

Research:

## THE EFFECTS OF THE ECONOMICS, SOCIAL, ENVIRONMENT, LAY-OUT OF THE CITY AND PUBLIC ORDER UPON THE PERFORMANCE OF THE PUBLIC CULINARY STALLS / PKL

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**Abstract.** *The public culinary stalls (PKL) are an informal economic sector that have been evolving in big cities especially in Bogor. The Government is obliged to manage and arrange the public culinary stalls in order not to disturb the society, lay-out of the city, and public order. Public Cullinary Stalls have been increasing the society economics and supporting the government relating to jobs opportunities. This research aims to discover: 1) the profile of public culinary stalls 2) a simultaneous effects of the aspects of economics, social, environment, lay-out of the city and public order aspects upon PKL performances, and 3) a partial effects of the aspects of economics, social, environment, lay-out of the city and public order upon PKL performance The research has been applying a qualitative and quantitative approach. Data collection has been obtained through the questionnaires distribution, the observation and depth interview. The research has determined that the economics, society, environment, lay-out of the city an, public order factors have been affecting simultaneously and partially the performance of PKL.*

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*Key-words : Economics, Social, Environment, Lay-out, public order and Performance of PKL.*

### INTRODUCTION

Manpower crisis is the symptom attached to the national economics crises. The economics crises has happened due to the unbalanced effects between monetary and real sectors, which is the cut-off phenomenon occurred between monetary flow and goods or services flow. The unbalancing phenomenon has been triggered by the speculation of business activities which is the world bubble economics condition. The International Labour Organization (ILO) in the United Nation Development (1998) estimated that the population of the cities in developing countries will be increasing up to 82.5 million at the end of 1980<sup>th</sup>, in 2025 could reach to 1.7 billion people, based on the population increasing, hence, 228 million new job-opportunities should have to be prepared. Informal sectors are providing a lot of new job opportunities, therefore, the policy regarding a development should have to be given to the companies that are developing an entrepreneurship for informal sectors. Having a lot of urbans have been creating big problems in the cities since they could not get a job easily reflecting to a huge number of jobless people.

Total of jobless people in the city is higher than the ones in the villages. This has happened due to their expectation to find a better life in the city but they do not have any sufficient qualification to get the jobs. Too many urbans who have not got the jobs has been affecting to a huge number of jobless people in the city, it is only 30.51% has been working in the formal sectors and the rest of 68.49% has been working in the informal sectors which is 42 million units .

The evolving of metropolitan cities such as Jakarta has given a domino effect to its surroundings. Bogor is located nearby Jakarta and the climate is very good so that some interesting tourism places to go are the reason too many people coming to Bogor. Some of them have a high standard skill but some of them do not have either a good skill or a high education. People/urbans having good skills could work in a formal sector and has given a positive effect to the development and wealth of the society. People having a low standard of skills have been working at the informal sectors such as PKL (public stalls) which is they have not contributed any additional added value for the city but destroyed the beauty of the city and created the traffic jam.

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PKL phenomenon has put the Municipality of Bogor to a difficult situation. Using strong approach the administration would create a boomerang to the economic development in Bogor. Unstability, an-archic and uncomfortable city will jeopardize Bogor as one of the favourite homestay and the tourism attraction. Table 1. herebelow is PKL data and type of products they have been selling in some area in Bogor.

Table 1. Location of PKL

No	Area	Type of the product					
		Industrial goods and handicrafts	Farming products	Culinary	Used products	Services (tire repair and service)	others
1	Bogor north	72	271	342	8	16	87
2	Bogor south	50	190	241	6	11	62
3	Bogor central	424	1603	2027	44	94	519
4	Bogor east	251	947	1196	27	56	306
5	Bogor west	140	510	764	26	38	189
Total		937	3521	4570	111	215	1163

Resources : Cooperative Administration Office and business unit of middle, lower middle, small in Bogor.

It is not very easy to manage PKL in Bogor. PKL handling program partially will make a new problem, but protecting PKL can make them dependent on it and eliminate urbans self-help mechanism which is in a poor category. PKL is not only the resoures of the district administration revenue but also as the sources of the problems due to a limited business management, low education, unawareness to the cleanliness, utilization of a public area which is not for PKL, traffic jam. These problems have been affecting to the performance of PKL itself. Same factors have been affecting to PKL, as follows: a) It is very difficult to find a place for PKL which is in accordance with the city lay-out therefore they have used the public facilities. b) government supports to provide PKL location are still not significant. c) raw materials and supporting materials are still unreliable, d) competency and skills of the manpower have not been developed. e) Government policy to develop UMKM has not been done yet comprehensively. f) The efforts to improve their business have encountered a lot of obstacles such as the difficulties to get the financial capital needed reflecting to the dissatisfaction of PKL. Furthermore, PKL problems should have to be handled accordingly which is considering to a varied point of view or holistic to obtain win-win solution.

Referring to the aforementioned descriptions, the problems in this research are as follows, 1) What is the profile of PKL, 2) How can the economics, social, environment, lay-out, public order factors affect simultaneously the performance of PKL?, 3) How can the economics, social, environment, lay-out and public order factors affect partially the performance of PKL?. This research has been expecting to contribute a solution to manage PKL business and to solve the problems. And the district administration could use it as a good input to consider the way of solving problem of PKL in relation with PKL restructuring and managing matters.

## LIBRARY REVIEW

### A. Informal sectors

In general informar sector has defined to describe a small unit business which is formal small business unit, informal small business unit and traditional small business unit. Formal small business unit is a business unit that has been registered, noted and legalized in the administration of the city. Informal small business unit is a business that has not been registered, noted and legalized yet, such as, farmer, home industry, street seller, public stalls. Traditional or local small business unit is a business that has been using a simple production tools historically relating to arts and culture. Hidayat (1978) defined informal sectors are business units have not obtained yet an economic protection from the government refers to tariff and non tariff protection against the foreign competitors, cheap price of production

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facilities and soft loan policy, etc. Moreover, worker protection refers to minimum standard wages, job security, safety etc. Sethuraman (1981) describing that informal sectors are consisting of small business units scale producing and distributing goods and services, having their objectives to create job opportunities and self-income but they have their own problems regarding physical capital factor, knowledge and skill factors.

Based on the aforementioned definitions, it has been concluded that informal sector is a unit / sector that has not been structured well evolving at urban society, distributing goods and services which is the main objectives are able to provide job opportunities and self-income eventhough it has usually been encountering the problems refers to physical capital factor, knowledge and skills factors obviously.

## **B. The Characteristics of Informal Sectors.**

McLaughlin (1990) determined that informal sectors have their own characteristics as follows:

1. Family employment, unpaid employment, manual operation instead of using machines or equipments.
2. Flexible, the economic activities have employed non permanent workers depending on the market demand.
3. Simple (easy) but one day the facility will be in danger.
4. Producing the products made of unimportant materials.
5. Having the ability to manage a business which is in a proper time and location satisfying the customers.
6. The location tends to be a small market which is far from huge companies coverage.

## **C. Informal Sectors Group**

Informal sectors could be classified into three groups;

1. People who are running their own business with a small capital. (PKL, street retailer, market trader, moving trader, etc).
2. Informal workers who are working for other people. They are daily worker working for a small business unit or a family based on verbal agreement and paid on daily wages or monthly wages (house-maids (PRT), construction labourer).
3. Owner of a very small business unit (owner of a kios. Mustafa (2005) defined that informal sectors are as follows; small trader, street trader, public stalls, daily labour who is picking up cigarettes butt, used good collector, and beggars.

De Soto (1986) specifically classified informal sectors into three main classes, as follows.

1. Subsector of housing and informal land affairs, eg. Spontaneous or unplanning residents.
2. Subsector of informal transportation, eg. 'becak' (three wheels carts) or 'ojek' (motorcycle).
3. Subsector of informal trading, eg. Public Stalls (PKL) or street trader.

International Labour Organization (ILO) defined that in order to make the informal sectors better and protected, it should have been covering the following:

1. Able to improve the potential of productivity at manpower sectors and income at the informal sector.
2. Able to provide better facilities to the poorest people due to their well-being.
3. Able to determine an appropriate policy framework refers to an applicable regulation and social protection.
4. Able to organize either workers or producers at the informal sectors.

## **D. Public Stalls.**

One of informal sectors is Public Stalls (PKL) since it is being categorized as an important job opportunity refers to a specific small unit and disorganized one. The understanding about Public Stalls, as follows:

According to Alma (2006), public stall is every man efforts doing a business to get a legal income which is not permanent, limited ability, located at the crowd of consumers and

not having a business legal. Alisjahbana (2006) determined that public stalls are a business unit performed by the people using an empty space on the roads, trottoir, city parks and other business places that do not belong to them. Breman (1988) determined that public stalls is a small business unit being done by the people having low income (daily wages) and limited financial capital.

#### **E. Advantages and disadvantages of the Public Stalls (PKL)**

Recently the definition of PKL has been very famous in Indonesia, the famous of PKL could have been either positive or negative meaning. In a positive meaning, PKL has been providing jobs opportunity and employing a lot of jobless people. Those kind of jobless people have been trying to be creative being the entrepreneurs, using their own financial capital or without any financial capital. They are not afraid of struggling for life. PKLs have been helping the consumers because they can find the goods and services or just a gift very quickly when they are passing through the area. PKLs mostly are selling a lot of convenient products since the consumers bought it relating to their emotional attraction for example they will buy the goods because they like it. The price of the goods PKL is usually quite a high price at the beginning, but the consumer will bargain as cheap as possible, then they have come to price agreement. Finally, both parties either the seller or the buyer would have gained their own profit accordingly.(Alma, 2006).

In a negative meaning, PKLs have been ignoring the environmental order, safety and security, cleanliness, and noise obviously. It explains when there are a lot of PKLs then a disorder environment, noise and much trashes will happen. In this case, an education, disciplines, regulation should have to be applied continuously refers to a well planned and total execution to organize them should have to be done considerately instead of sporadic execution. Sporadic execution will jeopardize a lot of the citizen of our country. Applying the disciplinary execution continuously will be able educating the PKL as well as solving the problems. We have to recognize that PKL will never be coming to and end up, but they will be everywhere getting along with the increasing of the population, of course they are doing such a business due to their needs obviously (Alma, 2006).

#### **F. Typology of Public Stalls.**

Alisyahbana (2005) based on his research in Surabaya has categorized PKL into 4 (four) typologies, as follows:

1. Pure public stalls which are categorized as Public Stalls (PKL) refers to limited financial capital scale, executed by the people who do not have any job unless public stalls, limited skills, family employment.
2. Public stalls refers to occasional stalls due to bazar events(cheap public market, selling the products at the mosque on Fridays, offices yard)
3. Public stalls which is beyond the two categories aforementioned refers to the public stalls have been employing other people. They have their own employees who sell the products using a car, and have their own stalls more than one. Public stalls which is within this type are the ones moving from one place to another place using an open truck.
4. Public stalls which are the public stalls entrepreneurs. They only need to coordinate with the workers to sell their products to a certain stalls. These kind of public stalls entrepreneurs are the ones who have their own stores having a lot of products as a wholesaler or distributor who sell their products to the public stalls that do not have enough financial capital but they can pay it after the products being sold.

#### **G. Aspects affecting the performance of Public Stalls**

Some aspects have been affecting the performance of public stalls, as follows: 1) Economic aspect refers to the development of PKL as a micro business unit which is to be enriched completely, optimal and continuously by developing a conducive business atmosphere providing business opportunities, supporting, protecting and improving the business better, hence they can improve their potential skills to obtain more income as well as to create more job opportunities that can be able to eliminate the poverty. Bromley (1979) described that formal economy and informal economy can not be separated accordingly, they have been interacting continuously, so that the government supports are needed for both

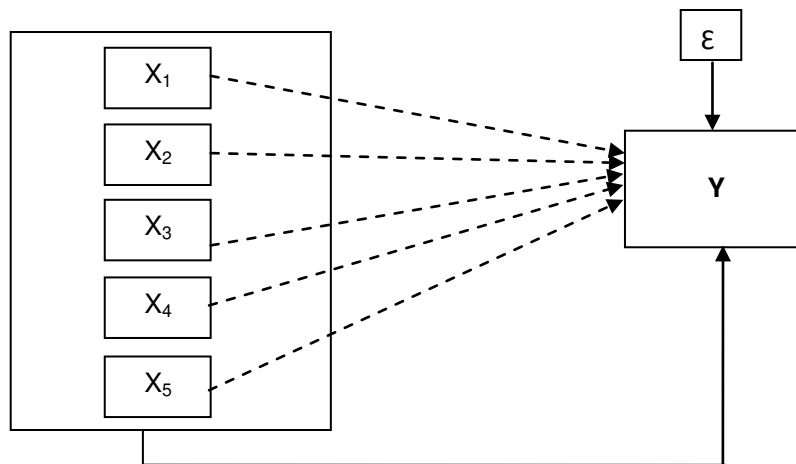
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sectors and the government is obliged to develop a small business competition. Various informal business sectors need different policies as well. 2) Social Aspect: Social aspect is to strengthen the related institution, the quality of human resources (education and skills), citizen migration, criminals. 3) Environmental aspects; Jhingan (2008) described that the condition of PKL location in general is connecting to the environmental cleanliness and beauty, this aspect has explained that the related location is having a selling value or image. Improving the cleanliness of PKL location is very crucial to do since it is connecting to the comfortable of the customers. The main obstacles to manage PKL location cleanliness are relating to the lack of PKL awareness about it, they have been neglecting it since they have given all the responsibilities to the cleaning officers only. Furthermore, the drainage system is not good, inappropriate water supply has been affecting the quality of surroundings PKL. 4) Lay-out aspects; Sani (2007) described that open spaces are the whole landscaping, road and trottoirs, public parks and recreation places in the city. Open spaces are covering public parks, green open spaces, bench, plants pools, water, lamps, statues, pedestrians, direction boards, etc. Public stalls activities have very often utilized open spaces which is they have been misusing the facilities. The beauty of public parks are not only providing the beauty and cleanliness the the place but also maintaining the environmental function properly such as water absorption, flora and fauna management, etc, so that the city lay-out can be managed properly. 5) Public Safety and Security Aspects; PKL and community surroundings have not respected public policy and regulations, made the city disordered and traffic problems due to public stalls business activities.

### HYPOTHESES OF THE RESEARCH

Hypotheses of this research has defined that a simultaneous and partial effects of the economic, social, environment, lay-out and public order factors have affected the performance of PKL.

In order to recognize the effects of intra-variables of the economic, social, environment, lay-out and public order factors upon the performance of PKL the following paradigm has explained it



Picture 1 . Research Paradigm

### RESEARCH METHOD

#### A. Research Design

This research has applied descriptive and verificative research design. Descriptive research design is to recognize the condition of culinary public stalls. Verificative one is to examine the hypotheses using statistics. There are two variables, independent variables

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consisting of Economics factor (X1), Social (X2), Environment (X3), Lay-out (X4), and public law and order (X5). Dependent variable is the performance of public stalls (PKL).

## **B. Data Resources and types.**

Data types collected is primary data and secondary data. Primary data has been obtained by distributing the questionnaires to the public stalls and interviewing them. Secondary data has been obtained by studying the applicable literatures, and other researches.

## **C. Population and Sampling**

Collecting data is from the samples representing the population of the culinary public stalls in Bogor area. The related population is only for active culinary public stalls that are still selling the food and beverages. Sampling technique has been applying Gay opinion determining that a minimum accepted samples should have to be in accordance with the research design using descriptive method at the minimum of 10% of the population total which is 457 respondents. Sampling has applied cluster random samples, because when the related population has been at some clusters having the similar characteristics, the samples can be taken at some area / cluster accordingly. (Gulo, 2003).

## **D. Operational Definition**

### 1. Economics

PKL (Micro unit business) enrichment should have to be executed overall, optimal and continuously by creating a conducive business atmosphere refers to providing a business opportunity, supporting, protecting and developing the business more and more, so that PKL will be able to develop their skills to increase their income, to create more job opportunities and to eliminate the poverty as well. (Jhingan, 2008).

### 2. Social

Social aspect refers to strengthen the related institution, regulation, people migration and criminal acts. (Jhingan, 2008).

### 3. Environment

The condition of PKL location is connecting to the environmental beauty and cleanliness which is this aspect has a selling value(image) refers to the related business location (Jhingan, 2008).

### 4. Lay-out

Open spaces refer to the landscape, road and trottoir, public parks and recreation places within the city. (Firdausy, 1995).

### 5. Public law and order

Lack of PKL or community awareness to respect the applicable public policy and regulation has been increasing public disorganized and traffic jam, so that the administration should have to regulate and punish them properly. (Firdausy, 1995).

### 6. Performance.

A performance is the output obtained by any functions or the indicator of a job or a profession in a certain time (Wirawan 2009). A performance has been measured based on the financial measurement and non financial one. Financial measurement has covered perceived success, satisfaction and goal achievement, but, non financial measurement has cover Sales result, Profit and Growth.

## **E. Data Analysis Method**

Data analysis method has applied a descriptive statistical analysis which is the statistics applied to analyse a data by describing samples data collected. This analysis is applied to recognize the characteristics of the respondents being examined based on some related indicators questioned in the questionnaires. The related technique has applied a descriptive statistics to obtain frequency value and mean value of each indicator questioned. The calculation of a quantitative statistics has used SPSS program. Technique of analysing data has used multiple linear regression analysis, determinant coefficient and correlation

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coefficient. Furthermore, a classic assumption examination has been performed covering normality test, autocorrelation test, multicollinearity test, and heteroscedasticity test.

**F. Hypotheses Examination**

In order to recognize the effect of independent variable simultaneously upon the dependent variable, F test has been applied (Singarimbun, 1995). When a significant value of F is less than 5% or  $F_{calculated} \geq F_{table}$ , it explains that independent variables have been affecting simultaneously upon the dependent variable. To recognize the effects of independent variables partially upon the dependent variable, Ttest has been applied (Singarimbun, 1995). When a significant value of T is less than 5% or  $T_{calculated} \geq T_{table}$ , it explains that the independent variables have been affecting partially upon the dependent variable.

**RESULT AND DISCUSSION**

**A. Validity and Reliability Analysis**

Validity test is done to identify that the questionnaires are valid when  $r_{calculated}$  is higher than  $r_{table}$ . Reliability test has indicated that a measuring test is reliable and valid through a validity test. Arikunto (2002) indicated that a reliability test using Alpha Cronbach technique is to determine the reliability of an instrument of the questionnaire which is when it has a reliable or alpha coefficient value of 0.6 or more.

Herebelow is the validity and reliability test calculation:

**Table 2. Result of Validity and Reliability Test.**

Variabel/ Sub Variabel	Questionnaire item	Corelation	Limit	Conclusion	Koefisien Reliabilitas
Economics	1	0,743	0,514	Valid	0,641
	2	0,516	0,514	Valid	
	3	0,632	0,514	Valid	
	4	0,640	0,514	Valid	
	5	0,676	0,514	Valid	
	6	0,632	0,514	Valid	
Social	7	0,516	0,514	Valid	0,714
	8	0,640	0,514	Valid	
	9	0,516	0,514	Valid	
	10	0,961	0,514	Valid	
	11	0,816	0,514	Valid	
Environment	12	0,676	0,514	Valid	0,688
Lay-out	14	0,516	0,514	Valid	0,701
	15	0,640	0,514	Valid	
	16	0,640	0,514	Valid	
	17	0,756	0,514	Valid	
	18	0,704	0,514	Valid	
	19	0,617	0,514	Valid	
	20	0,561	0,514	Valid	
Public law and order	21	0,594	0,514	Valid	0,652
	22	0,640	0,514	Valid	
	23	0,632	0,514	Valid	
	24	0,743	0,514	Valid	
	25	0,653	0,514	Valid	
Performance	23	0,632	0,514	Valid	0,706
	24	0,743	0,514	Valid	

## B. Descriptive Analysis

The majority of respondents are male between 41 – 50 years old, high school graduated most of them, permanent resident more than 15 years, merchants mostly, married, have their own house. Most of PKL are using their financial capital which is they have had a loan from their family, friends or relatives. They have not had yet their own kiosk but rented, and they do not have any permit too, so they do their business on the crowded road, trottoir, green lane and forbidden place to trade. They have been selling things for a living for more than 5 years, it explains that they are good in business and they are supporting their family which is 4 – 6 persons, starting with the financial capital amounting to Rp. 1.500.000 plus daily contribution Rp 5.000,-

Table 3 indicating the mean value of the five aspects of economic, social, environment, lay-out and public law /order.

**Table 3 : Mean value of the variable indicators of the research.**

No	Indicator	Mean
<b>Economics</b>		
1	Financial capital aspect	3,12
2	Marketing aspect	3,40
3	Business Management Improvement	4,06
4	Product quality	4,77
5	Business Tools and Equipment	3,74
6	Business location strategy	3,62
7	Access to new business of jobs.	4.01
<b>Social</b>		
8	Strengthening the Institution.	3,41
9	Publics awareness to the demography regulation.	3,89
10	Social advocacy training.	4,09
11	Environmental Security	3,56
12	Urban population Supervision.	3,56
<b>Environment</b>		
13	Controlling upon the cleanliness and beauty of the environment.	4,08
<b>Lay-out</b>		
14	Understanding about Lay-out regulation.	3,48
15	Government controlling upon the spaces utilization.	3,53
16	Relocating and restructuring of business places.	3,45
17	Law order implemention against the people who break the lay-out policy.	3,54
<b>Public Law and Order</b>		
18	Legal order implementation against PKL activities	3,47
19	Controlling PKL activities.	3,85
20	Law Order implementation against the people who violate the public order policy.	4,03
21	Control, limitation and reduction of PKL within one location.	3,54
22	PKL Time scheduling	3,68
<b>Performance</b>		
23	Achievement	3,68
24	Satisfaction	3,78
25	Goal Achievement	4,07

## C. Estimation of Regression Result regarding PKL in Bogor.

The calculation/equation has been applying multiple linear regression analysis. Such an equation has identified the effects of Economics aspect, social aspect, environmental

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aspect, lay-out aspect and public law / order aspect against the PKL performance. Table 4 has indicated the summary of regression analysis.

**Table 4. Summary of the calculation of regression analysis**

Variabel	B	t hitung	Sig t	Beta
Constant	-2,358	-4,131	0,000	
AspekEkonomi (X <sub>1</sub> )	0,080	4,655	0,000	0,158
AspekSosial (X <sub>2</sub> )	0,154	8,858	0,000	0,267
AspekLingkungan (X <sub>3</sub> )	0,398	13,887	0,000	0,466
Aspek Tata Ruang (X <sub>4</sub> )	0,105	4,651	0,000	0,159
AspekKetertibanUmum (X <sub>5</sub> )	0,070	3,560	0,000	0,125
t tabel	= 1,740			
R	= 0,787			
R Square	= 0,619			
Adjusted R Square	= 0,615			
F hitung	= 144,417			
F tabel	= 3,59			
Sig F	= 0,000			
SEE	= 0,923			

Source: Primary data examined

The Regression equation explaining that dependent variables of Economic (X<sub>1</sub>), Social (X<sub>2</sub>), Environment (X<sub>3</sub>), Lay-out (X<sub>4</sub>) and Public Order (X<sub>5</sub>) has been affecting positively upon the performance of PKL (Y). The correlation of PKL performance and the five factors of economics, social, environment, lay-out, public order indicating 0.787 refers to a strong connection. It explains that economic factor, social factor, environmental factor, lay-out and public order factors have a strong connection with the Performance of PKL. It means that good economic, social, environment, lay-out and public order factors could increase performance of PKL. A determinant coefficient has indicated that the percentage of economic, social, environment, lay-out and public order factors have been affecting the performance of PKL. Determinant coefficient value obtained is 0.619 (61.90%). It explains that the percentage of the effects of economic, social, environment, lay-out and public order factors upon the performance of PKL is 61.90 %. Meanwhile the remaining of 38.10% has been affected by other factors which are not included in this research model such as ability factor, motivation factor and mental attitude factor.

The aforementioned table has determined that the economic aspect (X<sub>1</sub>) upon the performance refers to the calculation value of t calculated resulting the economic factor of 4.655 and t table of 1.740 due to t calculated 4.655 > 1.740 and the probability 0.000 (< 0.05) indicating that economic factor has been affecting the performance (Y) positively and significantly.

Social aspect (X<sub>2</sub>) upon the performance refers to the calculation value of t calculated for social factor is 8.858 and t table is 1.740. and due to t calculated 8.858 > 1.740 and its probability 0.000 (<0.05) , it explains that the social aspect has been affecting the performance (Y) positively and significantly .

Environmental aspect (X<sub>3</sub>) upon the performance has indicated that the result of the calculation value of t calculated of the environment is 13.887 and t table is 1.740, and due to t calculated 13.887 > 1.740 and the probability 0.000 (<0.05) it explains that the environmental aspect has been affecting the performance (Y) positively and significantly. Lay-out aspect (X<sub>4</sub>) upon the performance has indicated that the calculation value of t calculated of the environment a factor is 4.651 and t table is 1.740, and due to t calculated 4.651 > 1.740 and the probability 0.000 (<0.05) it determines that the environmental aspect has been affecting the performance (Y) positively and significantly.

Public order / law aspect (X<sub>5</sub>) upon the performance has indicated that the value of t calculated of public order factor is 3.560 and t table is 1.740, and due to t calculated 3.560 >

1.740 and the probability 0.000 ( $< 0.05$ ) it determines that the public order aspect has been affecting the performance (Y) positively and significantly.

## DESCRIPTION

### A. Effects of the economical aspects to PKL performance.

A partial economic aspect ( $X_1$ ) has been affecting the performance of PKL positively and significantly which is 0.080. It explains that a better economical factor refers to the indicator aspects of financial capital, marketing, business management, quality of the product, strategic business places, new business or new jobs accessibility will be increasing the performance of PKL. Partial hypotheses test has indicated that the variable of economic factor is higher than ttable which is tcalculated  $7.342 > 1.740$  at a significant level of 0.05.  $H_0$  is rejected and  $H_a$  is accepted. It is concluded that 95% of trustworthy level of the economic factor obviously has been affecting to the performance of PKL.

This research has been supported by Kartono, et, al (1980) defined that PKLs have owned their varied characteristics refers to business places, business scale, financial capital, total workers, type of goods and the location are the key points of their success. Moreover, their skills and creativity are very important refers to the innovation. Sufficient facilities and quality of the products will be able to deal with other competitors.

Based on the questionnaires result refers to the economic aspect, the respondents have given the lowest value upon the financial capital aspect. It has indicated that most of the financial capital is from their limited money. Limited financial capital is explaining that the culinary business public stalls in Bogor are relatively quite small and difficult to develop. It is supported by the result of the interview done with the head of section of UMKM and PKL informing that PKL especially culinary PKL in Bogor has been difficult to be developed due to a limited financial capital, lack of business management, furthermore, Bogor municipality / administration has been providing some education/training about product hygiene, halal certificate, business development, financial capital, equipments and facilities, organization management. The highest value is related to the product quality aspect since they have realized that the quality of a product is very crucial especially when it is relating to the culinary product aspect covering taste, hygiene and varied products.

### B. Effects of social aspect upon the PKL performance.

Social aspect refers to strengthening the related institution, people awareness about the citizen policy, social advocacy, environment security and urban people supervisory. Partial Social aspect ( $X_2$ ) has been affecting PKL (Y) performance positively and significantly which is 0.154. It explains that good social aspect such as institution strength, society awareness about citizen regulation, social training, environmental safety and security as well as urban control will increase PKL performance accordingly. Referring to partial hypotheses test it has indicated that a coefficient variable of social factor is bigger than ttable which is tcalculated  $8.858 > 1.740$  at a significant level of 0.05.  $H_0$  is rejected and  $H_a$  is accepted. It is concluded that 95% of trustworthy level of social factor has been obviously affecting the PKL performance.

Social advocacy and education is the highest one. It happened due to the involvement of the government roles to provide an education to the public stalls executors. The institution strength is at the lowest rate due to lack of PKL organization since it has not been optimized yet at PKL location. Strengthening PKL organization needs to be applied refers to the center of human resources development. Either formal or nonformal institution is still not sufficient. Formal cooperative organizations have not been optimized yet which is 3 active cooperative organizations such as Koperasi Bhineka (at Baranangsiang and Elos), Koperasi Sebang (Selot and Bangbarung) and Koperasi Panday (Papandayan and Telkom).

### C. Effects of the environmental aspect to the performance of PKL.

Partial the environmental aspect ( $X_3$ ) has been affecting positively and significantly to the performance of PKL (Y) which is 0.398, it explains that a better environmental aspect such

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as a supervision of the cleanliness and beauty of the environment will increase the performance of PKL obviously. Based on partial hypotheses test, the coefficient of environmental factor variable is higher than t-tablet which is t-calculated  $13.887 > 1.740$  at the significant level of 0.05,  $H_0$  is rejected and  $H_a$  is accepted. It is concluded that 95% trustworthy level of environmental factor has been affecting obviously to the performance of PKL.

Based on the respondents evaluation upon the cleanliness and beauty of the environment supervision which is good. It happened due to the function and task of city cleaning services administration has been performed quite well. It is in compliance with Perda (district regulation) no. 13 year 2005 regarding the Restructuring of Public Stalls – chapter IV regarding Duties and Prohibition, first paragraph of the article 11 (b) determined that public stalls are obliged to keep the cleanliness, beauty, order, safety and healthy of the environment where they are performing their business and they are obliged to attach their declaration letter mentioning they are ready to keep the public order, security / safety, healthy and the beauty of public facility when they apply their business location permit to the government.

#### **D. Effects of Lay-out aspect to the Performance of PKL.**

The objective of the lay-out structuring is to be in accordance with the general development refers to the increasing of the economical development, wealth distribution for all the citizen, stable and dynamic continuous development. Lay-out principles are about using a location for all people integrately, effectively and efficiently, harmoniously, properly, continuously based on the open policy, equal, fair and laws protection.

A partial Lay-out aspect ( $X_4$ ) has been affecting the performance of PKL positively and significantly which is 0.105, it explains that good lay-out aspect covering knowledge indicator upon the lay-out regulation, government controlling upon the lay-out usage, relocating or restructuring business location, and laws enforcement against any violation can improve the performance of PKL.

The highest value is the government controlling upon the lay-out management, and the lowest one is the relocation of business location. PKL management in Bogor is connected with the city lay-out which is the responsibility of Bogor administration and there is not any PKL spaces available. In relation with PKL restructuring is how to place them at the acceptable places that are not disturbing public comfortable but Bogor does not have it. In 2012 Bogor administration has been considered achieving the target refers to be able to get rid of PKL, eventhough, PKL has been appearing again and again, eventhough they are not too many ones as before.

PKL arrangement has been regulated by Bogor administration which is Perda No.13 year of 2005 regarding the PKL lay-out arrangement refers to the Decree Letter of Bogor Mayor No.511.23.45-63 year of 2010 describing that the government is very concerned with PKL, but the arrangement of PKL needs to be improved to be better which is the implementation of Law Order to the PKL that has violated the regulation, nevertheless it is still beyond the expectation of PKL.

#### **E. The effect of Public Order aspect to the Performance of PKL.**

A partial Public Order aspect ( $X_5$ ) has been affecting the performance of PKL (Y) positively and significantly which is 0.070, it explains that good implementation of public order aspect will increase the performance of PKL obviously. Based on a partial hypotheses test, the coefficient of environmental factor variable is bigger than t-tablet which is t-calculated  $3.560 > 1.740$  at a significant level 0.05,  $H_0$  is rejected and  $H_a$  is accepted. It concludes that 95% trustworthy level of environmental factor has been obviously affecting the performance of PKL.

PKL is considered violating the regulation because they have performed their activity across the line of the prohibited area regulated on Perda. The problems have appeared because the regulator has decided to make a regulation without considering the people who will suffer due to the relating regulation. Once the regulation has been stipulated then all the people must obey it, this condition can make a resistance of the people being jeopardized because of this policy. Public Law Order factor upon the violation of public order value is the highest one, but the lowest one is the restructuring of PKL trading activities. PKL rearrangement policy is to make PKL in order, and this action has not always been

confiscating the PKL goods accordingly. Once the PKL has been on a permitted area, the authorities will advise them not to enlarge their trading goods beyond the space limits. For PKLs that have been violating Perda regulation, they will be relocated at the determined places, and either their goods are confiscated but can be taken back or the goods are confiscated but can not be taken back.

## **CONCLUSION**

The existency of public stalls has been affecting the economics and giving either positive or negative excess. Respondents have evaluated some variable aspects such as economic ( $X_1$ ), social ( $X_2$ ), environment ( $X_3$ ), lay-out ( $X_4$ ) and public order/law ( $X_5$ ). The environmental aspect has a high rate at the average of 4.08, economic aspect (3.81), public order (3.71), social aspect (3.71) and lay-out aspect has the lowest rate (3.5). Evaluation regarding the environmental aspect which has related to the supervision of the cleanliness and beauty of the environment. The evaluation of lay-out aspect is quite low but still within a good category. The highest evaluation is about law order reinforcement to the lay-out violation and the lowest one is about the relocation of business places, it has occurred because the relocation or restructuring public stalls policies have not yet met to the expectation of PKL.

Based on the regression equation aforementioned, such a model has explained 61.90% of dependent variables. In overall this model is significant due to 95% trustworthy level. (F-calculated 144.417) concluded showing this model is applicable analysis tool. A partial economic aspect, social aspect, environmental aspect, lay-out aspect and public order aspect have been affecting PKL performance accordingly.

## **SUGGESTIONS**

1. Efforts to make a business relationship between the Culinary Public Stalls (Culinary PKL) and modern market in Bogor could be done. This effort will be covering permit facilities issuance and PKL training, Bogor municipality should have to facilitate a business relationship between PKL and modern markets.
2. Revitalising or relocating the traditional market as tourism market and tourism culinary places to be performed. Some efforts can be done are to improve the management system as well as the places and the equipments. Implementing this strategy can make the traditional market be a good tourism objects which is tourism shopping places and culinary places.
3. Improving the government roles is needed to increase the productivity and performance of PKL, so that the improvement of PKL business and income can be achieved refers to the efficacy of PKL economic development and trading business production accordingly.
4. Strengthening the institution such as PKL cooperative or PKL community organization at each PKL location center.
5. Law enforcement to PKL existency should have to be done continuously and fair.
6. PKL restructuring needs the involvement of the community roles (NGO, University, etc). NGO can provide an assistance to develop or strengthen PKL organization. Universities can provide a support such as a study, education, entrepreneurship training, stalls / carts design or tents, etc. Private sectors can provide a budget regarding corporate social responsibility (CSR) to develop PKL management model nearby their companies.

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