

ABSTRACT

The small scale businesses become very important to be discussed and observed because of their significant roles in the development of Indonesian economy. However, in reality, they usually incline to be ignored by related institutions due to their powerless position in many economic sectors.

The Banking system which is formed by regulation no 14/1967 will assist to solve their main problems and guiding them how to survive and run the business properly. By regulation no. 01/Kep.LDM/1973, the Central Bank issued the policy of KIK/KMKP and later becomes KUK to support their problem in financial assistance with soft condition and simple procedures.

For the marketing problem, they are facilitated by KUD which is built in every rural areas. KUD will take over all their products with good price, and for their technical problem will be helped by Dinas Pertanian, Peternakan, Perikanan and so forth.

From the research and observation, the main problem which is

faced by the small scale business is usually not in financial problem as they have complained, however it inclines to improper administration and management system. How they can set up good administration in order helping them to calculate and monitor the business, should be acknowledged and guided by the Banks and related institutions. By this it will create a good business atmosphere in Indonesia.