





## Direct cash assistance on the development and sustainability of micro small enterprises in Bandung regency, Indonesia

 **Imas Soemaryani<sup>1+</sup>**

 **Umi Kaltum<sup>2</sup>**

 **Meinanda Kurniawan<sup>3</sup>**

 **Dara Sagita Triski<sup>4</sup>**

<sup>1,2,3,4</sup>Faculty of Economics and Business, Universitas Padjadjaran, Indonesia.

<sup>1</sup>Email: [Imas.soemaryani@unpad.ac.id](mailto:Imas.soemaryani@unpad.ac.id)

<sup>2</sup>Email: [umi.kaltum@unpad.ac.id](mailto:umi.kaltum@unpad.ac.id)

<sup>3</sup>Email: [meinanda@unpad.ac.id](mailto:meinanda@unpad.ac.id)

<sup>4</sup>Email: [dara.sagita@unpad.ac.id](mailto:dara.sagita@unpad.ac.id)



(+ Corresponding author)

### ABSTRACT

#### Article History

Received: 6 March 2024

Revised: 20 June 2025

Accepted: 14 July 2025

Published: 4 August 2025

#### Keywords

Business development

Business sustainability

Cash transfer

Micro small enterprises

Ordinal regression.

The COVID-19 pandemic has significantly affected micro, small, and medium-sized enterprises (MSMEs), causing revenue losses, business closures, and workforce reductions compounded by supply chain disruptions. Governments have introduced direct cash assistance (DCA) programs such as Indonesia's Productive Presidential Assistance for micro enterprises to support 12 million MSMEs, particularly those excluded from bank loans or certain sectors. This program seeks to sustain operations, restore purchasing power, and alleviate long-term pandemic impacts. Despite its objectives, challenges remain, including coordination issues among implementing agencies and ineligible MSMEs registering for assistance. Additionally, fluctuating fund allocations had varying effects on businesses, highlighting the need for program optimization. The research, conducted in Bandung Regency, reveals that while millions of MSMEs have benefited from the aid, its direct impact on business sustainability varies between 10% and 50%, with funds primarily spent on essential business needs. The study emphasizes the importance of government cash assistance in supporting MSMEs during crises. It contributes to the literature by examining the role of DCA in promoting MSME sustainability and development, particularly during a pandemic. Theoretical implications suggest that DCA is a form of social protection aligning with government compensation for societal welfare. Further research is needed to optimize DCA utilization for fostering MSME growth and resilience, especially in the post-pandemic era.

**Contribution/Originality:** This study explores the impact of direct cash assistance on the development and sustainability of micro and small enterprises in Bandung Regency, Indonesia, utilizing a mixed-method approach. Unlike previous studies, it focuses on integrating socio-economic factors and localized challenges to provide actionable insights for policy-making in emerging economies.

## 1. INTRODUCTION

A major effect of the COVID-19 epidemic has been felt by micro, small, and medium-sized (MSMEs) enterprises. MSMEs saw a sharp drop in revenue due to several limitations and closures put in place to combat the virus's spread. Many were compelled by diminishing demand and restricted market access to cease operations or cut back their enterprises. Furthermore, MSMEs struggle to secure the funding they require to survive because they frequently lack the financial reserves necessary to weather a protracted crisis. Another major issue is supplying chain disruption which makes it harder to get raw materials or get goods to market. In addition to the financial aspects, there were also social and employee effects because many MSMEs were compelled to reduce staff or work

fewer hours which put a significant strain on their ability to survive and provide for the social welfare of their workers. In general, the COVID-19 pandemic's effects on MSMEs have given rise to a number of intricate issues both socially and economically that need a robust and long-lasting reaction to aid in their recovery.

During the COVID-19 pandemic, significant impacts have been felt by micro, small, and medium-sized enterprises (MSMEs) due to decreased revenue and market disruptions. To alleviate these impacts, governments introduced direct cash assistance (DCA) programs. In Indonesia, the Productive Direct Cash Assistance for Micro Businesses aims to strengthen MSMEs, given their crucial role in local economies and job creation. However, various challenges such as coordination issues and inefficiencies in fund distribution have been identified despite the program's noble intentions.

West Java in Indonesia with a significant presence of MSMEs, particularly in Bandung Regency becomes a primary focus for assistance distribution. The program implementation involves various administrative levels, including district and village authorities. However, hindering effective aid distribution despite efforts, discrepancies and inefficiencies arise.

Studies have shown shortcomings in program implementation highlighting coordination gaps and fund allocation discrepancies. Despite these challenges, the primary goal remains to support MSME sustainability and contribute to national economic recovery. This research aims to address these gaps by examining the impact of cash assistance on the growth and sustainability of MSMEs in Bandung Regency. Policymakers can design more targeted and sustainable support measures for the MSME sector by gaining insights into the effectiveness of financial assistance. This research aims to provide input for future policy decisions, enhancing resilience and development prospects for MSMEs in the region through a comprehensive analysis of program outcomes.

The COVID-19 pandemic had broad impacts, especially on MSMEs. The restrictive policies and closures implemented to combat the virus's spread have caused a sharp decline in income for MSMEs. Many of them have had to halt operations or scale back due to reduced demand and limited market access. Additionally, MSMEs also struggle to access the funding needed to survive as they often lack sufficient financial reserves to weather prolonged crises. Another significant issue is supplying chain disruptions making it difficult to obtain raw materials or deliver goods to market. Beyond financial aspects, there are also social and employee impacts as many MSMEs are forced to reduce staff or hours, putting significant pressure on their ability to survive and provide social welfare for their workers. Overall, the COVID-19 pandemic's impact on MSMEs has posed several complex social and economic problems that require strong and sustained responses to help their recovery.

Direct cash assistance is one way the government is attempting to address MSMEs' issues during the COVID-19 period. Direct cash assistance is a government assistance program providing cash or various other assistance, conditional cash transfers or unconditional cash transfers for people experiencing poverty. There are many types of cash transfers including (1) pre-employment cards; (2) electricity subsidies; (3) direct cash assistance for micro, small and medium enterprises; (4) hope family program; (5) staple foods program, and; (6) cash social assistance (Febriana, Rodiyah, & Sulistiyowati, 2019).

During the COVID-19 epidemic, the government gave micro, small, and medium-sized enterprises (MSMEs) direct financial aid for several crucial reasons. First and foremost, MSMEs are the backbone of the regional economy playing a critical role in job creation and economic expansion. They require financial support to maintain their enterprises which have suffered greatly from the decrease in revenue during the pandemic. During situations, MSMEs often do not have simple access to significant finance. Their ability to pay staff salaries, preserve liquidity, and continue operating is greatly aided by direct assistance. In addition, MSMEs assist in sustaining the socioeconomic balance of society, particularly locally, which means that the community at large benefits from their support in addition to company owners. In cases where economic activity has drastically decreased, direct aid helps to restore purchasing power and consumption to levels that are critical for promoting local economic growth. The

government hopes to reduce the long-term negative effects of the current crisis, promote economic recovery, and preserve MSMEs' viability as strong economic foundations through this direct monetary aid.

Productive presidential assistance for micro enterprises or often known as MSME direct cash assistance is provided by the ministry of cooperatives and small and medium enterprises for micro, small and medium enterprises (MSMEs). The target recipients of assistance are 12 million MSMEs spread across 37 provinces in Indonesia. Not all MSMEs will receive cash transfers; several conditions must be met, namely: (i) Indonesian citizens have a residence identification number as evidenced by a letter of recommendation from the proposer; (ii) are not currently receiving capital and investment loans from banks; (iii) not coming from members of the state civil apparatus, army/police, and state-owned enterprises employees. This direct cash assistance is productive assistance of IDR 2.4 million per MSME/year.

## 2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Direct cash assistance was first implemented in Indonesia in 2005 based on presidential instruction number 12 of 2005 concerning implementing direct cash assistance to poor households. Unconditional direct cash assistance was promoted from October 2005 to December 2006 to overcome the impact of rising fuel prices for people experiencing poverty with a one-year implementation period of cash transfers (Rana & Tiwari, 2014).

At the beginning of the implementation of this direct cash assistance, beneficiary communities took the disbursed assistance at the nearest post office where the post office announced the schedule and place. After 2005, this program continued in 2008 with presidential instruction number 3 of 2008 where direct cash assistance was provided for seven months; then, in 2013, the direct cash assistance program changed its name to temporary direct assistance which was provided to 18.5 million low-income families in the form of a nominal amount of IDR 100,000 per month (Herlambang, 2020; Mayasari & Chandra, 2020).

The main objective of this program is to help people experiencing poverty meet their daily needs. This program continues, especially in 2020 when the COVID-19 pandemic has significantly impacted the people's economy, so the government issued a policy to provide several types of direct cash assistance to people in need.

Based on Article 1, Number 28 of Village Minister Regulation Number 6 of 2020, direct cash assistance is assistance for people experiencing poverty from village funds. This assistance is one type of protection and social security from the government. Complementing the previous concept, Arif (2020) argues that direct cash assistance is a social security scheme provided to vulnerable groups following short-term negative impacts due to policy implementation. The policy defined by Paat, Angemanan, and Singkoh (2021) is a series of actions or activities proposed by a person, group or government in a certain environment where there are obstacles or difficulties and possibilities or opportunities where the policy is proposed to achieve certain goals. The direct cash assistance program is part of the government's policy to protect people experiencing poverty.

### 2.1. Direct Cash Assistance for Micro, Small and Medium Enterprises (MSMEs)

Direct cash assistance is a direct cash assistance program from the government for micro, small and medium enterprises (MSMEs) that is intended for 12.8 million MSMEs in Indonesia through the ministry of cooperatives and MSMEs. This program is a government step for MSME players affected by the COVID-19 pandemic and the government's efforts to reduce the impact of rising fuel prices (Husin, Hidayah, & Mukmin, 2021; Purnamawati, Herliyani, Ayu, & Agustini, 2019).

People's business credit program is one of the government's programs to increase access to financing for MSMEs in the form of loans or credit. Sources of funds are obtained from financial institutions that distribute people's business loans (Agustina, Winarno, Pratikto, Narmaditya, & Filianti, 2020; Burhanudin, Rindayati, & Anggraeni, 2020).

This assistance is an institution that manages funds to finance cooperatives and MSMEs through loans and other financings according to the needs of cooperatives and MSMEs. The national economic recovery program is an assistance program provided by the government through the Indonesian Ministry of Finance to MSMEs in the form of interest subsidies/margin subsidies to survive the impact of the COVID-19 pandemic.

## 2.2. Productive Presidential Assistance Program for Micro Enterprises

Productive presidential assistance for micro-enterprises often known as MSME direct cash assistance is regulated in the regulation of the minister of cooperatives and MSMEs Number 6 of 2020 concerning general guidelines for channeling government assistance to micro-business entrepreneurs to support national economic recovery to face threats that endanger the national economy and rescue national economy during COVID-19 pandemic. Based on Article 1 Point 2 of the Minister of Cooperatives and MSMEs Regulation Number 6 of 2020, productive presidential assistance for micro businesses is government assistance in the form of money given to micro business entrepreneurs from the State Budget. This assistance was given once in the form of business capital with a total of Rp. 2,400,000 which was directly channeled to the beneficiary's account.

The following are further details regarding the terms, time period and conditions related to the president's assistance for productive micro enterprises:

1. Acceptance Requirements: This assistance is intended for owners or managers of micro, small and medium enterprises. MSMEs that receive this assistance usually operate in Indonesian territory and have valid business permits.
2. Amount of assistance and period of receipt: The amount of cash assistance may vary depending on government policy at that time. In 2020, there were MSME entrepreneurs who received IDR 2,400,000. In 2021, there were MSME entrepreneurs who received IDR 1,200,000 and IDR 2,400,000, and in 2022, this assistance has been eliminated.
3. Online Registration: Recipients of presidential assistance for productive micro Enterprises register online via the official platform or website appointed by the government.
4. Document Verification: The verification process involves checking the validity of business documents and other information necessary to ensure that the recipient meets the specified requirements.
5. Flexibility of Use: Productive micro business presidential assistance generally provides flexibility in the use of funds, allowing recipients to allocate assistance according to the immediate needs of their business, such as paying employee salaries, purchasing raw materials, or meeting other operational needs.

## 2.3. Registration Procedures for Presidential Assistance for Micro Businesses

The following is the registration procedure for *presidential assistance for micro businesses*:

1. MSME players submit a registration application to the department of cooperatives and SMEs to obtain a letter of recommendation.
2. Attach identity documentation such as population identification number, family card number, address, telephone number, and business identity.
3. Waiting for the verification process to be carried out by the cooperatives and SMEs service.
4. Regularly monitor receipt status on the e-form.bri.co.id/bpum page by entering your ID card number and verification code.

For the record, MSME actors can only receive this assistance once. For example, MSME actors who received service in 2021 and 2022 cannot re-register as recipients of this MSME direct cash assistance.

## 2.4. Procedures for Disbursing Presidential Assistance for Micro Businesses

The procedure for checking and disbursing productive assistance for micro enterprise funds is as follows:

1. Visit the form.bri.co.id/bpum page.
2. Enter your ID card number and verification code.
3. Then go to the inquiry process page.
4. The screen will display a notification to MSME entrepreneurs whether they have succeeded in getting assistance or not.
5. If registered as a presidential assistant for micro businesses recipient. MSME players can disburse aid funds by coming directly to the nearest BRI Bank and bringing a number of documents, such as savings books, debit cards, ID card and a statement of absolute responsibility.

### 2.5. Business Development

According to [Fadilah et al. \(2021\)](#), business development is preparing an analysis of potential growth opportunities by utilizing expertise, technology, intellectual property, and external directives to improve quality to expand its business.

In line with the previous concept, [Cahyanti and Anjaningrum \(2017\)](#) argue that business development is everything done to improve current and future work implementation by providing information, deployment, arrangements and guidelines for developing their business.

Based on the above concepts, business development is a set of activities to create something by developing and transforming various resources into goods or services consumers want.

According to [Jayanti \(2023\)](#), there are several stages of business development including (i) identification of opportunities; (ii) formulate business alternatives; (iii) alternative selection; (iv) implementation of selected alternatives and (v) evaluation ([Husin et al., 2021](#)).

The development of micro, small and medium enterprises (MSMEs) is an effort made by the government, the business world and the community to empower assistance and assistance to grow and improve the capabilities and competitiveness of MSMEs ([Putri, 2017](#)). The results explain that the MSME development program is one of the instruments to increase people's purchasing power which will eventually become a safety valve from an economic crisis situation. MSME development is very strategic in driving the national economy. Considering that its business activities cover almost all business fields, the contribution of MSMEs is substantial for increasing income for low-income people.

MSME development is directed at overall development activities in the economic sector. Schmitz and Knorringa ([Rana & Tiwari, 2014](#)) put forward several indicators in developing small businesses, including product innovation, increasing production quality, improving marketing performance, business transformation to a higher level and moving to a new sector. In line with the results of Reeg's research, several indicators for the MSME development process are improving the characteristics of business entrepreneurs and business characteristics, developing business networks.

Complementing the previous concepts, the indicators for developing MSMEs ([Hendrawan et al., 2019](#)) are as follows:

- a. Easy access to capital. One of the problems faced by MSMEs is the capital aspect.
- b. Infrastructure development assistance.
- c. Business scale development. Economic empowerment for business actors was initially carried out through an individual approach. Other important aspects in developing a business scale include partnerships between business scales and types of business, goods markets and production input markets.
- d. Development of business networks, marketing and business partnerships. Efforts to develop business networks can be carried out using various patterns, for example, sub-contract networks or cluster development.

- e. Human Resource Development. Human resources are an important factor for every business, including small sector businesses.
- f. Increased Access to Technology. Motivate various technology research institutions more oriented towards improving technology according to needs, developing design innovation centers according to market needs, developing extension centers and spreading technology more widely to micro, small and medium enterprise locations.

## 2.6. Micro Small Medium Enterprises Sustainability

In accordance with the idea examined by [Martadani \(2020\)](#), business continuity is the stability of the business, in which sustainability is a business continuity system that includes additions, continuations and approaches to protect business continuity and business expansion. Complementing the previous concept, foster ([Rahayu & Musdholifah, 2017](#)) suggests that business continuity is a condition when a company has sufficient funds to run and develop its business.

Business continuity is the condition or condition of a business related to ways to maintain, develop and protect resources and meet needs related to a business ([Jayanti, 2023](#)). The purpose of business continuity can be interpreted as maximizing the welfare of the business entity which is the present value of the business against its prospects ([Ahman, 2017](#)).

Based on the concept put forward above, business continuity is the ability of an organization to effectively and efficiently manage its minimal resources in terms of meeting long-term needs. Business continuity is the ongoing process of a business that includes development and growth as well as ways to maintain the continuity and development of a business ([Handayani, Noer, Kenali, & Adhianto, 2021](#); [Racy, Hadi, & Setyawati, 2020](#)).

Indicators of business continuity for MSME entrepreneurs business continuity indicators for MSME entrepreneurs, include the following: (i) Business growth; (ii) operating income; (iii) product quality; (iv) competitiveness; (v) conditions of the business environment ([Asriansyah, 2016](#); [Junaidi, Lubis, & Effendi, 2023](#)) and the business environment ([Hendrayani, Maryam, & Uljanatunnisa, 2020](#)).

### a. Expanding Business

Business expansion is the process of expanding a company's scope of operations. Examples of this include production growth which is the process of creating more output as a result of greater capacity, customer growth, employee growth and corporate value growth.

### b. Revenues from operations

Cash inflows, asset increases for the owner and income from business operations are all considered forms of business income. One of the requirements for a firm to stay in operation is revenue.

c. Product quality, which tries to meet and satisfy customer or consumer expectations, is the physical state, function, and nature of products, whether they are goods or services depending on the desired degree of quality.

### d. The Spirit of Competition

Being competitive means having an advantage or capability that is employed as a strategic plan to build a portion of the company's accumulated worth that is tough for rivals to copy and is not carried out by rivals.

### e. Environmental Conditions for Business

Profits Rising. Environmental sustainability and business sustainability are inextricably linked. It follows that the business can profit from the surrounding environment the better the business environment is managed.

## 2.7. Hypothesis

Direct cash assistance is related to the nominal value given and the procedures for receiving it to MSMEs, so the hypothesis for this research is as follows:



*H<sub>1</sub>: There is an influence between the nominal amount of presidential assistance for productive micro businesses for the development of MSMEs in Bandung Regency.*

*H<sub>2</sub>: There is an influence between the president's nominal assistance for productive micro enterprises for the sustainability of MSMEs in Bandung Regency.*

*H<sub>3</sub>: There is an influence between the process of receiving presidential assistance for productive micro enterprises on the development of MSMEs in Bandung Regency.*

*H<sub>4</sub>: There is an influence between the process of receiving presidential assistance for productive micro enterprises on the sustainability of MSMEs in Bandung Regency.*

### 3. RESEARCH METHODOLOGY

#### 3.1. Sample

To gather primary data from MSME entrepreneurs in Bandung Regency who received presidential assistance for productive micro enterprises, this study used a descriptive survey method with a quantitative approach. 40 MSME business units that had received direct cash assistance in 2020, 2021, or a combination of the two made up the research sample.

A statistical trade-off between representativeness and efficiency in this study led to the selection of 40 MSME entrepreneurs in Bandung Regency as the sample size. The MSME population in the Bandung Regency area was given adequate consideration when determining this statistic. This number is deemed adequate to give a fairly representative picture of the impact of direct cash assistance on MSMEs generally, even though it does not accurately represent the whole MSME population in the region. This is based on the statistical idea that study findings may typically describe important features of a broader population when the sample size is sufficiently large while still manageable. It is intended that by choosing 40 MSME entrepreneurs with a range of business sectors, sizes, and aid receipt levels, this sample will accurately represent the diversity of the MSME environment in Bandung Regency.

In addition, time and resource constraints are taken into account when doing research. Considering the time and resources available, gathering data from a larger sample size would not be feasible. As a result, 40 is thought to be a suitable balance between sample representativeness and data collection efficiency. Though the sample size is not large enough to fully reflect the MSME population in Bandung Regency, a thorough examination of this sample should yield important insights into how direct financial aid affects the growth and sustainability of MSMEs in the area. It is so envisaged that the research's findings will give policymakers helpful guidance for assisting the MSME sector more generally.

Focus group discussion (FGD) was used to collect data and participants included government representatives from the trade industry service, cooperatives and MSMEs service as well as MSME entrepreneurs in Bandung Regency distributing surveys to participants, or MSME owners who have benefited from our support. The purpose of this questionnaire is to collect data on how direct financial assistance affects various business factors, including product diversification, business expansion, innovation, and sustainability. Descriptive statistical analysis will be used to examine and organize the data collected from the questionnaire after data collection is complete.

#### 3.2. Measures

The data collected includes the identity of the MSME to find out the respondent's type of business, what year the respondent received direct cash assistance in 2020-2021, the amount of assistance received by respondents in currency (IDR), as well as the data used for whether the direct cash assistance was provided. For example, buying raw materials, buying equipment and machines, paying shop rent, investing, and using it for personal needs, the results of this question can be seen in the results and discussion sections.

Furthermore, data from a closed questionnaire with 5 answer choices using a Likert scale (1 to 5), namely 1) strongly disagree, 2) disagree, 3) quite agree, 4) agree, and 5) very agree. The list of questions from the questionnaire can be seen in [Appendix A](#).

Questions regarding the application and registration process for direct cash assistance are attached in [Appendix A](#) also using a Likert scale (1-5), namely 1) is not very transparent, 2) is not transparent, 3) is sufficient 4) is transparent 5) is very transparent. Transparency here means that the application procedure is completed in detail, on time, and without any fraud from anyone. Secondary data from the results of a focus group discussion with the relevant governments, namely the Bandung Regency cooperative and MSME department. Bandung Regency industry and trade service, and from respondents namely MSME owners who received direct cash assistance.

The unit of analysis for this research is micro businesses in Bandung Regency, West Java with a population of 17,754 businesses. Considering the large population and geographical coverage analyzed in this research, samples will be taken from various micro businesses in Bandung Regency.

Purposive sampling was used in this research demonstrating that the sample was chosen carefully and with specific considerations for the study's goals. The purpose of this sample selection process was to gather data that would be reflective of the impact that direct support has had on MSMEs in Bandung Regency. It is also anticipated that the chosen sample will be able to capture the variety and heterogeneity that characterize help recipients, ranging from diverse business sectors, firm sizes, to varying degrees of aid utilization.

After the data is collected through questionnaires distributed to respondents, the next stage is data processing. Data analysis was carried out using the ordinal regression method which is a statistical technique for testing the relationship between independent variables and dependent variables in situations where the dependent variable is a categorical or ordinal variable.

In this study, data analysis will be conducted using the ordinal regression method, a statistical technique used to test the relationship between independent variables and dependent variables in situations where the dependent variable is categorical or ordinal. This method enables quantitative testing of the impact of direct financial support on the sustainability and development characteristics of micro, small, and medium-sized enterprises (MSMEs). This research aims to explore the extent to which direct financial support contributes to the development and sustainability of MSMEs in the Bandung Regency by employing ordinal regression. This analytical approach allows researchers to gain a more precise understanding of the relationship between various factors influencing the growth and sustainability of MSMEs.

The main difference of this study compared to previous research lies in the use of the ordinal regression method to analyze the relationship between variables affecting the sustainability and development of MSMEs. The study can provide deeper and quantitative insights into the impact of direct financial support on MSMEs, serving as a basis for formulating more effective policies to support the MSME sector by leveraging this technique.

## 4. RESULTS AND DISCUSSION

### 4.1. The Measurement Models

Based on data collected from the Bandung Regency Cooperative and MSME Office, the development of the number of MSMEs from year to year has increased significantly by an average of 23%. The 35,899 MSMEs mentioned above, if grouped into four main groups are as follows: (i) 54% of the culinary sector, 29% of fashion, 3% of crafts and the remaining 14% go to other groups. An increase also followed the development of the number of MSMEs in the awareness of MSMEs in legalizing their businesses by obtaining business licenses.

Productive presidential assistance for micro enterprises in Bandung Regency, starting to be given to MSMEs in 2020 is the basis for providing productive presidential assistance for micro enterprises listed in Minister of Finance Regulation No. 134/2022 concerning mandatory spending in the context of handling the impact of inflation in the 2022 fiscal year targeting SMEs, fishermen and online motorcycle taxis. Productive



presidential assistance for micro enterprises has been given for two consecutive years with the following details: (i) In 2020, there were 54,227 MSME recipients of productive presidential assistance for micro enterprises with a total disbursement of Rp. 130,144,800,000. (ii) In 2021, there will be 88,981 MSME recipients of productive presidential assistance for micro enterprises with a total disbursement of IDR 106,777,200,000.

Based on the results of data collection in the field collected through questionnaires from 31 respondents who received presidential assistance for productive micro enterprises in Bandung Regency, it turned out that the amount of cash direct assistance money received varied from IDR 1,200,000 to IDR 3,600,000. The amount of productive presidential assistance for micro enterprises in detail can be seen in Table 1.

**Table 1.** Amount of productive presidential assistance for micro enterprises received by MSMEs in Bandung Regency

No.	Percentage of the number of MSMEs	Amount of funds received (IDR)
1	3.12	600.0
2	34.38	1.200
3	43.75	2.400
4	18.75	3.600
Total	100	7.800

The variation in the amount of presidential productive assistance for micro businesses is due to several reasons: (i) some beneficiaries will receive it starting in 2020, and some will only receive it in 2021 and (ii) inaccurate processing of received data.

Several other problems encountered in the distribution of micro business productive presidential assistance funds include: (i) the data received and collected is not ready and not valid; (ii) the provision was not on target due to the inaccuracy of the data received and the limited time and energy to verify the collected data; (iii) extortion exists, which cannot be denied that extortion in the distribution of aid funds does exist; (iv) most of the funds received were not used for business by the directions given by the productive presidential assistance for micro enterprises; (v) monitoring devices are not or are not ready for almost all parties involved in the distribution of productive presidential assistance for micro enterprises, and this also has an impact on; (vi) the burden of accountability in the regions.

#### 4.2. Hypothesis Testing

##### 4.2.1. Nominal Amount of Presidential Assistance for Productive Micro Enterprises for the Development of MSMEs in Bandung Regency

The results of the analysis of the effect of the number and time of receipt of productive presidential assistance for micro enterprises on the MSME development in Bandung Regency using ordinal regression analysis are as follows:

**Table 2.** Case processing summary

Case processing summary			
Variables		N	Marginal percentage
Business development	Not develop	17	42.5%
	Quite developed	20	50.0%
	Develop	3	7.5%
Length of time to receive direct cash assistance for MSMEs.	2020	24	60.0%
	2021	16	40.0%
Amount of direct cash assistance for MSMEs received (IDR).	1.200	24	60.0%
	2.400	16	40.0%
Valid		40	100.0%
Missing		0	0%
Total		40	100.0%

Table 2 presents the case processing summary showing the distribution of respondents based on business development, the length of time to receive direct cash assistance, and the amount of assistance received. An average of 60% of respondents who have received direct cash assistance delivered in 2020 an amount of 1,200,000 rupiah, the remaining 40% of respondents received direct cash assistance in 2021 with each receiving a total of 2,400,000 rupiah. 50% did not experience progress after receiving direct cash assistance.

Table 3. Model fitting information

Model fitting information				
Model	-2 log likelihood	Chi-square	Df	Sig.
Intercept only	17.407			
Final	10.953	6.455	1	0.011
Link function: Logit.				

Table 3 presents the model fitting information for the analysis. A significance value of 0.000 is obtained which is smaller than the significance level of 0.000 ( $0.011 < 0.05$ ) which states that there is a positive influence between the amount and time of receiving presidential assistance for productive micro enterprises MSME Development in Bandung Regency. Although it has a positive influence, the effect of Pseudo R-Square was re-examined. The author selected Nagelkerke's R-squared value which was 0.178. This indicates that the number and timing of the receipt of Productive Micro Business Presidential Assistance contributed 17.8% to business development in Bandung Regency while the remaining 82.2% was influenced by other variables outside this research. This value, which is not large and not significant, proves that the amount of direct cash assistance received does not help the development of MSME businesses. This was also detected because the assistance provided was in the form of cash whereas during the COVID-19, MSMEs did not buy and sell much, so the money given was used more for personal needs than for business needs, because business conditions were not running optimally. It is hoped that the assistance provided by the government can be in the form of goods, namely business support equipment and raw materials.

#### 4.2.2. Nominal Amount of Presidential Assistance for Productive Micro Enterprises for the Sustainability of MSMEs in Bandung Regency

The results of the analysis of the influence of the amount and time of receiving presidential assistance for productive micro businesses on the sustainability of MSMEs in Bandung Regency using ordinal regression analysis are as follows:

Table 4. Case processing summary

Case processing summary			
Variables		N	Marginal percentage
Business sustainability	Not much increase	9	22.5%
	Not increasing	23	57.5%
	Enough increase	8	20.0%
Length of time to receive direct cash assistance for MSMEs.	2020	24	60.0%
	2021	16	40.0%
Amount of direct cash assistance for MSMEs received (IDR).	1.200	24	60.0%
	2.400	16	40.0%
Valid		40	100.0%
Missing		0	0%
Total		40	100%

Table 4 presents the case processing summary showing the distribution of respondents based on business sustainability, the length of time to receive direct cash assistance, and the amount of assistance received. An average of 60% of respondents who have received direct cash assistance delivered in 2020 an amount of 1,200,000 Indonesian Rupiah, the remaining 40% of respondents received direct cash assistance in 2021 with each receiving a total of 2,400,000 Indonesian Rupiah. 57.5% did not experience an increase after receiving direct cash assistance because the direct cash assistance funds were used for personal needs and the situations and conditions in 2020-2021 were still in lockdown so businesses could not continue quickly.

Table 5. Model fitting information

Model fitting information				
Model	-2 log likelihood	Chi-square	df	Sig.
Intercept only	18.883			
Final	11.118	7.766	1	0.005
Link function: Logit.				

Table 5 presents the model fitting information for the analysis. A significance value of 0.000 is obtained which is smaller than the significance level of 0.000 ( $0.005 < 0.05$ ) which states that there is a positive influence between the amount and time of receiving presidential assistance for productive micro enterprises on the sustainability of MSMEs in Bandung Regency. Even though it has a positive effect, the effect is confirmed again in one of the Pseudo R-squares, the author chooses one of Nagelkerke's R-square values obtained an R-square value of 0.206 or the influence between the amount and time of receiving productive micro business social assistance on business continuity in Bandung Regency was 20.6%, the remaining 79.4% was influenced by other variables outside this research. This value, which is not large and insignificant, proves that the amount of direct cash assistance received does not help the business continuity of MSME entrepreneurs.

This value is in line with the results of interviews with MSME players during the FGD that the nominal amount given when providing direct cash assistance was due to the COVID-19 pandemic so sales were still very limited. However, the amount can only help in purchasing raw materials and equipment as well as personal needs, which also supports business continuity after the pandemic.

#### 4.2.3. The Influence Admission procedures of Presidential Assistance for Productive Micro Enterprises on the Development of MSMEs in Bandung Regency

The results of the analysis of the influence of the process of application and disbursement of productive micro business presidential assistance on the development of MSMEs in Bandung Regency using ordinal regression analysis are as follows:

Table 6. Case processing summary

Variables		N	Marginal percentage
Business development	Very undeveloped	9	22.5%
	Do not develop	23	57.5%
	It's quite developed	8	20.0%
Admission procedures	Quite transparent	10	25.0%
	Transparent	22	55.0%
	Very transparent	8	20.0%
Valid		40	100%
Missing		0	0%
Total		40	100%

Table 6 presents the case processing summary, showing the distribution of respondents based on business development and the transparency of admission procedures for direct cash assistance. An average of 55% of

respondents who have received direct cash assistance said that the admission procedures direct cash assistance were transparent in accordance with applicable rules and procedures. Besides, 57.5% of respondents thought that their business sustainability was not developing and 22.5% of respondents were experiencing very little progress in their business. Questions regarding the application and registration process for direct cash assistance are attached in [Appendix A](#) also using a Likert scale (1-5), namely 1 is not very transparent, 2 is not transparent, 3 is sufficient 4 is transparent 5 is very transparent. What is meant by transparency is that the application process is carried out in detail, on target and without any fraud from any party.

**Table 7.** Model fitting information

Model fitting information				
Model	-2 log likelihood	Chi-square	Df	Sig.
Intercept only	73.451			
Final	0.000	73.451	2	0.000

Link function: Logit.

[Table 7](#) presents the model fitting information for the analysis. A significance value of 0.000 is obtained, less than the significance level of 0.000 ( $0.000 < 0.05$ ) indicating that there is a positive influence between the process of applying for and disbursing the productive presidential assistance for productive micro enterprises on MSME development in Bandung Regency. Even though it has a positive effect on one of the pseudo R-Squares, the author chose the Cox and Snell's R-Square values, obtained an R-square value of 0.841 or the influence of the process of disbursement and delivery of productive micro business presidential assistance for productive micro enterprises on business development in Bandung Regency of 84.1 %, the remaining 15.9% is influenced by other variables outside this research. In the disbursement process, the value has a big influence because MSME players feel that the disbursement procedure is easy to carry out because the requirements given by the government can be fulfilled by MSME entrepreneurs.

#### *4.2.4. The Influence Admission Procedures of Presidential Assistance for Productive Micro Enterprises on the Sustainability of MSMs in Bandung Regency*

The results of the analysis of the influence of the process of application and disbursement of productive micro business presidential assistance on the sustainability of MSMEs in Bandung Regency using ordinal regression analysis are as follows:

**Table 8.** Case processing summary

Variables		N	Marginal percentage
Business sustainability	Not increasing	17	42.5%
	Enough increase	20	50.0%
	Increase	3	7.5%
Admission procedures	Quite transparent	10	25.0%
	Transparent	22	55.0%
	Very transparent	8	20.0%
Valid		40	100.0%
Missing		0	0%
Total		40	100%

[Table 8](#) presents the case processing summary showing the distribution of respondents based on business sustainability and the transparency of admission procedures for direct cash assistance. An average of 55% of respondents who have received direct cash assistance said that the admission procedures for direct cash assistance was transparent in accordance with applicable rules and procedures. 50% of respondents thought that their business sustainability had improved quite a bit and 42.5% of respondents did not experience an increase in their business

sustainability. Questions regarding the application and registration process for direct cash assistance are attached in [Appendix A](#) also using a Likert scale (1-5), namely 1 is not very transparent, 2 is not transparent, 3 is sufficient 4 is transparent 5 is very transparent.

What is meant by transparency here is that the application process is carried out in detail, on target, and without any fraud from any party.

**Table 9.** Model fitting information

Model fitting information				
Model	-2 log likelihood	Chi-square	df	Sig.
Intercept only	40.216			
Final	0.000	40.216	2	0.000
Link function: Logit.				

[Table 9](#) presents the model fitting information for the analysis. A significance value of 0.000 is obtained which is less than the significance level of 0.000 ( $0.000 < 0.05$ ) which states that there is a positive influence between the application process and the disbursement of presidential assistance for productive micro enterprises for sustainable MSMEs in Bandung Regency. Even though it has a positive effect, it is confirmed again by one of the pseudo R- squares, the author chooses one of the McFadden's R- square values, obtained an R- square value of 0.556 or the influence of the process of disbursing and handing over productive micro business presidential assistance for productive micro enterprises on business continuity in Bandung Regency is equal to 55.6%, the remaining 45.4% is influenced by other variables outside this research.

The results of this research's statistical calculations are in line with the results of research. [Irfan, Hakim, Sugandi, and Halimah \(2023\)](#) which found several indications of problems related to the productive micro business presidential assistance program, this indirect change in the allocation of funds given to each micro business in 2020 and 2021 has a different impact on each micro business actor. The reduction in the amount of aid funds in 2021 will automatically have an impact where aid recipients feel that the amount given cannot cover the losses, they experienced during the COVID-19 pandemic.

#### 4.3. Discussion

##### 4.3.1. Development of MSMEs Recipients of Productive Presidential Assistance for Micro Enterprises in Bandung Regency

The Bandung Regency Office of cooperatives and UMKM has compiled a classification of MSME clusters based on MSME area clusters that are currently divided into 7 clusters based on potential and regionalism. This categorization aims to facilitate the MSME development program, so that it is more focused according to the characteristics of the MSME itself. Development and empowerment programs that have been implemented for MSMEs themselves include (i) Development of micro enterprises includes beginner entrepreneurship training, thematic/substantive training, product promotion, business incubation, coaching clinic and MSME digitization. (ii) The micro enterprise empowerment program includes: data collection of SMEs, business meetings, capital intermediation, UMKM catalogs, partnerships, licensing facilitation and institutional strengthening.

The MSME development program in Bandung Regency apart from the 3 sectors that are the biggest contributors to GRDP, namely culinary, fashion and crafts, there are other potentials that can be developed in accordance with the potential of the Bandung Regency area. Some of the industries that can be developed include the processing industry for agricultural food crops, vegetables and fruits, the textile and textile product industries, the plantation product processing industry, the livestock product processing industry and the furniture industry. In addition, the development of micro, small and medium enterprises (MSMEs) is an effort by the government, the business world and the community to empower micro, small and medium enterprises through the provision of



facilities, guidance, assistance, strengthening assistance to grow and improve the capabilities and competitiveness of MSMEs. .

From the results of data collection based on questionnaires collected from field data, it was shown that 83.9% of MSMEs had developed business networks, including (i) participating in online business communities through the Facebook application; (ii) share information online through the business community through WhatsApp Group; (iv) MSMEs can participate in exhibitions offline; and (iv) have resellers. Meanwhile, 16.1% of MSMEs had no business network development caused by the effects of the COVID-19 pandemic so that people's purchasing power was unstable, and one of the MSMEs located in a school environment, during the pandemic, schools were closed (online learning) so there was no development. business.

74.2% of MSMEs had developed marketing networks, including (i) starting to take part in offline exhibitions again; (ii) entering the creative market (Uniqlo brand); (iii) new product innovation; (iv) there has been an order for products from outside the city; (v) opening a reseller and dropshipper system; (vi) create a reseller group; and (vii) communities on social media (WhatsApp and Facebook). Meanwhile, 25.8% of MSMEs had no marketing network development due to (i) slow sales because people's purchasing power had decreased; (ii) online marketing is not optimal; and (iii) business capital is used for personal needs, so no products are produced and sold.

54.8% of MSMEs experienced human resource development (HR) after receiving assistance for productive president micro business through increasing product resellers and dropshippers. 45.2% there was no HR development.

51.6% of MSMEs received additional partnerships including (i) MSMEs became PKBL fostered partners in one of the Country own Business (ii) partnering with state- owned enterprises (PT. Biofarma and PT. Pegadaian). (iii) Partnering with a well-known fashion company (Uniqlo); (iv) partnering with BUMD (Sarana Jabar Ventura); and (v) exchanging products with fellow MSME entrepreneurs. Meanwhile, 48.4% did not have additional partnerships, this was because the purchasing power of products decreased during the pandemic. There is no significant sustainability of MSME entrepreneurs who receive direct cash assistance because economic conditions have decreased drastically, the cost of direct cash assistance provided is mostly used for personal needs.

#### *4.3.2. MSME Sustainability in Bandung Regency Recipients of Productive Presidential Assistance for Micro Enterprises in Bandung Regency*

Following the primary purpose of providing micro, small and medium enterprises productive presidential assistance, namely to help capitalize micro, small and medium enterprises (MSMEs) actors as productive assistance and as a result of inflation, the productive presidential assistance for micro enterprises should be used by MSMEs to support their businesses so that their businesses remain sustainable and growing as expected. However, because supervision of the use of micro business productive presidential assistance funds is almost nonexistent, some MSMEs use micro business productive presidential assistance funds not for their business capital. Detailed use of MSME direct cash assistance funds can be seen in [Table 10](#).

**Table 10.** Variations in the utilization of productive presidential assistance funds for micro enterprises

No.	Allotment	Percentage (%)
1	Purchase of raw materials	12.50
2	Store rent payment	6.25
3	Purchase of production equipment/ machinery	53.12
4	Investment	6.25
5	Personal/ family needs	21.88
Total		100

From the data in Table 10, it can be seen that in general, although there are funds that are used not for business purposes or for personal/family needs or interests, in general they are used for the purposes of sustainability and business development. The sustainability of MSMEs can be seen based on business growth referring to increasing the scale of business operations, one of which is adding business assets, to support production growth in order to produce more output to increase production capacity. From the results of data collection based on questionnaires collected from field data, it showed that 67.7 percent had added to the number of company assets in the form of work tools or machinery or other work facilities, and only 32.3 percent had no additions. The results of data collection based on questionnaires collected from field data shows that the largest increase in turnover after receiving micro business President assistance was 50% for 2 MSMEs while the highest increase in MSME turnover was for 10 MSMEs whose turnover increased by 30%, and 4 (four) MSMEs did not experience an increase in turnover after receiving direct cash assistance.

Based on the results of data processing from the questionnaire, it was found that the average increase in profit after receiving this assistance was between 10% -50%, and the highest increase in profit was 20%, namely 8 MSMEs, and 6 MSMEs did not experience an increase in profit after receiving direct cash assistance.

Based on Table 1, it is known that 53.12% of funds. This assistance is intended for recipients of this assistance to purchase production equipment and machinery which aims to improve the quality of the products produced so that they have competitiveness, especially during a pandemic. There has been no significant continuity of MSME entrepreneurs receiving direct cash assistance due to economic conditions that have drastically decreased the cost of direct cash assistance provided which is mostly used for personal needs.

#### *4.3.3. Barriers to MSMEs in the Process of Applying for Productive Presidential Assistance for Micro Enterprises*

From the 40 respondents (MSMEs) who filled out the questionnaire, 17 MSMEs answered that there were no obstacles during the process of applying for assistance from the productive president of micro-businesses, while other MSMEs answered various obstacles that were felt during the submission process, including (i) this direct cash assistance is provided by the government or productive presidential assistance for micro businesses that collaborate with the Cooperative Service and go to the National Bank, namely Bank Rakyat Indonesia, as the place for disbursing the funds. So the recipients have to take assistance from Bank Rakyat Indonesia. However, the obstacle felt was that respondents who previously had an account number at this bank had to create a new account specifically for receiving assistance. This is considered to be quite obstructive for respondents and prolongs the reception process time and is considered ineffective. This aid disbursement system needed to be on schedule, resulting in a buildup of queues when disbursing and waiting for a long time. (ii) MSME actors experience difficulties in the process of submitting beneficiary submissions, and it is not easy to find a bank whose queue for disbursing funds is not long. (iii) The information is confusing, and there is a sense of fear among SMEs that irresponsible people will misuse their data. (iv) From the district where the MSME actors live requires that it must be accompanied by the payment of building tax, which basically does not include the mandatory conditions for disbursing this assistance. (v) Lack of information from the government/ department regarding productive presidential assistance for micro enterprises. When requesting a business certificate, there needed to be a better understanding of one of the locations where the MSME actors lived.

## **5. CONCLUSION**

Over the past two years in Bandung Regency, the presidential assistance for productive micro enterprises has demonstrated significant impact. In 2020, a total of 54,227 MSMEs received assistance amounting to IDR 130,144,800,000, while in 2021, the number of recipients increased to 88,981 MSMEs with a distribution of IDR 106,777,200,000. Although the direct impact on business development and sustainability ranges from 10% to 50%,

the aid funds have been primarily utilized for crucial purposes such as acquiring production tools/machines, purchasing raw materials, covering shop rentals, making investments, and addressing personal/family needs.

This research contributes to the existing literature by shedding light on the influence of government-provided direct cash assistance. Specifically, it adds to the understanding of how such assistance impacts the sustainability and development of micro, small, and medium enterprises. The president's productive assistance has also been found to influence MSMEs' development in Bandung Regency through various channels including business networks, marketing strategies, human resource development, and partnerships with entities such as BUMNs (state-owned enterprises). By focusing on assistance provided during the pandemic, this study enriches the literature on the effects of direct cash assistance on MSMEs, reinforcing the view that such government interventions provide crucial social protection for those in need. Drawing from the conclusions, this research offers practical recommendations that can inform policymaking and implementation. Suggestions provided by MSME owners and relevant government agencies include the establishment of better data monitoring tools involving officials from various ministries and field officers to ensure synchronized and organized MSME data. Additionally, future assistance programs could consider providing support in the form of raw materials, equipment, marketing, and exhibition facilities to enhance MSMEs' welfare and productivity. Transparency in the process of distribution and supervision is also highlighted as crucial, along with revising and re-registering assistance recipients to ensure better targeting. Moreover, it is recommended to prioritize assistance to long-standing MSMEs with a track record of at least one year in business, and to streamline the disbursement process by utilizing existing bank accounts for MSMEs. These practical recommendations aim to optimize the effectiveness and impact of future assistance programs for micro-enterprises in Bandung Regency.

### 5.1. Research Limitations

This research is limited to specific variables, namely only focusing on the impact of direct cash assistance provided by the ministry of cooperatives and small and medium enterprises. Future research could expand the scope by including other similar variables such as people's business credit or assistance with equipment and machinery. This will provide a more comprehensive understanding of the different types of assistance that can influence MSME growth. Second, the geographical scope of this research is limited to Bandung Regency. Further research could expand to several regions in Indonesia to obtain a broader and more representative view of the effectiveness of direct cash assistance for MSMEs. By broadening geographic reach, research can reveal differences and similarities in the impact of aid across regional contexts. The number of samples used in the research (40 MSME entrepreneurs in Bandung Regency) could be a limitation that needs to be considered. Even though the sample consists of 40 MSME entrepreneurs in Bandung Regency, a stratification or cluster approach in the sampling method can be used to expand diversity in this limited sample. Collaboration with relevant institutions or collection of data from various sources can broaden the sample coverage, ensuring better representation of various types of MSMEs. In addition, considering qualitative approaches such as in-depth interviews with a small number of respondents can also provide a deeper perspective on MSMEs' experiences regarding direct cash assistance. In the face of these limitations, it is important to use appropriate analytical methods.

**Funding:** This research is supported by Universitas Padjadjaran (Grant number 1549/UN.6.3.1/PT/00/2023)

**Institutional Review Board Statement:** The Ethical Committee of the Directory of Education, Research, and Community Service Universitas Padjadjaran, Indonesia has granted approval for this study on 27 March 2023 (Ref. No. 1549/UN.6.3.1/PT/00/2023)

**Transparency:** The authors state that the manuscript is honest, truthful, and transparent, that no key aspects of the investigation have been omitted, and that any differences from the study as planned have been clarified. This study followed all writing ethics.

**Competing Interests:** The authors declare that they have no competing interests.

**Authors' Contributions:** All authors contributed equally to the conception and design of the study. All authors have read and agreed to the published version of the manuscript.

## REFERENCES

- Agustina, Y., Winarno, A., Pratikto, H., Narmaditya, B. S., & Filianti, F. (2020). A creative economy development strategy: The case of Trenggalek creative network for Trenggalek Regency, Indonesia. *The Journal of Asian Finance, Economics and Business*, 7(12), 1111-1122. <https://doi.org/10.13106/jafeb.2020.vol7.no12.1111>
- Ahman, E. (2017). SME's development model based on partnership. *LCEEE*, 10(2), 215-219.
- Arif, A. (2020). *BLT village fund and opportunities for corruption*. AyoSemarang.Com, 2018-2020. Retrieved from <https://www.ayosemarang.com/read/2020/05/03/56363/blt-dana-desa-dan-peluang-korups>
- Asriansyah, M. F. (2016). Analysis of factors affecting the application of accounting information in micro, small and medium enterprises (MSMEs) of Pemppek (Study in Pemppek MSMEs in the 26 Ilir Market Area of Palembang City). *Angewandte Chemie International Edition*, 6(11), 951-952.
- Burhanudin, M., Rindayati, W., & Anggraeni, L. (2020). Analysis of creative industries development in Indonesia. *International Journal of Sciences: Basic and Applied Research*, 49(1), 195-205.
- Cahyanti, M. M., & Anjaningrum, W. D. (2017). Factors influencing the development of small businesses in the manufacturing industry sector in Malang city. *Jurnal Ilmiah Bisnis Dan Ekonomi Asia*, 11(2), 73-79. <https://doi.org/10.32812/jibeka.v11i2.50>
- Fadilah, A., Syahidah, A., Nur'azmi, R. A., Nurmaulida, A. S., Masfupah, D. D., & Arumsari, C. (2021). Development of Micro, small, and medium enterprises through external facilitation and internal potential. *BERNAS: Journal of Community Service*, 2(4), 892-896. <https://doi.org/10.31949/jb.v2i4.1525>
- Febriana, P., Rodiyah, I., & Sulistiyowati, W. (2019). *Implementation of information and communication technology to improve product quality and partnerships with the quadruple helix method approach*. Paper presented at the Proceedings of the 1st International Conference on Emerging Media, and Social Science (ICEMSS 2018), 195-205.
- Handayani, S., Noer, I., Kenali, E. W., & Adhianto, K. (2021). Financial feasibility of cattle breeding partnership in South Lampung Regency. *International Journal of Accounting & Finance in Asia Pasific*, 4(3), 1-8. <https://doi.org/10.32535/ijafap.v4i3.1200>
- Hendrawan, Y., Sajidah, N., Umam, C., Fauzy, M. R., Wibisono, Y., & Hawa, L. C. (2019). Effect of carbonization temperature variations and activator agent types on activated carbon characteristics of Sengon wood waste (*Paraserianthes falcata* (L.) Nielsen). *IOP Conference Series: Earth and Environmental Science*, 239, 012006.
- Hendrayani, Y., Maryam, S., & Uljanatunnisa, U. (2020). CSR partnership model for sustainable MSMEs development: A case study of the partnership program at PT Jasa Marga (Persero) Tbk. *Society*, 8(1), 94-108.
- Herlambang, J. (2020). Corporate partnership of PT Sekar Laut Tbk (PT SKLT) with crackers MSME in Sidoarjo as a form corporate social responsibility (CSR).
- Husin, R., Hidayah, N., & Mukmin, T. M. (2021). Creative industries in supporting Indonesia's economic growth in innovation perspective. *Journal of Business Economics*, 12, 1-4.
- Irfan, M., Hakim, R., Sugandi, Y. S., & Halimah, M. (2023). Effectiveness of micro business assistance program in cicalengka sub-district. *Bandung Regency*, 14(2), 619-624.
- Jayanti, E. (2023). Digitalization of MSMEs and financial literacy for MSMEs sustainability in Cilacap regency. *Widya Wirwaha College of Economics Business Review*, 31(1), 51-64. <https://doi.org/10.32477/jkb.v31i1.504>
- Junaidi, J., Lubis, Z., & Effendi, I. (2023). The effect of social network on partnership programs and MSMEs performance. *Journal Research of Social Science, Economics, and Management*, 2(6), 1108-1121. <https://doi.org/10.59141/jrssem.v2i06.366>
- Martadani, R. (2020). Inventory. *Journal of Accounting Inventory Accounting*, 4(1), 12-25.
- Mayasari, Y., & Chandra, T. (2020). Social capital for knowledge management system of the creative industry system. *Journal of Enterprising Communities: People and Places in the Global Economy*, 14(4), 557-574. <https://doi.org/10.1108/JEC-01-2020-0008>

- Paat, R. B. L. T. D. D. T., Angemanan, S., & Singkoh, F. (2021). Implementation of direct cash assistance program for village fund in 2020 in Tokin Baru Village, Motoling Timur Sub-District, South Minahasa Regency. *Executive: Journal of Department of Government Science*, 1(1), 1–11.
- Purnamawati, I. G. A., Herliyani, E., Ayu, D., & Agustini, E. (2019). Creative industry and opportunity in export market. *International Journal of Social Science and Business*, 3(2), 169–179. <https://doi.org/10.23887/ijssb.v3i2.18397>
- Putri, E. H. (2017). The effectiveness of the implementation of the micro, small and medium enterprises (UMKM) development program in Samarinda City (Study at the department of cooperatives and MSMEs of Samarinda city). *E-Journal of Public Administration*, 5(1), 5431–5445.
- Racy, I., Hadi, R., & Setyawati, R. (2020). Partnership agreement by dominant position undertakings: Legal protection of micro, small, and medium-sized enterprises. *PalArch's Journal of Archaeology of Egypt/Egyptology*, 17(3), 1989–1997.
- Rahayu, A. Y., & Musdholifah. (2017). The effect of financial literacy on the performance and sustainability of MSMEs in Surabaya city. *Jurnal Ilmu Manajemen*, 5(3), 1–7.
- Rana, A., & Tiwari, R. (2014). MSME sector: Challenges and potential growth strategies. *International Journal of Entrepreneurship & Business Environment Perspectives*, 3(4), 1428–1432.

#### Appendix A. Questionnaire questions for respondents.

MSME identity.

Are the procedures/Requirements for submitting MSME cash direct assistance considered easy and transparent.

Are the procedures/Requirements for disbursing MSME cash direct assistance considered easy and transparent.

How is your projected business growth after receiving MSME cash direct assistance.

What is the projected income for your business after receiving the MSME cash direct assistance.

How did you improve the quality of your products after receiving MSME cash direct assistance.

Is the projected competitiveness of your business after receiving direct MSME cash assistance increasing?

Have the conditions of your business environment improved after receiving direct MSME cash assistance?

How to add business assets for your product after receiving MSME cash direct assistance.

How do you add to your product turnover after receiving MSME cash direct assistance.

How to increase the profit/benefit of your product after receiving MSME cash direct assistance.

How is the development of your business network after receiving MSME cash direct assistance.

How is the development of your marketing network after receiving MSME cash direct assistance.

How is the development of your human resources after receiving MSME cash direct assistance.

How to Add Business Partners to your products after receiving MSME cash direct assistance.

Mention your obstacles during the application process up to the disbursement of MSME cash direct assistance funds.