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# Increasing Industrial Competitiveness through the Quality of Human Resources

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## **ABSTRACT**

This study aims to describe and analyze the implementation of community creative economic development in the District of Wonoasih as a form of Mayor Regulation No. 80 of 2018 concerning the Regional Action Plan for Probolinggo City Creative Economy Development for 2019 – 2023. The data collection technique carried out by the researchers in this study was an observation, an activity in which the researcher saw firsthand the conditions and situations in the field and conducted interviews. The results of this study are the implementation of community creative economic development in Wonoasih District, Probolinggo City, as a form of Mayor Regulation No. 80 of 2018 concerning the Regional Action Plan for Probolinggo City Creative Economy Development for 2019 – 2023, in general, has been going well and the suggestions for this research There is a need for continuous guidance to creative economy entrepreneurs and artisans, especially to prospective successors to business and economic crafts the creative. It is necessary to increase the volume of activities such as exhibitions held regularly, especially outside the Probolinggo area, so that the wider community knows the products of the creative economy from Probolinggo City. To support these exhibitions, it is necessary to increase the production of creative economy entrepreneurs and artisans with automation or at least the use of production machines that can produce more.

**Keywords:** Creative Economy, Human Resources, Industry.

## 1. INTRODUCTION

The government has attempted to make policies to improve the people's standard of living through economic development from the agricultural sector, supported by Law Number 19 of 2013 concerning the Protection and Empowerment of Farmers. The law regulates the protection and empowerment of farmers, which includes planning, protection of farmers, supervision, financing and funding, and community participation, which is organized based on the principles of independence, sovereignty, usefulness, efficiency, justice and sustainability. In addition, the Regional Government of Probolinggo is also trying to improve the community's economy by promoting the creative economy movement through Mayor Regulation No. 80 of 2018 concerning the Regional Action Plan for Probolinggo City Creative Economy Development for 2019–2023.

Developing the creative economy is one of the efforts of the Probolinggo Government to increase community economic growth. Economic growth is one of the processes of change carried out by each district/city because development is an integral part of the progress of districts/cities to make the region more advanced. In contrast, economic growth and welfare are a series of development efforts that are carried out continuously. It covered aspects of regional, district and city life. One of the problems often experienced by the region is the settlement of unemployment and poverty problems. The government has carried out the handling of unemployment and poverty problems in Probolinggo City, namely the Ministry of Social Affairs provides assistance or subsidies to the community, which is carried out by the Probolinggo City Social Service based on data made by the Central Bureau of Statistics through the State Revenue and Expenditure Budget (APBD) called the Family Hope Program (Family Hope Program). PKH) and non-PKH. In addition, direct assistance provided by the regional government of Probolinggo City was assisted by using the Regional Revenue and Expenditure budget in the form of equipment assistance for daily work, for example, bicycles for those who sell vegetables around, equipment for selling rujak, sewing machines for entrepreneurs or mask artisans, drying machines for crackers and so on. The assistance was given to boost the community's economy and reduce unemployment.

The Probolinggo City Government has made several efforts to minimize the number of unemployed and poor people with various programs, including assistance for creative economy entrepreneurs, sewing machine assistance for mask entrepreneurs and assistance with drying machines for cracker entrepreneurs. Apart from that, the Family Hope Program (PKH) in the form of groceries (rice, sugar, cooking oil), the government also assists with several free wheelbarrows to the community who will later sell vegetables around and provides free fish feed assistance every month for people who have cultivation. Fish, for example,

tilapia, gourami, catfish and others. In Wonoasih District, most of the people work as farmers. However, the level of harvest productivity is minimal, dramatically influencing the gap in people's living standards. Therefore, the government must handle the agricultural sector seriously to provide benefits for the community's economic needs, especially in Wonoasih District. Among them is by increasing the selling value of farmers' crops into finished or semi-finished goods, for example, soybean commodities to become tofu or tempeh, catfish commodities to become organic catfish crackers and others.

The agricultural sector is one sector that has the potential to build a creative economy passion because it is supported by the structure of Indonesian society, most of whom work as farmers. Policies regarding the creative economy in the agricultural sector were developed by the Presidential Instruction of the Republic of Indonesia Number 6 of 2009 concerning Creative Economy Development. Based on the concept of the Ministry of Agriculture, the scope of the creative economy of the agricultural sector includes packaging design, product design, product development, utilization of agricultural by-products and handicraft waste from agricultural products, agro-tourism, parks and plant processing, development of biological pesticides (Biopesticide), fertilizer development organic (solid and liquid), development of appropriate tools/machines for on-farm and off-farm businesses, development of renewable energy (Biofuel, Biogas, and Biomass) and cultural tourism related to agriculture.

Referring to this problem, this research is aimed at describing and analyzing the implementation of community creative economic development in Wonoasih District as a form of Mayor Regulation No. 80 of 2018 and to describe and explain what factors support and hinder the development of the creative economy of the community in Wonoasih District as a form of Mayor Regulation no. 80 of 2018 concerning Regional Action Plans for Probolinggo City Creative Economy Development for 2019-2023. 80 of 2018, be able to understand what factors support and hinder the development of the community's creative economy so that it can become a reference for other communities in business development in their area with a creative economic system as a reference in developing community's creative economy in Wonoasih District and making it easier for the community to carry out creative economic development by knowing what factors support and hinder the development of the community's creative economy.

## 2. FOUNDATION OF THEORY

A household's low income and economic income are caused mainly by the low or not yet empowered family and the undeveloped behaviour appropriate for earning a living for the head of the low-income family. A low level of knowledge can characterize this due to a low level of education, the mental attitude of people who are still traditional without being accompanied by a desire to progress and develop, and inadequate skills to be able to compete in life. According to Roskow, economic growth can be interpreted as a process that causes changes in people's lives, namely changes in politics, social structure, social values and economic activity. Furthermore, Sadono Sukirno argues that economic growth means the fiscal development of the production of goods and services that apply in a country, such as the increase and the amount of production of industrial goods, infrastructure development, increase in the number of schools, increase in production of the service sector and increase in production of capital goods. To provide a rough picture of the economic growth achieved by a country, the measure that is always used is the growth rate of real national income achieved (Sukirno, 2011: 423). Efforts to improve the community's economy can be realized in several strategic steps to expand people's access to development resources to overcome backwardness and strengthen their economic competitiveness. Apart from its construction, the community's efforts to achieve welfare include starting a business or establishing a small industry.

The creative economy is a new economic concept that combines information and creativity that relies on ideas, ideas and knowledge from human resources as a factor of production. Creative economy has been widely discussed since John Howkins wrote the book "Creative Economy, How People Make Money from Ideas". Howkins defines the Creative Economy as an economic activity where the input and output are ideas. Alternatively, in one short sentence, the essence of creativity is an idea. It can be imagined that a creative person can earn a relatively high income only with idea capital. The term creative economy develops from the concept of creativity-based capital, which can potentially increase economic growth in an area. According to President Susilo Bambang Yudhoyono in Agung Pascasuseno (2014), "the creative economy is the fourth wave economy which is a continuation of the third wave economy with an orientation towards creativity, culture, and cultural and environmental heritage".

In its development in the field, the creative economy forms creative industries according to the sector. According to the Ministry of Trade of the Republic of Indonesia (2010), the creative industry is an industry that originates from the utilization of individual creativity, skills and talents to create prosperity and employment through the creation and utilization of individual creativity and creativity.

## 3. RESEARCH METHOD

#### 3.1 Research Design

The design of this study is an attempt to examine the problem using the right approach in the sense that the approach used is intended to facilitate the assessment of a study. Therefore, choosing the right approach will determine how a researcher will examine a research problem. Related to the research design used by researchers in this study, researchers used a qualitative approach. Qualitative research is a natural or natural object, so this research method is often called the naturalistic method. Natural objects are objects that are as they are, not manipulated by the researcher, so the conditions when the researcher enters the object after being in the object and leaving the object, are relatively changing. According to Bogdau and Tailor, qualitative research is a research procedure that produces descriptive research in the form of written or spoken words from people and observed behaviour.

## . 3.2 Research Scope

The scope of this research is how the Community Creative Economy Development in Wonoasih District, Probolinggo City (Study of Implementation of Mayor Regulation No. 80 of 2018 Concerning Regional Action Plans for Probolinggo City Creative Economy Development 2019 - 2023).

## 3.3 Types and Sources of Data

In this study, the type of data used is qualitative. In the sense that all of them use descriptive qualitative using words or sentences. In addition, the data source also consists of two parts, including primary data and secondary data. Primary data is data obtained directly by researchers. In this case, the primary data was obtained through direct and in-depth observation of the researcher and also through interviews with several parties who were informants related to this study.

Meanwhile, the data obtained indirectly by the researcher was secondary data. Archives and documents related to the management of agricultural products are part of the secondary data instrument. In this study, researchers will use several things to obtain data, including the first is informant, the second is the document, and the third is the activity. Informants will provide researchers with information regarding the topic to be studied. The data provided by the informant is data in the form of words. Informants are people who really understand and have sufficient knowledge about the topic being asked. While documents, in this cases are data related to research presented in written form. This document is data that provides further information to researchers related to research materials. What is meant by activity is activity directly in the field. This means that the data is obtained from direct activities by looking directly at the conditions in the field.

#### 3.4 Data Collection Techniques

Researchers in this study carried out the data collection techniques in the first way, namely observation. Observations made by the author are activities where researchers directly see the conditions and situations in the field. In this case, the author sees directly the processing of existing forms of the creative economy. One of them is wood waste crafts, Probolinggo batik crafts, tempe business, organic catfish cracker business, mask crafts, mushroom cultivation, and fisheries. The second is the interview. Interviews in research are used as a data collection technique; if the researcher wants to conduct a preliminary study to find existing problems, it can also be used to find out more about the respondents. In qualitative research, participatory observation techniques are often used with in-depth interviews. During the observation, the researcher also interviewed the people in it. Conducting interviews by meeting each informant and asking direct questions from researchers answered in Indonesian and Madurese according to the informant's ability. The third is documentation. Documentation is a record of past events; documentation can be in the form of oral, pictures or monumental works of a person. Documents in the form of writing, for example, life history diaries, biographies, regulations, policies, documents in the form of images, for example, photographs, life drawings, sketches and others.

## 3.4 Data Processing Techniques and Data Analysis

Data collection is essential in conducting research. However, the data obtained will not be meaningful if left alone without being processed and analyzed by researchers. Thus, the data management process generally begins with recording field data (raw data) and then rewriting it in the form of identification and categorization. After the data is summarized, reduced and adjusted to the focus of the research problem, then the data is analyzed and checked for validity through several techniques. Meanwhile, the data analysis technique used in this study was descriptive qualitative analysis, namely explaining the government's efforts to increase the growth of the creative economy of the community in the Kedungasem and Jrebeng Kidul sub-districts, Wonoasih sub-district, Probolinggo city. In data analysis, researchers used the Miles and Huberman models. 4 Sugiyono suggested that activities in qualitative data analysis were carried out interactively and continued continuously until complete so that the data was reliable or valid.

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## 4. RESEARCH RESULT

## 4.1 SWOT Analysis of the Creative Economy of Wood Waste Crafts

To find out the factors that support and hinder the implementation of community creative economic development in Wonoasih District, especially people who work as wood waste craftsmen, you can see in the SWOT analysis table 1 below.

## **Table 1.SWOT Analysis**

	Table 1.SWOT Analysis				
	STRENGTH )		WEAKNESS		
a.	The attention and commitment of the local government to increasing creative economic development	a. b.	The weak ability of wood waste creative economy artisans in marketing on the internet  The regional apparatus e-government database and		
b.	There is potential for developing ICT infrastructure that supports the creative economy.	0.	services must still be integrated with the wood waste creative economy artisans.		
c.	There is potential for the development of interconnections between creative economy artisans and buyers from	c.	The interconnection of all regional apparatuses with wood waste creative economy artisans has not been maximized through the integration of internet and intranet networks;		
d.	within and outside Probolinggo.  There is potential for developing a management information system	d.	There is no adequate working mechanism between regional apparatus and wood waste creative economy artisans;		
	(SIM) for creative economy artisans hrough the website.	e.	Weak coordination between sectors, especially with wood waste creative economy artisans;		
e.	The existence of potential human resources (HR) from various disciplines of communication and informatics engineering	f.	The institutional capacity of community information groups, especially wood waste creative economy artisans, still needs to improve.		
f.	There is Mayor Regulation No. 80 of 2018 concerning Regional Action Plans for Probolinggo City Creative Economy Development for 2019 –	g.	The collection, management and development of sectoral statistics databases are not yet optimal;		
		h.	Still needs to be optimal service and dissemination of public information.		
g.	There is potential for the development of Creative Economy Community Groups.	i.	The involvement of various elements of development stakeholders, including the DPRD, NGOs, village-level community institutions, universities, and the private sector, is yet to be optimal.		
		j.	The coordination system with the creative economy sector in the province has yet to be optimal.		
OPPORTUNITIES			THREATS		
a.	Geographical condition of Probolinggo City as a transit city	a.	There is a network of creative economy groups outside the Probolinggo area, which is proliferating;		
b.	The enthusiasm of buyers for souvenirs typical of Probolinggo during the creative economy exhibition	b.	The lack of awareness of young people to continue the creative economy business that their parents have ordered;		
c.	Providing easier public internet access can support marketing;	c.	The manufacture of wood waste crafts is still manual, so the amount of production is still tiny.		
d.	Government policies that support the creative economy;				
e.	Increased public awareness of the importance of waste management in crafts.				

Source: Primary and secondary data

Based on the SWOT analysis above, it can be seen that the implementation of Mayor Regulation No. 80 of 2018 concerning the Regional Action Plan for Probolinggo City Creative Economy Development for 2019 - 2023 has been going well. However, there are still several obstacles to implementing creative economic development, especially wood waste crafts in Wonoasih District, Probolinggo City, including a lack of awareness of young people to continue their business the creative economy that their parents pioneered, the manufacture of wood waste handicrafts which is still manual so that the amount of production is still tiny or limited, the ability of creative economy wood waste artisans is still weak in marketing on the internet which in general still relies on cell phones so that orders are often received from the customer is not immediately known by the artisans which has an impact on the cancellation of the order. While the obstacles from the government include: The not yet integrated database and e-Government services of the regional apparatus with the wood waste creative economy craftsmen, the not yet maximal interconnection of all regional apparatuses with the wood waste creative economy craftsmen through the integration of internet and intranet networks, the absence of a working mechanism that is adequate inter-regional apparatus and wood waste creative economy craftsmen, weak coordination between sectors, especially with wood waste creative economy craftsmen, still weak institutional capacity of community information groups, especially wood waste creative economy craftsmen, not yet optimal collection of management and development of sectoral statistical databases, services and dissemination of public information are not yet optimal, the involvement of various elements of development stakeholders is not yet optimal, including DPRD, NGOs, village-level community institutions, universities and the private sector, and the coordination system with the creative economy sector in the province is not yet optimal. These factors impact limited information to customers, especially customers from outside the Probolinggo area.

## 4.1 SWOT Analysis of the Creative Economy of Wood Waste Crafts

To find out the factors that support and hinder the implementation of community creative economic development in the Wonoasih sub-district, especially people who work as batik craftsmen, you can see in the SWOT analysis table 2.

## **Table 2.SWOT Analysis**

#### **STRENGTH** WEAKNESS The attention and commitment of the local The weak ability of batik creative economy government to increasing creative economic artisans in marketing on the internet development The regional apparatus e-Government b. There is potential for developing ICT database and services have not yet been infrastructure that supports the creative integrated with the batik creative economy economy. artisans: There potential for developing The interconnection of all regional is interconnections between creative economy apparatuses with batik creative economy artisans and buyers from within and outside artisans has not been maximized through Probolinggo. the integration of internet and intranet networks; d. There is potential for the development of a management information system (SIM) for The absence of an adequate working creative economy artisans through the mechanism between regional apparatus and website; batik creative economy craftsmen; The existence of potential human resources Weak coordination between sectors. (HR) from various disciplines especially with batik creative economy communication and informatics engineering; craftsmen: There is Mayor Regulation No. 80 of 2018 The institutional capacity of community concerning Regional Action Plans for information especially groups, Probolinggo City creative economy craftsmen, still needs to Creative Economy Development for 2019 - 2023 improve. There is potential for the development of Creative The collection. management and Economy Community Groups. development of sectoral statistics databases are not yet optimal; Still needs to be optimal service and dissemination of public information.

i. The involvement of various elements
of development stakeholders, including
the DPRD, NGOs, village-level
community institutions, universities,
and the private sector, is yet to be
optimal.
<b>j.</b> The coordination system with the creative economy sector in the province is not yet optimal.

OPPORTUNITIES	THREATS
a. Geographical condition of Probolinggo City as a transit city  b. The enthusiasm of buyers for souvenirs, especially Probolinggo batik, during the creative economy exhibition  c. Providing easier public internet access can support marketing;  d. Government policies that support the creative economy;  e. Increased public awareness of the importance of preserving Probolinggo batik.	<ul> <li>a. There is a network of creative economic groups outside the Probolinggo area which is proliferating, especially batik craftsmen;</li> <li>b. The lack of awareness of young people to continue the creative economy business that their parents have ordered;</li> <li>c. Making batik is still manual, so the amount of production is still small</li> </ul>

Source: Primary and secondary data

Based on the SWOT analysis above, it can be seen that the implementation of Mayor Regulation No. 80 of 2018 concerning the Regional Action Plan for Probolinggo City Creative Economy Development for 2019 – 2023 has been going well. However, there are still several obstacles to implementing creative economic development, especially Batik crafts in Wonoasih District, Probolinggo City, including lack of awareness of young people to continue economic business creative activities initiated by their parents, the manufacture of wood waste crafts is still manual so that the amount of production is still tiny or limited, the ability of creative economy batik artisans to market on the internet is still weak, which in general still rely on cell phones so that orders are often received from customers who do not immediately know by the craftsmen who have an impact on cancelling or cancelling the order. While the obstacles from the government include: The regional apparatus e-Government database and services have not yet been integrated with the batik creative economy craftsmen, The interconnection of all regional apparatuses with the batik creative economy craftsmen has not been maximized through the integration of internet and intranet networks, There has not been an adequate work mechanism between regional apparatus with batik craftsmen, Weak coordination between sectors, especially with batik craftsmen, Weak institutional capacity of community information groups, especially batik artisans, Not optimal collection management and development of sectoral statistical databases, Not optimal service and dissemination of public information, Not optimal involvement various elements of development stakeholders including the DPRD, NGOs, village-level community institutions, universities and the private sector, as well as the not yet optimal coordination system with the creative economy sector in the province. These factors impact limited information to customers, especially customers from outside the Probolinggo area.

## 4.1 SWOT Analysis of the Creative Economy of Organic Catfish Crackers

You can see the factors that support and hinder the implementation of community creative economic development in the Wonoasih sub-district, especially people who work as organic catfish cracker entrepreneurs, in the SWOT analysis table 3.

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**Table 3.SWOT Analysis** 

#### STRENGTH (Strength) WEAKNESS The attention and commitment of a. The weak ability of organic catfish crackers creative economy entrepreneurs the local government to increasing creative economic development in marketing on the internet There is potential for developing b. government e-government database and ICT infrastructure that supports the services are not yet integrated with creative economy. organic catfish cracker entrepreneurs; There is potential for developing c. The interconnection of all regional interconnections between apparatuses with organic catfish cracker entrepreneurs has not been maximized economy craftsmen and buyers from within and outside Probolinggo. through the integration of internet and intranet networks; There is potential for the development of a management information system d. There is adequate working (SIM) for creative economy artisans regional mechanism between through the website; apparatuses and organic catfish cracker entrepreneurs; The existence of potential human resources (HR) from various e. Weak coordination between sectors, disciplines of communication and especially with organic catfish cracker informatics engineering; entrepreneurs; There is Mayor Regulation No. 80 of f. The institutional capacity of community information groups still needs to 2018 concerning Regional Action Plans improve, especially with organic catfish Probolinggo City Creative Economy Development in 2019 cracker entrepreneurs. 2023 g. The collection, management development of sectoral statistics There is potential for the databases are not yet optimal; development of Creative Economy Community Groups. h. Still needs to be optimal service and dissemination of public information. i. Not optimal involvement of various elements of development stakeholders, among others DPRD, NGOs. village-level community institutions, universities, and the private sector. k. The coordination system with the creative economy sector in the province is not yet optimal. **OPPORTUNITIES THREATS** Geographical condition of Probolinggo a. There is a network of creative economy City as a transit city groups outside the Probolinggo area, which is proliferating; The enthusiasm of the buyers for souvenirs, especially organic catfish b. The lack of awareness of young people to crackers, during the creative economy continue the creative economy business exhibition that their parents have ordered; Providing easier public internet access can c. The production of catfish crackers is still support marketing; manual, so the production is still tiny.

- d. Government policies that support the creative economy;
- Increasing public awareness of the importance of organic catfish cracker creative businesses to improve the people's economy.
- d. Drying crackers is still manual, so it takes a long time, which is 2-4 days depending on the weather.

#### 5. DISCUSSION

Implementation of Mayor Regulation no. 80 of 2018 concerning the Regional Action Plan for Probolinggo City Creative Economy Development for 2019 – 2023 in principle has been going well; this is evidenced by the development of the creative economy in Probolinggo City, especially in Wonoasih District. Some examples of well-developed creative economies include the creative economy of wood waste crafts, batik crafts, mask crafts, Tempe businesses, and organic catfish cracker businesses.

There are still many creative economy types in the Wonoasih sub-district, including plastic waste craftsmen, banana chip businesses, etc., which in this study were not included in the inclusion and exclusion criteria, including the number of employees who did not comply, namely over ten employees. A minimum turnover of 500 million per month, and so on, so this type of creative economy business is not examined in this study.

The creative economy in Wonoasih District is growing day by day. However, some of the limitations of entrepreneurs and creative economy craftsmen have made the development of the creative economy in the Wonoasih District not as desired by the Mayor as set forth in Mayor Regulation no. 80 of 2018 concerning the Regional Action Plan for Probolinggo City Creative Economy Development for 2019-2023, specifically in the Probolinggo City Creative Economy Development Goals for 2018-2023 as follows, namely firstly increasing the quantity and quality of creative human resources supported by quality education, secondly increasing the quality of development and utilization of environmentally friendly local raw materials, thirdly increasing the growth and competitiveness of the creative industry, fourthly providing financing and access to finance that is suitable for creative business actors, fifthly increasing the diversity of market segments and market share of the creative economy, sixthly providing infrastructure and technology appropriate and competitive for the creative industries, and the seventh is improving the quality of the business climate for the creative industries and appreciation of creative work.

In the purpose of Mayor Regulation no. 80 of 2018, point one (1) Increasing the quantity and quality of creative human resources supported by quality education, this point has generally been fulfilled, namely by sending several human resources entrepreneurs and craftsmen to participate in training that held by the regional government of Probolinggo City, by inviting experts who are competent in their respective fields. In the purpose of Mayor Regulation no. 80 of 2018, the second point (2), Improving the quality of development and utilization of environmentally friendly local raw materials, has also been appropriately implemented. This is proven by the utilization of wood waste by creative economy craftsmen of wood waste into paintings, wall hangings, wall clocks, key chains, and others. For Mayor Regulation no. 80 of 2018, point three (3) is Increasing the growth and competitiveness of the creative industry. In general, the regional government of Probolinggo City has made maximum efforts. However, competition for the creative economy at the Regional and National levels is very high. Hence, the efforts of the local government of Probolinggo City have yet to yield good results. This is proven by the fact that creative economy products are not widely known in Wonoasih District, Probolinggo City, both in East Java and in Indonesia.

Furthermore, on the purpose of Mayor Regulation no. 80 of 2018, the fourth point (4) Provision of appropriate financing and access to financing for creative business actors. In general, this has been going well; this can be seen from the results of interviews with creative economy entrepreneurs and craftsmen who stated that access to financing for entrepreneurs and craftsmen in Wonoasih District, Probolinggo City, has so far been easy and prioritized, especially at Bank BRI and Bank Jatim. In the purpose of Mayor Regulation no. 80 of 2018, point five (5) Increasing the diversity of market segments and market share of the creative economy. In general, the regional government of Probolinggo City has attempted to send creative economy entrepreneurs and craftsmen to exhibitions in various regions in East Java. However, so far, according to entrepreneurs and craftsmen, the creative economy in Wonoasih District, Probolinggo City, has not been maximized because the impact of these exhibitions has not been able to increase their turnover significantly, although entrepreneurs and craftsmen also admit that participation in these exhibitions is the impact at that time was that when the exhibition was held, many were enthusiastic about buying their products. However, after the exhibition, no one ordered their products again for Mayor Regulation no. 80 of 2018, point six (6), provision of appropriate and competitive infrastructure and technology for the creative industries. Creative economy entrepreneurs and craftsmen have yet to feel it, especially in Wonoasih District, Probolinggo City.

Entrepreneurs and craftsmen acknowledged that the provision of infrastructure and technology, such as installing wifi, donating machines for production, etc., had been carried out by the regional government of Probolinggo City; this is evident from the documentation that researchers obtained in Wonoasih District that on November 18, 2021, a total of 76 business actors will receive assistance with facilities and equipment to support business development. This assistance is given to motivate them to increase their productivity and marketing. This assistance is one of the work programs of the Office of Cooperatives, Micro, Small and Medium Enterprises, Industry and Trade (DKUPP) of Probolinggo City. Every year DKUPP routinely does this. It is hoped that this assistance will move the wheels of the regional economy as well as an effort to increase MSME income. Symbolically, this assistance was given directly by the Mayor of Probolinggo City, Habib Hadi Zainal Abidin. The Mayor came alone using a big Dakar BMW motorbike without a patrol. The aid was handed over in the yard of the DKUPP Office, Probolinggo City, Jalan Mastrip, Probolinggo City.

The purpose of Mayor Regulation No. 80 of 2018, point seven (7), is to improve the business climate quality for creative industries and appreciate creative work. Creative economy entrepreneurs and craftsmen in Wonoasih District, Probolinggo City, still need to experience this. Because sales of its products have been the same so far, there has been no increase. Competition in the business climate between regions, especially those with the same type of product, is also extreme, so creative economy entrepreneurs and craftsmen in Wonoasih District, Probolinggo City, still have to rack their brains so that their businesses can survive, especially during the recent pandemic.

Based on the analysis and discussion above, it can be explained based on 4 (four) criteria, namely the first is that the coordination system between craftsmen and the local government has been going well; this can be proven by the frequent visits of local government officials to Wonosari sub-district, especially to review the progress of the craftsman. This is evident from several official visits to the Wonoasih sub-district, including: The Mayor of Probolinggo's visit to the mask industry center in Wonoasih Probolinggo Sub-District, however, ongoing coordination between creative economy entrepreneurs and the local government is still lacking, this is evident from the lack of integrated databases and e-services -Regional government apparatus with creative economy artisans, Not maximal interconnection of all regional apparatuses with creative economy craftsmen through integration of internet and intranet networks, There is no adequate working mechanism between regional apparatuses and entrepreneurs, Weak coordination between sectors, especially with economic entrepreneurs creative sector, the involvement of various elements of development stakeholders, including the DPRD, NGOs, village-level community institutions, universities and the private sector, and the coordination system with the creative economy sector in the province is not yet optimal. These factors impact limited information to customers, especially customers from outside the Probolinggo area. Creative economy entrepreneurs also coordinate with several large companies, such as that carried out by creative industry entrepreneurs who make wood waste, where the wood waste craftsmen collaborate with PT. Kutai Timber Indonesia is engaged in the utilization of export timber.

Second, communication between the craftsmen and the local government has been carried out, this is evidenced by the frequent visits of local government officials to creative economy centres, but according to entrepreneurs, this still needs to be improved. Due to the lack of integration of regional e-Government databases and services with creative economy craftsmen, the interconnection of all regional apparatuses with creative economy craftsmen has not been maximized through the integration of internet and intranet networks; there has not been an adequate working mechanism between regional apparatuses and entrepreneurs, there is still weakness institutional capacity of community information groups, especially creative economy entrepreneurs, not optimal collection management and development of sectoral statistical databases, not optimal service and dissemination of public information, not optimal involvement of various elements of development stakeholders including DPRD, NGOs, village-level community institutions, universities, and the private sector so that these limitations hamper the information that creative economy entrepreneurs should be able to receive immediately. Network limitations or the unknown production of creative economy products is one of the information barriers.

This is due to the limited time, energy and costs that the craftsmen have to promote their products, as is done during exhibitions. The experience of the craftsmen when holding exhibitions, buyers from out of town are enthusiastic about the quality of the crafts and competitive prices. However, there are several obstacles, including distance, time, effort and cost, to meet the enthusiasm of buyers from outside the city. Mr Eko Nur Widyanto has repeatedly tried to market via Facebook and other social media; the results are pretty good, the response from out-of-town buyers. However, due to the limited facilities used, namely only using mobile phones with limited capacity, it is sometimes constrained by the internet network. Orders that should have been sent could not be delivered because the news only arrived several hours or days later. Three indicators can be used to measure communication success: 1) Transmission, 2) Clarity 3) Consistency. Based on the analysis above, it can be stated that the transmission or channelling of Perwali Number 80 of 2018 regarding the Regional Action Plan for the Development of the Creative Economy City of Probolinggo has not gone well; this is evident from the many factors inhibiting communication between creative economy entrepreneurs and local governments.

## 6. CONCLUSIONS AND RECOMMENDATIONS

#### 6.1 Conclusion

Implementation of community creative economic development in Wonoasih District, Probolinggo City, as a form of Mayor Regulation no. 80 of 2018 concerning Regional Action Plans for Probolinggo City Creative Economy Development for 2019 – 2023, in general, has been going well, especially in increasing the quantity and quality of creative human resources supported by quality education, increasing the quality of development and utilization of local raw materials that are environmentally friendly, Provision of appropriate financing and access to financing for creative businesses, and Provision of appropriate and competitive infrastructure and technology for creative industries. Meanwhile, increasing the growth and competitiveness of the creative industries, increasing the diversity of market segments and market share of the creative economy, improving the quality of the business climate for the creative industries and the appreciation of creative work are felt to be lacking.

Factors that support the development of the community's creative economy in Wonoasih District as a form of Mayor Regulation no. 80 of 2018 concerning the Regional Action Plan for Probolinggo City Creative Economy Development for 2019 – 2023, including the attention and commitment of the local government to increasing creative economy development, the potential for developing ICT infrastructure that supports the creative economy, the potential for developing interconnections between creative economy craftsmen and buyers from inside and outside Probolinggo, there is potential for the development of a management information system (SIM) for creative economy artisans through the website, there is potential for human resources (HR) from various disciplines of communication and informatics engineering, there is potential for the development of Creative Economy Community Groups. Meanwhile, what hinders the development of the community's creative economy in Wonoasih District includes the weak ability of creative economy entrepreneurs to market on the internet, the lack of integration of regional e-Government databases and services with entrepreneurs, the lack of awareness of young people to continue the creative economy business that their parents have governed, the average production of products is still manual, so the amount of production is still minimal, the involvement of various elements of development stakeholders, including DPRD, NGOs, village-level community institutions, universities, and the private sector is not optimal in developing the creative economy in Wonoasih District, Probolinggo City.

## 6.1 Suggestions

There is a need for continuous guidance to creative economy entrepreneurs and craftsmen, especially to potential successors of these creative economy businesses and crafts. It is necessary to increase the volume of activities such as exhibitions that are held regularly, especially outside the Probolinggo area, so that creative economy products from the City of Probolinggo are well known by the wider community and to support the activities of these exhibitions it is necessary to increase the production of creative economy entrepreneurs and craftsmen by automation or at least using production machines that can produce more.

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