

*Artikel*

## Small Medium Micro Business Strategies *During Covid-19 Time In Barru District, Barru Regency (Sharia Financial Management Analysis)*

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Citation:

Academic Editor:

Dikirim:

Diterima:

Dipublikasikan:

### Abstract:

*The Covid-19 pandemic that occurred in Indonesia caused health attacks but also attacked the economic side. MSMEs as the Micro, Small and Medium Enterprises sectors are experiencing the impact caused by the Covid-19 pandemic. Many MSMEs are affected by this pandemic, especially those in Barru District. So this research aims to see the extent of the economic impact, especially for MSMEs in Barru District. Given that MSMEs are a source of income for the community. The type of research used is field research that uses a qualitative approach generated from written words and behaviours that can be observed through observation, interviews, and documentation. Data reduction, data presentation, and conclusion drawing are the data analysis techniques used. The results of this study indicate that MSMEs during the COVID-19 period greatly impacted the incomes of MSMEs from Barru's perspective. Many SMEs have had to stop their business due to various problems caused by the Covid-19 pandemic. Various strategies are carried out using Islamic financial management strategies, namely planning to keep the business running, implementation in planning is by previous plans, and evaluation is to measure the extent to which the Islamic frame has achieved performance.*

**Keywords:** Covid-19, Micro, Small and Medium Enterprises, Islamic Financial Management

### 1. Introduction

Micro, small and medium enterprises (MSMEs) are one of the driving forces of the country's economy. Micro, small and medium enterprises are the "backbone" of the Indonesian economy. MSMEs are supporters of the people's economic system, which is intended to reduce poverty problems and development is expected to be able to expand the people's economic base and can make a significant contribution in improving the economy and being able to survive the economic crisis (Bismala, 2018). labor-intensive, MSMEs are able to accommodate a large number of workers, both skilled and unskilled. Therefore, MSMEs have not been able to provide an adequate compensation system in accordance with the regional or provincial minimum wages, considering

that the existing workforce often does not meet the required qualifications. (Nazruddin, 2016)

MSMEs are a form of community small business whose establishment is based on a person's initiative. In Indonesia, where the majority of the population is very large, this means that MSME actors are still at the micro level. Some entrepreneurs start with small or medium capital. With government assistance, MSME businesses can develop rapidly. An independent business that entrepreneurs can try. MSMEs is choosing a popular type of business and its development strategy. Moreover, MSMEs can help reduce the unemployment rate in Indonesia. With the existence of this MSME, many people can be helped with their economy. The presence of MSMEs has become one of the wheels of the global economy in Indonesia. Prior to this COVID-19 in Indonesia, the economy was running smoothly.(Wahyu & Anwar, 2020) Covid-19 formerly occurred in the country of Wuhan, China in December 2019. (Muhyiddin, 2020) Covid-19 has become a pandemic that has occurred in many countries around the world, including in Indonesia. (Aeni, 2021) And finally the government implemented large-scale social restrictions (PSBB), but this would have an impact on shutting down various business activities of MSME actors.(Putri, 2020)

This pandemic period certainly has a real impact on the hip in society. Various implementations have been carried out by the government so that the people in Keb. Barru stay at home, this is because the corona virus outbreak continues to increase and continues to spread in the community. With this covid-19, people's lives, the world of education, services and non-services both large and small, as well as MSMEs in the Barru district are experiencing the impact. The PSBB policy does not only limit the business activities of MSME actors, but also almost all business fields, both large-scale, and even non-formal workers are affected by this policy. (Rindam Nasruddin, 2020) This policy covers a number of things from school and workplace holidays, to restrictions in public places. Reflecting on the 1998 monetary crisis and the 2008 global financial crisis, many large-scale companies collapsed. On the other hand, the MSME sector emerged as a savior and supporter of the national economy. The resilience of MSMEs is the main capital, bringing the economy safe from the crisis and slowly. MSMEs at that time were able to drive the economy and maintain people's purchasing power. But the situation is much different. MSMEs are no longer strong, they can no longer be relied on as a support for the nation's economy.

According to MSME actors in the Barru sub-district, it has a huge impact on their business. Finally, the incomes of MSMEs in the Barru sub-district began to decline. Currently, the MSMEs in the Barru sub-district have limited capital, many business actors have started their business from small again, which used to have large incomes, now they are no longer due to this covid-19. Improper management and limited expertise make the growth rate of ordinary MSMEs not too fast. However, there are some that later become big and generate a hefty profit. During the Covid-19 pandemic, there are a lot of businesses now looking for profit by selling masks and turning it into a business field. because right now, masks are needed by the community to comply with health protocols and that is a government recommendation. Therefore, the MSME business is the people's choice to get out of a heavy economic situation.

One of the impacts is experiencing problems in cash flow health, so that business actors in the Barru sub-district have reduced employees or laid off some of their employees. So, during this pandemic it is very difficult to find work because the efforts of MSME actors are now experiencing a decline. There are so many strategies that have been carried out by MSME business actors in the Barru sub-district to keep it running. Starting from promoting their products, and distributing brochures. The government's assistance for MSMEs in the Barru sub-district at this time is reducing electricity costs and direct cash assistance (BLT) for business capital. The development of MSMEs currently has taken a serious enough strategy so that their businesses can survive during this COVID-19 pandemic, not only MSME business actors who are carrying out strategies, the government has also developed a strategy so that MSME business actors in the sub-district .Barru can be resolved. Even though the corona virus pandemic is growing, even business actors do not remain silent in things like this, because so many MSMEs have gone out of business and are no longer able to do this business.

The current government continues to move and motivate MSME business actors in the Barru

sub-district to continue to innovate in the products they run, so that the corona virus does not spread widely, the government continues to implement strategies for all its people, including business people in the sub-district. Barru to always provide hand washing, hanzinitaizer, social distancing and others. The government has also set the hours for business people, which is around 09.00-20.00, as well as office workers. On the other hand, MSME actors are constrained from the supply side due to distribution disruptions during the corona virus pandemic. In addition, the weakening on the demand side further emphasizes the sustainability of MSMEs, a decrease in buying and selling activities, and social distancing recommendations to avoid wider transmission of the corona virus. In the midst of the covid-19 pandemic, this is the right moment to find solutions and innovations so that we can survive. So that when the economy improves, we are ready to grow. This proves that MSMEs have a unique characteristic that makes them able to survive in economic shocks. So the research was inspired to raise the title "Micro, small and medium business strategies during the Covid-19 period in Barru sub-district, Barru Regency (Islamic Financial Management Analysis)".

## 2. Method

The research approach used in this research is qualitative. Qualitative research is research that is descriptive and tends to use analysis. Qualitative method as a research procedure that produces descriptive data in the form of written and spoken words.(Bagong Suyanto, 2011) Qualitative research is a continuous research process so that the stages of data collection, data management and data analysis are carried out simultaneously during the research process (Sugiyono, 2010). Data collection techniques through observation and interviews. Interviews conducted by the author are interviews with SMEs in the Barru district, Barru district. interviews were conducted with 7 informants, 1 woman and 6 men. The data collected is reduced by choosing the main things, focusing on the things that are important. Then display the data, verify the data obtained and write it down into the research report.

## 3. Result and Discussion

### MSME strategic planning during the COVID-19 period in the Barru sub-district, The New District

Micro, small and medium enterprises are productive economic enterprises owned by individuals and business entities in accordance with the criteria stipulated by law No. 20 of 2008. MSMEs are one of the sectors affected by the COVID-19 pandemic. The average MSMEs in the Barru sub-district have been around for a long time, some are 3 years, 5 years and have been running for 10 years until now. And the workforce they had was different at that time 5-10 people and currently they are reducing/laying off some of their workforce to condition their business finances.

Financial management is currently one of the strategies, where every MSME business venture in Barru district must be smart in managing or managing it properly so that the business does not go bankrupt in the business. Every business actor must see how far the business is going.

The results of an interview with Marwah, the owner of a children's clothing store, said that:

"Every business definitely needs a strategy, especially where the current pandemic is we must take care of our financial management, in every financial management we always separate personal money from business and usually we only use manual financial books."

In contrast to badarudding, the owner of the Roti Rengganis shop, who said that:

"How to manage business finances during this pandemic, we see that if there is a lack of public interest in selling A bread, we don't make it and if many people like B bread, we make a lot of this in order to keep our finances stable."

The results of the interview above that in every business financial management they must really manage, meaning they have to buy what they need, not what they want. And they always record or use manual bookkeeping as a tool to record incoming and outgoing income.

Managing finances in the current pandemic is very important because in financial management you must definitely separate personal finance from business, keep financial books, plan money well, control capital conditions, and much more in managing these finances.

In relation to the problems faced by MSMEs in the Barru sub-district during the covid-19 pandemic, there are several steps that can be taken as a complement and support for the policies that have been set by the government. This strategy is needed so that government policies can continue to be implemented during the COVID-19 pandemic and also until this pandemic ends.

The strategies carried out by the government, such as:

1. Implementation of strict health protocols as instructions and directions recommended by the government. In implementing this health protocol, it is absolutely mandatory for MSME business actors in the Barru district because this is a form of strategy to allow MSMEs in the new district to operate again by fulfilling several terms and conditions recommended by the government. At least in this business people provide hand washing.
2. Provide a policy of easing or delaying credit payments for MSMEs in the Barru sub-district. In this pandemic period, the government provides many policies, especially the MSME business players in the Barru district.
3. To provide guidance to MSMEs in the Barru sub-district. Currently, the government provides guidance to MSMEs to encourage MSME actors in the Barru district to continue to innovate to deal with this pandemic.

The results of the interview with Badarudding, the owner of the Rengganis bakery, stated that:

"Currently the government is starting to develop a strategy so that business actors can be overcome and the government has started providing innovations to our business."

The results of the interview can be said that this can be an opportunity for MSME business actors in Kec. Barru to survive and develop their business during this pandemic.

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The results of the interview with Mudrika, the owner of the BFC stall, stated that:

"In every business, of course, we always make plans, so that our business can have a goal. Especially now that during a pandemic, we have to come up with a strategy so that our business can continue to run."

The results of the interview can be said that MSMEs in kec.baru use strategic planning. In using strategic planning, they look from the side of the goal and the position of the business. After that they considered their goals and carried out according to what was planned from the beginning.

The existence of a previously designed strategy will make it easier for an MSME in the Barru district to carry out the desired strategies. In running a business, the name is a planning strategy so that in every business there must be a basis for running something that is desired. The Covid-19 pandemic is happening right now, as the researcher has stated on the background of the research problem, that the Covid-19 pandemic is not only a disaster for the world that attacks the health of the world's population. But the COVID-19 pandemic is also a disaster for the world economy. And in this case, the Indonesian economy has also received such a huge impact from this Covid-19 pandemic, especially in the district of Barru, Kab. Barru. Currently, many of them prefer to stay even though their income has decreased from before the Covid-19 outbreak. One of these impacts is a decrease in income. This has resulted in MSMEs having to lay off a lot of the number of workers they have and reduce their product stock in order to stay afloat.

During this covid-19 pandemic, various strategies are being carried out by MSMEs in the Barru sub-district at this time, namely:

## 1. Utilize Social Media

Social media is one of the media that can reach the whole world, this can make it easier for SMEs in Barru district to market their products. During the Covid-19 pandemic, (Rahayu, 2020) this is one way to keep SMEs in the Barru district afloat.

The results of the interview with Mudrika, the owner of a BFC shop, stated that:

"In this case, the use of technology is very important for our business, because it can help in our sales, one of the social media that we do to market our products is Facebook and Instagram."

The results of the interview above can be said that one of the strategies they have to do at this time is to use social media so that the business they are running continues to survive during this

covid-19 pandemic.

## 2. Services

This service is a service that does not produce objects or goods.(Amstrong, 2001) This is a service using human power like a gojek. These services greatly affect the MSME business in the Barru sub-district, because it is very young for MSME business actors. (Robbins, Stephen P, 2010)

The results of the interview with Mr. Badaruddin, the owner of the Rengganis bakery, who said that:

"Currently we are also implementing a service strategy to consumers so that consumers no longer leave the house to stay at home. And consumers can only enjoy our services."

The results of the interview above say that MSMEs in the Barru sub-district are currently providing services to each MSME, because this is one of the strategies so that consumers stay at home and only enjoy service.

The results of the interview with the owner of a children's clothing store said that:

"At times like this, the delivery of goods ordered by consumers is currently only via ordinary motorcycle taxis, because currently consumers rarely leave their homes due to social distancing, so we provide service and as much as we can."

The results of the interview above concluded that at a time like this the government has also issued a regulation to the public that always maintain a distance because at this time this deadly virus has already been infected by this corona.

Service delivery of food and groceries can be benefited by service providers, so MSME actors can both benefit in this case. Most consumers use this manual service to order food for their family or friends, and use it to send goods to their families during this pandemic.

### Implementation of MSMEs during the Covid-19 period in Barru sub-district, Barru district

The challenge of implementation is to stimulate managers and employees through the organization to want to work with pride and enthusiasm towards achieving the goals that have been set. 54 In other words, strategy implementation is a process in which several strategies are turned into action through a program, a predetermined or pre-designed budget or procedure. (Damirah, 2021)

As a result of an interview with Mr. Badaruddin, the owner of the Rengganis Bakery, said that:

"Currently we don't have a target in our business, because during this pandemic sometimes things don't go as expected, right now we are borrowing the work of normal people, meaning we only predict what will be produced based on past experience."

In contrast to Mudrika, the BFC stall owner said that:

"Currently in planning we have a target in business but we are not too focused on that target, because we are afraid of what we don't expect in our business, especially since this is still a pandemic period."

The results of the interview above can be seen that MSMEs in Kec. Baru currently have a target in business but are not too focused on that target.

Market needs in this pandemic period, MSME actors in Barru district always innovate in products so that the products they make can be seen by the public.

The results of an interview with Rahman Haris, owner of Gabba bakery, who said that:

"In our business, we always innovate in terms of what products are trending in today's society. Like mini pizzas, we make mini pizzas because many people find it difficult to buy so the employees took the initiative to make them with the same taste and affordable prices."

The results of the interview above can be said that MSMEs in the Barru sub-district are currently always focused on innovating in terms of this product being the target of MSMEs in the Barru sub-district and always maintaining it.

Implementation in this service is only carried out by trial and error by MSMEs. This is a form of MSME strategy to restore the economy so that consumers can reach their products. In this implementation has been started by the business people.(Amir, 2011)

The results of the interview by the furniture business owner maskur said that:

"In the implementation of these services, we have previously prepared if consumers need

assistance with our services because our business definitely requires services"

### **Evaluation of MSMEs during the Covid-19 period in the Barru sub-district, The New District**

The results of the interview with Rahman aris, the owner of the gabba bakery, said that:

"In terms of evaluation, we don't talk too much, we only evaluate the health of cash flow, whether there is an increase or not and we don't expect too much, and usually when the evaluation is carried out at the end of the month."

In contrast to badarudding, the owner of the Rengganis bread business said that:

"At every evaluation or meeting, I always motivate my employees so that they are always enthusiastic in running this business, even though the corona virus continues to grow."

The results of an interview with Mudrikan, the owner of a BFC stall who said that:

"In evaluating the business, if there is a problem in the business every month, we always negotiate to find a way out so that this problem can be quickly resolved."

The results of the interview above said that in the application of business strategies there must be obstacles and problems. MSMEs in Barru sub-district have implemented a previously planned strategy but there are obstacles or problems faced such as external and internal factors. In a business there must be an evaluation for how to achieve business success, it does not guarantee future business success in a business must review the factors that are the problem, measure the existing performance, and take various corrective actions.

The results of the interview with the owner of a children's clothing store, who said that:

"The evaluation that I often do to my team regarding our business problems is the development of social media and services, have there been any problems during the last 1 month, this is what we talked about, and after they revealed all the problems, now that's where we immediately looked for solutions to fix it."

Researchers can conclude that MSME actors in Barru sub-district must see what kind of developments must be faced so that MSME actors in Barru sub-district usually take action.

As an interview with Mudrika stated that:

"Every month we always gather employees to evaluate what must be done to improve the business and what must be improved so that it goes according to the initial plan."

The results of the interview above can be said that this evaluation is carried out to measure the extent to which the results have been achieved, as well as the previously planned strategy. This is the importance of evaluation in a business. If it is associated with the management of SMEs in the Barru sub-district, it has been running with Islamic financial management because it does not come out of Islamic rules, such as the steps carried out by MSMEs in the Barru sub-district not only to achieve the targets that have been set but how to provide trust and good service. to customers. And the method used by MSMEs in the Barru district cannot be separated from politeness, honesty and avoiding elements of fraud and so on.

## **4. Conclusion**

The strategic planning carried out by MSMEs in the Barru sub-district at this time is planning for services and the use of technology or social media such as Facebook, Instagram, and WhatsApp, this is a strategy for planning MSMEs in the Barru sub-district to survive in their business. Meanwhile, in maintaining its business, it cannot be separated from the quality of its products. The implementation of the MSME marketing strategy in the Barru sub-district has been in accordance with the plan, namely in the Barru sub-district currently in the COVID-19 pandemic, namely by utilizing technology or social media and services. Evaluation is an important thing in business so that businesses can measure up to where the performance has been achieved, and this has been carried out by MSME actors in the Barru district during the covid-19 pandemic.

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