



## ENHANCING ECONOMIC DEVELOPMENT THROUGH INTEGRATED PUBLIC SERVICES: A CASE STUDY IN NORTH BENGKULU REGENCY

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### ABSTRACT

**Purpose:** This study aims to explore the challenges faced by small businesses in utilizing the North Bengkulu Regency Integrated Service Office (KPT) for business licensing. The research seeks to identify the barriers preventing small business owners from participating in the licensing program. **Methodology:** A descriptive qualitative approach was employed, with data collected through interviews, observations, and documentation. The study involved small business owners, community members, and KPT officers to understand the issues related to the licensing process. **Results:** The study identified several key obstacles to small business participation in the KPT licensing program: High costs; Lack of awareness; Inadequate socialization; and Operational inefficiencies at KPT. Additionally, limited capital, insufficient human resources, and perceptions of outdated licensing practices further contribute to low participation. **Findings:** The findings highlight the need for policy reforms in public service delivery, as well as increased efforts in socializing the licensing program to improve access for small businesses. These issues prevent small businesses from fully benefiting from the integrated licensing services. **Novelty:** This study provides new insights into the challenges small businesses face in accessing integrated licensing services, offering suggestions for improving public service delivery and supporting local economic growth. **Originality:** The originality of this study lies in its localized analysis of small business licensing challenges in North Bengkulu Regency, focusing on the barriers unique to this region and offering practical recommendations for improvement. **Conclusions:** To improve small business participation in the licensing program, reforms are needed in policy, socialization, and efficiency. Addressing these barriers will enable small businesses to contribute more effectively to local economic development. **Type of Paper:** Descriptive qualitative research.

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## INTRODUCTION

Small and Medium Enterprises (SMEs) are a cornerstone of Indonesia's economy, contributing significantly to GDP and employment. Despite this, many small businesses struggle with

formalizing their operations due to challenges in accessing public services, such as business licensing. The One-Stop Integrated Licensing Service Office (KPT) in North Bengkulu Regency was established to streamline licensing processes and promote economic growth. However, small business participation remains low, indicating underlying inefficiencies in service delivery (Ramseook-munhurrun et al., 2010). This study aims to investigate the factors contributing to this issue, focusing on business perceptions, operational barriers, and policy implementation challenges. By addressing these gaps, the research seeks to offer actionable insights for improving public service programs and fostering SME growth in North Bengkulu Regency.

The One-Stop Integrated Licensing Service Office (KPPTSP) in North Bengkulu Regency has been established since 2006. The North Bengkulu Regency KPT serves 8 types of permits to realize government deregulation and debureaucratization. The public does not need to visit various offices, just by stopping by one office, all licensing matters can be completed at that location. The purpose of the integrated licensing service is to improve the quality of service, transparency, and trust in the government.

Small and Medium Enterprises (SMEs) play a crucial role in the Indonesian economy (Purwana ES, Dedi, Rahmi, Aditya, 2018). Various regions that implement a one-stop licensing service system focus on developing small businesses to drive economic growth (Purnawan et al., 2023). North Bengkulu Regency has great potential in the small business sector, but there are still many obstacles faced by SMEs, such as licensing issues. The implementation of integrated licensing services has increased entrepreneurs who take care of licensing in North Bengkulu Regency.

The policy of decentralization and regional autonomy aims to improve public services. Local governments are the main actors in providing services to the community (Triyanto et al., 2021). However, several challenges remain in public services, such as rigid regulations, shackled bureaucracy, and a lack of innovation (Kurniawan, 2016).

The North Bengkulu Regency Government needs to continue to improve integrated licensing services to encourage economic growth and public welfare. Although it has implemented a number of conveniences in licensing services, there are still many entrepreneurs who are not interested in taking care of their business permits at the Integrated Licensing Service Office. In-depth research is needed to uncover the causes behind entrepreneurs' lack of interest in using integrated licensing services in the North Bengkulu Regency.

This study on the business sector and public services focuses on the less-than-optimal interest of small businesses in taking care of permits at the Integrated Service Office (KPT) of North Bengkulu Regency, Bengkulu Province.

Based on the explanation of the background of the problem that has been presented, the research questions in this study are formulated as follows:

1. Why has the registration of small businesses at the Integrated Service Office (KPT) of North Bengkulu Regency not reached an optimal level?
2. What are the views of small entrepreneurs regarding the existence of the Integrated Licensing Service (one-stop service) currently running in North Bengkulu Regency?
3. What are the actual challenges faced by small businesses in North Bengkulu Regency in managing their business permits?

The objectives of this study are:

1. To analyze the reasons behind the minimal participation of small businesses in registering their businesses with the Integrated Service Office (KPT) in North Bengkulu Regency.
2. To analyze the perspectives of small business entrepreneurs on the existence of the Integrated Licensing Service (one-stop service) currently running in North Bengkulu Regency.

3. To analyze the real problems for small businesses in North Bengkulu Regency on how to manage business permits.

## METHOD (CLICK HEADING\_1)

This type of research is descriptive research. A descriptive approach was chosen to reveal problem solutions based on available data (Castro et al., 2009). This study employs a descriptive qualitative methodology to explore small business participation in the Integrated Service Office (KPT) of North Bengkulu Regency. This method not only presents data, but also analyzes, interprets, and allows comparison and connection with other relevant data and research results (Sugiyono, 2016).

The purpose of this study is to describe the challenges faced by small entrepreneurs in managing business permits at the Integrated Service Office (KPT) of North Bengkulu Regency. According to Sugiyono, 2010 from (Purnawan, 2021) This study also attempts to explore the causes and reasons that influence this interest, with a qualitative approach. The results are expected to provide a more complete picture of the problems at the KPT of North Bengkulu Regency.

The research location is at the Integrated Service Office (KPT) of North Bengkulu Regency. Six informants, including business owners and KPT officials, were purposively selected based on their knowledge and involvement in licensing processes. Data collection involved semi-structured interviews, direct observations, and documentation analysis conducted from April to August 2024. To summarize the data and information needed, the author applies the following Data Collection Methods: 1) Interview; 2) Observation; and 3) Documentation (Purnawan, 2020).

The data were analyzed using thematic coding to identify recurring patterns and themes. While the qualitative approach allows for an in-depth understanding of participant experiences, limitations include potential researcher bias and the limited generalizability of findings.

## RESULTS AND DISCUSSION

### RESULTS

1. The interest of small business actors to register their businesses at the North Bengkulu Regency KPT is influenced by four main factors, namely: a) costs associated with managing permits, b) business actors' views on permits, c) various problems experienced by small businesses daily that reduce their desire to register their businesses, and d) the extent to which small business actors receive socialization regarding KPT.
2. The existence of the Integrated Service Office (KPT) is influenced by three factors: a) lack of knowledge of business actors regarding the existence and function of KPT for small businesses, caused by the less than optimal socialization of the North Bengkulu KPT throughout North Bengkulu Regency, b) small businesses do not receive priority attention from KPT, and c) coordination between KPT and related agencies is not running well.
3. Three main problems faced by small businesses include capital, human resources (HR), and managing permits.

### DISCUSSION

Based on the data from interviews with the sources above, this sub-chapter will provide a more in-depth explanation of the data that has been collected previously, supported by theories that are by the discussion.

#### 1. Interest of Small Business Actors

The interest of small business actors to register their businesses at the North Bengkulu Regency KPT is still not optimal. The results of field studies show that this is caused by several

factors, including 1) The cost and complexity of the permit processing process, 2) Business actors' views on licensing, 3) Various challenges faced by small businesses in daily activities can reduce their interest in registering their businesses, and 4) Use of information regarding the KPT received by small business actors.

#### **a. Cost of processing permits**

The statement regarding the promised cheap, easy, and fast KPT services is not in line with the response from the community. Although the service is easy and fast, not all parties, especially small businesses, can receive cheap services. The process of processing to KPT requires additional requirements that cost money, especially recommendations from the sub-district or village/sub-district head. Although according to KPT the cost of processing permits is affordable, small business actors still feel burdened by the additional costs. The Head of KPT stated the need for ease in processing permits so that small businesses are not burdened. With the increasing prospects of small businesses in improving community welfare, support from all parties is needed.

#### **b. Perception of business actors regarding licensing**

The North Bengkulu Regency Government has implemented a cost of processing permits that is considered reasonable for KPT but is considered too expensive by the community, especially small businesses. This shows a mismatch between government policy and the conditions experienced by the community. The implementation of licensing fees should pay attention to responsiveness, responsibility, and accountability in public services. Nevertheless, North Bengkulu Regency provides convenience and incentives for new small businesses, such as exemption from SIUP and TDP processing fees. However, the imposition of fees in licensing services should be based on considerations of justice and not solely to increase regional income. Theoretically, the levy rate must take into account the efficiency of resource allocation, justice, and environmental sustainability. The implementation of high licensing fees in North Bengkulu Regency can have negative impacts, especially if the goal is to obtain regional income without considering the welfare of the community as a whole. Therefore, the regional government needs to reconsider the licensing levy policy so that it is by the principles of good and sustainable public service.

#### **c. Problems faced by small businesses daily reducing interest in registering their businesses**

The results of the interview indicated that entrepreneurs who have taken care of permits at the KPT are not guaranteed to obtain capital loans from banks. This is also Mr. Sihanok's experience showing that even though a business permit has been obtained, banks have rules that are often not followed by small business actors. The uncertainty in the ease of obtaining capital even though they already have a permit from the KPT has been understood by business actors. Many of them try independently to apply for capital assistance from the bank. Small businesses can form small groups to get assistance from banks even without a KPT permit. They can also get additional capital from PUKK and the government without a KPT permit. Non-banking financial institutions help small businesses a lot, including NGOs. In North Bengkulu Regency, permits at the KPT are free for small businesses, and the government provides training before starting a business.

#### **d. Socialization about KPT received by small businesses**

Ineffective socialization means that the community does not get good information, so their views on licensing services do not change. Some community members still use the services of brokers to take care of permits at the KPT of North Bengkulu Regency. This causes the cost of

processing permits to be high, and often the published costs are not official costs. The lack of socialization regarding KPT has an impact on the public's distrust that processing permits is now easier, and many still believe that brokers make it easier. In some areas, the community still has the same view about licensing services, not because of a lack of socialization, but because the licensing procedures are still complex and take a long time.

Although the KPT concept is good, the reality shows that the quality of licensing services has not improved. The process of managing birth certificates, for example, has not changed significantly between before and after the implementation of the KPT. In addition, there is a regulation that every government agency is required to publish information about public services. The public's view that has not changed is due to the lack of socialization and service mechanisms that are considered difficult. The public needs real service innovations that can be felt so KPT socialization needs to be improved.

## **2. Existence of the Integrated Service Office (KPT)**

The public response to the existence of the KPT in North Bengkulu Regency based on this study reflects three main points. First, the socialization carried out by the KPT is still ineffective and has not reached its main target, namely small business actors in North Bengkulu, which results in many of them being unfamiliar with the existence of the KPT. Second, the KPT has not paid adequate attention to small businesses, so the resulting policies are not fully attractive to them. In addition, cooperation between the KPT and related agencies has not run smoothly, resulting in different policies being implemented between institutions, making it difficult for small business actors.

### **a. Socialization Has Not Reached the Target**

Based on interviews with small business actors, it was revealed that information related to the existence of the KPT still needs to be further socialized and is still inadequate. Many business actors still do not know about the KPT and its functions. Mrs. Midah, a retail trader, explained that she had not received any information about the KPT, even though the location was not far, only about 1 kilometer from the KPT office. Meanwhile, the Head of KPT Indra Bengkulu Utara stated that they actively conducted socialization, involving sub-district and village officials, as well as banking parties, by providing free permits to attract business actors. This socialization is carried out periodically and attractively, including "Gebyar" events and face-to-face meetings.

However, there is still a dependence on government officials to disseminate information. KPT hopes that the village and sub-district governments can continue socialization activities, but in the field, this has not happened. Mrs. Midah's complaint shows that the bureaucracy at the lower level, such as the Lurah and Village Head, is not adequate in providing services. Their mentality tends to be that of a ruler who asks to be served, not to provide services. Good socialization will support government policies. Based on the survey, although there has been an improvement in public services after regional autonomy, there are still many weaknesses in responsiveness and information to the public.

Research shows that there is still dissatisfaction with public services, due to a lack of responsiveness and information. Many complaints are not responded to, and information does not arrive. Several studies show that the attitudes and ways of thinking of government officials in providing services have not changed. They still tend to be influenced by regulations and instructions from superiors, not by public satisfaction. In addition, the bureaucratic culture that prioritizes human relations over performance is still embedded. Therefore, changes in the behavior of bureaucratic officials have not been in line with the reforms that have occurred.

### **b. Small Businesses Have Not Been a Concern for KPT**

The results of the interview showed that the KPT policy regarding One-Stop Licensing or All-in-One Service does not prioritize small businesses. Until now, small businesses in North Bengkulu have not received adequate incentives since the implementation of KPT. KPT views all types of companies - both small, medium, and large - equally, without differentiating one from another. The Integrated Service Office (KPT) believes that all three categories of businesses need to take care of permits to support future development. So far, businesses that register will be charged a fee by applicable provisions, and are required to re-register after the permit expires.

The KPT policy, which focuses more on encouraging small businesses to obtain permits, without considering the context and characteristics of each business, is not in line with the approach applied by PERINDAGKOP in developing small businesses. Based on PERINDAGKOP's view, all parties who are committed to advancing small businesses should have a deeper understanding of the conditions of small businesses, to understand the various challenges they face. The KPT policy that was taken without considering the interests of small businesses was considered by PERINDAGKOP to prioritize Local Original Income (PAD) compared to strengthening the informal sector.

### **c. Coordination of KPT with Related Agencies Doesn't Effective**

The paradigm of local government agencies (SKPD) in North Bengkulu Regency in carrying out evaluations of small businesses shows variations. Based on the results of the interview, there were differences of opinion between the Industry and Cooperatives Service (Perindagkop) the Manpower Service (DISNAKER), and the Integrated Service Office (KPT). DISNAKER assesses businesses based on the number of workers; if more than 12 people, the business is required to take care of a work permit, without considering the condition of the company. DISNAKER does not pay attention to the criteria for small businesses or new businesses, its main focus is on fulfilling the number of workers according to the law. A number of small businesses gather, so that the total number of workers recorded becomes higher. Taking care of work permits is a burden for small businesses, especially related to the administration and costs required. KPT acknowledges the need for better coordination in handling small businesses, with Perindagkop as the main sector in developing small businesses. Differences in perspective between DISNAKER, KPT, and Perindagkop hamper the development of small businesses and affect the performance of KPT as a public service.

This inconsistency of perspectives results in a lack of positive responses from small businesses towards KPT. In addition, the socialization of KPT contradicts the appeal from other SKPDs for business actors not to take care of permits if they are not ready. This shows a lack of thorough preparation in the formation of KPT. DISNAKER that ignores the conditions of small businesses can be dangerous for the regional economy, create confusion for small businesses, and hamper public services. Public services should be prioritized with a spirit of dedication, make things easier, and be open. KPT needs to build coordination between agencies and bureaucratic reform so that it can be more dynamic, innovative, and professional in providing services. Reform in the bureaucratic system is a crucial step to improve the quality of public services. Reform must involve changing the bureaucratic culture from power to service.

## **3. Main Problems of Small Businesses**

In this study, four main aspects are challenges for small business actors in North Bengkulu Regency, namely: 1) funding, 2) labor, and 3) business permits.

### **a. Capital/ Funding**

According to (Riawan & Kusnawan, 2018) For small business actors, the main challenges faced are related to capital. In an interview with retailers, they stated that the need for capital is very

urgent. Mrs. Midah, for example, feels that her business needs capital to grow, although sometimes she borrows from wholesalers with certain conditions. For Mrs. Midah, capital is a crucial aspect to be able to survive in business. Observations show that small businesses are run simply, the majority are family businesses that can only meet daily needs. Business management is mostly still traditional without clear bookkeeping. Mrs. Midah opens her business from 7 am to 10 pm, with closing hours that vary according to the density of buyers, especially on Saturday nights.

Although capital is very necessary, many small business actors are reluctant to borrow. This is due to the view that loans are debts that must be repaid, while the income generated from the business is not necessarily sufficient to pay off the debt. From interviews in North Bengkulu Regency, it is known that banking has a small role in the development of micro-businesses. There are various provisions and regulations that hinder small businesses' access to bank capital, including complaints about fixed-interest policies. Bank trust in small businesses is also low, as evidenced by the low loan repayment rate. Of the 26 small businesses that received credit at Bank Bengkulu, only one managed to repay its loan. Bank requirements that require collateral for certain loans are often an obstacle for small business actors because most of them do not have assets that can be used as collateral.

According to the Head of the Industry and Trade Cooperatives Service, in general, small businesses do not have assets that can be used as collateral, even some business actors live in rented houses. The need for capital for small businesses is an unavoidable fact for business development. The existence of KPT is not enough without the support of banking institutions to assist with financing. KPTs that do not involve banks effectively often fail to solve the problems faced by small businesses. Access to banking for small businesses is very difficult, often hampered by burdensome requirements.

(Aristanto, 2019) explains that banks are reluctant to serve micro and small businesses because their financing is considered troublesome considering the number of customers and small loans. Requests for commissions behind loans and complicated procedures are also a problem. The loan application process that needs to go through many stages, from proposals to surveys, is considered to make it difficult for banks to serve small businesses. Although banks claim to support MSMEs and are ready to provide credit, in reality, strict requirements and certain obligations often do not support the development of small businesses. Data from Bank Indonesia shows that MSMEs have good prospects with fairly high daily sales. However, in reality, loan requirements focus more on the collateral owned by entrepreneurs rather than the feasibility of the business itself.

Karunia from (Elliyana et al., 2020) states that the main function of banking is to act as an institution that acts as a financial intermediary and development agent. Especially in developing countries, banking is expected to be able to provide services that support the economic activities of the community. Ironically, national banks such as BRI which aim to help the people, have not yet shown real support for small business actors. The existing bureaucracy has not been able to resolve public service issues according to the people's needs, especially in the context of banking which serves large business people more.

## **b. Human Resources**

The core problem faced by small businesses in North Bengkulu Regency does not lie in the absence of a business license. This is because small businesses in the area have existed and developed for a long time without a license. Furthermore, the issues faced by small businesses in North Bengkulu are very complicated. In addition to licensing, challenges related to capital, marketing, and raw materials are important aspects, but the problem of Human Resources (HR) is also a very important issue and needs immediate attention. In the results of interviews with small business actors, it was revealed that the main problem for them was not the licensing aspect, but

the quality of human resources. Human resources here include the ability to manage a business, the behavior patterns of business owners, business mentality, and experience as entrepreneurs. Many small businesses have low human resources, which often become a barrier to business development (Sijabat, 2021).

Therefore, the problems faced by small businesses are not only limited to licensing, but also include aspects of capital and, no less importantly, the quality of human resources. Often, the actions of business actors are not in line with the needs of the business they are running. Most of those who get loans, either from the government or financial institutions, tend to use the funds for consumptive purposes rather than to increase business capital. As a result, small business capital loans often trap them in debt that is difficult to repay. The government, they are responding to the needs of small business capital, but this often results in a situation of 'default' among small business actors. Furthermore, small business actors in North Bengkulu Regency stated that in the field, the government is still more focused on increasing the number of small businesses without touching on substantial aspects.

For example, the behavior and way of thinking of business actors. Often, financial assistance in the form of loans provided by the government becomes less meaningful when received by small entrepreneurs. The government often misunderstands the main problems faced by small businesses, so the policies taken are often not on target and even become obstacles. Regarding the attitude of small businesses that tend to be 'wasteful', (Akbar & Prabawati, 2018) revealed the phenomenon of a culture of poverty that exists in society. This culture of poverty can worsen the conditions of people trapped in poverty, as seen from characteristics such as low work skills, minimal savings levels, and consumer behavior. Efforts to overcome cultural poverty are not as easy as policymakers think if they only use a structural approach such as KPT. A more appropriate approach is with a sociological perspective, which also aims to realize the basic rights of every individual.

### **c. Licensing**

One aspect that is an obstacle for small businesses is the 'traumatic' mindset related to the processing of permits from the government so business actors are often reluctant to apply for permits. The Head of KPT explained in an interview that the public's understanding of the licensing process is still based on old assumptions. The public still believes that managing the licensing process is currently complicated and complex, so it becomes a burden when they finally have to handle it. The complexity of the problems faced by small businesses does not only occur in North Bengkulu. Research conducted by (Purnawan, Triyanto, et al., 2022) shows that small business problems are very complex. In the study conducted in Bengkulu, especially in Medan City, two categories of problems were found that could be identified in small businesses, namely external and internal problems.

External problems include things such as thuggery, illegal levies, and unsupportive licensing and levies, all of which are often obstacles to the growth of small businesses. On the other hand, there are also internal problems related to capital, business management, and access to markets. The issue of small businesses is in line with the description presented by (Riawan & Kusnawan, 2018) which has been studied in a theoretical context. They identified that the common shortcomings faced by small businesses include limited capital, lack of skilled labor (Human Resources), and minimal programs for skills development. Therefore, based on the characteristics of the problems that exist in small businesses, both from a theoretical and empirical perspective, the North Bengkulu Regency tends to experience similarities.

The local government should have conducted initial research on the state of small businesses in North Bengkulu that need attention, both in terms of economic development and sociological approaches, so that the district government can provide appropriate support. have a better understanding of the characteristics of small business problems in the region. Until now,

many governments in various countries still face challenges in recognizing the informal sector, including small businesses. According to (Miles & Huberman, 1992), this problem is not only descriptive but also functions as an analytical tool that should be explained in a theoretical context. However, this aspect also needs to be analyzed from a sociological perspective.

The characteristic of small businesses lies in a very critical economic scale, where the last effort made is to struggle to survive and maintain its reproductive system by utilizing the available economic gaps. The weakness that often occurs in the Regional Government is the lack of understanding of the characteristics of issues in society before making important decisions. Policies in the preparation of KPT are often only based on Constitutional orders carried out without any more detailed preliminary investigation. This view is supported by (Amanda, 2019), who emphasized that government policies often cause skepticism among the public, due to the lack of in-depth academic research before and after the development of SMEs.

The North Bengkulu Regency Government should conduct an in-depth study of the conditions of small businesses in the area. With proper understanding, the policies made can be more in line with the needs of the North Bengkulu community. Although the government's intention to support small businesses is very large, if it is not supported by good planning and accurate data, implementation in the field will face various obstacles. Theoretically, the application of the principle of decentralization by providing regional autonomy should help increase the efficiency and effectiveness of public services. According to Rondinelli, quoted by (Zulfiyyan Effendy, 2018), several factors contribute to increasing the efficiency and effectiveness of public services within the framework of regional autonomy:

- 1) With the application of autonomy, the service delivery structure becomes more optimal because public service providers operate closer to the community so that strategic decision-making can be carried out more efficiently.
- 2) The services provided are adjusted to local needs and conditions.
- 3) Maintenance of existing infrastructure is improved through budget allocations that are following needs.
- 4) Routine tasks are transferred from the center to the regions so that the center can focus more attention on policy.
- 5) There is increased competitiveness in the provision of services between government units and between the public and private sectors under the direction of the local government.
- 6) This makes the bureaucracy more focused on the interests of the community.

According to (Purnawan, Noviyanto, et al., 2022), the local government should be able to adjust the services to the needs and conditions of the local community in implementing integrated licensing services, especially in North Bengkulu Regency. In addition, with the increasing geographical access to services, the local government needs to reform the bureaucracy so that it can pay more attention to the interests of the community.

According to (Astuti, 2017), improving the quality of public services in the regions should be achieved through the formation of a strong moral commitment from all levels of the regional government, as well as support from other stakeholders. A strong commitment from leaders, especially regional heads, supported by internal staff or teams who act as thinkers and dialogue partners, will significantly strengthen efforts to improve the quality of public services in the region. The internal team of the regional government functions as an agent of change in the bureaucratic system. Members of this team generally consist of heads of departments or officials who have a vision, mission, and strategy that is in line with the goals of the regional head. In addition, the participation of external stakeholders is also very important to provide input, evaluation, and constructive suggestions to improve the quality of public services.

However, conditions in the North Bengkulu KPT show that bureaucratic reform does not go hand in hand with the formation of integrated licensing services (KPT). There is a lack of coordination between SKPDs, differences in perspective, and conflicting policies indicate that the

bureaucracy has not changed, even though the licensing process has shifted from distributed to centralized. Policies that are not implemented comprehensively in public service reforms in reality face obstacles in their implementation, as seen in North Bengkulu Regency.

## CONCLUSION

This study identifies critical barriers to small business participation in KPT services, including high costs, inadequate socialization, and limited coordination between agencies. Addressing these challenges requires targeted policy reforms, such as reducing bureaucratic complexity, enhancing inter-agency collaboration, and expanding outreach efforts to small business communities. By improving public service delivery, local governments can foster greater SME participation, contributing to regional economic development. Future research should explore the long-term impact of integrated licensing services on SME growth across different regions. Further details there are: 1) The interest of small business actors to register their businesses at the North Bengkulu Regency KPT is influenced by four main factors, namely costs associated with managing permits, business actors' views on permits, various problems experienced by small businesses daily that reduce their desire to register their businesses, and the extent to which small business actors receive socialization regarding KPT.; 2) The existence of the Integrated Service Office (KPT) is influenced by three factors: lack of knowledge of business actors regarding the existence and function of KPT for small businesses, caused by the less than optimal socialization of the North Bengkulu KPT throughout North Bengkulu Regency, small businesses do not receive priority attention from KPT, and coordination between KPT and related agencies is not running well.; and 3) The three main problems faced by small businesses include capital, human resources (HR), and managing permits.

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