Strategies for the development of Agroindustry Business at Cassava Chips UMKM in Putra Jaya Jenggawah, Jember Regency

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ABSTRACT

Micro, Small & Medium Enterprises (UMKM) has an important role in Indonesian economy. UMKM is assumed as one of the solutions for society in facing economic crisis by active in UMKM especially in the informal aspect. Currently, there is a lot of micro business in Indonesia, one of them is UMKM cassava chips. Putra Jaya UMKM which was founded in 2013 is engaged in food processing with sweet cassava chips products. The production activities were 4-5 times using traditional tools. The strategy for developing the Putra Jaya Cassava Chips business is important to overcome several problems, such as the increasing consumer demand for cassava chip products, which have many shortcomings such as packaging, and less attractive label. The purposes of this study are to (1)identify and explain the external and internal factors that affect the development of Putra Jaya cassava chips UMKM. (2) determine alternative business development strategies that can be recommended to cassava chips UMKM in Putra Jaya. The analytical tools in this study are internal and external analysis, IFAS and EFAS matrixes, and SWOT matrix analysis. Based on the results of data processing, the IFAS value is 2.79 and EFAS is 3,08, it is obtained that the SWOT matrix analysis of the company is in Quadrant 1 which means that the company is in a very profitable position. The strategy that can overcome company problems is the strength opportunity strategy, where this strategy uses the power to create and take advantage of opportunities that exist in the company.

Keywords: UMKM, Putra Jaya, IFAS, EFAS, SWOT matrix analysis