

Development Strategy of SMEs Perca Crafts in Bogor City

Strategi Pengembangan Usaha Kecil Menengah Perca di Kota Bogor

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ABSTRACT

This study aimed to describe the internal and external factors faced by perca craft SMEs, represent the development strategy for perca craft SMEs and determine priority strategies in the development of perca craft SMEs in Bogor City. This research uses a descriptive qualitative research method by collecting data in the form of interviews, documentation and observations using SOAR analysis (strengths, opportunities, aspirations, and results). The data produces alternative strategies which will be prioritized according to the primary strategy using the litmustest. The results of this study indicate a strategy that can be implemented in the development of MSMEs in patchwork craftsmen, namely expanding the market network with several shopping centers in the city of Bogor and outside the city of Bogor and always participating in regional, national and even international events, then maximizing social media and e-commerce. Commerce in its online promotion as a whole e-commerce that can be accessed by all people so that patchwork products are increasingly recognized by the public and can even go international and collaborate with pentahelix which was built with various parties/stakeholders in its development to become a strong and independent MSME role in improving the community's economy by optimizing the potential of sustainable local resources.

Keywords: Strategy, SMEs Development, SOAR Analysis, Perca Crafts

ABSTRAK

Tujuan penelitian ini adalah untuk mendeskripsikan faktor internal dan eksternal yang dihadapi UKM kerajinan perca, mendeskripsikan strategi pengembangan UKM kerajinan perca dan menentukan strategi prioritas dalam pengembangan UKM kerajinan perca di Kota Bogor. Penelitian ini menggunakan metode penelitian kualitatif deskriptif dengan mengumpulkan data berupa wawancara, dokumentasi dan observasi dengan menggunakan analisis SOAR (kekuatan, peluang, aspirasi, dan hasil) yang kemudian menghasilkan alternatif strategi yang akan diprioritaskan sesuai strategi utama dengan menggunakan lakmus. tes. Hasil penelitian ini menunjukkan strategi yang dapat diterapkan dalam pengembangan UMKM pengrajin kain perca yaitu memperluas jaringan pasar dengan beberapa pusat perbelanjaan yang ada di Kota Bogor dan luar kota Bogor serta selalu berpartisipasi di tingkat regional, nasional bahkan nasional. event internasional, kemudian memaksimalkan social media dan e-commerce. commerce dalam promosi onlinenya secara keseluruhan e-commerce yang dapat diakses oleh semua kalangan sehingga produk kain perca semakin dikenal oleh masyarakat bahkan bisa go-internasional dan berkolaborasi dengan pentahelix yang dibangun dengan berbagai pihak/stakeholder dalam pengembangannya untuk menjadi UMKM yang tangguh dan mandiri berperan dalam meningkatkan perekonomian masyarakat dengan mengoptimalkan potensi sumber daya lokal yang berkelanjutan.

Kata kunci: Strategi, Pengembangan UKM, Analisis SOAR, Perca Crafts

1. Introduction

Indonesia is experiencing many problems in the economic sector including unemployment and employment. According to Bappenas data, in 2030-2040, Indonesia is predicted to experience a demographic bonus period, namely the population of productive age (15-64 years) is greater than the population of unproductive age (under 15 years and above 64 years). 2017). The high

demographic bonus will cause problems and increase the number of unemployed, so it will harm the Indonesian economy if it is not managed correctly.

The impact of the post-pandemic corona virus disease 2019 which has spread widely to all corners of the Unitary State of the Republic of Indonesia is great, it has had an impact on the world and national economy, especially in the City of Bogor.

Bogor City is an administrative city area in West Java Province which is one of the capital city buffer cities with a distance between Bogor City and DKI Jakarta of approximately 60 km. In comparison, the distance between Bogor City and Bandung City is around 120 km which causes Bogor City to have a high density and population density. Tall one. Based on population census data for 2021, Bogor City has a population density of 8,881 people/sq km with a total population of 1.052 million people.

According to Bogor City BPS data for 2022, the percentage of open unemployment rate (TPAK) in Bogor City, originally from 9.1% in 2019, rose to 11.79% in 2022, then followed by an increase in the percentage of poor people in Bogor City, which was originally 5, 77% in 2019 to 7.24% in 2021 of a total of 1.052 million residents in Bogor City. The increasing challenge for the Bogor City regional government in reducing poverty and unemployment rates in Bogor City accompanied by an increase in population which continues to increase every year, especially in the past 3 (three) years the Covid-19 pandemic has been very affect the economic sector in the city of Bogor.

The relationship between the number of MSME units and economic growth is that the increasing number of companies will increase the amount of output that will be produced so that employment will increase and will reduce unemployment or in other words will increase economic growth. The relationship between labor and economic growth is that the increasing number of workers will increase the amount of output to be produced. The speed of the development process depends on the extent to which the human resources (HR) as the subject of development have sufficient competence to carry out the development process (Lado & Wilson, 1994).

The MSME sector has an important contribution to employment and national gross domestic product (GDP), in 2021 its GDP contribution will reach 61% and will be able to absorb as much as 97% of the total national employment. MSMEs have enormous employment growth potential, MSME growth can be included as an important element of national policy to increase employment opportunities and create income, especially for the poor.

Bogor City will experience positive economic growth of 5% from the previous 2021. This illustrates a positive thing that the economy in Bogor City is able to stabilize again. The following is a table of economic growth data in Bogor City.

The increase in the economy and the number of MSMEs is interesting because there is a discrepancy between the level of economic growth, MSMEs and the level of employment open every year. Economic growth is an increase in the long-term capacity of the region concerned to provide various economic goods and job opportunities to its population. Based on this explanation, it can be said that there is a research gap in the form of a theoretical conflict where the City of Bogor experiences positive economic growth, SMEs but a decrease in the level of employment.

The increasing number of MSMEs is often not accompanied by the quality of the MSMEs themselves. Where there are still a number of MSME problems including lack of capital, difficulty in raw materials, lack of production skills, intense business competition and difficulties in marketing. Especially in the era of the global economy or the current era of free trade, MSMEs are

required to further increase their competitive advantage in order to continue to exist in the global market (Syapsan, 2019).

Based on this, the author is interested in studying the MSME sector for patchwork craftsmen, namely the convection business in patchwork (waste) reprocessing in the City of Bogor, because it is considered to have a great opportunity and is developing in line with the Bogor City Mayor Regulation Number 30 of 2022 which encourages in the production and promotion of domestically produced clothing, especially in Bogor City, as well as having the potential to increase and restore the community's economy in creating new jobs, alleviating poverty and unemployment which are still crucial problems in Bogor City areas.

The development of patchwork craftsmen MSMEs is one of the solutions for the community to overcome economic problems and unemployment, especially in the Sindang Sari Village. This is because in general small industries prioritize the people around them. The processing of raw materials from patchwork MSMEs utilize patchwork waste (used cloth scraps) from convection businesses which can be processed into products that have high value and buying and selling power and are considered to be able to create new skills and jobs for the community.

This UMKM patchwork craftsman is still at home industry scale since its establishment about 2 (two) years ago, this UMKM patchwork craftsman or also called "Kampung Perca" has a vision of driving the community's economy, promoting the village as the main producer of patchwork crafts, opening up fields new jobs, increase the economic value of the area from settlements to tourist destinations (marketing centers), help reduce urban waste, create a better and healthier residential environment, improve the quality of creativity and social interaction of the community.

As for responding to some of the problems that occur in the management of MSME patchwork craftsmen, it is urgently needed to formulate a strategy in its development, future decision-making, MSME patchwork craftsmen and the Bogor City government need to carry out an analysis to find out its potential in increasing competitiveness so that it is increasingly the extent of the economic impact arising from this patchwork MSME.

Strategy is defined as a decision-making tool to achieve organizational goals through a planning process that is determined by organizational groups and individuals, namely the Small and Medium Enterprises Group of Patchwork Craftsmen. In determining the strategy, UMKM patchwork craftsmen must choose the right strategy to survive in market competition. In seeking the strategic position of an organization, a business or company, you can use SOAR analysis, which aims to measure the capacity of individuals/groups to think about strategies about the four elements that function in the dynamics of mass orientation.

Within the SOAR framework, the stakeholders involved are based on the integrity of its members by looking at the condition of the UMKM patchwork craftsmen and certain external and internal environments that can provide information to the Bogor Municipal Office of Cooperatives, SMEs, Trade and Industry and the UMKM patchwork manufacturers in making decisions. -a strategic decision to increase the role of MSMEs in regional development, job creation, economic growth and poverty alleviation in Bogor City.

Strategy is defined as a process of determining plans for top leaders that focus on the long-term goals of the organization, accompanied by the preparation of a method or effort how to achieve these goals (Kayebi, 2019). Strategy is a means together with long-term goals to be achieved (Fuertes et al., 2021). The business strategy includes geographic expansion, diversification, acquisitions, product development, market penetration, tightening, divestment, liquidation and joint ventures. Strategy is a potential action that requires top management

decisions and large amounts of company resources (Doz, 2020; Collins, 2021). Meanwhile, according to (Alzoubi, 2022) argues that strategy is a comprehensive master plan, which explains how the company will achieve all the goals that have been set based on the mission that has been previously set. Based on the definitions given by several experts, it can be concluded that strategy is defined as a decision-making tool to achieve organizational goals through a planning process that is determined by organizational groups or individuals (Yusliza et al., 2019).

Strategy development is a comprehensive effort that requires top management support to improve the effectiveness and health of the organization using several intervention techniques through the application of insights from behavioral science (Anwar & Abdullah, 2021) Strategy development is a process that increases organizational effectiveness by integrating individual desires for growth and development of corporate goals. In particular, this process is an effort to make changes in a planned manner that includes the entire system over a period of time, and efforts to make these changes are related to the mission of the organization (Calabrese et al., 2019).

2. Methods

This research design uses qualitative methods, qualitative research is research that explains and analyzes human behavior individually, groups, principles or beliefs, understanding or thinking perceptions or budgets. The research method is basically a scientific way to obtain data with specific purposes and uses. Based on this there are four keys that need to be considered, namely, the scientific method, data, purpose and usability. The scientific way means that research activities are based on scientific characteristics, namely rational, empirical and systematic.

The method used in this research is descriptive method, descriptive method is data collected in the form of descriptive words and not numbers. This was caused by the application of qualitative methods. In addition, everything that is collected is likely to be the key to what has been researched.

Using a descriptive method with an inductive approach, the author will describe and analyze the development strategy for patchwork artisan MSMEs in Bogor City. Through this research design, research seeks to get an overview of the ongoing situation of the research object in accordance with the actual situation, so that accurate data can be obtained with a true picture from the analysis of the phenomenon under study, with this research it is hoped that data will be obtained and presented through the use of words to obtain a more concrete and detailed description of certain phenomena, which is as close to reality as possible

3. Results and Discussion

In this study, researchers used the SOAR analysis stages where in the soar analysis stages there are SOAR diagrams and matrices to carry out the analysis so that several alternative strategies can be created for MSMEs of Patchwork Craftsmen in Bogor City which can later be applied so that MSMEs can survive in an era of increasing competition. this tight.

In accordance with the data processing analysis steps that have been discussed by researchers in previous research methods, this study uses SOAR strategy analysis steps by going through several stages according to the steps described in previous research methods, namely (initiate) where researchers and all stakeholders (informants) discuss the analytical tools used, namely SOAR, (inquiry) where company members begin to analyze the strengths and

opportunities that exist in the company, (imagine) where MSME members and the government can provide their aspirations and hopes for patchwork artisan MSMEs related to the vision and mission companies for the long-term goals of MSMEs, (innovate) where researchers with several samples begin to discuss and start creating alternative strategies by using SOAR diagrams to find out business positions and using the SOAR matrix where the two methods are expected to create new strategic alternatives, and finally (inspire to implement) where the alternative strategy has been created and produces measurable results which can then be implemented in MSMEs of patchwork craftsmen in Bogor City.

Initiate

Beginning with the initiate stage where this stage is the initial stage of the analysis step for creating alternative strategies. At this stage the researcher explains what the SOAR analysis is about and how to carry out the analysis stages and create alternative strategies which will be carried out by conducting several analyzes using SOAR diagrams and matrices to several samples that have been determined by the researcher, namely the Trustees, Chairperson, Treasurer, Secretary and Employees of UMKM The patchwork craftsmen in Bogor City then the Mayor of Bogor City (Executive), Commission II of the Bogor City DPRD (Legislative), Head of the KUKMDagin Service, Head of the UMKM Sector, Sindang Sari Village Head, Consumers and the Community.

Based on the findings obtained by the researcher after conducting interviews and discussions with several predetermined samples, the researcher was able to explain the SOAR analysis quite clearly because it was found that there were several research samples that already understood SWOT analysis where the analysis had almost the same similarities with the previous analysis. used by researchers, namely SOAR where the difference is in the removal of weaknesses or threats and threats in the SWOT analysis which is then replaced with aspirations and results in the SOAR analysis. With these findings, researchers can more easily explain to the sample the SOAR analysis and the steps of the analysis.

Then the researcher also explained the next several stages related to the SOAR analysis stage where there were several further stages, namely inquiry, imagine, innovate, and inspire to implement and there were SOAR analysis diagrams and SOAR matrices which were later used to analyze and produce alternative strategies for MSME patchwork craftsmen. , after all research informants are familiar with SOAR analysis, the researcher leads the sample to continue to the next stage, namely inquiry.

Inquiry

After going through the initiate stage, the next is the inquiry stage where researchers and existing research samples begin to analyze the Development of MSMEs in Patchwork Craftsmen in relation to existing strengths and opportunities. From the results of interviews and discussions with informants that have been conducted by researchers, it was found that several strength factors or the strengths of the Small and Medium Enterprises of Patchwork Craftsmen include:

Pricing for patchwork is determined by several factors such as the design, the number of basic materials used and the type of clothing. The results of an interview with the patchwork MSME supervisor, Ms. Eni Wulan stated: "Apart from the good quality, unique design and originating from patchwork waste, patchwork MSME products are also very affordable and can cover all consumer elements such as civil servants, students even the general public in the city of Bogor and outside the city of Bogor ".

Then Mrs. Dewi Ayu as an employee and community member in Kampung Perca said: "Apart from that, the price offered is also cheap, we think it can be an attraction for buyers, besides the low price, the quality is also good."

In terms of sales, there are several outlets or galleries specifically selling patchwork MSMEs in the city of Bogor which can make it easier for buyers to find patchwork and do not have to go to the location of the craft center in Sindang Sari Perca Village. According to the patchwork craftsman MSME supervisor, Ms. Eni Wulan, said: "What we want to build is a lot of patchwork outlets in the city of Bogor, not only from outlets in this patchwork village but in every mall or souvenir places in the city. Bogor, so far the patchwork clothing MSME outlets are only in Mall Botani, Dekranasda and outlets in patchwork villages only"

Then the patchwork sales and production center is located in a strategic location, according to an interview with Mrs. Hj. Nining S as the Chairperson of the patchwork craftsmen UMKM, said: "What makes it unique is that it is the only patchwork UMKM that is made into a patchwork tourism village at the same time, so that the patchwork business brand can be identified with sindangsari and attracts tourists passing around the Tajur tourist route. this Kareng along with several tourist attractions in Bogor such as the kuntum farmfield and directions to Puncak Bogor.

Then Mrs. Dewi Ayu, as an employee as well as the Kampung Perca community, also stated: "Because in the Kampung Perca Gallery, buyers not only see the products from these MSMEs, but also Kampung Perca offers sewing education/training for visitors/consumers who are willing and located not far from road access. main and Ciawi toll roads.

Starting from a citizen's initiative or "Residents' Rembug" to create business opportunities as a way out of economic problems after the Covid-19 pandemic, Garbage or cloth waste became the focus of the residents' discussion, so the idea emerged to develop cloth waste to become valuable. Armed with a sewing machine loan from PT HAS (Harapan Antar Sesama) and the tenacity of the Sindangsari Village Head and the idea of Mrs. RW 01 who taught 15 residents to sew for 2 months. As also mentioned in the interview with Mrs. Hj. Nining S as the Chairperson of the patchwork craftsmen UMKM said: "Starting from this UMKM, namely a home-based business carried out by the residents of RW 01 Sindangsari then attracted the attention of the community and government which made RW 01 of the Sindagsari sub-district inaugurated as a tourist village "Kampung Perca" in which the community can shop as well as travel here and enjoy culinary and other things that are also located not far from the Ciawi toll gate.

Then, in obtaining patchwork raw materials, at first it was also armed with assistance from a convection company in the East Bogor area according to an interview with Mrs. Kartika Amaliya, a patchwork MSME employee who said: "In addition to good quality, the price is also relatively very cheap because it is produced from raw materials. we don't buy the patchwork at all, but gifts from convection companies partnering with the Sindangsari Village Head around East Bogor and of course sometimes it's limited and we can't get more."

Then even fabric waste that was initially useless can be processed into a valuable material, that is, the community also begins to generate income, even though the value is not large. The city and regional administrations began to think about making the business scale bigger, so finally the Perca Village was created, which involved more residents and was expected to be able to drive the economy of more residents.

In the use of technology and information, the promotion carried out by the patchwork MSMEs has not been very active because the promotion carried out by the patchwork MSMEs is still limited to promotions on the Bogor City patchwork website, Tokopedia and Instagram, while

sales through e-commerce also have many consumers throughout Indonesia. The Head of the Bogor City KUKMDagin Office, Mr. Atep Budiman, S.STP, MM, said: "One of the potentials that must be maximally utilized is the development of IT social media. large production and consumers are also not only from the people of Bogor City, they can even go national and even go international."

On another occasion, consumers, Mrs. Yulmi also mentioned that the role of digital markets or online stores is very important because of today's culture which relatively prioritizes convenience in shopping, as quoted in the interview as follows: "For us as consumers, sometimes we need goods more easily through stores. online because you can order it directly via your personal cellphone, and you don't have to bother going to the patchwork village to order and choose these patchwork products."

Since the establishment of this patchwork artisan MSME, its development has been inseparable from the support and encouragement of the government and private CSR in matters of capital, provision of raw materials, places, infrastructure and promotion. Based on the results of an interview with the Head of the UMKM Division, Ayip Samsul Muarif, SE, M.Sc, said: "These SMEs were able to develop well initially with support from the community and Sindangsari village apparatus. guidance and training and so on, including us from the local government and the Dekranasda".

Next Mrs. Hj. Liya Yulianti, SE, MA as the Sindangsari Village Head also stated: "Potential supply of raw materials. So far, we have relied on convection waste from several producers, such as PT. HAS and PT. Poli, which is a clothing company located around the Perca village and from the results of partners from the lurah and coaches who want to help for the development of Perca MSMEs "in the future, maybe we can make cooperation between the government and the private sector, related manufacturing companies such as Uniqlo and others so that they can work together in development. MSMEs are specialized in the supply of raw materials.

Then from the government side it has also issued regulations for ASN in Bogor city to use one of the efforts to encourage and increase the production of local MSMEs, the Bogor City government issued Bogor Mayor Regulation Number 30 of 2022 concerning Official Clothing in Bogor City Environment, where ASN (state civil apparatus) in Bogor City, they are required to wear clothes from local SMEs to traditional clothes, namely every Tuesday, Thursday and Friday all ASN in Bogor City are required to use local products.

This certainly encourages production and consumer demand for patchwork clothing and crafts and is always involved in government events inside and outside the city of Bogor, as the results of an interview with Mrs. Hj. Nining S as the Chairperson of the UKM patchwork craftsmen who said: "So far the most important thing is the support from the government and the Bogor City Dekranasda besides making this patchwork included in government events inside and outside the city, of course also since the publication of the recommendation to wear local pride or local clothes from the city of Bogor have made this patchwork MSME increase in consumer demand, which is of course dominated by ASN Bogor City because it is worn in everyday official clothes such as Sundanese clothes, outerwear and other accessories.

4. Conclusions

Based on the results of the research that has been done, it can be concluded that the Strategy in the Development of Micro, Small and Medium Enterprises of Patchwork Craftsmen in the City of Bogor is that: The results of the analysis of Internal Factors (Strength and Aspiration)

and External Factors (Opportunity and Result) in the early stages of formulating SOAR analysis for UMKM Fabric Craftsmen Perca in Bogor City are as follows: a) Classification of Internal Factors which includes aspects of Human Resources (HR), Finance, Technical and Operations as well as Market and Marketing can be classified into Strength Factors (Strength), namely product prices that are relatively affordable, convenience for consumers to obtain products, the existence of forums or groups with the community to develop patchwork crafts and their Aspirations Factors, namely increasing sales, adding MSME facilities and infrastructure, increasing the number of employees and expanding the market network; b) Classification of External Factors which includes government, social, cultural and economic policies and the role of related institutions can be classified as Opportunities, namely the number of social media users and E-Commerce which is growing rapidly, located in strategic locations, collaboration with government support and The result factor is increasing employment, becoming a patchwork craft tourism destination as well as an educational area and reference for recycling economically valuable waste.

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