

Development of MSMEs in Serang Regency with the Assistance of Creating Business Identification Numbers Through a Risk-Based Online Single Submission System

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Received April 2021 | Revised April 2021 | Accepted Mei 2021

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Abstrak

The development of MSMEs in Serang Regency is increasing every year, but there are many obstacles faced by MSMEs (Micro, Small, and Medium Enterprises) in Serang Regency, especially not understanding licensing issues (NIB); many business actors ignore business permits so that their presence is considered inactive or not There is. The purpose of this study is to provide MSME assistance to assist business actors in accelerating the process of issuing business licenses (NIB) by service standards and provide time certainty in the licensing process through the RBA-based Online Single Submission (OSS) System (Risk) until the licensing stage is given to the perpetrators. Business in the form of a certificate or official proof of business legality so that MSMEs can develop their business and be competitive. The results of this study are that many MSMEs in Serang Regency still need to understand the importance of issuing a risk-based Business Identification Number (NIB) as official business legality. The MSME mentoring activity is expected to help MSME access the OSS system up to the stage of clicking the print icon if the applicant is willing to save the complex file of the NIB certificate. The method used in this study consisted of 3 stages: field surveys and interviews, counseling related to NIB, and implementation of assistance in making risk-based NIB through the OSS system, which was then documented. The number of MSMEs that have participated in counseling is 100 MSMEs. Still, from the results of counseling, those interested in participating in the assistance for making NIB are as many as 75 MSMEs, and the remaining 25 MSMEs are constrained by time because they cannot leave their business activities. Help in making NIB was carried out with 75 MSMEs, but 50 MSMEs succeeded in making NIB, so they obtained NIB legality certificates, and 25 other MSMEs experienced data completeness problems.

Keyword: MSMEs; Legality; OSS-RBA; Business Identification Numbers; Online System

INTRODUCTION

Post-pandemic economic conditions in Banten Province are getting stronger. Banten's economic growth in the third quarter of 2020 reached 5.71 percent year on year (yoy). This value is much higher than the economic growth in the third quarter of 2021 of 4.51 percent (BPKAD, 2022). One way of strengthening the economy is through increasing and growing MSMEs. The contribution of MSMEs to economic growth in Banten Province currently reaches 5.7%.

MSMEs often face capital, licensing, expenditure, and human resource problems, so many need help maintaining their businesses (Putra et al., 2022). The condition of MSMEs

in Banten Province is growing and developing, especially in Serang Regency, thereby increasing economic acceleration and being able to improve the welfare of its people. MSME players need to have legality because this can make it easier for MSME players to run their business well, attract other consumers, and increase product sales.

Business Identification Number (NIB) is a business actor's identity number according to the line of business regulated in the 2020 Indonesian Business Field Standard Classification (KBLI), which is differentiated according to the type of economic activity that produces output alias product, both in the form of goods and services (Diana et al., 2022). Just

by using the NIB as one of the required documents, here are several supporting documents for the business license application requirements (Tafrilyanto et al., 2022).

Every business owner can also obtain other registration documents needed for business licensing, such as a Taxpayer Identification Number (NPWP), Letter of Approval for Plans to Use Foreign Workers (RPTKA), proof of BPJS Employment registration, and a business license for the trade sector (SIUP) with NIB registration. NIB application is faster with automatic approval or an automatic approval system through OSS so that the requirements for applying for permits are uniform, and there is no need to review documents (Andriani, 2022).

The risk-based OSS system aims to increase transparency, openness, and assurance in obtaining business licenses for business actors. Through the risk-based OSS service, micro and small business actors also find it easy to obtain business licenses, especially in getting NIB.

The activities carried out by MSMEs in Serang Regency are very varied, such as producing processed food and beverages, which are superior local products, crafts or handicrafts, and other service products such as salons, workshops, printing, and so on. A large number of MSMEs grow by themselves but are not accompanied by licensing, so the legality of MSMEs is considered inactive or non-existent because they do not have a business license or NIB.

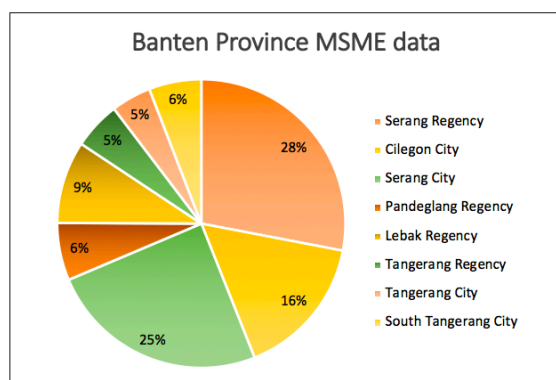


Figure 1. Banten Province SME data
(Source: PLUT Banten Province, 2023)

Based on the data presented in Figure 1, it can be seen that many SMEs in Serang Regency still need business legality in the form of a Risk-based NIB of 28% of other Regencies/Cities in Banten Province. This is due to the need for more information and

knowledge regarding the mechanism and importance of creating a NIB and the reluctance to take care of it because it requires time, minimal knowledge, the use of digital technology, and concerns about expensive costs.

Registering MSME businesses through the issuance of the NIB makes it easier for Central and regional government institutions to carry out training and guidance regarding business skills according to their domicile. It makes it easier for MSMEs to access people's business credit (KUR) from banks. However, the information and mechanisms for making NIB are not fully understood by SMEs as explained by Lady et al. (2021) stated that the low level of NIB ownership is due to the minimal knowledge of MSME actors regarding the importance of obtaining business permits and limited information regarding data and procedures for creating NIBs. Meanwhile, according to Putra et al. (2022), the problem of legal ownership for MSMEs is a high level of urgency, so this research can provide the right program to overcome this problem, namely in the form of socialization and assistance in making NIBs through OSS to Tlumpu Village MSMEs regarding account creation and procedures. How to manage business permits. Based on the results of previous research, the researcher intends to conduct research in Serang Regency with MSME assistance activities through the creation of NIB with a risk-based OSS system. With this activity, MSMEs will have business legality and become a starting point for other permits, including halal certification.

LITERATURE REVIEW

One crucial aspect in developing Micro, Small, and Medium Enterprises (MSMEs) is the legality of the business (Andriani, 2022). NIB is a business identity number business actors use to obtain business and commercial or operational permits. Business identification numbers through Risk-based OSS aim to increase transparency, openness, and assurance in obtaining business licenses for business actors (Marthalina & Khairina, 2022).

Based on PP No. 24 of 2018, OSS is an electronically integrated business license through a system in the form of an application in which the OSS Institution issues business licenses on behalf of ministers, heads of institutions, governors, or regents/mayors and

becomes one of the business licensing products issued by the President's government Jokowi Widodo in terms of accelerating licensing arrangements to support investment activities that can affect national economic growth (Tafrilyanto et al., 2022). By accessing OSS, business actors can directly manage and obtain business permits according to their needs or by fulfilling commitments. The business sectors regulated in PP 24/2018 are 20 business sectors, including agriculture, electricity, tourism, education, and culture to cooperatives and micro, small and medium enterprises, and nuclear power.

NIB is the licensing product issued by the OSS Institution in the name of the minister, head of the institution, governor, regent/mayor when the business actor first registers with the OSS. With NIB, business actors can continue to obtain other permits according to their business sector. NIB is a Business Identification Number that every business actor must have by registering and completing their business data in the risk-based OSS system (Marthalina & Khairina, 2022).

METHOD

This study uses a qualitative descriptive method. The qualitative descriptive method aims to reveal events or facts, circumstances, phenomena, variables, and circumstances during the research by presenting what happened to MSMEs in Serang Regency.

This research was conducted on MSMEs in Serang Regency, using a non-probability sampling technique with a purposive sampling method, namely samples drawn using specific considerations provided that MSMEs have a NIK (Population Identification Number) KTP (Identity Card) which has been registered with the Population Service and Civil Registration, completeness of precise business data, owning a business with a capital of five hundred thousand rupiah, having a business location and a workforce of at least one person. In the context of developing MSMEs, in terms of licensing, stages are carried out in direct counseling to business actors through centers in the Serang Regency area. Counseling is given to MSME actors, namely: a). Convey the benefits and importance of issuing NIB, b). Provision of education regarding the ease of obtaining NIB c). Provision of information on mechanisms and procedures for making NIB and d). Development of literacy so that MSME

actors obtain information on implementing risk-based business licensing through the System (OSS) (2). This counseling activity was carried out in Serang Regency through MSME centers, and then assistance was provided for making NIB through risk-based OSS until NIB permits were given to business actors in the form of certificates or official proof of business legality. The data collection methods used to strengthen the validity of this research are (1) surveys and interviews; (2) Counseling on making NIB through the Risk-based OSS system (OSS-RBA); (3) Assistance in creating NIB through a risk-based OSS system; (4) Documentation.

RESULT

Registering MSMEs through the issuance of the NIB makes it easier for Central and regional government institutions to carry out training and guidance regarding business skills according to their domicile. It makes accessing People's Business Credit (KUR) from banks easier for MSMEs. However, the information and mechanisms for making NIBs are not yet fully understood by MSMEs, as explained by the previous author, who stated that the low level of NIB ownership is due to the lack of knowledge among MSMEs regarding the importance of making business permits and limited information regarding data and procedures for making NIBs (Lady et al., 2021). Meanwhile, other researchers stated that the problem of legal ownership for MSMEs is a high level of urgency, so this research can provide the right program to overcome this problem, namely in the form of socialization and assistance in making NIBs through OSS to Tlumpu Village MSMEs regarding account creation and procedures for managing business licensing (Putra et al., 2022).

MSME business activities in Serang Regency are very varied, such as producing processed food and beverages, which are superior local products, crafts or handicrafts, and other service products such as salons, workshops, printing, and so on. Based on data in the field, it was found that many MSMEs grow independently but are not accompanied by permits, so the legality of MSMEs is considered inactive or does not exist because they still need to get a business permit or NIB. Based on the results of previous research, MSME assistance activities were carried out

by creating NIBs with a risk-based OSS System (OSS-RBA).

There are 50 UMKM that meet the criteria and are used as samples in this study for which the NIB certificate will be made. The data collection methods used to strengthen the validity of this research are:

1. Surveys and interviews

Field survey activities were carried out by visiting MSME centers in Serang Regency; this was done to analyze what business activities MSMEs have while the interview began with the Head of Tunjung Teja Village discussing the problems often faced by MSMEs, especially regarding legality in this case. is the creation of NIB. Next, the research team systematically recorded interviews with several business actors or MSMEs door-to-door, accompanied by questions that had been prepared, including a) Name of Business Owner; b) Name of Business/MSMEs; c) Type of Business; d) Business Place Address; e) Year of Business Establishment; f) Number of Human Resources (Labor); g) Size of business premises; h) Production capacity for one year. It was found that many business actors still do not understand the benefits of creating a NIB, so some business actors are reluctant to be interviewed.

2. Counseling on making NIB through the Risk-based OSS system (OSS-RBA)

This outreach is conducted so the public can understand NIB registration and when manufacturing can be done optimally. Researchers present material to explain the meaning of NIB, benefits of NIB, mechanisms, completeness of data that must be prepared by business actors, and procedures for issuing NIB. The activity took place very enthusiastically; many MSMEs began to understand the importance of NIB for their business continuity. NIB is an identity for business actors issued by the government through the OSS institution. NIB is distinguished according to the output of the product or service produced. NIB comprises 13 random digit numbers with security and electronic signatures (Tafrilyanto et al., 2022). What is most interesting for MSMEs is that apart from being used as identity, the NIB has other functions, such as a Company Registration Certificate (TDP), which is used

as a condition for obtaining a SIUP (Trading Business License), and a Halal Certificate. MSME actors are also introduced to making NIB through a risk-based OSS system. NIB is the licensing product issued by the OSS Institution in the name of the minister, head of the institution, governor, regent/mayor when the business actor first registers with the OSS. With an NIB, business actors can continue to obtain other permits from their business sector. NIB is a Business Identification Number that every business actor must have by registering and completing their business data in the risk-based OSS system (Marthalina & Khairina, 2022).

The material presented by the team included a general overview of the risk-based OSS system; there are differences between OSS 1.1 and OSS RBA. OSS version 1.1, the person in charge only registers 1 (one) time for all business entities and individuals, and the person in charge only registers the number and identity data. In the OSS RBA version, the person in charge only registers 1 (one) time for 1 (one) business entity or individual, and the person in charge registers the number, identity data, and legality validation number for the business entity. This outreach activity also discusses the flow of issuing business permits up to the issuance of the NIB certificate. From the results of this counseling, MSME actors must fulfill the basic requirements for risk-based Business Licensing for the legality of their business. The complete data prepared by MSMEs will be brought to the next NIB creation assistance activity.

3. Assistance in creating NIB through a risk-based OSS system

This activity was attended by 75 MSMEs from the results of participating in the previous counseling, as many as 100 MSMEs, and those who did not attend the NIB assistance were 25 MSMEs due to several obstacles, including not being able to leave their business activities and completeness of data that did not meet the requirements. The assistance team for making NIB prepared supporting tools such as laptops and internet networks to access RBA (Risk)-based OSS. MSMEs brought complete data and cell phones connected to the internet network. This mentoring activity effectively provides simulations for MSMEs to apply for business permits online with OSS (Soejono et al., 2020).

Assistance in making NIB through the OSS system by accessing the official website for making NIB (<http://oss.go.id/>) and entering the username or e-mail and password that was previously registered, enter the captcha code in the column provided at the top of the menu, click "Business Licensing," followed by clicking "New Application." The next step is to identify and input complete documents as a condition for issuing a NIB, including business actor data, business field data, detailed business field data, and product/service data after completing the provisions. Registration: (1) Re-check the data that has been set. (2) Complete the environmental approval document (KBLI/Certain Business Fields), understand and tick the independent approval, and check the draft business permit. After the steps above have been completed, the option for the document you want to print will appear. (3) Click the blue "Print NIB" option; the document will appear in PDF format. (4) Click the print/print icon at the top right of the document, then click print to confirm that the NIB has been printed successfully.

Assistance has succeeded in helping 50 MSMEs to obtain NIB and 25 MSMEs whose NIB certificates could not be issued due to several obstacles, including MSMEs starting businesses under one year, business capital of less than 500 thousand rupiah and the absence of MSMEs returning the following day so that the 25 MSMEs did not the NIB can be processed. The following is data for 50 MSMEs whose NIB has been published. From the results of the business identification number (NIB) assistance, MSME business activities in Serang Regency are very varied, such as the production of processed food and beverages, which are superior local products, basic food shops, cosmetics and fashion, crafts or handy crafts and other service products such as salons, catering, photocopying and so forth. As seen in Table 1.

Table 1. Data on MSMEs Receiving NIB Based on Their Business Activities

| Business Type | Total |
|---|-------|
| Counter Pulsa | 1 |
| Craft | 1 |
| Photocopy and Civil Services | 1 |
| Transportation, Catering and Education Services | 1 |
| Tour Travel Services | 1 |
| Food stalls | 3 |

| | |
|--|---|
| Food and Snack Shop | 1 |
| Food and Drink | 1 |
| Snack | 6 |
| Vegetable seller | 2 |
| Education | 1 |
| Education and Catering | 1 |
| Printing and Fashion | 1 |
| Trade and Food Stalls | 1 |
| Agriculture and Trade | 1 |
| Farm | 2 |
| Restaurant | 1 |
| Salon | 1 |
| Building and Beverage Store | 1 |
| Cosmetics and Fashion Store | 1 |
| Pastry Shop and Food Stand | 1 |
| Pastries and Cake Shop | 7 |
| Children's Toy Store | 1 |
| Grocery Store | 8 |
| Staple Food Stores and Printing Services | 1 |
| Grocery Stores and Vermak Services | 1 |
| Grocery Store and Pastry Shop | 1 |
| VCO (Virgin Coconut Oil) | 1 |

Source: Results of assistance in making NIB, 2023

4. Documentation

Documentation aims to provide physical evidence and information. Documentation is valid and actual evidence so that it can be used as an achievement of activities carried out by the NIB creation support team. Documentation, in a broader sense, is any evidentiary process based on any source, whether written, oral, descriptive, or archaeological (Gottschalk, 1986). Documents (documentation) referred to are data sources used to complete research, both in the form of written materials, videos, images (photos), and monumental works, all of which inform the research process (Sugiyono, 2013). Documentation in this study is in the form of research data starting from the survey and interview stages, the second stage of counseling activities, and the outcomes of assisting in making NIB. Documentation is equipped with photos of activities and videos during the research process. The following is the output documentation for assisting in making NIB through the Risk-based OSS system (OSS-RBA).

The output of the assistance activity for making NIB through the Risk-based OSS system has succeeded in issuing 50 NIB

certificates from various types of businesses and handing them directly to MSMEs that have participated in NIB assistance by the completeness of the data as a requirement for making NIB. The contributions made in this research activity are (1) Increasing knowledge about business legality or business licensing for MSMEs in Serang Regency; by knowing the information on making NIB, MSMEs realize the importance of preparing complete data as a condition for issuing NIB; (2) By having a NIB, MSMEs understand the benefits of being an official business identity and facilitating other permits such as halal certificates, access to capital through banking and getting attention from the government in the form of training and fostering MSME development as well as assistance prepared by government agencies; (3) NIB assistance implemented in Serang Regency can assist and support the Serang Regency Government's program in the context of facilitating business licensing for the implementation of the Risk-based OSS system.

Indicators of the success of research activities in the form of assistance in making NIBs through a Risk-based OSS system are as follows: (1) MSMEs in Serang Regency can receive information about the importance of making NIBs for the businesses they run; this can be seen during survey activities and interviews, most MSMEs enthusiastically welcomed the arrival assistance team in making NIB to the place of business. The curiosity of what completeness must be prepared as a condition for the publication of the NIB is as a start for the team to convey the aims and objectives of the survey and interview activities for making the NIB; (2) MSMEs are willing to attend the NIB preparation counseling event even though the distance is far from their place of business, even though they are busy running a business; however, MSMEs are willing to prepare the requirements and complete data needed for the smooth issuance of the NIB; (3) The limited use of information technology does not discourage MSMEs from registering their type of business through the Risk-based OSS system; (4) From the results of the NIB creation assistance activities, 50 documents were successfully registered with new applications from MSME players for the issuance of NIBs through the Risk-based OSS system. This shows that the information on

business licensing processes for MSMEs has so far been minimal.

CONCLUSION

Based on the results of the assistance activities for making NIB through the Risk-based OSS system for MSMEs in Serang Regency, the researchers can conclude as follows: (1) Survey activities and door to door interviews are very effective in order to find out the number of MSMEs that have not received information about business licensing, namely making NIB in Villages and Districts in Serang Regency due to limited access range; (2) The implementation of counseling on making NIB received enthusiasm from MSMEs and the local village government, where this counseling aims to increase knowledge and information about the benefits of NIB, the flow of making NIB and the introduction of a Risk-based OSS system and can help and continue to encourage the Serang Regency Government's target for its implementation orderly administration for MSMEs in Serang Regency; (3) With the collaboration between the Primagraha University and local village officials, MSME assistance in making NIB through the Risk-based OSS system will find it helpful to obtain business legality. MSMEs hope that assistance activities can continue to be carried out to facilitate other permits, such as making corporate and individual NPWPs or companies with individual legal entities (Establishment of Individual Companies) as well as assistance with halal certification due to the limited use of slightly complicated technology and very long road access to come directly to the office related permits.

The suggestion that the researcher wants to convey is that it is hoped that the assistance activities for making NIB through the Risk-based OSS system can continue to be carried out with an extensive scope by targeting MSMEs in other City Regencies in Banten Province, which aims to provide more knowledge to business actors or MSMEs regarding the importance of legality business as a business identity through creating an NIB and understanding the flow and procedures for registration through the Risk-based OSS system. Making a NIB is the starting point for licensing to process other permits, such as making halal certification.

Acknowledge

This journal is a research output journal for novice lecturers who receive PDP grant funding based on Decree Number 0865/D4/AL.04/2023 and Master Agreement / Contract Number 180/E5/PG.02.00.PL/2023 dated 19 June 2023 and Agreement / Derivative Contract Number 2247/HK.3.4/01-UPG/VII/2023 dated 20 July 2023 obtained a Research Budget for "Development of MSMEs in Serang Regency with the Assistance of Creating Business Identification Numbers Through a Risk-Based Online Single Submission System." Therefore, we thank the Directorate of Research, Technology and Community Service, Ministry of Education, Culture, Research and Technology, and LPPM Primagraha University.

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