

**EVALUATION OF BUSINESS STRATEGY AND PERFORMANCE IN
CHEMICAL COMPANIES WITH MICRO BUSINESS CATEGORY CASE:
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Abstract

Micro, small, and medium-sized industries are one of the pillars of the Indonesian economy. Evidently during the pandemic, Indonesia can survive the threat of recession in 2020 not spared from the contribution of the domestic consumption sector, by also utilizing the circular economy. Although the turnover of industries engaged in services is declining, pandemic periods can be used by companies to increase human resource capacity. In the future when the economy improves, The company is ready to compete healthily in the market. Common problems faced by industries with micro, small, and medium scale are limited human resource capacity and incomprehension to the basics of business. This can be inferred from the stagnant performance of micro businesses. This study was conducted on isnen Laboraorium. The purpose of this study is to improve business efficiency performance. At the end of the research period, it is expected that there will be an overhaul of the 4 pillars of the business so that Isnen Lab will develop optimally.

Keywords: Strategy; Performance; Micro Business

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Introduction

Business operations vary across industries, and are structured according to specific industry requirements. Mastering the operations of a particular industry can help a business achieve success. Isnen Lab is categorized into the process manufacturing operations business.

Manufacturing companies are engaged in converting raw materials into physical products, Which is then sold to consumers. One of the things that manufacturing companies can do to achieve efficiency is to source quality raw materials from credible suppliers. For perishable and edible products, businesses should look at how their raw materials are stored, processed. and sent to consumers. the company can also eliminate the speed that increases processing time to save time during manufacture and delivery. If

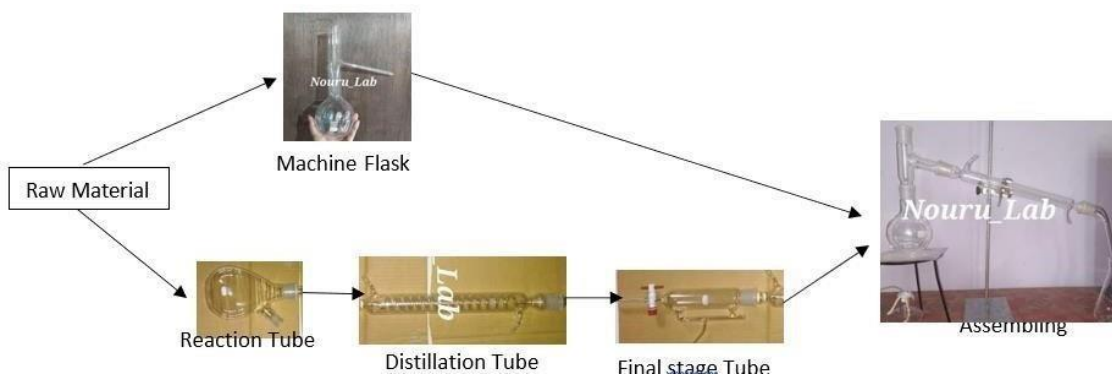
the company is involved with shipping logistics, it can outsource shipping and concentrate on other areas of the business that are its advantages.

The production process is concerned with converting various inputs into outputs needed by the market. It involves two sets of the main resources of the transforming resource, and the changed resource. Transformation resources including buildings, machines, computers, And the people who carry out the transformation process. The resources that are converted are raw materials and components that are converted into the final product.

Each production process involves a series of links in the production chain. At each stage a value is added in the production process. Adding value involves making the product more desirable to the consumer so

that it will pay more for it. Therefore, added value is not just about manufacturing, but includes marketing processes including advertising, promotion and distribution that make the final product more desirable. It is very important for businesses to identify processes that add value, so as to improve these processes for sustainable business profits. Isnen Lab does not have its own production resources. Production is handled by unprofessional business relatives and production is made by order. The problem of

the production line is that business relatives have their own brands to market the same product. Almost every product owned by Isnen lab, produced by business relatives and has its own brand. The operation and production process is often late than the promised time. because the production process cannot be done directly but must be done sequentially. The complexity of the product form becomes one of the delay factors. Exists in some isnen lab production processes.



Businesses can effectively make cash and how that money is used. As mentioned earlier, Isnen lab is a company that has several product variations.

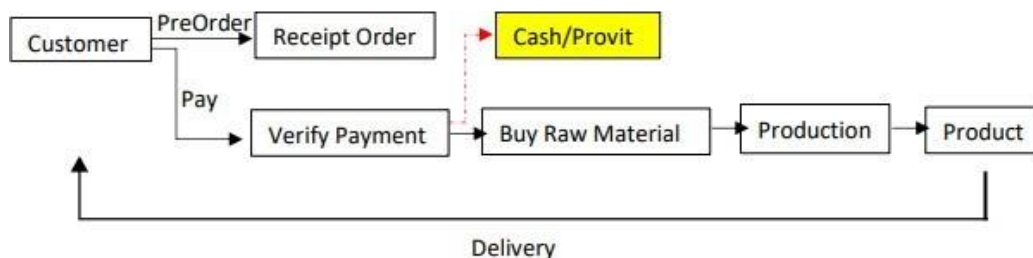
The special products they sell are distillation chemical equipment that has a pre-order system.

First, the financial support is zero. Customers must pay first, order, and then nou ru lab will use payment as working capital to produce orders directly. The advantages faced by Isnen lab are not about money, but

what they have is human resources, networks, and knowledge.

Current conditions, Isnen lab has more than 20 product variations including pre-ordered products or product supplies.

The profits that have been generated are divided into 2 aspects. The first aspect is for the founder's salary and the second is back for the repair and development of the company increase inventory or increase working capital.



Workflow Isnen Lab

Method

In the research process, use the ABCD method. This method that is emphasized is

that asset excavation is not a problem. That's why this paper contains some of the assets owned by Isnen Lab. The purpose of the

search process or description of existing changes is to dig and recognize what will be overhauled and maintained. Understanding of the ABCD method itself consists of five main steps, that is:

1. Determining Stage

In the interview stage the author asks various questions and determines the priority scope so that this research is expected to be fully useful and effective.

2. Finding Stage

In a deeper interview, the author found problems in a predetermined scope. Where Isnen Lab is very weak in the Human Resources sector, marketing strategy and business planning.

3. Stage of Designing Goals

After the author discovers the many weaknesses of Isnen Lab, the author explains similar companies that already have a clearer vision and goals. and concrete so that the client can also understand in which direction this assistance will boil down.

4. Planning Stage

Meeting after meeting must be done so that after knowing the goal stage, then the design of the plan can go in the intended direction.

5. Stages of Making a Plan

Although the assistance has ended, the client implements the final of the business plan that has been elaborated together.

Results and Discussion

The supply chain management process plays an important role in running key operations for almost every organization. Without a successful supply chain, the process can stall at the ground level and ultimately lower results. For some time Decades on, the supply chain has gone through its own journey from a very simple one.

To the newly developed algorithm-based ones. With the ever-evolving concept of supply chain, the process of supply chain management has become a special function. Supply chain managers are given the responsibility of ensuring that supply chains, both external and internal, are efficient and cost-effective. The mechanism to be followed for an effective supply chain management process involves five basic stages:

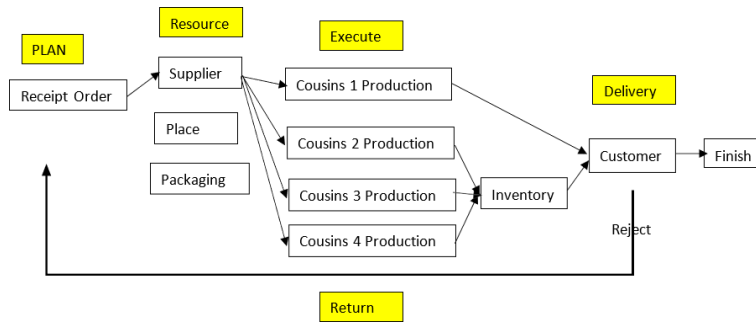
- Planning – planning is a strategic part of the supply chain management process, to find the best blueprint on how to meet the final needs.
- Source – at this stage of supply chain management, the emphasis is on ensuring the most reliable suppliers of raw materials so that the production process will never harm.
- Execution – this is the stage at which a well-designed process is implemented so that an understandable form is given to the existing plan in the form of a manufactured product ready for testing, packaging, and delivery.
- Deliver – the supply chain when it reaches this stage, the manager has the task to

Deliver the right amount of products/services, in the right place and at the right time by hiring the appropriate operator. Deliver – When the supply chain reaches this stage, the manager has the task to.

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- Return –

Return handling is the final step of the supply chain management process. This not only involves reviewing returned products for quality purposes but also managing isnen Lab inventory.



Proposed workflows for Isnen Lab

Track revenue, expenses, and profitability. Revenue: selling products, custom designs, selling other products at retail. Expenses: production costs, mobilization, survey suppliers, depreciation of laptops & motorcycles. Profitability: product sales margin, service design, delivery, cost.

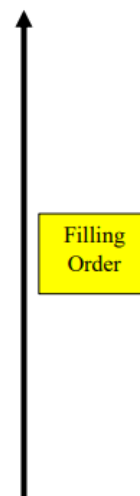
Make predictions based on reliable data. Isnen labs must make sales and revenue predictions based on historical sales to increase customer satisfaction over order timeliness. Isnen Lab has problems due to project-based orders, sometimes when orders are at the highest level, delivery is often late due to capacity.

Production is limited by human resources. As is known about the complexity of the product, the product Cannots are

manufactured by machine, but products are made by hand and require skill to produce them. Therefore, financial predictions can lead to product availability by using sales and cost forecasting. Plan your Isnen Lab budget more effectively.

Isnen labs can make sales predictions, so as to save their financial capital more delivery of their products effectively using the system's production base. But, budgeting all operating costs, supplies, salaries, and profits can be made to determine sales targets. Isnen Lab can explain how much you want to get, and then the cost of running it business and costs for marketing. Budgeting can be made using an income statement.

Activity	Money
Sales (price x quantity)5	4
Cogs (cogs x quantity)5	3
Gross provit	
Operation activity	
Salary (2 person)	1
Production cost	1
Transportation	1
Warehouse cost	1
Earning before interest and rate and depreciation	
Interest	-
Tax	-
Net provit	2



Conclusion

Chemical equipment requires special skills to make it. According to interviews with the founders of Isnen lab, there are no schools, institutions, or courses willing to teach production skills. In addition, the type of product is complex, no machine can make. The chemical equipment that Isnen's lab sells is 90% pure products are handmade. Since Isnen lab does not have its own production process, the only way to meet the specific demand of production capacity, Isnen lab must have its own human resources. Research and development should be applied to add human resources in the field of production. For the current condition, Isnen lab relies heavily on the only cousin who has the skill. That's a worse case of this dependency is when a business relative stops the business, With these consequences, the business will be lost. Research and development is very cost-oriented, but it can be turned into an activity investment for business continuity. Another alternative is that isnen labs can be maintained to sell chemical equipment in the retail industry. However, the retail industry needs more

capital for inventory storage. Conclusion is is the Lab Isnen must switch from dependent production and maintain it as inventory, rebrand Isnen lab to high positions to get higher margins with higher quality, shift the business into retail industry and take products from third parties, or invest in human resources for its own production line independently related.

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