DOI 10.17977/UM

Optimization of Business Identification Numbers for Micro and Small Enterprises and for Regional Development: Case Study of Sampang Regency

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Abstract: The purpose of the study was to examine the procedures, processes, and number of issuances of Business Identification Numbers; their contribution to micro, small and regional business actors; internal, external factors, and strategies of the Sampang Regency DPMPTSP in optimizing the issuance of Business Identification Numbers with a SWOT analysis. Descriptive research with a case study type and a qualitative approach was conducted from February 1, 2025 to April 1, 2025, with primary and secondary data sources. Determination of informants through purposive sampling. Data collection techniques include participatory observation, structured interviews, questionnaires, and documentation. Data analysis uses the Miles and Huberman model (reduction, display, verification). Data validity uses credibility criteria through diligent observation and triangulation of sources and techniques. The results of the study showed that from August 2021 to January 2025, 24,907 Business Identification Numbers had been issued. Business Identification Numbers contribute to access to business capital, government subsidies, E-Catalog cooperation, land certificates and other permits. For Sampang Regency, it contributes to the realization of LKPM. The Business Identification Number issuance service is in the first quadrant, with coordinates X = 0.97 and coordinates Y = 0.79. Thus, the most appropriate strategy is an aggressive strategy (S-O). The research also contributes to strengthening the theory of New Institutional Economics and Good Governance, which provides institutional policy recommendations in realizing inclusive and efficient digital-based public services at the regional level.

Keywords: Business Identification Number, Micro and Small Enterprises, SWOT Analysis, Institutional Economics, Good Governance

INTRODUCTION

Figure 1. Documentation of NIB Issuance

Received: XX January 2024; Revised: XX February 2024; Accepted: XX March 2024
E-ISSN XXX-XXXX/

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in Indonesia's economic structure. As the backbone of the people's economy, MSMEs significantly contribute to job creation, poverty alleviation, and regional economic growth. Amid global dynamics and digital transformation, the main challenges faced by MSMEs are not only related to access to capital and marketing but also to business legality. One form of legality that is a key requirement for business development is the possession of a Business Identification Number (NIB). The NIB is the official identity of business operators within the digital-based business licensing system known as the Online Single Submission (OSS). This system was launched by the government through Government Regulation No. 24 of 2018 on Integrated Electronic Business Licensing Services, which was later updated to Government Regulation No. 5 of 2021 on the Implementation of Risk-Based Business Licensing (OSS-RBA). The NIB not only functions as a business license but also includes the Company Registration Number (TDP), Import Identification Number (API), and customs access (Hidayati et al., 2022); (Yuswijayanti et al., 2023).

From an institutional economic perspective, the OSS-RBA-based licensing system is a formal institution designed by the state to reduce transaction costs, improve efficiency, and provide legal certainty for business actors. Legalities such as the NIB help address market failures by strengthening the legal framework and reducing bureaucratic barriers. However, in practice, the implementation of NIB issuance through OSS-RBA has not yet been fully optimized in various regions. In Samarinda City, the limited number of operators, weak digital literacy, and OSS system disruptions are the main obstacles (Rahayu et al., 2021). Similar conditions also occur in Sukoharjo Regency, which faces challenges in transitioning from OSS version 1.1 to OSS-RBA, compounded by low public awareness of the importance of business legality (Yudani et al., 2023). Meanwhile, in East Java Province, Irfani et al. (2021) noted that OSS-RBA services still require strengthening of human resource capacity, expansion of service hours, and development of a more adaptive public information system to meet community needs.

Various community assistance activities show that education-based strategies and direct approaches can help overcome limitations in digital literacy and access to licensing. In the Gebang Putih subdistrict of Surabaya, NIB assistance activities by an academic team were able to accelerate the legalization process for micro, small, and medium enterprises (MSMEs) (Lia et al., 2023). In Wangkelang Village, Pemalang, a door-to-door approach was used to assist business operators in obtaining NIBs directly (Yuswijayanti et al., 2023). In Menur Pumpungan Village, OSS service posts facilitated SME operators in obtaining business legalization more easily (Diamonds & Tondang, 2024). Meanwhile, in Baratan Village, Jember, NIB socialization was combined with digital marketing training to expand market networks after obtaining business legal status (Amelinda et al., 2023). These strategies align with the values of Good Governance, such as participation, responsiveness, transparency, and the effectiveness of public services.

Sampang Regency is one of the regions implementing OSS-RBA with a significant number of NIB issuances, particularly in the food and beverage trade sector. However, challenges remain in the form of technical disruptions to OSS-RBA, insufficient socialization, and limited service infrastructure that is still centralized at the Public Service Mall. This indicates that optimizing NIB issuance through OSS-RBA requires not only technological readiness but also holistic institutional strengthening that takes into account local dynamics, the capacity of implementing actors, and principles of good governance, ultimately fostering ease of doing business.

Based on this background, this study aims to comprehensively examine how optimizing the issuance and utilization of NIBs can support the development of micro and small businesses and regional economic development. The main focus of this article includes: (1) how Standard Operating Procedures (SOPs), processes, and the number of NIB issuances are managed; (2) how NIB contributes to micro and small businesses (MSBs) and regional development in Sampang District; (3) the strengths, weaknesses, opportunities, and threats in the implementation of NIB issuance through the OSS RBA; and (4) the strategies of the DPMPTSP of Sampang District in optimizing NIB issuance based on institutional principles and good governance.

LITERATURE REVIEW

Good Governance and Institutional Economics

Good governance, according to the United Nations Development Program (UNDP, 1997), is the mechanisms, processes, and institutions through which citizens and community groups express their interests, exercise their rights, fulfill their obligations, and peacefully resolve their differences. UNDP has identified eight key characteristics of good governance, namely: participation, rule of law, transparency, responsiveness, consensus orientation, fairness, effectiveness and efficiency, and accountability.

In the context of public services, these principles form the foundation for creating a fair, transparent, and accountable bureaucratic system. The implementation of the Online Single Submission Risk-Based Approach (OSS-RBA) system for issuing Business Identification Numbers (NIB) is an effort to realize good governance through efficient digital services. However, studies in various regions indicate that the implementation of OSS-RBA still faces challenges, such as system disruptions, insufficient socialization, and limitations in the digital literacy of the community (Rahayu et al., 2021); (Yudani et al., 2023); (Irfani et al., 2021). On the other hand, participatory practices and direct assistance in Surabaya, Pemalang, and Jember show that the principles of good governance can be realized through a service approach that is close and adaptive to MSME actors (Lia et al., 2023); (Yuswijayanti et al., 2023); (Amelinda et al., 2023).

From an institutional economics perspective, North explains that institutions are a set of rules that limit deviant behavior in shaping social, political, and economic interaction structures. Inclusive institutions are characterized by the protection of private property rights, an unbiased legal system, and the provision of extensive public services (Yustika, 2012). In the context of NIB issuance at the DPMPTSP of Sampang Regency, the role of institutions is evident in how standard procedures, regulations, and oversight are enforced to ensure a legal, transparent process that considers social and environmental impacts. Strong institutions will accelerate the business legalization process, reduce bureaucracy, and increase public trust in government services.

Business Identification Number and Online Single Submission Risk-Based Approach

The Business Identification Number (NIB) itself is proof of registration and identity for business actors in the legal implementation of their business activities, consisting of 13 digits with security features and an electronic signature. The legal basis for the issuance of the NIB includes:

1. The implementation of business licensing management through OSS RBA in Indonesia has been in effect since July 2, 2021, in accordance with the Letter of the Minister of Investment/Head of BKPM Number 1342/A.1/2021 (Jannah et al., 2022).
2. The legal basis for risk-based business licensing, with documents issued in the form of a Business Identification Number (NIB), is Law of the Republic of Indonesia Number 11 of 2020 concerning Job Creation.
3. The implementation of risk-based business licensing is regulated in Government Regulation Number 5 of 2021.

In issuing NIBs, the OSS RBA system classifies businesses based on business scale and risk level. Business scale is determined based on the amount of business capital excluding land and building ownership. Business scale is divided into two categories: micro and small businesses and non-micro and small businesses. Micro and small businesses can be in the form of individuals or business entities. Meanwhile, non-micro and small businesses can be in the form of individuals, business entities, representative offices, and Foreign Business Entities (BULN). The determination of the risk level of a business is based on the application of the concept of maximum risk on the product of the hazard value and the potential value of the occurrence of hazards in the business (Safaah & Damayanti, 2022). The risk level of a business is divided into four categories: low risk, low-medium risk, medium-high risk, and high risk.

Micro, Small and Medium Enterprises (MSME)

Based on Government Regulation of the Republic of Indonesia Number 7 of 2021 concerning Facilitation, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises, MSMEs are classified based on capital and annual sales criteria:

1. Micro Enterprises: Businesses with capital of up to a maximum of IDR 1,000,000,000.00 (one billion rupiah), excluding land and buildings used for business operations.
2. Small Business: A business with capital exceeding IDR 1,000,000,000.00 (one billion rupiah) up to a maximum of IDR 5,000,000,000.00 (five billion rupiah), excluding land and buildings used for business operations.

Pursuant to Government Regulation of the Republic of Indonesia No. 5 of 2021 on the Implementation of Business Licensing Based on Risk, a business operator is an individual or business entity engaged in business activities and/or operations in a specific field. Therefore, micro and small business operators are business operators, whether individuals or business entities, whether in the form of legal entities or non-legal entities, that conduct business activities with a maximum capital of Rp 5,000,000,000.00 (five billion rupiah), excluding land and business premises.

SWOT Analysis

SWOT analysis can be defined as an analysis that is useful for identifying various factors in designing strategies based on the logic of maximizing strengths and opportunities, as well as minimizing weaknesses and threats (Rangkuti, 2013).

1. IFAS Matrix

The IFAS Matrix (Internal Factors Analysis Strategy) is a form of strategic analysis of the internal factors of the DPMPTSP of Sampang Regency. This analysis is used to describe the strengths and weaknesses of the implementation of the issuance of

Business Identification Numbers for micro and small businesses at the DPMPTSP of Sampang Regency, by measuring weights, ratings, and scores, as follows (Muhammad, 2018):

a. Enter the strengths and weaknesses based on the internal condition analysis of the issuance of Business Identification Numbers for micro and small businesses at the DPMPTSP of Sampang Regency.
b. Determine the weight of each strength and weakness factor by assigning a scale from 0.0 (not important) to 1.0 (very important). The subtotal of the weights of the strength and weakness factors is equal to 1.0. The weight value is obtained from the average of each question divided by the total average of the questions given to the respondents.
c. Determine the rating for each strength and weakness factor based on the impact of that factor on the implementation of the issuance of Business Identification Numbers for micro and small businesses at the DPMPTSP in Sampang Regency. The rating for strength factors is positive (value 4 = very large, value 3 = large, value 2 = moderate, and value 1 = small). Meanwhile, the rating for weakness factors is negative (value 4 = small, value 3 = moderate, value 2 = large, and value 1 = very large). The rating value is the average of the assessments given by respondents.
d. Multiply the weight and rating for each strength and weakness factor.
e. Sum the weights and scores for all strength and weakness factors.

Table 1. IFAS Matrix Analysis

Internal Factors		**Weight**	**Rating**	**Score**
Strength	1. … 2. … 3. …			
	Sub Total			
Weakness	1. … 2. … 3. …			
	Sub Total			

2. EFAS Matrix

The EFAS (External Factors Analysis Strategy) Matrix is a form of strategic analysis of external factors affecting the DPMPTSP of Sampang Regency. This analysis is used to describe the opportunities and threats associated with the issuance of Business Identification Numbers for micro and small businesses at the DPMPTSP of Sampang Regency, by measuring weights, ratings, and scores, as follows (Muhammad, 2018):

a. Enter the opportunity and threat factors based on the analysis of external conditions related to the issuance of Business Identification Numbers for micro and small businesses at the DPMPTSP of Sampang Regency.
b. Determine the weight of each opportunity and threat factor by assigning a scale from 0.0 (not important) to 1.0 (very important). The subtotal of the opportunity

and threat factor weights is equal to 1.0. The weight value is obtained from the average of each question divided by the total average of the questions given to respondents.

c. Determine the rating for each opportunity and threat factor based on the impact of that factor on the conditions for issuing Business Identification Numbers for micro and small businesses at the DPMPTSP in Sampang Regency. The rating for opportunity factors is positive (value 4 = very large, value 3 = large, value 2 = moderate, and value 1 = small). Meanwhile, the rating for threat factors is negative (value 4 = small, value 3 = moderate, value 2 = large, and value 1 = very large). The rating values are the average of the assessments provided by respondents.
d. Multiply the weights and ratings for each opportunity and threat factor.
e. Sum the weights and scores for all opportunity and threat factors.

Table 2. EFAS Matrix Analysis

External Factors		**Weight**	**Rating**	**Score**
Opportunity	1. … 2. … 3. …			
	Sub Total			
Threat	4. … 1. … 2. …			
	Sub Total			

3. SWOT Diagram

The SWOT diagram is used to identify the DPMPTSP Sampang Regency strategy based on an assessment of internal and external factors. In this case, to determine the X value, the sub-total score for strengths is subtracted from the sub-total score for threats. Meanwhile, to determine the Y value, the sub-total score for opportunities is subtracted from the sub-total score for threats. The coordinates of values X and Y will indicate the appropriate strategic position for the DPMPTSP of Sampang District, as follows:

a. Quadrant I represents a favorable situation where the issuance of Business Identification Numbers for micro and small businesses at the DPMPTSP of Sampang District has both opportunities and strengths, enabling the utilization of existing opportunities. In this scenario, an aggressive strategy can be implemented.
b. Quadrant II, despite facing various threats, the issuance of Business Identification Numbers for micro and small businesses at the DPMPTSP of Sampang Regency still has strengths from internal factors. In this condition, the strategy that can be applied is a diversification strategy, which involves using strengths to capitalize on opportunities.
c. Quadrant III, in this case, the issuance of Business Identification Numbers for micro and small businesses at the DPMPTSP in Sampang Regency has great external opportunities, but must face several internal weaknesses. In this situation,

the strategy that can be applied is a stabilization strategy, which is carried out by minimizing internal problems in order to take advantage of existing opportunities.

d. Quadrant IV represents a highly unfavorable situation, as the issuance of Business Identification Numbers for micro and small businesses at the DPMPTSP of Sampang Regency must address various internal weaknesses and external threats. In this situation, the applicable strategy is a defensive strategy.

Figure 2. SWOT Diagram

4. SWOT Matrix

The SWOT matrix is a useful tool for developing possible alternative strategies to be implemented by the DPMPTSP of Sampang Regency in optimizing the issuance of Business Identification Numbers for micro and small businesses. According to Rangkuti, the SWOT matrix produces four sets of alternative strategies, including (Rangkuti, 2013):

a. S-O Strategy, which is a strategy designed by leveraging all existing strengths to seize available opportunities.
b. W-O Strategy, a strategy designed to minimize existing weaknesses to take advantage of available opportunities.
c. S-T Strategy, a strategy designed to leverage all existing strengths to address existing threats.
d. W-T Strategy, a strategy designed to minimize existing weaknesses to avoid existing threats.

Table 3. SWOT Matrix

IFAS / EFAS	**Strength (S)**	**Weakness (W)**
	1. … 2. … 3. …	1. … 2. … 3. …
Opportunity (O)	**S-O Strategy**	**W-O Strategy**
1. … 2. … 3. …	1. … 2. … 3. …	1. … 2. …

		3. …
Threat (T)	**S-T Strategy**	**W-T Strategy**
1. … 2. … 3. …	1. … 2. … 3. …	1. … 2. … 3. …

METHOD

Research Approach and Type

This research uses a descriptive research method with a case study type of research, as well as a qualitative approach because it discusses in detail how SOPs and the NIB issuance process work, the number of NIB issuances, the contribution of NIBs to micro and small businesses and the Sampang Regency area, the strengths, weaknesses, threats, and opportunities in the implementation of NIB issuance, as well as strategies for optimizing NIB issuance for micro and small businesses at the DPMPTSP of Sampang District.

Time and Place of Research

The research location was set in Sampang Regency, specifically at the Investment and Integrated Services Agency (DPMPTSP) of Sampang Regency. The selection of the research location was considered strategic because the DPMPTSP of Sampang Regency issues Business Identification Numbers for micro and small businesses. The research was conducted over a period of two months (February 1, 2025 – April 1, 2025).

Data Sources

The data sources used in this study are primary and secondary data. Primary data consists of interview responses and SWOT questionnaire results obtained directly by the researcher from informants. Meanwhile, secondary data in this study was obtained from indirect sources in the form of documentation and SOPs for NIB issuance, as well as a recapitulation of the number of NIB issuances and the realization of LKPM for micro and small businesses.

Research Informants

The determination of informants in this study was conducted using purposive sampling techniques. The researcher sought to find key informants who had knowledge related to the issuance of Business Identification Numbers at the DPMPTSP in Sampang Regency, as well as informants who were specifically selected based on the objectives of the study. The informants in this study are as follows:

1. OSS support staff and the Head of the Licensing and Non-Licensing Services Division at the DPMPTSP of Sampang Regency
2. Micro and small business operators, both those who have and those who have not previously applied for a Business Identification Number.

Data Collection Techniques

The data collection techniques used in this study were participatory observation, structured interviews, questionnaires, and documentation:

1. Participatory observation, data was obtained through full observation conducted by the researcher on OSS assistants and micro and small business actors who were processing their NIB at the DPMPTSP in Sampang Regency.
2. Structured interviews, where the researcher prepared a list of questions to be asked of informants to ensure that the discussion during the interview was more focused and directed toward addressing the research questions.
3. Questionnaires, where the researcher provided a set of statements related to the assessment of the weight and rating of the strengths, weaknesses, opportunities, and threats of the NIB issuance process.
4. Documentation, the researcher included evidence related to photos and SOPs for NIB issuance.

Data Analysis Techniques

The data analysis used in this study is the Miles and Huberman data analysis model.

1. Data reduction, research data is written in the form of a report with stages; data is summarized, key points are selected, and data is focused on important matters related to NIB issuance.
2. Data display: the researcher presents narrative text, accompanied by tables, charts, matrices, and diagrams.
3. Data verification: the researcher concludes and verifies the data related to the issuance of NIBs in accordance with problem-solving patterns.

Data Validity

Data validity in research is determined using credibility criteria. To obtain relevant data, data validity checks from research results are carried out by:

1. Persistent observation, carried out by reading various journal article references from previous research results discussing NIB issuance.
2. Source triangulation is done by comparing the answers from several informants during structured interviews, as well as triangulation techniques to obtain data related to NIB issuance for micro and small businesses in the DPMPTSP of Sampang Regency through structured interviews, participatory observation, and documentation.

RESULTS and DISCUSSION

Operational Standards for Services and the Process of Issuing Business Identification Numbers

Figure 3. NIB Issuance SOP

The mechanism for issuing Business Identification Numbers at the DPMPTSP in Sampang Regency can be described as follows:

1. Micro and small business owners who wish to apply for a Business Identification Number visit the information desk.
2. Officials provide information regarding the issuance of Business Identification Numbers through the OSS RBA website.
3. Micro and small business owners take a queue number from the queue machine.
4. Micro and small business operators record data related to the application for the issuance of a Business Identification Number.
5. OSS support staff provide assistance to micro and small business operators regarding the procedures for the issuance of a Business Identification Number through the OSS RBA website.
6. The Head of Licensing and Non-Licensing Services validates the fulfillment of business licensing commitments.
7. The Head of the Sampang Regency DPMPTSP issues a Letter of Approval for the Fulfillment of Business Licensing Commitments.

Figure 4. Issuance of NIB on the OSS RBA website

The mechanism for creating an OSS RBA account and issuing a Business Identification Number at the DPMPTSP in Sampang Regency can be described as follows:

1. Go to the link ui-login.oss.go.id/register.
2. Select the UMK business scale for individual businesses or business entities owned by Indonesian citizens with a maximum capital of IDR 5 billion (excluding land and buildings). Select the Non-UMK business scale for individual businesses or business entities with initial capital exceeding Rp 5 billion (excluding land and buildings).
3. Complete the business operator data (type of business operator, NIK, WhatsApp number/email), then verify.
4. Enter the verification code sent via email or WhatsApp number.
5. Create a password with a minimum of 8 characters, using letters, numbers, and special characters.
6. Complete the business operator profile (name, gender, date of birth, address, province, regency/city, district, and village/subdistrict).
7. After the OSS RBA account has been registered, log in again and proceed with the issuance of the Business Identification Number.
8. Click on new application, complete the business data (Taxpayer Identification Number and answer questions about importing goods, as well as BPJS employment and health insurance ownership), then save the data.
9. Add business fields (type of business activity, KBLI, scope of activity).
10. Complete business data (name, location, land area, address, coordinates, province, district/city, sub-district, village/sub-district, postal code, date of establishment, building construction, business capital), then validate the risk. Add a description of business activities and the number of employees.
11. Add products/services (type of product/service, capacity and units, questions regarding the halal status of raw materials and their certificates).
12. Check the data accuracy statement and proceed with the business licensing process.
13. Check the self-declaration statement (K3L compliance, willingness to fulfill obligations, spatial planning, and SPPL).
14. Issue the business license (Business Registration Number) and print it.

Number of Business Identification Numbers Issued

Figure 5. Recapitulation of NIB Issuance (Number of Issuances, Project Distribution based on Risk, and KBLI Distribution)

From August 2021 to January 2025, a total of 24,907 Business Identification Numbers (NIB) were issued by the Sampang Regency Investment and One-Stop Service Agency (DPMPTSP) through the OSS RBA website. The number of NIBs issued consists of 24,874 NIBs for micro, small, and medium enterprises (MSMEs), 32 NIBs for non-MSME businesses, and 1 draft NIB in the OSS RBA system. Meanwhile, the number of projects (KBLI business sectors) successfully issued in NIBs totaled 32,641, with 25,081 in low-risk business sectors, 2,636 in medium-low risk business sectors, 3,543 in medium-high risk business sectors, and 1,381 in high-risk business sectors. The most frequently issued KBLI business sectors in the NIB are 2,788 codes for business sector 47112 (Design), 2,283 codes for business sector 10799 (Other Food Product Industries), 1,593 business sector codes 47211 (Retail Trade of Rice and Other Grains), 752 business sector codes 56103 (Food Stalls), and 664 business sector codes 56102 (Restaurants/Eateries).

Contribution of Business Identification Numbers for Micro and Small Businesses

1. **Business Capital**

NIBs contribute to the development of micro and small businesses in Sampag Regency as a requirement for obtaining business capital through bank loans, small business loans, and micro business loans. By using the NIB and other requirements such as an ID card, savings book, business survey, BI checking records, and collateral, micro and small business operators (retail and garment businesses) apply for business capital loans ranging from IDR 10,000,000.00 to IDR 900,000,000.00 at BNI Bank, Jatim Bank, and BRI Bank. These business capital loans are allocated by micro and small business operators to purchase business equipment and expand their product offerings.

2. **Government Subsidies**

The NIB contributes to the development of micro and small businesses in Sampang Regency as a requirement for obtaining subsidies from the government. By using the NIB and other requirements such as ID cards and business photos, micro and small business owners (clothing manufacturers and drinking water depots) apply for electricity subsidies from PLN. The electricity subsidy obtained is up to 50%, meaning that business operators only need to pay around IDR 200,000.00 – IDR 300,000.00 for 450-900 watts.

3. **E-Catalog Collaboration**

The NIB contributes to the development of micro and small businesses in Sampang Regency as a requirement for obtaining collaboration from the government through the E-Catalog. By using the NIB and other requirements such as business financial records and previous collaboration experience, micro and small businesses (garment manufacturers) apply for collaboration with the Cooperative, Industry, and

Trade Office in the production of uniforms and outbound t-shirts for employees. The profit from this collaboration can reach 10-12% or approximately IDR 2,000,000.

4. **Application for Land Certificates and Other Permits**

The NIB contributes to the development of micro and small businesses in Sampang Regency as a key requirement in applying for various permits, including land certificates and other permits such as BPOM, halal certification, SPIRT, trademark patents, and distribution permits. With NIB, business actors are officially recognized by the government and can access licensing services more quickly, transparently, and in an integrated manner through the OSS system. NIB also facilitates business tracking and supervision, thereby strengthening legal certainty, intellectual property rights protection, and product safety in the community.

Contribution of Business Registration Numbers to Regions

Table 4. Realization of LKPM for micro and small businesses at DPMPTSP Sampang Regency

Quarter	LKPM Reporting Investors	Reported LKPM Projects	Labor Force LKPM Reporting	Realization of LKPM Investment
I-2022	4	7	0	Rp 102.000.000,00
II-2022	34	51	84	Rp 7.855.188.349,00
III-2022	9	57	96	Rp 5.396.938.000,00
IV-2022	16	26	106	Rp 2.295.912.064,00
I-2023	17	39	86	Rp 2.299.429.032,00
II-2023	51	93	236	Rp 8.262.667.000,00

Source: DPMPTSP Sampang Regency, 2023

From the table above, it can be seen that the number of LKPM reporting investors increased from only 4 investors in the first quarter of 2022 to 51 investors in the second quarter of 2023. This shows that more and more micro and small businesses have NIBs and are actively reporting their business activities, indicating an increase in awareness and compliance with investment regulations. The number of reported projects increased from 7 projects in the first quarter of 2022 to 93 projects in the second quarter of 2023. This shows that the NIB helps promote the legalization and formalization of micro and small businesses, so that their investment activities are recorded and monitored. The number of reported workers increased from 0 in the first quarter of 2022 to 236 in the second quarter of 2023. This shows that business legalization through the NIB and LKPM reporting encourages the creation of formal jobs, which in turn improves the welfare of the local community. The increase in the value of realized investments, which was only IDR 102 million in the first quarter of 2022, to more than IDR 8.2 billion in the second quarter of 2023. This shows that micro and small businesses with NIBs have greater access to investment opportunities, government facilitation, and legalities to develop their businesses.

SWOT Analysis

Table 5. Matrix IFAS

Internal Factors		Weight	Rating	Score
Strength	The existence of the OSS RBA website	0,14	3,33	0,48
	Competent OSS support staff	0,12	3,33	0,39
	Availability of adequate supporting facilities and infrastructure	0,16	4,00	0,62
	Availability of digital and print media informing the issuance of NIB	0,13	3,33	0,43
	Sub Total	**0,55**	**14,00**	**1,92**
Weakness	OSS RBA website server disruption	0,14	1,00	0,14
	Office internet network disruption	0,13	2,00	0,26
	Uneven dissemination of information regarding the urgency of issuing NIB	0,09	3,00	0,27
	The location for issuing NIB is limited to the Public Service Mall	0,09	3,00	0,27
	Sub Total	**0,45**	**9,00**	**0,95**
Total		**1,00**	**23,00**	**2,87**

Source: Primary Data Processed, 2025

Based on the calculations in the table above, the total IFAS score for the issuance of Business Identification Numbers for micro and small businesses in the DPMPTSP of Sampang Regency is 2.87, consisting of a strength score of 1.92 and a weakness score of 0.95. The highest strength score of 0.62 comes from the factor of adequate availability of supporting facilities and infrastructure. This indicates that this factor is crucial for ensuring the smooth operation of administrative processes and access to the information needed by micro and small businesses when processing their NIBs effectively and efficiently. Meanwhile, the highest weakness score of 0.27 was from the factor of uneven dissemination of information regarding the urgency of NIB issuance and the limited location of NIB issuance at the Public Service Mall. Therefore, it is necessary to intensify dissemination of information regarding the urgency of NIB issuance and implement a program to facilitate micro and small businesses located far from the Public Service Mall. This program can also reduce transaction costs, particularly indirect costs such as transportation costs or fuel purchase costs.

Table 6. Matrix EFAS

External Factors		Weight	Rating	Score
Opportunity	Regulations on the issuance of NIB	0,15	3,00	0,45
	Availability of business development programs	0,11	3,33	0,37
	The existence of MSME associations and academics conducting research related to NIB issuance	0,15	3,67	0,55
	Technical guidance from BKPM	0,11	2,67	0,29
	Sub Total	**0,52**	**12,67**	**1,66**
Threat	Lack of awareness among micro and small business owners to apply for an NIB	0,14	1,33	0,18
	Lack of knowledge among micro and small business owners regarding the urgency of NIB and technology	0,14	1,33	0,18
	Misuse of data belonging to micro and small businesses	0,12	2,33	0,29
	The existence of brokers in NIB administration	0,08	2,67	0,22
	Sub Total	**0,48**	**7,67**	**0,87**
Total		**1,00**	**20,33**	**2,53**

Source: Primary Data Processed, 2025

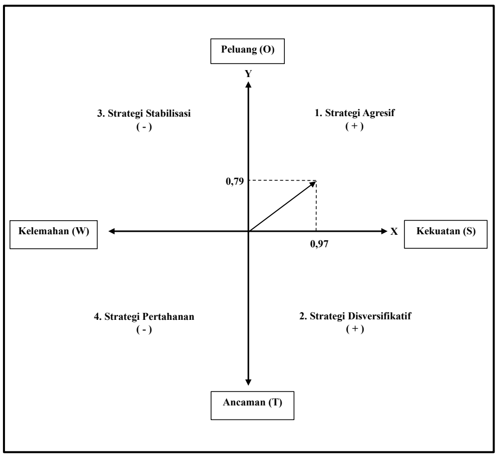
Based on the calculations in the table above, the total EFAS score for the issuance of Business Identification Numbers for micro and small businesses in the DPMPTSP of Sampang Regency is 2.53, consisting of an opportunity score of 1.66 and a threat score of 0.87. The highest opportunity score of 0.55 comes from the factor of the existence of a micro, small, and medium enterprise (MSME) association and academics conducting research related to the issuance of the NIB, which is an important opportunity factor. This is because the MSME association helps coordinate and provide awareness regarding the urgency of the NIB for its members. Meanwhile, academics assist in providing considerations related to evaluation, suggestions, and strategies to optimize the issuance of the NIB through published articles/research. Meanwhile, the highest threat score of 0.29 stems from the factor of misuse of data belonging to other micro and small business operators. This indicates the need for monitoring programs and inspections targeting business operators regarding the ownership and consistency of business data with the NIB.

Table 7. SWOT Diagram Analysis

Internal Factors	External Factors
X = Strength – Weakness	Y = Opportunity – Threat
X = 1,92 - 0,95	Y = 1,66 - 0,87
X = 0,97	Y = 0,79

Source: Primary Data Processed, 2025

Figure 6. SWOT Diagram



Based on the SWOT diagram above, the position of the implementation of the issuance of Business Identification Numbers for micro and small business actors at the DPMPTSP of Sampang Regency is located in quadrant I with the X coordinate point at a value of 0.97 and the Y coordinate at a value of 0.79. Quadrant I has the meaning to support an aggressive strategy, by continuing to develop all aspects in the DPMPTSP of Sampang Regency, because it will be considered to bring optimal benefits if it can develop the right strategy. The implementation of the issuance of Business Identification Numbers at the DPMPTSP of Sampang Regency has strengths and opportunities that are integrated and mutually supportive, by utilizing strength factors to take advantage of existing opportunity factors, it will later be useful for optimizing the issuance of NIB at the DPMPTSP of Sampang Regency.

Table 8. Matrix SWOT

IFAS / EFAS	Strength (S)	Weakness (W)
	1. The existence of the OSS RBA website 2. Competent OSS support staff 3. Availability of adequate supporting facilities and infrastructure 4. Availability of digital and print media informing the issuance of NIB	1. OSS RBA website server disruption 2. Office internet network disruption 3. Uneven dissemination of information regarding the urgency of issuing NIB 4. The location for issuing NIB is limited to the Public Service Mall
Opportunity (O)	**S-O Strategy**	**W-O Strategy**
1. Regulations on the issuance of NIB 2. Availability of business development programs 3. The existence of MSME associations and academics conducting research related to NIB issuance 4. Technical guidance from BKPM	1. Participation of OSS accompanying officers in seminars, training, and technical guidance related to NIB 2. Periodic evaluation of the NIB issuance program internally	1. Socialization of regulations and the urgency of issuing NIB to micro and small business actors 2. FGD with parties who synergize in issuing NIB (Business development such as Bank-KUR and Subsidy such as from Department of Agriculture-Combined Farmers Groups; Strategy studies/suggestions such as complaints from MSME associations and published articles)
Threat (T)	**S-T Strategy**	**Strategy W-T**
1. Lack of awareness among micro and small business owners to apply for an NIB 2. Lack of knowledge among micro and small business owners regarding the urgency of NIB and technology 3. Misuse of data belonging to micro and small businesses 4. The existence of brokers in NIB administration	1. Intensifying the promotion of NIB issuance through digital pamphlets, promotional videos, brochures and banners. 2. Introduction and simulation of the OSS RBA website for micro and small business actors	1. Optimization of the Molingling program 2. NIB ownership monitoring and inspection program for micro and small businesses

Source: Primary Data Processed, 2025

After identifying internal and external factors affecting the issuance of Business Identification Numbers for micro, small, and medium enterprises (MSMEs) at the Sampang Regency DPMPTSP, a SWOT analysis yielded four alternative strategic alternatives:

1. The S-O strategy is designed to leverage the overall strengths of the NIB issuance system for micro, small, and medium enterprises (MSMEs) at the Sampang Regency DPMPTSP to seize existing opportunities.
    a. Participation of OSS (National Service Agency) assistant officers in seminars, training, and technical guidance related to NIBs is a strategy

aimed at improving human resource competency by leveraging internal strengths, namely the availability of competent officers. By participating in these activities, OSS assistant officers can update their knowledge of the regulations and technical operations of the OSS RBA. This enables them to provide more effective assistance services to micro, small, and medium enterprises (MSMEs) and strengthens synergy with external parties such as the Investment Coordinating Board (BKPM), academics, and the MSME community to expand the impact of NIB issuance.

b. Periodic internal evaluation of the NIB issuance program to identify obstacles, assess service effectiveness, and develop improvements based on data and stakeholder input. With ongoing evaluation, the Sampang Regency DPMPTSP can ensure that the NIB issuance program remains relevant, responsive to the needs of business actors, and makes a real contribution to supporting the legality and growth of micro and small businesses in the region.

2. The W-O strategy is designed to minimize weaknesses in the implementation of NIB issuance for micro and small businesses at the Sampang Regency DPMPTSP, in order to capitalize on existing opportunities.
   a. Disseminating regulations and the urgency of NIB issuance to micro and small businesses is a strategy aimed at addressing weaknesses such as the lack of equitable distribution of information and business awareness of the importance of business legality. This strategy capitalizes on the opportunities provided by supportive regulations and government business development programs. Through structured and accessible outreach activities, micro and small businesses can understand the benefits of having a NIB, including access to capital, subsidies, and legal protection, thereby encouraging an increase in the number of digitalized and officially registered businesses.
   b. Focus Group Discussions (FGDs) with parties involved in NIB issuance are a strategy aimed at addressing internal weaknesses by establishing external collaboration. Through focus group discussions (FGDs), the Sampang Regency DPMPTSP can gather input and synergies from various parties, such as banks (Bank-KUR), the Agriculture Office (subsidies for Combined Farmers Groups), MSME associations, and academics. This strategy not only expands the scope of information and services but also strengthens the evaluation and improvement of NIB issuance policies based on field input and scientific studies, making them more adaptive and appropriate to the needs of micro, small, and medium enterprises in the region.
3. The S-T strategy is designed to leverage the full strengths of the NIB issuance service for micro, small, and medium enterprises (MSMEs) at the Sampang Regency DPMPTSP (Services for Private Enterprises), to address the threats faced.
   a. Intensifying NIB issuance promotion through digital pamphlets, promotional videos, brochures, and banners is a strategy that leverages internal strengths, such as the availability of digital and print media, to address the threat of low awareness among MSMEs regarding the importance of business legality. By expanding informative and engaging

promotional media, the Sampang Regency DPMPTSP can disseminate information about the benefits and procedures for NIB issuance on a massive and equitable basis. This strategy aims to increase business literacy, reduce dependence on unofficial intermediaries (brokers), and encourage active participation by business actors in the business legalization process.

b. Introducing and simulating the OSS RBA website to MSMEs is a strategy that relies on the competence of support staff and supporting resources to address the threat of business actors' lack of understanding of the technology and procedures for using the OSS system. Through hands-on training, simulations, or face-to-face mentoring, businesses can learn practically how to access and use the OSS RBA website to independently manage their NIB. This strategy not only empowers businesses digitally but also reduces the potential for data misuse and dependence on irresponsible third parties.

4. The W-T strategy is designed to minimize weaknesses in the licensing services for issuing NIBs for micro and small businesses at the Sampang Regency DPMPTSP (Directorate General of Private Enterprises) to avoid threats.
    a. Optimizing the Molingling program is a strategy designed to address the limitations of NIB issuance service locations and technical issues such as internet connection issues, while also addressing the threat of low awareness among micro and small businesses regarding business legality. Molingling (Mobile Service Vehicles) enables outreach services to remote areas or areas far from Public Service Malls. By bringing services closer to the community, this strategy can increase micro and small business participation, reduce transaction costs, and expand the reach of outreach and education about the importance of having a NIB.
    b. The NIB ownership monitoring and inspection program for micro and small businesses is a strategy to address weaknesses in internal controls and address the threat of data misuse and brokering practices. Through field supervision and direct inspections, the Sampang Regency DPMPTSP can ensure the legitimacy of NIB ownership, the validity of business data, and business compliance with OSS RBA provisions. This strategy is important to uphold the integrity of the licensing system, prevent data manipulation, and build public trust in a transparent and accountable digital licensing system.

CONCLUSION

The research results show that the issuance of Business Identification Numbers (NIBs) through the OSS RBA website at the Sampang Regency DPMPTSP has been implemented systematically and has made a significant contribution to the development of micro, small, and medium enterprises (MSMEs) and regional development. A total of 24,907 NIBs were issued from August 2021 to January 2025, with MSEs dominating the business scale. The issuance process was carried out through a standardized mechanism and accompanied by assistance from OSS officers who were facilitated with adequate facilities and infrastructure. The NIB's contribution to MSEs is very concrete, including serving as a primary requirement for applying for business capital, accessing government subsidies, partnerships for procurement of goods and services through the E-Catalog, and as a prerequisite for obtaining other business permits such as halal certification, BPOM (Food and Drug Supervisory Agency) certification, brand patents, and land certification. The existence of the NIB has also been shown to encourage MSEs to actively participate in LKPM reporting, as reflected in the increase in the number of investors, projects, workforce, and investment value during the observation period.

Institutionally, the Sampang Regency DPMPTSP is strategically positioned based on a SWOT analysis with a quadrant I coordinate with an X coordinate of 0.97 and a Y coordinate of 0.79, indicating that this institution has strong internal strengths and external opportunities to develop aggressive strategies. The main strengths lie in the availability of digital infrastructure, officer competence, and socialization media, while external opportunities come from supportive regulations, synergy with academics and MSME associations, and technical program support from the central government. To optimize NIB issuance, the most appropriate strategy to implement is the S-O strategy carried out by increasing the participation of OSS assistant officers in seminars, training, and technical guidance related to NIB and conducting periodic internal evaluations of the NIB issuance program. Thus, the optimization of NIB in Sampang Regency not only impacts the legal aspects of micro and small businesses but also contributes significantly to regional development through increased investment, job creation, and strengthening local economic capacity in a sustainable manner. A collaborative, data-driven, and adaptive strategy to the local context is the key to success in managing inclusive and effective OSS RBA services at the regional level.

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