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Men- and women-owned/led MSMEs and the COVID-19 policy responses in Indonesia

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INVESTING IN WOMEN
SMART ECONOMICS
AN INITIATIVE OF THE AUSTRALIAN GOVERNMENT

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Executive Summary

The COVID-19 pandemic has brought an unprecedented challenge for micro, small, and medium enterprises (MSMEs) globally, including in Indonesia. In response to the pandemic, the Government of Indonesia launched a program to provide working capital assistance for micro-entrepreneurs categorized as poor and who are vulnerable to being affected by the COVID-19 pandemic. Many MSMEs in Indonesia are also on the brink of failure during the COVID-19 pandemic as revenue significantly decreased due to a significant drop in demand (Badan Pusat Statistik, 2020). The majority of female MSMEs also experienced a decrease in revenue during the early months of the pandemic. Considering that MSMEs are the backbone of the national economy, and according to an estimation that women own 64.5% of the total 37 million MSMEs in Indonesia in 2018, it is essential to conduct a study on gender considerations to MSME policy responses to COVID-19 in Indonesia. The research aims to assess the gendered aspect of MSMEs policy responses in Indonesia and examines gender-based differences regarding the impact of the pandemic and MSMEs survival strategies. The study used a combination of online questionnaires, key informant interviews and FGDs.

This study finds that slightly more women MSMEs suffered a sales decline and an increase in the cost of production compared to men MSMEs. More women MSMEs (82.3%) also reported inadequate working capital than men MSMEs (80.6%) as a major obstacle, although the difference is not statistically significant. Our survey results reveal that more than 60% of women-owned MSMEs reported a difficulty in assessing finance due to a too high repayment risk, too high interest rates, and that they already had too many outstanding loans. In terms of challenges, women MSMEs also specifically reported an issue of balancing business and domestic work for the employees compared to men MSMEs, which confirms the double burden experienced by women in their everyday life. On the other hand, the most important challenge for men-owned-MSMEs was the drop in demand. Almost 80% of the men MSMEs stated this to be a problem, while that challenge was only the third most challenging issue for women-owned MSMEs.

Changing the business strategies during the pandemic was very challenging especially for women-owned MSMEs. Around 60.8% of men MSMEs changed their products and offered alternative products, while only 45.5% of women MSMEs did so, where the difference between the two genders was statistically significant. Leveraging to online selling seems to be the most go to strategies for MSMEs. As much as 82% of the women MSMEs and 80% of the men MSMEs leveraged online selling as part of their survival strategy, and the difference is statistically insignificant. We also found that women MSMEs had utilized digital technology for various business functions, such as business administration, planning, supply chain management, marketing, and service delivery. Meanwhile, men MSMEs were more likely to utilize digital technology for sales and payment. Our survey also showed that in general, women-MSMEs were slightly left behind compared to men MSMEs in terms of applying a digitization strategy for their business. On average, slightly fewer women (60.5%) had applied various digitalization strategies compared to men MSMEs (63%), but this difference was not statistically significant. Among the digitalization strategy used by women MSMEs is the utilization of social media for online selling. Online selling through social media such as Instagram, Facebook, or WhatsApp seems to be more familiar for women-owned MSMEs than it is for men MSMEs. For most of other digitalization strategies, however, more men MSMEs started or strengthened the digitization

solutions, compared to the women-owned MSMEs. However, there was a total of 51.6% of the women-owned MSMEs who increased the use of internet and digital platforms during the pandemic, compared to 44.7% of men-owned MSMEs.

Support to survive the pandemic also comes from the private sectors. Our survey showed that borrowing money or taking loans was the least-sought support for both women and men MSMEs, and in particular loans from banks, informal creditors, and digital financing platforms. This suggests that in general, the MSMEs were reluctant in seeking loans, except if the loans came from family or friends. On average, only about 32.7% of the MSMEs sought loans from non-bank financial institutions, informal creditors, or digital financing, and less than half of them (42.8%) sought loans from the banks. On average, only 30% of the women MSMEs sought loans from various sources, such as banks, non-banks, digital financing, or informal creditors, while the percentage for men MSMEs was up to 40%. The number of women-owned MSMEs who sought loans from banks was 37.75% while the men-owned MSMEs who did was 47.48%, where the difference was statistically significant.

In terms of policy support from the government, all MSMEs reported that cash transfer was the most applied program and the most helpful. The survey also reveals that the number of MSMEs who applied for government support programs is low and indicates that the requirements for receiving government support were too complicated and that poor public services hindered them from getting the support. It was found that more women MSMEs require policymakers to improve communication when providing policy support. In the policy formulation arena, more than half of the women-owned MSMEs (50.2%) agreed to integrate the gender components into the policy's design, while only 36.3% of the men-owned MSMEs agreed to that view. More of the women-owned MSMEs also agreed that gender-based policy targeting was important compared to men-owned MSMEs. About 37.8% of the women-owned MSMEs agreed that policies to assist businesses should be targeted based on the gender of the owner/leader of the business, while 36.3% of the men-owned MSMEs agreed to that view. Despite the little difference in that view between the women-owned and the men-owned MSMEs, the difference was statistically significant.

Nevertheless, this study found that the gender of MSMEs ownership has not yet been considered in the policy formulation but rather on how active the MSMEs had been in participating in community-level or business associations. Furthermore, lack of gender disaggregated data is seen as a noticeable challenge in implementing gender-based analysis in policy making process. The absence of agreed definition of MSMEs hampers effort to collect the disaggregated data. The overall situation of lack of gender analysis in the policy making process have continued and are reflected in COVID-19 policy responses that we found, which are not gender responsive.

Based on the study findings, we highlight the need to have a formal and agreed definition of MSMEs owned or managed by women among key stakeholders at the national and sub-national levels to pave the way to incorporate gendered aspects in policy formulation. We also suggest that the government improve policy response to remove obstacles and challenges faced by MSMEs and improve program delivery by improving program knowledge and awareness among MSMEs. The government could also act on implementing gender-responsive practices, including gender-based analysis in the policymaking process.

1.Introduction

1.1 Background

1.1.1 COVID-19 in Indonesia and Its Impact

The COVID-19 pandemic has brought an unprecedented challenge for micro, small, and medium enterprises (MSMEs) globally as many socio-economic activities had to be halted substantially which leads to considerable reduction in employment and sales revenue (United Nations Industrial Development Organization, 2020; Sonobe et al., 2021). Some studies indicate that female-owned businesses were hit harder than their male counterparts due to more limited options of coping strategies. UN Women *et al.* (2020) confirms that the initially public health crisis has developed into an economic crisis with severe impacts, with women MSMEs amongst the hardest hit group. Fairlie (2020) finds that the pandemic caused the largest drop on record in the number of business owners in the United States, where African-American owned, immigrant-owned, and female-owned businesses were disproportionately affected.

Not surprisingly, many MSMEs in Indonesia are also at the brink of failure during the COVID-19 pandemic as revenue greatly decreased due to a significant drop in demand (Badan Pusat Statistik, 2020). A joint report by UNDP and LPEM (2020) finds that more than 60% of female-owned MSMEs in Indonesia experienced at least a 40% decrease in revenue during the early months of the pandemic which were mainly caused by plummeting demand. MSMEs are considered to be the backbone of the national economy as they absorb nearly 97 percent of the domestic workforce and contribute to 60 percent of national GDP. This substantial contribution of MSMEs to the national economy places revitalization of the productivity of MSMEs as one of the main strategies that the Government of Indonesia (GoI) wants to focus on in the post-pandemic economic recovery period. Indeed, GoI has identified MSME as one of the prioritized sectors for inclusive growth in the 2020-2024 National Medium-Term Development Plan. Several initiatives to maximize their competitiveness have been rolled out even before the COVID-19 pandemic strikes, e.g., the 2019 E-Commerce Roadmap and the 2020 Go Digital Vision.

Studies find that many MSMEs start to adopt or intensify their internet usage as a coping mechanism to deal with a drop in demand during the pandemic-induced economic downturn (Doarest and Kamphuis, 2020; Badan Pusat Statistik, 2020; Wihardja and Putri, 2020). However, in the case of developing country such as Indonesia where equal access to internet infrastructure is not readily available and digital literacy is low, digitalization may only play a minor role in helping MSMEs to perform better. Kusumawardhani et al. (2022) finds that internet utilization only helps MSMEs to stay afloat during the pandemic, but not to achieve significantly higher productivity. The absence of stable demand sources in times of crisis combined with unsophisticated and unproductive use of technology due to the lack of digital skills are both important factors that affect MSMEs ability to thrive during the pandemic.

In response to the COVID-19 crisis, the GoI launched the National Economic Recovery Program with a total budget of 688.33 trillion IDR in 2020 and 699.43 trillion IDR in 2021. Several social protection measures were also announced, e.g., unemployment protection and income support (ILO, 2020).

Additionally, the Presidential Productive Assistance for Micro Enterprises (Banpres Produktif Usaha Mikro/BPUM) program was launched to provide working capital assistance for micro entrepreneurs categorized as poor and who are vulnerable to being affected by the COVID-19 pandemic. It appears that around the world, the majority of small business recovery policies do not reflect gendered aspects of entrepreneurship, although there is evidence which suggests that women have been most impacted by the pandemic. Considering the size of women-owned MSMEs in Indonesia and some indication that these businesses are disproportionately affected during the pandemic, it is important that a study on gender considerations to MSME policy responses to COVID-19 in Indonesia is conducted.

1.1.2 Characteristics of MSMEs in Indonesia

Women play an important role in MSMEs in Indonesia as it is estimated that 64.5% of the total 37 million MSMEs in Indonesia as of 2018 are owned by women. Approximations from several sources of data suggests that the absolute number of women entrepreneurs is increasing throughout the years. Statistics Indonesia estimates that women-owned MSMEs grew from 13.3 million in 2013 to 23.8 million in 2018. However, the majority of women-owned MSMEs are concentrated in micro and small businesses, where the bulk of these are one-person businesses aimed to supplement earnings of their husbands. Consequently, women-owned MSMEs are generally smaller in size and generate fewer sales than those owned by men.

The literature in entrepreneurship generally mention that two different motivations exist for an entrepreneur to start a business, namely necessity-driven entrepreneurship, and opportunity-driven entrepreneurship (Stephen et al., 2009; Giacomini et al., 2011; Pinillos & Reyes, 2011; van der Zwan et al., 2016; Calderon et al., 2017). The first is generally described as entrepreneurs who started a business because there were no better options for work, rather than because they saw the business as an opportunity. Meanwhile, opportunity-driven entrepreneurs aim to seize market opportunity and accumulate capital through business expansions. Empirical studies (Wong et al., 2005; Naudé, 2009) find that opportunity-motivated entrepreneurship drives economic growth, but not necessity-motivated entrepreneurship. One of the reasons is that dynamic entrepreneurs are more likely to create positive externalities through their innovation, while necessity entrepreneurs are usually accustomed to conventional ways of doing business (Fossen and Büttner, 2013).

The only available data which separates these two types of entrepreneurs shows that approximately one-fifth of Indonesian entrepreneurs start their business out of necessity, which is higher than the figure in Malaysia but lower than that of the Philippines or Vietnam (UNESCAP, 2017). The proportion of necessity-driven entrepreneurs is slightly higher in female entrepreneurs (22 percent) compared to their male counterparts (18 percent) (UNESCAP, 2017). On the other hand, a report by the International Finance Corporation (2016) reveals a higher proportion of male entrepreneurs who tend to be driven by successful career aspirations (20 percent) than their female counterparts (13 percent). The main motivation that drives women primarily to start a business is to become independent and to make money (International Finance Corporation, 2016). Despite the absence of nationally representative data on the dichotomy of entrepreneurs based on their motivation, the evidence suggests that the proportion of necessity-driven entrepreneurs in Indonesia is likely to be higher in the population of women-owned MSMEs.

Since necessity-driven and opportunity-driven entrepreneurs have different motives in starting their businesses, the operational aspect of their businesses varies as well. Bachtiar et al. (2022) associate necessity-driven entrepreneurs in Indonesia with a limited use of information and communication technology (ICT) in its day-to-day operation, where most of these entrepreneurs do not use the internet to benefit their businesses. However, some necessity-driven entrepreneurs who use the internet prefer to take small steps by using easy entrance technologies such as social media (e.g., Instagram, Facebook, WhatsApp). Meanwhile, opportunity-driven entrepreneurs have typically already explored the potential of e-commerce and websites to promote their products or services, in addition to relying on social media. Consequently, successful MSME policy needs to consider different characteristics of MSMEs, especially their business motivations, as the problems and needs of necessity-driven MSMEs are likely to differ from the opportunity-driven ones.

The SMERU Research Institute in partnership with Centre for Development Economics and Sustainability, Monash University conducted a mixed-methods research to assess the gendered impact of policy responses of COVID-19 to the development and survival of MSMEs in Indonesia. This research is a part of an initiative to strengthen women's economic empowerment in Southeast Asia funded by Investing in Women.

1.2 Objective

The research aims to answer the following research questions; (i) How the COVID-19 pandemic affected women-owned and men-owned MSMEs, (ii) How women-owned MSMEs benefitted from MSME policy responses in Indonesia, (iii) To what extent do policy responses involve gender responsive practices in the policy making process. By answering the research questions, this study will provide a better understanding of how women MSMEs are affected by access, or lack thereof, to recovery and stimulus packages during the pandemic. It examines gender-based differences regarding the impact of the pandemic and survival strategies utilized by the MSMEs. It also examines the extent to which the policy responses have reflected an understanding of gender-based inequality that affects women MSMEs during the crisis.

1.3 Methodology

This study employs a mix of data collection methods, quantitative and qualitative. The quantitative method consists of a data collection through an online survey and the statistical analysis of the survey results. The qualitative data collection utilized a series of focus group discussion and in-depth interviews that was conducted through online meeting platforms such as Zoom. The combination of the mixed-method approach allows for obtaining more detailed information on the situation MSMEs are facing in general during the pandemic, while at the same time, allowing us to dig deeper with regards to the participation of MSMEs in the policy making process. Below is a more detailed explanation of each data collection strategy.

1.3.1 Quantitative Data Collection

The COVID-19 pandemic situation gave us an opportunity to conduct an online survey instead of a face to face/direct survey. The objective of the online survey was to collect information on the impact of the pandemic to the MSMEs and their strategy to cope with the situation. In particular, the survey covered various questions about the impact of the pandemic such as business conditions, the challenges, the obstacles, and the strategies applied by these enterprises to survive amidst the pandemic.

The survey tool was an online questionnaire which consisted of 52 questions covering aspects such as the business profile, the impact of the pandemic on business conditions, the obstacles and key challenges during the pandemic, support and programs available to the business during the pandemic, and strategies employed by the business to help cope with the situation.

The survey was shared online utilizing SMERU's social media (Facebook, Twitter, and Instagram) and SMERU's own channel (WhatsApp and Telegram chat group). It was regularly reposted or reshared for around 3-4 times in the period of two months (August – September 2021). Additionally, we also sent an email invitation to fill up the survey to 213 business owners (targeted particularly to women entrepreneurs whose establishment is well-known) and to 142 business associations. The emails were sent 2-3 times during that two-month period.

We also cooperated with Lummo/Lummoshop (previously named BukuKas), a book-keeping application company whose users are mostly micro-enterprises. Lummo assisted with distributing the online questionnaires to their 1.075 million active user base through the push-notification from their company's app. The notification was sent once to every user.

1.3.2 Qualitative Data Collection

The objective of the qualitative data collection is to complement the survey data and to gather more insights with regards, to among others, gender analysis in the policy formulation process. We conducted in-depth interviews and a series of FGDs with MSMEs owner/managers as well as with policy makers at national and sub-national level. The in-depth interviews were conducted with policy makers and the SME ecosystem at the national level such as the Ministry of Women Empowerment and Child Protection (KPPPA) and Ministry of Cooperatives and Small Medium Enterprises. This included non-government organizations and/or associations. At the sub-national level, the interviews were conducted with local government officials, SME ecosystems, NGOs and program implementer. Two FGDs were conducted towards the end of the study where we presented and verified the findings from the survey, as well as explored issues which were not fully covered during the interviews. This includes the role of SMEs in the policy making process as well as identifying gaps and needs to help assist with gender-based analysis and policy formulation.

To obtain insights from sub-national level, we selected two districts as our case studies: Kabupaten Rembang in Central Java Province and Kabupaten Pangkep in South Sulawesi Province. The reason for selection of the two case studies are as follows:

Kabupaten Rembang, Central Java Province, was selected to represent the pandemic situation, impact and policy response from the western part of Indonesia. The district is also a location where

the Industri Rumahan Program (A Home Industry program), a pilot program run by the Ministry of Women Empowerment and Child Protection, is being implemented. The program has run successfully in that district, as the local leader was willing to continue the program and support its implementation by using their local budget (APBD). Kabupaten Rembang also serves as a case study where local government efforts to advance and strengthen MSMEs was complemented by similar initiatives from the private sector (PT Semen Indonesia). An example of a result of this effort is the establishment of Rumah BUMN (a BUMN house), a place where MSMEs can market their products and obtain training according to their needs. The joint efforts between local government and the private sector have been successful in promoting MSMEs development and have helped them survive during the pandemic.

Kabupaten Pangkep, South Sulawesi Province, was selected to represent the small and medium business situation and MSMEs ecosystem at the eastern part of Indonesia. Unlike Kabupaten Rembang, Kabupaten Pangkep focuses on SMEs development which mainly rely on local government efforts that involve a strong presence and support from international and national/local NGOs. The difference in the MSME ecosystem in these two districts will allow us to make a good comparison on how SMEs can access support and assistance particularly during the pandemic.

In addition to the interview with policy makers and program implementer, we also interviewed micro and small businesses run and/or managed by man and women from the two districts. We also interviewed survey respondents who are willing to talk further with us. In total, we have conducted 36 phone and zoom interviews and two FGDs.

2. Institutional Setting

The institutional setting of MSMEs represents an interconnection between different stakeholders who have the ability to influence the growth trajectory of MSMEs in Indonesia. A robust institutional setting is needed to provide maximum support for MSMEs to succeed. Hence, it is important to assess how each stakeholder, including at the national level, supports MSMEs at present.

2.1 Regulatory Environment

In 2021, Government Regulation No. 7/2021 regarding the Ease, Protection, and Empowerment of Cooperatives and MSMEs was announced as the derivative rule of Omnibus Law on Job Creation. The new regulation also repealed Law No. 20/2008 regarding MSMEs, Presidential Regulation No. 27/2013 regarding Development of Business Incubator, and Presidential Regulation No. 98/2014 regarding the Licensing for Micro and Small Enterprises.

TABLE 1. THE CHANGE IN MSME'S CHARACTERISTIC

	ANNUAL SALES		
	MICRO	SMALL	MEDIUM
LAW NO. 20/2008	Max. 300 million IDR	300 million–2.5 billion IDR	2.5–50 billion IDR
GOVT REGULATION NO. 7/2021	Max. 2 billion IDR	2–15 billion IDR	15–50 billion IDR

	INITIAL CAPITAL/NET WORTH <i>excluding land and building</i>		
	MICRO	SMALL	MEDIUM
LAW NO. 20/2008	Max. 50 million IDR	50–500 million IDR	500 million–10 billion IDR
GOVT REGULATION NO. 7/2021	Max. 1 billion IDR	1–5 billion IDR	5–10 billion IDR

In general, the new regulation consists of a unified business permit, strategic partnership with large-scale enterprises within value chain, provision of business location on public infrastructures, optimization of business incubator, and 40% government procurement of goods and services for micro and small enterprises. A key difference also lies based on MSME's characteristics. Limits between business scales have been set to be larger, allowing the assistance for micro enterprises to reach a wider scope (Kompas.com, 2022). The regulatory environment to run the business, however, is still perceived as challenging for enterprises.

Market expansion is a critical aspect for MSMEs to scale up their businesses. Most MSMEs expand their market share through getting their product into large stores or malls. This strategy is often hindered by the lack of product licensing. Our informants mentioned that the complicated bureaucracy made them reluctant to seek to license their products, especially because they still have to be actively involved in their daily business activities.

"I was hoping to expand the market by getting my product into the mall. And the business can grow bigger just like Mama Roz Cold Press Juice products. And my product can be aligned with other popular juices. But my product cannot get into the mall because it has to be administered under the National Agency of Drug and Food Control. It seems like I have almost no time to register my product because the steps are complicated and small business like this cannot be handled by anyone else other than myself as its owner." (FS, female, 43 y.o, Jakarta, 28 October 2021)

"Accessing business legality issues, such as the Business Registration Number or the Certificate of Home Industry Food Production, is still a challenge for small entrepreneurs like us. On one hand, we want to be accepted by a wider range of consumers with business legality. On the other hand, sometimes the government is less cooperative in facilitating the processing of such licenses. During this pandemic, it is even more difficult to administer legality of the product because many department heads are difficult to find under the "work from home" arrangements. As a result, many small businesses do not yet have the Certificate of Home Industry Food Production." (K, male, Pangkep, 15 October 2021)

Aside from that, the lack of property tax deferrals also became a challenge. During the pandemic, the Gol launched several initiatives, such as income tax reductions. The deferral of property taxes, however, was not one of them. Our informants mentioned that the lack of a property tax deferral is proof that government initiatives have not been focused on accommodating small enterprises' needs.

"There is no property tax deferral, we still have to pay in full amount. Small businesses like us hardly become beneficiaries of any government assistances. I was immediately given a warning letter from the government because my store's door was opened. No buyers. No consumers. I was only there to count stock of products in the store. Yet, my business still get warned." (DD, male, 26 y.o, Jogja, 1 November 2021)

2.2 Government Program

During the COVID-19 pandemic, the Gol announced a national response package involving a total of 1439.97 trillion in 2020 and 2021. Despite its huge allocation, the response package overall had not yet contained any policy that specifically targeted women MSMEs. However, there have been some program initiatives from government agencies that are specifically designed to target women MSMEs that should be mentioned.

a) Mekaar Program (PT PNM)

This program allows women-led ultra-micro enterprises to access group-based business loan without the need for a physical collateral. Through this program, each debtor may get a maximum of a IDR 5 million loan with an interest rate of 19% - 25% per year. There are only a few requirements for the debtor, which include assembling a group consists of 10 women entrepreneurs who earn maximum IDR 800 thousand/month, along with attending a Weekly Group Meeting to get business coaching and paying weekly instalments. Through Mekaar, PT

PNM becomes the only financing institution that distributes the Ultra Micro Financing (UMi) Program by the Ministry of Finance which specifically targets women enterprises.

b) Home Industry Development Program (the Ministry of Women Empowerment and Child Protection)

This program allows women-led ultra-micro and micro home industries to access intensive accompaniment during the period 2016–2019. Around 3,000 home industries from 21 districts benefitted from this program. Even though it was not precisely designed to handle the pandemic, this program has helped women-led home industries to bounce back during crisis and build networks with their local government. In general, the learning material consists of business development and digital marketing (including assistance on how to properly use Zoom and online marketplace).

This program also supported its beneficiaries with legal assistance, including the permit management of home industry food licenses. However, this program was only implemented as a pilot program. Moving forward, the Ministry of Women Empowerment and Child Protection hopes that the regional office of women empowerment along with other ministries, such as the Ministry of Cooperatives and SMEs, will continue this program and allocate a local budget to support its implementation. So far, there have been some areas and districts that are willing to take up and continue this initiative using a local budget. One of the areas is Kabupaten Rembang, where it is also known to be a successful case in this regard.

c) Sispreneur Incubation Program (the Ministry of Women Empowerment and Child Protection and PT XL Axiata)

This program provides online coaching on digital technology for women-led micro enterprises. It targets those who had been accompaniments of selected CSO partners. In general, there are a few differences in the implementation of Sispreneur during 2020 and 2021.

TABLE 2. THE DIFFERENCE BETWEEN SISPRENEUR INCUBATION PROGRAMS

	2020	2021
Beneficiary	200 enterprises from West Sumatera, West Kalimantan, Bali, and West Nusa Tenggara	1000 enterprises from more than 20 provinces
CSO Partner	ASPPUK, KAPAL Perempuan, Yayasan PEKKA	ASPPUK, KAPAL Perempuan, Yayasan PEKKA, PPSW, Kalyanamitra, Hapsari, Migrant Care, Koalisi Perempuan Indonesia
Learning Material	<ol style="list-style-type: none"> 1. Product ready 2. Market ready 3. Digital and marketplace ready 	Gender perspective on entrepreneurship, business planning, branding and marketing, financial literacy, and digital marketing.
Complementary Support	<ul style="list-style-type: none"> • SIM card and mobile data plan (XL Axiata) • Featured in online marketplace's push promotion (Bukalapak) 	<ul style="list-style-type: none"> • SIM card, coaching on Whatsapp, and e-certificate (XL Axiata) • Learning material on financial literacy (Bank BRI)

2.3 Financing institutions

This study only includes the perception of MSMEs towards financing institutions and not the other way around. There are many external financing options available for MSMEs, including banks, peer-to-peer lending, venture capital, and government funding scheme. The government funding scheme consists of grants and prize money from government programs. Among the options available, the most prominent funding source is the government funding scheme. The uncertainty that came with the COVID-19 pandemic influenced MSMEs' reluctance to apply for loans.

"Initially, I went to the bank to ask for a delay in paying debt. In April 2020, I got debt payment delay for the first time. However, I am reluctant to take on new loan during this pandemic. Debt relief does help, but only temporarily. It will later pile up since we are not sure when the pandemic will end." (DD, male, 26 y.o, Jogja, 1 November 2021)

"MSMEs do not always pursue investments or grants. Often, they mentioned that they could not forget the experience of getting direct guidance from larger enterprises, such as APINDO." (Project Leader, UKM Indonesia, female, 31 July 2021)

Meanwhile, the existing investment scheme is considered to be too complicated, especially for micro and small enterprises.

"In 2017, someone invested 29.5 million rupiah in this business. Every three months, we share our dividend. However, I managed to quit this mechanism in 2020. Such mechanism was quite complicated, to be honest. Now I am more interested in exploring B2B partnership models, such as Chatime." (FS, female, 43 y.o, Jakarta, 28 October 2021)

Aside from external sources of funding, it is more common for MSMEs to use their own saving and money from family and relatives. These financing options are perceived as simpler and easier to obtain as compared to external source of funds for MSMEs.

"We do not seek loans from banks, only make use the personal capital of each owner. There is a moral responsibility to quickly repay if we apply for a loan. It is better to depend on the revenue and our own capital." (FK, male, 25 y.o, Bogor, 28 October 2021)

2.4 Incubator & Accelerator

Incubator and accelerator refer to any private institution that provides programs on business assistance in various aspects, such as technology, record-keeping, product development, and legal matter management. They also assist MSMEs on building networks with other key stakeholders that can eventually lead to a broader market. Their sole distinction lies in the program length. Incubation programs last up to a year, while accelerator programs only last for 8–12 weeks. This study interviewed UKM Indonesia and Association for Women's Small and Micro Business Assistance (ASPPUK) as incubators as well as Femalepreneur as an accelerator.

These programs mainly assist micro and small enterprises. Although most of the members are women, there is quite a limited number of incubators and accelerators that specifically target women MSMEs. Some of these programs are reluctant to provide specific women-only business assistance for two reasons. First, different donors come with different programs. Incubators and accelerators feel the urge to be more flexible to accommodate the diverse programs from various donors. Second, MSMEs the commercialisation of MSMEs is often the focus. Donors usually lack insights regarding any differences between women and men MSMEs. Thus, they perceived both MSMEs did not differ much.

During the program, incubators and accelerators also build partnerships with several stakeholders, such as the Ministry of Cooperatives and SMEs, the Ministry of Women Empowerment and Child Protection, local government, business association, and online marketplace. They believe that such partnerships will help broaden the program and reach more participants.

"Partnership programs help us provide assistance, in the form of interventions. When we collaborate with Jakarta's Provincial Government, it was easier to connect our MSME partners with peer-to-peer lending service providers in Jakarta. Partnership with local governments makes it easier for us to provide information related to licensing, halal testing, and finding packaging for products that fit. Thus, during coaching, we can also provide a list of contacts for MSME partners so they know where to go to take care of some issues. However, we do not limit ourselves to solely working with the government. We also collaborate with brands with wider scope, such as Shopee. This is so that we can support more MSMEs." (CEO, Femalepreneur, female, 29 July 2021)

In general, women and men MSMEs that we interviewed rarely seek support from incubators and accelerators. They mainly received business assistance from incubation and accelerator programs that were facilitated by the government. Some of those programs were in partnership with private institutions. However, these MSMEs hoped such assistance in the future will be more accommodative towards the different needs of enterprises with different sizes and levels of experience.

2.5 Business Association

Based on our initial mapping, there are many business associations nationwide with about six of them are focusing on women businesses in 2021. Their programs mainly consist of training and internal discussions. However, some of the associations with bigger networks also conduct hearing and advocacy with other key stakeholders, especially with the Gol, voicing out the needs of women businesses and bring them to the government's attention. The advocacy from business association led to announcement from the Minister of Villages, Development of Disadvantaged Regions, and Transmigration on Village Fund allocation for MSMEs' digitalization training in each village.

During our interview with the Women Entrepreneurs Association in Indonesia (IWAPI), the first women business association, they mentioned that as a strategic partner of the Ministry of Women Empowerment and Child Protection, they also held a gender equality training program. The business association also emphasized how socially imposed attitudes regarding gender creates underlying differences between women and men MSMEs. The program, however, did not attract many participants because it did not start with commercialisation in mind.

"We have not yet reached local levels to do campaign on how domestic work is not part of women's nature. And domestic work is a shared responsibility between husband and wife. Even in big cities, people's understanding of women's nature is still largely traditional. This is a very big duty for all of us. We have collaborated with the Ministry of Women Empowerment and Child Protection on gender equality training, including this issue. However, the program is not really attractive because it is not considered profit-making. The program is perceived as having nothing to do with their product sales, so women MSMEs were reluctant to join. We still need more innovative ways to embrace our partners in spreading gender equality insights." (General Secretariat, IWAPI, female, 18 August 2021)

2.6 Chain Actors

Chain actors refer to those who are involved in sector-based value chain activities, such as wholesalers and retailers. Larger enterprises tend to have more complex value chains which involve multiple chain actors. This study, however, only include the perception of MSMEs towards chain actors and not the other way around.

In general, chain actors have shown initiatives to support both women and men MSMEs, especially small enterprises. This support mostly came from suppliers that grant more relaxed arrangements. Such arrangements were an important mechanism that helped MSMEs survive the economic crisis following COVID-19 pandemic.

"Luckily, our suppliers could understand our difficulties because they know the current condition of product sales. Thus, our bills payment were relaxed to 1-2 months. We actually asked for a leeway of up to 5 months but were not given. There are even factories that don't want to give leeway even for 1 day. The delay in payments to suppliers is also because their goods are piled up in the warehouse, so what could they do either way. Thus, they were willing to defer our bill." (DD, male, 26 y.o, Jogja, 1 November 2021)

3. Survey Results

3.1 Definition of Women-owned/led MSMEs

Although there are many on-going discussions on women-owned enterprises and how to boost their role in the economy, there is still no consensus on how to define a women-owned enterprise. Several attempts have been conducted to identify and define women-owned enterprises; however, this hasn't led to formulation of a single definition that can be used or applied to various contexts. The nonuniformity of the definition reflects the various nature of the enterprises, particularly the MSMEs, and that they are also shaped by the cultural and socio-political context of a country.

The International Finance Corporation (IFC) defines an enterprise to be women-owned or women-led if 51% of the entity is owned by one or more women, or more than 20% of the ownership is a woman or women and there is at least one woman in the senior management and more than 30% of the Board of Directors (BoD) are women. Meanwhile, the Development Finance Corporation (DFC) defines an enterprise as a women-owned enterprise if the business is founded by a woman or 51% of the entity is owned by one woman or more, or if the share of women in senior management is at least 20%, or if women make up at least 30% of the Board of Investment Committee. Investing in Women (IW) also has its own definition. The criteria of women-owned/women-led enterprises according to IW are that at least 51% of the entity is owned by one woman or more women or at least 20% of the entity is owned by women, and the entity has at least one woman in the presidential seat (CEO/COO), and that at least 30% of the BoD are women. Albeit the definitions are slightly different, there are similarities found between the three organizations in defining women-owned/led enterprises which are: i) women's ownership; ii) women who sit in the presidential seat or senior management; and iii) share of women in the BoD.

The DFC's definition is more relaxed than the other two as it only needs to fulfill at least one of the criteria mentioned above to consider a business as women-owned/women-led. Nevertheless, from all of the definitions mentioned above, none exactly matches the existing situation of micro, small, and medium enterprises in Indonesia. Indonesia, through the National Secretariat of Inclusive Finance, has actually declared their own definition of women-owned enterprises. The definition is the same with the IW's definition mentioned above. However, in Indonesia, only 53% of the MSMEs have business licenses (study by UNDP LPEM) and most of the MSMEs are structured as private ownership enterprises or sole proprietorships. Private ownership enterprises will be unlikely to have a CEO/COO or a BoD, let alone the enterprises with no business licenses. In our survey result, 91% of the business are sole proprietorships and only 3% of them are registered as a corporation. Therefore, it's rather straightforward to define if the business is women-owned/led or not based on who owns the business or who manages the business operation. The criteria regarding the share of women in the BoD or the women in the presidential seats, hence, are less relevant to be used for MSMEs in Indonesia.

3.2 Sample and Data

Sample

Conducting an online survey has its own pros and cons. On the one hand, it is relatively more time-efficient and cost-efficient. It is also more possible to reach out to diverse respondents as long as they are exposed to the survey questionnaires. However, in terms of the characteristics of the respondents, the sample of the online survey that is obtained cannot be fully controlled and should therefore be interpreted with caution. It is important to note that a respondent to an online survey needs to have internet access. Currently, only 49.86% of people in Indonesia have access to the internet, and only 42% of the entrepreneurs¹ access the internet. The females who have internet access are also relatively more educated than the general population. Among the people who access the internet, the level of education between the females and the males was relatively similar, but slightly higher for females. Meanwhile, the general population of females are slightly less educated than males. Therefore, the results of the online survey must be interpreted with caution as they are not representative of the general population in Indonesia.

TABLE 3. ACCESS TO INTERNET AND MEAN YEARS OF SCHOOLING, BY GENDER

	FEMALE	MALE	TOTAL
Access to Internet	47.24	52.45	49.86
Access to Internet (Entrepreneurs)	40.98	42.55	42
Mean years of schooling*	8.60	9.19	7.75
Mean years of schooling of individual who access internet*	11.1	10.9	10.99

Source: Susenas, 2020; Notes: *) individual aged ≥ 15 y.o

The total number of completed responses were 573, but there were two respondents who were ineligible to be our respondents as they were categorized as non-MSMEs (they had more than 215 billion of assets and annual revenue and more than 1,000 employees). Thus, our cleaned data contained only 535 respondents. Our survey questionnaire received a total of 7,825 clicks on the survey link. Most clicks came through the Lummo notification to their users (a notification was sent to over a million of their users). The completed response rate from Lummo was 6.33%, while the response rate was around 9.5% from SMERU's own channel (although the number of respondents was lower from SMERU's channel).

¹ Entrepreneurs are defined as the individual who is self-employed or a business owner (with paid or unpaid employees).

TABLE 4. RESPONSE RATE OF THE ONLINE SURVEY

	TOTAL CLICKS	SENT NOTIFICATION	COMPLETED RESPONSE	RESPONSE RATE	CLICK-RATE
SMERU's own channel	1,305	N/A	124	9.50	N/A
Lummo	6,520	1,169,328	413	6.33	0.56
Total	7,825		537	6.86	

Source: SMERU

During the period of the data collection, we learned that there were times at which the survey's sharing time was most effective. The time window between 5 pm to 10 pm was when most people completed the survey. From our pilot online survey, we collected some feedback for the questionnaires. Most of this technical feedback was accommodated in the final online questionnaire. Some other feedback received were related to the substance of the questionnaires. This included comments that the questionnaires were too long, that some questions were hard to understand or required a higher-level education to understand, and that some questions contained sentences that were too long. These are reasons that might have affected the completed response rate as business owners do not have much spare time for filling up questionnaires and since it was an online survey, it was easier for the potential respondents to leave the questionnaires incomplete.

In order to keep the relevance of women-owned/led MSMEs in Indonesia's context, we propose a new definition of women-owned/led enterprises, particularly MSMEs, that can accommodate the definition used by international organizations and at the same time take the local-context into consideration. The women-owned/led MSMEs in our current study are defined as enterprises in which the female/women ownership is more than 20%, or there is at least one female in the senior management or in the managerial position, or in the presence of BoD, the share of women in the BoD is more than 30%, or in the case of a sole proprietorship business, the owner of the establishment is a woman.

TABLE 5. VARIOUS DEFINITION OF WOMEN-OWNED/LED MSMEs BY VARIOUS INSTITUTIONS

INVESTING IN WOMEN, NATIONAL SECRETARIAT OF FINANCIAL INCLUSION INDONESIA	DEVELOPMENT FINANCE CORPORATION	INTERNATIONAL FINANCE CORPORATION	CURRENT STUDY
51% of the entity is owned by women; or At least 20% of the entity is owned by women	51% of the entity is owned by women; or Business founded by a woman	51% of the entity is owned by women; or At least 20% of the entity is owned by women	At least 20% of the entity is owned by women; or Business owned by a woman
At least one woman as CEO/COO/President/Vice President*	Share of women in the senior management position is 20-30%**	At least 1 woman in the senior management*	At least 1 woman in the senior management/managerial position**

INVESTING IN WOMEN, NATIONAL SECRETARIAT OF FINANCIAL INCLUSION INDONESIA	DEVELOPMENT FINANCE CORPORATION	INTERNATIONAL FINANCE CORPORATION	CURRENT STUDY
At least 30% of Board of Directors*	At least 30% of Board of Directors**	At least 30% of Board of Directors*	At least 30% of Board of Directors**

*Note: *Non-optional: All the requirements have to be met; ** Optional: Only one of the requirements has to be met.*

We propose a more relaxed definition to capture the fact and realities of businesses in the Indonesian context in which even if the business owner is a male, it is usually women who manage the day-to-day operations (see Table 5). This also includes the kind of enterprises in which women hold a senior management or managerial position. In the micro-size level, for instance, in the case that a husband owns a shop, and the shop is registered on paper using the husband's name, the wife is usually taking care a day-to-day operation, but she will keep stating that the shop is her husband's. Further study is required to understand the underlying reasons such a practice.

In this study, exploring the use of several different definitions, we find that there is insignificant difference between the percentage of women-owned MSMEs between three alternative definitions.² As many of the enterprises in our sample are sole proprietorships, it is obvious that the main differences will only be apparent in the medium-size enterprises. Using our study's definition, there are 12 out of 14 medium-size enterprises defined as a women-owned business. Meanwhile, using IW's definition, only 3 out of 14 medium-size enterprises can be defined as a women-owned business. Using DFC's definition results in 7 out of 14 medium-size enterprises being defined as women-owned businesses. There are no statistically significant differences between the three definitions, except when it comes to medium-size enterprises where IW's definition is the most stringent. The slight difference in the overall share of women-owned enterprises by several definitions is due to the fact that the majority of our survey respondents are micro-enterprises or a sole proprietorship business where it's rather straightforward to define a women or men-owned business.

² We will use women-owned business and women-owned/led MSMEs in this report interchangeably.

TABLE 5. PROPORTION TEST OF WOMEN-OWNED MSMEs ACCORDING TO DIFFERENT DEFINITIONS AND SIZES

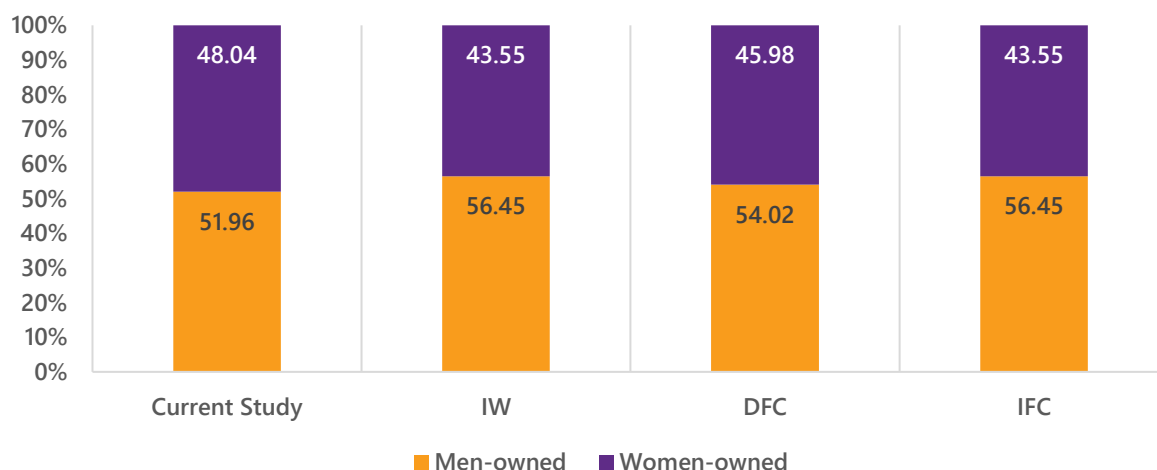
DIFF = PROPORTION(CURRENT STUDY) - PROPORTION(X)						
HO: DIFF = 0						
SIZE	DEFINITION ACCORDING TO	% WOMEN-OWNED/LED	SE	DIFF.	Z-VALUE	P> Z
All MSMEs	Current study	0.480	0.022			
	IW	0.436	0.021	0.045	1.470	0.141
	DFC	0.460	0.022	0.021	0.670	0.500
	IFC	0.436	0.021	0.045	1.470	0.141
Micro-size	Current study	0.466	0.022			
	IW	0.438	0.022	0.028	0.890	0.376
	DFC	0.456	0.022	0.010	0.320	0.752
	IFC	0.438	0.022	0.028	0.890	0.376
Small-size	Current study	0.588	0.119			
	IW	0.529	0.121	0.059	0.350	0.730
	DFC	0.529	0.121	0.059	0.350	0.730
	IFC	0.529	0.121	0.059	0.350	0.730
Medium-size	Current study	0.857	0.094			
	IW	0.214	0.110	0.643*	3.410	0.001
	DFC	0.500	0.134	0.357**	2.020	0.043
	IFC	0.214	0.110	0.643*	3.410	0.001

Note: * significantly different at alpha 1%; ** significantly different at alpha 5%

Source: SMERU

Using IW's definition, the share of women-owned and men-owned enterprises was 43.5% and 56.5% respectively. Using IFC's definition gave the same percentages in each group as using IW's definition. Using DFC's less stringent definition, the percentage of women-owned and men-owned was, respectively, 46% and 54%. The least stringent definition proposed by our study resulted in some 48% of women-owned MSMEs, while men-owned MSMEs was 52%. In every definition, the share of women-owned enterprises was slightly lower than the men. As there is no statistically significant differences between the other definitions, the rest of the analysis in this report will be using our proposed definition.

FIGURE 1. NUMBER OF MSMEs BASED ON SEX OF BUSINESS OWNER

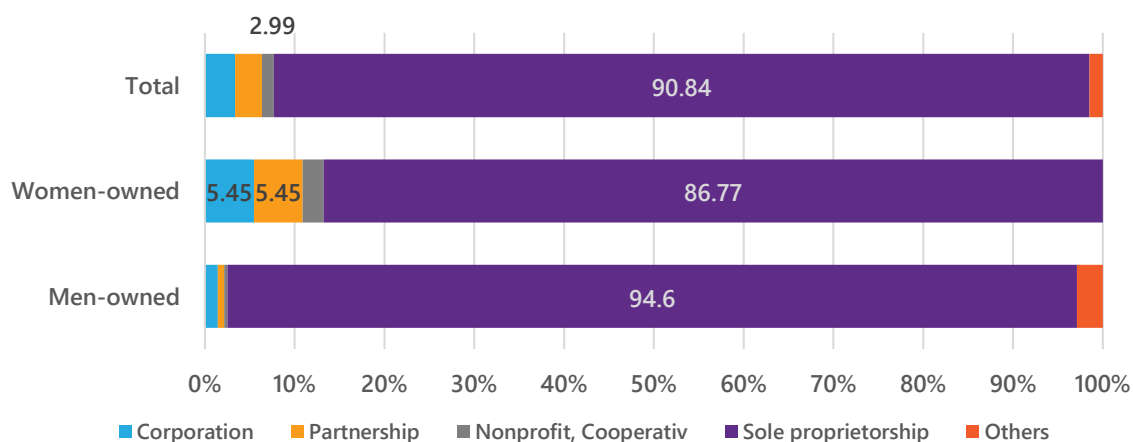


Source: SMERU

Data

Out of the 535 respondents, 45% were female. Around 86% of the respondents were business owners and 8% were managers. Most of the respondents were also young adults aged 25 – 34 years old (43%) followed by younger adults aged 15 – 24 years old (30%). The business structure most of often encountered in our survey was a sole proprietorship which made up 90.9% of the total respondents. The corporation structure only made up 3.3% while the partnership structure made up 2.99% of the respondents. There were 5.5% of the businesses owned/led by the women who were corporations and another 5.5% who were partnerships. This might be due to our attempts in targeting the respondents for our survey to the medium-size business owned by women. The businesses were also mostly established after 2015 (76%), and only 6% of them were established before 2001.

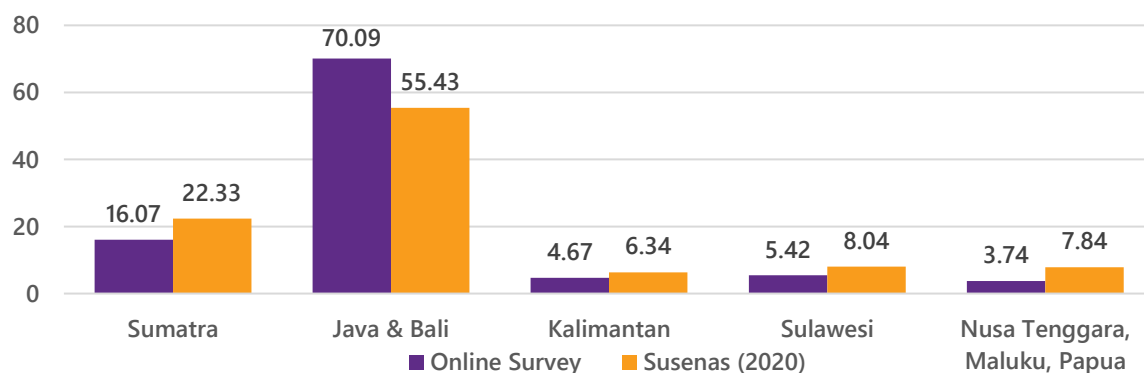
FIGURE 2. STRUCTURE OF THE BUSINESS, BY GENDER



The survey covered mostly the Java Bali region. Geographically, 70% of the businesses surveyed are located in Java and Bali, followed by Sumatra Island (16%). Respondents coming from the Eastern part

of Indonesia such as Nusa Tenggara, Maluku, and Papua only make up around 4% of the sample. We compare the survey data with Susenas data to see how close the survey data is to a more nationally representative data like Susenas. We find that the Susenas data also shows the pattern of population of entrepreneurs in Indonesia where more are in the Java Bali region (55% of the entrepreneurs' population are located in Java and Bali and 22% in Sumatra) (Susenas, 2020). Our sample from the online survey has a slightly higher concentration in Java and Bali.

FIGURE 3. SURVEY SAMPLE AND ESTIMATED ENTREPRENEURS' POPULATION



3.3 Size of the Business

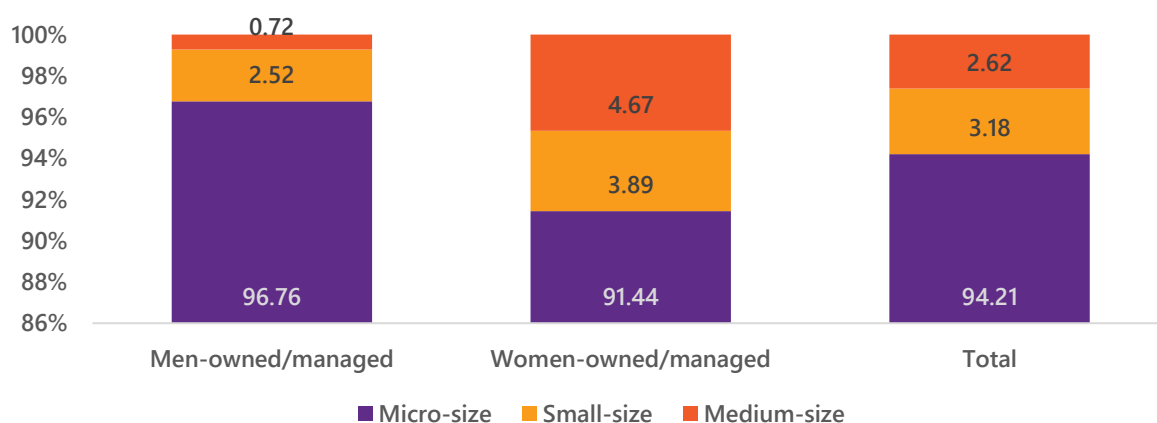
There are several versions on the definition of what considered as micro, small, or medium business. In this study, we use the definition set by the IW, where we will use total asset and total revenue in determining the size of the business. The category used by IW is a little different than the one Indonesia has in their regulations. The Statistics Bureau of Indonesia, for instance, has their own additional indicator to determine the business size in which they add the number of the employees in the category. In this survey, as outlined in Table 7, we use IW's categories of total assets and total revenue to determine the size of the business establishments.

TABLE 6. MSMEs SIZING CATEGORY

TOTAL ASSETS	TOTAL REVENUE		
	Less than 1.5bio IDR	1.5bio - 215bio IDR	More than 215bio IDR
Less than Rp50.000.00	Micro	Small	Medium
Rp50.000.000–Rp300.00	Micro	Small	Medium
Rp300.000.000–Rp215 Billion	Small	Medium	Medium
More than Rp215 Billion	Small	Medium	Large

According to the category presented above, the number of micro-size enterprises in the survey was up to 94.2% while the small-size and medium-size enterprises were 3.2% and 2.6% respectively. This result was also aligned with other studies and report in which, out of total number of MSMEs in Indonesia, more than 90% of them were micro-size enterprises. For example, the study from UNDP and Ministry of Cooperative and Small and Medium Enterprises (2021) also found that micro-size enterprises made up to 98% out of the total 3,011 respondents, while small and medium-size enterprises made up to 1.3% and 0.4% respectively.

FIGURE 4. DISTRIBUTION OF ENTERPRISES BASED ON SIZE AND GENDER



In comparison to characteristics of entrepreneurs based on the National Labor Survey (Sakernas) data of 2021, we find that our survey covers a younger population of entrepreneurs (Table 8). Additionally, entrepreneurs in our dataset employ a greater number of workers than entrepreneurs on average at the national level. The proportion of male entrepreneurs in our survey data is also slightly higher than the proportion of male entrepreneurs in Sakernas. We argue that having some differences are inevitable considering that our survey is conducted online and internet access in Indonesia varies across age, gender, residence, and education (Bachtiar et al., 2020). Given this selection issue, we acknowledge that our findings may not represent the general situation of MSMEs in Indonesia.

TABLE 7. GENERAL CHARACTERISTICS OF ENTREPRENEURS

VARIABLE	SAKERNAS (2021)				ONLINE SURVEY			
	Female		Male		Female		Male	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD
<i>Entrepreneur characteristics</i>								
Gender			0.49	0.49			0.54	0.49
Age	47	13.72	46	13.51	31	9.16	30	9.48
Number of workers	4.0	33.22	4.8	30.23	8.1	36.25	8.7	29.7

Source: processed from Sakernas (2021) and online survey. Table shows mean and standard deviation (SD).

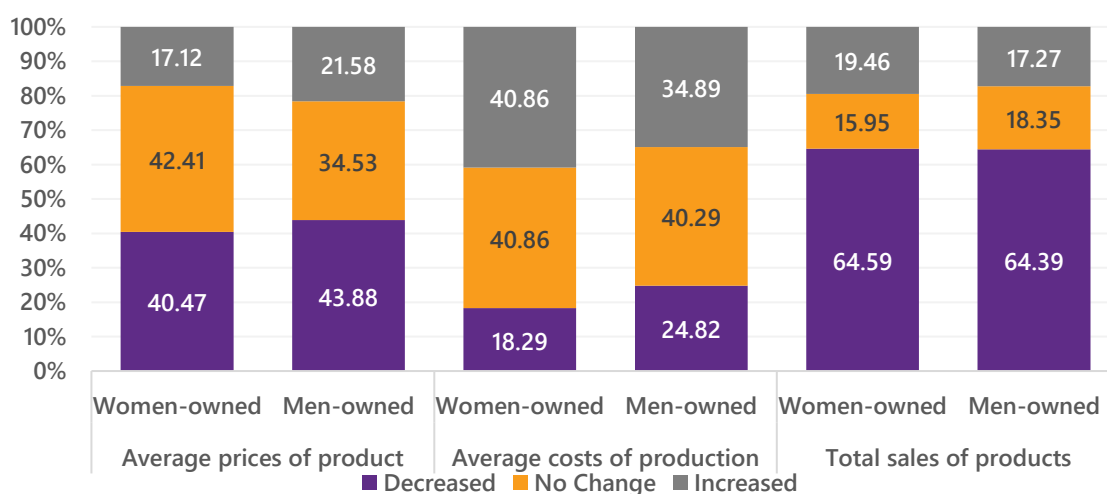
3.4 Obstacles and Challenges Faced Due to the Pandemic

Impact of the pandemic

The world has been suffering from the COVID-19 pandemic since the beginning of 2020. The pandemic has led not only a health crisis, but also an economic crisis. The world's growth contracted by -3.4% and Indonesia's economic growth also contracted by -2.1% (World Bank and BPS). According to the Ministry of Cooperative and Small and Medium Enterprises (MoCSMEs), MSMEs accounted for 61% of Indonesia's GDP growth in 2018. The contraction of growth due to the pandemic in the economy would, no doubt, affect the MSMEs as well.

During the pandemic, many countries all over the world took several measures to contain the spread of the virus. The government of Indonesia (GoI) officially announced nation-wide social mobility restrictions (PSBB or PPKM) in April 2020, a month after the WHO officially announced COVID-19 as a global pandemic. The social mobility restrictions varied for each of the business sectors, but it was specifically restricted for every non-essential activity that requires human-to-human direct interaction. In particular, this affected accommodation and restaurant businesses as well as traders and retailers. Our survey results suggest that more women-owned MSMEs were more risk-averse and complied with the social mobility restrictions. From our survey, more men-owned MSMEs were still operating the business in full capacity compared to the women-owned MSMEs. Meanwhile, there were more women MSMEs who operated the business below full capacity and who closed their establishments either due to the government regulations or voluntarily.

FIGURE 5. DISTRIBUTION OF ENTERPRISES BASED ON SIZE AND GENDER

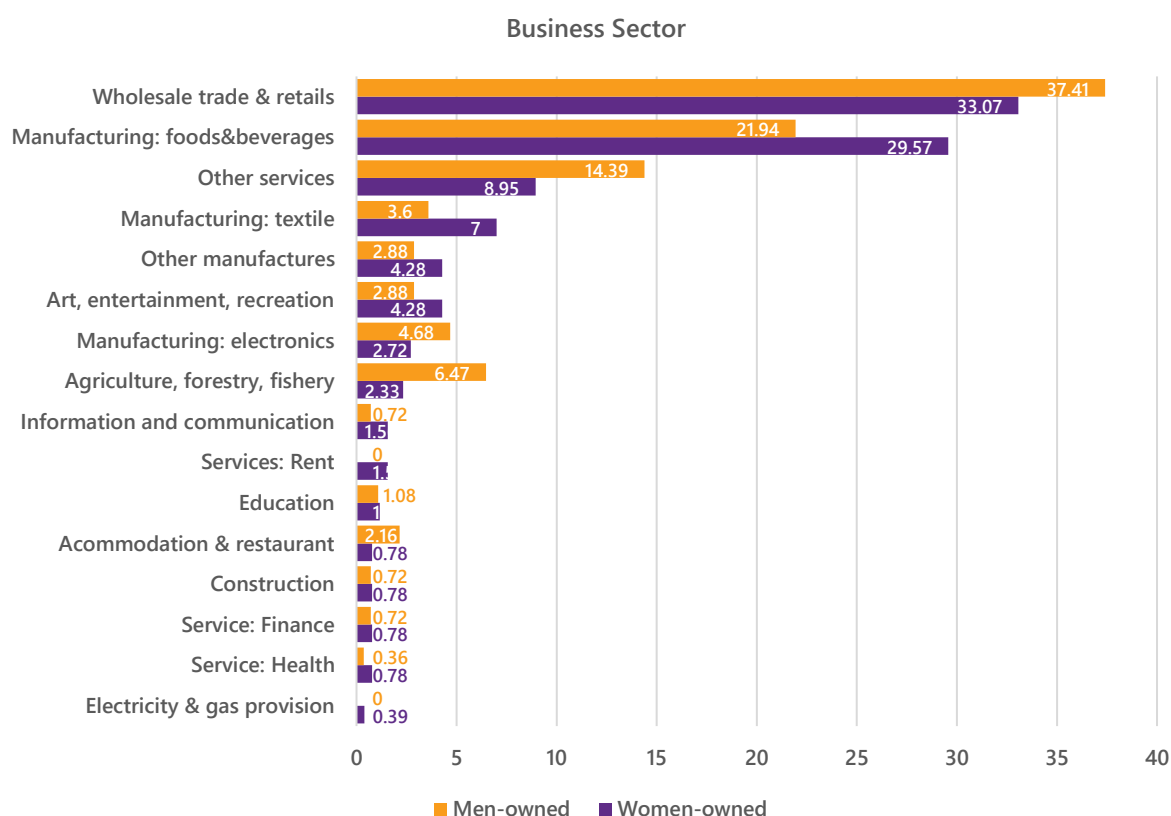


As a result of the on-going pandemic, according to our survey results, 64.5% of the MSMEs suffered a sales decline. Most of the MSMEs also experienced a decline in the price of products (42.2%) while the costs of production remained unchanged (40.6%). Albeit slightly, compared to men-owned enterprises, more women-owned MSMEs experienced a decline in sales and an increase in the cost of production while their product’s price remained unchanged. On the other hand, more women (19.5%) also reported an increase in sales compared to men-owned (17.3%) businesses. However, the difference between the women-owned and men-owned MSMEs in regard to the product condition was not statistically significant.³ Therefore, there is no significant difference in the experience faced by women-owned and men-owned MSMEs during the pandemic with regards to the product condition.

It is also worth noting that product dynamics during the pandemic is also correlated with the sector of the business. The majority of the MSMEs in our survey are in the wholesale trade and retails sector. Compared to men-owned business, more women’s businesses are in the foods and beverages (F&B) manufacturing sector. In 2020, Indonesia’s manufacturing sector grew at -2.93% but the F&B manufacturing sector grew at a positive rate of 1.58% (BPS, 2020). This could explain why there were more women-owned MSMEs who also experienced an increase in sales compared to men-owned MSMEs. Nevertheless, the fact that most of the businesses experienced an increase in production costs while their product’s price and the demand declined must have hit the enterprises hard and the hit was harder for women-owned businesses.

³ Our statistical significance tests are available in the Appendix.

FIGURE 6. BUSINESS SECTOR, BY GENDER



Those hardest hit resulted in the firms closing their businesses permanently. From our survey result, around 20% of the business was permanently closed during April – December 2020. The percentage of women MSMEs who were permanently closed during April to December 2020 was 17.1%, and the corresponding percentage for men was 23.1%. In 2021, only 3.8% of women MSMEs closed their businesses permanently while 2.8% of the men’s MSMEs did.

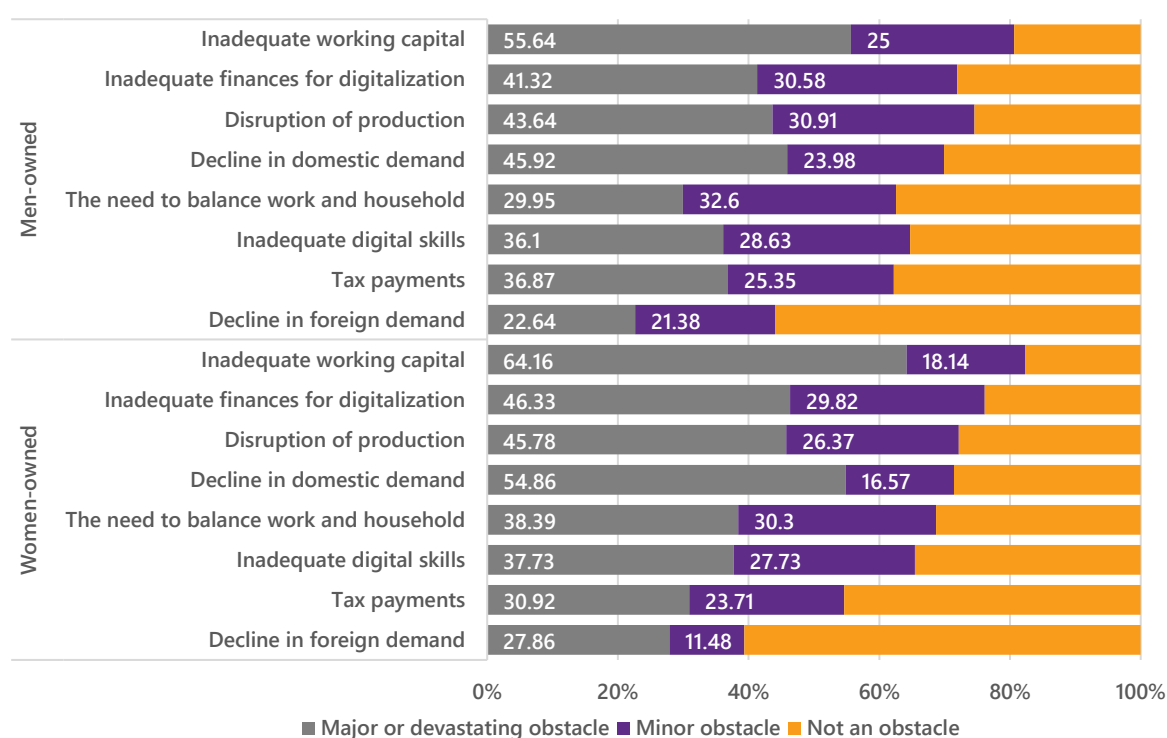
Obstacles

The root cause of the devastating situation during the pandemic for most business owners was a decline in the demand. This resulted in bringing in various obstacles for the business. From our survey results, about 81.4% of the MSMEs reported that inadequate working capital was an obstacle during the pandemic. The survey shows that this obstacle was slightly more apparent for women MSMEs (82.3%) compared to men MSMEs (80.6%). However, there was not enough evidence to conclude that these differences were statistically significant. In short, there was no significant differences between women and men when it came to facing obstacles during the pandemic.

Albeit not statistically significant, in general more women MSMEs reported facing obstacles compared to men MSMEs. Other obstacles that were more apparent for women compared to men included having inadequate financing for digitalization, declining demand, the need to balance work and household for the employees, and having inadequate digital skills. There were only two obstacles in which men MSMEs found it more challenging relative to women: business networks disruption and tax payments.

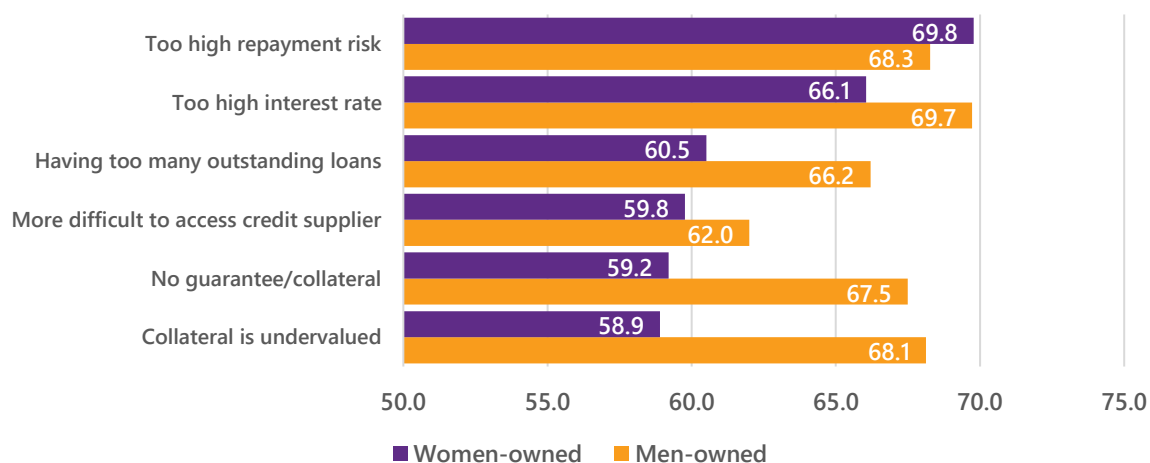
Women MSMEs are also specifically facing obstacle in terms of their needs to balance business work and domestic/household work for the employees, such as childcare or homeschooling. This obstacle came up as a top-five major or devastating obstacle for women-owned MSMEs, where 38.4% of them reported it to be a major or devastating obstacle. Meanwhile, only 29.9% of the men-owned MSMEs found the need to balance between work and household responsibilities as a major or devastating obstacle for the business during the pandemic. This result is aligned with the on-going issue of the double burden faced by working women where they need to take care of household work, including domestic work and childcare, while at the same time managing their professional work.

FIGURE 7. OBSTACLES FACED BY THE MSMEs DURING THE PANDEMIC



The fact that inadequate capital and finances were considered as a major obstacle for both women and men MSMEs signaled suggest that there was not enough financing for the MSMEs. Access to financing has always been an issue for MSMEs to develop their business and products even during the non-pandemic period. Our survey results reveal that more than 60% of women-owned MSMEs reported a difficulty in assessing finance due to a too high repayment risk, too high interest rates, and that they already had too many outstanding loans. The pandemic has given an uncertain future for business continuity due to declining product demand, giving rise to a risk of inability to pay the loan. There were no statistically significant differences between men-owned MSMEs and women-owned MSMEs in facing those difficulties that made it hard for them to receive financing for their business. However, compared to women-owned MSMEs, more men-owned MSMEs reported that they had difficulties in accessing finances because they had no collateral (67.5%) and that their collateral is undervalued at the current market (68.1%). Primarily because of this, the differences between men-owned MSMEs and the women-owned MSMEs were found to be statistically significant.

FIGURE 8. DIFFICULTIES IN ACCESSING FINANCES



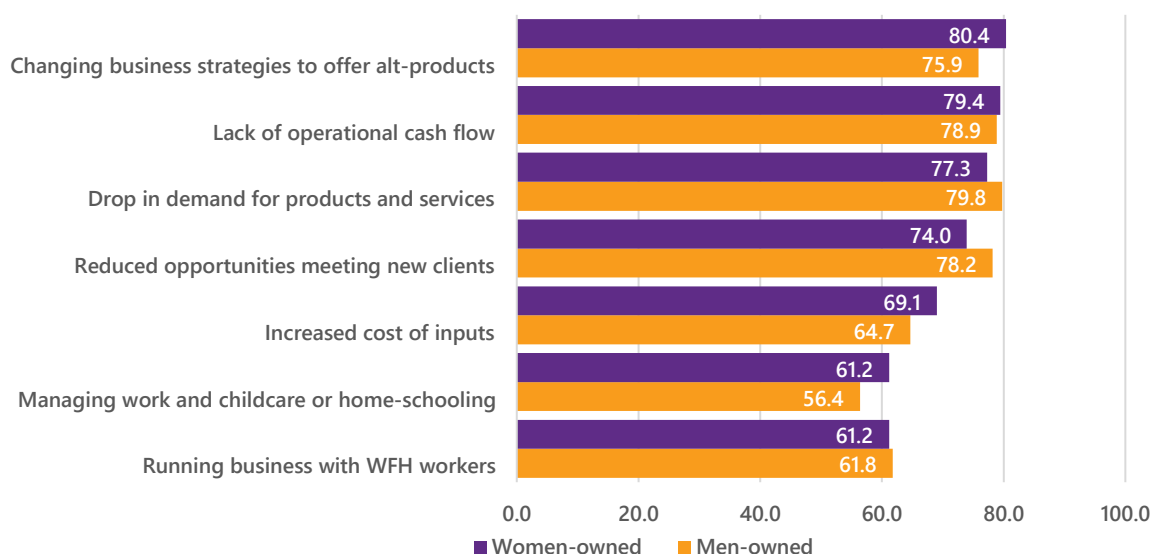
The repayment of loans was indeed a problem for MSMEs, where about 72% of them reported that they have problems with the repayment of loans. Payment problems such as payment of wages or invoices were similar for both the women-owned MSMEs and the men-owned MSMEs, except for the payment of rent. There was statistically significant evidence that fewer women-owned MSMEs found rent payment to be a major problem compared to the men-owned MSMEs. As much as 44.23% of the men-owned MSMEs reported the payment of rent was a major problem compared to 35.26% of the women-owned MSMEs.

High interest rates were also a reason behind the difficult access to financing for the MSMEs, both for women and men MSMEs. Other noteworthy reasons that appeared from women MSMEs as to why they had difficulty in accessing financing was related to the *sharia's* financing scheme. They stated that such financing was rare. Many businesses were avoiding the conventional financing schemes because it was not in line with their religious belief. Hence, when they could not find a sharia financing option, they opted out from getting loans.

Challenges

By now, we can see that the pandemic had caused a decline in demand and an uncertainty in the economy. As demand continued to decline, MSMEs had trouble maintaining or restarting their businesses due to inadequate financing. They also faced difficulties in accessing finances because the market was still uncertain, and they were worried of being unable to repay the loans. Amidst the Indonesian MSMEs' struggle to survive the business, several issues emerged which challenged them.

The challenges to Indonesian MSMEs during the pandemic revolved around the work-from-home (WFH) situation, production dynamics, their financial situation, as well as strategic management needed to survive the situation. Our survey revealed that more than 60% of the MSMEs, both women-owned MSMEs and the men-owned MSMEs, reported these issues to be their key challenges during the pandemic, with some challenges considered to be more serious than others.

FIGURE 9. KEY CHALLENGES FACED BY BUSINESS

The survey showed no statistically significant differences between men and women MSMEs in viewing challenges, although there was a slight difference in terms of which challenges were found to be more serious than others or which issues were more challenging than others. The first and foremost challenging issue for women-owned-MSMEs was to change the business strategies and to offer alternative products or services. As much as 80.4% of the women MSMEs stated that they were challenged by the need to adapt or change their business strategies during the pandemic. This number was relatively higher than for the men MSMEs (75.9%) and that particular challenge came only as the fourth most challenging issue for men MSMEs. However, the difference between men and women was not statistically significant. On the other hand, the most important challenge for men-owned-MSMEs was the drop in demand. Almost 80% of the men MSMEs stated this to be a problem, while that challenge was only the third most challenging issue for women-owned MSMEs.

The other issues which were challenges include the lack of operational cash flow, the increased cost of inputs, and the managing of business work and household work. In line with survey results on obstacles, women MSMEs considered that managing work and the household to be one of the key challenges they faced during the pandemic. More women MSMEs reported this to be an issue compared to men MSMEs. Men-owned MSMEs were least worried about managing work and the household as stated by around 56.4% of them, while some 61.2% of women MSMEs found that managing work and child-care to be challenging. This result confirms the double burden experienced by women in terms of doing professional work and household work and reflects that a traditional gender division of labor still persists in the family.

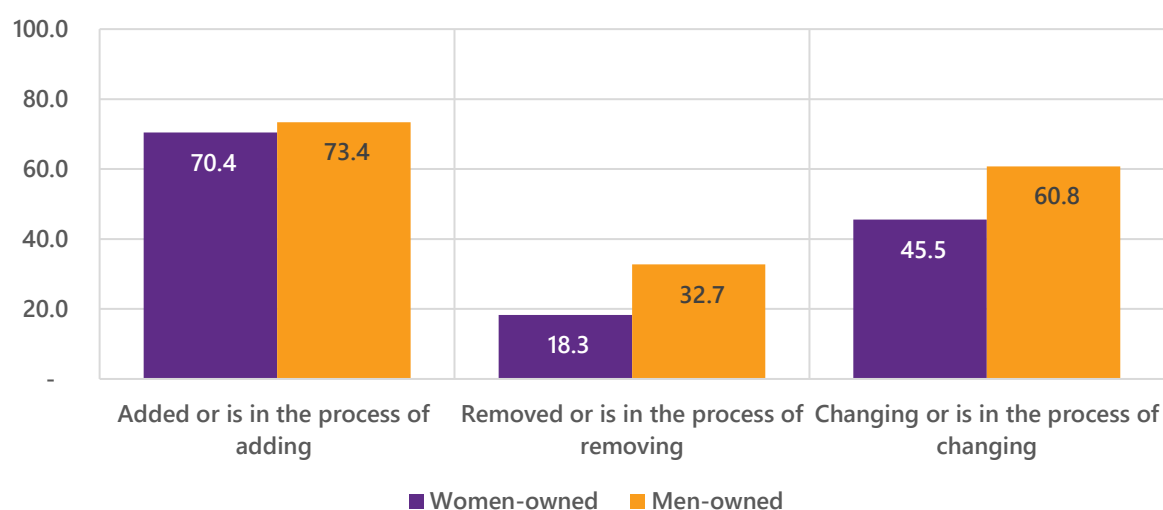
3.5 Business Survival Strategy during the Pandemic

During the pandemic, businesses are required to adapt to the situation and implement various mitigation strategies for them to survive. Our survey revealed that the mitigation and survival strategies implemented were in responses to the challenges that they faced. For women MSMEs, the most difficult challenge was to change business strategies to offer alternative products. Changing their business strategy was deemed necessary as a way to mitigate the drop in demand and coping with

the increased cost of inputs. It might include offering alternative products and services, as well as intensifying the adoption of digital technology in business operation.

Changing the business strategies, especially in the period of ongoing pandemic, was very challenging. There is no simple formula on what or how to change the business with so much market uncertainty and no sign of the end of the pandemic. Large firms might have safety nets or collateral to fall back on in case the change in the business strategy did not work. This allows them to experiment and explore different strategies to mitigate the effect of the pandemic. However, small, medium, and especially the micro-level enterprises, may not have the same privileges as the large enterprises. Therefore, it is no wonder that the most challenging issue for the MSMEs was to change the business strategies in response to the pandemic, especially for women-owned MSMEs. Around 60.8% of men MSMEs changed their products and offered alternative products, while only 45.5% of women MSMEs did so, where the difference between the two genders was statistically significant. In general, fewer women made any changes to their products, such as removing old products or adding new products, in response to the pandemic. As difficult as it might be, business owners and managers need to implement various business operation strategies in order to survive their business.

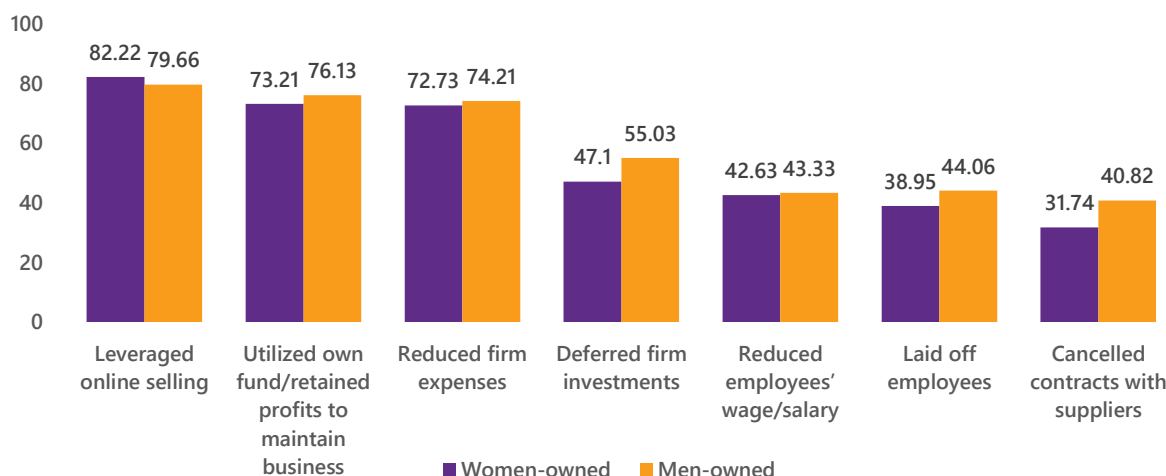
FIGURE 10. CHANGE OF PRODUCTS/SERVICES IN RESPONSE TO THE PANDEMIC



Among many other strategies, leveraging online selling seemed to be a lifeboat for many MSMEs to survive the pandemic. As much as 82% of the women MSMEs and 80% of the men MSMEs leveraged online selling as part of their survival strategy. Other than that, more than 70% of the MSMEs also utilized personal funds and reduced their business expenses. There were no statistically significant differences between women-owned MSMEs and men-owned MSMEs who applied those strategies. However, there were statistically significant differences between the two genders in terms of deferring investments and cancelling contracts with suppliers. Our survey revealed that fewer women implemented investments deferral and cancelled contracts with suppliers. Out of the seven listed strategies in the survey, it was always the case that fewer women-owned MSMEs applied a particular strategy compared to men-owned MSMEs, with the exception of leveraging online selling. This

suggests that, compared to men-owned MSMEs, fewer women-owned MSMEs took maneuvers to help their business adapt to and survive the pandemic.

FIGURE 11. STRATEGIES EMPLOYED BY THE MSMEs IN RESPONSE TO THE PANDEMIC



3.6 Support from the Private and Government Sector

Various business strategies had been employed by the businesses to survive this grave situation, which included looking for support from various sources such as friends, families, private institutions, and the government. The support that the business sought might vary depending on their size. Here, we examine if women-owned MSMEs and men-owned MSMEs exhibited different behavior in terms of seeking support.

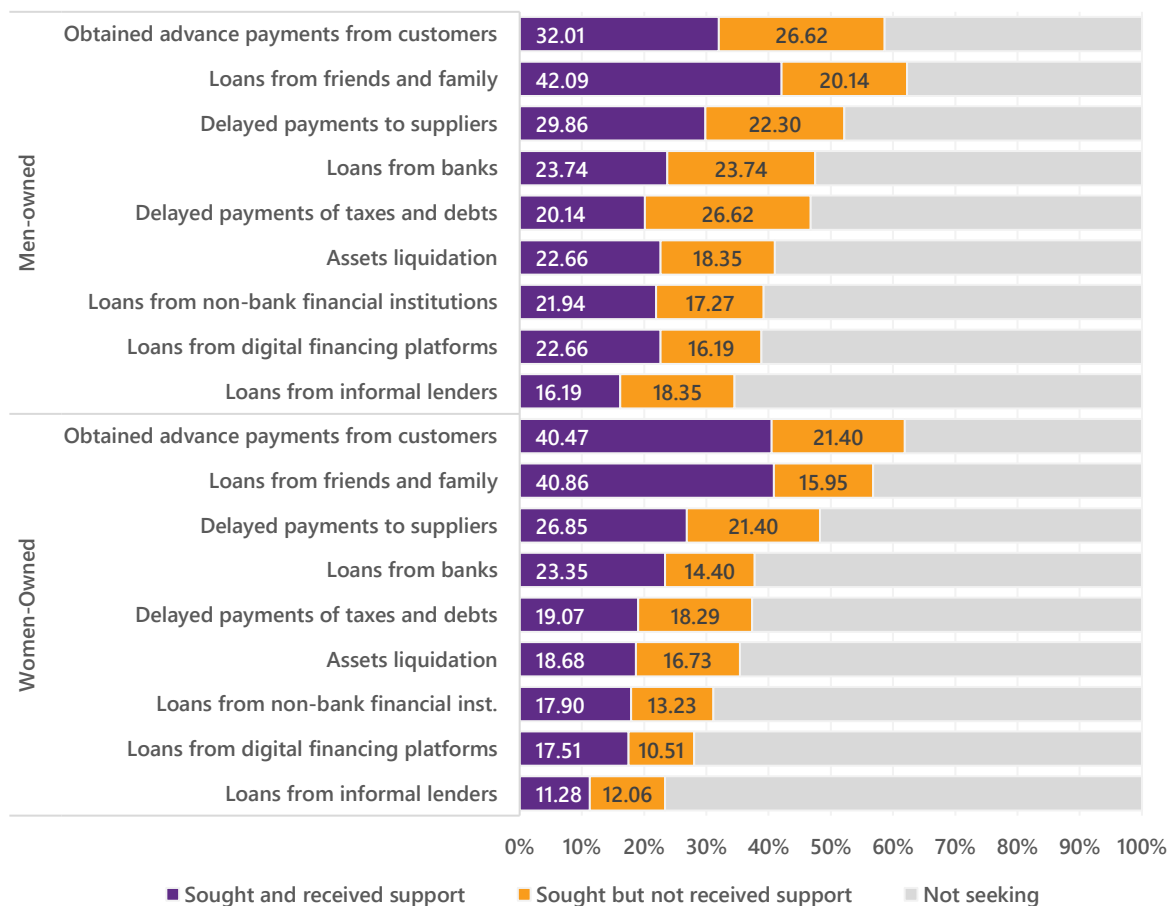
Support from the Private Sector

Our survey showed that borrowing money or taking loans was the least-sought support for both women and men MSMEs, and in particular loans from banks, informal creditors, and digital financing platforms. This suggests that in general, the MSMEs were reluctant in seeking loans, except if the loans came from family or friends. On average, only about 32.7% of the MSMEs sought loans from non-bank financial institutions, informal creditors, or digital financing, and less than half of them (42.8%) sought loans from the banks.

The percentage was even lower for women-owned MSMEs who sought loans from banks, informal lenders, and online platforms. On average, only 30% of the women MSMEs sought loans from various sources, such as banks, non-banks, digital financing, or informal creditors, while the percentage for men MSMEs was up to 40%. The number of women-owned MSMEs who sought loans from banks was 37.75% while the men-owned MSMEs who did was 47.48%, where the difference was statistically significant. Statistically significant differences between women-owned MSMEs and men-owned MSMEs were also found when it came to seeking loans from informal creditors and online platforms, delaying payments to suppliers, and liquidating assets. These findings suggest that women-owned

MSMEs was less aggressive in seeking support for their business during the pandemic relative to men-owned MSMEs.

FIGURE 12. SUPPORTS SOUGHT FROM THE PRIVATE SECTOR



This reluctance and hesitation from the MSMEs to get loans from professional creditors is interesting as at the same time they were obviously suffering from inadequate financing and in a dire need of loans. This behavior, however, confirmed previous findings about concerns regarding the repayment risk if they received loans from the banks or other financial institutions. Hence, as an alternative, they turned to their family and friends for loans because the terms and conditions of the repayment from family or friends will be more flexible. Seeking loans from friends and families was the second most sought support by women-owned MSMEs but it was the first most-sought support by the men-owned MSMEs. Around 59.6% of the MSMEs sought loans from family and friends, and the percentage was higher in men MSMEs (62.2%) than for women MSMEs (56.8%), although this difference was not statistically significant. However, not all of the MSMEs who sought the support received it. Only about 42% of men MSMEs and 41% of women MSMEs who sought support received loan support from family or friends.

If seeking loan support, even from family and friends, was not the most sought support by the women MSMEs, then what was? Our survey reveals that the most sought support by the women-owned MSMEs was bargaining with the customers. Around 61.9% of the women MSMEs sought an advance

payment from their customers and 40.5% of them received this support. The percentage of men MSMEs who sought advance payments from customers was slightly lower at 58.6%, and only 32% of them actually received it. The difference between the women-owned MSMEs and the men-owned MSMEs in receiving this particular support was statistically significant.

This finding suggested that women-owned MSMEs were more reluctant in seeking loan support from formal institutions, and instead, they preferred seeking other methods of financing that did not involve repayment risk. Our previous finding also suggested that 73% of the women-owned MSMEs utilized their personal funds or retained profits. These other methods of financing could be used to re-finance and maintain their business operations.

Other support employed by the MSMEs included delaying payments to suppliers, delaying payments of taxes and debts, and also liquidating assets. Of the three, only in delaying payments of taxes and debts did women and men-owned MSMEs exhibit a significantly different pattern. A lower percentage of women (37.36%) sought support of delayed payments of taxes and debts compared to men-owned MSMEs (46.76%). Of these, 26.6% of men-owned MSMEs and about 18.3% of women-owned MSMEs did not manage to receive this support. From all the support that might be sought during the pandemic by the MSMEs, women-owned MSMEs were less likely to seek the various types of support available compared to the men-owned MSMEs. This finding suggests that women were more risk-averse than men.

Support from Government Sector

Since the start of the pandemic, Gol has prepared the national economic recovery program (PEN) to mitigate the effect of the pandemic. The program was officially launched through the Government's Regulation number 32/2020 that aimed to protect, maintain, and enhance economic power of the enterprises during the pandemic. The program also specifically aimed to help MSMEs survive the pandemic. The total budget allocated for the MSMEs program was 123 trillion Rupiah (approximately 8.5 billion US dollars) in 2020 which covered various programs such as interest subsidies, tax incentives, cash transfer for micro-level enterprises, credit restructuring, digital training program, and others.

From our survey results, however, we find that the majority of our respondents did not apply for any of the programs that government provided. Out of nine government programs to support MSMEs, only 27.3% of the enterprises applied to any of them. It was revealed in our survey that cash transfer support was the most applied program while the payment deferment to the government such as payment of social security for the employees was the least-applied program. All of the MSMEs that received this cash transfer program said the program was helpful. The cash transfer program was officially named Productive Business Support for MSMEs (*Bantuan Usaha Produktif UMKM*) that gave out cash for 2.4 million IDR (app. 167 USD) to help micro-size business owners maintain their business. This result was aligned with the previous finding in which MSMEs stated that they had a challenge of inadequate financing.

FIGURE 13. GOVERNMENT PROGRAMS APPLIED BY THE MSMEs

GOVERNMENT PROGRAMS APPLIED BY MSMEs

1. Cash transfer for SMEs 50	2. Training and education on establishing business 32.03	4. Credit from government institution 28.48	6. Deferment of utilities bills (water, building rent, electricity, gas) 22.25	7. Regulatory incentives: registration/licensing fees reduction 20.8
	3. Digitization support: training and education on business digitalization 31.25	5. Bank loan repayment easing: interest rate decrease, subsidy 25.17	8. Tax incentives: subsidy or easing 17.78	9. Deferment of payments to government 17.5

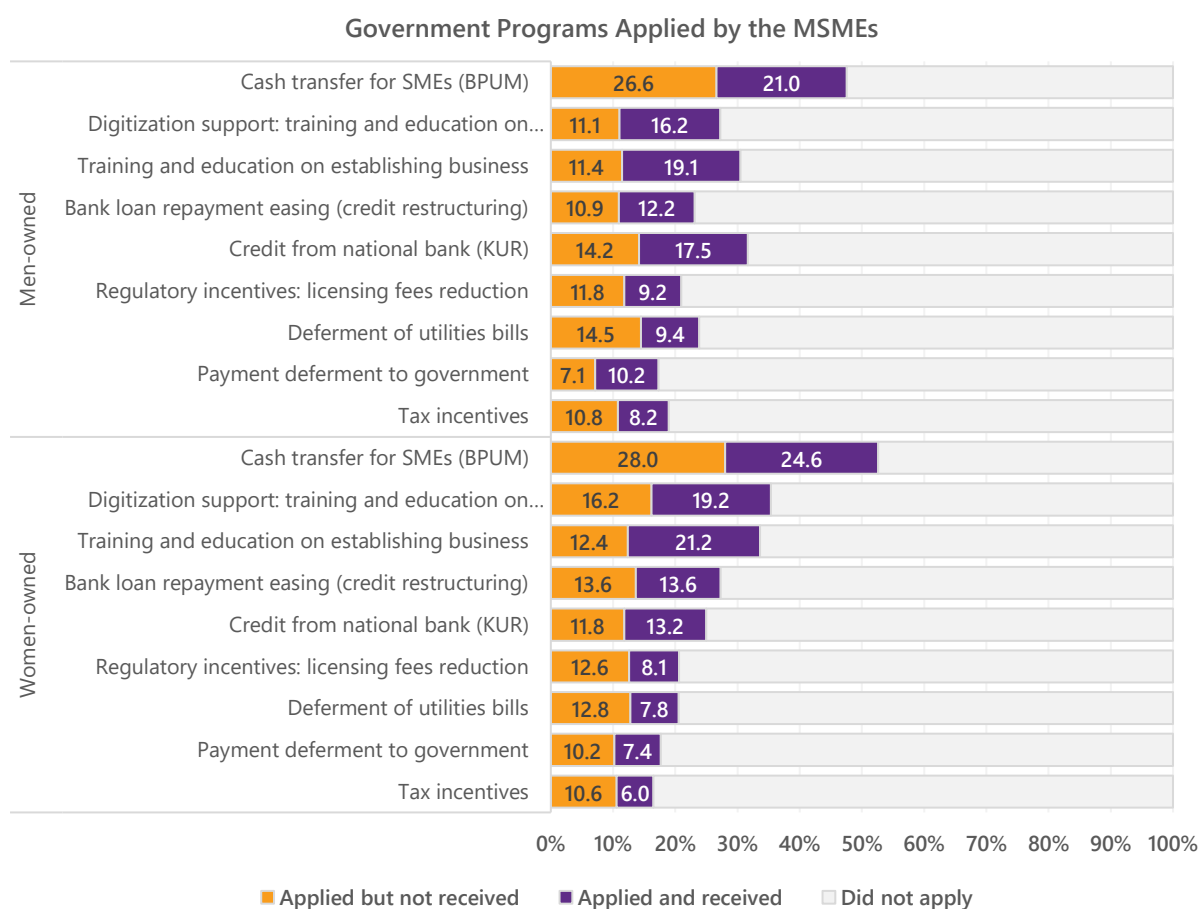
There was no statistically significant different behavior when it came to applying for government support between women and men-owned MSMEs. Both women and men MSMEs mostly applied for cash transfers and found them to be extremely helpful. It appeared that cash transfers are the support MSMEs need the most in times of crisis. Other than cash transfers, training on entrepreneurship skills and digitalization strategy were also the programs that were most applied for by the MSMEs. Meanwhile, regulatory incentives such as licensing fee reductions or registration assistance, and payment deferrals to the government such as social security fee payments to the government turned out to be the least applied for programs. It was interesting also to find that credit restructuring programs such as credit subsidies, interest rate reductions, and even credit from government institutions with practically a zero-interest rate came only as the fourth and the third most applied for programs by the MSMEs. However, it is important to note that only about 27% of the MSMEs applied for any of the programs, and that only around 13% of them actually received it.

TABLE 8. SUPPORT SOUGHT FROM GOVERNMENT SECTOR BY MSMEs

PROGRAMS	PROGRAM APPLICATION		
	Did not apply	Applied and received	Applied but not received
Credit from national bank (KUR)	71.52	15.43	13.04
Tax incentives: PPh 21 paid by govt, PPh UMKM paid by govt, PPN, PBB subsidy	82.22	7.11	10.67
Deferment of payments to government (social security)	82.5	8.86	8.64
Deferment of utilities bills (water, building rent, electricity, gas)	77.75	8.59	13.66
Regulatory incentives: registration/licensing fees reduction	79.2	8.63	12.17
Bank loan repayment easing: interest rate decrease, subsidy, etc)	74.83	12.92	12.25
Training and education on establishing business	67.97	20.13	11.9
Digitization support: training and education on business digitalization	68.75	17.67	13.58
Cash transfer for SMEs (BPUM)	50.00	22.71	27.29
Average	72.7	13.6	13.7

In terms of digitalization training support, more women MSMEs mentioned this as the second most applied for program compared to men MSMEs. The survey shows that around 35.4% of women MSMEs applied for the digitalization training program, while only 27.2% of men did so. However, this difference was not statistically significant. Unfortunately, only 16% of the women MSMEs applied for and received the digitization training support, while 19% of them did not receive the support. All women who received the digitalization training support found the program was helpful, while there were 5% of men who received it who found it unhelpful. This is not surprising as our previous finding also suggested that most women-owned MSMEs (around 82%) were using online sales during the pandemic as a way to maintain their business.

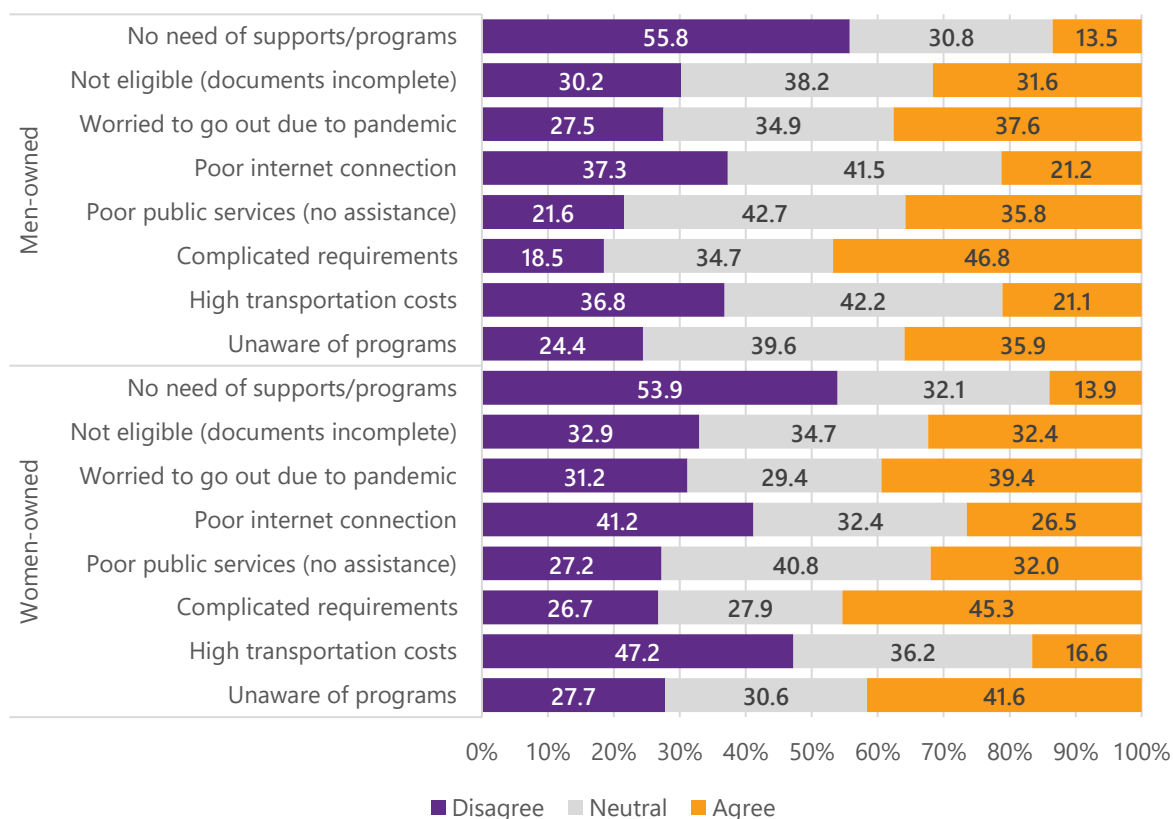
FIGURE 14. GOVERNMENT PROGRAMS SOUGHT BY THE MSMEs, BY GENDER



The low number of MSMEs who applied for government support programs raises a further question on what happened to the majority of the MSMEs that did not get the support from government. Several factors, both external and internal, might be reasons behind this. Our survey confirms that it's not because the MSMEs did not need support from the programs. Instead, many reported that the requirements for receiving support from the programs were too complicated for them and that poor public services/assistance hindered them from getting the government support. Not only that, our survey also revealed that around 32% of the MSMEs were unaware of the programs. Furthermore, more than 36% of them were worried to go out during the pandemic. Both women-owned MSMEs and men-owned MSMEs did not exhibit significantly different behavior towards this view.

The other factor that we might consider to be the reason as to why the MSMEs did not get support from any programs was because of poor internet connection or high transportation costs. However, our survey revealed that only a small percentage of the MSMEs, both women and men-MSMEs, reported poor internet connection and high transportation costs to be a problem. From all of the factors considered, the only statistical significant difference between women-owned MSMEs and men-owned MSMEs was towards their views regarding high transportation costs. Although many disagreed that the transportation costs were a hindrance to the government program, the disagreement were more apparent for women-owned MSMEs. This suggests that high transport costs were actually more of a problem for men-owned MSMEs than the women-owned MSMEs.

FIGURE 15. REASONS FOR NOT GETTING GOVERNMENT PROGRAMS



Having seen the details regarding the kind of support and programs the MSMEs have applied for or received, we may then want to ask the question whether women-owned MSMEs benefitted from the government’s support and response programs during the pandemic? The short answer to that question would be a yes. However, only a small number of them have got benefits from the programs. Out of the 27.7% of women-owned MSMEs that have applied to any of the nine programs listed in our survey questionnaire, only 13.5% of them actually received it. The program in which the highest percentage of women-owned MSMEs applied for and received support was the cash-transfer program (24.6%).

However, since there were no statistically significant differences between the women-owned MSMEs and the men-owned MSMEs towards applying and receiving government programs, this suggests that the both men-owned and women-owned MSMEs have equal access to the government programs. Therefore, women-owned MSMEs and the men-owned MSMEs could obtain equal benefits in terms of support received during the crisis. The problem, however, lies in the issue of communication and awareness of the programs. The low rate of MSMEs who applied or sought the programs raises a question on whether the government had shared the information about the programs they had effectively. Besides having complicated requirements, about 41.6% of the women-owned MSMEs and 35.9% of the men-owned MSMEs also stated that the reason they did not get any programs was because they were unaware of the programs.

3.7 Policies Needed to Support Business

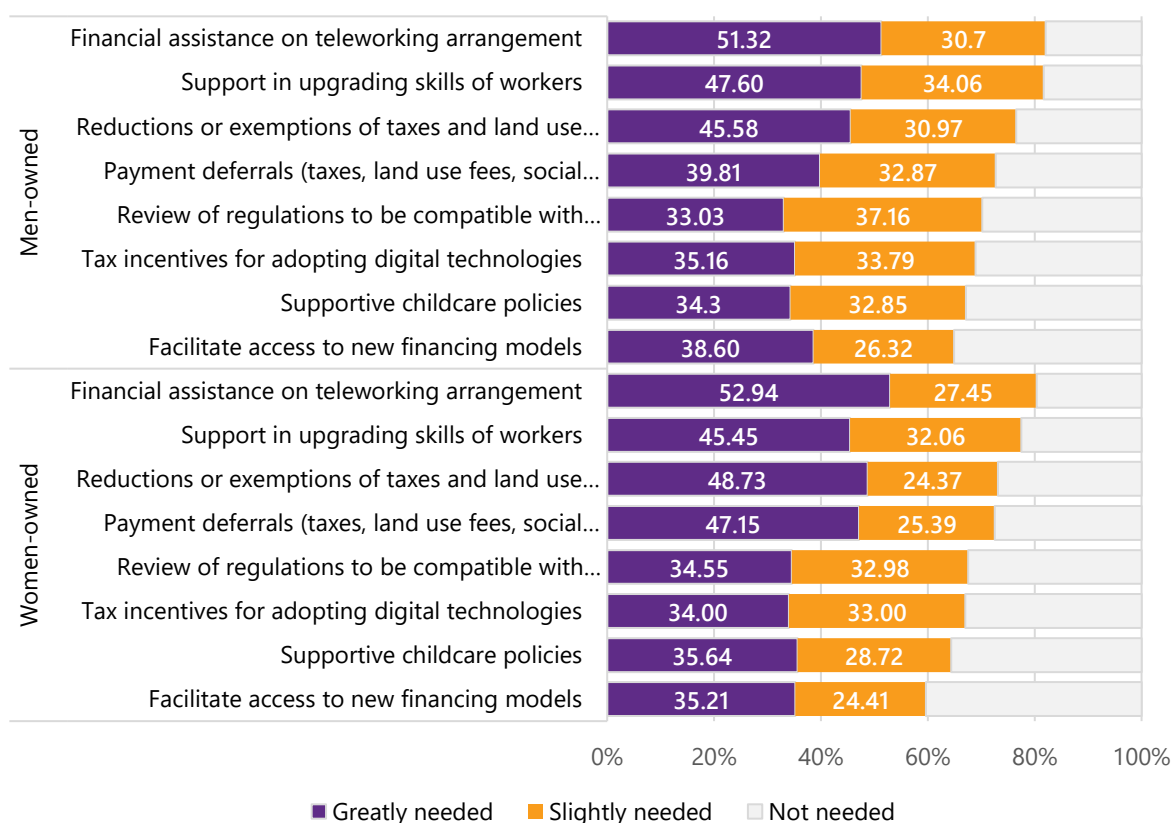
It is clear from our survey that the MSMEs were challenged by the sudden drop in demand and they had to quickly adapt to the situation, for example, by changing their business strategies. The MSMEs in our survey were hindered by inadequate financing and working capital, but yet at the same time, did not receive proper support from either the private or public sector. This then raises our next question as to what specific policies are needed the most by the MSMEs? Is the policy needed by them aligned with the obstacles and challenges they faced? This section discusses our survey findings on the policies needed by the MSMEs to support their businesses.

Our survey found that there was no difference between women and men MSMEs in viewing the policy they needed the most. Financial assistance for a teleworking arrangement came in as the most needed policy both for women and men MSMEs and the least needed policy for both was the facilitation of new financing models. This was surprising as most MSMEs were having challenges and obstacles in financing, yet they did not think that having a new financing model was important for them. Indeed, 62% of the MSMEs stated that they need new financing models, and 37% of them stated the new financing models was greatly needed. But this was not as important as the provision of assistance for teleworking arrangements which 81.3% of MSMEs stated that they needed.

More than half of both women-owned and men-owned MSMEs were in a great need of financial assistance for setting up a teleworking arrangement. The policy to provide support to upgrade skills emerged as the second most-needed policy to maintain the business by most MSMEs. Around 80.4% of women and 82% of men MSMEs stated that they need financial assistance for teleworking arrangements, which is about 8 out of 10 MSMEs needing financial assistance to WFH. In addition, about 77.5% of the women-owned MSMEs and 81.7% of the men-owned MSMEs reported that they need a support in upgrading skills for the workers to be competitive. Other than financial assistance for teleworking arrangements and skill upgrading support, several other supports were also reported as being needed by the MSMEs. This included tax reductions/exemptions for adopting digital technology, and the deferral of payment for taxes, land fees, or social security fees. There were no statistically significant differences between women-owned MSMEs and the men-owned MSMEs in this regard.

Both women-owned and men-owned MSMEs found that support for childcare and access to a new financing model were the least needed policy compared to other forms of support. Having a supportive childcare policy came as a second-to-last needed policy for most of the MSMEs, next to a facilitation of a new financing model. Around 35.6% of the women-owned MSMEs and 32.9% of the men-owned MSMEs said that they did not need more supportive and accessible childcare policies for workers with children. This result was aligned with our finding that managing work and household/childcare was also a second-to-last key challenge the MSMEs faced during the pandemic. Around 59.6% of women-MSMEs and 64.9% of men-owned MSMEs reported that they greatly needed or slightly needed help with facilitating access to new financing models. Although there was a slight difference between women-owned MSMEs and the men-owned MSMEs in viewing what policies they needed the most or the least, the differences were not statistically significant.

FIGURE 16. MOST-NEEDED POLICY/PROGRAM BY THE MSMEs



Businesses had to change their business operation strategies during the pandemic in order to survive the situation. One of the ways to do it was by leveraging online selling. Unfortunately, a setup for such an arrangement was not easy and, most of the times, costly. Small and micro businesses, particularly, would not have sufficient financing for such transitioning to such an arrangement. Therefore, it wasn't surprising that the most-needed policy for the MSMEs in general was the financial assistance for such a teleworking setup because they did not have sufficient funds to arrange it by themselves. The online or digital technology was relatively foreign to most, including the MSMEs. It therefore comes as no surprise that they needed skill upgrading support to keep being competitive in the new era of technology.

3.8 Views of Management on Government Policies and COVID-19 Situation

Before concluding our analysis, we attempted to assess the views of the management of the enterprises regarding the current policy responses and the pandemic situation. This was an attempt to better understand their stance on the existing policy programs as well as to obtain a strategic view regarding their business during and after the pandemic. Our survey sample consisted mostly of sole-proprietorships and micro-enterprises, and only a smaller proportion of small and medium-sized enterprises. Therefore, when we ask the view of the management, in most instances, it was the view of the business owners of a sole proprietorship. In general, most of the MSMEs did not quite agree that having business partners of the same gender is important.

In our survey, we found a significant difference between women-owned and men-owned MSMEs regarding their view towards existing government policies and their responses to the pandemic situation. A larger proportion of women-owned MSMEs agreed that the current policy support would be improved through a better communication, compared to men-owned MSMEs. Around 49.6% of the men-owned MSMEs agreed while 61.1% of the women-owned MSMEs agreed that policymakers need better communication when providing their current policy support. The difference between the two genders was also statistically significant.

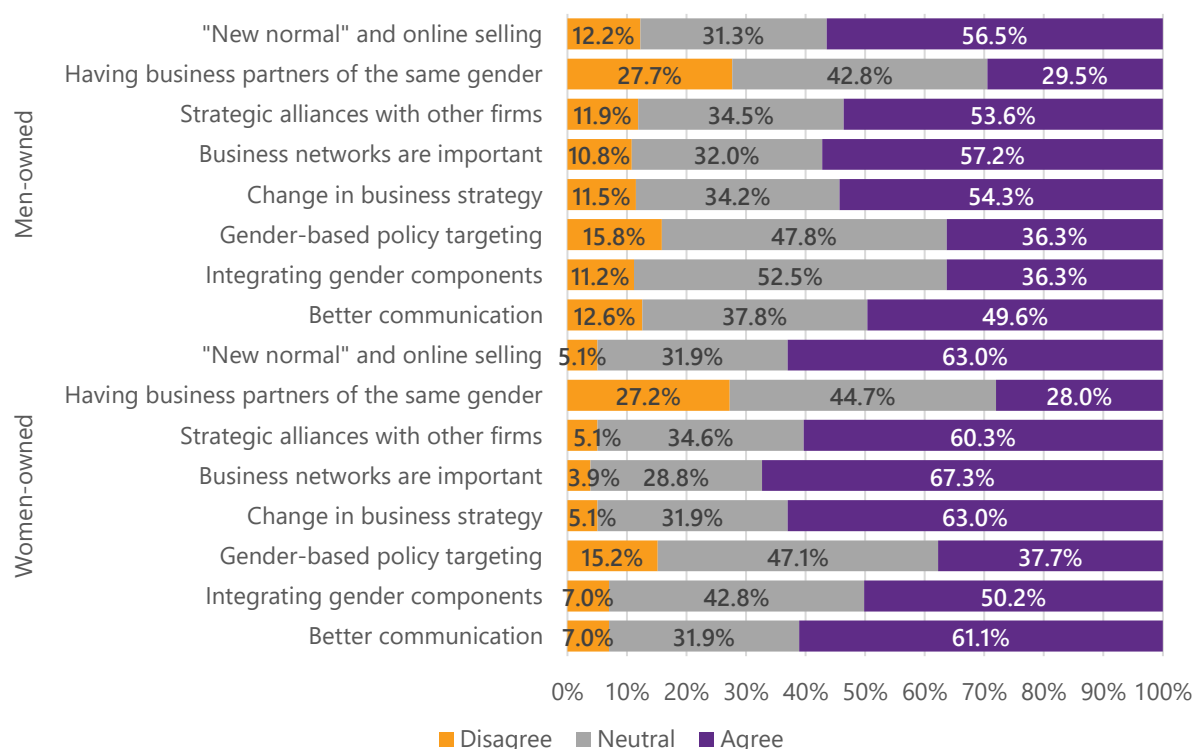
Our findings also suggest that women-owned MSMEs were more aware of gender issues in our existing programs compared to men-owned MSMEs. For example, more of the women-owned MSMEs agreed that gender components should be integrated to the programs' design and planning so that it would be easier for them to access it. More than half of the women-owned MSMEs (50.2%) agreed to integrate the gender components into the policy's design, while only 36.3% of the men-owned MSMEs agreed to that view. More of the women-owned MSMEs also agreed that gender-based policy targeting was important compared to men-owned MSMEs. About 37.8% of the women-owned MSMEs agreed that policies to assist businesses should be targeted based on the gender of the owner/leader of the business, while 36.3% of the men-owned MSMEs agreed to that view. Despite the little difference in that view between the women-owned and the men-owned MSMEs, the difference was statistically significant.

TABLE 9. VIEWS OF SENIOR MANAGEMENT/BUSINESS OWNERS TOWARDS PANDEMIC SITUATION

Views of management on policies	Average Score 1 (Strongly disagree) – 5 (Strongly agree)				
	Women-owned	Men-owned	Micro size	Small size	Medium size
Effectiveness of the current policy support would be improved through better communication.	3.71	3.47	3.57	3.82	4
Ease of access to existing government programs should be improved by integrating gender components into the programs' planning and design.	3.59	3.3	3.44	3.29	3.64
Policies to assist firms should be targeted based on the gender of the owner/leader of the business.	3.29	3.23	3.24	3.88	3.14
The firm should be able to quickly change its focus and business strategy during a crisis like COVID-19.	3.86	3.58	3.68	4.24	4.29
Business networks are important for firm survival during a crisis like COVID-19.	3.94	3.63	3.75	4.06	4.43
Strategic alliances with other firms is important for firm survival during a crisis like COVID-19.	3.79	3.56	3.64	4.06	4.29
Having business partners of the same gender (e.g. in the supply chain) is preferable.	2.99	2.97	2.98	2.94	3.14

Views of management on policies	Average Score				
	1 (Strongly disagree) – 5 (Strongly agree)				
	Women-owned	Men-owned	Micro size	Small size	Medium size
There will be a "new normal" for conducting business following the pandemic. Online selling will become part or will continue to become part of the business' strategy even after the pandemic.	3.84	3.6	3.69	4.18	3.93

FIGURE 17. VIEWS OF SENIOR MANAGEMENT/BUSINESS OWNERS TOWARDS PANDEMIC SITUATION, BY GENDER

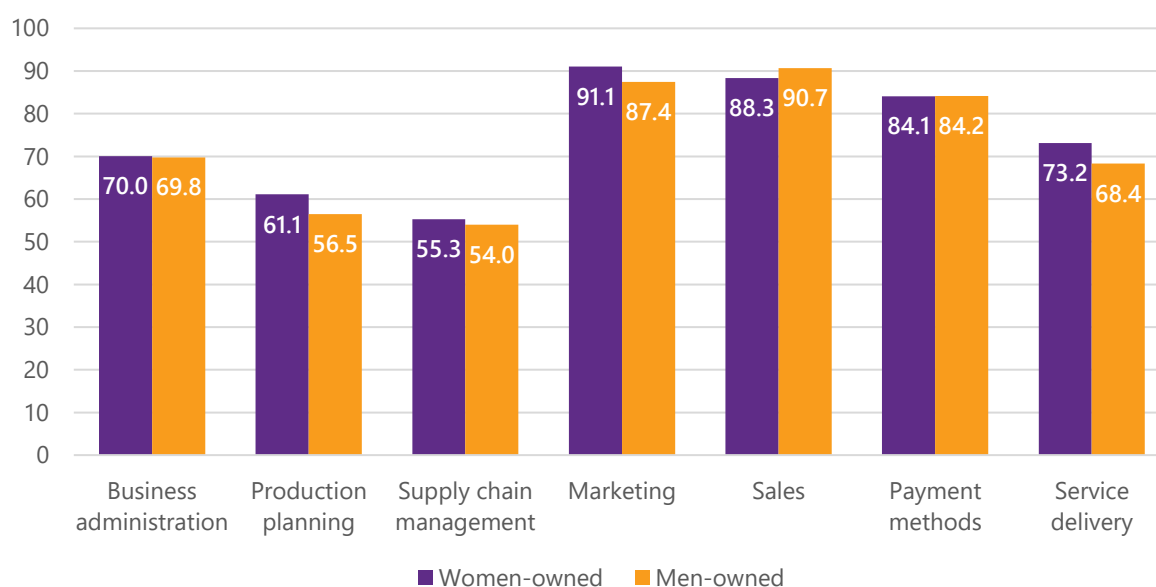


More women-owned MSMEs also found that business networks and strategic alliances were important for their survival during the COVID-19 pandemic, and they were more open to the concept of a "new normal" compared to the men-owned MSMEs. About 96% of the women-MSMEs stated the importance of the business networks during the pandemic, while only 89% of the men-MSMEs saw it as important. The most interesting finding was that more women-owned MSMEs (95%) agreed to the concept of a new normal and that online selling would become rampant even after the pandemic while only 87.8% of the men-owned MSMEs accepted that view. This finding suggests that more women-owned MSMEs were already open to the idea of having a new business operation strategy and the changing of the business environment. The remaining task, then, would be on how to prepare them for this change.

3.9 Digitization Strategy during the COVID-19 Pandemic

The adoption of the digital technology was often seen as the most effective way out of the crisis and the most impactful strategy for businesses when coping with the pandemic. Our previous finding showed that almost 81% of the MSMEs, both women-owned and men-owned, had utilized online selling to cope with the pandemic. The use of digital technology was not only limited for sales or marketing but was also used for various business operations. Interestingly enough, a relatively higher percentage of women MSMEs had utilized digital technology for various business functions, such as business administration, planning, supply chain management, marketing, and service delivery. Meanwhile, men MSMEs were more likely to utilize digital technology for sales and payment. However, the differences between them were not statistically significant.

FIGURE 18. UTILIZATION OF DIGITAL TECHNOLOGY FOR VARIOUS BUSINESS FUNCTION



We compared the survey findings with a nationally representative data from Sakernas to show internet usage by entrepreneurs. The Sakernas data showed that internet was mainly used for communication with consumers, followed by promotion activities (Table -11). There was a significantly lower proportion of older entrepreneurs who use the internet for work, and the pattern holds for both genders. Additionally, among entrepreneurs who used the internet for their businesses, the proportion of female entrepreneurs who used the internet for marketing promotions and transactions through email and social media was always higher than their male counterparts. This pattern was more apparent for entrepreneurs from the younger age group, e.g., between 15 to 45 years old.

TABLE 10. INTERNET USAGE BY DIFFERENT GROUPS OF ENTREPRENEURS, BY GENDER

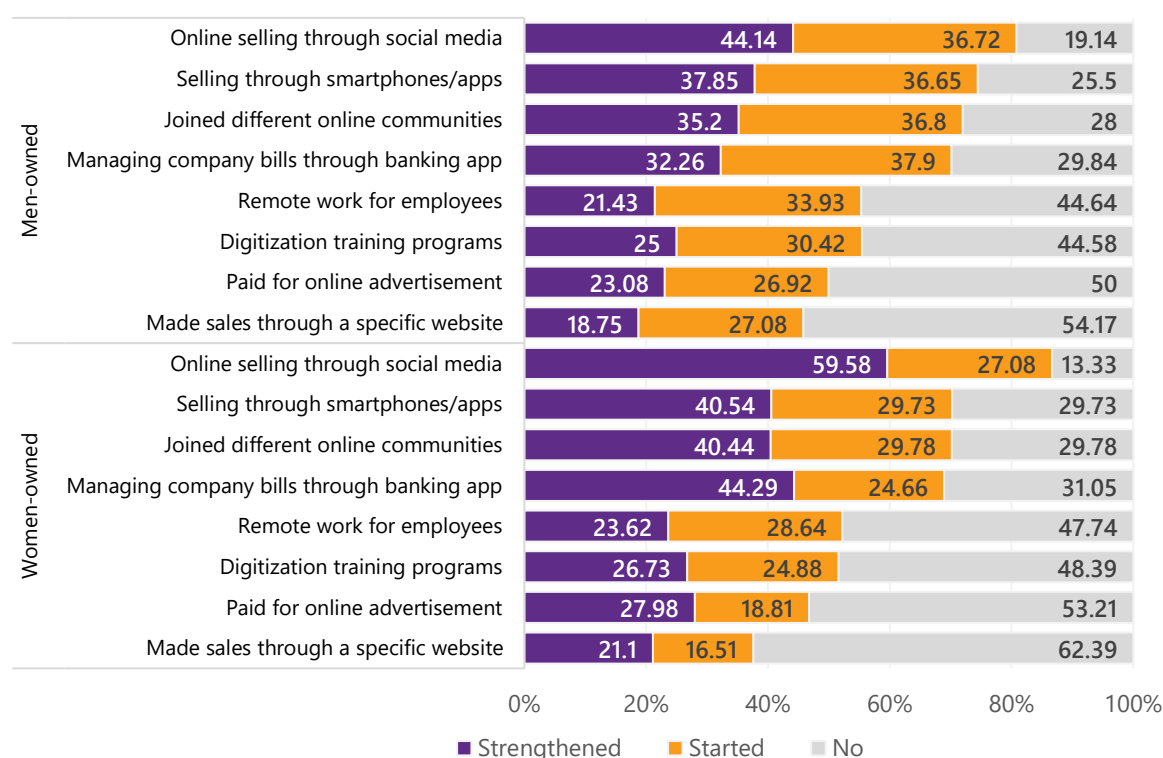
Group	Using internet for work (1)	Using internet for promotion activities to consumers (2)	Using internet for communication with consumers (3)	Using internet for transaction with consumers through email & social media (4)	Using internet for transaction with consumers through website & marketplace (5)
Female entrepreneurs					
All	27.2%	61.7%	98.2%	48.0%	9.4%
Younger (15–45 years old)	40.8%	66.4%	98.2%	52.6%	10.9%
Older (> 45 years old)	14.0%	48.8%	98.0%	35.0%	5.3%
Male entrepreneurs					
All	27.3%	48.5%	98.5%	38.4%	9.0%
Younger (15–45 years old)	38.7%	51.9%	98.5%	41.6%	10.5%
Older (> 45 years old)	17.0%	41.5%	98.6%	31.8%	6.0%

Source: processed from Sakernas (2021). Sample on column 2, 3, 4, 5 is conditional on column 1

Our survey further showed that women-owned MSMEs exhibited slightly different behavior compared to the men-owned MSMEs in terms of applying a digitization strategy to cope with the pandemic. This was particularly the case regarding the use of specific websites for their online sales. Around 23.4% of men-owned MSMEs started using specific websites to make sales, while only 14% of women-owned MSMEs did so. The difference was highly statistically significant at the 1% level.

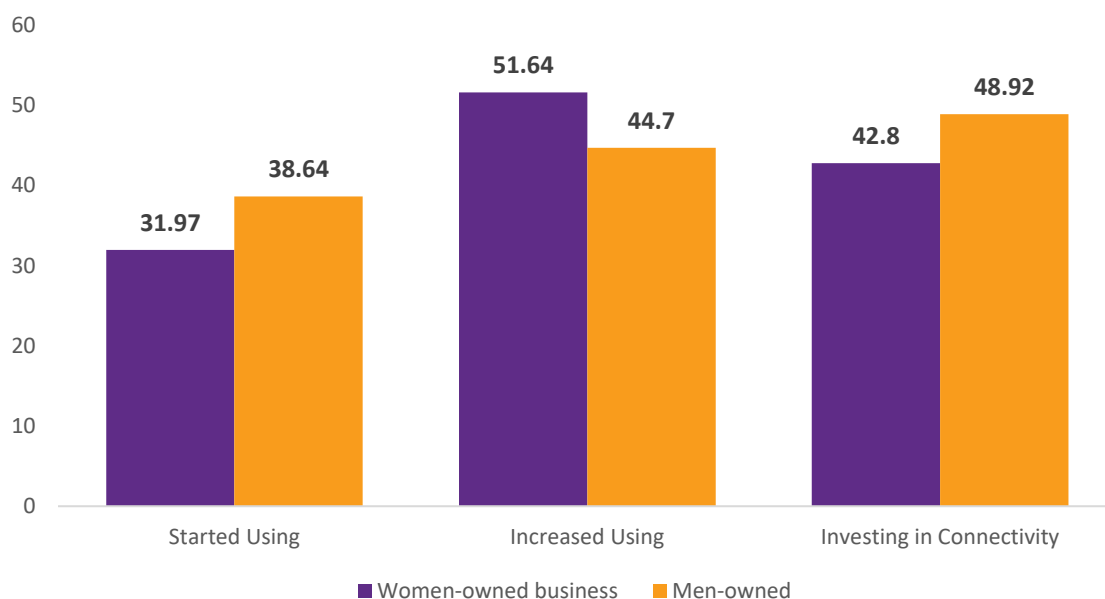
Our survey also showed that in general, women-MSMEs were slightly left behind compared to men MSMEs in terms of applying a digitization strategy for their business. On average, slightly fewer women (60.5%) had applied various digitalization strategies compared to men MSMEs (63%) but this difference was not statistically significant. Out of the eight listed strategies in our questionnaire, there was only one strategy which the women MSMEs (86.7%) applied more than the men MSMEs (80.9%). This was the utilization of social media for online selling. Online selling through social media such as Instagram, Facebook, or WhatsApp seems to be more familiar for women-owned MSMEs than it is for men MSMEs. For most of other digitalization strategies, however, more men MSMEs started or strengthened the digitization solutions, compared to the women-owned MSMEs. There was a total of 51.6% of the women-owned MSMEs who increased the use of internet and digital platforms during the pandemic, compared to 44.7% of men-owned MSMEs.

FIGURE 19. DIGITIZATION STRATEGY EMPLOYED BY MSMEs, BY GENDER



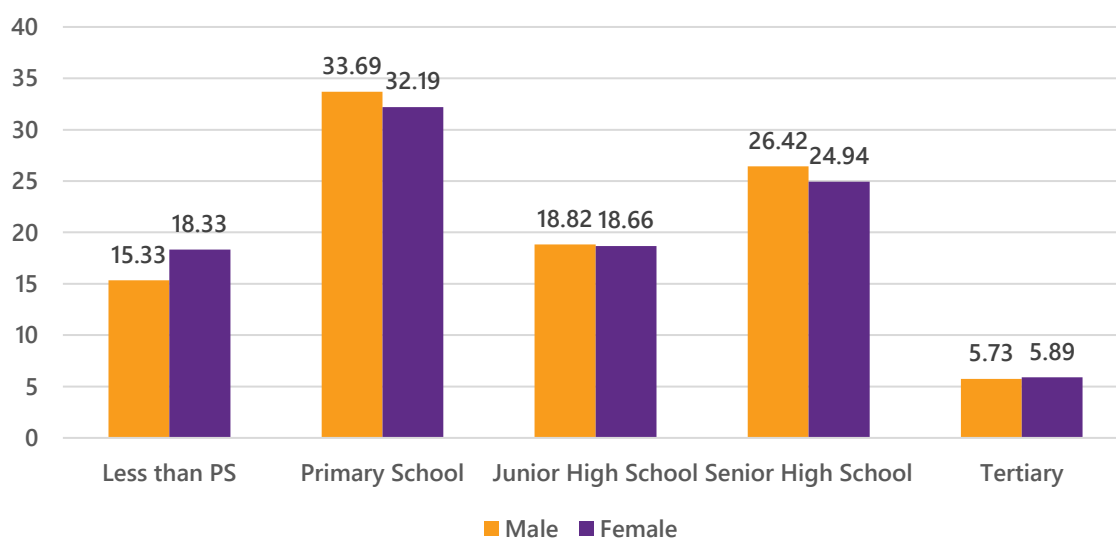
Adopting digital technology was not without costs. Enterprises should first make an investment in building the proper infrastructure to support the utilization of digital technology. Our survey results showed that compared to men-owned MSMEs, a lower proportion of women had invested in connectivity. Only 43% of women MSMEs made investments in connectivity such as installing an internet connection, buying software/applications or smartphones, while 49% of men MSMEs did so. This finding implies that despite the needs of women-owned MSMEs to use the internet and adopt digital technology, women-owned MSMEs did not actually know how to better improve the utilization of technology. This situation might be related to the previously mentioned obstacle that more women MSMEs faced inadequate financing to advance digitization solutions. As a result, the digitalization strategies that women adopted were more limited compared to men.

FIGURE 20. INTERNET UTILIZATION AND CONNECTIVITY



The ease of adopting new technology is almost always correlated to the level of education an individual has. Unfortunately, we do not have evidence available from our survey regarding the difference in education levels in our sample. However, we can infer this from other external sources. Based on Susenas data in 2020, the average years of schooling for women (8.6 years) is lower than men (9.2 years). In addition, the proportion of female entrepreneurs in Sakernas who completed high school (30.8%) is lower than that of males (32.15%). The difference in educational levels between women and men might explain why it was more difficult for women-owned MSMEs to apply digitization solutions.

FIGURE 21. SHARE OF ENTREPRENEURS BASED ON EDUCATION LEVEL



3.10 Participation in Policy Response

The results from our survey found that the majority of the MSMEs did not apply for any of the programs the government had provided during the pandemic. This raises a question of whether the programs or policies designed were the ones that MSMEs actually needed. Our survey revealed that only 7.3% of the business were consulted by the government regarding what programs MSMEs needed in response to the pandemic. A larger proportion of women MSMEs reported that they were consulted by the government or other stakeholders such as NGOs, research institutions, or donor institutions. Specifically, only 3.6% men MSMEs had consultation with the government while 11.2% of women MSMEs did, and this difference was also statistically significant. This finding suggests that more women had been involved in a public consultation in the process of policy making than men. However, it should be noted that the number of the community involvement in general is still extremely low.

Policy consultation with either the government or non-governmental institutions usually takes place at the community-level in which the participants are invited by their neighborhood's leaders or their community associations. The information about a consultation schedule will then be available to the people who are more active in the community or who have joined certain associations. Therefore, those MSMEs who are members of a business association will have more chances to get invited to such a policy consultation. Our survey revealed that 24% of those who joined a business association (BA) were consulted by either government or NGOs, and only 5.12% of those who did not were consulted. The pattern was similar between women-owned MSMEs and the men-owned MSMEs. Therefore, instead of the gender of the ownership, the involvement of policy-making formulation was more dependent on how active the MSMEs had been in participating in community-level associations or any kind of business associations.

Although there was a statistically significant difference between the number of women-owned and men-owned MSMEs who were consulted by the government or other institutions, we cannot conclude that women's representation was higher than men's in the decision-making process or policy formulation. This is because the question we asked in the questionnaire was limited only to these two questions whether or not they have been consulted by the government or NGOs. The issue of female representation in policy formulation will be further analyzed in the qualitative part of this study.

FIGURE 22. NUMBER OF MSMEs CONSULTED ABOUT BUSINESS NEEDS BY GOVERNMENT AND NONGOVERNMENT INSTITUTIONS

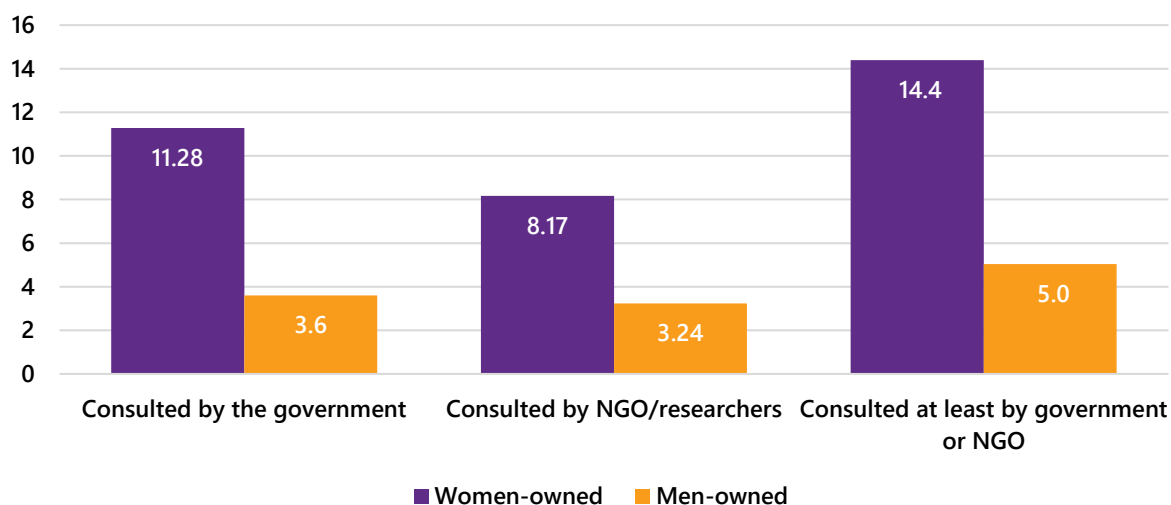
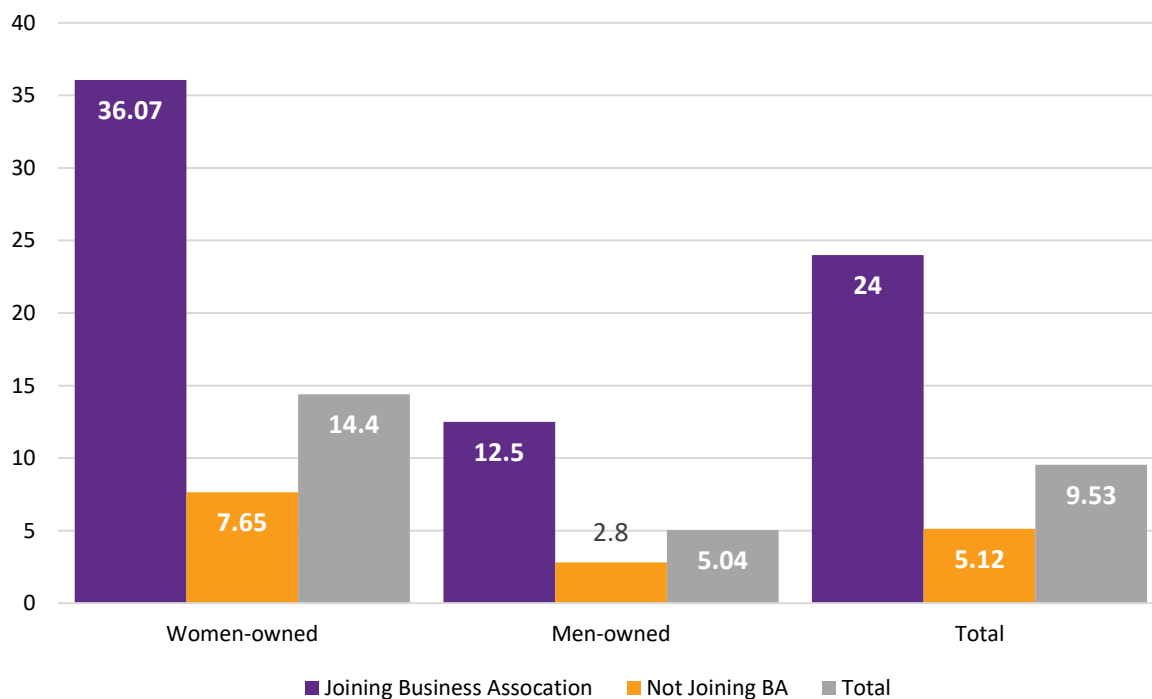


FIGURE 23. MSMEs CONSULTED BY GOVERNMENT OR NGO AND MEMBERSHIP STATUS OF A BUSINESS ASSOCIATION



4. Qualitative Findings

The qualitative data aims to complement the survey data with individual stories and can demonstrate how women and men MSMEs experienced the COVID-19 pandemic in more detail. It can touch on how gender and factors such as social networks influence the selection of coping strategies among MSMEs. The qualitative findings in this study also offer a range of insights from the in-depth interviews and FGDs conducted. It explores if gender-based analysis was taken into consideration in the policy making process (especially for MSMEs policy responses) during the pandemic and what the challenges in conducting the analysis are.

4.1 How Women and Men MSMEs Experience the COVID-19 Pandemic

Our qualitative data suggest that both women and man-owned SMEs experienced similar impacts of the pandemic on their businesses. Most of business owners that we interviewed, reported that their sales and product demand decreased dramatically during government's mobility restriction period.

"The decrease in income can be up to 70%, especially during PPKM. When there is no PPKM, it tends to increase, but after Eid al-Fitr, the sales dropped drastically. Usually, I can produce 500-600 pieces in a month. The business is starting back but still not stable." (Women-owned micro business, Pangkep, 25 Oktober 2021)

"My income dropped around 50%. I even experienced no income at all around April to June 2020. Our income now has started to increase as situation improves. We start receiving order since wedding celebrations are allowed." (Men-owned micro business, Pangkep, September 2021)

A drop in product demand and revenue has forced businesses to close their operations. Rather than spending money on business operations while experiencing income losses, some businesses closed down their stores or businesses temporarily. A female business owner, selling healthy drinks had to close down one of her business arms due to a significant decrease in income and to avoid the cost of renting a place. Another female business owner who operates a photocopying service also had to close her store temporarily during the time of restriction as there were no customers at all. Similarly, a woman business owner from Kabupaten Pangkep was also forced to stop her business for several months.

"At the beginning of the pandemic, I did not get any income for the first three months because the villages were closed (because of the PPKM rules). I had no income at all, I only received some money from my husband, and there is no income aside from that." (Women owned business, Pangkep, September 2021)

Some of the women MSMEs that we interviewed also mentioned that during this difficult time, they tended to borrow money from friends, relatives or business acquaintances instead of getting a loan from commercial banks.

"If we borrow money from the bank, we still need to repay the loan and pay the interest rate. While if we borrow from our friends and relative, it will be easier to arrange the payment, plus we don't have to pay the interest. Also, we do not want to have debt with interest which is against our (religious) belief. It's better if we cut down some of the business arm to reduce the cost. Better yet, if we can get financial assistance from the government for free." (FS, female, 43 y.o, Jakarta, 28 October 2021)

While effectiveness is the reason cited to seek programs from the private sector, flexibility and trust are the two reasons which was usually cited by SME owners to seek assistance from informal social safety nets such as family and relatives.

"We use our savings to fulfil our needs, including to pay for the salary of our workers. We really try not to cut their jobs. Sometimes we also borrow money from our friends and relatives because it's easier." (DD, male, 26 y.o, Jogja, 1 November 2021)

While experiencing a similar pandemic-caused economic downturn as their male counterparts, women MSMEs had to face another challenge: the double burden and unpaid care work. Various interviews that were conducted with women MSMEs reveals a range of factors and realities that women faced in their everyday life that affected how they run and managed their businesses. Traditional gender division of labor in the family still persists. This emphasizes men as the breadwinner, while women are in charge of doing household chores and care work. Society also imposes such division of tasks on women.

If women have their own businesses, it will usually be considered as a second income in the family, an addition to the income provided by the husband. Under such circumstances, many women found that advancing their business is not a priority for them.

"Women entrepreneurs mainly started their businesses only to help their husbands to meet household needs. They refuse to think seriously about business, they refuse to expand their businesses. Some of them do that, because they perceive their main role as a mother. And worried that their business will impact that role. I suppose, the most important thing is that they made that choice for themselves. Not under force of other people. Sadly, the context is mostly far from what I hope for. Women entrepreneurs are still limited by the social environment, such as husbands and in-laws. In suburban areas, busily working women are seen as bad women. This assumption makes them afraid to develop their business." (DM, female, Project Leader, Business Incubator, 31 July 2021)

"My husband is a lecturer. So, this business is simply to help my husband meet our needs. Especially after my husband's monthly allowances from the salary have been cut a lot. The most important thing is how this business could guarantee daily income, though it is not much. Personally, I have not thought about the future of this business. Because this is also a flexible business. I can open and close the store at will, because there is no risk of rotting goods." (A, female, Pekanbaru, 5 November 2021)

The division of labour between men and women in the households also affects the way women run and manage their businesses. When it comes to, for instance, the family decision making process, one businesswoman mentioned that she has to respect her husband and prioritize his feelings and their marriage whenever she has to make decisions regarding her businesses.

"My husband doesn't like being led or managed by a woman, including me. He resigned from his previous job, because my business profit was higher than his income. He felt challenged. Now, he is helping record-keeping of this business. I have quite big expectation for this business, but sometimes I guess I still feel wary towards my husband. The stake of this business is our marriage." (FS, female, 43 y.o, Jakarta, 28 October 2021)

This situation may reflect how gender-based norms in society can interfere with women's autonomy in running or managing businesses. Women MSMEs appear to find it more challenging to change their business strategies during the pandemic compared to men MSMEs. Due to social norms, women rarely are the sole decision makers about their own businesses. The case study above shows that although the business was initially hers, she agreed to let him work in the business because her marriage was also at stake.

Lastly, the challenges for businesses in terms of managing the household and childcare, is more apparent to women MSMEs than to men MSMEs. During the pandemic, women face more time-poverty than men as women have to handle additional domestic and care responsibilities, such as helping children learn from home. As a consequence, the time to work on their business was reduced and this led to a reduction in income. During the FGD, women MSMEs participants mentioned that they found it hard to focus on their business since the pandemic started. Some of them even mentioned that they had to work non-stop almost every day to make ends meet. They believed that they are responsible to accompany the children during school period and help the children do their assignments. This resulted in women spending less time on their businesses than their male counterparts.

Changing business strategies requires flexibility and a capacity to adapt to changing situations. During the in-depth interviews, we found some women MSMEs who had changed their businesses strategies and some others who planned to change their product completely in response to the pandemic. A micro-businesswoman from Kabupaten Rembang, innovated in terms of her product, range changing from selling rice-cake snacks to selling dishes for lunch or dinner. During the mobility restriction, demand of her snacks dropped substantially, which forced her to change her to selling meals. She marketed her meals by using the WhatsApp story feature and received orders from there. The changes have saved her from losing her income completely as it turned out that there was sufficient demand for her meal dishes. Once the situation improved as the local government eased the mobility restriction, she returned to selling rice-cake snacks again. Her success in changing the business product is due to her network with some local government officials who happened to see her WhatsApp status/story. Her ability to quickly change product and maintain the business is also a result of training and technical assistance that she received before. Another businesswoman that we interviewed planned to change the product completely as a consequence of digitalization and the pandemic.

"We observed that the photocopy and stationery business is no longer crowded because everything is digital, especially after the pandemic. We recently made a property investment in Yogyakarta. besides that, my husband has another business in agriculture sector. In the future like 2 until 3 years from now we plan to make a business in fashion." (Woman-own small business, Sri Mardiyanti, Central Java)

Mobility restrictions, both local and nationwide, at the initial period of COVID-19 pandemic required people to stay at home and to do their activities remotely. Consequently, a shift in product distribution and business management is happening for MSMEs. The use of digital technology in terms of both aspects were explored to survive the pandemic.

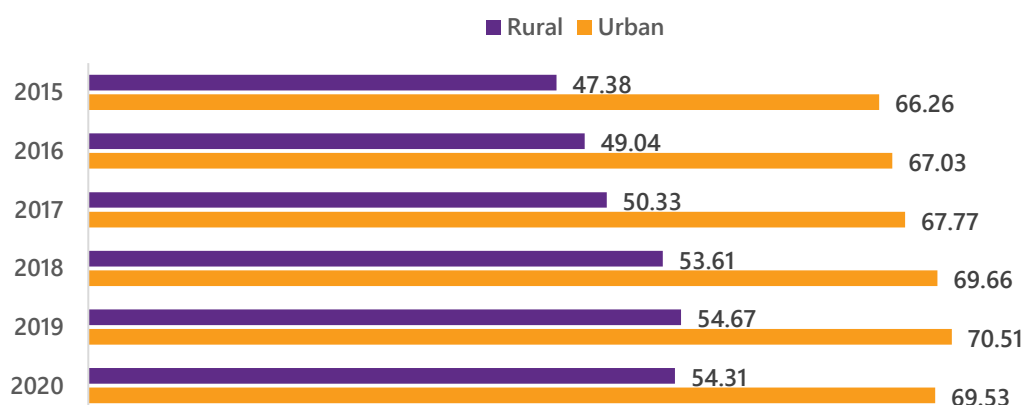
From the product distribution aspect, there are slight differences in terms of the platforms used by women and men MSMEs. Women business owner tend to use digital technology from Whatsapp, such as WhatsApp story/status to market their products and to reach out to costumers during the period of mobility restrictions. They take orders using Whatsapp and deliver the products directly to the customers. In comparison, the use of digital technology and internet of things among men business owner is more varied. Men use digital platform such as Instagram, e-commerce platform, and even applications specifically designed for managing business transactions. Some of the male business owners had used such digital technology prior to the pandemic, and further intensified its usage during the pandemic.

"For now, 80% of our batik lasem business relies on online sales, especially with 'live sales' on Instagram, which we do regularly every week. The offline store has few visitors during the pandemic. Moreover, the ban on 'mudik (return to the hometown)' makes the toll road deserted. Whereas, mudik is our sales momentum every year." (Male business manager, Small enterprises, Kabupaten Rembang)

Meanwhile, in terms of the business management aspect, discussions about teleworking have commenced between employers and employees. A MSME owner from construction consultation services perceived teleworking as an advantageous arrangement. From the employer perspective, teleworking arrangement is an opportunity to reduce office bills, as some of the costs are actually shifted onto the employees.

"During the pandemic, we implemented hybrid work system. Thus, we only stay at the office until 2 pm. Ever since the pandemic, we find digital technology very helpful, because communication with colleague and work itself were done online. Not to mention that we're also able to cut some of the operational costs: ranging from electricity bills to water. I suppose we could still apply this hybrid work system, or even work remotely, even after the pandemic is over." (LI, male, 66 y.o, Jakarta, 12 October 2021)

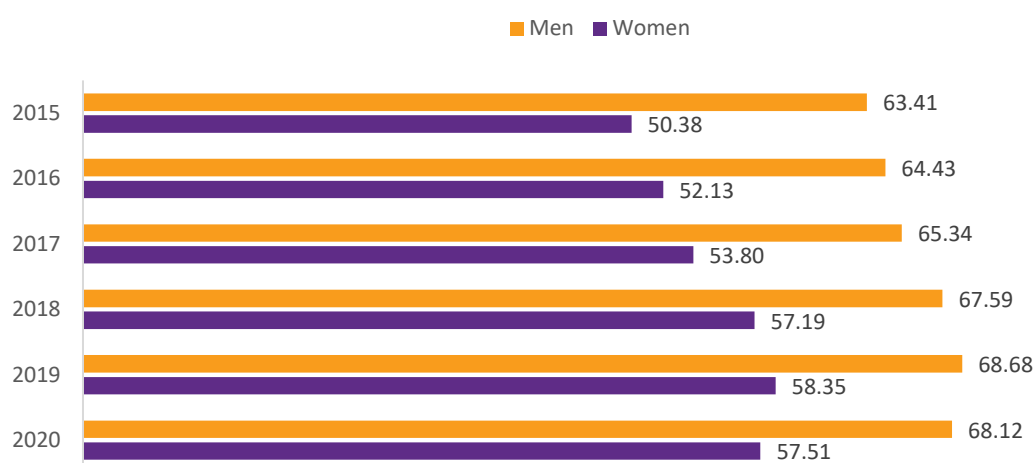
FIGURE 24. PERCENTAGE OF POPULATION OWN CELL-PHONES BASED ON REGION



We next briefly provide some statistics from national surveys on cell-phone use to help provide context regarding teleworking arrangements.

The National Socioeconomic Survey (SUSENAS) 2020 showed that 7 out of 10 people in the urban area have a cell phone, while only 5 out of 10 people in rural area do. It also showed that the access to cell phone among women was behind their male counterparts during 2015–2020. Therefore, financial assistance to purchase adequate ICT equipment for teleworking was the most needed policy support for both women and men MSMEs.

FIGURE 25. PERCENTAGE OF POPULATION OWN CELL-PHONES BASED ON GENDER



Supporting infrastructure is needed more than ever. Teleworking comes with space-compression: house and office become one. On one hand, the compression between house–office reduces time spent on commuting. On the other hand, the pressure of work as well as household and care duties while teleworking during the crisis disproportionately fell on women or single parents. Therefore, more women MSMEs mentioned that they greatly needed supportive and accessible childcare policies than men MSMEs.

Teleworking requires high-skilled workers. Both men and women MSMEs perceived that government support of skill upgrading for workers is greatly needed. The nature of telework limits the physical presence of employer and employee. Such a limitation results in minimized oversight from management. Therefore, it requires workers that possess sufficient ICT skills as well as the ability to work independently in a flexible environment (Llave and Messenger, 2018).

However, not all MSMEs shared the same perception about this arrangement. Enterprises with centralized production scheme, such as in the food and beverage services, will find it more difficult to adopt to teleworking arrangements. Employees are still expected to be physically present in offices, while their employers manoeuvre through mobility restrictions. The most common strategy is reducing the work hours in each shift for the employees.

"There was no layoff during the pandemic, nor did we hire any replacement for those who already resigned before. Our selling point is nothing other than ambience of the cafe. Thus, regulations related to opening hours and dine-in highly affect our revenue. The same regulations also made us choose to reduce the work schedule of our employees. We thought it is still a better choice than terminating their contracts." (FK, male, 25 y.o, Bogor, 28 October 2021)

4.2 Gender-based analysis in Policy Responses to support MSMEs during the COVID-19 pandemic

4.2.1 Government Policies and Programs to support MSMEs during Pandemic

In 2005–2015, the entrepreneurship program on MSMEs mainly focused on facilitating the emergence of new enterprises through soft loans and entrepreneurship training (Mirzanti et al., 2015). The program's focus at present is no different. The economic crisis following the COVID-19 pandemic induced more capital assistance and training, especially on digital marketing, for MSMEs.

During our in-depth interview and FGDs, the participants identified several programs from the government that they considered beneficial for business survival. Some of the programs have also been mentioned in the survey, such as cash transfers for microbusinesses (BPUM), credit programs, and training programs.

Cash transfer for micro enterprises (BPUM)

Through BPUM 2020, each enterprise was given IDR 2.4 million to boost their productivity. The amount of cash was reduced to IDR 1.2 million in 2021. In general, BPUM does not specifically target women MSMEs. The Ministry of Cooperatives and SMEs put more focus on the regions of the beneficiaries instead of gender. It is driven by two critical factors: (1) the lack of predetermined definition on women SMEs, which leads to (2) the absence of gender disaggregated data.

However, in 2020, the Ministry of Women Empowerment and Child Protection proposed 7,407 women enterprises to be the listed as beneficiaries during BPUM's initial design by the Ministry of Cooperatives and SMEs. The selected enterprises were those who became the accompaniments of the Provincial Office of Women Empowerment from four provinces (Riau, Lampung, South Sulawesi,

Yogyakarta) and three CSO partners (Yayasan PEKKA, ASPPUK, KAPAL Perempuan). Around 3,756 selected women enterprises were listed as eligible to be BPUM's beneficiaries.

"In 2020, we did 'potong kompas' (re: bureaucracy bypass) on BPUM. We lobby the Ministry of Cooperatives and SMEs to specifically include women enterprises who have been accompaniments of our regional and CSO partners. If we did not strategically lend a hand on this matter, women would be more passive to access such a neutral gender program." (Officer, Ministry of Women Empowerment and Child Protection, female, 9 Aug 2021)

On the other side, there is also bureaucratic challenge that women-owned business faced to receive BPUM. The challenge involved their registered employment status. It is mentioned that the regional government perceived them as ineligible to receive BPUM because they were not registered as entrepreneurs, despite having business that had run since 2012.

Credit from government institutions

The People's Business Credit (KUR) is the most notable credit program, since it offers the lowest interest rate both before and during the pandemic. During 2020, the interest rate decreased from 6% per year to 0% per year. The rate went back to 6% per year in 2021.

It allows enterprises to access loan with maximum limit of IDR 10 million for super micro enterprises, IDR 50 million for micro enterprises, and IDR 500 million for small enterprises. The period of the loan varies and is based on its allotment. If the loan is used as working capital, super micro and micro enterprises have 3 years and small enterprises have 4 years to pay it off. However, if the loan is used as investment, each of the enterprises have 5 years to pay it off.

Based on Regulation of the Coordinating Minister for Economic Affairs No. 15/2020, which was later changed to Regulation of the Coordinating Minister for Economic Affairs No. 2/2021, there is an expansion of KUR distribution in the form of Super Micro Credit. This mechanism target workers being affected by layoffs and groups of housewives.

Although one of the KUR programs specifically targets women, there is a growing perception that more men-owned enterprises received KUR compared to women-owned enterprises. The Ministry of Women Empowerment and Child Protection mentioned that the internal report of KUR Committee shown that more men-owned enterprises were benefitting from Super Micro Credit in 2020.

"If we think about it, Super Micro Credit could come in handy since its main purpose is to ease entrepreneurs who have not yet started any business. But, based on the internal report of KUR Committee 2020, the Super Micro Credit was mostly received by men enterprises though the main target is housewives. On one hand, it seems like banks were too passive to reach further debtor, especially those who have not accessed KUR. On the other hand, it also seems like the government feel more secure with debtors who already have proven track record in paying off. Thus, there is limited effort from the national to regional level to reach more debtors." (Officer, Ministry of Women Empowerment and Child Protection, female, 3 Aug 2021)

Training on digitization support and establishing business

Digitization training for MSMEs became favourable since the GoI introduced restrictions on community activities (PPKM) due to the COVID-19 pandemic. All of our informants mentioned that PPKM resulted in reductions in total sales in their businesses. To avoid further drops in income while at the same time reducing production costs, some women-run businesses such as in the food and beverage sub-sector, shifted from direct selling to online selling, and stopped renting shop spaces. The MSMEs applied for the digitalization training program to assist them during the transition. Among men MSMEs, the need and interest of training on digitalisation is not as much as their women counterparts. These male entrepreneurs generally consider themselves as having sufficient insight to shift into digital selling. One of them mentioned that he'd rather hire business consultants than seek such government support, because most digitalization trainings from the government provide the same material for MSMEs with different needs.

"We have to close our offline store due to the PPKM, so we explored our options in online sales. Although we already got Instagram account in 2018, we've never been so focused before. Thus, we hired a business consultant to obtain the winning formula in online sales. The winning formula is simply doing live sale in Instagram each Wednesday at 7 pm. Sure it is simple, yet so effective. At least, more effective than the basic digitalization training." (Al, male, 24 y.o, Rembang, 7 October 2021)

Several programs and initiatives have already tried to accommodate the interests and the needs of women MSMEs in terms of digitalization training. This includes programs such as Sispreneur Incubation Program, a joint program by the Ministry of Women Empowerment and Child Protection and PT XL Axiata (a network provider), and training provided by e-commerce platforms. However, similar to the experiences of male MSMEs, businesswomen who participated in the digital training program mentioned that not all program contents or materials are suited to their needs. They felt that some materials were too basic, while they need a more advanced training. Others needed a basic training, however, they found it difficult to access such training due to the lack of information of available trainings or where to find one and apply.

Aside from digitization, a larger proportion of women enterprises also applied and received training for hard business skills, such as business management, basic profitability concepts, and record-keeping. The reason behind this is due to the nature of training program itself; the program does not only provide hard skills, but also business networks and access to new market components. Unlike men, women MSMEs tend to maintain their communication with each other even after the training program has concluded to discuss business development or simply to help promote each other's product. Thus, this makes them find such a program to be more advantageous compared to their male counterparts.

"Each time we are offered to participate in business training, we always say yes. Especially, if we do not have to pay anything. From such training program, it is usual to still maintain communication with a few other participants. We, women, build business networks there. The business network is these programs' main benefit. Because we could find a friend in which we could discuss product marketing or even business development in these networks. Not to mention

that they are usually so eager to help promote our products. And so we did the same thing. We help each other.” (RM, female, Pangkep, 4 October 2021)

Although the programs may represent initiatives to support MSMEs, some of them displays the government’s tendency to be more of an enabler instead of regulator in the institutional setting. This is reflected through several government programs, such as business training, that are usually conducted by other actors in the ecosystem, such as incubators and accelerators. There is a growing perception that the government’s role should be improved to build a thriving MSME ecosystem in the long run. Our informants highlight that the government needs to build more collaboration with other ecosystem actors as well as tap more into its regulatory role.

“The government will work best as regulator and collaborator, rather than executor. Because their roles make them lack the capability to be the executor. There are too many programs whose role is similar to executors, yet are they sure that their accompaniment can be as effective as business incubator for MSMEs? Are they sure that the training materials match the needs of MSMEs? I hope the government will realize that they cannot provide everything for MSMEs. It will be better if they put more focus on regulations that could facilitate and provide space between stakeholders to interact well, so MSMEs can scale up. And it is better to collaborate more with other stakeholders and their respective strategic roles. Ecosystem will run well if each actor carries out specific roles.” (Project Leader, UKM Indonesia, female, 31 July 2021)

Our qualitative findings further show that in the absence of government programs for many of enterprises, some of them accessed the assistance through private connections with the government's official business association. Take the case of women businesses owner from Kabupaten Pangkep for instance. These women businesses have a close connection with local government officials as some of them work in the local government office, while others hold formal positions at the village level.

There were people from local government office who help us and fight for us so that our business can receive some assistance and equipment that we need. They said that no matter what, Diva (the name of our business) had to receive that assistance (Women small business owner, Kabupaten Pangkep)

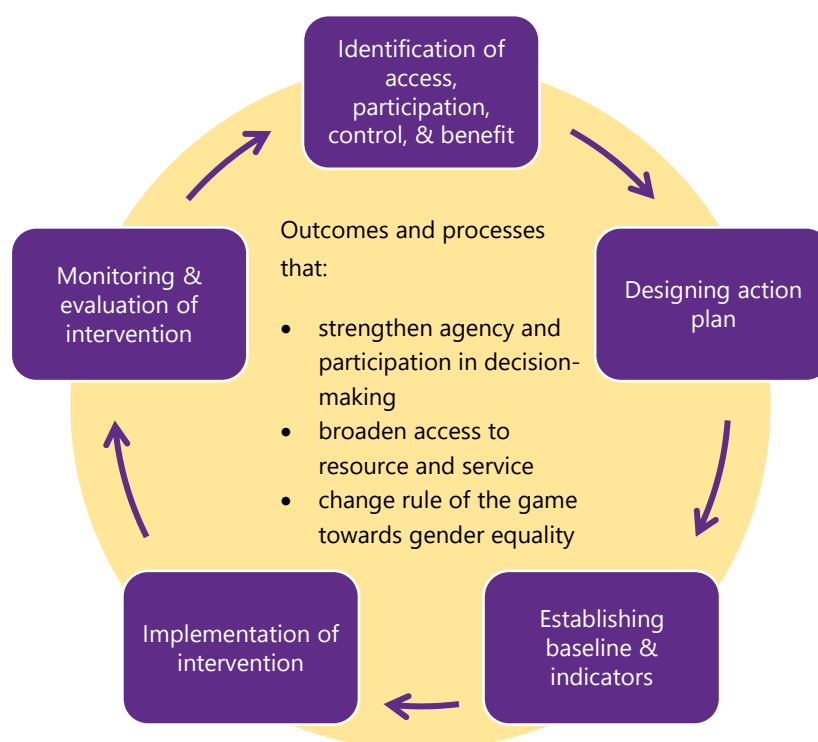
Poor program delivery, as pointed out in the survey results, has led several MSMEs to turn to other types of institutions for support. Support from the private sector and informal safety nets include family and other relatives and these are the two sources that provided assistance for businesses. A women small-business owner from Depok, stated that government’s assistance was viewed as not transparent in its distribution and very difficult to access compared to formal private support.

“I don't like to take assistance from the government because it's complicated. With the private sector it is easy, the important thing is the attitude and morals. In what year did I also get information from a local friend that there was no transparency and that's definitely the only business that got help from the agency again. So I don't want any business with the government, it's better to play outside and until they get incubation. Because I've been hurt and it's just not fair. That's why I prefer the private sector to the government.” (FS, female, 43 y.o, Jakarta, 28 October 2021)

4.2.2 Gender-based Analysis in MSME Policy Making Process

Legal and policy framework for gender mainstreaming has been mandated through Presidential Instruction No. 9/2000 regarding Gender Mainstreaming. It requires government agencies from all levels to accommodate and integrate gender perspective into the planning, designing, implementation, monitoring, and evaluation of each policy and program. It also states that the Ministry of Women Empowerment and Child Protection will provide the technical leadership in gender mainstreaming. The implementation of gender mainstreaming, however, has encountered several challenges.

FIGURE 26. FRAMEWORK FOR GENDER INTEGRATION IN POLICY PROCESS



Lack of gender disaggregated data

The first noticeable challenge is related to the lack or absence of gender disaggregated data among businesses. During the initial period of gender mainstreaming in policy making process, it is critical to identify the different access, participation, control, and benefits between women and men. It is also critical to acknowledge the differences in multiple structures (economic, political, social, and legal) including different structural barriers encountered by women and men in their everyday business operation. The lack of disaggregated data has made it difficult to accommodate different needs and capacities among women and men businesses into policy and program design.

The current database of MSMEs is lacking information on the gender of business ownership and/or management. The lack of gender information in the database was acknowledged by UKM Indonesia, a

membership-based web portal on various business license information for MSMEs. Aiming to have such data, UKM Indonesia began to build a prototype of MSMEs' database from their membership data in 2019. This initiative was later taken in by the Ministry of National Development Planning and followed by the Ministry of Cooperatives and SMEs. While developing the roadmap, both ministries used the current UKM Indonesia's database in designing their policy and program.

"The effort to integrate gender analysis into our policy and program is quite challenging due to the unavailability of SMEs' gender disaggregated data. This unavailability of data also led people to disbelief that we need gender analysis in our policy and program. It feels like a chicken and egg situation. Most of the time, gender mainstreaming is perceived as the number of women and men benefitting our programs. Therefore, we tried to make the best of the Omnibus Law of Job Creation as it pointed us to be responsible of data. We plan to build a single database of SMEs that also consolidate the needs of each enterprise. Huge work." (Officer, Ministry of Cooperatives and SMEs, female, 3 Aug 2021)

"At present, the government did not have a reliable data structure on SMEs yet. We can even say that ours is more improved since we have accommodated the number of SMES' full-time employee along with their sexes, which enterprise already had the Indonesian National Standard for product certification. The government did not have that yet. Our database is the prototype, the government could simply make it smoother. The initiative to build a reliable data structure on SMEs have begun since 2019, we worked together with the Ministry of National Development Planning. We planned to build a roadmap on this. We have also signed a partnership with the Ministry of Cooperatives and SMEs. However, the structure and authority within ministry seems quite dynamic. The political constellation always changes. It makes the longer-term agenda quite challenged." (Project Leader, UKM Indonesia, female, 31 July 2021)

The absence of agreed definition of women MSMEs

The Ministry of Women Empowerment and Child Protection also highlighted that the initiative to build a gender disaggregated database on MSMEs is still challenged by the lack of fixed definition on SME, let alone women SMEs. To shed light on this matter, the Ministry of Women Empowerment and Child Protection has proposed to include a definition of women SMEs in the Draft Bill of National Strategy on Entrepreneurship. However, the proposal was accepted by other ministries. It was perceived as "way too detailed" and therefore could only be accommodated in the derivative rules of the draft bill. The Ministry of Women Empowerment and Child Protection found such a hesitancy stemmed from the lack of gender responsiveness as a priority for overall entrepreneurship policies.

"The Inter-Ministries Committee attempted to design the Draft Bill of National Strategy on Entrepreneurship and build a single database of SMEs. We proposed to include the definition of women enterprise and an article on gender responsivity. But, our proposal was not accommodated as it was perceived "way too detailed." The other ministries suggested that it could only be accommodated in the derivative rules. However, the derivative rules will not be effective if the primary regulation does not "bite." We also lack gender disaggregated data of SMEs since there really is no agreed-upon definition of it by all institutions. Countless ministries were lacking

awareness on gender imbalance, that is the primary reason our current policy responses are not gender responsive just yet.” (Officer, Ministry of Women Empowerment and Child Protection, female, 3 Aug 2021)

The overall situation of lack of gender analysis in the policy making process have continued and are reflected in COVID-19 policy responses that we found, which are not gender responsive. There are no COVID-19 policy responses for MSMEs that specifically target women MSMEs, which stems from the challenges in implementation of a gender dimension in Indonesia's overall policies. On the one hand, the Ministry of Women Empowerment and Child Protection can only be responsible to conduct pilot programs for women MSMEs due to their ministerial main duty and function. On the other hand, the Ministry of Cooperatives and SMEs, whose main duty involves the empowerment of MSMEs, perceives that there is a lack of “fundamental arrangement” for women-dedicated programs.

“Around 30 ministries have entrepreneurship programs on their responsibility. Yet we are the only one that brings a gender perspective to the table. Unfortunately, we can only do pilot programs due to the division of ministerial main duties. We also do not specifically make any contact with those who engaged in developing the economic policy. Makes it quite a challenge to raise our concern to other ministries’ program.” (Officer, Ministry of Women Empowerment and Child Protection, female, 9 Aug 2021)

“Currently, there is no women-dedicated program in our list, not yet. The Ministry of Women Empowerment and Child Protection will always mention that it is up to us, but we have not been able to find background arrangement for such a program. If there has been any initiative with broader impact that's proven, there will be more women-targeted policy.” (Officer, Ministry of Cooperatives and SMEs, female, 3 Aug 2021)

4.2.3 Businesses Participation in the Policy-making Process

Only a few informants were consulted or participated in public consultation or meetings to discuss matters related to MSME development. Two women MSMEs from Kabupaten Pangkep were involved in regular meetings at the kabupaten level and village level, since these women hold certain position in the society; one works as a local government official, and the other is a women leader in her village. Their position allows them to participate, discuss and voicing out their opinion in the subject matter.

Other MSME business owners, men and women in Kabupaten Rembang, for example, have not been involved in policy design or policy making processes. The only opportunities when their opinion was sought was when one of them was interviewed for a community development program from the private sector in the district, and the other was when one was interviewed by a national newspaper. However, according to them, there was no follow-up in terms of whether their opinion was considered for policy or program design.

At the national level, women business associations could have a significant role in informing policy makers with regard to the needs, interests, and challenges that women businesses experience. However, our interviews reveal that their roles are still limited in that area. They have never been involved or consulted during public consultative meeting or participated in meeting to discuss policy response for COVID-19 pandemic.

5. Conclusion and Recommendation

5.1 Conclusion

Impact of COVID-19 to MSMEs

Women-owned MSMEs faced similar challenges, obstacles, and support as men-owned MSMEs during the COVID-19 pandemic in Indonesia. The drop in the demand of goods and services were the main problem for the MSMEs as a result of the pandemic. MSMEs, unlike big business, do not have enough financial reserves or working capital to use as financing for their business operations when there is no demand for their products or services. This inadequate working capital and financing to maintain their business became challenging obstacles for the MSMEs. In addition, MSMEs seemed reluctant to take loans from financial institutions, particularly the women-owned MSMEs. This reluctance was because they were afraid of being unable to repay their loans since the future of the pandemic situation was still uncertain. Therefore, the various policy responses should be concurrent with controlling the pandemic situation. This includes increasing the vaccination rate of the population and tightening health protocols.

The COVID-19 pandemic has altered our way of living and it appears unlikely that the pandemic would end anytime soon. Businesses, including the MSMEs, had to find a way to adapt to the “new normal” situation if they want their businesses to survive. Women-owned MSMEs were more risk-averse and passive compared to men-owned MSMEs, when it came to seeking support and took various different maneuvers for business survival. The women-owned MSMEs realized that the change was inevitable but it seemed that they did not know what to do in terms of maintaining their business amidst the crisis. This would be a chance for government and private sectors to help them cope and adapt to the situation.

Utilization of digital technology in the business was often viewed as way out of this situation. However, it was not easy for the MSMEs to change the business as quickly as possible. Changing strategies in the short period of time, which includes digitization of the business, requires business owners to be highly adaptive and having a strategic mindset. Therefore, providing training support for various business survival strategies, including digitization training, is paramount to helping the MSMEs survive, particularly for women-owned MSMEs.

Digitization support, particularly for women-owned MSMEs, does not only involve training, but also by involves supporting them with the technology infrastructure. A study by SMERU in 2020 found that during the pandemic, women had to share their use of smartphones with their children (since their children were schooling from home) while at the same time, they used the phones for their business. Investing in digital infrastructure for the women-owned MSMEs will therefore be as important as training them on how to use digital technology.

Benefit from the policy responses to women-owned MSMEs

Have women-owned MSMEs benefitted from the various policy responses provided by the government during the pandemic? In the context whether women have had equal access and opportunities with men in terms of receiving the government’s support programs, we found no

evidence that there was gender-specific obstacles in accessing the programs. There was no evidence to support that it was easier for men-owned MSMEs to access programs, or that the policy responses were designed in favor of men-owned MSMEs. Thus, women-owned MSMEs received equal benefits from the programs provided by the government.

However, only a small proportion of MSMEs had received the programs. The majority of them were not aware of the programs and that the programs even existed. In addition, the requirements to receive support from the programs were too complicated for them and they did not get proper assistance in processing such requirements. It is therefore vital to improve communications to the intended recipients of the programs, which in this case, are the MSMEs so that the benefits of the programs provided will be more far-reaching.

Participation of women-owned MSMEs in the policy-making process

In general, the practice of policy-formulation in Indonesia uses a top-down approach. Public consultation is usually carried out through public forums with community leaders or organizations. In theory, they are representatives of the general population. In the MSME sector, public consultation is also held by involving business associations since they can help identify the business owners needed to be involved in the consultation. The opportunity to get consulted by the government or nongovernment sector depends largely on whether a business entity is a member of a business association or is active and vocal in the community gatherings.

Participation of the MSMEs in Indonesia in policy design and formulation is still low, both for women-owned MSMEs and men-owned MSMEs. Public consultations held by the government were hampered and limited due to the unavailability of integrated data for MSMEs. MSME data are scattered around over several institutions, both national and regional. The data also varies between regions and data availability depends on the regional government capacity and resources. It is difficult to carry out public consultations with the MSMEs who are representative of gender ownership or business scale in the population of MSMEs without such integrated data. Importantly, with an agreed upon definition of women-owned MSMEs in place, an integrated database can help distinguish between women-owned MSMEs and men-owned MSMEs. The integrated data can serve as the backbone of well-targeted and well-designed policies and programs. Unfortunately, due to the limited number of questions in our survey questionnaire, we are unable to say more about the participation of women-owned MSMEs in policy design formulation.

5.2 Recommendations

This study offers the following recommendations:

Formulate a formal and agreed definition of MSMEs owned or managed by women among key stakeholders at national and sub-national level.

A formal definition of women MSMEs is needed when creating the MSME database. This is still non-existent at the moment. The database and separate definitions of women and men MSMEs can be used in program design and program implementation and is considered necessary as a way to

address the specific needs of women-MSMEs. This can help accelerate the achievement of the Long Term Development Planning Target in 2024 for MSME development. As outlined in the Medium-Term National Development Plan (RPJMN), the Gol aimed to strengthen MSMEs as part of a national economic plan. In 2024, they target having a 65% contribution of MSMEs to GDP and 11% of SMEs in partnerships. In providing the database, we find it important to utilise a survey instrument which uses a gender lens to assess the different needs, challenges, and obstacles faced by women and men MSMEs. Prior to the provision of gender-based disaggregated data of MSMEs, a working and agreed definition of women MSME needs to be formulated. The definition should accommodate the main characteristics and realities of women MSMEs in Indonesia which comprise of factors such as the status women in the business, assets, sales/revenue and the number of workers. This study can help contribute to the formulation of such a definition by providing data on the characteristics of women MSMEs obtained from the survey.

The study also highlights the importance of pandemic control measures to address the demand-dropped issues faced by MSMEs. When the pandemic is in control and the government is able to relax its mobility restrictions and limits on social-economic activities, the demand for MSME products will increase, and so will sales and income of the business owners.

However, due to high uncertainty of the pandemic, support for MSMEs to help them survive and adapt to the pandemic needs to be provided. In this regard, the government at the national and sub-national levels can focus on:

- Improving policy responses in terms of regulations that remove obstacles and challenges faced by MSMEs and support MSME survival strategies during the pandemic.
- Improve program delivery, for instance, by improving program knowledge and awareness among MSMEs who the target beneficiaries are. This can be done by designing a proper program communication plan and dissemination strategy using various communication channels. To improve program delivery, the government and program implementer can benefit from having access to a MSME database, which can avoid overlap of program beneficiaries and improve targeting.
- Maximize support to the entrepreneurs by collaborating with the private sector in areas such as the opening and expansion of access to markets and providing skill training to MSMEs. The provision of loans is not viewed favourably by business owners when uncertainty due to the pandemic is still high.
- Provide training on digital skills, as frequently mentioned by women MSMEs. This training can be designed according to gender-based needs, the scale of the business, and type of business.

Lastly, support to MSMEs, particularly to women MSMEs, can be done through the implementation of gender responsive practices including gender-based analysis in the policy making process. The whole process of gender mainstreaming in policy process can start from:

- Identifying gender-based needs among MSMEs in Indonesia which can cover issues such as opportunities, challenges, and obstacles faced by men and women MSMEs. The data can be used to design specific programs to address women MSME needs and challenges.
- Improve the participation of MSMEs in the policy making process and program design. Women MSMEs in particular should be encouraged to participate in community meetings or deliberation forums.
- Continue to raise awareness among policy makers and program implementers about gender mainstreaming in policy and programs.
- Strengthen women MSME participation in decision-making through an accompaniment program. The program has shown success in expanding the business networks of women enterprises and female leadership. This can further encourage women MSMEs to actively participate in many activities related to business development, including participation in program design.

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APPENDIX

1. Proportion Test of Various Variables

Proportion test

Difference = Proportion (Men-owned MSMEs) – Proportion (Women-owned MSMEs)

Ho : Difference = 0

VARIABLE	CATEGORY	MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z
		(N)	MEAN	(N)	MEAN				
Year of the establishment	Before 2001	278	0.047	257	0.074	-0.027	0.021	-1.324	0.186
	2001-2005	278	0.011	257	0.023	-0.013	0.011	-1.128	0.259
	2006-2010	278	0.029	257	0.047	-0.018	0.016	-1.091	0.275
	2011-2015	278	0.115	257	0.136	-0.021	0.029	-0.736	0.462
	After 2015	278	0.799	257	0.720	0.079	0.037	2.132	0.033
Business structure	Corporation	278	0.014	257	0.054	-0.040	0.016	-2.569	0.010
	Partnership	278	0.007	257	0.054	-0.047	0.015	-3.208	0.001
	Nonprofit, Cooperative, Foundation	278	0.004	257	0.023	-0.020	0.010	-2.008	0.045
	Sole proprietorship	278	0.946	257	0.868	0.078	0.025	3.139	0.002
	Others	278	0.029	257	0.000	0.029	0.011	2.740	0.006
Total assets at the end of 2019	Less than 50 million IDR	278	0.820	257	0.786	0.034	0.034	0.994	0.320
	50 million - 300 mio IDR	278	0.155	257	0.148	0.007	0.031	0.220	0.826
	300 mio - 215 bio IDR	278	0.025	257	0.058	-0.033	0.017	-1.931	0.053

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VARIABLE	CATEGORY	MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z	
		(N)	MEAN	(N)	MEAN					
Annual revenue at the end of 2019	More than 215 billion IDR	278	0.000	257	0.008	-0.008	0.005	-1.474	0.141	
	Less than 1.5 billion IDR	278	0.986	257	0.938	0.048	0.016	2.916	0.004	
	1.5 billion IDR - 215 billion IDR	278	0.014	257	0.051	-0.036	0.015	-2.385	0.017	
	More than 215 billion IDR	278	0.000	257	0.012	-0.012	0.006	-1.806	0.071	
Prices of product	Decreased	278	0.439	257	0.405	0.034	0.043	0.800	0.424	
	No change	278	0.345	257	0.424	-0.079	0.042	-1.873	0.061	
	Increased	278	0.216	257	0.171	0.045	0.034	1.303	0.193	
Average costs of product	Decreased	278	0.248	257	0.183	0.065	0.036	1.832	0.067	
	No change	278	0.403	257	0.409	-0.006	0.042	-0.134	0.894	
	Increased	278	0.349	257	0.409	-0.060	0.042	-1.422	0.155	
Total sales of product	Decreased	278	0.644	257	0.646	-0.002	0.041	-0.049	0.961	
	No change	278	0.183	257	0.160	0.024	0.033	0.733	0.464	
	Increased	278	0.173	257	0.195	-0.022	0.033	-0.654	0.513	
Obstacles	Decline in domestic demand continuing over time	Not an obstacle	278	0.212	257	0.195	0.018	0.035	0.507	0.612
		Minor obstacle	278	0.169	257	0.113	0.056	0.030	1.861	0.063
		Major obstacle	278	0.183	257	0.206	-0.023	0.034	-0.665	0.506
		Devastating obstacle	278	0.140	257	0.167	-0.027	0.031	-0.867	0.386
	Decline in foreign demand continuing over time	Not an obstacle	278	0.320	257	0.288	0.032	0.040	0.809	0.419
		Minor obstacle	278	0.122	257	0.054	0.068	0.025	2.743	0.006
		Major obstacle	278	0.086	257	0.070	0.016	0.023	0.700	0.484
		Devastating obstacle	278	0.043	257	0.062	-0.019	0.019	-0.991	0.322

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VARIABLE	CATEGORY	MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z
		(N)	MEAN	(N)	MEAN				
Disruption of production/supply chain/business networks	Not an obstacle	278	0.201	257	0.218	-0.016	0.035	-0.468	0.640
	Minor obstacle	278	0.245	257	0.206	0.038	0.036	1.060	0.289
	Major obstacle	278	0.227	257	0.241	-0.015	0.037	-0.399	0.690
	Devastating obstacle	278	0.119	257	0.117	0.002	0.028	0.071	0.944
Requirements of tax payments	Not an obstacle	278	0.295	257	0.342	-0.047	0.040	-1.178	0.239
	Minor obstacle	278	0.198	257	0.179	0.019	0.034	0.557	0.578
	Major obstacle	278	0.173	257	0.160	0.013	0.032	0.407	0.684
	Devastating obstacle	278	0.115	257	0.074	0.041	0.025	1.620	0.105
Inadequate working capital to maintain or restart business	Not an obstacle	278	0.173	257	0.156	0.017	0.032	0.531	0.596
	Minor obstacle	278	0.223	257	0.160	0.063	0.034	1.861	0.063
	Major obstacle	278	0.291	257	0.362	-0.071	0.041	-1.739	0.082
	Devastating obstacle	278	0.205	257	0.202	0.003	0.035	0.078	0.938
Inadequate digital skills needed in the business' online presence	Not an obstacle	278	0.306	257	0.296	0.010	0.040	0.253	0.800
	Minor obstacle	278	0.248	257	0.237	0.011	0.037	0.292	0.770
	Major obstacle	278	0.201	257	0.206	-0.005	0.035	-0.137	0.891
	Devastating obstacle	278	0.112	257	0.117	-0.005	0.028	-0.190	0.849
Inadequate finances to pursue digitization solutions	Not an obstacle	278	0.245	257	0.202	0.042	0.036	1.171	0.242
	Minor obstacle	278	0.266	257	0.253	0.013	0.038	0.350	0.727
	Major obstacle	278	0.266	257	0.284	-0.018	0.039	-0.462	0.644
	Devastating obstacle	278	0.094	257	0.109	-0.015	0.026	-0.592	0.554
	Not an obstacle	278	0.306	257	0.241	0.065	0.039	1.670	0.095
	Minor obstacle	278	0.266	257	0.233	0.033	0.037	0.873	0.383

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

		MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z
VARIABLE	CATEGORY	(N)	MEAN	(N)	MEAN				
Employees less productive due to the need to balance work and childcare or home schooling	Major obstacle	278	0.158	257	0.206	-0.048	0.033	-1.438	0.150
	Devastating obstacle	278	0.086	257	0.089	-0.003	0.024	-0.129	0.897
Financing Difficulties	Interest rates too high	278	0.464	257	0.416	0.048	0.043	1.110	0.267
	No guarantee/collateral	278	0.493	257	0.401	0.092	0.043	2.138	0.032
	Collateral is undervalued in the current market	278	0.446	257	0.335	0.111	0.042	2.637	0.008
	Have too many outstanding loans	278	0.507	257	0.459	0.048	0.043	1.111	0.267
	Repayment risk too high due to market uncertainty	278	0.511	257	0.494	0.017	0.043	0.384	0.701
	More difficult to access trade finance or supplier credit	278	0.446	257	0.405	0.041	0.043	0.967	0.334
	Other difficulties	278	0.162	257	0.175	-0.013	0.032	-0.409	0.683
	Lack of operational cash flow	278	0.658	257	0.646	0.012	0.041	0.300	0.764
Key challenges	Drop in demand for products and services	278	0.709	257	0.689	0.020	0.040	0.502	0.616
	Increased cost of inputs	278	0.547	257	0.564	-0.017	0.043	-0.406	0.685

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

		MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z	
VARIABLE	CATEGORY	(N)	MEAN	(N)	MEAN					
	Running business with having workers work from home	278	0.453	257	0.479	-0.025	0.043	-0.588	0.557	
	Reduced opportunities meeting new clients	278	0.644	257	0.619	0.025	0.042	0.604	0.546	
	Changing business strategies to offer alt-products	278	0.633	257	0.685	-0.052	0.041	-1.260	0.208	
	Managing work and childcare or home-schooling	278	0.428	257	0.467	-0.039	0.043	-0.903	0.366	
Payment Problem	Payment of staff wages and social security charges	Not a problem	278	0.248	257	0.202	0.046	0.036	1.267	0.205
		Minor problem	278	0.173	257	0.206	-0.034	0.034	-0.991	0.322
		Major problem	278	0.288	257	0.253	0.035	0.038	0.906	0.365
	Payment of rent	Not a problem	278	0.263	257	0.276	-0.014	0.038	-0.356	0.722
		Minor problem	278	0.155	257	0.160	-0.005	0.031	-0.154	0.877
		Major problem	278	0.331	257	0.237	0.094	0.039	2.393	0.017
	Repayment of loans	Not a problem	278	0.209	257	0.198	0.010	0.035	0.292	0.770
		Minor problem	278	0.137	257	0.136	0.001	0.030	0.017	0.986
		Major problem	278	0.403	257	0.377	0.025	0.042	0.603	0.547
	Payments of invoices	Not a problem	278	0.266	257	0.237	0.029	0.038	0.767	0.443
		Minor problem	278	0.162	257	0.202	-0.040	0.033	-1.214	0.225
		Major problem	278	0.248	257	0.198	0.050	0.036	1.379	0.168
Payment of other expenses	Not a problem	278	0.338	257	0.304	0.035	0.040	0.857	0.392	
	Minor problem	278	0.094	257	0.140	-0.047	0.028	-1.681	0.093	

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

		MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z	
VARIABLE	CATEGORY	(N)	MEAN	(N)	MEAN					
Support from private sector	Major problem	278	0.248	257	0.198	0.050	0.036	1.379	0.168	
	Obtained payments from customers in advance	Not seeking support	278	0.414	257	0.381	0.032	0.042	0.764	0.445
		Sought and received support	278	0.320	257	0.405	-0.085	0.042	-2.034	0.042
		Sought but not received	278	0.266	257	0.214	0.052	0.037	1.410	0.159
	Delayed payments to suppliers and providers	Not seeking support	278	0.478	257	0.518	-0.039	0.043	-0.904	0.366
		Sought and received support	278	0.299	257	0.268	0.030	0.039	0.771	0.441
		Sought but not received	278	0.223	257	0.214	0.009	0.036	0.252	0.801
	Delayed payments of taxes and debt	Not seeking support	278	0.532	257	0.626	-0.094	0.043	-2.201	0.028
		Sought and received support	278	0.201	257	0.191	0.011	0.034	0.314	0.754
		Sought but not received	278	0.266	257	0.183	0.083	0.036	2.301	0.021
	Loans from friends and family	Not seeking support	278	0.378	257	0.432	-0.054	0.042	-1.277	0.202
		Sought and received support	278	0.421	257	0.409	0.012	0.043	0.289	0.773
Sought but not received		278	0.201	257	0.160	0.042	0.033	1.257	0.209	
Loans from banks	Not seeking support	278	0.525	257	0.623	-0.097	0.043	-2.275	0.023	
	Sought and received support	278	0.237	257	0.233	0.004	0.037	0.107	0.914	

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

		MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z
VARIABLE	CATEGORY	(N)	MEAN	(N)	MEAN				
Loans from informal lenders	Sought but not received	278	0.237	257	0.144	0.093	0.034	2.739	0.006
	Not seeking support	278	0.655	257	0.767	-0.112	0.039	-2.844	0.004
	Sought and received support	278	0.162	257	0.113	0.049	0.030	1.641	0.101
Loans from non-bank financial institutions	Sought but not received	278	0.183	257	0.121	0.063	0.031	2.015	0.044
	Not seeking support	278	0.608	257	0.689	-0.081	0.041	-1.954	0.051
	Sought and received support	278	0.219	257	0.179	0.040	0.035	1.168	0.243
Loans from digital financing platforms	Sought but not received	278	0.173	257	0.132	0.040	0.031	1.295	0.195
	Not seeking support	278	0.612	257	0.720	-0.108	0.041	-2.650	0.008
	Sought and received support	278	0.227	257	0.175	0.052	0.035	1.483	0.138
Liquidation of assets	Sought but not received	278	0.162	257	0.105	0.057	0.030	1.924	0.054
	Not seeking support	278	0.590	257	0.646	-0.056	0.042	-1.331	0.183
	Sought and received support	278	0.227	257	0.187	0.040	0.035	1.136	0.256
Support from Government	Sought but not received	278	0.183	257	0.167	0.016	0.033	0.490	0.624
	Did not apply	278	0.590	257	0.642	-0.052	0.042	-1.237	0.216
	Applied and received	278	0.151	257	0.113	0.038	0.029	1.303	0.193

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

VARIABLE	CATEGORY	MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z
		(N)	MEAN	(N)	MEAN				
Deferment of payments to government (BPJS Ketenagakerjaan)	Applied but not received	278	0.122	257	0.101	0.021	0.027	0.774	0.439
	Did not apply	278	0.669	257	0.689	-0.020	0.040	-0.486	0.627
	Applied and received	278	0.083	257	0.062	0.020	0.022	0.910	0.363
	Applied but not received	278	0.058	257	0.086	-0.028	0.022	-1.262	0.207
Bank loan repayment easing: interest rate decrease, subsidy, KTA, etc)	Did not apply	278	0.633	257	0.623	0.011	0.042	0.252	0.801
	Applied and received	278	0.101	257	0.117	-0.016	0.027	-0.595	0.552
	Applied but not received	278	0.090	257	0.117	-0.027	0.026	-1.020	0.308
Deferment of utilities bills (water, building rent, electricity, gas)	Did not apply	278	0.644	257	0.677	-0.033	0.041	-0.809	0.419
	Applied and received	278	0.079	257	0.066	0.013	0.022	0.577	0.564
	Applied but not received	278	0.122	257	0.109	0.013	0.028	0.482	0.630
Tax incentives: PPh 21 paid by govt, PPh UMKM paid by govt, PPN, PBB subsidy	Did not apply	278	0.676	257	0.708	-0.032	0.040	-0.799	0.425
	Applied and received	278	0.068	257	0.051	0.018	0.021	0.866	0.387
	Applied but not received	278	0.090	257	0.089	0.000	0.025	0.018	0.986
Cash transfer for SMEs (BPUM)	Did not apply	278	0.468	257	0.428	0.040	0.043	0.920	0.357
	Applied and received	278	0.187	257	0.222	-0.035	0.035	-0.997	0.319
	Applied but not received	278	0.237	257	0.253	-0.016	0.037	-0.417	0.677
	Did not apply	278	0.615	257	0.576	0.039	0.042	0.924	0.355

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

			MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z
VARIABLE		CATEGORY	(N)	MEAN	(N)	MEAN				
	Digitization support: training and education on business digitalization	Applied and received	278	0.137	257	0.171	-0.035	0.031	-1.107	0.268
		Applied but not received	278	0.094	257	0.144	-0.050	0.028	-1.809	0.071
	Training and education on establishing business	Did not apply	278	0.590	257	0.584	0.006	0.043	0.147	0.883
		Applied and received	278	0.162	257	0.187	-0.025	0.033	-0.759	0.448
		Applied but not received	278	0.097	257	0.109	-0.012	0.026	-0.450	0.653
	Regulatory incentives: registration/licensing fees reduction	Did not apply	278	0.651	257	0.689	-0.038	0.041	-0.924	0.355
		Applied and received	278	0.076	257	0.070	0.006	0.022	0.245	0.807
		Applied but not received	278	0.097	257	0.109	-0.012	0.026	-0.450	0.653
	Helpfulness of the program	Credit from government institution (KUR)	Not helpful	42	0.024	29	0.034	-0.011	0.040	-0.267
Help a little			42	0.286	29	0.172	0.113	0.103	1.100	0.271
Help a lot			42	0.643	29	0.759	-0.116	0.112	-1.037	0.300
Deferment of payments to government (BPJS Ketenagakerjaan)		Not helpful	23	0.043	16	0.063	-0.019	0.072	-0.265	0.791
		Help a little	23	0.391	16	0.438	-0.046	0.160	-0.288	0.773
		Help a lot	23	0.435	16	0.375	0.060	0.160	0.373	0.709
Bank loan repayment easing: interest rate decrease, subsidy, KTA, etc)		Not helpful	28	0.000	30	0.033	-0.033	0.034	-0.975	0.330
		Help a little	28	0.357	30	0.300	0.057	0.123	0.463	0.643
		Help a lot	28	0.643	30	0.600	0.043	0.127	0.336	0.737
Deferment of utilities bills (water, building rent, electricity, gas)		Not helpful	22	0.045	17	0.059	-0.013	0.071	-0.188	0.851
		Help a little	22	0.364	17	0.471	-0.107	0.159	-0.673	0.501
		Help a lot	22	0.500	17	0.353	0.147	0.160	0.918	0.358

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

VARIABLE	CATEGORY	MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z
		(N)	MEAN	(N)	MEAN				
Tax incentives: PPh 21 paid by govt, PPh UMKM paid by govt, PPN, PBB subsidy	Not helpful	19	0.000	13	0.154	-0.154	0.087	-1.766	0.077
	Help a little	19	0.316	13	0.231	0.085	0.162	0.525	0.599
	Help a lot	19	0.579	13	0.538	0.040	0.179	0.227	0.821
Cash transfer for SMEs (BPUM)	Not helpful								
	Help a little	52	0.212	57	0.158	0.054	0.074	0.723	0.470
	Help a lot	52	0.731	57	0.825	-0.094	0.079	-1.180	0.238
Digitization support: training and education on business digitalization	Not helpful	38	0.053	44	0.000	0.053	0.034	1.541	0.123
	Help a little	38	0.368	44	0.273	0.096	0.103	0.929	0.353
	Help a lot	38	0.526	44	0.705	-0.178	0.107	-1.660	0.097
Training and education on establishing business	Not helpful	45	0.044	48	0.000	0.044	0.030	1.477	0.140
	Help a little	45	0.356	48	0.250	0.106	0.095	1.109	0.267
	Help a lot	45	0.600	48	0.708	-0.108	0.099	-1.099	0.272
Regulatory incentives: registration/licensing fees reduction	Not helpful	21	0.190	18	0.056	0.135	0.107	1.256	0.209
	Help a little	21	0.190	18	0.278	-0.087	0.135	-0.645	0.519
	Help a lot	21	0.524	18	0.611	-0.087	0.159	-0.548	0.584
Strategy	Deferred firm investments	278	0.374	257	0.284	0.090	0.041	2.212	0.027
	Reduced firm expenses	278	0.590	257	0.591	-0.002	0.043	-0.036	0.972
	Cancelled contracts with suppliers	278	0.288	257	0.206	0.082	0.037	2.180	0.029
	Reduced employees' wage/salary	278	0.327	257	0.315	0.012	0.040	0.301	0.763
	Laid off employees	278	0.320	257	0.288	0.032	0.040	0.809	0.419

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

VARIABLE	CATEGORY	MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z	
		(N)	MEAN	(N)	MEAN					
	Utilized own fund/retained profits to maintain business	278	0.608	257	0.595	0.013	0.042	0.297	0.766	
	Leveraged online selling	278	0.676	257	0.720	-0.044	0.040	-1.096	0.273	
Support needed	Provide support in upgrading skills of workers to keep them competitive	Not needed	278	0.151	257	0.183	-0.032	0.032	-0.987	0.324
		Slightly needed	278	0.281	257	0.261	0.020	0.038	0.517	0.605
		Greatly needed	278	0.392	257	0.370	0.022	0.042	0.534	0.593
	Provide financial assistance on teleworking arrangement (i.e. work from home)	Not needed	278	0.147	257	0.156	-0.008	0.031	-0.263	0.792
		Slightly needed	278	0.252	257	0.218	0.034	0.037	0.923	0.356
		Greatly needed	278	0.421	257	0.420	0.001	0.043	0.015	0.988
	Facilitate access to new financing models (e.g. crowdfunding, peer-to-peer (P2P) lending)	Not needed	278	0.288	257	0.335	-0.047	0.040	-1.171	0.242
		Slightly needed	278	0.216	257	0.202	0.013	0.035	0.383	0.702
		Greatly needed	278	0.317	257	0.292	0.025	0.040	0.621	0.535
	Tax incentives for adopting digital technologies	Not needed	278	0.245	257	0.257	-0.012	0.037	-0.326	0.745
		Slightly needed	278	0.266	257	0.257	0.009	0.038	0.247	0.805
		Greatly needed	278	0.277	257	0.265	0.012	0.038	0.322	0.747
	Review government and audit regulations to be compatible with digital payments and transactions	Not needed	278	0.234	257	0.241	-0.007	0.037	-0.202	0.840
		Slightly needed	278	0.291	257	0.245	0.046	0.038	1.205	0.228
		Greatly needed	278	0.259	257	0.257	0.002	0.038	0.058	0.954
	Payment deferrals (taxes, land use fees, social security contributions)	Not needed	278	0.212	257	0.206	0.006	0.035	0.171	0.865
		Slightly needed	278	0.255	257	0.191	0.065	0.036	1.793	0.073
		Greatly needed	278	0.309	257	0.354	-0.045	0.041	-1.099	0.272
Reductions or exemptions of taxes and land use fees	Not needed	278	0.191	257	0.206	-0.016	0.034	-0.452	0.652	
	Slightly needed	278	0.252	257	0.187	0.065	0.036	1.812	0.070	
	Greatly needed	278	0.371	257	0.374	-0.003	0.042	-0.073	0.942	

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

VARIABLE		MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z	
		(N)	MEAN	(N)	MEAN					
	More supportive and accessible childcare policies for workers with children	Not needed	278	0.245	257	0.261	-0.016	0.038	-0.428	0.668
		Slightly needed	278	0.245	257	0.210	0.034	0.036	0.950	0.342
		Greatly needed	278	0.255	257	0.261	-0.005	0.038	-0.140	0.889
View of management	Effective-ness of the current policy support would be improved through better communication.	Disagree	278	0.126	257	0.070	0.056	0.026	2.161	0.031
		Neutral	278	0.378	257	0.319	0.059	0.041	1.421	0.155
		Agree	278	0.496	257	0.611	-0.114	0.043	-2.660	0.008
	Ease of access to existing government programs should be improved by integrating gender components into the programs' planning and design.	Disagree	278	0.112	257	0.070	0.041	0.025	1.662	0.097
		Neutral	278	0.525	257	0.428	0.097	0.043	2.248	0.025
		Agree	278	0.363	257	0.502	-0.139	0.043	-3.236	0.001
	Policies to assist firms should be targeted based on the gender of the owner/ leader of the business.	Disagree	278	0.158	257	0.152	0.007	0.031	0.208	0.835
		Neutral	278	0.478	257	0.471	0.008	0.043	0.176	0.860
		Agree	278	0.363	257	0.377	-0.014	0.042	-0.338	0.735
	The firm should be able to quickly change its focus and business strategy during a crisis like Covid-19.	Disagree	278	0.115	257	0.051	0.065	0.024	2.686	0.007
		Neutral	278	0.342	257	0.319	0.023	0.041	0.557	0.578
		Agree	278	0.543	257	0.630	-0.087	0.043	-2.045	0.041
	Business networks are important for firm survival during a crisis like Covid-19.	Disagree	278	0.108	257	0.039	0.069	0.023	3.032	0.002
		Neutral	278	0.320	257	0.288	0.032	0.040	0.809	0.419
		Agree	278	0.572	257	0.673	-0.101	0.042	-2.410	0.016
	Strategic alliances with other firms is important for firm survival during a crisis like Covid-19.	Disagree	278	0.119	257	0.051	0.068	0.024	2.808	0.005
		Neutral	278	0.345	257	0.346	-0.001	0.041	-0.024	0.981
		Agree	278	0.536	257	0.603	-0.067	0.043	-1.566	0.117
	Having business partners of the same gender (e.g. in the supply chain) is preferable.	Disagree	278	0.277	257	0.272	0.005	0.039	0.119	0.905
		Neutral	278	0.428	257	0.447	-0.019	0.043	-0.452	0.651
		Agree	278	0.295	257	0.280	0.015	0.039	0.378	0.705
		Disagree	278	0.122	257	0.051	0.072	0.024	2.928	0.003

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

VARIABLE		MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z	
		(N)	MEAN	(N)	MEAN					
	There will be a "new normal" for conducting business following the pandemic. Online selling will become part or will continue to become part of the business' strategy even after the pandemic.	Neutral	278	0.313	257	0.319	-0.006	0.040	-0.152	0.879
		Agree	278	0.565	257	0.630	-0.066	0.042	-1.545	0.122
Utilization of internet since the start of the pandemic		Started during the pandemic	278	0.367	257	0.304	0.063	0.041	1.551	0.121
		Increased using since the pandemic	278	0.424	257	0.490	-0.066	0.043	-1.527	0.127
		Not using/starting internet	278	0.158	257	0.156	0.003	0.031	0.084	0.933
Digitization for Business Function	Online selling through social media	Not using	278	0.176	257	0.125	0.052	0.031	1.668	0.095
		Started since the pandemic	278	0.338	257	0.253	0.085	0.040	2.155	0.031
		Strengthened during the pandemic	278	0.406	257	0.556	-0.150	0.043	-3.469	0.001
Paying business' bills through online banking		Not using	278	0.266	257	0.265	0.002	0.038	0.042	0.967
		Started since the pandemic	278	0.338	257	0.210	0.128	0.039	3.307	0.001
		Strengthened during the pandemic	278	0.288	257	0.377	-0.090	0.041	-2.202	0.028
Joining online communities to gain new clients		Not using	278	0.252	257	0.261	-0.009	0.038	-0.236	0.814
		Started since the pandemic	278	0.331	257	0.261	0.070	0.040	1.776	0.076
		Strengthened during the pandemic	278	0.317	257	0.354	-0.038	0.041	-0.919	0.358

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

		MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z
VARIABLE	CATEGORY	(N)	MEAN	(N)	MEAN				
Online selling through digital platforms	Not using	278	0.230	257	0.257	-0.027	0.037	-0.717	0.474
	Started since the pandemic	278	0.331	257	0.257	0.074	0.039	1.878	0.060
	Strengthened during the pandemic	278	0.342	257	0.350	-0.008	0.041	-0.206	0.837
Workers working from home	Not using	278	0.360	257	0.370	-0.010	0.042	-0.239	0.811
	Started since the pandemic	278	0.273	257	0.222	0.052	0.037	1.379	0.168
	Strengthened during the pandemic	278	0.173	257	0.183	-0.010	0.033	-0.309	0.757
Paying online ads	Not using	278	0.421	257	0.451	-0.030	0.043	-0.711	0.477
	Started since the pandemic	278	0.227	257	0.160	0.067	0.034	1.959	0.050
	Strengthened during the pandemic	278	0.194	257	0.237	-0.043	0.036	-1.213	0.225
Made sales through specific website	Not using	278	0.468	257	0.529	-0.062	0.043	-1.423	0.155
	Started since the pandemic	278	0.234	257	0.140	0.094	0.034	2.768	0.006
	Strengthened during the pandemic	278	0.162	257	0.179	-0.017	0.033	-0.527	0.599
Participated in govt's digitization training programs	Not using	278	0.385	257	0.409	-0.024	0.042	-0.559	0.576
	Started since the pandemic	278	0.263	257	0.210	0.052	0.037	1.425	0.154
	Strengthened during the pandemic	278	0.216	257	0.226	-0.010	0.036	-0.275	0.784

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

VARIABLE		MEN		WOMEN		DIFF.	SE	Z-VALUE	P> Z	
		(N)	MEAN	(N)	MEAN					
Reason for not getting government programs	Unaware of the programs	Disagree	217	0.244	173	0.277	-0.033	0.045	-0.744	0.457
		Neutral	217	0.396	173	0.306	0.090	0.049	1.843	0.065
		Agree	217	0.359	173	0.416	-0.057	0.050	-1.144	0.253
	High transportation cost	Disagree	204	0.368	163	0.472	-0.105	0.052	-2.024	0.043
		Neutral	204	0.422	163	0.362	0.060	0.051	1.161	0.246
		Agree	204	0.211	163	0.166	0.045	0.041	1.094	0.274
	Complicated requirements	Disagree	216	0.185	172	0.267	-0.082	0.042	-1.938	0.053
		Neutral	216	0.347	172	0.279	0.068	0.048	1.433	0.152
		Agree	216	0.468	172	0.453	0.014	0.051	0.277	0.782
	Poor public services (no assistance)	Disagree	218	0.216	169	0.272	-0.057	0.044	-1.292	0.196
		Neutral	218	0.427	169	0.408	0.018	0.051	0.362	0.717
		Agree	218	0.358	169	0.320	0.038	0.049	0.788	0.431
	Poor internet connection	Disagree	212	0.373	170	0.412	-0.039	0.050	-0.779	0.436
		Neutral	212	0.415	170	0.324	0.092	0.050	1.838	0.066
		Agree	212	0.212	170	0.265	-0.052	0.044	-1.200	0.230
	Worried to go out during the pandemic	Disagree	218	0.275	170	0.312	-0.037	0.046	-0.786	0.432
		Neutral	218	0.349	170	0.294	0.055	0.048	1.138	0.255
		Agree	218	0.376	170	0.394	-0.018	0.050	-0.361	0.718
Not eligible	Disagree	212	0.302	170	0.329	-0.028	0.048	-0.576	0.565	
	Neutral	212	0.382	170	0.347	0.035	0.050	0.706	0.480	
	Agree	212	0.316	170	0.324	-0.007	0.048	-0.156	0.876	
No need of supports/programs	Disagree	208	0.558	165	0.539	0.018	0.052	0.353	0.724	
	Neutral	208	0.308	165	0.321	-0.014	0.048	-0.280	0.780	
	Agree	208	0.135	165	0.139	-0.005	0.036	-0.133	0.894	

T-test for Various Variables

Difference = Proportion(Men-owned MSMEs) – Proportion(Women-owned MSMEs)

Ho : Difference = 0

VARIABLE	OBSERVATION		MEAN		DIFF.	SE	T-VALUE	P> T
	MEN-OWNED	WOMEN-OWNED	MEN-OWNED	WOMEN-OWNED				
Number of full-time workers	278	257	4.02	5.95	-1.932	1.742	-1.1	0.268
Number of total workers	278	257	5.92	7.20	-1.274	2.011	-0.65	0.526
Percentage of online sales	278	257	47.81	49.65	-1.833	2.829	-0.65	0.517
Age of the respondent	278	257	29.72	31.63	-1.904	0.806	-2.35	0.018
View of Management								
Effectiveness of the current policy support would be improved through better communication.	278	257	3.30	3.59	-0.234	0.086	-2.7	0.007
Ease of access to existing government programs should be improved by integrating gender components into the programs' planning and design.	278	257	3.23	3.29	-0.289	0.08	-3.65	0.001
Policies to assist firms should be targeted based on the gender of the owner/leader of the business.	278	257	3.58	3.86	-0.061	0.085	-0.75	0.467
The firm should be able to quickly change its focus and business strategy during a crisis like COVID-19.	278	257	3.63	3.94	-0.274	0.088	-3.1	0.002
Business networks are important for firm survival during a crisis like COVID-19.	278	257	3.56	3.79	-0.308	0.088	-3.5	0.001
Strategic alliances with other firms is important for firm survival during a crisis like COVID-19.	278	257	2.98	2.99	-0.229	0.089	-2.55	0.011
Having business partners of the same gender (e.g. in the supply chain) is preferable.	278	257	3.60	3.84	-0.014	0.095	-0.15	0.887
There will be a "new normal" for conducting business following the pandemic. Online selling will become part or will continue to become part of the business' strategy even after the pandemic.	278	257			-0.243	0.088	-2.75	0.007
Reasons of Not Getting the programs								
Unaware of programs	217	173	2.75	2.56	0.01	0.116	0.1	0.932

MEN- AND WOMEN-OWNED/LED MSMEs AND THE COVID-19 POLICY RESPONSES IN INDONESIA

VARIABLE	OBSERVATION		MEAN		DIFF.	SE	T-VALUE	P> T
	MEN-OWNED	WOMEN-OWNED	MEN-OWNED	WOMEN-OWNED				
High transportation costs	204	163	3.37	3.26	0.192	0.108	1.8	0.076
Complicated requirements	216	172	3.19	3.08	0.115	0.12	0.95	0.341
Poor public services (no assistance)	218	169	2.78	2.71	0.11	0.111	1	0.324
Poor internet connection	212	170	3.13	3.09	0.072	0.114	0.65	0.53
Worried to go out due to pandemic	218	170	2.98	2.95	0.039	0.121	0.3	0.749
Not eligible (documents incomplete)	212	170	2.31	2.36	0.028	0.12	0.25	0.815
No need of supports/programs	208	165	4.02	5.95	-0.045	0.118	-0.4	0.702