

The 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI)  
“Nurturing Business and Banking Sustainability”  
Surabaya, 14<sup>th</sup> - 15<sup>th</sup> August 2020

**Proceeding Book of**  
**The 2<sup>nd</sup> International Conference on Business and Banking Innovations**  
**(ICOBBI) 2020**  
**“Nurturing Business and Banking Sustainability”**  
**Surabaya, 14 - 15<sup>th</sup> August 2020**

**Master of Management of Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya  
Indonesia**

**Collaboration with**

Magister Manajemen Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya  
Universitas 17 Agustus 1945 Surabaya  
Universitas Surabaya  
Universitas Dr. Soetomo Surabaya  
Universitas Dian Nuswantoro Semarang  
Sekolah Tinggi Ilmu Ekonomi 66 Kendari

Published by :

Magister Manajemen Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya Indonesia  
Jalan Nginden Semolo 34<sup>th</sup> - 36<sup>th</sup> Surabaya  
Phone : 082247845434  
Website : <http://pascasarjana.perbanas.ac.id/>

**Proceeding Book of  
The 2<sup>nd</sup> International Conference on Business and Banking Innovations  
(ICOBBI) 2020  
“Nurturing Business and Banking Sustainability”**

**Steering Committee**

Dr. Yudi Sutarso, S.E., M.Si.  
Dr. Drs. Emanuel Kristijadi, M.M.  
Dr. Basuki Rachmat, S.E., M.M.

**Organizing Committee**

Manager : Prof. Dr. Dra. Tatik Suryani, Psi., M.M.  
Vice Manager : Dr. Ronny, S.Kom., M.Kom., M.H.  
Secretary and Treasury : Dewi Aliffanti, S.E.  
Tanza Dona Pratiwi, S.E.  
Publication and Proceeding : Munawaroh, S.S., M.Si,  
Dio Eka Prayitno, S.Sos.  
Journal Networking : Tri Suhartuti, S.S.  
Technology Supporting : Hariadi Yutanto, S.Kom., M.Kom.  
Risky Andriawan, S.T.  
Sumantri, S.Kom.  
Supporting : Riska Friski

**Graduate Student Union**

Steering Committee : Farhan Hisyam, S.M.  
Manager : Nanda Diah Syarifah, S.M.  
Secretary : Lidya Aviolitta, S.I.Kom  
Sponsorship : Citra Putri Ramadani, S.M.  
Gibson Randy Prathama, S.M.  
Atikah Resiana Fildzah, S.M.  
Event Program : Much. Zakariya Rosyid, S.Kom.I  
Uvy Dian Rizky, S.Sos.  
Ponta Dewa Saktiawan  
Amilia Jasmin Nabila  
Mochamad Arya Seta  
Publication and Documentation : Chowal Jundy Kumoro, S.M.  
Yesica Lola Arlinda, S.E.

The 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI)  
"Nurturing Business and Banking Sustainability"  
Surabaya, 14<sup>th</sup> - 15<sup>th</sup> August 2020

**Reviewers :**

1. Prof. Angelica M., Baylon, Ph.D (Maritime Academy of Asia and the Pacific, Philippines)
2. Associate Prof. Dr. Elisha Nasruddin (Universitas Sains Malaysia, Malaysia)
3. Prof. Reevani Bustami, Ph.D. (Universitas Sains Malaysia, Malaysia)
4. Associate Prof. Pallavi Paathak, Ph.D. (School of Management Sciences, Varanasi, India)
5. Chonlatis Darawong, Ph.D. (Sripatum Chonburi University - SPU Graduate School Bangkok, Thailand)
6. Prof. Dr. Dra. Tatik Suryani, Psi., M.M ( STIE Perbanas Surabaya, Indonesia)
7. Dr. Soni Harsono, M.Si (STIE Perbanas Surabaya, Indonesia)
8. Prof. Abdul Mongid, Ph.D. (STIE Perbanas Surabaya, Indonesia)
9. Dr. Lutfi, M.Fin. (STIE Perbanas Surabaya, Indonesia)
10. Burhanudin, Ph.D. (STIE Perbanas Surabaya, Indonesia)
11. Mohammad Shihab, Ph.D. (Universitas 17 Agustus 1945 Surabaya, Indonesia)
12. Dr. Yudi Sutarso, M.Si (STIE Perbanas Surabaya, Indonesia)
13. Dr. Ronny., S.Kom., M.Kom (STIE Perbanas Surabaya, Indonesia)

**Editor and Layout :**

1. Dr. Ronny, S.Kom., M.Kom., M.H.
2. Dewi Aliffanti, S.E.
3. Tanza Dona Pratiwi, S.E.
4. Munawaroh, S.S., M.Si.
5. Dio Eka Prayitno, S.Sos.

**Published 14<sup>th</sup> & 15<sup>th</sup> August 2020**

Magister Manajemen Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya Indonesia  
Jalan Nginden Semolo 34<sup>th</sup> - 36<sup>th</sup> Surabaya, East Java 60118  
Telpon 082247845434  
Website : <http://pascasarjana.perbanas.ac.id/>  
Indexed by google scholar

**ISBN : 978-623-92358-1-9**

**The originality of the paper is the author's responsibility**

# The 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI)

## “Nurturing Business and Banking Sustainability”

Surabaya, 14<sup>th</sup> - 15<sup>th</sup> August 2020

### FOREWORD

Alhamdulillah, praise be to Allah Subhanahu Wa Ta'ala for granting us the opportunity to organize and publish the proceedings of the 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI) with the topic “*Nurturing Business and Banking Sustainability*”. This proceeding contains several researches articles from many fields in Marketing, Management Technology, Finance, Banking, Human Resources Management, Information System Management, and Islamic Economics.

The 2<sup>nd</sup> International Conference on Business and Banking Innovations was held on 14<sup>th</sup> – 15<sup>th</sup> August 2020 by virtual (online) meeting and organized by the Master Management Study Program of STIE PERBANAS Surabaya in Collaboration with six Higher Education Institutions in Indonesia and five Universities from Asia countries. Keynote speakers in this conference were: Prof. Angelica M..Baylon, Ph.D (Director of the Maritime Academy of Asia and the Pacific, Philippines), Chonlatis Darawong, Ph.D. (Head of the Master of Business Program Sripatum Chonburi University - SPU Graduate School Bangkok, Thailand), Prof. Madya Dr. Reevany Bustami (Director of Centre for Policy Research and International Studies Universiti Sains Malaysia), Associate Prof. Dr. Elisha Nasruddin (Graduate School of Business Universiti Sains Malaysia), Associate Prof. Pallavi Pathak Ph.D. (School of Management Sciences, Varanasi, India) and Prof. Dr. Tatik Suryani (Head of the Master of Management Study Program of STIE Perbanas Surabaya, Indonesia).

I would like to give high appreciation to the Rector of STIE Perbanas Surabaya for his support at this event. Acknowledgments and thank you to all the steering and organizing committees of the ICOBBI for the extra ordinary effort during the conference until this proceeding published. Thank you very much to all presenter and delegates from various Universities. Beside it, I would like to express our gratitude to the six universities, namely Universitas 17 Agustus Surabaya, Universitas Surabaya, Universitas Dr. Soetemo Universitas Dian Nuswantoro Semarang, STIE 66 Kendari, Institut Institut Bisnis dan Keuangan Nitro Makassar which has been the co-host of this event.

Hopefully, the proceeding will become a reference for academics and practitioners, especially the business and banking industry to get benefit from the various results of the research field of Business and Banking associated with Information Technology. Proceedings also can be accessed online on the website <https://pascasarjana.perbanas.ac.id>.

Chair of the Master Management Study Program  
STIE Perbanas Surabaya

**Prof. Dr. Tatik Suryani, M.M.**

## Tabel of Content

Cover.....	i
Committee.....	ii
Reviewers.....	iii
Foreword.....	iv
Table of Content.....	v

### Marketing

Analyzing Competitive Strategies in Food SMEs Post Pandemic Covid-19 (Case Study in Madiun Municipality) .....	1 - 9
Tatik Mulyati; Saraswati Budi Utami; Hendro Susi	

Effect of Support Services And Relationship Quality on Customer Loyalty and Repurchase Intention on Johnson & Johnson Customers in Surabaya.....	10 - 21
Fеды Ardiansyah	

The Effect of Service Quality and Trust on Repurchase Intention Through Customer Satisfaction in Rollaas Cafe Mall City of Tomorrow Surabaya .....	22 - 31
Brahma Satrya	

Analysis of Logistics Services Quality Using SERVQUAL Method in Surabaya City: Literature Review and Research Suggestion .....	32 - 36
Andini Anastasia Novitasari	

Exploration of Factors Affecting Customer Satisfaction and Loyalty in Community Pharmacies in Thailand: A Qualitative Study.....	37 - 43
Ramida Maruay; Chonlatis Darawong; Boonkiat Wisittigars	

The Effect of Social Media Marketing Activities, Brand Image, Customer Satisfaction on Shopee Customer Loyalty in Surabaya City .....	44 - 49
Farhan Hisyam; Tatik Suryani	

Performance Analysis Through Intrinsic and Extrinsic Motivation with Work Satisfaction as Intervening Variables in Retail Company Employees in Surabaya (Case Study on Employees of PT. Lotte Mart Marvel Surabaya).....	50 - 55
Firdaus	

Influence of Work Fatigue, Unclear Tasks and Management Career on Employee Turnover at PT. Sulselbar Bank.....	56 - 64
Rosnaini Daga; Armi Pasampang; Aminuddin Hamdad	

Performance of Service In General Hospital City of Surabaya Era Covid-19.....	65 - 71
Feliks Anggia B.K. Panjaitan; Hwihanus; Adiati Trihastuti; Hotman Panjaitan	

Workability and Self Awareness on Employee Engagement in Indonesian Manufacturing Industries.....	72 - 78
Siti Mujanah	
Increasing Performance through Motivation and Competence at 17 August 1945 University Surabaya.....	79 - 89
Sri Budi Kasiyati; Endang Setyowati; Ida Bagus Cempena	
Developing Brand Loyalty.....	90 - 97
Estik Hari Prastiwi	
E-Marketing Adoption As an Alternative Solution For Fight Back The Covid-19.....	98 - 105
Febrianur Ibnu Fitroh Sukono Putra	
The Approach of The Agility Social Innovation: A Dynamic Capability Strategy.....	106 - 112
Mufti Agung Wibowo	
Quality of Work Life and Work Stress on Employee Performance .....	113 - 117
Sumiati	
Word of Mouse: How e-WOM Influence Consumer Behavior (A Study of UNTAG Surabaya Student) .....	118 - 128
Nanis Susanti	
The Effect of Service Quality, Customer Trust, Brand Image and Electronic Word of Mounth on Online Purchasing Decisions on Shopee Customers in Surabaya .....	129 - 144
Anis Fitriyasari	
The Effect of Marketing Mix 7Ps, Customer Experience, and Customer Relationship Marketing on Customer Loyalty Mediated by Indomaret Customer Satisfaction in Surabaya.....	145 - 152
Citra Putri Ramadani	
The Impact Of Celebrity Endorser And Self-Connection Of The Brand On The Equity Of The Brand .....	153 - 166
Mahmud; Mia Dika Anggraini	
The Brand Loyalty Determining Factors: The Role of Self Brand Connection, Brand Love, Brand Trust And Brand Image (at PT. Eloda Mitra) .....	167 - 174
Budi Anandya; Ni Made Laksmi Oktavia	
The Effect of Website and Social Media on Customer Behavior Responses .....	175 - 182
Tatik Suryani; Abu Amar Fauzi; Mochamad Nurhadi	
What Makes Tencent Becomes a Successful Business? a Case Study Analysis of Tencent.....	183 - 190
Binsar Energia Pratama Napitupulu	

The Effects of Social Media Marketing Activities on Brand Love and Brand Trust That Have an impact on Brand Loyalty of Visval Bags Consumers.....	191 - 196
Novian Navas Mahardhika	
Analysis the Effect of Marketing Mix on Consumer Decisions in Buying Paint Products ...	197 - 205
Febrianto Ramadhan	
Analysis of The Impact of The Development of Inolobunggadue Central Park (ICP) on Micro, Small And Medium Enterprises in Konawe Regency.....	206 - 212
Abdul Razak	
The Effect of Transformational Leadership and Work Commitment on Incentives and Disaster Preparedness for Southeast Sulawesi Province Disaster Preparedness .....	213 - 222
Bakhtiar Abbas	
The Effect of Service Quality on Civil Population Document Towards Society’s Satisfaction and Trust for Population and Civil Registry Office of Kendari City.....	223 - 232
Nofal Supriaddin	
CRM Impact on Customer Satisfaction and Customer Loyalty at Garuda Indonesia: The Airline of Indonesia .....	233 - 240
Muhamad Reynaldi Adhyaksa	
The Implementation of Simple Form Gamification In Companies .....	241 - 246
Nathania Agatha Benita	
Social Entrepreneurship dan Peningkatan Ekonomi pada Siswa SMA Selamat Pagi Indonesia .....	247 - 254
Azwar Cholili	
Leaping Innovation Barriers For Business Longevity Purpose Based on Different Measurements of Innovation .....	255 - 261
Mia Novinda Mudjiono	
Business Model Analysis: A Study Case in Wood Pellet Industry.....	262 - 267
Kadek Budiadnyana Putra	
Drivers And Barriers Of Purchasing Groceries Online In Surabaya :Age, Gender, Educational Level And Experience As Moderating Variables .....	268 - 273
Diky Murdoyo Rahadiarto	
Optimization Services and Strategies Toward Satisfaction Value of Training Participants Held by Integrated Service Unit Surabaya .....	274 - 282
Sukesi	

The 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI)  
 "Nurturing Business and Banking Sustainability"  
 Surabaya, 14<sup>th</sup> - 15<sup>th</sup> August 2020

The Influence of Investment Knowledge, Investment Motivation, Investment Capital and Investment Risk Perception on Investment Interest in Capital Markets (Study On Feb Dr. Soetomo University Students)..... 283 - 288  
 Sri Handini

The Effects Of Human Capital And Strategic Partners On Strategic Planning And Organizational Performance (Study at PT. Segar Murni Utama) ..... 289 - 296  
 JFX. Susanto Soekiman

The influenxe of Utilitarian Value, Hedonic Value, and Perceived Risk on Customer Satisfaction and Customer Loyalty to Shopee Customers in Surabaya..... 297 - 303  
 Nensi Laurence Nggai; Dudy Anandya

Unisfat The Pattern of Spatial Interaction of Workers in Central Java Province using the Explanatory Spatial Data Analysis (ESDA) Approach ..... 304 - 315  
 Caroline; Achmad Nuruddin S.; ETTY Puji Lestari; Ceasilia Srimindarti; Teguh Imam Rahayu

Analysis Web-Based Customer Relationship Management Strategy at PT. ABC ..... 316 - 320  
 Alfred Turisnol

The Influence of Planned Behavior On The Level of Customer Trust And Satisfaction In Determining Loyalty In Green Hotels In Indonesia ..... 321 - 328  
 Hayuning Purnama Dewi

**Financial**

Independence Financial Expertise in Audit Committee and Tax Avoidance: is business strategy moderate this relationship? .....329 - 337  
 Ms. Lisa Gabrielle; Devie; Juniarti

Effect of Asset Quality, Liquidity, Solvability, Efficiency and Good Corporate Governance (GCG) Towards Go Public Bank Profitability In Indonesia .....338 - 350  
 Ramlan

Credit Quality Stress Tests Based on Macroeconomics at Bank Persero in Indonesia in 2008 - 2016 .....351 - 359  
 Elna Arlina Nandasari

Decision On The Utilization Of Digital Payment In Millennial Generation Based On Perceived Experience.....360 - 365  
 Karta Negara Salam; Muh. Imam Taufiq

Determining Factors of Thin Capitalization Practices in Indonesia .....366 - 381  
 Jepri Duwi Safrudin; Diah Hari Suryaningrum



The 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI)  
 "Nurturing Business and Banking Sustainability"  
 Surabaya, 14<sup>th</sup> - 15<sup>th</sup> August 2020

Factors That Become A Customer Considerations Become A Brachless Bangking Agent ..382 - 388  
 Novita Rosanti

Going Concern and Liquidity Perspective in Indonesia Manufacture Industry.....389 - 394  
 Tri Ratnawati; Widi; Rahmiyati; Nekky

Influence Of Debt Policy And Cash Ratio On Dividend Policy On IDX30 Index In Indonesia Stock Exchange.....395 - 400  
 Muhammad Ashary Anshar; Ichbal Warimin

Performance Analysis Of Share And After Online Application On The Sector Registered Transportation In Indonesia Exchange .....401 - 406  
 Rachman Suwandar; Hartina

Measuring The Performance of the Surabaya City Regional Budget Value For Money Analysis.....407 - 414  
 Risanda Alirastra Budiantoro; Tito Aditya Perdana

A Syestematic Literature Review of Liquidity, Asset Quality, Size, Solvability and Efficiency of Probability on National Private Commercial Banks Go Public .....415 - 421  
 Devinta Ayu Ramadhani

The Effect of Multiple Role Conflict on Employees Performance Moderated By Self Efficac .....422 - 428  
 Awanis Linati Haziroh, S.M, M.M.; Amanda Dyla Pramadanti; Raden Ayu Aminah R.P.S;  
 Febrianur Ibnu Fitroh Sukono Putra

The Factors of Banking Capital Structure Determination in Indonesia.....429 - 434  
 Foza Hadyu Hasanatina; Amalia Nur Chasanah; Vicky Oktavia

Identification and Analysis of Regional Economic Growth Patterns in the New Autonomous Region of Southeast Sulawesi Province.....435 - 448  
 H. Mahmudin A. Sabilalo

Corporate Partnership of PT. SKLT with Crackers MSME in Sidoarjo As a Form Corporate Social Responsibility (CSR) .....449 - 463  
 Jimmy Herlambang

Influencing Factors Safety Quality Cost Delivery People (SQCDP) on Lean Manufacturing Implementation at Directorate Production Indonesian Aerospace (IAe).....464 - 471  
 Niza Nurmalasari; Ida Aju Brahmasari; Ida Aju Brahma Ratih

Increasing the Role Of Bank Financial Institutions and Non-Bank Financial Institutional in Providing Optimal Distribution For Communities During The COVID-Pandemic.....472 - 479  
 Matdio Siahaan

The 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI)  
"Nurturing Business and Banking Sustainability"  
Surabaya, 14<sup>th</sup> - 15<sup>th</sup> August 2020

Utilization of Payment Gateway in Fundraising from a Management Perspective of Zakat, Infaq, and Alms: A Case Study of Baitul Maal Hidayatullah Surabaya .....480 - 486  
Sarah Lutfiyah Nugraha and Ika Yunia Fauzia

The Impact of Capital Structure Towards Firm Performance Moderated by Corporate Governance in LQ-45 Company in BEI at 2013-2018.....487 - 495  
Gabby Markus Angkasajaya; Putu Anom Mahadwartha

# Identification and Analysis of Regional Economic Growth Patterns in The New Autonomic Area of the South Sulawesi Province

Mahmudin A. Sabilalo<sup>1</sup>, Muh. Nur<sup>2</sup>, Abdul Razak<sup>3</sup>, Rahmatia<sup>4</sup>, La Ode Almana<sup>5</sup>

<sup>1,2,3,4,5</sup> Sekolah Tinggi Ilmu Ekonomi Enam Enam Kendari, Jl. Bunga Kamboja No. 79 Kemaraya, Kota Kendari, Sulawesi Tenggara

## ARTICLE INFO

### Article history:

Received 10 August 2020

Revised 14 August 2020

Accepted 29 August 2020

### Key words:

Pattern of Economic Growth, New Autonomous Region

## ABSTRACT

Economic growth in Southeast Sulawesi Province is 6.57% per year with an increase of 0.04% during 2014-2018. Specifically for the New Autonomous Region, East Kolaka Regency is 6.73% with a decrease of 0.69%. Muna Barat 6.96% with a declining development of 0.24%. Likewise, Central Buton's economic growth 5.88% with a with a declining developmen of 0.05% (Central Statistics Agency of Southeast Sulawesi, 2019). These conditions are real conditions that occur, so that requires improvement through regulation. Research objective: (1) Provide solutions for new autonomous regions that are potentially left behind or left behind to become developed regions.(2) Providing solutions for underdeveloped economic sectors and becoming development priorities in the New Autonomous Region.(3) Providing solutions for increasing the contribution of the New Autonomous Region's Gross Regional Domestic Product.(4) Providing solutions for increasing the value of the New Autonomous Region's economic interaction with the surrounding areas.

The location of this study was determined purposive, in three Autonomous Regions namely West Muna Regency, Central Buton Regency, and East Kolaka Regency. Data collection techniques use Document Study, Interview Guidelines and Focus Group Discussion. Data analysis techniques used are Klassen Typology analysis, Location Quotient Analysis, Shift Share, percentage contribution and gravity analysis. The results of the study concluded: (1) Typology of the New Autonomous Region in Southeast Sulawesi Province was generally lagging. For West Muna Regency, it has the potential to be left behind, Central Buton is left behind. Nevertheless, East Kolaka Regency is included in the typology of prosperous regions. (2) The economic sectors that are still underdeveloped and become a priority of development in the New Autonomous Region.

## 1. INTRODUCTION

The existence of the New Autonomous Region as the center of economic growth in Southeast Sulawesi Province can be analyzed based on economic typology, location quotient, the contribution of each revenue sector to GRDP and economic interactions. For the economic typology, until now it is not certain that the position of the New Autonomous Region is included in the developed regions, the development process, the potential to be left behind or left behind. Of course, by reviewing the GDP per capita and economic growth.

Another important thing is whether the New Autonomous Region has the potential to be sold outside the region and has a high level of specialization (base) or tends to need it from other regions with a low level of specialization (non-basis). Or is it that the New Autonomous Region is only sufficient in this economic sector and has the same level of specialization as other districts. Apart from that, in terms of sectoral production value, is it growing fast or slow, competitive or not, progressive or not. Furthermore, whether the economic sector is a backward, developing, potential sector or a leading sector which is a priority for development.

At the level of the contribution of economic sectors, it is also important in measuring the economic performance of the new autonomous regions, including economic interactions with surrounding areas, espe-

\* Mahmudin A. Sabilalo\_mahmudinstie66@gmail.com

cially those bordering their geographic location. However, the contribution and economic interactions that occur are not yet known. In other words, there has been no deep study related to the pattern of economic growth in the New Autonomous Region in the Southeast Sulawesi Province, especially in the districts of East Kolaka, West Muna and Central Buton.

Based on data, the economic growth in Southeast Sulawesi Province is 6.57% per year with an increase of 0.04% during 2014-2018. Specifically for the New Autonomous Region, namely East Kolaka Regency 6.73% with a decreasing development of 0.69%. Muna Barat 6.96% with a decline of 0.24%. Likewise, Central Buton achieved economic growth of 5.88% with a decrease of 0.05% (BPS Sultra, 2019). This condition is a real condition that has occurred, so it requires improvement through regulations that can be implemented by the new and representative autonomous regions in the Southeast Sulawesi Province.

## 2. THEORETICAL FRAMEWORK AND HYPOTHESES

Research by Ni Komang et al. (2011) found that the economic growth pattern of Klungkung Regency in the 2008-2010 period was in a declining prosperous zone. The economic sector that has the potential to be developed is the construction and services sector. From these sectors, several potential sub-sectors emerge, namely the private services sub-sector.

Arief's research (2015) found that Tuban and Mojokerto City are underdeveloped areas because the growth in GDP and per capita income is smaller than the provincial average. Furthermore Hilal's research (2011) found that the positive proportional average value is the electricity, gas and water sector, the construction sector, the trade sector, the transportation and communication sector, the financial sector and the services sector. At the average value of the Differential Growth Component, there are 3 sectors that have positive values, namely the industrial sector, the building sector and the trade sector.

Anita's research (2015) found that the service sector is a sector that is the basis for nearly 30 districts / cities in East Java Province. The growth of the agricultural sector, the manufacturing sector and the construction sector tends to experience a slowdown. On the other hand, all tertiary sectors include: trade, hotel and restaurant sectors; transportation and communication sector; the financial sector, leasing, and corporate services; and the service sector tends to experience positive growth. The trade, hotel and restaurant sector is the sector with the highest growth that occurs in 33 districts / cities. The results of the shift share analysis show that in East Java Province, structural transformation is taking place, which is marked by the decline in the role of the agricultural sector and the increasing role of the service sector.

Research conducted by Hanung (2017) found that the basic sectors during the 2011-2015 analysis year were agriculture, forestry, and fisheries; Water Supply, Waste Management, Waste and recycling; Information and Communication; Government Administration, Defense and Social Security compulsory; Education Services; Health Services and Social Activities; and other services. Based on the results of the Shift Share analysis, potential sectors that consistently have competitive advantages are the electricity and gas procurement sector, the information and communication sector, the financial services sector and insurance and other service sectors. Based on the results of Klassen's typology analysis, the sectors that are consistently in the classification of advanced and fast-growing sectors are the Information and Communication sector and other service sectors.

Bambang et al research (2016) found that based on the value of SLQ (Static Location Qoutient) and DLQ (Dynamic Location Qoutient), the sectors that contributed the most to the Underdeveloped classification were Probolinggo Regency by contributing 11 (eleven) sectors.

Economic growth is a process in which there is an increase in real Gross National Product (GNI) or real national income. So the economy is said to grow or develop when there is real output growth (Sukirno, 2011)

Economic growth is the long-term increase in a country's ability to provide its citizens with a wider variety of economic goods; this ability grows according to technological advances, the institutional and ideological adjustments it requires (Jhingan, 2010)

Economic growth is one of the most important indicators in analyzing the economic development that occurs in a country (Boediono, 2014).

The economic progress of a region shows the success of a development even though it is not the only indicator of development success (Todaro, 2011). There are three kinds of measures to assess economic growth, namely output growth, output growth per worker, and output per capita growth.

There are several theories put forward by experts regarding economic growth (Irene 2018), namely:

a. Adam Smith: an economy will grow and develop if there is an increase in population which will expand the market and encourage specialization. The emergence of specialization will increase worker productivity and encourage technological progress and economic growth.

b. Harrod-Domar: the need for capital formation (investment) as a condition for achieving steady growth (steady growth). When capital formation has been carried out, the economy will be able to produce goods in larger quantities.

c. Schumpeter: economic growth is very much determined by the ability of entrepreneurship (entrepreneurship), because they dare to innovate in production activities

d. Robert Solow: in the long run the saving rate can determine capital in the production process. This means that the higher the saving rate, the higher the capital and output produced.

e. Werner Sombart: The stages of economic growth occur because society has an organizational structure and community ideology. The stages are (1) the era of closed economy, in which society is still limited to producing goods and doing it in a family manner, (2) the era of craft and growth, the society begins to have a division of labor, and (3) the capitalist era, there are capital owners.

f. Kuznets: Economic growth is an increase in a country's long-term ability to provide its citizens with a large number of various types of economic goods. Furthermore, Kuznets argued that economic growth was achieved by 3 factors, namely: (a) The continuous increase in the supply of goods. (b) Technological developments, (c) Use of technology effectively and efficiently.

The benefits of economic growth include the rate of growth to measure economic progress as a result of national development. The per capita income is used to measure the level of population prosperity. If there is an increase in the price of an item but the increase is temporary, it cannot be said to be inflation (Putong, 2013)

Muta'ali (2015) explains that the factors that influence economic growth are:

1. Human Resources.

The speed at which the development process is slow depends on the extent to which human resources have sufficient competence to carry out the development process by building infrastructure in the regions.

2. Natural Resources

Natural resources referred to include soil fertility, mineral wealth, mining, forest product wealth and marine wealth.

3. Science and Technology

The increasingly rapid development of science and technology encourages the acceleration of the development process, the change in work patterns that originally used human hands to be replaced by sophisticated machines has an impact on the aspects of efficiency, quality and quantity of a series of economic development activities carried out and ultimately results in an acceleration of the rate of economic growth.

4. Culture

A culture that can encourage development includes hard work and smart work, being honest, resilient and so on. The culture that can hinder the development process includes anarchic, selfish, extravagant attitudes, KKN (Corruption, Collusion and Nepotism), and so on.

5. Capital Resources

Capital resources are very important for the development and smoothness of economic development because capital goods can also increase productivity.

Some modern economists have begun to put forward the Dethronement of GNP (lowering the throne of economic growth), alleviating the poverty line, reducing the increasingly unequal income distribution, and reducing the unemployment rate (Mudrajat, 2013). Regional development is a function of natural resources, manpower and human resources, capital investment, infrastructure and facilities for development, transportation and communication, industrial composition, technology, economic situation and trade between regions, the capacity to finance and finance regional development, entrepreneurship, regional institutions and the environment. development widely (Todaro, 2011; Rahardjo Adisasmita, 2010).

There are several strategic and dominant sources that determine economic growth. One of the classifications is physical and management factors. Specifically, it is stated that there are three main factors or components of economic growth, namely, capital accumulation, population growth and matters related to an increase in the number of labor force. In the early growth stages the income distribution tends to deteriorate, but in later stages it will improve. This observation became widely known as the concept of the inverted U-curve from Kuznets (Todaro, 2014).

Growth only occurs in a few places which are the centers (poles) of growth with different intensities (Mudrajat 2013). On the other hand, Hadi (2013) explains that the export-based regional growth theory is that some activities in an area are basic, in other words, the growth causes and determines the overall development of the region. Meanwhile, other (non-basic) activities are a consequence of its overall development.

The goals (goals) of regional economics are actually not very different from those of economics in general. Ferguson (2010) states that the main objectives of economic policy are: (1) Full employment (2) Economic growth (3) Price stability.

Robinson (2012) states that regional autonomy is the granting of the right to regions to self-regulate their own regions in the process of household and regional governance. Meanwhile, Marzuki (2014) argues that regional freedom and independence are not sufficient so that it must be realized in the broadest possible format of autonomy, namely the transfer of as much authority as possible concerning regional affairs so that it becomes a household affair itself.

### 3. RESEARCH METHOD

The location of this research was determined purposively, in three New Autonomous Regions, namely West Muna Regency, Central Buton Regency and East Kolaka Regency. Data collection techniques used: Document Study, Interview Guidelines and FGD. The data analysis technique used is the analysis Typology Klassen, Analisis LQ, Shift Share, Percentase contributions as well as analisis gravity model.

### 4. DATA ANALYSIS AND DISCUSSION

#### Typology of New Autonomous Regions in Southeast Sulawesi Province

Based on the results of the analysis of GDP per capita data of Southeast Sulawesi Province of IDR 21,198,450.91 million with an average economic growth of 6.57% per year during the period 2014-2018. Economic growth experienced a decline in 2016 and 2018 respectively 0.37% and 0.34% respectively.

PDRB per capita of East Kolaka Regency is IDR 22,108,143.94 with an average economic growth of 6.73% per year during the period 2014 to 2018. GRDP per capita of West Muna Regency is IDR 19,477,614.15 with economic growth amounted to 5.24% on average per year during the period 2014 to 2018. Furthermore, PDRB per capita of Central Buton Regency was IDR 15,592,198.02 with an economic growth of 4.75% on average per year during the period of the year. 2014-2018.

Referring to per capita GRDP data and economic growth, East Kolaka Regency is included in the typology of prosperous regions. West Muna Regency is included in the typology of prosperous areas that are declining (potential to be left behind). Meanwhile, Central Buton Regency is included in the typology of underdeveloped areas.

The results of this study are consistent with the research of Ni Komang et al. (2011) that the economic growth pattern of Klungkung Regency in the 2008-2010 period is in a declining prosperous zone. Furthermore, Arief Bachtiar's research (2015) found that Tuban and Mojokerto City are underdeveloped areas because the growth in GDP and per capita income is smaller than the provincial average.

#### Economic Sectors That Are Still Underdeveloped and Become Development Priorities in the New Autonomous Region in Southeast Sulawesi Province.

##### a. East Kolaka Regency

Based on the results of data analysis, the economic sectors that are the bases in East Kolaka Regency are: (a) Agriculture, Forestry, and Fisheries (b) Large and Retail Trade, (c) Government Administration, Defense and Mandatory Social Security, (d) Other services.

Non-basic sectors are: (a) Mining and Quarrying, (b) Processing Industry, (c) Electricity and Gas Procurement, (d) Construction, (e) Providing Accommodation and Food and Drinking, (f) Information and Communication, (g) Financial Services and Insurance, (h) Real Estate, (i) Corporate Services, (j) Educational Services, (k) Health Services and Social Activities.

Based on the results of the shift share analysis of sectoral economic growth in East Kolaka Regency is 0.29%. There are 4 (four) slow-growing sectors, namely: (a) Agriculture, Forestry and Fisheries sectors, (b) Water Supply, Waste Management, Waste and Recycling, (c) Real Estate and (d) Government Administration, Defense and Compulsory Social Security. Meanwhile, other sectors are growing fast.

There are 8 (eight) economic sectors that do not have competitiveness, namely: (a) Agriculture, Forestry and Fisheries, (b) Electricity and Gas Procurement, (c) Water Supply, Waste Management, Waste and

Recycling, (d) Trade Large and Retail; Repair of Cars and Motorcycles, (e) Transportation and Warehousing, (f) Provision of Accommodation and Food and Drink, (g) Information and Communication, (h) Financial Services and Insurance.

There are 4 (four) economic sectors that are not progressive, namely: (a) Agriculture, Forestry and Fisheries, (b) Water Supply, Waste Management, Waste and Recycling, (c) Financial Services and Insurance, (d) Real Estate.

The potential economic sectors in East Kolaka Regency are Agriculture, Forestry and Fisheries. Furthermore, developing sectors are (a) Manufacturing Industry, (b) Electricity and Gas Procurement, (c) Construction, (d) Transportation and Warehousing, (e) Provision of Accommodation and Food and Drink, (f) Information and Communication.

The underdeveloped economic sectors are: (a) Water Supply, Waste Management, Waste and Recycling, (b) Financial Services and Insurance, (c) Real Estate.

Leading economic sectors which are the main priorities for development are: (a) Wholesale and Retail Trade; Repair of Cars and Motorcycles, (b) Mandatory Government Administration, Defense and Social Security, (c) Other services.

#### b. West Muna Regency

The economic sectors that form the basis of West Muna Regency are: (a) Agriculture, Forestry and Fisheries (b) Construction, (c) Real Estate, (d) Compulsory Government Administration, Defense and Social Security, (e) Education Services, (f) Health Services and Social Activities and (g) Other services.

Non-base sectors, namely: (a) Mining and Quarrying, (b) Processing Industry, (c) Electricity and Gas Procurement, (d) Large and Retail Trade; Repair of Cars and Motorcycles, (e) Transportation and Warehousing, (f) Provision of Accommodation and Food and Drink, (g) Information and Communication, (h) Financial and Insurance Services, (i) Corporate Services.

The results of the shift share analysis show that there are 2 (two) sectors that are growing slowly, namely: (a) the water supply sector, waste management, waste and recycling and (b) the government administration, defense and mandatory social security sectors.

There are 10 (ten) economic sectors that do not have competitiveness, namely: (a) Agriculture, Forestry and Fisheries, (b) Electricity and Gas Procurement, (c) Water Supply, Waste Management, Waste and Recycling, (d) Trade Large and Retail; Car and Motorcycle Repair, (e) Information and Communication, (f) Financial and Insurance Services, (g) Real Estate, (h) Corporate Services, (i) Educational Services, (j) Other Services.

There are 7 (seven) economic sectors that are not progressive, namely: (a) Agriculture, Forestry and Fisheries, (b) Industrial Processing, (c) Water Supply, Waste Management, Waste and Recycling, (d) Financial Services and Insurance, (e) Real estate, (f) Education services, (g) Other services.

Potential Sectors in West Muna Regency are: (a) Agriculture, Forestry and Fisheries, (b) Real Estate, (c) Educational Services, (d) Other services.

Developing Sector: (a) Mining and Quarrying, (b) Electricity and Gas Procurement, (c) = Wholesale and Retail Trade; Repair of Cars and Motorcycles, (d) Transportation and Warehousing, (e) Provision of Accommodation and Food and Drink, (f) Information and Communication, (g) Financial Services and Insurance.

There are 2 (two) underdeveloped sectors, namely (a) Industrial Processing), (b) Water Supply, Waste Management, Waste and Recycling.

There are 3 (three) leading sectors that become development priorities, namely: (a) Construction, (b) Government Administration, Defense and Compulsory Social Security), (c) Health Services and Social Activities.

#### c. Central Buton Regency

The basic sectors in Central Buton Regency are: (a) Agriculture, Forestry and Fisheries, (b) Electricity and Gas Procurement, (c) Water Supply, Waste Management, Waste and Recycling, (d) Construction, (e) Wholesale Trade and Retail; Car and Motorcycle Repair, (e) Real Estate, (f) Educational Services, (g) Health Services and Social Activities.

Non-base sectors, namely: (a) Mining and Quarrying, (b) Processing Industry, (c) Transportation and Warehousing, (d) Provision of Accommodation and Food and Beverage, (e) Information and Communication, (f) Financial Services and Insurance, (g) Corporate Services, (h) Mandatory Government Administration, Defense and Social Security, (i) Other services.

The results of this study are consistent with the research of Hilal (2011), Anita Rosmawarni (2015), and research by Hanung Putri Juwita (2017) on the basic and non-basic sectors.

There are 4 (four) slow-growing economic sectors, namely: (a) Agriculture, Forestry, and Fisheries, (b) Water Supply, Waste Management, Waste and Recycling, (c) Real Estate, (d) Government Administration, Defense and Compulsory Social Security.

Economic sectors that do not have competitiveness are: (1) Mining and Quarrying, (2) Processing Industry, (3) Electricity and Gas Supply, (4) Construction, (5) Wholesale and Retail Trade; Car and Motorcycle Repair, (6) Transportation and Warehousing, (7) Providing Accommodation and Food and Drinking, (8) Information and Communication, (9) Financial and Insurance Services, (10) Company Services, (11) Educational Services, (12) Health Services and Social Activities, (13) Other services.

There are 8 (eight) economic sectors that are not progressive, namely: (1) Manufacturing Industry, (2) Electricity and Gas Procurement, (3) Providing Accommodation and Food and Drinking, (4) Real Estate, (5) Corporate Services, (6) Compulsory Government Administration, Defense and Social Security, (7) Health Services and Social Activities, (8) Other Services

Potential sectors in West Muna Regency are (a) Electricity and Gas Procurement, (b) Real Estate, (c) Health Services and Social Activities.

The Developing Sectors are (a) Mining and Quarrying, (b) Transportation and Warehousing, (c) Information and Communication, (d) Financial Services and Insurance.

There are 5 (five) underdeveloped sectors: (a) Processing Industry, (b) Provision of Accommodation and Food and Beverage, (c) Company Services, (d) Government Administration, Defense and Mandatory Social Security, (e) Other services.

There are 5 (five) leading sectors: (a) Agriculture, Forestry and Fisheries, (b) Water Supply, Waste Management, Waste and Recycling, (c) Construction, (d) Wholesale and Retail Trade; Car and Motorcycle Repair, (e) Education Services

### **The Contribution of the New Autonomous Region to the Gross Regional Domestic Product of Southeast Sulawesi.**

Based on data analysis, the contribution of East Kolaka Regency to the Gross Regional Domestic Product of Southeast Sulawesi was 3.57% on average per year in the 2014-2018 period. Even so the contribution made fluctuates from year to year and tends to decrease. Furthermore, the contribution of West Muna Regency to the Gross Regional Domestic Product of Southeast Sulawesi was 1.96% on average per year in the 2014-2018 period. The contribution given has increased since 2014-2017, but in 2018 it has decreased.

The contribution of Central Buton Regency to Southeast Sulawesi's Gross Regional Domestic Product is 1.80% on average per year in the 2014-2018 period. However, the contribution given fluctuates from year to year and tends to decrease.

The results of this study are in accordance with the research of Febri Haris Putra, et al. (2018) who found that the total contribution of the agricultural sector to the GRDP of Jember Regency was 1.07% .

### **New Autonomous Regions Economic Interaction**

Based on the data analysis, the economic interaction that gives the highest value between districts in East Kolaka is East Kolaka and Kolaka, then East Kolaka and Konawe. While the lowest was East Kolaka and North Kolaka. Furthermore, the economic interactions that provide the highest value between districts in West Muna are West Muna and Muna, then West Muna and South Konawe. While the lowest is Muna Barat with Bombana. The economic interactions that provide the highest score among districts in Central Buton are Central Buton and Muna, followed by Central Buton and Bombana.

This study is consistent with the research of Zulfa Emalia and Isti Farida (2018) who found that Bandar Lampung City has the highest economic interaction with Pesawaran District. In addition, Central Lampung Regency has the highest economic interaction with East Lampung Regency and South Lampung Regency has the highest economic interaction with East Lampung Regency and Bandar Lampung City.

## **DISCUSSION**

### **Solutions for New Autonomous Regions that have the potential to be left behind or left behind to become developed regions**

Based on the research results, the policy that must be taken to make the new autonomous regions in



# The 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI)

## “Nurturing Business and Banking Sustainability”

Surabaya, 14<sup>th</sup> - 15<sup>th</sup> August 2020

Southeast Sulawesi Province, especially West Muna and Central Buton become more advanced regions, of course in terms of increasing real GDP per capita and economic growth is to implement a program which the

Cooperation movement	All related OPD
Entrepreneurship	UMKM, Establishment of an autonomous business unit at the OPD level
Specialization / focus	Leading sector
Investment / funding	Lagging sector
Ideology	Mental / spirituality, blessings
Technology	Right Benefit

search Team gave the acronym "GESIIT", namely:

Table 1.

### Explanation:

#### 1. Cooperation Movement

There is a joint program at the district level that is made and carried out jointly by the related OPD sled by the Regent. For example, in the results of the benchmarking that the research team carried out in the Pohuwato DOB, Gorontalo Province as one of the best performing districts, there is a program called GEMAPANUA (Joint Movement for All Services). This movement is an innovative movement. Specifically for the economic sector, namely: (a) reducing the burden on household living costs, (b) strengthening the household economy, (c) improving poverty program target data, and (d) developing a productive economy. Each activity is carried out creatively, innovatively and implementatively by the relevant OPD, led directly by the Regent. Likewise, in an electronic-based government system, innovation in education, innovation in health, innovation in the environment, and innovation in the field of religion are carried out in an integrated manner. (BM results with Pohuwato Regional Government, September 16, 2019).

The OPD head and all his staff can carry out cooperation movements at the OPD level.

The joint movement program actually becomes a Divine command, as explained in its sacred book: " And please help you in doing righteousness and piety. .. "(QS. Al-Maidah (5), verse 2).

#### 2. Entrepreneurship

Enterprenrship in this case is the development of entrepreneurial skills among the community, especially MSMEs so that there is innovation in production activities or economic activities. The results of interviews conducted with related OPDs in new autonomous regions provide an explanation that: " It is time for local governments to pay more serious attention in the form of bintek and funding for the development of MSMEs and creative endeavors because they become the support of the regional economy ". (FGD Koltim, 25 September 2019)

This is in line with Schumpeter's theory that economic growth is largely determined by entrepreneurial ability, because business actors innovate in production / economic activities.

Entrepreneurship at the OPD level can be done by creating and running an Autonomous Business Unit (UBO), so that from the aspect of funding it can be helped, while at the same time supporting the increase in the production value of the economic sector. For example, the Pohuwato Regency Tourism Office has developed a creative house in which it can produce creative products that can be commercialized (Results of BM with Pohuwato Regional Government, 16 September 2019).

#### 3. Specialization

The specialization in this matter is to focus on regional commodity-based economic sector programs. For example, the results of the FGD in East Kolaka Regency with a very high LQ value of 9,207 (basis) in the agricultural sector with a focus on cocoa development. The results of interviews conducted with related OPDs in new autonomous regions generally provide an explanation that: " Due to limited funding including HR competencies, local governments need to focus gradually on regional superior sectors " .

(FGD Koltim, 25 September 2019)

This is consistent with the growth theory presented by Adam Smith that an economy will grow and develop if there is specialization. The emergence of specialization will increase worker productivity and encourage technological progress to economic growth.

Specialization in new autonomous regions, in East Kolaka Regency which is the leading sector, namely: (a) Wholesale and Retail Trade; Repair of Automobiles and Motorcycles, (b) Mandatory Government Administration, Defense and Social Security, (c) Other services. Furthermore, West Muna Regency specializes in its superior sectors, namely: (a) Construction, (b) Compulsory Government Administration, Defense and Social Security), (c) Health Services and Social Activities. Then Central Buton District specializes in the leading sectors: (a) Agriculture, Forestry and Fisheries, (b) Water Supply, Waste Management, Waste and Recycling), (c) Construction, (d) Wholesale and Retail Trade; Car and Motorcycle Repair), (e) Educational Services.

#### 4. Investments

Investment in this case is investment, especially in non-basic economic sectors and including underdeveloped economic sectors in order to increase the production value. The results of interviews conducted with related OPDs in new autonomous regions generally provide an explanation that: " economic sectors whose production value is still insufficient need to be provided with financial assistance, including infrastructure under strict supervision in order to be utilized effectively and efficiently ". (FGD Koltim, 25 September 2019)

The issue of investment is in line with Harrod-Domar's stating that the need for capital formation (investment) is a prerequisite for achieving steady growth . When the formation of capital has been carried out, the economy will be able to produce goods in larger quantities.

The underdeveloped economic sectors in East Kolaka Regency that require investment are: (a) Water Supply, Waste Management, Waste and Recycling, (b) Financial Services and Insurance, (c) Real Estate. Furthermore, in West Muna Regency are: (a) Processing Industry), (b) Water Supply, Waste Management, Waste and Recycling. Then in Central Buton Regency are: (a) Manufacturing Industry, (b) Providing Accommodation and Food and Drinking, (c) Corporate Services, (d) Mandatory Government Administration, Defense and Social Security, (e) Other services.

#### 5. Idiology

The idiology in this case is the ideology of the mindset. Werner Sombart said that the stages of economic growth occur because society has an organizational and ideological structure . The stages are (1) the community is still limited in producing goods and doing it in a family manner, (2) there is a division of labor, and (3) the owner of capital appears. Ownership of capital in this case is real capital (tangible assets) and intangible assets ( intangible assets).

The regional government is new, not only paying attention to material physical development but the most important thing is spiritual / mental development in an integrated and aligned manner. The results of the BM research team found that: " nuances of religiosity developed by the Regent of Pohuwato for example with ASN in congregation created a blessing for the region ( Irfan Saleh S.pt., M.Sc, Head of Baperlitbang, 2019".

#### 6. Technology

The technology referred to is an update with various latest technology news. With developments leading to modern life, science and technology are complementary for humans to develop into higher quality. Indeed, science and technology are two different elements, but if they are combined, they will form one unit that has a big impact on economic growth. By updating the latest news from technology, it is possible to master it more proficiently so that they know various ways and tactics in managing existing resources, more effectively and efficiently.

The results of the BM research team found that: "the use of technology, especially for strengthening the household economy, is important, for example the development of Aquaphonics technology (integration of vegetables and fish), Rumah Gizi (a house where the needs of vegetables around the house are available), standardization of local products to enter the export market (BI, Beacukai, Local Government and ASRI) and Industrial Village Development . " (BM results with Pohuwato Regional Government, 16 September 2019)

Kuznets argues that economic growth is achieved by 3 factors, namely: (a) increasing supply of goods continuously, (b) technological development, and (c) effective and efficient use of technology.

### **Solutions for Underdeveloped Economic Sectors and a Priority for Development in New Autonomous Regions**

The policy of developing a non-basic economic sector in order to meet the needs of the New Autono-

mous Region in Southeast Sulawesi Province is the need for sharing or exchange of programs across economic sectors between OPDs in each Regency. In this case, OPDs with non-based economic sectors can adapt the program to other OPD districts whose economic sectors are based. The results of the FGD, the research team obtained information that " There needs to be a transformation of innovative, creative and implementative programs from districts that have a sectoral production value basis to other non-based districts". (FGD Koltim, 25 September 2019).

At the OPD level, in East Kolaka Regency, the economic sector that is still underdeveloped is the sector: (a) Water Supply, Waste Management, Waste and Recycling, (b) Financial Services and Insurance, and (c) Real Estate Sector. These three sectors involve three related OPDs, namely: the Environment Agency, the Capital Services Service and One Stop Integrated Services, the Housing and Settlement Areas Service. Therefore the Policy Recommendation to improve underdeveloped economic sectors is "LIMAPEN":

1. ASN competency improvement
2. Provision of benefit-based infrastructure and facilities
3. Use of Science and Technology
4. ASN Work Culture Arrangement based on work results
5. Alternative funding, UBO (Autonomous business unit)

The technical implementation is regulated by the head of the relevant OPD and their staff.

The results of the FGD showed that " the economic sector is lagging behind due to the limited competency of ASN resources, including the available budget. ". (FGD Koltim, 25 September 2019).

The leading economic sectors which are the main priority in East Kolaka Regency are: (a) Wholesale and Retail Trade; Repair of Automobiles and Motorcycles, (b) Mandatory Government Administration, Defense and Social Security, (c) Other services. The policies taken in the development are through: Trade, Industry, Cooperative, Small and Medium Enterprises Service, Community and Village Empowerment Service, Civil Service Police Unit Service, and Social Service. How to implement the GESIIT program as described above.

West Muna Regency has 2 (two) underdeveloped sectors, namely (a) Processing Industry, (b) Water Supply, Waste Management, Waste and Recycling. Its policies focus on the Department of Industry and Trade, as well as the Environment and Sanitation Agency through enhancing the competence of human resources, infrastructure, science and technology, work culture and funding (LIMAPEN).

The results of the interview revealed that " We in West Muna are currently prioritizing road infrastructure development as part of the Regent's policy ". (Interview with the Head of Industry, 18 March 2019).

There are 3 (three) leading sectors in West Muna Regency, namely: (a) Construction, (b) Government Administration, Defense and Compulsory Social Security), (c) Health Services and Social Activities. Its policies are related to the Public Works Agency, Community Empowerment Agency and Village Government, Civil Service Police Unit Agency and the Social Service. How to apply the GESIIT program.

Central Buton District has 5 (five) underdeveloped sectors: (a) Manufacturing Industry, (b) Providing Accommodation and Food and Drinking, (c) Corporate Services, (d) Mandatory Government Administration, Defense and Social Security, (e) Other services. This sector is linked to the Department of Trade and Industry, the Office for Community and Village Empowerment, the Office for Cooperatives, Small and Medium Enterprises, the Department of Population and Civil Registry, and the Office of Social Affairs. The policy is to increase the competence of human resources, infrastructure, science and technology, work culture and funding (LIMAPEN).

Interview results, it was found that "Central Buton is currently prioritized for the construction of office infrastructure ". (Interview with Secretary of Fisheries, 28 March 2019).

There are 5 (five) leading sectors: (a) Agriculture, Forestry and Fisheries, (b) Water Supply, Waste Management, Waste and Recycling), (c) Construction, (d) Wholesale and Retail Trade; Car and Motorcycle Repair), (e) Educational Services. Its policy is related to the Department of Agriculture, the Office of Fisheries, the Office of the Environment, the Office of Public Works for Spatial Planning and Public Housing, the Office of Trade and Industry, the Office of Education and Culture. The leading sector is a priority development sector. How to apply the GESIIT program.

#### c. Solutions for Increasing Contribution of Gross Regional Domestic Product of New Autonomous Regions

Based on data, the contribution of East Kolaka Regency to the Gross Regional Domestic Product of Southeast Sulawesi is still relatively small, it also fluctuates from year to year and tends to decline. Likewise, West Muna Regency and Central Buton Regency. The cause is"

1. The low competence of ASN

2. Limited infrastructure and facilities
3. Utilization of science and technology is not optimal
4. ASN Work Culture is not based on work results but main tasks and functions
5. Limited funding problem in OPD.

If each economic sector is directed to the basis, it will increase the production value in that sector, thereby increasing its contribution to GRDP. And this can be achieved through program exchange or approaches at the relevant OPD level across districts. Therefore, the offer in this research is related to the “GESIIT” and “LIMPEN” programs which can specifically and implementatively increase the GRDP of the New Autonomous Region so as to provide an optimal contribution to the Provincial GRDP.

**The solution for increasing the economic value of the New Autonomous Region and the surrounding areas**

The value of economic interactions that occur in the New Autonomous Region with the surrounding areas, namely those bordering geographically to the north, east, south and west in certain areas, namely East Kolaka with North Kolaka, then West Muna Regency with Bombana and Central Buton with Bombana are still relatively small compared to other regions. The reason is that the production value of economic sectors outside of agriculture is relatively low.

For East Kolaka Regency, the relatively low production values are in the sectors: (a) Mining and Quarrying, (b) Processing Industry, (c) Electricity and Gas Procurement, (d) Construction, (e) Providing Accommodation and Food and Drinking, (f) Information and Communication, (g) Financial Services and Insurance, (h) Real Estate, (i) Corporate Services, (j) Educational Services, (k) Health Services and Social Activities

West Muna Regency, the production value of the economic sector which is still low is: (a) Mining and Quarrying, (b) Processing Industry, (c) Electricity and Gas Procurement, (d) Wholesale and Retail Trade; Repair of Cars and Motorcycles, (e) Transportation and Warehousing, (f) Provision of Accommodation and Food and Drink, (g) Information and Communication, (h) Financial and Insurance Services, (i) Corporate Services.

Central Buton Regency's low economic sector is: (a) Mining and Quarrying, (b) Processing Industry, (c) Transportation and Warehousing, (d) Providing Accommodation and Food and Drinking, (e) Information and Communication, (f) Services Finance and Insurance, (g) Corporate Services, (h) Government Administration, Mandatory Defense and Social Security, (i) Other services.

Low sectoral production value will affect the overall GRDP value. Therefore, it needs to be increased, because the large GRDP value at the same time has a positive impact on the economic interactions that occur in the two regions. Thus, focusing on increasing the value of sectoral production will increase the value of economic interactions involving the two regions. To achieve this condition, it is important to implement the “GESIIT” and “LIMAPEN” programs. The technical implementation is of course related to the related OPD level policies, as has been explained in this study.

Based on the description of the discussions that have been put forward, subsequently made an action plan ( action plan ) for OPD associated in the Autonomous Region where the New as shown in Table 1- 3 below:

# The 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI)

## "Nurturing Business and Banking Sustainability"

Surabaya, 14<sup>th</sup> - 15<sup>th</sup> August 2020

Table 2. Matrix Action Plan (Action Plan) in Kolaka East

Code	Economic Sectors	Pertum sectoral economics (%)	Location Quotien (LQ)	Pertum components buhan Proporsional (KPP)	Regional Share Growth Component (KPPW)	Perge - seran Clean (PB)	Category S ector Economy	Related OPD	Action plan (Action Plan)
A	Agriculture, Forestry and Fisheries	0.19	Base	Slow growing	Not competitive	Not progressive	Potential		<p>"GESIT" program</p> <p>a. Collaboration movement involving all related DPOs.</p> <p>b. Entrepreneurship, which is developing MSMEs and forming Autonomous Business Units in every OPD</p> <p>c. Specializes in the development of leading economic sectors</p> <p>d. Investment / funding in lagging economic sectors</p> <p>e. Idiology, material physical development and spirituality to get blessings</p> <p>f. Technology, namely the right benefits</p> <p>"LIMAPEN"</p> <p>a. ASN competency improvement</p> <p>b. Provision of benefit-based infrastructure and facilities</p> <p>c. Use of Science and Technology</p> <p>d. Structuring the work culture of ASN based on work results</p> <p>e. Alternative funding, through the establishment of UBO (Autonomous Business Unit)</p>
B	Mining and excavation	0.39	Non Base	Growing fast	Competitive	Progressive	Developing	OPD which handles <b>underdeveloped sectors</b> :	
C	Processing Industry	0.32	Non Base	Growing fast	Competitive	Progressive	Developing	1. environmental services	
D	Procurement of Electricity and Gas	0.22	Non Base	Growing fast	Not competitive	Progressive	Developing	2. One Stop Integrated Services and Capital Services Agency	
E	Water Supply, Waste Management, Waste and Recycling	0.11	Non Base	Slow growing	Not competitive	Not progressive	Backward	3. Housing and Settlement Area Service	
F	Construction	0.45	Non Base	Growing fast	Competitive	Progressive	Developing		
G	Wholesale and Retail Trade; Car and Motorcycle Repair	0.30	Base	Growing fast	Not competitive	Progressive	Superior		
H	Transportation and Warehousing	0.42	Non Base	Growing fast	Not competitive	Progressive	Developing	OPD which handles the <b>leading sectors</b> :	
I	Provision of Accommodation and Food and Drink	0.25	Non Base	Growing fast	Not competitive	Progressive	Developing	1. Department of Trade, Industry, Cooperatives, Small and Medium Enterprises,	
J	Information and Communication	0.36	Non Base	Growing fast	Not competitive	Progressive	Developing	2. Community and Village Empowerment Office,	
K	Financial Services and Insurance	0.18	Non Base	Growing fast	Not competitive	Not progressive	Backward	3. Civil Service Police Unit Service, and Social Service	
L	Real Estate	0.20	Non Base	Slow growing	Competitive	Not progressive	Backward		
M	Company Services	0.36	Non Base	Growing fast	Competitive	Progressive	Developing		
N	Mandatory Government Administration, Defense and Social Security	0.27	Base	Slow growing	Competitive	Progressive	Superior		
O	Educational Services	0.35	Non Base	Growing fast	Competitive	Progressive	Developing		
P	Health Services and Social Activities	0.30	Non Base	Growing fast	Competitive	Progressive	Developing		
Q	Other services	0.25	Base	Growing fast	Competitive	Progressive	Superior		

# The 2<sup>nd</sup> International Conference on Business and Banking Innovations (ICOBBI)

## "Nurturing Business and Banking Sustainability"

Surabaya, 14<sup>th</sup> - 15<sup>th</sup> August 2020

Table 2. Matrix Action Plan (*Action Plan*) in Muna West

Code	Economic Sectors	Pertumbuhan Ekono Sektor al noodles	Location Quotient (LQ)	Pertumbuhan components buhan Proporsional (KPP)	Regional Share Growth Component (KPPW)	Pergerakan Clean (PB)	Category S ector Economy	Related OPD	Action plan
A	Agriculture, Forestry and Fisheries	0.21	Base	growing fast	Not ber competitiveness	Not Progressive	Potential	OPD which deals with <b>underdeveloped sectors</b> : 1. Department of Industry and Commerce 2. Environment and Hygiene Agency  OPD which handles the <b>leading sectors</b> : 1. public Works Service 2. Community Empowerment Agency and Village Government 3. Civil Service Police Unit Agency 4. social services	<b>"GESIIT" program</b> a. Collaborative movement involving all related DPOs. b. Entrepreneurship, namely developing MSMEs and forming an Autonomous Business Unit in each OPD c. Specialization in developing leading economic sectors
B	Mining and excavation	0.33	Non Base	growing fast	Ber competitiveness	Progressive	Developing		
C	Processing Industry	0.15	Non Base	growing fast	Not ber competitiveness	Not Progressive	Backward		
D	Procurement of Electricity and Gas	0.28	Non Base	growing fast	Not ber competitiveness	Not Progressive	Developing		
E	Water Supply, Waste Management, Waste and Recycling	-0.03	Non Base	slow growing	Not ber competitiveness	Not progressive	Backward		
F	Construction	0.60	Base	growing fast	Ber competitiveness	Progressive	Superior		
G	Wholesale and Retail Trade, Car and Motorcycle Repair	0.31	Non Base	growing fast	Not ber competitiveness	Progressive	Developing		
H	Transportation and Warehousing	0.49	Non Base	growing fast	Ber competitiveness	Progressive	Developing		
I	Provision of Accommodation and Food and Drink	0.42	Non Base	Growing fast	Ber competitiveness	Progressive	Developing		
J	Information and Communication	0.31	Non Base	growing fast	Not ber competitiveness	Progressive	Developing		
K	Financial Services and Insurance	0.25	Non Base	growing fast	Not ber competitiveness	Not progressive	Developing	<b>"LIMAPEN"</b> a. ASN competency improvement b. Provision of benefit-based infrastructure and facilities c. Use of Science and Technology d. ASN work culture structuring based on work results e. Alternative funding, through the formation of UBO (Autonomous Business Unit)	
L	Real Estate	0.08	Base	growing fast	Not ber competitiveness	Not progressive	Potential		
M	Company Services	0.25	Non Base	growing fast	Not ber competitiveness	Progressive	Developing		
N	Mandatory Government Administration, Defense and Social Security	0.23	Base	slow growing	Ber competitiveness	Progressive	Superior		
O	Education Services	0.21	Base	growing fast	Not ber competitiveness	Not Progressive	Potential		
P	Health Services and Social Activities	0.29	Base	growing fast	Ber competitiveness	Progressive	Superior		
Q	Other services	0.19	Base	growing fast	Not ber competitiveness	Not Progressive	Potential		

Table 3. Matrix Action Plan (*Action Plan*) in Buton Central

Code	Economic Sectors	Pertumbuhan Ekono Sektor al	Location Quotient (LQ)	Proportional Growth Components (KPP)	Regional Share Growth Component (KPPW)	Pergerakan Clean (PB)	Category S ector Economy	Related OPD	Action plan
A	Agriculture, Forestry and Fisheries	0.25	Base	Slow growing	Ber competitiveness	Progressive	Superior	OPD which handles <b>underdeveloped sectors</b> : 1. Trade and Industry Service 2. Community and Village Empowerment Service 3. Office of Cooperatives, Small and Medium Enterprises 4. Department of Population and Civil Registration 5. social services  OPD which handles the <b>leading sectors</b> : 1. Department of Agriculture 2. Fisheries Service 3. environmental services 4. Public Works Office of Spatial Planning and Public Housing 5. Trade and Industry Service 6. Department of Education and Culture	<b>"GESIIT" program</b> a. Collaboration movement involving all related DPOs. b. Entrepreneurship, which is developing MSMEs and forming Autonomous Business Units in every OPD c. Specializes in the development of leading economic sectors d. Investment / funding in lagging economic sectors e. Ideology, material physical development and spirituality to get blessings f. Technology, namely the right benefits
B	Mining and excavation	0.29	Non Base	Growing fast	Not competitive	Progressive	Developing		
C	Processing Industry	0.10	Non Base	Growing fast	Not competitive	Not Progressive	Backward		
D	Procurement of Electricity and Gas	0.19	Base	Growing fast	Not competitive	Progressive	Developing		
E	Water Supply, Waste Management, Waste and Recycling	0.23	Base	Slow growing	Ber competitiveness	Progressive	Superior		
F	Construction	.24	Base	Growing fast	Not competitive	Progressive	Superior		
G	Wholesale and Retail Trade, Car and Motorcycle Repair	0.36	Base	Growing fast	Not competitive	Progressive	Superior		
H	Transportation and Warehousing	0.36	Non Base	Growing fast	Not competitive	Progressive	Developing		
I	Provision of Accommodation and Food and Drink	0.21	Non Base	Growing fast	Not competitive	Not Progressive	Backward		
J	Information and Communication	0.29	Non Base	Growing fast	Not competitive	Progressive	Developing		
K	Financial Services and Insurance	.24	Non Base	Growing fast	Not competitive	Progressive	Developing	<b>"LIMAPEN"</b> a. ASN competency improvement b. Provision of benefit-based infrastructure and facilities c. Use of Science and Technology d. Structuring the work culture of ASN based on work results e. Alternative funding, through the establishment of UBO (Autonomous Business Unit)	
L	Real Estate	0.20	Base	Slow growing	Ber competitiveness	Not progressive	Developing		
M	Company Services	.16	Non Base	Growing fast	Not competitive	Not Progressive	Backward		
N	Mandatory Government Administration, Defense and Social Security	0.10	Non Base	Slow growing	Ber competitiveness	Not Progressive	Backward		
O	Educational Services	0.28	Base	Growing fast	Not competitive	Progressive	Developing		
P	Health Services and Social Activities	0.19	Base	Growing fast	Ber competitiveness	Not Progressive	Developing		
Q	Other services	0.15	Non Base	Growing fast	Not competitive	Not Progressive	Backward		

### 5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

#### Conclusion

The results of the study concluded: (1) The typology of the New Autonomous Region in Southeast Sulawesi Province was generally left behind. For West Muna Regency, it is potentially left behind, Central Buton is lagging behind. However, East Kolaka Regency is included in the typology of a prosperous area. (2) Economic sectors that are still underdeveloped and become development priorities in the New Autonomous Region are as follows: (2.1) East Kolaka District, the backward sectors are: (a) Water Supply, Waste Management, Waste and Recycling, (b) Financial Services and Insurance, (c) Real Estate. Meanwhile, the leading economic sectors are: (a) Wholesale and Retail Trade; Repair of Automobiles and Motorcycles, (b) Mandatory Government Administration, Defense and Social Security, (c) Other services. (2.2) West Muna Regency is a backward sector (a) Processing Industry, (b) Water Supply, Waste Management, Waste and Recycling. While the leading sectors are: (a) Construction, (b) Compulsory Government Administration, Defense and Social Security, (c) Health Services and Social Activities. (2.3) Central Buton Regency underdeveloped sectors: (a) Manufacturing Industry, (b) Provision of Accommodation and Food and Drink, (c) Corporate Services, (d) Mandatory Government Administration, Defense and Social Security, (e) Other services. While the leading sectors: (a) Agriculture, Forestry, and Fisheries, (b) Water Supply, Waste Management, Waste and Recycling, (c) Construction, (d) Wholesale and Retail Trade; Car and Motorcycle Repair, (e) Educational Services. (3) The contribution of the East Kolaka Regency DOB to the Gross Regional Domestic Product of Southeast Sulawesi is still relatively small, it also fluctuates from year to year and tends to decline. Likewise, West Muna Regency and Central Buton Regency. The causes are (a) The low competence of ASN, (b) Limited infrastructure and facilities, (c) Inadequate use of science and technology, (d) the work culture of ASN is not based on work results but main tasks, (e) Limited funding problems in OPD. (4) The economic interaction of the New Autonomous Region with the surrounding areas, namely East Kolaka Regency and North Kolaka Regency, gives the lowest score. Then West Muna Regency with Bombana and Central Buton with Bombana. The reason is that the real sectoral production value outside the agricultural sector is low.

#### Suggestion

Based on these findings, (1) The policy that should be taken to make new autonomous regions that are left behind into prosperous regions is to carry out the "GESIIT" program, namely: (a) Collaborative movements involving all related OPDs, (b) Entrepreneurship, namely developing UMKM and forming an Autonomous Business Unit in each related OPD. (c) Specialization in developing leading economic sectors. (d) Investment / funding in disadvantaged economic sectors, (e) Idiology, material physical development and spirituality to get a blessing. (f) Technology, namely the right benefits. The technical implementation of GESIIT is regulated by each related OPD. (2) The policy to improve the economic sectors that are still underdeveloped is to run the "LIMAPEN" program, namely: (a) Improvement of ASN competence, (b) Provision of benefits-based infrastructure and facilities, (c) Use of science and technology, (d) Structuring work culture ASN is based on work results, (e) Alternative funding, through the formation of UBO (Autonomous Business Unit), in OPD. The implementation technique is managed by the head of the OPD concerned and his staff. For the leading economic sector, the policy taken as a development priority is to focus on the GESIIT program, which is implemented in an integrated manner by the OPD directly involved in the leading sector. (3) The "GESIIT" and "LIMAPEN" programs implemented by each related OPD can increase the value of GRDP so as to increase the contribution of new autonomous regions and ultimately increase the economic growth of the new autonomous regions concerned, (4) the "GESIIT and LIMAPEN" programs implemented by each OPD related to can increase the real production value of economic sectors so as to increase the value of economic interaction which is still low between the new autonomous regions and the surrounding areas and ultimately increase economic growth, with the permission of "GOD ALMIGHTY"

#### REFERENCES

- Anita Rosmawarni 2015. Analisis Pertumbuhan Ekonomi dan Transformasi Struktural di Provinsi Jawa Timur Tahun 2000 – 2010. Fakultas Ekonomi dan Bisnis Universitas Airlangga, Surabaya.
- Arief Bachtiar, 2015. Pemetaan Potensi Pertumbuhan Ekonomi Daerah dengan Menggunakan Tipologi Klassen di Surabaya dan Sekitarnya. Fakultas Ekonomi Jurusan Ekonomi Pembangunan, FEB UPN

“Veteran”Jatim

- Bambang Tri Wisnu Satria, 2016. Analisis Pertumbuhan Ekonomi dan Penetapan Sektor Unggulan di Provinsi Jawa Timur Wilayah Timur Tahun 2010-2014. Jurnal Ekonomi Pembangunan Vol.14, No.02
- Boediono. 2014. Seri Sinopsis Pengantar Ilmu Ekonomi No. 5 Ekonomi Makro Yogyakarta: BPFE.
- Ferguson, M. W. 2010. Causes And Effects Of The Chronic Inflammation In Venous Leg Ulcers. Acta Derm Venereol Suppl (Stockh), 210, 3-17.
- Hadi, S. B. 2013. Geografi Regional Indonesia.Fakultas Sosial dan Ekonomi. Jurusan Pendidikan Geografi. Universitas Negeri Yogyakarta, Yogyakarta.
- Hanung Putri Juwita, 2017. Analisis Pola Pertumbuhan Ekonomi Daerah dan Sektor Potensial Kabupaten Magetan Tahun 2011-2015. Jakarta: Putra Grafika.
- Haris Putra, Hety Mustika Ani, Wiwin Hartanto (2018). Kontribusi Sektor Pertanian Terhadap PDRB Kabupaten Jember Tahun 2012-2016, Jurnal Ilmiah Ilmu Pendidikan, Ilmu Ekonomi, dan Ilmu Sosial 71 ISSN 1907-9990 | E-ISSN 2548-7175 | Volume 12 Nomor 1 (2018) DOI: 10.19184/jpe.v12i1.7589
- Hilal Almulaibari, 2011. Analisis Potensi Pertumbuhan Ekonomi Kota Tegal Tahun 2004-2008. Fakultas Ekonomi Universitas Diponegoro Semarang.
- Irene, Swastiwi Viandari Kharti, 2018. Teori Pertumbuhan Ekonomi Menurut Para Ahli <https://blog.ruangguru.com>
- Jhingan, M.L. 2010. Ekonomi Pembangunan dan Perencanaan. Jakarta: Raja Grafindo Persada.
- Marzuki, C. 2014. Ekonomi Regional, Jakarta: Erlangga.
- Mudrajad Kuncoro,. 2013. Metode Riset untuk Bisnis dan Ekonomi. Jakarta Erlangga.
- Muta'ali,Lutfi, 2015. Teknik Analisis Ragonal Untuk Perencanaan Wilayah, Tata Ruang, dan Lingkungan.Yograkarta: Badan Penerbit Fakultas Geografi (BPFGE) Universitas Gajah Mada
- Ni Komang Erawati, 2011. Analisis Pola Pertumbuhan Ekonomi dan Sektor Potensial Kabupaten Klungkung. Fakultas Ekonomi Universitas Udayana, Bali, Indonesia.
- Putong Iskandar. 2013. Economics, Pengantar Mikro dan Makro. Jakarta: MitraWacana Media.
- Rahardjo Adisasmita, 2010. Dasar-Dasar Ekonomi Wilayah. Penerbit Graha Ilmu.
- Robinson T., 2012. Ekonomi Regional Teori dan Aplikasi. Bumi Aksara. Jakarta
- Solikhah Retno Hidayati. 2015. Peran Kota Kecil dalam Perkembangan Wilayah pada Koridor Jalan Regional Semarang-Yogyakarta. Jurnal Pengembangan Wilayah dan Kota Vol.11 No. 4 498-507
- Sukirno,Sadono, 2011, Ekonomi Pembangunan, Jakarta: Kencana.
- Todaro, Michael. P. 2011. Pembangunan Ekonomi di Dunia Ketiga. Edisi Ketujuh, Terjemahan Haris Munnandar. Jakarta: Penerbit Erlangga
- Todaro, Michael P. dan Stephen C. Smith. 2014. Pembangunan Ekonomi di Dunia Ketiga, Edisi kedelapan. Jakarta: Erlangga.
- Warpani, Suwardjoko, 2004. Analisis Kota dan Daerah, Bandung, ITB
- Zulfa Emalia dan Isti Farida, 2018. Identifikasi Pusat Pertumbuhan dan Interaksi Spasial di Provinsi Lampung, Jurnal Ekonomi dan Studi Pembangunan Volume 19, Nomor 1, April 2018, hlm. 61-74 DOI: 10.18196/jesp.19.1.4100