



Development Model Micro, Small and Medium Enterprise

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ABSTRACT

Purpose: Analyzing problems about the factors that influence the development of SMEs in Mandailing Natal. Finding the right model to develop MSMEs in Mandailing Natal.

Design/Method/Approach: This research using a qualitative-quantitative approach, with the Analytic method Network Processing (ANP).

Findings: The factors that influence the development of MSMEs in Mandailing Natal Regency are human resources, community culture, business management, regulation, competitiveness, capital, and marketing.

Originality/Values: Appropriate model to develop MSME in Mandailing Natal district is One Village One Product (OVOP) model based on triple Helix and application of Triple-T Technology Revolution.

INTRODUCTION

One method that can develop economy, particularly in district area is through development of Micro, Small and Medium Enterprise (MSME). MSME have great contribution as a national economic pillar. It's caused by MSME sector can pervade high amounts of labor and have a high flexibility to develop, but it has to compete with company which uses capital intensive. MSME existences proved to stand as economic driver when crisis occur. Nevertheless, MSME have lots of limitations and need greater attention and support to be directed business link.

The problems that MSME faced are: (1) limitation of working capital, (2) low quality of Human Resource (HR), (3) low productivity, (4) low quality products, and (5) minimal application in science and technology. The most prominent problem that MSME faced are the low productivity levels, lack of added value, and low product's quality. Although, with all of that limitations, MSME still have a great role to state revenue by contributing 61.9 percent of GDP income through tax payments, which are: micro business contributing in 36,28 percent of GDP, small business contributing in 10,9 percent, and middle business contributing in 38,1 percent of GDP through tax payments. Meanwhile, the large business only contributing 38,1 percent of GDP through tax payments. It's caused by MSMEs provide employment for most workers, although they still have a low contribution to national output. In particular, if the wage standard is used as an indicator of productivity, then the average wage of micro and small enterprises is generally below the minimum wage. This condition reflects that the productivity of the micro and small sector is lower when compared to other business sectors.

These problems also occur in MSME of Mandailing Natal district at North Sumatra Province. Based on economic structure, excellent potency of Mandailing Natal district is on tertiary sector which contributing in almost 66,80 percent and still increasing. Whereas, primary sector (in this case, MSME) only contributing in mean 15,09 percent per year, and keep decreasing, although this sector becoming one of economic pillar to most of citizens in Mandailing Natal district. Economy in Mandailing Natal district in 2019 grows 5,79 percent compared with a year before. Based on production approach, highest grow contributed by wholesale and retail trade; repair of cars and motorcycles by 7.26 percent. Then followed by the business field of providing accommodation and food and drink with an achievement of 6.29 percent while the processing industry business field was recorded at 6.19 percent.¹

¹ "Mandailing Natal Dalam Angka," 2020, www.bpsmandailingnatal.go.id.

Business sector that have dominant role on Mandailing Natal district's GDP were: agriculture, forestry and fishery sectors by 43.63 percent; wholesale and retail trade; repair of cars and motorcycles by 14.23 percent and the construction sector by 13.25 percent. Meanwhile, in terms of expenditure, household consumption gave the largest contribution at 64.24 percent, then the import component of goods and services was 37.06 percent and the export component was 28.59 percent. Based on these numbers, in general, the poverty rate in Mandailing Natal district also experienced a downward trend in the 2007-2019 periods, both in terms of numbers and in terms of percentages. Since 2007, the poverty rate has decreased the lowest until 2014, which was 9.28 percent, and then increased in the next following year.²

Based on the results of the National Socio-Economic Survey in March 2018 showed that the number of poor people in Mandailing Natal district was 42.39 thousand people or 9.58 percent of the total population. This condition is better than the condition in March 2017 of 48.30 thousand people or 11.02 percent. Thus, there was a decrease in the number of poor people by 5.91 thousand people and a decrease in the percentage of poor people by 1.44 percent. Even though the percentage of poverty has decreased, it is still necessary to increase the competitiveness of MSME as the driving force of the community's economy. In this case, cooperation between various related elements is still needed, the government, practitioners, the MSME community, and academics. (*Mandailing Natal Dalam Angka*, 2020)

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Based on the results of researcher interviews with various peoples, among the factors causing the low productivity of MSMEs, especially in Mandailing Natal district, are the low level of mastery of technology, slow entrepreneurial abilities, lack of capital, lack of competitiveness, and poor management systems. Although so far, many people's have made various efforts to develop MSME, the partial efforts have not yet provided maximum results for improving MSME performance. Therefore, it is necessary to find appropriate models for the development of MSMEs, especially in the Mandailing Natal district. Thus, MSME may have a small size, but have a large productivity so that it will have a big impact on improving people's welfare⁴.

² "Mandailing Natal Dalam Angka."

³ "Mandailing Natal Dalam Angka."

⁴ Hazik Mohamed, "Empowering the Poor and Enhancing Financial Inclusion from a Multidimensional Perspective," in *Enhancing Financial Inclusion through Islamic Finance, Volume I*,

MATERIALS

Islam teaches every Muslim to maintain a balance between pursuing the benefit of the world and the happiness of the hereafter; this is as the word of Allah SWT in the Qur'an surah al-Baqarah verse 201. On the other hand, Allah swt has given the mandate to mankind to become leaders on earth, as stated in the Qur'an surah al-Qashah verse 77 and surah al-Kahf verses 103-104. These verses show that the economic philosophy in Islam must side with efforts to carry out economic activities by sticking to Allah's commands and prohibitions.

Islam is very concerned about the problem of economic development, but puts more emphasis on human development. Because the main function of Islam is to guide people on the right path and the right direction. Therefore, in the context of economic development, Islam teaches that taking care of the weak is an obligation of the state/government. Thus, the government has a role to develop all potentials related to human economic development efforts. So that humans are able to meet the needs of life. One of the sectors that absorb the most labor is the Micro, Small and Medium Enterprises (MSME) sector⁵.

So far, the government has been too much supporting big industries only, but the crisis that hit Indonesia in 1998 which caused many big industries to go bankrupt has made the government aware that there has been an imbalance in the business structure. Currently, there is euphoria in the development of small and medium enterprises, both at the city and in the districts. Many things have been done, especially by the government, for example through disbursement of funds, mentoring programs, training, and empowerment. This will have an impact on various parties. Where the community can enjoy the availability of jobs and the government can also enjoy economic performance in the form of an increase in Gross Domestic Product (GDP).

MSME Development Models

One Village One Product (OVOP) model with Triple Helix. OVOP is an effort made by the community in an integrated manner in increasing public awareness of the potential and wealth of the region, increasing the income of

ed. Abdelrahman Elzahi Saaid Ali, Khalifa Mohamed Ali, and Muhammad Khaleequzzaman, *Perbankan, Keuangan, Dan Ekonomi Islam* (Cham: Springer International Publishing, 2020), 13–38, https://doi.org/10.1007/978-3-030-39935-1_2.

⁵ Rahmawati et al., “Financial Inclusion Disclosure in Islamic Microfinance: The Case of Baitul Mal Wa Tamwil,” in *Enhancing Financial Inclusion through Islamic Finance, Volume II*, ed. Abdelrahman Elzahi Saaid Ali, Khalifa Mohamed Ali, and Mohamed Hassan Azrag, *Perbankan, Keuangan, Dan Ekonomi Islam* (Cham: Springer International Publishing, 2020), 137–60, https://doi.org/10.1007/978-3-030-39939-9_5.

business actors and the community, and increasing confidence in the abilities of the community. The OVOP model is an approach to developing regional potential in one region to produce a product with global quality, but has unique regional characteristics by utilizing local resources. OVOP was first coined by Morihiko Hiramatsu. Initially, this method was used to alleviate the poverty of its citizens by applying the concept of regional development called the OVOP movement⁶. According to, the development of OVOP in rural areas needs to pay attention to the involvement of various parties which is called the Triple Helix. The triple helix concept includes A (academician), B (businessman), and G (government)⁷. The triple helix is one of the solutions to the problems faced by MSME, so that mutual collaboration between the parties is created. Thus, a more open and mutually beneficial relationship can be established between academia, government, and business actors⁸.

One of the models used to diagnose small industries is the Precom (Pre-Commercialization) model or marketing reflection. This model is supported by systematic analysis tools (e.g functional analysis, process analysis and strategy analysis). Diagnosis made through this model is absolutely necessary for MSME in identifying the characteristics of the products that produced. Identification can be done, in the form of; (a) identification of the advantages possessed or other advantages that are still possible to be developed, (b) market share that has been and has not been entered (identification of development opportunities and other capabilities required), (c) type of technology used (optimization the use of technology must be adapted to the characteristics of the MSME), (d) access to the raw materials used (including the obstacles faced and possible solutions), (e) the capital used (optimization of the need for capital must be adjusted to market opportunities), (f) managerial management (book-keeping, organization, documentation, etc.). If the diagnosis is done well, it will produce a small industry typology based on its development opportunities. So that, from this typology a more specific development strategy can be drawn up for these MSME. If the desired development strategy (what and when it will be achieved)

⁶ Ita Rakhmawati, "Pemberdayaan UMKM Berbasis 'One Village One Product' Sebagai Gerakan Ekonomi Kerakyatan Pada Industri Logam Desa Hadipolo Kudus," *BISNIS: Jurnal Bisnis Dan Manajemen Islam* 7, no. 1 (2019): 17–30.

⁷ Zul Asfi Arroyhan Daulay, "Strategi Pengembangan Ekonomi Kreatif Dengan Metode Triple Helix (Studi Pada UMKM Kreatif Di Kota Medan)," *TANSIQ: Jurnal Manajemen Dan Bisnis Islam* 1, no. 1 (2018).

⁸ Delima Lubis, "Pemberdayaan UMKM Melalui Lembaga Keuangan Syariah Sebagai Upaya Pengentasan Kemiskinan Kota Padangsidempuan," *At-Tijaroh: Jurnal Ilmu Manajemen Dan Bisnis Islam* 2, no. 2 (2016): 270–85.

is clear, the coaching program provided by the government will certainly be more targeted ⁹.

The model uses the scientific method with strategic management in problem solving. A theory will be a reference and direction in solving a problem, so that the results of the solution are expected to be in accordance with the goals set. Thus, the problem will be more applicable, effective and efficient. This model is carried out through analysis carried out on internal and external conditions using the BCG matrix of the company's products. The vertical axis in the BCG matrix describes a market growth rate while the horizontal axis shows the relative market share. The matrix is then divided into four quadrants, where the relative market share level consists of two categories, which are high and low. Meanwhile, the level of relative market share is also divided into two categories, which are high and low. One of the benefits of using the BCG matrix for the company is that it can identify where and how the product is in the market. So that companies can take the right actions and strategies for their products. Based on the BCG matrix that has been formulated, strategies and possible competitive steps can then be drawn up. This can be done based on the conditions and characteristics of each quadrant in each matrix ¹⁰.

Triple-T Technology Revolution is a term used to describe the condition of globalization which is influenced by advances in science and technology, especially telecommunications technology, transportation and traveling/tourism. Globalization has a major influence on the strategy of companies/MSME. Among these influences, it is stated that globalization causes changes in socio-cultural, economic, political conditions, preferences, tastes, and even human behavior. Changes in human life require every company to make changes to the production process, marketing process, to financial and accounting standards ¹¹. Changes that occur in the company will certainly have an impact on the increasingly fierce competition in the world of trade (including for MSME). The competition that occurs in the end becomes global competition or mega competition, so that the world seems to be narrow. In the end, global competition requires companies and business actors to start thinking and have a

⁹ Giri Dwinanda and Yuswari Nur, "Bauran Pemasaran 7p Dalam Mempengaruhi Keputusan Pembelian Konsumen Pada Industri Retail Giant Ekspres Makassar," *Jurnal Mirai Management* 5, no. 3 (2020): 120–36.

¹⁰ NAZARUDIN RAHMAN, "Manajemen Strategik" (Noer Fikri Offset, 2020).

¹¹ Karisa Zeisha Sahela, Riana Susanti, and Askardiya Radmoyo Adjie, "The Influence of Government Dimension on Financial Education and Empowerment of Micro-, Small- and Medium-Sized Enterprises in Indonesia," *The Journal of Asian Finance, Economics and Business* 8, no. 3 (2021): 637–43, <https://doi.org/10.13106/jafeb.2021.vol8.no3.0637>.

global perspective. Therefore, if a business is narrow-minded, it will cause its market share to be narrow or even be thrown out of the market. At the level of global competition, multinational companies can apply a centralized global strategy, multidomestic strategy or regionalization or decentralization strategy and or the company must have a competitive advantage. For companies that implement a global strategy, they can centralize their products. This means that products produced and marketed throughout the world are made the same or relatively the same. This assumes that customer characteristics are considered relatively the same due to the triple-T technology revolution which causes life or lifestyle in one place to be imitated in another. In addition, companies can also carry out centralized management. For companies that implement a global strategy, of course, it must be supported by complete and adequate infrastructure. Multidomestic strategy, meaning that the company can decentralize both those related to control, marketing, product and production. This is done with the assumption that each country or each region has different characteristics so that different strategies are needed. This multidomestic strategy is more realistic and more applicable when compared to the global strategy. The multidomestic strategy has advantages that the global strategy does not have, which is the company can take the comparative advantage of each country. So, companies that implement a multidomestic strategy will be able to combine competitive advantages with the comparative advantages of each country. Multidomestic strategy is more likely to get a large market share and will have a relatively low price and high competitiveness¹²

Joint Venture (Partnership) usually formed with a partnership agreement between foreign investors and domestic investors to establish a local company in which each party is entitled to ownership and control of the company and is burdened with risk sharing. Foreign investors usually have superior knowledge, technology and production processes, but face limitations in terms of financial, physical, managerial resources and local market knowledge¹³. Some considerations when forming a joint venture are; (a) can take advantage of the special expertise of local partners, (b) open opportunities to access distribution systems in local markets, (c) avoid government prohibitions on full ownership by foreign parties, (d) Overcome limited financial resources, human resources and raw materials to develop activities at the international level, (e) Offer new

¹² Mokhammad Taufik and Hartono Hartono, "Model Pengembangan Usaha Kecil Menengah Berbasis Potensi Ekonomi Masyarakat," *Wiga: Jurnal Penelitian Ilmu Ekonomi* 1, no. 1 (2011): 1–12.

¹³ Aan Zainul Anwar et al., "Integrated Financing Model in Islamic Microfinance Institutions for Agriculture and Fisheries Sector," *Investment Management and Financial Innovations* 16, no. 4 (December 20, 2019): 303–14, [https://doi.org/10.21511/imfi.16\(4\).2019.26](https://doi.org/10.21511/imfi.16(4).2019.26).

and more potential and attractive markets, (f) Build an export base in the local area. The weakness of this joint venture is the opportunity for conflict of interest in making investment policies and hinders the uniform application of manufacturing and marketing policies throughout the world ¹⁴.

METHODS

This research is a policy research that aims to explore various factors that influence the development of MSME and determine the right strategy for developing MSME in order to provide policy recommendations for development. This study uses a qualitative-quantitative approach, with the Analytic Network Process (ANP) method. ANP is a method that allows a person to make decisions based on multiple criteria (multiple criteria decision making). The data used in the form of primary data using in-depth interview techniques, and focus group discussions (FGD), then the formation of the ANP questionnaire was asked again to the informants. Interviews, FGDs and questionnaires were conducted on experts from the Cooperatives and SMEs office of Mandailing Natal district as regulators, practitioners (Mrs. Rd. Nurlailasari as Head of MSMEs at the Padang Sidempuan) cooperative and SME office academics (Ms. Nofinawati, MA as lecturer who is also in business, and MSME actors who are considered to understand the problem). The number of research informants is 10 people, include: 3 practitioners, 1 academician, 1 expert, and 5 business people. All of these research informants also filled out a comparison questionnaire proposed by the researcher. Respondent's selection in this study was carried out intentionally by considering the respondent understands of the problems of MSME in Mandailing Natal district.

ANP is a mathematical theory that able to analyze the influence with an approach of assumptions to solve various forms of problems, including the problem of MSME in Mandailing Natal district. This method is used with consideration of the adjustment of complexity by unraveling the problems faced by MSME. Furthermore, a priority scale measurement is carried out which will produce the greatest priority influence in MSMEs. This method has advantages over other methods, because it is able to assist decision makers in making measurements and factors in a hierarchy or network. In the ANP analysis, the number of informants is not used as a benchmark for validity, because the validity of the respondents is measured by their level of expertise on the problem. The questions in the ANP questionnaire are in the form of pair wise comparisons between elements in the cluster to find out which of the two has a

¹⁴ Osmad Muthaher and Mohammad Assegaf, "Model Pengembangan Inovasi Teknologi Dan Kelembagaan Kemitraan Rantai Pasok Guna Meningkatkan Daya Saing UKM," *Jurnal Ekonomi Dan Bisnis* 15, no. 1 (2014): 62–73.

more dominant influence and how much influence it has when viewed from one side. The numerical scale of 1-9 used is a translation of the verbal assessment. The researcher always accompanies filling out the questionnaire by the informant to maintain the consistency of the answers given. In general, the number of questions on the ANP questionnaire is very large, so non-technical factors can cause high levels of inconsistency.

The steps that must be taken to analyze data in the ANP method are: (1) conducting in-depth interviews about the problems studied to experts, practitioners, academics, and MSME actors who are considered to understand and master the problem comprehensively. (2) Perform decomposition to identify, analyze, and structure the complexity of the problem into the ANP network. (3) Compiling a pair wise comparison questionnaire based on the ANP network that has been created. (4) Conduct re-interviews with experts, practitioners, and academics. (5) Synthesize and process data using ANP software, which is super decisions. (6) Analyze and submit recommendations.

The ANP method has three basic principles, include: (1) decomposition, made to structure complex problems by forming a hierarchical framework or cluster network, sub-clusters or sub-sub-clusters. (2) The principle of comparative assessment is applied to build a pair wise comparison of all combinations of elements in the cluster viewed from the primary cluster. This comparison is used to get the local priority of each element in a cluster seen from the primary cluster. (3) The principle of hierarchical composition or synthesis is applied to multiply the local priority of the elements in the cluster ¹⁵.

RESULTS AND DISCUSSION

Based on the results of interviews with informants, some of the MSME problems found in Mandailing Natal district, are; (1) Human Resources Problems, this problem occurs due to several factors that influence it. The most influencing factors are limited human resources, lack of managerial ability, low professionalism and lack of organizational ability and awareness. (2) Problems with Community Culture, Community culture is one of the problems in developing MSME in Mandailing Natal district. The culture in question includes the low interest in community innovation, tends to be apathetic in accepting change, and is less interested in globalization and modernization. (3) Management Problems, the informants agreed that there are several management problems in the development of MSME that urgently need to be resolved. These problems include; tend to maintain the traditional system, lack

¹⁵ Henry Tanjung and Abrista Devi, *Metodologi Penelitian Ekonomi Islam* (Jakarta: Grutama, 2013).

the ability to cooperate with other parties, and lack the ability to manage the business. (4) Regulatory problems, MSMEs will not be able to grow well, if without government intervention, especially in terms of increasing their competitive ability. Increasing the ability to compete in this case, does not mean the ability to compete with big industries. However, it is more about the ability to predict the business environment and the ability to anticipate changes that may occur in that environment. (5) Competitiveness Problems, low competitiveness because the innovations carried out have not been maximized and the start of free trade has led to the development of MSME. (6) Capital Problems, it is undeniable that small businesses in Indonesia experience capital constraints. However, this obstacle is caused more by the way of thinking and lack of understanding in dealing with the financial sectors or the owners of capital. To obtain capital, it is necessary to have account table records and discipline in returns. It is this misunderstanding that keeps many small businesses locked in a small and dark business space. In fact, by opening a few windows, they can get guidance that changes their business life. So, for small businesses, it is recommended to cooperate with financial institutions. In other words, don't just come to them when you're in need of funds because you're in trouble. Come to them to develop your business.

The same thing was also conveyed by Tulus T.H. Tambunan that the results of the BPS survey of entrepreneurs' show that the most common problems are limited capital and difficulties in marketing. One of the interesting things from the results of this survey is that the limitations of human resources and modern technology are not a serious problem for many entrepreneurs. In other terms, the majority of entrepreneurs do not feel that the quality of workers and the level of technology in the form of the types of machines and production tools they have are obstacles to the development of their businesses. In fact, it is often said that the limitations of these two important factors are one of the causes of the low performance or competitiveness of SME ¹⁶.

The solutions offered by informants from various problems of developing MSMEs in Mandailing Natal district based on the problems above, are:

Table 1. Summary of Aspects of Problems and Solutions

Aspects	Problems	Solutions
Human Resources	a. Lack of managerial and accounting abilities b. Low human resource	a. Need managerial training and financial management b. Providing various kinds of

¹⁶ Tulus Tambunan, *Perkembangan Industri Skala Kecil Di Indonesia* (Jakarta: PT. Mutia Sumber Widyaa, n.d.).

		professionalism	appropriate training
	c.	Limited human resources	c. Minimize HR limitations
	d.	Lack of organizational ability and awareness	d. Gather business actors in business groups
Community Culture	a.	Low interest in community innovation	a. Explore the potential and innovation of the community
	b.	Tend to be apathetic in accepting change	b. Involve business actors with the outside world
	c.	Less interested in globalization and modernization	c. Provide an understanding of the importance of globalization and modernization
Management	a.	Tend to maintain the traditional system	a. Need to be familiar with modern systems
	b.	Lack of ability to cooperate with other parties	b. Collaborate with other parties
	c.	Lack of ability to manage business	c. Providing financial management training
Regulation	a.	The government has not been able to provide maximum assistance	a. Complete assistance
	b.	Job rotation that is too frequent, so the policies are less directed	b. Careful consideration is needed when rotating job
Competitiveness	a.	Low competitiveness because innovation has not been maximized	a. Increase competitiveness through innovation
	b.	Initiation of free trade	b. Be prepared for the free market
Capital	a.	Unclear capital and financial system between business and personal	a. Need good business financial management
	b.	Relatively minimal capital	b. Cooperation with financial institutions
Market	a.	Marketing system that is not maximized	a. Enter all business segments
	b.	Low competitiveness making it difficult to enter the market	b. Improve product quality
	c.	The number of competitors with almost the same type of goods	c. Build a product brand image

Based on the identification of problems and solutions submitted by the informants, it is possible to form an ANP network structure for the strategy of determining the right model for the development of MSME in Mandailing Natal district. The structure shows that the network relationships between clusters and nodes are connected and interdependent. Nodes in one cluster can affect other nodes in the same cluster (inner dependence) and in other clusters (outer dependence) by paying attention to the nodes.

Then, the data obtained from filling out the questionnaire is then processed with the application of super decision and Microsoft Excel to find the best priority. The following is presented in the table.

Table 2. Problem Aspect Result Data

Problem aspect	Respondents number	Priority
Human resource aspect		
Lack of managerial and accounting abilities	0,3412	3
Low human resource professionalism	0,3998	1
Limited human resources	0,3865	2
Lack of organizational ability and awareness	0,2135	4
Community culture aspect		
Low interest in community innovation	0,3674	1
Tend to be apathetic in accepting change	0,2329	3
Less interested in globalization and modernization	0,3571	2
Management aspect		
Tend to maintain the traditional system	0,5312	1
Lack of ability to cooperate with other parties	0,2370	2
Lack of ability to manage business	0,2312	3
Regulation aspect		
The government has not been able to provide maximum assistance	0,5213	1
Job rotation that is too frequent, so the policies are less directed	0,2086	2
Competitiveness aspect		
Low competitiveness because innovation has not been maximized	0,4263	1
Initiation of free trade	0,3112	2
Capital aspect		
Unclear capital and financial system between business and personal	0,4784	1

Relatively minimal capital	0,3861	2
Market aspect		
Marketing system that is not maximized	0,3159	2
Low competitiveness making it difficult to enter the market	0,3420	1
The number of competitors with almost the same type of goods	0,2999	3

Based on table 2, the results of the ANP calculation based on the results of in-depth interviews and filling out questionnaires covering the priority problems and priorities for each factor that affect the empowerment of MSME in Mandailing Natal district, it was found that the priority of MSME development problems is the management aspect (tends to maintain the traditional system) with a respondent value of 0.5312, then the regulatory aspect (the government has not been able to provide maximum assistance) with a respondent value of 0.5213. While the lowest is the regulatory aspect (too frequent job rotation, so the policy is less focused) with a respondent value of 0.2086.

Table 3. Solution Aspect Result Data

Solution aspect	Respondents number	Priority
Human resources aspect		
Need managerial training and financial management	0,2412	3
Providing various kinds of appropriate training	0,3198	1
Minimize HR limitations	0,2815	2
Gather business actors in business groups	0,2235	4
Community culture aspect		
Explore the potential and innovation of the community	0,2671	2
Involve business actors with the outside world	0,2229	3
Provide an understanding of the importance of globalization and modernization	0,3071	1
Management aspect		
Need to be familiar with modern systems	0,4612	1
Collaborate with other parties	0,3310	2
Providing financial management training	0,2512	3
Regulation aspect		
Complete assistance	0,4213	1

Careful consideration is needed when rotating job	0,2886	2
Competitiveness aspect		
Increase competitiveness through innovation	0,3243	1
Be prepared for the free market	0,4102	2
Capital aspect		
Need good business financial management	0,3784	2
Cooperation with financial institutions	0,3861	1
Market aspect		
Enter all business segments	0,3059	2
Improve product quality	0,3720	1
Build a product brand image	0,2949	3

Based on the results of data processing in table 3, it is concluded that from the solution aspect it was found that the management aspect (Introduce to modern systems) is the highest aspect with a respondent value of 0.4612. And the lowest is the aspect of community culture (Involve business actors with the outside world) with the respondent's value is 0.229.

Appropriate MSME Development Models

Based on the study and the results of data processing, it can be seen that the right model for the development of MSME in Mandailing Natal district is One Village One Product (OVOP) based on triple Helix, by applying the Triple-T Technology Revolution. OVOP is a movement carried out by the community which is an integrative effort to increase public awareness of the potential and wealth of the region. With the aim of increasing the income of business actors, the community, and at the same time increasing self-confidence and pride in the abilities of the people of an area. Natural resources or products can be extracted and developed to produce high value products according to market requirements and demands.

The development of OVOP in the districts needs to pay attention to aspects of the interrelationship of various parties, which is called the triple helix, including A (academician), B (businessman), and G (government). Triple helix is one solution to the problems faced by business people so as to create mutualism between the three parties involved in it. Thus, it is hoped that a more open and mutually beneficial relationship will be carried out between academics and the government, academics and business people, and business people with the government. In the triple helix, the research results of higher education academics are expected not only to serve the needs of science, but also as a solution to government problems in determining various policies and regulations related to society.

The government needs to provide a positive stimulus that can stimulate business growth and development as well as encourage the creation of a conducive business atmosphere. On the other hand, the industry also has an obligation to contribute in creating a good business climate, such as implementing business ethics, committing to corporate social responsibility (CSR), and being a partner of the government in supporting national economic growth. To balance the roles of the three parties, which are academics, government, and MSME that are sustainable and dynamic, it is hoped that they will be open-minded and try to do their best for the common wealth. The three parties certainly cannot move on their own, therefore synergistic and balanced cooperation is needed.

With a clear division of roles from each stakeholder, good planning, and a shared commitment to strengthening MSME, increasing the effectiveness of MSME development through the OVOP approach will be achieved. The refinement of the OVOP concept is more focused on the goal of synergizing solutions, then systematizing the mechanism and finally being able to strengthen these innovative solutions so that they contribute continuously. Improving the superior products of each region will facilitate the process of integrating knowledge which has an impact on equal distribution of abilities. In this case the quality of human resources and the quantity of production. Especially if the products developed are the same. Because in addition to facilitating access to capital, it can also increase innovation. Indirectly, the concept of OVOP will increase local competition at the regional level. If superior local quality is supported by good market access, it will produce better output. So that in the globalization of trade, this dynamic is allegedly going to strengthen the role of MSME as the economic pillar of a region and even become a superior national product in the international world. Therefore, this OVOP development model must be adapted to regional competencies. The criteria that must be possessed for the development of the OVOP program for the development of highly competitive MSME are the existence of uniformity in the type of business, having a clear spatial layout, and having good infrastructure. The OVOP movement has three principles, include global thinking, local activities, independent business with initiative and creativity, and human resource development. All of this will certainly be achieved if the triple Helix-based OVOP model that developed is strengthened with Triple-T Technology Revolution.

CONCLUSION AND RECOMMENDATION

This study concludes that; (1) The factors that influence the development of MSME in Mandailing Natal district are human resources,

community culture, business management, regulation, competitiveness, capital, and marketing. (2) The right model for the development of MSMEs in Mandailing Natal district is the One Village One Product (OVOP) model based on triple Helix with the application of Triple-T Technology Revolution.

Based on the findings above, it is hoped that parties who can be involved in developing MSME (Government, business actors, communities, and academics) will continue to collaborate to develop MSME. The government needs to review the various policies that have been implemented related to the development of MSME and need to take the findings of this model into consideration. For the community and MSME actors, they must be willing and able to open and change mindsets and work patterns in order to have optimal productivity. Meanwhile, academics need to do service and research that contribute to the community, including in terms of increasing the productivity of MSME, especially in the Mandailing Natal district.

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