

Analysis Of Strategies To Increase The Competitiveness Of Siswandi Rice Production In Pesawaran Lampung District

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Abstract

The purpose of this research is to determine the strategies that can be used by the Siswandi Rice Factory in facing market competition. The problem faced in business activities is the decreasing level of rice productivity due to the decreasing supply of raw materials caused by weather factors or prolonged drought. In this research, the analysis method used is SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) with the owner of Siswandi Rice Factory as the resource person. The results of research using SWOT analysis identified that Siswandi Rice Factory is in quadrant 1 (Growth Oriented Strategy), which is a very profitable situation. The IFAS result in this study was 3.34, which shows that the Siswandi Rice Factory can utilize its strengths and control its weaknesses. And the EFAS result in this research was 3.39, which shows that the Siswandi Rice Factory can maximize opportunities and minimize threats. And this research also produced 11 alternative strategies that could be used by the Siswandi Rice Factory to increase the company's competitiveness.

Keywords: Competitiveness, Strategy, SWOT Analysis

INTRODUCTION

Rice is one of the main sources of carbohydrates in Indonesian society as a nutrient-dense food, the taste of cooked rice varies depending on the quality of the rice produced. (Akbar et al., 2022). The increasing demand for rice means that factory management must also be accompanied by the amount of rice production. Based on data

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from BPS Lampung Province 2023, Rice production in Lampung province in the last five years has experienced fluctuations where rice production in 2018 was 2,488,642 tons, in 2019 it decreased -13% to 2,164,089 tons, while in 2020 it experienced a 22% increase of 2,650,289 tons. However, the decline again occurred in 2021 by -6% to 2,485,452 tons, then increased by 8% to 2,688,159 tons in 2022, with fluctuations that tend to increase, this shows the high level of rice production in Lampung province, as shown in the picture below:

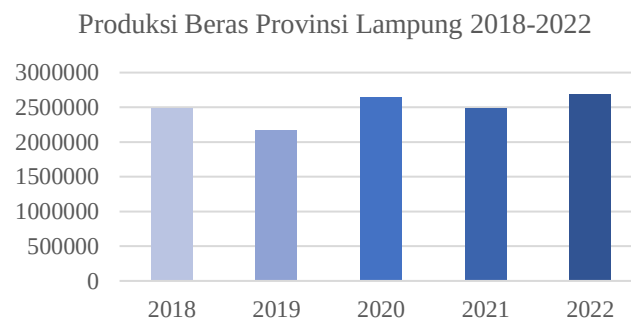


Figure 1. Lampung Province Rice Production Diagram

Source: BPS Lampung Province, 2018-2022

Policies that regulate the staple food rice in Indonesia include production, distribution and controlling domestic prices in order to maintain national food stability. (Dewi, 2018). Based on data reported from BPS Lampung Province for 2018-2022, the average price of rice experienced fluctuating movements. In the year of 2018, the average price of premium quality rice is IDR. 9,831 per kg. medium quality Rp. 9,009 per kg, and low quality Rp. 8,950 per kg. In the year of 2019, the average price of premium quality rice is IDR. 9,767 per kg, medium quality Rp. 9,000 per kg, and low quality Rp. 8,450 per kg. In the year of 2020, the average price of premium quality is IDR. 9,681 per kg, medium quality Rp. 9,089 per kg, and low quality Rp. 3,629 per kg. In the year of 2021, the average price of premium quality is IDR. 9,574 per kg. medium quality Rp. 9,059 per kg, and low quality Rp. 8,749 per kg. In the year of 2022, the average price of premium quality is IDR. 9,972 per kg. medium quality Rp. 9,501 per kg, and low quality Rp. 9,172 per kg. This shows that the selling price of rice on the market results in high competition among local rice producers.

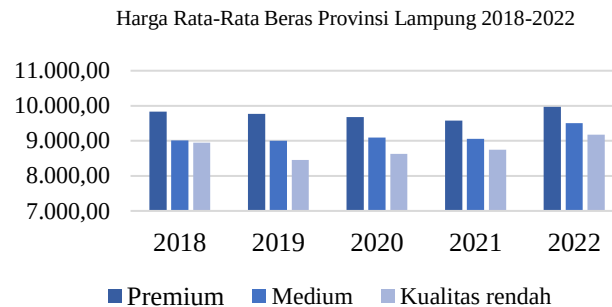


Figure 2.Diagram of the Average Price of Rice for Lampung Province 2018-2022
Source: BPS Lampung Province, 2018-2022

One way to support the availability of rice in Indonesian society is factory businesses, such as the Siswandi Rice Factory. Siswandi Rice Factory is one of the rice milling industry players that contributes to fulfilling the local rice industry sector. The problem faced in business activities is the decreasing level of rice productivity due to the decreasing supply of raw materials caused by weather factors or prolonged drought. Therefore, strategies are needed to increase rice productivity strategies. The strategy for increasing rice production must be able to identify internal and external factors owned by the company. By using SWOT analysis, you can maximize the company's strengths and opportunities, which can then minimize existing weaknesses and threats. The aim of this research is to increase rice production by using SWOT analysis to determine the right strategy to increase business competitiveness at the Siswandi Rice Factory.

LITERATURE REVIEW

Strategy Management

Based on opinions about strategic management, including according to (Stephen P. Robbins-Mary Coulter 2014) Strategic management is what managers do to develop organizational strategy. This is an important task that involves all the basic management functions of planning, organizing, leading, and controlling. Meanwhile, according to (Hubeis, Musa, 2014), Understanding strategic management as a set of managerial decisions and actions that determine organizational performance in the long term. Strategic management is defined as a collection of decisions and actions which are the result of the formulation and implementation of plans made to achieve company goals as

well as how to evaluate and carry out these actions in order to achieve organizational goals, which includes the formulation, implementation and evaluation of strategic plans.

Competitiveness

Based on according to (Mudatsir, 2018) Competitiveness is the ability and strength that a company has in developing and advancing its economy well so that it can face competition by having differences in terms of product quality, service quality, delivery, human resources, and so on. The competitiveness of a product is the ability of an individual or company to produce goods and services well, so that it can develop and advance its activities in the same environment or simultaneously by highlighting advantages that can be used by the company, namely: price, market share, brand, product quality, consumer satisfaction and distribution channels. (Wibowo et. al. 2015, 62)

RESEARCH METHODOLOGY

This type of research is quantitative research using a descriptive approach. Quantitative research methods are a type of research whose specifications are systematic, planned and clearly structured from the start until the creation of the research design. Data collection techniques used by researchers in this research include interviews, observation, documentation and questionnaires. Interviews and questionnaires were carried out directly with the owner of the Siswandi Rice Factory, observations and documentation were carried out directly at the Siswandi Rice Factory premises. The types and sources of data used in this research are primary data and secondary data. Primary data was obtained directly through interviews and questionnaires with the owner of the Siswandi Rice Factory, while secondary data was obtained through a thesis and literature survey.

Population is a generalized area consisting of objects/subjects that have certain qualities and characteristics that are determined by the researcher to be studied and then drawn. Research sometimes has a population that is so large that it is not possible to carry out research as a whole. For this reason, a portion of the population is needed that can represent the entire existing population (Sugiyono, 2017). According to (Yulinda et al., 2005) stated that the sample is part of the number and characteristics of the population, so the number of samples taken must be able to represent the population in the study.



The number of samples in this study was 1 (one) respondent, namely the owner of the Siswandi Rice Factory.

The analytical method used in this research is the SWOT analysis method. According to (Wiswasta et al., 2018) SWOT analysis is an analysis that will provide output in the form of direction and does not provide a "magic" solution for a company. SWOT analysis can be applied by analyzing and sorting various things that influence the four factors, then applying them in a SWOT matrix image. By using SWOT analysis, you can maximize strengths and opportunities, while simultaneously evaluating weaknesses and threats, so that the company can determine the right strategy for future sustainability and can evaluate all external threats, as well as internal. According to (Pratama & Rachman, 2023) SWOT analysis compares external factors of opportunity (Opportunity) and threats (Threats) with internal factors of strength (Strength) and weakness (Weakness). Internal factors are called IFAS (internal strategic factor analysis summary), IFAS is used to determine possible strengths and weaknesses. Then for external factors it is called EFAS (external strategic factor analysis) to find out possible opportunities and threats. then the tool used to monitor and evaluate and design the business strategy that will be used by the Siswandi Rice Factory is the SWOT matrix. The SWOT matrix can produce alternative hypotheses, namely strategy strength-weakness (SO), strategy weakness-opportunities (WO), strategy strength-threat (ST) and strategy weakness-threat (WT)

RESULTS AND DISCUSSION

Internal and External Factor Analysis (IFAS/EFAS)

In the IFAS and EFAS tables, the two factors are given an assessment weight of 0.0 (not important) to 1.0 (very important) and the total weight is no more than 1.0 after giving the weight assessment. The next step is to calculate the rating for the two factors, the value is on a scale 1 (below average) to 4 (very good), the values given for strengths and weaknesses are not the same or opposite, also apply to opportunities and threats. After giving weights and ratings to the two factors, then multiply the weights to get the resulting score. The following is the IFAS and EFAS table at the Siswandi Rice Factory



Table 1. Internal Factor Analysis Summary (IFAS)

No	Internal Factors	Weight	Ratings	Weight x Rating
Strength				
1	Guaranteed product quality	0.13	4	0.52
2	Strategic rice milling business location	0.13	4	0.52
3	Purchases of rice raw materials are made directly from farmers	0.13	4	0.52
4	Adequate production supporting facilities and infrastructure	0.10	3	0.30
5	The production process uses modern machines	0.13	4	0.52
6	Have a competent workforce	0.10	3	0.30
Sub-Total		0.72		2.68
Weakness				
1	Minimal lack of product development	0.10	3	0.30
2	Does not yet have BPOM certification	0.06	2	0.12
3	Doesn't have product branding yet	0.06	2	0.12
4	Recording reports that are not done periodically	0.06	2	0.12
Sub-Total		0.28		0.66
Total		1.00		3.34

Source: data processed 2023

Based on the IFAS matrix calculation, an IFAS value of 3.34 is obtained. With these values it can be concluded that the Siswandi Rice Factory is in a strong position.



This condition states that the internal factors of the Siswandi Rice Factory are relatively influential in utilizing strengths and being able to control weaknesses.

Table 2. External Factor Analysis Summary (EFAS)

No	Internal Factors	Weight	Ratings	Weight x Rating
Opportunity				
1	Availability of rice raw materials	0.12	4	0.48
2	Broad market segmentation	0.09	3	0.27
3	Utilize technology such as social media in carrying out promotions	0.09	3	0.27
4	Industrial growth	0.09	3	0.27
5	Technological advances in rice production equipment	0.12	4	0.48
6	Government policy regarding the national rice production industry	0.12	4	0.48
Sub-Total		0.63		2.25
Threat				
1	There is similar business competition	0.12	4	0.48
2	Import rice from abroad	0.09	3	0.27
3	Unpredictable natural conditions	0.09	3	0.27
4	Standard price policy from the government	0.06	2	0.12
Sub-Total		0.3		1.14
Total		1.00		3.39

Source: Processed data, 2023Based on the EFAS matrix calculation, an EFAS value of 3.39 was obtained. With these values, it can be concluded that the Siswandi Rice



Factory can respond very well to existing opportunities and threats, so that it can take advantage of opportunities and reduce losses from threats.

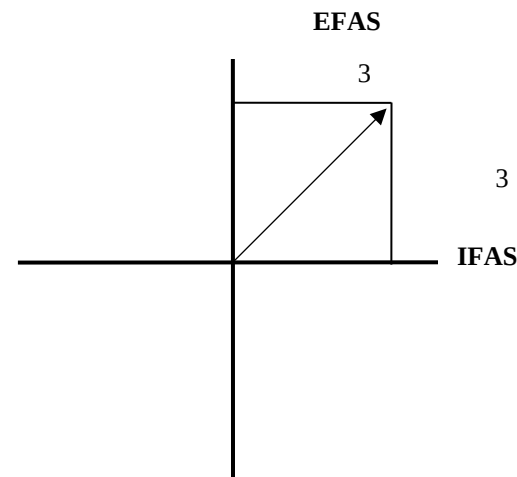
Matrix 9 Internal and External Cells of Siswandi Rice Factory

EFAS IFAS	Strong 3.00-4.00 4.00 3.34	Average 2.00 – 2.99 3.00	Weak 1.00 – 1.99 2.00 1.00
4.00 Strong 3.39	I	II	III
3.00 Average	IV	V	VI
2.00 Weak	VII	VIII	IX

Source: Processed data, 2023

Based on Table 3 which relates to the 9 cell matrix of internal and external factors for the Siswandi Rice Factory, the total internal factor analysis/IFAS value is 3.34, and the total external factor analysis/EFAS value is 3.39. So, based on table 3, the position of the Siswandi rice factory is in strong condition, in the category of growth with concentration through vertical integration (in Cell I, yellow).

Figure 3. SWOT diagram



Source: Processed data, 2023

From the SWOT diagram above, it is known that the Siswandi rice factory is in quadrant 1 (one), which means that the Siswandi rice factory has opportunities and strengths that can be used to achieve sales targets. The appropriate strategy in this quadrant is the virtue of aggressive growth (Growth Oriented).

SWOT Matrix

The results of the SWOT matrix analysis can be seen from table 3 below:

Table 3. SWOT Matrix Strategy Combination

IFAS	Strength (Strength)	Weakness
	a. guaranteed product quality b. strategic rice milling business location c. Rice raw materials are purchased directly from farmers	a. Lack of product development b. Does not yet have BPOM certification c. Doesn't have product branding yet

EFAS	d. Adequate production supporting facilities and infrastructure e. The production process uses modern machines f. Have a competent workforce	d. Recording reports that are not done periodically
Opportunities a. Availability of rice raw materials b. Broad market segmentation utilizes technology such as social media in carrying out promotions c. Industrial growth d. Technological advances in rice production equipment e. Government policy regarding the national rice production industry	S-O Strategy 1. Increase rice production capacity 2. Expanding the market network by adding direct distribution channels and online sales through social media	W-O Strategy 3. Creating product brands and product labels and obtaining Intellectual Property Rights (IPR) 4. Creating product branding so that it is widely known in the market 5. Increasing product development so that it is widely known in the market to support the company's industrial growth
Threats (Treaths) a. There is similar business competition b. Import rice from abroad c. Unpredictable natural conditions	S-T Strategy 6. Increasing quality products to compete with imported products from abroad 7. Determine affordable product prices in order	W-T Strategy 9. Carry out standardized and certified product innovations 10. carry out product image branding to compete with other



d. Standard price policy from the government	to compete with competitors	products on the market
	8. Prepare rice stocks to anticipate natural phenomena	11. Manage financial reports so that expenses and income can be reviewed properly

Source: Processed data, 2023

CONCLUSION

Based on the research that has been carried out, there are key aspects that can be taken into account in this analysis. Strategies that can be used to overcome competitiveness so that the Siswandi Rice Factory can implement them to increase competitiveness are as follows:

1. In the SWOT analysis, the Siswandi Rice Factory is in Quadrant 1 (one), this situation shows that the Siswandi Rice Factory is in a very profitable position. Therefore, this factory is expected to implement an aggressive growth strategy (Growth Oriented) to increase competitiveness.
2. Based on the analysis results from the SWOT analysis. The IFAS calculation result was 3.34 which identified that the internal strength of the Siswandi Rice Factory had a strong position. For the EFAS calculation, a value of 3.39 was obtained, which identifies the relatively strong external environment of the Siswandi Rice Factory.
3. Based on the results of the SWOT analysis, the results obtained are that the Siswandi Rice Factory is in growth, then there are 11 business development alternatives that can be applied for the Siswandi Rice Factory located in Kresno Widodo Village, Tegineneng District, Pesawaran Regency.

SUGGESTION

From the research results above, there are several suggestions that the Siswandi Rice Factory can consider

1. For the owners of the Siswandi Rice Factory, to increase their competitiveness, they need to pay attention to the SWOT analysis that has been thoroughly studied because it contains weaknesses and threats that need to be anticipated. However, apart from that, in the SWOT analysis there are also strengths and opportunities



that need to be optimized. This step is expected to have a significant impact on increasing the competitiveness of the Siswandi Rice Factory.

2. It is hoped that the Siswandi Rice Factory can implement the 11 alternative strategies that have been formulated in the Martiks SWOT table so that it can pay attention to the company's condition in terms of internal and external factors that can support market competition.

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