

Strengthening small and medium enterprises (SMES) in tempe production by using entrepreneurial managerial skills

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ABSTRACT

The aim of this service is to increase the knowledge and skills of Tempe small and medium enterprises (SMEs) so that they can manage their businesses more efficiently and maintain their competitiveness. Workshops, motivational training, and group mentoring are the ways this service activity is carried out. UKM Tempe, located at Kp. Serang Kota, Rt.11/Rw.06, Suka Dami Village, Cikarang Selatan District, Bekasi, is a community partner in this project. The results of this service show that Tempe SME entrepreneurs have gained better knowledge and skills after receiving training and mentoring. They succeeded in improving their company operations, getting more customers through digital marketing, and forming a Tempe SME group or association to share knowledge and support each other to solve business problems. By strengthening the sector, this initiative increases prosperity and local economic growth

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1. INTRODUCTION

Small and Medium-Sized Enterprises (Usaha Kecil dan Menengah (UKM)) are important to the global economy since they help with job creation, economic growth, and poverty alleviation. Because it empowers local communities and promotes sustainable development, the SME sector is the backbone of the economy in many nations, including Indonesia. In order to successfully satisfy client demands, an entrepreneur needs to be able to add value to their goods or services. This can be accomplished by raising the amount of creativity within their company, giving them the advantage to compete in a cutthroat market. (Jurnal et al., 2022)

Tempe UKM play a major role in Indonesia's UKM sector when it comes to the culinary industry. Tempe is a traditional food product that is low in fat and high in protein. It has a lot of potential to grow both domestically and internationally. Nonetheless, the difficulties Tempe UKM players have frequently stem from their lack of experience and the entrepreneurial managerial abilities necessary to run small companies successfully. An individual with entrepreneurial curiosity is driven and desirous of starting a firm and has the guts to take calculated risks. (30130-Article Text-81692-1-10-20221021, n.d.)

People who are employed already have an interest in starting their own business in addition to those who do not. Most of the time, these people decide to quit their employment and pursue

careers in entrepreneurship, but some choose to operate side enterprises and will stop working as workers after their businesses have been profitable.(Jurnal et al., 2022)

The purpose of this study is to find out how Tempe UKM may function better if their managers have more entrepreneurial abilities. This research is anticipated to significantly impact the growth of Tempe UKM by comprehending and identifying the difficulties faced by UKM players in running their companies and by examining the effects of mentoring and training programs on the development of entrepreneurial managerial skills. In Serang and Bekasi City's rural districts, boosting micro, small, and medium-sized enterprises (UKM) is essential to bolstering economic development.(Harahap et al., 1991)

Technology is advancing, and this gives UKM business owners more ways to offer their products and services online and in the digital sphere. Digital marketing is one marketing tactic that works well in the current economic climate. Social media platforms like Facebook, Instagram, WhatsApp, Twitter, and others are frequently utilized for digital marketing. These platforms have unique features that present chances for entrepreneurs to advertise or provide their goods and services. (Syari Harahap et al., 2021)

By using an interdisciplinary method that combines field research, entrepreneurship, and management theory, this study seeks to provide a thorough knowledge of how to improve Tempe SMEs' performance and promote local economic growth. As a result, it is anticipated that this research will significantly advance our knowledge of the significance of entrepreneurial managerial abilities in the growth of UKM in the food industry, particularly Tempe UKM, as well as the consequences of these UKM for sustainable economic development. In order to improve the general welfare of society, the development of Micro, Small, and Medium-Sized Enterprises (UKM) must be planned, structured, and sustainable with an emphasis on boosting productivity, competitiveness, and stronger entrepreneurial growth.

The background information on Tempe UKM' significance to the Indonesian economy is given in this introduction, along with an overview of the difficulties Tempe SME participants face and the goals and applicability of the research in terms of cultivating entrepreneurial managerial abilities to improve Tempe UKM performance.(Sandra et al., 2023)

2. RESEARCH METHOD

This community service's implementation strategy uses a training approach that includes stages to manage every business operation, from marketing to manufacturing. March 18, 2024 has been designated as the date of the community service execution schedule in Kp. Serang Kota, Rt.11/Rw.06, Suka Dami Village, Cikarang Selatan Sub-district. This timetable covers a number of steps, including the selection of the place, the subjects to be addressed, and the desired outcomes that must be met.

A study and comprehension process grounded in a technique that examines social phenomena and human issues is known as a qualitative approach. (Harsono, 2011:19). In order to comprehend the phenomena that the subjects of this study encountered, a qualitative descriptive technique to research was adopted. To shed light on this subject, a qualitative methodology is used in this research, and data is gathered through direct interviews, online research, library research, and textual sources both printed and electronic.(Maruf Al Qifari, 2022, n.d.) This study is aimed at traders and employees. The community and users/customers sharing information about the effects of soybean price rises are among the support topics. The products in question are tempe vendors in the Serang Kota Market.

To explore how rising soybean prices are hurting tempe sales, the researcher went right into the field, conducting on-site inspections at the Serang Kota Market in Cikarang Selatan. Research is the main factor forming and shaping knowledge during the formation and development process. Data collection, selection, and interpretation are used to carry out this function. The researcher used triangulation techniques of data sources and procedures to gather correct data. Qualitative research methods, on the other hand, are frequently called naturalistic methods because they examine natural objects that is, objects that emerge naturally and unaltered.

In qualitative research, information is methodically gathered through interviews, field notes, and documentation. Data analysis is carried out before going into the field, during fieldwork, and after

fieldwork is over. After that, the information is categorized, clarified, synthesized into units, and arranged using a template. Crucial steps include choosing what needs to be looked at and coming to conclusions that are simple to understand for both the individual and other people.

When information cannot be categorized or classified into a structure, it is considered qualitative data and is collected in the form of a collection of words rather than a set of numbers. This type of data analysis is carried out. Data is gathered using a variety of techniques, including documentation, interviews, and observation. Qualitative research employs data analysis techniques such as source triangulation, data triangulation, and transcription of observations and interviews.

3. RESULTS AND DISCUSSIONS

The food industry is served by Mrs. Hayati's Tofu and Tempe Factory, which is situated at Kp. Serang Kota, Rt.11/Rw.06, Suka Dami Village, Cikarang Selatan Sub-district. The manufacturing of tempe and tofu was first initiated unintentionally as a lighthearted experiment. With time, this company started to expand quickly. As a result, Mrs. Hayati began to enlist volunteers to assist in her factory's tofu and tempe production. Members were enlisted by Mrs. Hayati among the locals who lived close to her home.



Figure 1. Image of Mrs. Hayati's Tempe Production House

According to the research, a number of planning techniques are key to Mrs. Hayati's tofu and tempe factory's success. For planning to function properly, a number of goals must be met. The following area few goals for aggregate planning: creating a workable overall production plan that will balance supply and demand while taking the production plan's minimal cost into account though cost is not the only factor to be taken into account. provide information to resource planners in order to help them create plans that support production scheduling. reducing (stabilizing) labor costs and output in response to changes in demand.

According to the description above, Mrs. Hayati uses a number of tactics,

1. Strategy to Increase Production

Based on interviews with the owner of the tofu and tempe factory, the following are the strategies implemented.

- a. **Selecting High-Quality Raw Materials:** Since soybeans have a major influence on tempe quality, make sure to select raw materials of the highest caliber. When making high-quality tempe, make sure to utilize clean, high-quality soybeans.
- b. **Production Process Quality Control:** Verify that every step in the production process of tempe is executed accurately and reliably. Washing, soaking, processing, inoculating with tempeh culture, and packing are all included in this. Careful execution of each step is necessary to guarantee constant tempe quality.
- c. **Improving Production Capacity:** Assess the present level of output and pinpoint areas in which more efficiency might be achieved. This could entail streamlining the production process or making an investment in more productive production machinery.
- d. **Streamline the Supply Chain:** From raw materials to final goods, make sure the supply chain is managed smoothly and effectively. This entails keeping an eye on market demand to predict future requirements and managing the inventory of completed goods and raw materials.
- e. **Production Cost Evaluation:** Examine the total costs associated with producing tempe and pinpoint areas where cost-cutting strategies might be used without sacrificing quality. This could entail choosing more affordable suppliers, managing trash, or improving energy efficiency.
- f. **Widen the Distribution:** Seek out chances to grow the network of tempe distribution you have. This could entail developing into internet markets, working with distributors or wholesalers, or establishing additional sales locations.

2. Development Strategy

- a. **Traditional Quality Preservation:** By upholding the production methods and recipes that have been handed down from generation to generation, preserve the genuineness and quality of traditional tempe goods. This entails utilizing the appropriate tempe starter culture, appropriate fermentation procedures, and appropriate raw material selection.
- b. **Innovation in Flavor Variations:** To pique consumers' interest, stay true to classic recipes while experimenting with flavor combinations. For instance, preparing tempe variations using traditional herbs or regional spices.
- c. **Partnership with Local Farmers:** Establish trusting bonds with nearby farmers to guarantee a consistent flow of high-grade raw materials. These collaborations may also aid in elevating tempe products to the status of superior regional goods.
- d. **Creation of Traditional Derivative Products:** Make use of traditional tempe as a base material to create derivative goods that complement regional cuisine. For instance, adding tempe to regional snacks or traditional cuisine.
- e. **Cultural Heritage Conservation and Restoration:** Take part in initiatives to protect and revitalize the region's traditional tempe production-related cultural heritage. In addition to promoting the growth of traditional tempe products, this can aid in the preservation of regional customs and culture.
- f. **Maintenance of Quality requirements:** When producing traditional tempe, uphold strict quality requirements. To guarantee safe and superior products, this entails using fresh raw materials, adhering to tight quality control procedures, and practicing proper cleanliness.

3. Survival Strategy

One of Mrs. Hayati's survival tactics is to constantly give customers high-quality products. Keeping an eye on the quality of the ingredients is one way to ensure that the tofu and tempe industry survives. The following are some tactics for surviving in the tempe industry, as explained:

- a. **Preserving Authenticity:** Whether running microbusinesses or major organizations, business owners place a high premium on maintaining the authenticity of their products. Authentic products increase client confidence. Having a distinctive and eye-catching branding is also crucial to help clients remember your business.

- b. Highlighting Unique Features: Emphasize the advantages of the goods or services you provide to clients. Deliver top-notch customer service and captivating marketing material. Instill trust in prospective clients regarding the provided goods and services.
- c. Focusing More on Product Details: Give the products careful consideration, especially with regard to their quality. High quality will draw a large number of users to the provided goods and services. Perform thorough quality check prior to client distribution of the products.
- d. Digital Marketing for Goods and Services: A growing number of people are beginning to use social media on a regular basis. Marketing of the goods and services available to the general public can benefit immensely from the use of social media. Digital marketing offers several benefits, such as comparatively inexpensive marketing expenses, unimpeded customer reach and time, and tighter customer-business owner proximity. Due to the fact that visually appealing content readily entices Indonesian society, create content with eye-catching images or taglines to draw in clients. (*Jurnal Strategi Dan Kesuksesan Bisnis (Pabrik Tahu & Tempe*), n.d.)

The sustainability of UKM, particularly in the tempe production industry, depends on a number of factors, including branding and marketing, in addition to initiatives addressing quality, product innovation, network expansion, and collaborations.

The goal of branding is to enhance a product or service's identification. Any business that wants to expand and succeed in the competitive market must do this. Businesses must have an effective branding plan in place to do this. Activities to communicate, develop, or improve a brand are part of branding. These activities pertain to input, process, and output activities in addition to designing a visually appealing brand. A firm will succeed if its brand is successfully developed. (Putra et al., 2021)

Part of branding is making your company stand out from the competition. Companies should have distinguishing qualities that draw in customers and increase their loyalty. Branding has a significant impact on consumers' perceptions of a brand, making things easier for them to remember and utilize. High-quality products are produced by UKM, however they might not thrive as much if they don't make strong branding and marketing efforts. Effective branding facilitates product recognition and recall for customers. Every UKM wants their products to be instantly recognizable and memorable to customers.

By doing this, products can increase in consumer recognition through word-of-mouth marketing. Products must therefore have certain qualities. These distinguishing elements include things like packaging, logos, color schemes, typography, and more. These qualities set you apart from the competition. Even if two products are identical, consumers won't pick the wrong one by mistake. Consequently, a company can enhance the identification of its goods or services through branding. A product's brand has a big role to play. In order to help the audience recognize and remember a product, its brand acts as its identity. (Karsono et al., 2021)

A company can enhance the identification of its goods or services by using branding. Products that are connected to a positive company image typically have a higher level of consumer loyalty. Product branding is aided by digital marketing. It is common knowledge that digital marketing can reach a large audience, and that a company will make more money if its products can also reach this large audience. Businesses may effectively promote their products with the help of digital marketing. One of the advantages of digital marketing is that it can save money on promotions. Internet-based media can be used for considerably less money when it comes to promotional tactics than traditional ones like billboards, flyers, or radio and television advertising. (Fahdia et al., 2022)

Compared to the previously listed techniques, conventional marketing and direct field marketing usually need more time and effort. Furthermore, the market's reach is restricted to the immediate vicinity. However, the outcomes would be more favorable if done through digital marketing, since it enables a wider market reach and more effective marketing operations. (Nur Apriyanti et al., 2022)

There are various aspects of marketing to which craftsmen should be aware:

- a. Marketing expertise: To boost the expansion of their output, artisans should become knowledgeable about efficient marketing strategies. They can take part in government-

sponsored training programs, interact with other SMEs to share ideas, and learn more through internet resources.

- b. Trend-following packaging: For any product, even small and medium-sized enterprises (UKM), packaging is the most important factor since it can boost sales and improve the product's appeal. Right now, there are no labels on the box that list the product's name and it is solely composed of plastic. Research can improve our comprehension of more appealing and superior packaging. Products can be packaged in plastic pouches and labeled with the name of the product, the address, and the name of the firm that makes it to look more organized and appealing.
- c. Internet marketing: It's no secret that the Internet has become a necessary component of modern life. This is something that UKM should be aware of and utilize as a management strategy to grow their company. Businesses can acquire widespread visibility, provide successful outcomes, and most importantly avoid depleting the company's budget by utilizing an Internet-based marketing strategy.
- d. Revenue can also be greatly increased by using social media sites like Facebook, Instagram, TikTok, and others, as well as internet marketing. Thus, it is imperative that social media platforms be used for marketing these days..(Amri & Safitri, 2023)

Entrepreneurship Principles: These principles highlight a number of crucial elements. First of all, since failure is a necessary step on the path to success, it's imperative to overcome your fear of it. Second, passion and bravery in the face of adversity should be the driving forces for business. Third, an entrepreneur's primary strengths ought to be inventiveness and imagination. Fourth, before acting, risk-taking should be thoroughly considered. Fifth, overcoming diverse challenges requires optimism, patience, and persistence. Sixth, having ambition and tenacity are essential to reaching objectives. Seventh, it's critical to recognize market prospects and carry out business with the highest moral standards possible. Eighth, it's important to remember that independence and honesty are fundamental values. In order for businesses to support environmental sustainability, environmental awareness should also be a component of entrepreneurship ideals.(Rialdy & Tia Melisa, n.d.)

4. CONCLUSION

Strategic planning, development, and sustainability strategies are used by the Tofu and Tempe Factory of Mrs. Hayati, which is situated in Kp. Serang Kota, Rt.11/Rw.06, Desa Suka Dami, Kecamatan Cikarang Selatan, to demonstrate success in the food business. By emphasizing high-quality raw materials, upholding quality control, expanding output capacity, and streamlining the supply chain, Mrs. Hayati guarantees high output levels. She also emphasizes taste innovation, working with nearby farmers, maintaining cultural history, and traditional quality as means of advancing advancement. Moreover, sustainability tactics including digital marketing, product authentication, quality control, and quality maintenance improve brand resilience.

Andere small businesses in the food industry can draw on Mrs. Hayati's commitment to excellence, creativity, and community engagement. UKM need effective branding to differentiate their products and build customer trust. Indeed, small and medium-sized enterprises (UKM) must prioritize branding strategies in their business development, particularly when using digital marketing. UKM can become more successful and competitive in the market by developing a strong and recognizable brand. (Arumsari et al., 2022). They increased their market share and enhanced client access, even through online markets, by working with local traders and utilizing a digital marketing strategy. Additionally, these initiatives create chances for the growth of sustainable entrepreneurship. Since they are given ongoing help and direction, entrepreneurs are more equipped to adjust to shifting market conditions and foster innovation in their products and business plans. (Sandra et al., 2023)

It appears that the tempe entrepreneurs are having difficulties as a result of not utilizing technology in their production and marketing procedures. They're talking to other business owners about potential solutions and investigating ways to make pricey materials smaller. The need for more workers is also a result of the growing sales volume of tempe products, which raises the need for labor. Because fewer people are unemployed in the vicinity, this improves the business climate .(Manajemen Strategi Wirausaha Dalam Meningkatkan Produktifitas Kerja Pada Ukm Tempe Tahu Di Kec.Kuala Kab.Langkat, n.d.). A company's capacity to succeed depends heavily on the skills that

are directly tied to the entrepreneur's capacity to grow the company. Researchers' findings show that the success of tempe UMKM firms is strongly influenced by entrepreneurial attitudes.. (Aini et al., 2023)

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