

THE EFFECTIVENESS OF IMPLEMENTATION OF THE ONLINE SINGLE SUBMISSION PROGRAM IN THE PROCESS OF GETTING SME LICENSES FOR COMMUNITY ECONOMIC EMPOWERMENT DURING THE COVID-19 PANDEMIC IN LANGKAT REGENCY NORTH SUMATRA PROVINCE

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ABSTRACT

By issuing a business license through Online Single Submission (OSS), the business community can easily access capital and access to government business assistance in empowering the community's economy. During Covid-19 pandemic, the scope of human activity must be limited to prevent wider Covid-19 transmission, so that the government implements this OSS program to the public in obtaining business rights permits. For this reason, the effectiveness of the implementation of OSS Program in the Process of Obtaining SMEs Permits for Community Economic Empowerment during the Covid-19 Pandemic in Langkat Regency, North Sumatra Province, is a priority so that the bureaucracy in obtaining permits can be realized. The theory used is Effectiveness Concept Theory. The word effectiveness comes from the effective syllable which comes from the English word effective, which means something that has been done well. Electronic service theory is defined as an act, effort or performance whose delivery is mediated by information technology.

The research method used is a research and development method (Research and Development). Based on the results of the research on OSS Policy in business licensing services at the Investment Office and One Stop Integrated Services, Langkat Regency, it is still less effective due to the condition and ability of the community to input data requirements for obtaining permits, facilities and infrastructure that are less supportive and the realization of support from relevant agencies in Langkat Regency, Sumatra Business.

Keywords: Effectiveness, OSS Program, MSME Licensing, Community Economy, COVID-19 Pandemic

INTRODUCTION

The government is committed to implementing the automatic exchange of financial information (Automatic Exchange of Financial Account Information) so that Law Number 9 of 2017 dated August 23, 2017 concerning the Stipulation of Government Regulation in Lieu of Law Number 1 of 2017 concerning Access to Financial Information for Tax Purposes is issued (AEOI Law). Data synchronization, integrated data, the presentation of the latest data have become demands in the current era of information disclosure. "Presentation of accurate, up-to-date and accountable data is a benchmark for performance (Agus et al., 2018).

In empowering the community's economy, related to the issuance of MSME business licenses through OSS and issued GOVERNMENT REGULATION OF THE REPUBLIC OF

INDONESIA NUMBER 5 YEAR 2021 CONCERNING THE IMPLEMENTATION OF RISK-BASED BUSINESS LICENSING. In Article 6, the Central Government stipulates a policy for implementing Risk-Based Business Licensing as referred to in Article 4 letter b. The implementation of Risk-Based Business Licensing as referred to in paragraph (1) includes the following sectors: a. marine and fisheries; b. Agriculture; c. environment and forestry, d. energy and Mineral Resources; e. nuclear power; f. industry; g. trading; h. public works and public housing; i. transportation; j. health, medicine, and food; k. education and culture; l. tourism; m. religious; n. postal, telecommunications, broadcasting, and electronic systems and transactions; o. defense and security; and p. employment.

To support the community's business with risk funds, licensing services are the main thing. To create improvement and accountability of the apparatus in licensing services. In obtaining MSME licensing related to the formal legality of MSME business licensing from the government, among others. Trading Business Licensing, individual company licensing, joint venture company (Firma) licensing, Limited Liability Company licensing, and others. These permits are in the form of Business Establishment Permits, mining permits, environmental permits, route permits and others. The letter which is legalized by the company's legal entity becomes the authority of the Department.

Issuance of SIUP usually takes about two weeks, usually the owner of SIUP will be contacted by the officer to collect it, or the owner can come to the office for making the permit. Online Single Submission (OSS) is a licensing service system reconstruction program that was once carried out at the One Stop Integrated Service (PTSP) office based on Article 25 paragraph (4) of Law no. 25 of 2007. OSS is regulated in Government Regulation no. 24 of 2018 concerning electronically integrated business licensing services. OSS is the integration of business licensing electronically for licensing services with the aim of increasing capital and business. (Nelly et al., 2021) Where the principle permit for investment in licensing is replaced by a Business Identification Number which has a function as a Company Registration Certificate. Ministries and local governments do not have the authority to issue permits, so the issuance of business integration electronically is handled by the coordinating ministry for the economy (Kemendagri) as the coordinator. There are still many problems in its implementation to get effectiveness in the application to realize the urgency of the program targets using applications to obtain business licenses through OSS in Langkat Regency, North Sumatra Province (Wardhana et al., 2015).

During the Covid-19 pandemic, direct supervision of humans meeting humans manually greatly affects the transmission of Covid-19. It is hoped that the implementation of OSS Program in the Process of Obtaining SMEs Permits for Community Economic Empowerment During the Covid-19 Pandemic In Langkat Regency, North Sumatra Province, can be effective but there are still many constraint. The obstacles in the Investment and Licensing Service are Langkat Regency, Public awareness in obtaining business licenses through OSS is very low, People's ability to fill out forms to obtain permits through technological applications that have been prepared, Infrastructure facilities, laptops, printers, servers, internet network, Technical development and its maintenance. The prepared application still needs improvement. This mechanism enables the Sumatra Province One Stop Investment and Licensing Service to detect fraud automatically and create a system-wide "forced to be honest" condition, not only related to fraud in licensing management but also all fraud that occurs, including corruption (Mengenal, (n.d.)).

Formulation of the Problem

- 1) How is the implementation of OSS program in the process of obtaining SME licensing for community economic empowerment during the covid-19 pandemic in Langkat Regency, North Sumatra Province?
- 2) How is the effectiveness of the implementation of OSS program in the process of obtaining SME licensing for community economic empowerment during the covid-19 pandemic in Langkat Regency, North Sumatra Province?

- 3) How is the urgency to apply licensing application process using the OSS system and program in Langkat Regency, North Sumatra?

RESEARCH METHODS

The research method used is research and development method (Research And Development) (Metode, 2016).

Analyzing data using qualitative methods that aim to identify, describe and analyze related to the effectiveness of the implementation of OSS program in the process of obtaining SME licensing for community economic empowerment during the covid-19 pandemic in Langkat Regency, North Sumatra Province.

DISCUSSION

Implementation of the OSS Program in the Process of Obtaining MSME Licensing for Community Economic Empowerment During the Covid-19 Pandemic in Langkat Regency, North Sumatra Province.

The One Stop Investment and Integrated Service Office of Langkat Regency, North Sumatra Province was formed based on the Langkat Regency Regional Regulation Number 23 of 2017 concerning standard and operational service procedures at the Investment Office and One Stop Integrated Licensing Service, Langkat Regency dated 23 July 2017. This is expected to encourage the creation of a conducive business climate for investment and investment as well as licensing in the context of economic empowerment of the people of Langkat Regency with the aim of creating excellent service, namely good service and satisfying the community. By One Stop Investment and Integrated Service Office of Langkat Regency. Another objective related to the implementation of business licensing applications through OSS is to achieve this, it is necessary to have quality services that are in accordance with the laws and regulations and the needs of community in the context of accelerating the eradication of corruption, collusion and nepotism as well as illegal levies in order to realize good and authoritative governance. During the Covid-19 pandemic, in licensing services, business people for the community are very good because they can support health protocol programs.

The application of OSS is a Business Licensing issued by the OSS Institution for and on behalf of the Minister, Head of Institution, Governor, or Regent/Mayor to perpetrators through an electronic system which is expected to be effective in accordance with Government Regulation Number 24 of 2018 concerning Electronically Integrated Business Licensing Services.

In applying for a permit through OSS if the applicant is a business entity, the legality of the business can be through the services of a Notary registered with the General Legal Administration of the Ministry of Law and Security online by a Notary. If the application for individuals can directly access it by logging into OSS and filling in personal and business data to get a BIN and business license, namely Business Identification Number (BIN) which functions as a Company Registration Certificate, Importer Identification Number, and customs access.

In its Implementation as Follows

Licensing and Non-Licensing Services

The main task of one stop investment and integrated service office is to provide one-stop integrated services in the field of licensing and non-licensing to the public.

Business Licensing Assistance Service through OSS

The current business licensing paradigm has gone through Information Technology. The government makes it easy for the public to obtain the legality of their business through Online Single Submission website portal independently. For people who experience problems related to OSS, they can get OSS assistance facilities from competent officers at One Stop Investment and Integrated Service Office of Langkat Regency.

Investment Activity Report Service

Investment Activity Report is a mandatory report every 3 months for the Company. The report is to find out the development of the company's investments and activities. For companies that do not report Investment Activity Report, there are sanctions from the legislation. For companies that have difficulty submitting Investment Activity Report online, the Langkat District Investment and One Stop Service is ready to assist to help fill it out.

Mentoring Services for Small Industry Entrepreneurs

Activities to assist, direct, and support individuals/community groups of small industrial entrepreneurs in formulating problems, planning, implementing programs of business activities so that the potential contained in the community can be optimally developed.

Information Service

The public can obtain information related to licensing and investment in accordance with applicable laws and regulations.

Community Complaint Service

The service for submitting all public aspirations and complaints to the Langkat District Investment and One Stop Service, North Sumatra as an evaluation material for better services and in progress, must be carried out with relevant agencies and relevant government officials in the Langkat district as well as village officials in an integrated manner

Effectiveness of the Implementation of OSS Program in the Process of Obtaining SMEs Permits for Community Economic Empowerment During the Covid-19 Pandemic In Langkat Regency, North Sumatra Province

The implementation of OSS policy in Langkat Regency began to be launched in July 2018 until now it still encounters several obstacles including the application system which is still in the development stage and lack of socialization, facilities and infrastructure, very low public awareness, licensing data is not monitored in a valid way, problem solving from complaints that have not been integrated.

Realization of the implementation in the field that the effectiveness of OSS policy in business licensing services at the Office of Investment and One Stop Integrated Services, Langkat Regency is classified into ineffective category with the results of calculating the effectiveness of 67.4% faced with the large number of community MSME entrepreneurs in Langkat Regency area. This is obtained from the indicator of the accuracy of policy targets in the less effective category but in achieving policy objectives in the very effective category. Recommendations that can be made at this time are to continue to carry out socialization and assistance to business actors and optimize the role of the Office of Investment and One Stop Integrated Services at Langkat District.

The concept of effectiveness, effectiveness is effective which means something that has been done well. According to Sedamaryanti (2009: 59) defines effectiveness as a measure that provides an overview of how the target has been achieved, which is oriented to output and the problem of using inputs is less of a major concern, while according to Yamit (2003:14) defines effectiveness as a measure that gives an idea of how much far the goal is achieved, both in quality and time oriented to the resulting output.

According to Irwansyah (2013) several criteria are used to measure the work effectiveness of organizations that provide services, including:

Service time factor, accuracy factor in the service provider if there are many errors in the service process, the service provider style factor. The effectiveness of a program can be carried out with operational capabilities in carrying out work programs that are in accordance with predetermined objectives. Effectiveness is defined as the ability of an organization to be able to carry out all the main tasks or to achieve predetermined targets. (Campbell, 1990). Budiani (2007) explains that measuring the effectiveness of a government policy program can be done using 4 (four) approaches, namely:

1. Accuracy of program targets
2. Program socialization
3. Program objectives
4. Program monitoring

The effectiveness of OSS (Online Single Submission) policy is a concept as a benchmark for achieving the objectives of the policy, both in the form of targets, time and long-term goals.

Urgency to Apply the Permit Application Process Using the OSS System and Program in Langkat Regency, North Sumatra

The implementation of new policy still encounters several obstacles, such as the lack of ready infrastructure and OSS systems and the lack of knowledge about OSS both by PTSP employees and the community in Langkat Regency, especially company owners..

Based on the theoretical study mentioned above, it can be seen that the framework for the effectiveness of online single submission policy in business licensing services at the Langkat Regency Investment and Integrated Services Office to find out the purpose of implementing the OSS policy is achieved, it is necessary to study the effectiveness of policy. Basically, to measure the effectiveness of a policy, it can be seen from how a program achieves the goals that have been set.

Knowing the success of OSS policy program in Langkat district, it is necessary to conduct in-depth research on how to implement the effectiveness of OSS policies in business licensing services by using descriptive percentages by looking at the success of policies with OSS policy targets and objectives at Langkat District Investment and One Stop Service. So that it can be seen the effectiveness of OSS policies and recommendations that can be made by Langkat District Investment and One Stop Service

Electronic Service

Electronic service systems or E-services (Electronic Services abbreviated as E-Services) are one of the leading applications that utilize Information and Communication Technology (ICT) in different areas. However, a precise definition of e-service is hard to come by as some researchers have used different definitions to describe e-services. Although these definitions differ, it can be said that they all agree on the role of technology in facilitating services that make them more than electronic services (Zericka, 2013).

According to Rowley (2006, in Zericka, 2013), electronic services are defined as actions, efforts or performances whose delivery is mediated by information technology. These electronic services include elements of e-tailing services, customer support, and

service. The definition suggests three main components—service provider, recipient and channel (*i.e.*, technology). For example, as concerned for public electronic services, public bodies are as service providers and citizens and businesses are service recipients. Service channel is the third requirement of electronic service. Internet is the main channel of electronic delivery service while other classic channels are also considered.

Business Licensing Service

Electronically Integrated Business Licensing or Online Single Submission hereinafter abbreviated as OSS is a Business Licensing issued by the OSS Institution for and on behalf of the minister, head of the institution, governor, or regent/mayor to Business Actor through an integrated electronic system.

Basic Principles of OSS Implementation: Standardized, Integrated, Supervision by certified professionals, Fulfillment of K3L aspects (Rustendi, 2017).

In the analysis of situation, it is known that the problems experienced by business entrepreneurs in the Langkat Regency area in obtaining business permits through OSS in terms of the existence and condition of the community are divided into three, namely, people who like technology are fun because they can apply for permits from anywhere, for people who do not know technology (Gaptrek) in obtaining permits, they will be confused and some people do not care, this becomes ambiguous in the application for a business license..

The urgency in implementing this OSS is considering the development of a technology-based global world, to develop the business world for the benefit of state taxes and local income taxes from international domestic entrepreneurs. To streamline and to streamline valid time and speed of obtaining licensing data quickly, precisely and accurately

CONCLUSION

- 1) Based on the results of the research and discussion, the following conclusions are obtained:
- 2) Referring to policy monitoring indicators in the implementation of OSS program in the process of obtaining SME licensing for community economic empowerment during the covid-19 pandemic in Langkat district, North Sumatra province with ineffective results, the Langkat district government must be more assertive in monitoring and providing sanctions to business actors who have not complied with the regulations that have been applied, especially regarding licensing that has not been integrated through OSS system. In reality, there are still many obstacles, both from concern for community human resources (HR) and human resources for the service itself and the lack of other supporting facilities and infrastructure needed..
- 3) Based on the results of the research on OSS Policy in business licensing services at the Investment Office and One Stop Integrated Services, Langkat Regency, it is still less effective due to the condition and ability of the community to input data requirements for obtaining permits, facilities and infrastructure that are less supportive and the realization of support from relevant agencies in Langkat Regency, Sumatra Business.
- 4) The urgency is carried out by the Langkat Regency Investment and One Stop Service Office so that OSS policies can run more effectively and can help business actors in managing business permits so that they can be carried out quickly, precisely and accurately.

SUGGESTION

Based on the Conclusions above, the Following Suggestions are obtained

- 1) In addition to the strategy carried out by the Langkat Regency Investment and One Stop Service Office as well as recommendations that can be made so that the OSS policy runs more effectively. The reason is to find out the effectiveness of OSS policy in the Langkat Regency of Investment and One Stop Service Office, it is better for the Langkat Regency Investment and One Stop Service Office and related agencies as OSS policy implementers to carry out their duties in accordance with the Implementation Operational Standards (SOP) in order to achieve their goals, because they are still There were several irregularities in the licensing application procedure.

- 2) The Provincial Government of Langkat Regency must be more assertive in conducting supervision and providing sanctions to business actors who have not been in accordance with the regulations that have been applied, especially regarding licensing that has not been integrated through OSS system and related agencies should carry out their duties in accordance with the SOPs that have been set so that policies can achieve goal.

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