

# Model Management Of MSME Production Of Seaweed Farmers In Sampulungan Village, Kab. Takalar Provinsi Of South Sulawesi Indonesia

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#### Abstract

Seaweed is one of the businesses carried out by the majority of the population in the village of Sampulungan. One type of business innovation from seaweed is seaweed dodol, seaweed syrup, gelatin seaweed, and seaweed candy. The seaweed business carried out by seaweed farmers is one of the mainstay businesses of the residents of Sampulungan Village which is expected to be able to increase economic value. The seaweed business is carried out simply and based on hereditary experience from its predecessors so that the added value of the business has not been able to contribute optimal economic value for the seaweed business sector and public welfare. Concrete efforts are needed for simple patterns to become business with appropriate managerial patterns under the real conditions in the community. This research was conducted in the village of Sampulungan, Takalar Regency to formulate the MSME production management model of seaweed farmer groups. This type of research uses qualitative and quantitative data with qualitative descriptive analysis methods. The results of the research formulate a model of production management and raw materials are seaweed management consisting of raw material inventory, production process, total production capacity per harvest, number of workers.

**Keywords:** model, management, production, MSME, seaweed.

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#### **INTRODUCTION**

Based on data from the Central Statistics Agency, in Takalar Regency the number of Micro, Small, and Medium Enterprises (MSMEs) currently reaches 9,876 MSME units, which are divided into 9,735 micro-businesses and 141 small businesses. The efforts of the MSME sector have been sufficient to help economic growth in Takalar by contributing a high enough regional gross domestic product (PDRB) so that it can increase the economic growth of Takalar Regency.

One of the biggest local revenue (PAD) in Takalar is sourced from the management of seaweed commodities carried out by coastal communities. The MSME sector in the village of Sampulungan involves many businesses engaged in seaweed and its processed commodities.

Business constraints that are often faced by MSME seaweed farmers in the village of Sampulungan are generally classic problems often faced by business groups in other villages, including sources of funding, marketing aspects, aspects of employment, and aspects of production management. These constraints should be immediately given a solution so that the existence of MSMEs in the village of Sampulungan, in addition to being able to change economic conditions, can also contribute to local income.

Based on the background description above, the researcher points out the following problem formulation: How is the production management model used by the MSME group of seaweed farmers in Sampulungan Village.

The specific purpose of this research is "to know the MSME Production Management Model of Seaweed Farmers in the Sampulungan Village". Research Urgency Production management has an important role in business. Whether it's a small scale or large scale business. The MSME sector must have production management to avoid loss of over raw material or overproduction. The MSME sector has an important role in the development and economic growth which is also able to play a role as a driver of diversification of economic activity. Therefore, it is necessary to formulate a production management model for SME groups of farmers so that MSMEs can implement an appropriate production management model with the criteria of the Zero Raw Inventory

#### LITERATURE REVIEW

MSMEs have an important role in the development and economic growth, not only in developing countries, such as Indonesia but also in developed countries such as Japan, the United States, and European countries. One of the pillars of economic growth can be seen from the stretching of significant small business activities, both in the traditional and modern sectors through micro, small and medium enterprises (MSMEs). This independent business, run by the middle to lower class, has a strategic role in driving the nation's economy. What makes MSMEs strong is that they are spread throughout the country and control around 99 percent of business activities in Indonesia, with more than 98 percent being micro-businesses. Its advantages are in several factors, namely specific focus ability, national flexibility, low cost, and speed

of innovation. Even when the global crisis hit the world, the contribution of MSMEs in the wheels of the Indonesian economy was still standing tall. That is why the role of MSMEs is so great in Indonesia's economic growth, especially the contribution to gross domestic product. MSMEs have indeed experienced an increase in the last five years, especially government support through the Ministry of Cooperatives and SMEs which provides opportunities for small businesses to develop. MSMEs can be considered to have a strategic role in fighting poverty and unemployment in Indonesia. At least, there are 3 UMKM contributions in the wheels of the Indonesian economy, especially the lives of small people. These three roles include in Indonesia, MSMEs are very important especially as a source of growth in employment or income opportunities. This fact shows that the employment opportunities created by these business groups are far more than the workforce that can be absorbed by large. Therefore, it is expected that MSMEs can continue to play an optimal role in efforts to tackle unemployment which tends to increase every year.

## Production Management

The arrangement as a process of changing raw materials into desired products or services, making them marketable. According to the introduction of the English Essays website, the product is divided into several sections according to technology: a) This product is extracted directly from raw materials, and then extracted into desired products. For example, oil is extracted into various types of products, b) the product is obtained by changing the chemical or mechanical parameters of a material without changing its physical properties. This is done, for example, by heating raw materials at high temperatures, and c) by the assembly, such as computers or cars.

An understanding of production management is often ruled out. Although starting here, businesses can increase efficiency because this section does not require much capital. Ideally, the production department must do several things, such as increasing productivity, using industrial symbiosis, protecting employees from physical hazards, and eliminating hazardous materials.

The things above are the most draining part of the bag. Not to mention the applicable laws, labor regulations, and also other obstacles that have a big effect on production budgeting. Therefore, the arrangement of the production department is not only limited to buying cheap raw materials but the formation of systems and the use of technology in order to survive in difficult circumstances.

It cannot be denied that small and medium enterprises are the biggest pillars of the domestic economy. How these small and medium-sized businesses contribute to the workforce means it can reduce unemployment, reduce poverty, improve welfare, and build the country's character through entrepreneurship education. This is in line with the statement of (Berry, Redrigues, & Sandee, 2002), which shows three basic reasons why developing countries see the importance of small and micro enterprises, one of

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which is that small and micro-business are better at producing labor. Second, small and micro businesses usually achieve growth. Increase productivity through investment and technological change. The third point is that SMEs are believed to have the advantage of flexibility compared to SMEs (Rohim & Kurniawan, 2017). If you pay attention, a lot of research or scientific papers on SMEs at home and abroad have been done. In several studies carried out around 2000, management aspects (Zheng, 1999; Chiew Ming Chak, 1998) and SME development strategies were discussed early (Kuncoro, 2000; Rene Van Berkel, 1999; Mazur, 1998), and 2000 Research after this year emphasize the application of information technology in the management and production of SMEs (Namami, 2009; Ong & Ismail, 2008; Dili Ojukwu, 2006; Taman Jie Yeu, 2008; Paul O. Harrigan, 2007). However, research on SMEs have not discussed in detail how to conduct production management for SMEs, especially for the light food industry. To overcome this problem, it is necessary to conduct a comprehensive study of appropriate production management so that it can ultimately serve as a reference for SMEs to increase productivity through improved production management. (R Muhammad, Asep, & Reni, 2011)

#### RESEARCH METHODS

This research was conducted in the village of Sampulungan, Takalar Regency. The type of research data used is primary data and secondary data. This study uses a population and sample of all SME Dodol Seaweed in the Village of Sampulungan. The data collection techniques used in this study are Questionnaires/questionnaires, interviews, and documentation. The data analysis method used in this study used descriptive qualitative.

#### **RESULTS AND DISCUSSION**

The SMEs of seaweed farmers in the village of Sampulungan are small groups that are usually formed based on kinship. Because in general, the seaweed MSME actors are hereditary businesses. Based on observations and direct observations, MSME seaweed farmers in the village of Sampulungan are also SMEs in the field of fisheries.

# 1. Production process

The seaweed production process itself by seaweed farmers is not based on accurate calculations but the production process is carried out under the capabilities of the available workforce. For example, in the process of providing seaweed raw materials, the SMEs only provide raw materials according to market demand or according to the ability of workers to process seaweed products. So that raw materials run out in one production process (Zero Raw Inventory).

# 2. Production management

Production management and raw materials are important in a business, which involves the production capacity, raw material supply, product quality, number of workers, and work systems. In terms of production capacity, the amount of seaweed dodol production is still small scale. Because the number of products produced is only based on the number of orders. In terms of raw material inventory. MSME perpetrators of seaweed dodol are easy to get raw materials. Because the supply of seaweed in the village of Sampulungan is quite a lot. For product quality, processed seaweed products are divided into seaweed dodol, seaweed agar, seaweed syrup, and seaweed jelly candies.

Seaweed processed products in the form of seaweed dodol have been successfully developed with three flavors namely ginger, strawberry, and pineapple. In terms of labor needed to make seaweed, dodol is still small scale and the workforce used is a family system. The work system used by the UMKM seaweed dodol is a working system that still uses human labor and is still traditional. How to manufacture processed seaweed products also still use household appliances, not the capacity of the medium and above industries. For example, in making seaweed dodol the production process is still manual and the machine used is also still simple (blender)

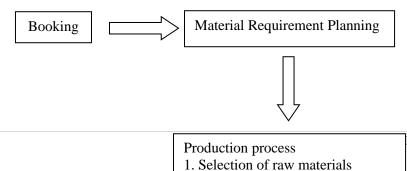
Production activities at seaweed MSME on seaweed dodol products consist of 3 (three) stages of production, namely: a selection of seaweed, washing and soaking seaweed, dodol product manufacturing, printing, drying, and packaging. The process of soaking seaweed takes approximately 3 days, after being soaked seaweed and then destroyed using a blender. After blending, the seaweed is mixed with the dough according to the product that will be made.

The production process also does not cause a buildup of products. Because products are only produced based on market demand. So the possibility of experiencing losses due to the accumulation of products or unsold products has never been experienced by the SMEs.

Seaweed UKM has not yet developed an effective marketing strategy. Seaweed UKM does not yet have the right marketing goals. Marketing projects are still word of mouth. Therefore, demand is still lacking. Products that are successfully sold are only on request. The management model of UMKM seaweed dodol can be described as follows:

Figure 1. Seaweed Farmers UMKM Production Management Model

2. Washing and damping



## **CONCLUSION**

Based on the results of the study, it was concluded that the production management model for SEAWEED DODOL MSMEs uses a Zero Raw Inventory system (raw materials are exhausted in one production process). The production process is still simple and uses simple equipment. The production process starts from the selection of raw materials, washing and soaking raw materials, crushing raw materials, the manufacturing process by cooking, after cooking and then pouring in the printing place, after cooling the dodol product is cut into pieces and then put in plastic packaging.

#### **SUGGESTION**

We recommend that during the production process of dodol products to pay attention to the halal process of the product and the companion materials used must be registered halal

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