

ANALYSIS OF TEMPE PRODUCTION MICRO BUSINESS STRATEGY IN INCREASING INCOME IN THE COVID-19 PANDEMIC USING SOAR ANALYSIS

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ABSTRACT

The Covid-19 pandemic has caused a significant drop in income for business actors. This type of research is field research (field research), and the location of the study is on the micro business of barokah tempe production. The purpose of this study was to determine internal and external factors in the SOAR analysis (Strengths, Opportunities, Aspirations, and Results) on the strategies implemented by the Barokah tempe production micro business and to find out alternative plans for the Barokah tempe production micro business in increasing income during the Covid-19 pandemic. Methods of data collection using interviews, observation and documentation. The data analysis technique is a qualitative descriptive analysis using SOAR analysis. The researcher uses the SOAR analysis technique because, in previous studies, no one has used SOAR analysis in solving problems regarding alternative strategy variables for micro-production businesses. The results showed that the IFAS score was 3.38 and the EFAS score was 3.31, so in the IE matrix, it can be seen that the internal and external factors in the SOAR analysis of the strategy implemented by the Barokah tempe production micro business are at the grow and build stage. The alternative method for the Barokah tempe production micro business is to utilize good taste in attracting customers, Utilise the owner's knowledge to produce tempeh with a consistent taste, Focus on product variations to attract new customers, and make the Barokah tempe production micro business always able to compete in terms of product form; take advantage of strategic locations to better explore other consumers.

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1. INTRODUCTION

Micro-enterprises are businesses with the most MSMEs in Indonesia so far. Microbusinesses have dominated as much as 98.89% of the number of MSME business units, with an average annual growth rate of 2.38%. Microenterprises contribute an average of 58% of the total MSME GDP [1]. Every business formed by an individual or group has a contribution to society. The same is the case with the micro company producing Barokah tempeh which contributes to the community's needs and the country's economic growth. However, Barokah tempeh production activities were hampered by the Covid-19 pandemic. This results in reduced production in the micro business of barokah tempe production.

Dampak Pandemi terhadap Usaha



Figure 1 Impact of the Pandemic on Business, KIC (Katadata Insight Center) [2]

The current Covid-19 pandemic has a major impact on micro-business activities. The survey results found that 96% of business actors stated that they had experienced a negative impact from the Covid-19 pandemic on the sustainability of their business (1,785 cooperatives and 163,713 micro, small and medium enterprises) [3]. This micro-business strategy research is located in the city of Medan; to be precise, there is a micro-business actor in Medan Area District who produces tempeh with the business name Tempe Barokah which was founded in 1993. This business is also a business that has also experienced a negative impact from the Covid-19 pandemic.

Based on the results of an interview with Mr Nurman, the owner of the Barokah tempeh factory, he explained that during the Covid-19 pandemic, his business production experienced a significant decline. Before the Covid-19 pandemic, his business could produce as much as 50 kg to 70 kg a day. During the Covid-19 pandemic, his company could only have 30 kg to 40 kg a day. A significant decrease in production levels also causes a substantial reduction in income. This can be seen by comparing the income of Barokah tempeh micro-businesses before and after the Covid-19 pandemic.

The researcher aims to analyze alternative strategies to increase the income of Tempe Barokah micro-businesses using SOAR analysis (Strengths, Opportunities, Aspirations, and Results). SOAR analysis (Strength, Opportunity, Aspiration, Result) is the development of the previously popular SWOT analysis (Strength, Weaknesses, Opportunity, Threat). SOAR analysis is used to analyze internal and external conditions in business units to create strategies for dealing with the future, especially in terms of business [4].

The SOAR model is a method that changes SWOT analysis. Because this analysis is already popular regarding internal weaknesses and external threats, it faces the company's aspiration factors and the measurable results it strives for. This analysis model assumes that weaknesses and threats can create negative feelings towards members of the organization and affect their performance to do their best. Based on previous research conducted by Hermi Sularsih and Akhamad Nasir (2021), namely strategies that can be carried out to increase MSME income during the Covid-19 pandemic using SWOT analysis (Strengths, weaknesses, opportunities, and threats), it was found that a strategy that uses strengths and take advantage of opportunities. This research suggests further research to analyze these variables using different analysis techniques [5]. Similar research conducted by Rianthi Idayua, Mohamad Husnib and Suhandi (2021) using SWOT analysis found that the right strategy to increase MSME income is to utilize strengths to advance excellence. This study also suggests conducting research that focuses more on the strengths [6].

According to Stavros and Hinrich, SOAR analysis is a strategic planning tool with an AI (Appreciative Inquiry) approach that focuses on strengths and seeks to understand the entire system using the opinions of relevant stakeholders. Researchers use SOAR analysis in this study because SOAR analysis focuses on business units and develops what has been done well, besides that SOAR analysis also does not focus on the threats and weaknesses faced [7].

2. METHOD

This type of research is field research using a descriptive qualitative approach. Field research (field research) is research whose object is the symptoms or events that occur in a community group. Qualitative research is a study that emphasizes aspects of in-depth reasoning about a case compared to a problem to generalize research [8]. Research that uses a descriptive design is research on problems based on facts from the current population. This type of research is related to opinions (individuals, groups, organizations). The data collection method used is a survey method that collects and analyzes data in the form of views through question-and-answer questions from the participants in the subject under study (respondents) [9]. This research is located at the Barokah tempeh factory on Jl. Main, No. 93 to be precise, in Medan Area District, Medan City, North Sumatra. The subject of this research is Nurman Koto, the owner of the Barokah Tempeh factory located on Jl. Main, No. 93 to be precise, in Medan Area District, Medan City, North Sumatra. The object of this research is the strategy of the micro-enterprise for Barokah tempeh production during the Covid-19 pandemic.

There are two types and resources to be used: primary data and secondary data. Preliminary data were obtained from business owners and employees. Meanwhile, secondary data was obtained from journals and articles whose contents were in line with this study. Data collection techniques with observation, in-depth interviews and documentation. Data analysis technique using SOAR analysis. The researchers conducted in-depth interviews with the owner and employees in the Barokah tempe production micro business to obtain the data. After receiving the results of the interviews, the researcher can get the factors of each indicator in the SOAR analysis. Then the questionnaire will be distributed to the owner and 2 employees in the Brokah Tempe production micro business. Then the data analysis stage uses

the IFAS (Internal Factors Analysis Strategic) matrix and the EFAS (External Factors Analysis Strategic) matrix. The IFAS matrix is a matrix that aims to organize internal strategic factors into strengths and opportunities categories. Meanwhile, the EFAS matrix contains external strategic factors into aspiration and outcome categories.

After the scores of the internal and external factors are obtained from the IFAS matrix and the EFAS matrix, the scores from the two matrices will proceed to process the IE matrix. The IE matrix is a matrix that aims to determine the strategic position in the SOAR analysis run by Barokah tempe production micro businesses so that it can facilitate business units in determining alternative business strategies.

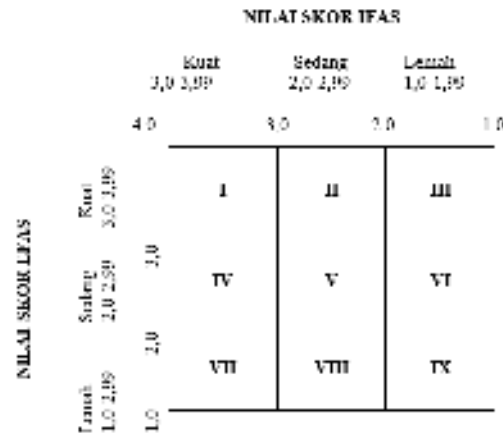


Figure 2. IE Matrix (Internal-External)
(Source: David, 2011) [10]

After the business unit division has been determined through the IE matrix, then the score of each indicator will still be used to specify alternative strategies used by Barokah tempe production micro-businesses to increase their income. The Cartesian diagram is a diagram consisting of the X-axis and Y-axis. The X-axis consists of internal business factors, and the Y-axis consists of external business factors. The Cartesian diagram consists of 4 quadrants. Quadrant I consists of the SA strategy, quadrant II consists of the OA strategy, quadrant II consists of the OR strategy, and quadrant IV consists of the SR strategy. Alternative methods can be determined through the matrix results from the SOAR analysis. The matrix of the SOAR analysis is as follows :

Table 1 SOAR Matrix

	Internal	Strength List of internal strength factors	Opportunities List of external opportunities
Eskternal			
Aspirations List of internal expectation factors		Strategi SA Creating strategies by using power to achieve aspirations	Strategi OA Creating a strategy oriented towards the desired aspirations to take advantage of opportunities
Results A list of measurable results to be realized		Strategi SR Creating a strategy based on strengths in achieving measurable results	Strategi OR Creating opportunities-oriented strategies to achieve measurable results

Source: Asili, 2017 [11]

3. RESULT AND DISCUSSION

Overview of Tempeh Production Micro Enterprises

The micro-enterprise for the production of Barokah tempeh is a small-scale industry and is a home industry. This business was formed in 1995 by Ir. Nurman Koto, an agriculture department graduate. Initially, Pak Nurman only produced 3-5 kg of tempeh. The increase in production has increased over time, and the number of customers has increased so that the Barokah tempe production micro business can

produce as much as 75 kg. However, this production level is sometimes consistent because it depends on market conditions.

The production process at the Barokah Tempe factory starts from the first stage by preparing raw soybeans, which must be soaked in hot water for 12 hours. In the second stage, the soybeans are ground using a milling machine to split the soybeans into two and separate the peanuts from the skin. In the third stage, the ground peanuts are only taken to make tempeh, and the skin is removed. To isolate the nuts and skins, water is needed as an aid. In the fourth stage, after the beans and their skins have been separated, the beans that are ready to be cooked must be washed and cleaned with clean water. After that, the beans are ready to be boiled until they boil. In the fifth stage, the boiled beans are filtered and cooled. In the sixth stage, the beans are given yeast. In the seventh stage, the beans are wrapped and then arranged in sets, and after the tempo is warm, the tempe is placed in locations. And finally, after the Tempe is white because the mushrooms have grown, the tempe is ready to be marketed.

In marketing, Mr Nurman places his tempeh in several markets and shops in Medan every morning. Apart from that, Pak Nurman has customers who need tempe daily to sell, such as ayam penyet and Lontong. In the afternoon, Mr Nurman returned to the market and shopped to collect the proceeds from the sales, which were then shared with the tempe distributors at the market and shop.

Discussion

Recapitulation of Internal and External Factors namely:

A. Internal Factors

1) Strengths

- a. Good product taste
- b. Owner who is a graduate majoring in agriculture
- c. Product design offers vary
- d. Strategic location
- e. Purchase raw materials in bulk

2) Opportunities

- a. Mastering market share
- b. Utilizing tempe dregs
- c. Getting consumers from WoM (Word of Mouth)

B. External Factors

1) Aspirations

- a. Improving the quality of human resources
- b. Increasing the quality of business management
- c. Utilizing production technology
- d. Utilizing information technology

2) Results

- a. Have more repeat customers
- b. Consistent with the taste of the product
- c. Production and marketing processes run efficiently
- d. Have products that can always compete.

After obtaining information about internal and external factors from the micro business of Barokah tempe production, the results are obtained from Strengths, Opportunities, Aspirations, and Results. Then, each element in the recapitulation table above will be given to the owner and 2 employees as a questionnaire. Then the questionnaire results will be processed using the IFAS (Internal Factors Analysis Strategic) matrix and the EFAS (External Factors Analysis Strategic) matrix.

From processing the results of the questionnaire on the IFAS matrix, it was found that the score of the strength indicator was 2.40, and the opportunity indicator was 0.97. After obtaining the scores of the two internal factors, it can be seen that the IFAS score is 3.38 from the sum of the two indicators. While processing the results of the questionnaire on the EFAS matrix, the score of the aspiration indicators (Aspirations) was 1.29, and the results indicators (Results) were 2.02. After obtaining the scores of the two internal factors, it can be seen that the EFAS score is 3.31 from the sum of the two indicators.

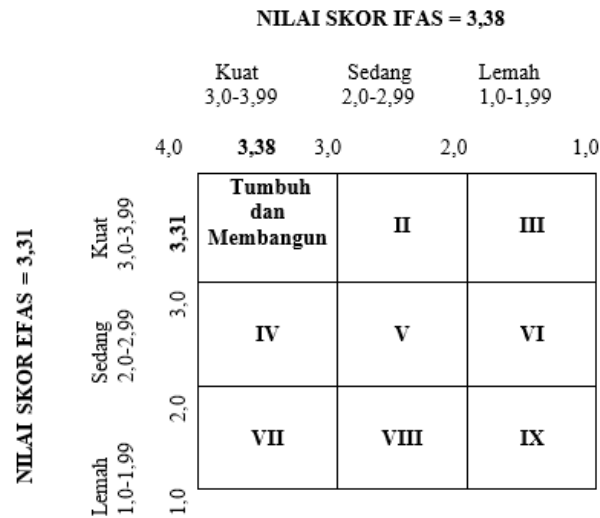


Figure 4. IE Matrix Results (Internal-External)

After the values of the IFAS matrix and EFAS matrix are determined, when the two values are poured into the IE matrix, it can be seen that the internal and external factors in the SOAR analysis of the strategy implemented by the Barokah tempe production micro business are in the cell I, namely growing and building (grow and develop). Builds). Based on the total score, a SOAR analysis courtesies diagram is then made, and the data is obtained from the IFAS matrix and the EFAS matrix. The following is the obtained SOAR cartesian diagram:

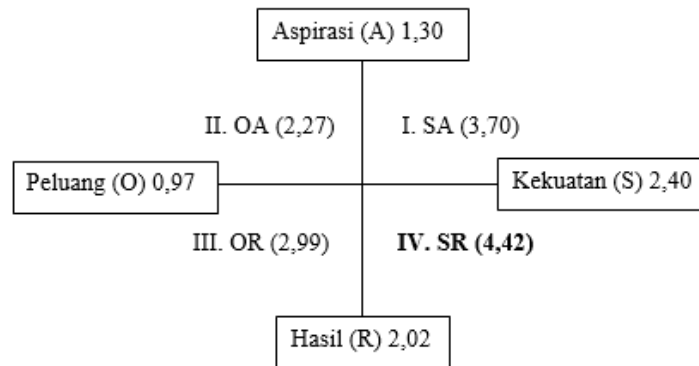


Figure 5. Cartesian SOAR diagram

It can be seen that the strength indicator is the most dominant indicator of the company's internal factors, while for external factors, the most dominant indicator is the results indicator. Therefore, the micro-business of Barokah tempeh production based on the SOAR Cartesian diagram is in quadrant IV. This can be interpreted that in this situation, the micro-enterprise for Barokah tempe production has an SR strategy that can be used in its business as an alternative strategy to increase income during the Covid-19 pandemic.

4. CONCLUSION

Based on the analysis and results of this study, it can be concluded that by using SOAR analysis, the IFAS score on the IFAS matrix is 3.38. Then based on the EFAS matrix, the EFAS score is 3.31 from the sum of the two indicators. After the values of the IFAS matrix and EFAS matrix are determined, when the two values are poured into the IE matrix, it can be seen that the internal and external factors in the SOAR analysis of the strategy implemented by the Barokah tempe production micro business are in the cell I, namely growing and building (grow and develop). Builds). There is a difference from previous research in

determining alternative strategies to increase MSME income during the Covid-19 pandemic using a different analysis technique, namely SOAR analysis. The SOAR analysis shows a Cartesian diagram showing that the micro business strategy for Barokah tempeh production is in quadrant IV. This indicates that the alternative strategy best implemented by Barokah Tempe production micro-enterprises is the SR (Strength and Results) strategy that utilizes strengths and results. The results of the SOAR analysis matrix on the first SR strategy are using good taste in attracting customers. The second strategy is to utilize the owner's knowledge of production to produce tempeh with a consistent taste. The third strategy is focusing on product design variations to attract new customers with product shape options. The fourth strategy is to take advantage of strategic locations to explore other consumers further to get new subscriptions. And the last is to buy raw materials of the highest quality in bulk to minimize production costs and maintain or improve the taste.

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