

## ANALYSIS OF THE LICENSING SERVICE SYSTEM IN IMPROVING THE QUALITY OF MICRO, SMALL AND MEDIUM ENTERPRISES PRODUCTS IN MAROS REGENCY

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Submitted:  
06 March 2026

Revised:  
19 March 2026

Accepted:  
22 April 2026

### Abstract

*Micro, Small and Medium Enterprises (MSMEs) are the backbone of Maros Regency's economy, with a significant development of 1,000 units to 2,000 units until December 2025, which is dominated by the culinary sector. In addition, the fisheries sector is also the focus of development with milkfish production with a production of more than 9,100 tons per year by 2024 with market potential that continues to grow in line with the Free Nutritious Meal (MBG) program involving MSMEs as suppliers. The contribution of MSMEs is not only felt in the absorption of labor and income of the local community, but also supports the tourism sector through souvenir products and services related to tourist destinations such as Bantimurung Tourism Park and Rammang-rammang Kart Area to support more sustainable growth, access to business legality and ease in the licensing process are crucial factors that need to be considered. Data collection for this study was carried out from December 1, 2025 to December 24, 2025. Respondents in this study were collected from MSME actors in Maros Regency and have obtained permits at the Maros Investment and One-Stop Service Office which was obtained by 40 respondents. Primary data from this study was obtained from research instruments in the form of answers from questionnaires that were distributed online by using google forms to 40 respondents at Maros Link which was distributed containing 9 questions and for each question item there were 4 alternative answers that had been provided*

**Keywords:** Service, Licensing, Product Quality, MSMEs.

### 1. INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) are the backbone of Maros Regency's economy, with a significant development of 1,000 units to 2,000 units until December 2025, which is dominated by the culinary sector. In addition, the fisheries sector is also the focus of development with milkfish production with a production of more than 9,100 tons per year by 2024 with market potential that continues to grow in line with the Free Nutritious Meal (MBG) program involving MSMEs as suppliers.

Nationally, the reform of the business licensing system has been streamlined through government regulation Number 24 of 2018 concerning Electronically Integrated Business Licensing Services (Online Singel Submission (OSS) and Regulation of the Minister of Cooperatives and MSMEs Number 02 of 2019 concerning Electronically Integrated Business Licensing for Micro and Small Businesses.

The implementation of this policy aims to simplify the licensing process, integrate services electronically and encourage faster and more affordable bureaucratic standardization. In Maros Regency, this effort is realized through the launch of the Micro and Small Business Permit (IUMK) in March 2023 which allows business actors to simply bring an Identity Card (KTP) to register at the sub-district office and get an IUMK card issued by Bank Rakyat Indonesia (BRI). This card is not only proof of business legality but also facilitates access to capital loans through guarantees from guarantor companies that are members of the Indonesian Micro and Small Business Financing Guarantor Association (ASPINDO).

Despite the efforts of reform, MSME actors in Maros Regency still face various challenges related to the licensing service system. In general, the challenges faced are the licensing process which is still considered complicated and long for certain types of businesses, such as businesses that require additional permits such as PIRT (Household Industrial Products), Hygienic Certificates and sanitation or environmental permits.

The number of permits required is often confusing and time-consuming for new business actors who have limited access to information about the requirements that must be met. In addition, the costs incurred to obtain permits and meet regulatory requirements are sometimes a burden for micro and small businesses that have limited capital. Lack of transparency in the licensing process and frequent policy changes can also create uncertainty for business actors.

To overcome these challenges, the Maros Regency government has taken various other supporting steps in addition to the launch of IUMK, the Government in collaboration with the National Amil Zakat Agency (BAZNAS) and PT. Indonesian Infrastructure Guarantee (PII) to provide business assistance and product packaging for free with the aim of helping small-scale MSMEs upgrade and market their products in mid-to-upper supermarkets. In addition, the district government also held socialization activities related to Electronic Signature Technology (TTE) to improve bureaucratic efficiency and security, as well as utilize technology such as IA spectrum for licensing services through smart chatbots to facilitate access to information and the permit processing process.

OSS risk-based licensing is a new framework that is expected to help the Indonesian government, investors, and small businesses in creating an investment-friendly ecosystem. Compared to previous licensing frameworks, risk-based licensing is much simpler and more efficient.

The important role of MSMEs in the national economy actually reflects the important role of MSMEs in achieving the Sustainable Development Goals (SDGs) in Indonesia. The development of MSME-based entrepreneurship is expected to be at the forefront of achieving the SDGs economic pillars by creating jobs, creating decent working conditions, business innovation, adapting and mitigating negative economic, social and environmental impacts for inclusive and sustainable economic growth.

The link between entrepreneurship and economic growth and labor absorption is becoming increasingly relevant referring to various studies showing a positive link between entrepreneurship and economic growth.

## 2. RESEARCH METHOD

### *Types of Research*

This type of research is qualitative, where this research is descriptive and tends to use analysis. The process and meaning are more highlighted in qualitative research. The theoretical foundation is used as a guide so that the focus of the research is in accordance with the facts in the field by means of data collection by observation and interviews.

### **Place and Time of Research**

#### **1. Research Place**

In Maros Regency, business licenses for MSMEs are issued by several agencies depending on the type of permit:

a) Micro and Small Business Permit (IUMK)

Issued by the sub-district office according to the sub-district where the business is located, or it can also be managed online through the Online Single Submission System (OSS) on [the https://www.oss.go.id/ website](https://www.oss.go.id/)

b) Business Identification Number (NIB)

It is distributed by the Ministry of Investment of the Republic of Indonesia through the OSS system which functions as a basic business identity and a substitute for several other permit documents.

c) License of the place of business

It is issued by the local government, such as the Spatial Planning related agency or through the Maros Regency Investment and One-Stop Integrated Services Office (DPMPTSP).

### **Data Types and Sources**

The type of data in this study is qualitative. Qualitative data is that this study is descriptive and tends to use analysis. The process and meaning are more highlighted in qualitative research. The theoretical foundation is used as a guide so that the focus of research is in accordance with the facts in the field.

### **Data Collection Techniques**

The techniques used in data collection in this study are observation and questionnaire where the questionnaire is a data collection method by submitting a list of written questions that are asked to the respondents to be answered.

## 3. RESULTS AND DISCUSSION

### *Results*

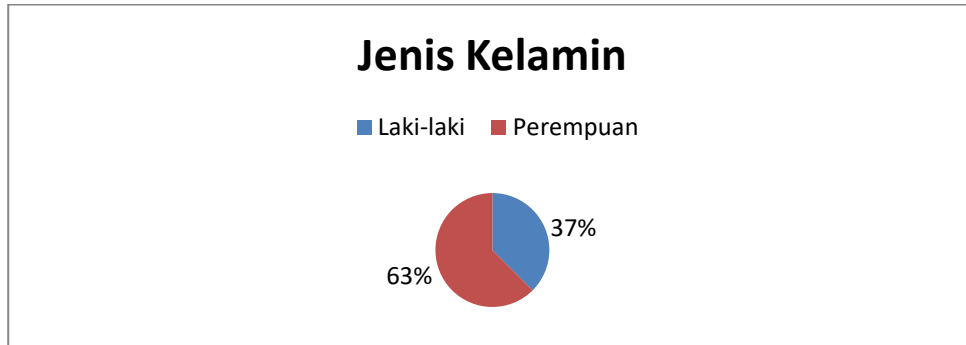
#### **Description of Research Data**

Data collection for this study was carried out from December 1, 2025 to December 24, 2025. Respondents in this study were collected from MSME actors in Maros Regency and have obtained permits at the Maros Investment and One-Stop Service Office which was obtained by 40 respondents.

Primary data from this study was obtained from research instruments in the form of answers from questionnaires that were distributed online by using google forms to 40

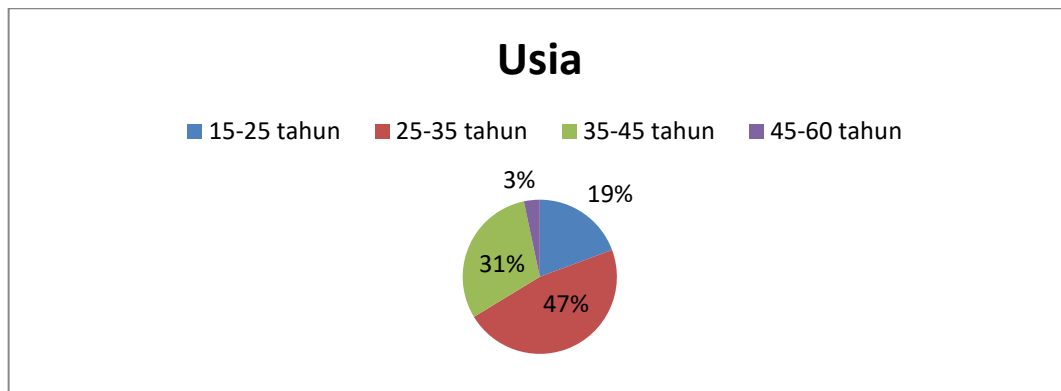
respondents at Maros Link distributed containing 9 questions and for each question item there are 4 alternative answers that have been provided.

Below is a further description of the respondents involved by the researcher in the study conducted based on gender, age, last education, type of MSMEs.



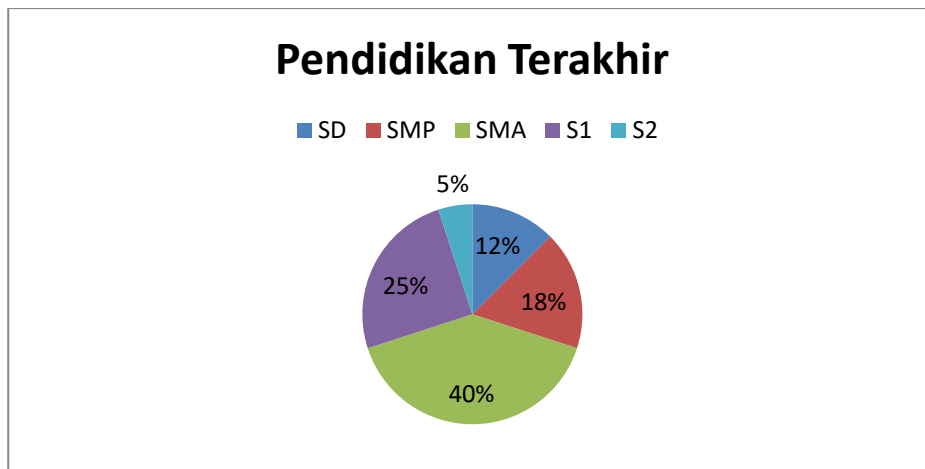
**Image Error! No text of specified style in document.-1** Respondent Identities  
Source : based on the results of the questionnaire that has been processed by the researcher

Based on diagram 1 mentioned above, of the 40 respondents, 15 or 37% of the respondents were male and 25 or 63% of the respondents were female. It can be seen overall that the respondents are dominated by women because MSMEs that take care of business licenses in Maros Regency are dominated by women.



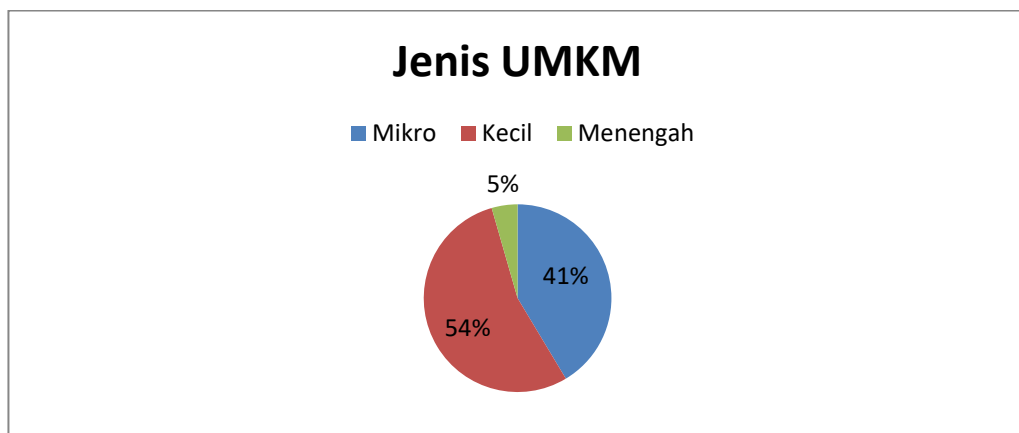
**Image Error! No text of specified style in document.-2** Respondent Identity by Age  
Source : based on the results of the questionnaire that has been processed by the researcher

The diagram above shows the number of respondents based on the age level of 40 respondents. The data results stated that in the age group of 15-25 years as many as 7 respondents or 19% of respondents, age 25-35 years as many as 17 respondents or 47% of respondents, age 35-45 years as many as 11 respondents or 31% of respondents and age 45-60 years as many as 5 respondents or 3% of respondents.



**Image Error! No text of specified style in document.-3** Based on Recent Education  
Source : based on the results of the questionnaire that has been processed by the researcher

Based on the diagram above, the composition of the number of respondents is based on the last education of 40 respondents. The results of data collection stated that the elementary school group was 5 respondents or 12%, junior high school as many as 7 respondents or 18%, high school as many as 16 respondents or 40%, S1 as many as 10 respondents or 25%, and S2 2 respondents or 5%.



**Image Error! No text of specified style in document.-4** Respondent Identity Based on MSME Type  
Source : based on the results of the questionnaire that has been processed by the researcher

The diagram above shows the number of respondents based on the type of permit applicant out of 98 respondents. The data results stated that the Trade Business License (SIUP) was 48 respondents or 49% of respondents, Building Permits (IMB) were 22 respondents or 23% of respondents, Company Registration Permits (TDP) were 7 respondents or 7% of respondents, Business Trademark Permits (SITU) were 15 respondents or 15% of respondents, Billboard Installation Permits were 4 respondents or 4% of respondents and Tourism Business Licenses were 2 people or 2% of respondents.

By using the *SPSS 18.00 for Windows* program contained in the appendix, statistical data on the quality of service at DPMPSTSP Maros Regency has been obtained, the details are attached to the following table:

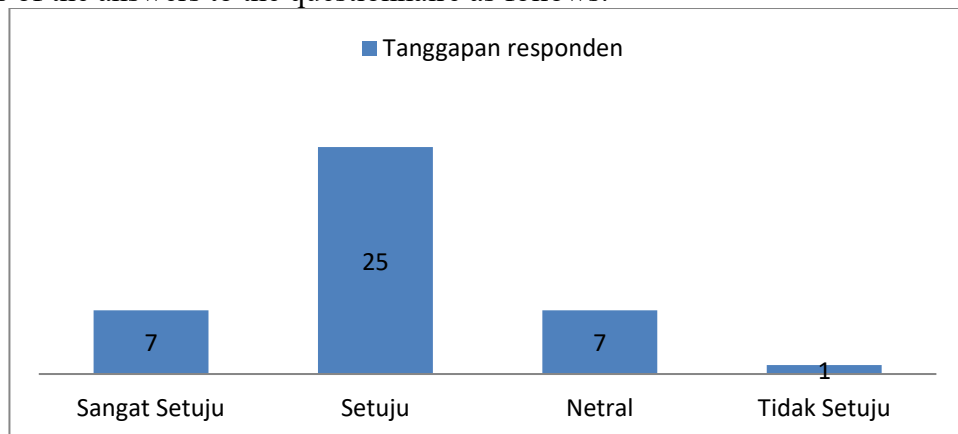
**1. Data Analysis**

Data analysis is a process to organize and organize the data that has been obtained into categories to solve problems in research. In this study, research data was obtained from the results of the distribution of questionnaires conducted to 40 consisting of 15 respondents who were men and 25 respondents were women. There are 4 answer options in the questionnaire, namely the answer strongly agrees has a score of 4, agrees has a score of 3, neutral has a value of 2 and disagrees has a value of 1. The results of the data that have been obtained, processed and displayed in the form of diagrams and will be presented with the purpose and conclusion of each statement. The application of the respondents' answers is as follows:

There are 2 variable indicators of the effectiveness of Licensing Services, each of which has parts of the indicator which are explained as follows:

a. Efficient Service System

The permit management service system that uses an application is one of the programs issued by the government to provide efficiency in carrying out management in making permits, it must be able to be a bridge between goals and objectives with the effort to implement operational activities. The first indicator is depicted in the form of a diagram of the results of the answers to the questionnaire as follows:

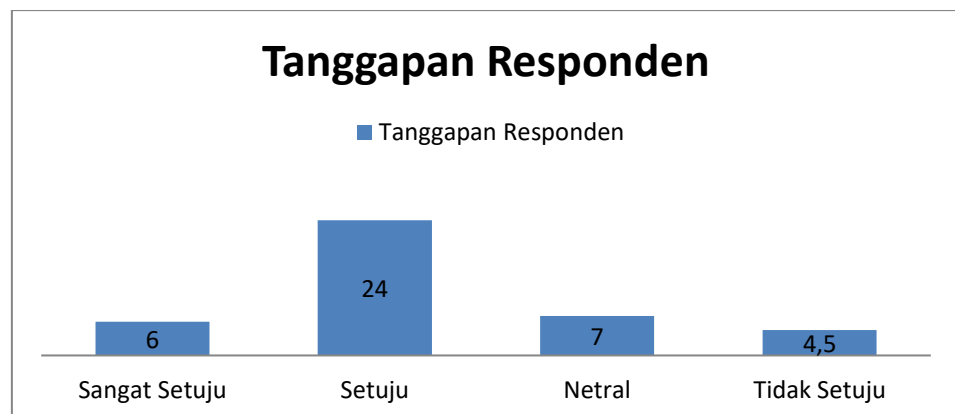


**Image Error! No text of specified style in document.-5** DPMPTSP Maros provides convenience in permission management

Based on the diagram above, the respondents' responses regarding the Maros Regency DPMPTSP have provided efficiency in the management of permits are as many as 40 respondents, 7 strongly agree, 25 answer Agree, 7 answer neutral and only 1 answer No. Because according to the respondents, the DPMPTSP has provided good licensing services. This can be reviewed from the results of the community's response above, there are as many as 63% who answered yes, meaning it can be concluded that most of them are satisfied.

b. Supporting Facilities and Infrastructure

The Maros Regency DPMPTSP has fulfilled facilities and infrastructure in encouraging ease of permit management.



**Image Error! No text of specified style in document.**-6 Supporting Facilities and Infrastructure

Based on the diagram above, the respondents' responses regarding the Serang City DPMPTSP fulfilling the carrying capacity of facilities and infrastructure were as many as 40 respondents, 6 respondents answered strongly in agreement and 24 respondents answered yes, because according to the respondents the DPMPTSP has fulfilled the carrying capacity of facilities and infrastructure. There were as many as 7 respondents who answered neutral and 4 Disagreed, the respondents considered that the DPMPTSP had provided the fulfillment of the carrying capacity of facilities and infrastructure. Thus, the majority of respondents answered in agreement that DPMPTSP Maros fulfilled the carrying capacity of facilities and infrastructure.

### Discussion

Based on the results of the above research from the 2 indicators presented, all indicators received a dominant response of agreement from the respondents, this shows that the service system carried out by DPMPTSP Maros is quite good from the response given in the respondents.

In terms of the efficiency of the services provided, the right system is one of the drivers so that the completion time of the licensing process can be completed in accordance with the Standard Completion Time, because the Serang City DPMPTSP has been able to run the program well so that MSME actors are satisfied and making permits makes business easier and more efficient, then later it will encourage the progress and quality of MSMEs in Maros Regency. In addition, the facilities and infrastructure of DPMPTSP Maros Regency also have facilities and infrastructure such as comfortable waiting rooms and decent counters so that permit applicants feel comfortable in taking care of licensing, as well as the complete computer unit that makes the data collection process in the registration process can be quickly completed well and also in the licensing process DPMPTSP has implemented an internet-based system and made the licensing service process better. A decent and comfortable building as well as a beautiful office yard make employees more comfortable in completing their work well, and can increase their morale at work. This is done so that licensing services at the Maros Regency DPMPTSP can be effective.

The results of the questionnaire that have been processed have several things that affect the Effectiveness of Licensing Services at the Maros Regency Investment and One-Stop Integrated Services Office or can also be referred to as factors that make it more effective on the Effectiveness of Licensing Services at the Maros Regency Investment and One-Stop Integrated Services Office, namely:

- 1) The Maros Regency DPMPTSP has improved the quality of licensing services as can be seen from the level of satisfaction of the licensing applicants who feel quite satisfied with the services provided in the licensing service process. One of them is because the licensing completion time is very fast so that it is in accordance with the Settlement Time Standards set by the Maros Regency DPMPTSP. In this case, the Maros Regency DPMPTSP continues to strive to improve the quality of its services to support the smooth licensing service process and also to create MSMEs that are orderly in administration and licensing.
- 2) DPMPTSP Maros Regency has improved the quality of its Apparatus Resources because it can be seen that the time discipline carried out on the Maros Regency DPMPTSP Apparatus Resources in working and completing their work. However, the discipline of Apparatus Resources at the Maros Regency DPMPTSP must continue to be improved so that the existing work can be completed even better.
- 3) The Maros Regency DPMPTSP is always able to complete the licensing completion process in accordance with the Settlement Time Standard and is even able to complete the licensing completion process faster than the Settlement Time Standard. This is one of the factors that makes licensing services at the Maros Regency DPMPTSP more effective.
- 4) Apparatus Resources at DPMPTSP who are quite professional in serving licensing applicants and completing the licensing process.
- 5) The availability of facilities and infrastructure to support the licensing service process so that it can run effectively. These facilities and infrastructure are one of the important factors that make licensing services run effectively and provide comfort and satisfaction for licensing applicants.
- 6) Supervision and control carried out by the Supervision and Control Division of the Maros Regency DPMPTSP because it is remembered that the Supervision and Control Division at the Maros Regency DPMPTSP was only formed in 2016. The orderly supervision carried out makes the licensing service process meet the SOPs and it is rare to find a violation or error committed by the Apparatus Resources. Although some violations were still found, the violations were still within reasonable limits so that they did not affect the good service process.

#### **4. CONCLUSION**

Based on the research carried out, it was revealed that the Service System and can increase MSMEs' awareness of quality standards Licensing in Maros Regency plays an important role in supporting the development of MSMEs, but it still has challenges that affect product quality. In this study, it was found that complicated bureaucracy often hinders MSMEs in obtaining business licenses, thus impacting product quality such as standard and competitive innovations.

On the positive side, a licensing system that is integrated with training and mentoring can increase MSMEs' awareness of quality standards, especially in the local agriculture and handicraft sectors. The main findings show that MSMEs that have successfully obtained business licenses, thus have an impact on high quality, with a contribution to the regional economy of around 15-20% of Maros' GDP. However, the gap between central policies and local implementation is a major inhibiting factor, which has the potential to reduce the productivity of MSMEs if not addressed.

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