18.8% in 2020, 21.6% in 2021, and 23.2% in 2022. This also indicates that the workers' capability generates the highest profit in 2022, where the relaxation of the PPKM (Community Activity Restrictions) also contributes. These findings are consistent with the investigation of Wachid,A.A (2015) that the workforce has a positive and significant impact on the profit of SMEs (Small and Medium-sized Enterprises).

The next control variable that consistently shows positive significance throughout the year is credit access. The interpretation of these results is that Jakpreneur beneficiaries who receive credit assistance have higher profits compared to those who do not receive credit assistance, namely 27.9% in 2020, 28.6% in 2021, and 22.8% in 2022. This indicates that credit assistance can enhance the income and profit of SMEs (Small and Medium-sized Enterprises) (Irene, 2021; Yanti, 2022).

Furthermore, the gender variable shows negative and significant results at the 1% level in all years, with the interpretation that female gender has lower profits compared to male gender by 26.8% in 2020, 15% in 2021, and 19.3% in 2022. These findings are in accordance with the investigation of Kumar (2015) that businesses owned by males tend to perform better than businesses owned by females. Hence, wemale entrepreneurs need increased educational, managerial, and financial assistance to enable them to reach the same level as their male counterparts.

CONCLUSION

The research results indicate that the effectiveness of the Jakpreneur program, as seen through the performance of SMEs, varied across programs and over time during the pandemic. In the early stages of the pandemic, when economic activities were severely restricted, the programs that proved effective in enhancing SME performance were marketing facilitation and licensing assistance. Towards the end of the pandemic, training programs became more effective in boosting SME performance. Meanwhile, the effectiveness of program intensity in enhancing SME performance remained consistent throughout the pandemic period. It is necessary to provide mentoring tailored to the current economic conditions to effectively implement entrepreneurial development programs that can enhance sales and profits.

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