# BUSINESS COMMUNICATION STRATEGY OF DPP HIPMIKINDO - JAKARTA IN IMPROVING HUMAN RESOURCE OF JABODETABEK MSMES

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Article history: received 10 May 2021; revised 28 May 2021; accepted 06 June 2021

Abstract. The management of Hipmikindo, which consists of people with high business perspectives, is certainly well aware that the resources of MSME entrepreneurs are still uncompetitiveness. The culture of small entrepreneurs who are very pragmatic, looking at business as just a matter of selling, certainly becomes an obstacle to progress and develop "capacity building". Even more, if the use of technology is responded as a "burden", it becomes a challenge of Hipmikindo's communication strategy. Consequently, they must implement an effective model to increase the ability and the capacity of its members. This research was conducted from February to June 2020. Data collection technique was used in-depth interviews, which are largely used unstructured patterns, although the guidelines remain; followed by literature study. The objective is to find out Hipmikindo's business communication strategy in increasing the human resources of MSME entrepreneurs as well as supporting and inhibiting factors in implementing the forms of business communication strategy. There are development and dynamics of strategy in the initial and final actions, including the message management strategy. The research method is descriptive qualitative. This choice relates to the research facts that the author found a holistic set of business communication strategies that cannot be partially understood. The results show that the dynamics of Hipmikindo's business communication strategy in increasing the resources of MSMEs in Jabodetabek involves several terms. At first, the pull model is used, then the push. Pull, by accommodating all the aspirations and inspiration of the SMEs to find a solution, while "push" includes: 1) communication strategies for change. 2) "S" cycle message management strategies, 3) quoting the concept of kaizen: 5S: (seiri, seiton, seiso, seiketsu, and shitsuke) which is adapted to concise, neat, clean, clean, care and diligent. The communication barriers are cultural, educational, personal, and environmental. While the supporting aspects are the government's attention, the suitability of Hipmikindo's operational field with vocational education curriculum at the secondary level and business at higher institutions, as well as the many productive age levels whose livelihoods are in the non-formal sector.

Keywords: business communication; human resources; hipmikindo; MSME (Micro, Small & Medium Enterprises)

# I. INTRODUCTION

The Industrial Revolution 4.0 was ultimately marked by many business people who found themselves in an unstable market. Therefore, all businesses on a micro, small, medium, and larger-scale must re-conceptualize their strategy. The meaning is demands and challenges to recreate strategies and business models dynamically according to circumstances change, namely implementing strategic innovations, then determining targets in achieving desired business sustainability.

This phenomenon also occurs in HIPMIKINDO, the Indonesian Micro, Small and Medium Enterprises Association. In this study, it is represented by Central Leadership Council which has operational areas in DKI Jakarta. As an association of business people, it can be called an organization or management that devotes attention to increasing the human resources of small business actors in finding the business patterns and trends of the 4.0 era. This organization is driven by people who have high business desires. They certainly realize that the resources of MSME actors still do not fulfill the proper standards. They do not realize that business growth will decline even excluded in certain chance if still carried out in conventional ways. Facing these various phenomena, the management of HIPMIKINDO certainly does not only conduct socialization and coaching, but also creates partnership with various related institutions, in order to realize the capacity building of its fostered members. HIPMIKINDO realizes that it is not possible to "advance" MSMEs in increasingly fierce business competition, relying only on internal resources. The steps were taken by HIPMIKINDO then formed partnerships with various academics, in Higher Education which most also needed the realization of a business-based curriculum. The partnership grew rapidly until finally symbiotic mutualism. This is a place that the constructs of business communication take place, including the development of the strategies used.

The culture of small entrepreneurs who are very pragmatic, which sees business as only a matter of "selling", certainly becomes an obstacle for HIPMIKINDO. The problems become more complex if the technology is only responded to as being more "burden" or even more complicated problem. Internet-based commercial terms have not just accepted by the MSMEs. Actually, they have known the term of entrepreneur for quite a long time, unfortunately, the meaning of entrepreneurs as business people who are smart or talented in introducing new products or ideas, understand the steps of production, able to arrange



operations for the procurement of new products, careful in marketing, and reliable in managing capital, they know just in the narrow sense.

This is the challenge of HIPMIKINDO's business communication strategy. However, MSME resources are a pillar of the national strategic economy, therefore the researcher chose the topic "HIPMIKINDO Business Communication Strategy in Improving MSME Human Resources" in this study. The objective is to find out HIPMIKINDO's business communication strategy in increasing the resource of MSME entrepreneurs.

The definition of business communication according to some experts is as follows:

- (1) According to Purwanto **[1]**, business communication is communication used in the business world, including various forms of communication, both verbal communication and non-verbal communication to achieve certain goals.
- (2) According to Katz [2], business communication is the exchange of ideas, messages, and concepts related to the achievement of a series of commercial goals. Business communication takes place in the business world to achieve business goals.
- (3) According to Rosenblatt [3], business communication is the exchange of ideas, opinions, information, instructions, and the same kinds, which is presented privately or interpersonally through symbols or signs to achieve company goals.
- (4) According to Persing [4], business communication is the process of conveying the meaning of a symbol or code that includes all elements, which have to do with the process of delivering and receiving messages, both verbally and non-verbally carried out by members of the organization in generating goods, services or markets for profit achievement.
- (5) According to Curtis [5], business communication is communication in business organizations that aims to solve problems and make decisions. Business communication has a higher position than the business itself, whose success depends on the expertise of the people who make decisions and solve problems.

Some general business communication strategy models are:

# (1) 3P Model: Push, Pull, Pass Strategy.

"Push strategy" is a strategy that seeks to stimulate something in giving satisfaction value. This strategy usually uses salespeople in trade promotions to push products up to consumers. "Pull strategy" is a strategy that incurs a number of costs for advertising and promotion to create demand from consumers. If this strategy is effective, then the consumer will request the product to the ad maker or come directly to the producer. Unlike the *push* strategy and *pull* strategy, *pass* strategies tend to "influence". Philip Kotler [6] defined pass strategy as an effort to create a public image through activities and participation, primarily social activities. Usually, the strategy leads to solidarity and the environment care actions. Rosady Ruslan [7], stated that the *pass* strategy was an effort to create positive public opinion. The company carried out various activities, social participation, and action on solving environmental problems. Meanwhile, according to Saka [8], a *pass* strategy is a strategy used to influence gatekeepers (third people) to support and encourage other consumers to "buy" the company's products/services. This activity is usually carried out in the form of special events by inviting famous guest stars from various fields. In the *push* strategy, the idea is to promote the product, and of course, makes the product reach consumers. Meanwhile, a *pull* strategy, the idea is to build loyalty and attracts consumers to the product. From a business perspective, *pull* strategies are long-term target, whereas *push* strategies are more aimed at short-term target.

# (2) KAP Model: *Knowledge*, *Attitude*, *Practice*.

This model is often known in empowerment communication. Cangara [9] states that KAP implementation is based on three stages: (a) the target audience (audience), messages, and channels; (b) message planning and design, media production (drafts), and trials; (c) efforts to increase knowledge, attitudes and behavior (practice) targets.

# (3) SEC Model: Strategy Extensions Campaign

This model is widely implemented in extension activities usually in the field of development communication. The SEC or strategic extension campaign was introduced since the 1980s. This method prioritizes community participation. The most basic objective of the SEC is to apply a holistic, rational, and pragmatic approach to planning, implementing, managing, monitoring, and evaluating extension programs (Adhikarya [10]: ISBN 92-5-103570-9).

(4) PCSD Model: Participatory Communication Strategy Design.

This model is one of the community empowerment communication models. In its implementation, this strategy includes the community in the decision-making process, intending to achieve effective communication in solving problems according to the practical needs of the community. The design of message is usually through discussion themes following development/production activities. (Hadiyanto, 2009: [11] 145-154)

# **II. RESEARCH METHODS**

This study uses qualitative approach, which is an approach that aims to understand social or humanitarian issues in depth (Creswell, **[12]**). The method used is descriptive, focus on describing communication patterns that occur (according to field facts) based on theoretical aspects. From this description process, it is concluded that language constructions and discourses that arise in accordance with the context of communication.

Furthermore, data collection technique is done through in-depth interviews and literature studies. While data analysis techniques are carried out through stages [13]: (1) description, describing the subject and object of research



in general; (2) reduction, classifying data based on symptoms of the topic discussed; (3) reconstruction, by selecting data to build conclusions; (4) interpretation, which explains the research findings, based on the theoretical aspects and subjectivity of researcher [14].

# **III. RESULTS AND DISCUSSION**

#### a. HIPMIKINDO's Business Communication with MSMEs

In the first period, the communication that existed between Hipmikindo and MSMEs was more in characteristics:

(1) Giving information (informing)

At this stage, Hipmikindo listened to the needs and aspirations of the MSMEs, and then followed up in a management meeting to be forwarded to proposals to the government. Even though the government programs on increasing the capacity of MSMEs were quite complete, the communication made by Hipmikindo did not take place on the top down. All information about MSMEs were managed and then adjusted to all existing government program policies, after submitting to government, decisions conveyed to MSME actors.



Figure 1: Strategic Business Communication of Hipmikindo

#### (2) Persuading

After socialization was done widely, Hipmikindo persuaded MSMEs. For MSMEs that apply for licensing and adhere to the production process following Hipmikindo's direction, a coaching program is promised, in the form of market development and expansion with all its conveniences.

(3) Cooperating or collaborating

In addition to collaboration with universities, Hipmikindo also collaborates with any party that wants to develop the MSME business sector. Hipmikindo continued to open up opportunities for all groups to become assistants. These resources can also be joined by MSME actors who wish to develop their capacity to become mentors. In this section, the role of BNSP (National Professional Certification Board) is urgent.

The assistance program was also strongly supported by BPOM, the Food and Drug Supervisory Agency. Considering that food standards to halal certification are the main target of BPOM, the role of the profession is very much needed. In this case, Hipmikindo was involved in many debriefing activities, seminars, and workshops. Through this collaborative process, the existence of Hipmikindo continues to get the attention of the government, through the BNSP, so that other fields also continue to be developed. The collaboration with universities was seen in the establishment of Entrepreneur Centers that made it easier for Hipmikindo to obtain facilities from the campus to continue the various collaborative programs, both to increase the capacity of MSME actors as well as academics who want to undertake the profession as MSME companions.

# b. Management of HIPMIKINDO's Business Messages in Motivating MSMEs.

In the business communication process, of course, Hipmikindo also makes plans for managing messages. The planning that ultimately becomes the strategy can be identified as follows:

(1) Realizing change and the cycle of business change.

Changes that are often not anticipated will have a serious impact at certain times. Competitors, regional development, technological advancements, advertising and media offerings, lifestyle and value shifts, and the inclusion of new cultures are only a few of the changes that have a profound impact on business stability. This phenomenon is usually to be mainstay message in every opportunity to socialize Hipmikindo programs.

The verbal style of awareness is often also colored by the oratorical style. The mentor used to ask, "Who has felt that business has become easier lately?" the answer is certainly responded by very little raise hands, even almost none. All of them are at the view that business in this era has faced many difficult challenges. This opportunity is then used by mentors to convey motivational messages that in running business there is no other choice except anticipate a cycle of change with creativity and to continue followed by several breakthroughs.

(2) Actions that must be taken early to overcome the decline in sales.

Most MSMEs state that the ups and downs of sales are certain to occur, but the recent trend is an alarming decline because it is not only caused by the number of buyers, but also other situations and conditions, such as supply chains and disaster. Therefore, anticipatory measures in the form of purchasing accuracy, reserves, and production need to be increased.

#### c. Pull Strategy

At the pull stage, Hipmikindo did not much discuss challenges and demands rather than core business needs. The culture of the grassroots level, namely capital, is a major problem. As a resut, Hipmikindo does a lot of literacy on the standard documents needed for financing applications. This business is not entirely easy. Consequently, Hipmikindo conveyed an advocacy message about matters of concern, for example, billing, guarantees, installments, and the same things.



Basically, Hipmikindo deals with stimulus-response strategy. The opportunity which is considered by Hipmikindo to be very supportive is that most of the MSMEs are quite enthusiastic about wanting to develop their business. Although not much talk about marketing, Hipmikindo has provided stimulus in the form of exhibition facilities for the handicraft industry, home textiles, or other creative economies. Indeed, this step is still felt to be very conventional, but it is very helpful for business people to gain knowledge about change, disruption, and new media. This is very important because the majority of MSMEs tend to have a business mindset in the comfort zone, do not have experience to face significant dynamics. They are still not aware that the threat comes without being predicted.

On the other hand, the positioning of Hipmikindo in the minds of the MSMEs is significant. It is not possible for the projects proposed to succeed with the optimal level of acceptance if the MSMEs do not know and understand the existence of Hipmikindo, especially the atrategic role in advancing the business capacity. In this case, what Hipmikindo does is carry out a communication strategy of "legitimacy" and "institutionalization". Legitimacy is introducing Hipmikindo as an institution trusted by the government to conduct social guidance to the MSME actors, without taking advantage of what is received by the MSMEs, whatever their business. Instead, Hipmikindo existence as a non-profit institution, whose establishment aims to lobby and negotiate with the government, as well as advocacy if there are certain problems with MSMEs.

As a facilitator institution, which has operational areas in the lower and upper streams, Hipmikindo feels the need to convey the foundation legitimate, reasons for the legality, and legal claims. For that reason, in carrying out its mission, Hipmikindo always underlies its communication with the principle of legality and various other legal proofs of intentions and goals which are fully for the common progress, especially the Indonesian economy, which has obviously been strongly influenced by the business capacity and resources of MSMEs.

In the case, Hipmikindo becomes the communication node or the socialization node of government programs. To penetrate the lower layers, the government still faces many obstacles. Therefore, the presence of Hipmikindo is very helpful for the government, or more precisely to be a government partner, from the level of institutions, agencies, even to the ministry.As for institutionalization, there is a marked membership. For MSMEs who want to become members or those who are entitled to various stimulus facilities, must join in membership which later gave birth to the term "Fostered MSMEs". At glance, this makes Hipmikindo exclusive. In an effort to understand the public that Hipmikindo remains inclusive, Hipmikindo states that the target of all programs is not benefits for the internal, but the progress together, because the organizers of Hipmikindo are also business actors, born from MSMEs.

The next is socialization. Socialization in this stage is socialization which is not carried out by Hipmikindo as a formal consequence for the institution, but is carried out by the MSMEs themselves. On every occasion, MSME actors are invited or fostered in certain activity. Hipmikindo also calls for the efforts of each member to continue socialization programs, activities, or information that can be conveyed to other MSME actors.

# d. Push Strategy

In accordance with its meaning, the meaning of *push* is a force so that there is a runway effect, which its targets are not only capacity but also competitiveness. For fostered members whose status has not been officially registered, Hipmikindo still uses a *pull* strategy and vice versa, for members who have registered, Hipmikindo uses a *push* strategy. In terms of context, *push* strategies are heavily influenced by extreme issues, such as bankruptcy of large companies, a drastic reduction in the number of sales, competitors offer higher quality with lower prices.

Among another messages, the issue of change is a very interesting thing. In addition to being conveyed in many forums, the issue of change can awaken MSMEs who feel that they are in the comfort zone area. The theoretical literature references, related to various theories of change, were also studied massively by Hipmikindo's mentors. The issues of the work ethic of *kaizen* and the *sigmoid* cycle become a visualization of prospective message, moreover, there are already many MSMEs who hold bachelor degrees.

The *kaizen* work ethic conveyed by Hipmikindo is indeed very close to the world of MSMEs. In the concept of *kaizen*, there are 5S movements (*seiri, seiton, seiso, seiketsu*, and *shitsuke*): (1) *seiri* means to tidy up the workplace, (2) *seiton* means keeping it organized, (3) *seiso* means keeping the workplace clean, (4) *seiketsu* means personal hygiene, (5) *shitsuke* means discipline, by always obeying procedures at work. In Indonesia, 5S is translated into 5 cases, which is concise, neat, clean, caring, and diligent.

Hipmikindo also manages *sigmoid* messages, the natural cycle in the life of any organism. Judging from its name, the initial S is an illustration of the business or business cycle from the starting point to the threat of decline. In the S position that is 45 degrees to the right, there is an S peak that is sure to be passed by all business sectors. At the time, the S position will reach the top, and then it turns out that many business people are experiencing a comfort zone or complacent. As a result, according to the cycle, a decline will occur. If the decline cannot be anticipated quickly, it will continue to decline and reach a crisis. If the S end, as this critical condition occurs, it will be difficult to revive business as before.



Figure 2: The S (Sigmoid) Cycle Illustration

For the reason, innovation and creation must be created when the business conditions are at a peak of S or "nearing". Businesses that seem in a stable condition, sales, or revenue, must continue to watch out for. The threat of decline, even a crisis has a potential to occur immediately, if the monotonous aspects inherent with the product are considered uninterrupted, even though it is very vulnerable to make consumers saturated and switch to another products.

Through Hipmikindo's visual presentation, the MSMEs can see that the threat of disruption is indeed real and potential occurs, even very close. For this reason, the sales reach should not only rely on consumers who come directly, but also must reach consumers who are far away. Technological breakthroughs must be realized by all MSMEs because the potential capacity and market opportunities in the use of technology are very promising. Conversely, for those who do not respond to this, it is certain that the marketing reach is increasingly limited.

For MSMEs guided by the middle category, their absorption of new things is quite encouraging, but at the lower level of MSMEs there is still a rejection. They tend to consider that technology breakthroughs as troublesome. For this reason, the *push* strategy was developed through business partnerships with academics. This effort does not only rely on business stimulus but the contribution of human resources that can be maximized to accelerate MSME business capacity building. From this idea, the companion profession was born, which was mostly filled by academics.

The main principle of the assistants is to study more deeply how the social culture of MSME business patterns happened. The initial task was gradual, from literacy to legality. Consequently, the standards of BPOM and SWOT analysis must be implemented. Practically, the role of assistants also reach to simple accounting fields, namely how to make a profit and loss record, even to the analysis of depreciation and capital. To optimize communication between MSMEs and their assistants, or *chemistry* between them, Hipmikindo formed entrepreneur centers.

Entrepreneur Centers are established in various campuses, especially campuses that have a business and entrepreneurial platform in their identity. This is quite strategic because it can be a medium for the meeting of MSMEs and their assistants. Hipmikindo also organizes many exhibitions, program, socialization, and training at the places. This strategy succeeded in reducing communication barriers between MSMEs and facilitators. In this stage, legitimacy is more managed based on a discourse on disruption. Past disruption is different from recent. Disruption in the past much-colored business competition that "killed" MSMEs, such as the presence of supermarkets, but now it turns around, many business giants suffered losses, even defeated by small-scale businesses. This understanding is in line with government publications that MSME is the main pillar of the national economy.

On the other hand, efforts to increase digital literacy were also mediated by Hipmikindo by crossing communication with bureaucracies. There are plenty of opportunities for MSME actors to directly submit their complaints and aspirations to the authorized officials, at the central and regional government levels. The digital meeting facility turned out to be very strategic in motivating MSMEs to be more innovative in looking at their business prospect.

The next step to increase the resources of MSME actors is institutionalization. At this stage, the assistants are positioned as professional figures that there are certain wage standards. The progress of this strategy is the increasing awareness of the MSMEs to the presence of the assistants, and even many of them have "paid" sincerely. As a follow-up, there is an assignment, namely the assignment of assistants to certain MSME targets. This is based on Hipmikindo's internal identification and also on the request of the MSMEs themselves. Thus, the process of increasing MSME human resources not only involves business capacity, but also the need for assistants. From this process, the competitiveness of MSMEs continues to increase.

Similarly, if *pull* strategy also maximizes the competence of MSME actors to socialize Hipmikindo's programs, on the push strategy, MSME actors are conditioned in sharing forum. This sharing forum not only occurs in entrepreneur centers but also through social media communication forums, whose members are those and assistants. Although in certain case, there is an independent inter-companion communication group, this case does not directly exclude the contribution of MSME actors, considering that some of the assistants are also MSME actors. Meanwhile, the support from various campuses continues to increase, due to the content of the entrepreneurship curriculum that requires a link and matches with the field, this synergy has further enriched Hipmikindo to increase its members from time to time, as well as its operational areas as well as new programs.

# **IV. CONCLUSION**

The *pull* model is focused on developing MSME's business capacity and increasing MSME resources, while technological challenges and demands have not been directly targeted. Since the demands and challenges of competitiveness are inevitable, business disruption is reinforced at various levels, especially at the large-scale business layer, *push* business communication strategies are intensified.

The message management strategies in the *pull* business communication model can be analogous to the term "pick up the ball". Hipmikindo accommodates all aspirations and inspirations of MSMEs to find a solution. The results of Hipmikindo's field research were conveyed to the government, then feedback from the government in the form of stimulus and incentives was conveyed to the MSMEs. In its implementation, Hipmikindo legitimizes itself as a facilitator to achieve common goals. Finally, the institutionalization of the fostered members was realized.

The message management strategy at the *push* stage is different from the *pull* stage. The messages include:



(1) The change communication management. The focal point is to "exclude" the perspective or thoughts of the MSMEs that are still felt to be still narrow, namely the sale of products or commodities, without considering the "threat" (comfort zone situation and conditions).

(2) The S (Sigmoid) cycle message management that becomes a necessity in various fields of life, especially business. This message is known as a core *sigmoid* message: *first*, all businesses must experience a cycle of stub, progress, and decline. *Second*, innovation and creativity must be done near the peak or at least at the peak of business success, if it is too late it will aggravate the recovery process.

(3) Citing the work ethic of *kaizen*: concise, neat, clean, caring, and diligent. To achieve them, counseling involves BPOM (Food and Drug Monitoring Agency), because most MSMEs in Jabodetabek have culinary business with local wisdom nuance.

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