



An Analysis of the Implementation of the Leather Handicraft Industrial Cluster Development Policy in Magetan Regency

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ABSTRACT: The development of leather handicraft industrial clusters is one of the local government's strategic efforts to enhance the competitiveness of small and medium-sized enterprises (SMEs) while promoting regional economic growth. However, the implementation of the policy for developing leather handicraft industrial clusters in Magetan Regency continues to face several challenges, including limited resources, inadequate coordination among stakeholders, and constraints related to product marketing and innovation. This study aims to analyze the implementation of the policy for developing leather handicraft industrial clusters in Magetan Regency and to identify the factors that support and hinder its implementation. The study employed a qualitative approach using a descriptive research method. Data were collected through interviews, observations, and documentation involving government officials, leather handicraft business owners, and other relevant stakeholders. Data analysis was conducted through the stages of data reduction, data presentation, and conclusion drawing. The findings indicate that the policy has been implemented through various programs, including business assistance, training, promotional facilitation, and product quality improvement. Nevertheless, the implementation has not yet been fully optimized due to budget limitations, the underutilization of digital technology, limited product innovation, and insufficient collaboration among the government, business actors, and supporting institutions. Supporting factors include the commitment of the local government, the potential of local resources, and the existence of an established leather handicraft industrial cluster. Meanwhile, the main inhibiting factors consist of limited human resources, restricted market access, and weak cross-sector collaboration. Therefore, strengthening stakeholder coordination, enhancing the capacity of business actors, and optimizing the use of digital technology are essential to achieving more effective and sustainable policy implementation.

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INTRODUCTION

Small and Medium Industries (SMIs) play a strategic role in promoting regional economic growth through job creation, increasing product value-added, and strengthening local economic competitiveness. The existence of SMIs not only supports the national economy but also serves as an important instrument for developing regional competitive advantages (Langgeng R. Putra & Lely Indah Mindarti, 2018). Therefore, local governments need to implement policies that foster a conducive business environment, enhance the capacity of business actors, and expand market access. Effective policy implementation is a determining factor in the success of industrial development programs, as the success of a policy depends not only on its formulation but also on its implementation, which involves various stakeholders.

According to Mazmanian and Sabatier (Dione, 2020), policy implementation refers to the efforts of policymakers to influence the behavior of street-level bureaucrats in order to provide public services or regulate the behavior of one or more target groups. Meanwhile, Merilee S. Grindle (Ogan et al., 2024) defines policy implementation as an administrative and political process

influenced by both the content of policy and the context of implementation. Grindle explains that the content of a policy includes the interests affected, the types of benefits provided, the expected degree of change, the locus of decision-making, program implementers, and the resources available.

Magetan Regency, located in East Java Province, is one of the regions with significant potential in the leather handicraft industry. The leather handicraft industrial cluster in Selosari Village has developed into a major production center for leather-based products, including shoes, sandals, bags, wallets, and other accessories. This industry has become a distinctive economic identity of the region while contributing to employment generation and increasing community income (Vita, 2022). Such potential has positioned the leather handicraft industry as one of the priority sectors requiring continuous government policy support to ensure sustainable development amid increasingly competitive market conditions (Sukarsono et al., 2025).

To support the development of the leather handicraft industrial cluster, the Government of Magetan Regency, through the Department of Industry and Trade, has implemented various programs, including business development assistance, human resource competency training, product promotion facilitation, marketing development, and production quality improvement (Indriastiningsih, 2022). These initiatives demonstrate the local government's commitment to strengthening the competitiveness of the leather handicraft industry. Nevertheless, policy implementation continues to face several challenges, including limited business capital, low levels of product innovation, inadequate technological capabilities, and suboptimal digital marketing practices, resulting in policy objectives not being fully achieved (Indriastiningsih, 2022).

Previous studies indicate that the development of the leather handicraft industry in Magetan Regency requires comprehensive strategies involving improvements in human resource quality, enhancement of production capacity, product innovation, and expansion of marketing networks. Research by Putra, Mindarti, and Hidayati (2018) revealed that the development of the leather handicraft industry remains constrained by production capacity, human resources, and marketing issues (Langgeng R. Putra & Lely Indah Mindarti, 2018). Likewise, Perwitasari and Soetriono (2020) argued that strengthening the production aspect should be prioritized to increase industrial value-added and competitiveness. These findings suggest that the success of industrial cluster development depends not only on the region's economic potential but also on the effectiveness of local government policy implementation (Perwita Sari & Sugiono, 2020).

On the other hand, global economic developments require local governments to formulate policies that are adaptive to technological advancements, digital transformation, and sustainable development principles. The leather handicraft industry is no longer expected merely to produce high-quality products but also to adopt innovation, improve production efficiency, and implement sustainable resource management practices (Nasrullah, 2026). Recent research on circular economy development policies in Magetan Regency indicates that collaboration among government institutions, business actors, academics, and the community is a crucial factor in enhancing the competitiveness of the leather industry while simultaneously strengthening regional economic growth.

Research conducted by Arfanindita and Liquiddanu (2023) developed a consumer needs-based operational model to increase the sales of Magetan leather bags. The study found that understanding consumer preferences significantly improves product competitiveness in the market (Her Tafga Arfanindita, 2023). Furthermore, Atmajati and Mangifera (2024) reported that entrepreneurial marketing and entrepreneurial bricolage positively influence the marketing performance of the leather handicraft industry in Magetan Regency (Atmajati & Mangifera, 2024). Sukarsono et al. (2025) further emphasized that implementing circular economy-based leather industry development policies enhances industrial sustainability through collaboration among government agencies, business actors, academics, and local communities (Sukarsono et al., 2025). Another study by Nurjanah, Prastian, and Huda (2025) found that most leather tanning industries in Magetan Regency continue to encounter challenges in implementing risk-based licensing and green industry concepts. Consequently, stronger policy implementation, continuous assistance, and greater legal awareness among business actors are required (Nurjanah et al., 2025).

Based on these previous studies, it can be concluded that existing research has primarily focused on business development strategies, marketing, and industrial sustainability. In contrast, studies specifically examining the implementation of local government policies for developing leather handicraft industrial clusters remain relatively limited. Therefore, the novelty of this research lies in addressing this research gap by analyzing the implementation of policies for developing the leather handicraft industrial cluster in Magetan Regency, as well as identifying the factors that support and hinder their implementation.

Based on the foregoing discussion, the implementation of policies for developing the leather handicraft industrial cluster in Magetan Regency requires a more comprehensive evaluation to assess the extent to which these policies have been implemented in accordance with their intended objectives and to identify the factors influencing their effectiveness. This study is important because it is expected to provide a comprehensive understanding of the effectiveness of policy implementation by the Department of Industry and Trade of Magetan Regency, while also generating policy recommendations that can serve as a basis for improving leather handicraft industrial cluster development policies. Ultimately, these improvements are expected to enhance industrial competitiveness, expand employment opportunities, and promote sustainable regional economic growth.

METHODOLOGY RESEARCH

This study employed a qualitative approach using a descriptive research design. The qualitative approach was selected to obtain an in-depth understanding of the implementation of the leather handicraft industrial cluster development policy in Magetan Regency, particularly the policies implemented by the Department of Industry and Trade of Magetan Regency. A qualitative approach enables researchers to comprehensively examine phenomena based on actual field conditions, thereby providing a detailed description of the policy implementation process, as well as the supporting and inhibiting factors influencing the effectiveness of policy implementation.

The research was conducted at the Department of Industry and Trade of Magetan Regency and the Selosari Leather Handicraft Industrial Cluster, Magetan Regency. These research sites were selected because they represent the primary center of the leather handicraft industry and constitute the main target of the local government's small and medium industry development policy.

The data sources consisted of both primary and secondary data. Primary data were collected through in-depth interviews with informants selected using a purposive sampling technique (Sugiyono, 2020). The informants included the Head of the Department of Industry and Trade of Magetan Regency or the official responsible for the industrial sector, staff members involved in industrial development programs, leather handicraft entrepreneurs, and other stakeholders directly engaged in policy implementation. Secondary data were obtained from official government documents, program reports, laws and regulations, publications issued by the Statistics Indonesia Office of Magetan Regency, scientific articles, and other relevant literature.

Data were collected through observation, interviews, and documentation. Observation was conducted to obtain a comprehensive understanding of the conditions of the leather handicraft industrial cluster and the implementation of industrial development programs. Semi-structured interviews were employed to enable informants to provide more detailed and comprehensive information regarding policy implementation (Suharsimi Arikunto, 2010). Documentation was used to complement the research data by collecting policy documents, program reports, activity photographs, statistical data, and archival records related to the development of the leather handicraft industrial cluster.

The trustworthiness of the data was ensured through source triangulation and methodological triangulation. Source triangulation was carried out by comparing information obtained from different informants, while methodological triangulation involved comparing findings from observations, interviews, and documentation (Sugiyono, 2020). The application of triangulation aimed to enhance the credibility, validity, and reliability of the research findings.

Data analysis followed the interactive model developed by Miles and Huberman, which consists of three stages: data condensation, data display, and conclusion drawing and verification (Matthew B. Miles & A. Michael Huberman, 2014). During the data condensation stage, the researcher selected, simplified, and categorized the data according to the research objectives. The data were then presented in the form of narrative descriptions, matrices, and tables to facilitate a clearer understanding of the relationships among the findings. Finally, conclusions were drawn based on the patterns, relationships, and findings that emerged throughout the research process and were continuously verified to ensure that the conclusions were valid, credible, and trustworthy.

RESULTS

Policy Implementation of the Leather Handicraft Industrial Cluster Development by the Department of Industry and Trade of Magetan Regency

The implementation of the leather handicraft industrial cluster development policy by the Department of Industry and Trade of Magetan Regency was analyzed using George C. Edward III's policy implementation theory. This theoretical framework was selected because it is appropriate for examining policy implementation from a process perspective, namely how policies are communicated, how resources are provided, how the attitudes and commitment of policy implementers influence implementation, and how the bureaucratic structure functions in executing the program.

The analysis focused on four indicators proposed by Edward III: communication, resources, disposition, and bureaucratic structure. Specifically, the study examined how information regarding government programs, training, financial assistance, promotional facilitation, business registration, business legalization, and coaching activities was disseminated by the Department of Industry and Trade of Magetan Regency to leather handicraft entrepreneurs. Communication plays a crucial role because business actors can only participate in and benefit from government programs when information is delivered clearly, comprehensively, and equitably. Communication is one of the key determinants of successful policy implementation, as it concerns the transmission of information from policy implementers to target groups. According to Edward III, effective policy communication should emphasize three essential elements: transmission, clarity, and consistency. Even well-designed policies may fail if information concerning policy objectives, program activities, requirements, and implementation procedures is not communicated clearly and consistently.

In terms of information clarity, the findings indicate that most leather handicraft entrepreneurs have understood the objectives of the various programs implemented by the local government. However, such understanding is more effectively achieved when information is delivered directly through socialization activities or technical assistance rather than solely through official written correspondence. The use of formal administrative language remains a challenge for many entrepreneurs in understanding administrative requirements and program implementation procedures. Therefore, direct explanations supported by practical

examples are considered more effective than written communication alone. These findings suggest that successful policy communication depends not only on the quantity of information disseminated but also on the government's ability to adapt its communication style to the characteristics of the target audience. In public policy implementation, the use of simple, communicative, and easily understandable language is essential to minimize differences in interpretation among implementers and target groups. Clear communication also contributes to increasing the participation of business actors in government-sponsored development programs.

The resource dimension was analyzed based on the Department of Industry and Trade's capacity to provide human resources, financial support, facilities, and institutional assistance required for implementing the leather handicraft industrial cluster development policy. Based on the interview findings, policy implementation has been supported by government officials responsible for fostering Small and Medium Industries (SMIs), particularly those operating in the leather handicraft sector. These officials are responsible for collecting industrial data, providing business coaching, organizing training programs, facilitating product promotion, assisting with business legalization, and monitoring the development of the leather industry in Magetan Regency. Nevertheless, the number of available personnel remains insufficient compared to the large number of business actors requiring assistance, resulting in limited and uneven mentoring services.

The entrepreneurs perceived government officials as being responsive and receptive to suggestions conveyed through coaching forums and direct communication. Proposals concerning production equipment, marketing support, training opportunities, and business licensing received positive attention from the local government, although their implementation remained dependent on budget availability and program priorities. This condition reflects a constructive partnership between the government and business actors in supporting the development of the leather handicraft industrial cluster.

Despite these positive findings, the study also revealed that the disposition of policy implementers still requires improvement through more intensive and continuous assistance. Communication and business coaching are generally conducted only when specific government programs are being implemented, whereas routine mentoring outside these programs has not yet been carried out optimally. Business actors expect the government not only to be present during program implementation but also to conduct regular monitoring of business development, production challenges, and market demands. In addition to the commitment demonstrated by government officials, disposition is also reflected in the willingness of business actors to participate in government programs. The majority of leather handicraft entrepreneurs showed a high level of enthusiasm in participating in training programs, business mentoring, and promotional activities organized by the local government.

The findings further indicate that the implementation of the leather handicraft industrial cluster development policy in Magetan Regency has been carried out based on a clear division of responsibilities within the Department of Industry and Trade. The division responsible for Small and Medium Industries is tasked with program planning, business registration, business development activities, promotional facilitation, as well as monitoring and evaluating the progress of the industrial cluster. This clear allocation of responsibilities facilitates effective program implementation according to the functions of each organizational unit.

Coordination is conducted not only within the department itself but also through collaboration with craftsmen associations, village governments, training institutions, and other relevant stakeholders. Such coordination takes place through coordination meetings, communication forums, business development activities, and collaborative exhibitions and product promotion events. Inter-institutional collaboration has become one of the supporting factors contributing to successful policy implementation by broadening institutional support for the development of the leather handicraft industrial cluster.

Although the bureaucratic structure has generally functioned effectively, this study found that the monitoring and evaluation mechanisms still require improvement. Business monitoring has not yet been conducted regularly for all leather handicraft enterprises due to the limited number of government personnel and the extensive geographical coverage of the assisted industrial areas. Furthermore, updating the database of Small and Medium Industries requires more intensive coordination to ensure that the information used as the basis for program planning remains accurate, up-to-date, and consistent with actual field conditions.

Challenges in the Implementation of the Leather Handicraft Industrial Cluster Development Policy

The findings indicate that the implementation of the leather handicraft industrial cluster development policy in Magetan Regency has generally been carried out in accordance with the policy direction established by the Department of Industry and Trade of Magetan Regency.

One of the primary challenges is the limited availability of human resources responsible for supporting and developing Small and Medium Industries (SMIs). Based on the findings, the number of government officials assigned to provide business assistance is not proportional to the number of leather handicraft entrepreneurs targeted by the development programs. As a result, monitoring, evaluation, and mentoring activities have not been implemented optimally for all business actors. Government officials are required to manage multiple development programs simultaneously, limiting the intensity of field supervision and assistance. Consequently, some entrepreneurs continue to experience difficulties in obtaining continuous business support, particularly in business development, marketing strategies, and the adoption of production technologies.

Another significant challenge concerns the limited budget allocated for the development of the leather handicraft industrial cluster. The available funding must be distributed across various programs, including training activities, equipment assistance, product

promotion, exhibition facilitation, and other business empowerment initiatives. Consequently, the local government is required to prioritize program implementation, meaning that not all business actors can receive support simultaneously. Many entrepreneurs continue to expect greater government assistance, particularly in the modernization of production equipment, digital marketing facilitation, access to business financing, and more frequent industry-oriented training programs.

In addition to resource constraints, communication also remains a challenge in policy implementation. Although the local government has utilized various communication channels, including official letters, WhatsApp groups, social media platforms, telephone communication, and coordination through craftsmen associations, information dissemination has not yet reached all business actors effectively. Some entrepreneurs do not regularly participate in socialization activities or actively engage with the communication platforms used by the government. Consequently, information regarding business development programs, training opportunities, and government assistance is sometimes received late. Differences in digital literacy among entrepreneurs also contribute to uneven communication effectiveness across the leather handicraft industry.

Another challenge is related to production facilities and infrastructure. Although the government has provided production equipment to some business actors, many enterprises continue to rely on conventional machinery and simple production tools. These technological limitations affect production capacity, operational efficiency, and product quality. Amid increasingly competitive industrial competition, the adoption of modern production technology has become essential to enable business actors to produce more innovative, higher-quality products with greater added value.

Overall, the findings demonstrate that the challenges in implementing the leather handicraft industrial cluster development policy in Magetan Regency are influenced by both internal and external factors. Internal factors include limitations in human resources, budget allocation, production facilities and infrastructure, and institutional coordination. External factors include the limited ability of business actors to adapt to technological advancements, the suboptimal utilization of digital marketing, increasingly intense market competition, and the uneven dissemination of information among leather handicraft entrepreneurs. Therefore, the successful implementation of the policy depends not only on the performance of the local government but also on strong collaboration among government agencies, business actors, higher education institutions, financial institutions, industry associations, and the wider community in creating an innovative, competitive, and sustainable leather handicraft industry ecosystem (Sari & Rahmaini, 2026).

DISCUSSION

Implementation refers to the execution of a well-planned and systematically designed policy or program. According to Edwards III, policy implementation is influenced by four interrelated variables: (1) communication, (2) resources, (3) disposition, and (4) bureaucratic structure (Edwards III, 1980).

Based on the analysis using Edwards III's policy implementation framework, the implementation of the leather handicraft industrial cluster development policy by the Department of Industry and Trade of Magetan Regency has generally been carried out; however, it has not yet achieved optimal effectiveness. This assessment does not imply that the policy has failed. The local government has undertaken various initiatives, including business registration, coaching, training, promotional activities, exhibitions, administrative assistance, and inter-agency coordination. Likewise, leather handicraft entrepreneurs have demonstrated active participation and a strong commitment to maintaining and expanding their businesses. Nevertheless, the outcomes of policy implementation have not been evenly distributed or sustained over time. Although communication has been conducted through multiple channels, the effectiveness of information dissemination remains dependent on the level of participation of business actors and the role of craftsmen associations. Similarly, while the necessary resources have been provided, the availability of business mentors, budget allocations, capital, production equipment, technology, and market access remains limited.

The disposition of both policy implementers and business actors generally supports policy implementation. The Department has demonstrated commitment and openness to stakeholder feedback, while entrepreneurs have shown considerable interest in participating in programs that provide direct benefits. However, mentoring and follow-up activities have not been conducted consistently, and the acceptance of innovation varies among business actors. The bureaucratic structure has established a clear division of responsibilities, service procedures, coordination mechanisms, monitoring systems, and evaluation processes. Nevertheless, several administrative procedures still require further clarification, coordination among stakeholders has not yet been conducted regularly, and evaluation activities have not comprehensively measured the actual impacts of the implemented programs. These four dimensions are closely interconnected. For example, the limited number of business mentors reduces the effectiveness of communication and monitoring activities. Likewise, uneven communication has resulted in some entrepreneurs having limited awareness or understanding of government programs.

The development strategy for Micro, Small, and Medium Enterprises (MSMEs) in the leather handicraft sector of Magetan Regency represents a pattern of resource allocation that enables organizations to maintain and improve their performance. According to Barney (2007), an effective strategy is one that neutralizes threats, capitalizes on existing opportunities by utilizing available strengths, and minimizes organizational weaknesses. Nevertheless, the development of leather handicraft MSMEs in Magetan Regency continues to face several challenges, including limited access to capital, inadequate absorption of leather raw materials, insufficient human resources, and marketing constraints.

The findings of this study are consistent with those of Prasetyo (2022), who reported that digital transformation among Small and Medium Industries (SMIs) continues to encounter obstacles, including limited human resource competencies, inadequate information technology infrastructure, and insufficient government assistance. These findings reinforce the results of the present study, which reveal that many leather handicraft entrepreneurs in Magetan Regency continue to rely on conventional marketing methods and have not yet fully utilized digital technologies. Limited digital competencies have restricted product marketing reach, thereby constraining the competitiveness of local products (Prasetyo, 2020).

The challenges related to production facilities identified in this study are also supported by the research of Tajikusumawan, Kurniawati, and Sukarsono (2020), who found that production efficiency in Magetan's leather tanning industry remains constrained by limited production technology. Their study demonstrated that the continued use of outdated production machinery has reduced industrial productivity. These findings are consistent with the present study, which found that many leather handicraft enterprises still rely on simple production equipment, resulting in limited production capacity and product quality that are less competitive compared to industries in other regions (Tajikusumawan, 2020).

The finding concerning the relatively low competitiveness of leather products is further supported by Yunanto (2022), who argued that improving the competitiveness of small and medium industries in Magetan Regency requires strengthening human resource quality, product innovation, quality standardization, and the utilization of information technology. The study emphasized that without continuous innovation and product quality improvement, small industries will struggle to compete in the era of globalization. This conclusion is consistent with the present findings, which indicate that many entrepreneurs continue to face limitations in product design development, innovation, and their ability to respond to changing market demands (Yunanto et al., 2022).

Furthermore, Arfanindita and Liquiddanu (2023) explained that the success of the leather handicraft industry is strongly influenced by entrepreneurs' ability to understand consumer preferences and continuously innovate according to market trends. Their findings indicate that market orientation is a key determinant of increased product sales. This supports the findings of the present study, which reveal that many business actors continue to face difficulties in responding to changing market trends due to limited market information, insufficient design innovation, and underdeveloped marketing strategies (Her Tafga Arfanindita, 2023).

The findings are further reinforced by Atmajati and Mangifera (2024), who found that entrepreneurial marketing capabilities and the creative utilization of available resources significantly improve the marketing performance of the leather handicraft industry in Magetan Regency. Their study demonstrated that entrepreneurs' creativity in identifying and exploiting market opportunities enhances product competitiveness. However, the present study found that the digital marketing capabilities of many entrepreneurs remain relatively limited, preventing them from fully utilizing broader market opportunities. This condition represents one of the major obstacles to the successful implementation of the leather handicraft industrial cluster development policy (Atmajati & Mangifera, 2024).

Beyond marketing-related issues, Nurjanah, Prastian, and Huda (2025) found that many leather industry entrepreneurs in Magetan Regency have not yet fully complied with business legalization requirements. Their study emphasized that optimizing risk-based business licensing requires continuous government assistance to ensure compliance with administrative regulations. These findings are consistent with the present study, which found that several entrepreneurs still lack complete business licenses, thereby limiting their access to government development programs, financial assistance, and potential business partnerships (Nurjanah et al., 2025). The findings are also consistent with those reported by Sukarsono et al. (2025), who argued that successful implementation of leather industry development policies requires collaboration among local governments, business actors, higher education institutions, financial institutions, and local communities. Their study demonstrated that cross-sectoral coordination is a critical factor in enhancing the effectiveness of industrial development policies. Similarly, the present study found that although coordination among stakeholders has been established, it has not yet been fully integrated, resulting in several development programs being implemented independently rather than collaboratively. Consequently, the policy has not yet produced its full potential in improving the competitiveness of the leather handicraft industry.

Overall, these previous studies demonstrate that the findings of the present research are consistent with existing empirical evidence. The challenges in implementing the leather handicraft industrial cluster development policy are not solely attributable to limitations in government resources but are also influenced by entrepreneurs' capacity to adapt to technological developments, undertake product innovation, comply with business legalization requirements, and establish broader marketing networks. Therefore, future policy implementation should prioritize strengthening human resource capacity, increasing budget support, modernizing production technology, enhancing cross-sectoral coordination, and optimizing digital marketing strategies to ensure the sustainable development and greater competitiveness of the leather handicraft industrial cluster in Magetan Regency.

In general, the implementation of the leather handicraft industrial cluster development policy has provided meaningful support for leather handicraft entrepreneurs in Magetan Regency. Nevertheless, further improvements are required in ensuring equitable communication, adequate resource allocation, continuous post-program mentoring, simplified administrative procedures, stronger inter-agency coordination, and more comprehensive impact evaluation. If these aspects are improved through an integrated and sustainable approach, the policy will generate outcomes that extend beyond administrative achievements. More importantly, it will

contribute to tangible improvements in product quality, productivity, marketing performance, sales growth, the regeneration of skilled craftsmen, and business sustainability (Ilma Emeliana Putri, 2016).

In conclusion, the implementation of the leather handicraft industrial cluster development policy has substantially supported the development of the leather handicraft industry in Magetan Regency. However, further strengthening is required to ensure that its benefits are distributed more equitably, can be systematically measured, and are sustained over the long term. Such improvements are essential to enable the leather handicraft industry to remain competitive, adapt to evolving market dynamics, and continue serving as one of the region's leading economic sectors that contributes to the welfare of the people of Magetan Regency.

CONCLUSIONS

Based on the findings and discussion regarding the implementation of the leather handicraft industrial cluster development policy by the Department of Industry and Trade of Magetan Regency, it can be concluded that the policy has been implemented and has provided considerable support for the development of the leather handicraft industry. Policy implementation has been carried out through the registration of Small and Medium Industry (SMI) business actors, business development and mentoring programs, training activities, facilitation of product promotion and exhibitions, assistance with administrative procedures and business legalization, as well as coordination with craftsmen associations and other relevant stakeholders. Nevertheless, the implementation has not yet achieved optimal effectiveness, as the benefits of the programs have not been distributed evenly among all business actors, and follow-up assistance after program completion has not always been provided on a continuous basis.

From the perspective of communication, information regarding government programs has been disseminated through official correspondence, WhatsApp, telephone communication, face-to-face meetings, and coordination with industrial cluster coordinators and craftsmen associations. The use of these multiple communication channels has enabled business actors to access information concerning business development programs, training opportunities, industrial data collection, promotional activities, and various forms of government assistance.

From the resource perspective, the Department of Industry and Trade of Magetan Regency possesses the essential resources required to support policy implementation, including government personnel, business mentors, budget allocations, industrial databases, and program facilities. At the industrial level, the availability of labor, raw materials, production facilities, machinery, and production equipment has also supported manufacturing activities within the leather handicraft sector.

From the perspective of disposition, policy implementers have demonstrated commitment and openness in supporting the development of the leather handicraft industrial cluster. This commitment is reflected in the implementation of business development programs, training activities, promotional initiatives, stakeholder coordination, the acceptance of feedback from business actors, and the monitoring of Small and Medium Industries (SMIs). Likewise, leather handicraft entrepreneurs have generally shown positive attitudes toward government programs that provide direct benefits for production and marketing activities. However, not all business needs can be addressed promptly due to limitations in budget allocation, human resources, and the government planning process. Furthermore, post-program mentoring has not yet been conducted regularly for all business actors. Differences also remain in the level of participation and acceptance of innovation, which are influenced by production workloads, technological capabilities, financial constraints, and market considerations.

From the perspective of the bureaucratic structure, policy implementation has been supported by a clear division of responsibilities, systematic SMI data collection mechanisms, standardized procedures for program participation, coordination mechanisms, and monitoring and evaluation processes. The technical divisions of the Department work directly with leather handicraft entrepreneurs, while craftsmen associations play an important role in disseminating information, collecting business data, explaining program requirements, and communicating the needs and aspirations of their members to the department.

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