

Strategy For Sustainability Of Micro, Small, Medium Enterprises Trowulan Stone Patterns Based On Swot Analysis

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ABSTRACT

MSMEs provide substantial benefits in terms of income for most communities as well as encouraging creativity in line with maintaining local traditions and culture. The purpose of this study is to identify and propose new strategies that can help stone sculpture artisans in Trowulan improve competitiveness and business sustainability. The research method is descriptive qualitative with data collection through interviews. The results show that a holistic management strategy, ranging from strength-opportunity utilization to weakness-threat mitigation, helps Trowulan stone sculpture MSMEs strengthen their position in the market and achieve sustainable growth. This can be done by marketing and cooperation with the government and among craftsmen to face market changes and external threats.

Keywords:

Micro, Small, and Medium Enterprises (MSMEs); Sustainability of Business; SWOT Analysis; Trowulan Stone

INTRODUCTION

An important aspect of community life is business activity, which not only provides income but also forms the economic foundation of a country. One common form of business is Micro, Small and Medium Enterprises (MSMEs) in the form of stone statue making in Watesumpak Village, Trowulan District, Mojokerto Regency. Initial observations show that stone statue craftsmen in Watesumpak Village are experiencing complex challenges. Demand for stone sculptures declined due to the global economic crisis and the Bali bombing tragedy. In addition, the lack of support from the local government and the lack of appreciation from the local community make product promotion in the domestic market difficult. Although the government provides assistance in the form of tools, craftsmen feel the assistance is less effective. This condition occurs along with the emergence of cast statues as a cheaper and more practical business rival, adding to the difficulties. Furthermore, the lack of interest among the younger generation to continue in the profession also threatens the existence of craftsmen in the future. Facing these challenges, artisans need to reorganize their businesses, improve competitiveness, obtain better support, and develop their businesses in the face of competition and modern technological advances.

The problems of MSMEs are related to internal and external arrangements. The higher a firm's ability to manage internal arrangements, the more likely it is to be proactive in seeking new opportunities. Companies will also be more innovative and creative than their competitors, to respond to changes in the external environment as well as take risks and have the authority to carry out company decisions (Daengs et al., 2019). For this reason, sustainability and environmental awareness are increasingly becoming an important focus for companies in this modern era. Through the application of concepts such as changes in the external environment, sustainability, and business rejuvenation are important in an effort to remain competitive and thrive in a rapidly changing market (Pereira et al., 2021).

Research conducted by Izni & Wandebori, (2020) suggests that the proposed strategy based on the results of the SWOT analysis is the cost leader strategy and

forward integration as a strategy used to improve and develop existing business strategies and marketing strategies. This strategy is carried out by developing limited resources, carrying out effective value chain activities, and marketing products directly to end consumers through online and offline sales. Then, Trojanowski (2021) in his research also revealed that for the sustainability of a business, the main aspect that is considered is the human resources owned. In addition, the contribution of management in managing the company is also an important point in business sustainability. Research conducted by Haryani et al. (2018) revealed that marine fish processing MSMEs are in a condition to develop. This is because most business entrepreneurs are the younger generation, relatively highly educated, and experienced. In addition, the skills of MSMEs in terms of employee management, production, external business, and marketing strategies and the achievement of marketing performance are good, except for their financial management skills. This business development strategy model is S-T, which means optimizing strengths to minimize the obstacles they have to face. Therefore, the strategic recommendation is to develop competitiveness and improve good relations with customers. Based on the gap analysis of the study, it can be seen that the strategies of cost leadership and forward integration are relevant for the development of stone sculpture business in Trowulan. Given the challenges faced by stone sculpture craftsmen, such as decreased demand and competition with other products. In addition, effective human resource management can help stone sculpture craftsmen in Trowulan in facing internal challenges, such as the lack of interest of the younger generation to continue the profession.

The implementation of cost strategies and forward integration as well as a focus on human resource management can be innovative solutions in overcoming the challenges faced by stone sculpture craftsmen in Trowulan. In the context of the phenomenon in Trowulan, where demand for stone sculptures has dropped dramatically due to the global economic crisis and the emergence of competition from cheaper cast sculpture products, craftsmen need to find new ways to improve competitiveness and business sustainability. Through the implementation of these strategies, craftsmen can develop their business by taking into account long-term sustainability, maintaining local cultural identity, and maintaining the continuity of the profession of stone sculpture craftsmen in Trowulan.

Based on the explanation above, this research was conducted with the aim of identifying and proposing new strategies that can help stone sculpture craftsmen in Trowulan improve competitiveness and business sustainability. The findings of this study can encourage artisans to implement innovative approaches in managing their businesses, maintaining and strengthening Trowulan's local cultural identity in the sculpture industry. Through the adoption of appropriate sustainability strategies, artisans can not only improve economic sustainability, but also contribute to the welfare of the local community.

Literature Review

SWOT analysis is a method of strategic planning used to identify the four main factors that influence an organization's activities. SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats. SWOT analysis is a way to systematically identify various factors in order to formulate strategies (Mu, 2023).

SWOT analysis is based on the logic of maximizing strengths and opportunities, but at the same time minimizing weaknesses and threats. SWOT analysis considers

the internal environmental factors of strengths and weaknesses and the external environment of opportunities and threats faced by the business world. SWOT analysis compares external factors of opportunities and threats with internal factors of strengths and weaknesses so that from this analysis a company's strategic decision can be made (Abu & Ridwan, 2023).

The factors contained in the SWOT matrix propose the design of four strategies (Fuertes et al., 2020) :

1. Strength-opportunity (SO) strategy. This strategy maximizes internal strengths and external opportunities ("max-max strategy"); this strategy can be chosen when you have sufficient strengths and favorable external opportunities.
2. Weakness-opportunity (WO) strategy. This opportunity-focused strategy minimizes weaknesses and maximizes opportunities ("mini-maximal strategy"); it can be chosen in risky situations where strengths are few and threats are increasing.
3. Strength-threat strategy (ST). This strength-focused strategy maximizes own strengths and minimizes threats ("max-minimal strategy"); it may be chosen in a rescue situation where maximizing one's own strengths may be the only way to overcome a significant threat.
4. Weakness-threat (WT) strategy. This strategy minimizes both weaknesses and threats ("mini-mini strategy"); it can be chosen in complicated situations where strengths are few and threats are increasing.

Strategy is defined as the process of determining top leaders' plans that focus on the long-term goals of the organization, accompanied by arrangements, ways, or efforts so that these goals can be achieved. A business strategy is a document that clearly describes the direction the business will take and the steps needed to achieve its goals (Jatmiko et al., 2021).

METHOD

This research uses descriptive qualitative methods that produce data conclusions that are explained in narrative writing, not data in the form of numbers. Qualitative research is data collection based on phenomena that occur naturally (Anggito & Setiawan, 2018). The type of research used is a case study obtained from interviews because it will examine a problem that has a special nature with individual or group targets to obtain more complete and in-depth information and understanding and be able to reveal the meaning behind the phenomenon in its current state (Abdussamad, 2021). The source of data obtained is through interviews with selected informants. Technical data analysis with a descriptive analysis model, namely data reduction, data presentation, and conclusion drawing.

RESULTS AND DISCUSSION

The results of the interviews as conducted, then conducted a SWOT analysis and made a matrix as follows :

Table 1.SWOT Analysis Matrix

Strength	Weakness
1. The stone sculpture small industry in Watesumpak Village has a tradition that has been going on since the Majapahit era, so the craftsmen have skills that	1. The many problems faced, such as difficulty in obtaining raw materials, limited capital, lack of technological support, and marketing.

have been passed down from generation to generation.

2. The location of Watesumpak Village in Mojokerto Regency makes it the center of the largest stone sculpture industry in Indonesia.
3. Stone sculpture products from Watesumpak Village are characterized by not using adhesives so that they have a high selling value.

2. Decrease in income for artisans due to a decrease in the number of local and foreign buyers.
3. Some craftsmen are starting to switch to other professions that are considered more promising.

Opportunities	SO Strategy	WO Strategy
<ol style="list-style-type: none"> 1. There is still a lot of domestic and foreign market interest in stone sculpture products typical of Watesumpak Village. 2. policy to support small industry development. 3. Open export opportunities to new destination countries. 4. Utilize social media to expand online marketing. 	<ol style="list-style-type: none"> 1. Utilize the traditions and hereditary skills of stone sculpture artisans to produce high-quality products that meet the high demand of domestic and foreign markets. 2. Redouble marketing efforts through social media to reach new markets online, capitalizing on the still-great interest in Watesumpak Village's distinctive stone sculpture products. 3. Collaborate with government and other agencies to leverage policies and support to develop small industries, including skills training and access to capital. 	<ol style="list-style-type: none"> 1. Seek collaborative solutions with the government or non-profit organizations to address limited capital, technology, and marketing issues by leveraging government support policies for small industries. 2. Identify and utilize export opportunities to new destination countries by capitalizing on the still high interest in stone sculpture products.

Threats	SO Strategy	WO Strategy
<ol style="list-style-type: none"> 1. Competition from similar art products from other regions. 2. The occurrence of a global economic crisis that resulted in a decrease in demand for export products. 3. Changing market tastes and fashion. 4. Government support in facilitating access to marketing and funding is not yet optimal. 5. The changing lifestyles of the people have reduced the interest in stone art 	<ol style="list-style-type: none"> 1. Strengthening the identity and quality of Watesumpak Village's stone sculpture products as a differentiation from similar art products from other regions, in order to face fierce competition. 2. Build networks with local government and other institutions to increase support for marketing and funding, so as to overcome the impact of lack of government support. 	<ol style="list-style-type: none"> 1. Investigate the possibility of cooperation between artisans to overcome common problems such as capital and technology limitations in the face of competition from similar art products from other regions. 2. Develop a product or target market diversification strategy to address changing market tastes and fashion trends that may affect the demand for stone sculpture products.

Source: Analysis, 2024

Based on the strengths, weaknesses, opportunities, and threats contained in the table above, four main types of strategies were developed: SO strategy (strength-opportunity), WO strategy (weakness-opportunity), ST strategy (strength-threat), and WT strategy (weakness-threat). SO strategies utilize internal strengths to take advantage of external opportunities. The WO strategy aims to improve internal weaknesses by taking advantage of external opportunities. ST strategies use a business's strengths to avoid or reduce the impact of external threats. A WT strategy is a defensive tactic directed at reducing internal weaknesses and avoiding external threats.

The sustainability of the Trowulan stone statue-making business, in the context of the strength-opportunity (SO) utilization strategy, can provide great benefits by optimizing the traditions and hereditary skills of the craftsmen. This can produce high-quality products that are in demand in both domestic and foreign markets. Through dual marketing that includes social media and active collaboration with the government and related institutions, opportunities to develop the stone sculpture industry can be maximized. With the right policy support and adequate resource allocation, the potential of this industry can be further enhanced to support local and national economic growth.

The weakness-opportunity (WO) strategy is an important key for Trowulan stone sculpture MSMEs in overcoming the challenges they face, including limited capital, technology and market access. By utilizing this approach, MSMEs can find solutions to capital constraints by cooperating with government support in the form of assistance programs or access to financial institutions that are willing to provide loans at low interest rates. In addition, the adoption of modern technology can also be a strategic step to improve production efficiency and product quality. Export opportunities to new countries are an important aspect of the WO strategy for Trowulan stone sculpture MSMEs. By looking at the export market, MSMEs can shift focus from the limitations of the domestic market and increase revenue and international exposure of products. In this context, cooperation with government agencies in charge of international trade and export promotion can provide better access to foreign markets as well as assistance in overcoming trade barriers. In addition, utilizing the WO strategy also involves exploiting government support in expanding market access through more aggressive marketing initiatives. By taking advantage of the various programs and incentives provided by the government, MSMEs can develop a wider marketing network, whether through industry exhibitions, promotion through the media, or participation in arts and cultural events at both the local and international levels.

The strength-threat (ST) strategy is an important foundation for Trowulan stone sculpture MSMEs in maintaining business sustainability amidst various challenges. By focusing on internal strengths, MSMEs can maintain the unique identity and product quality that has become their hallmark. This can be done through increased training and skills development for artisans, as well as investment in efficient and innovative production processes. In addition, under the ST strategy, it is important to build strong partnerships with the government in order to overcome the threat of lack of support, whether in terms of finance, infrastructure or regulation. Through active dialogue and collaboration with authorities, MSMEs can advocate for business needs and interests, thereby creating a more conducive business environment and supporting the growth of the Trowulan stone sculpture sector. By strengthening this strength-threat strategy,

Trowulan stone sculpture MSMEs can position themselves more resiliently in the face of dynamic changes in the business environment.

The weakness-threat (WT) strategy is an important part of the planning of Trowulan stone sculpture MSMEs in facing challenges arising from the external environment. By focusing on identifying common weaknesses, artisans can direct collaborative efforts to overcome the limitations faced. In facing threats from market changes, product diversification is an effective strategy. By expanding the range of products offered, MSMEs can minimize risks from market fluctuations that may occur within one particular product segment. This can be done through innovation in design, development of related products, or even expansion into new or emerging market segments. Cooperation among artisans can also bring additional benefits, such as increased collective competitiveness and the exchange of creative ideas. By building a strong community and collaborating, Trowulan stone sculpture MSMEs can strengthen their business position in the face of external challenges, as well as create a more solid foundation for business growth and success.

CONCLUSION

Based on the discussion above, it can be concluded that in the context of the Trowulan stone sculpture industry, the various management strategies considered by MSMEs (Micro, Small and Medium Enterprises) have a significant role in facing challenges and taking advantage of existing opportunities. The strategy of utilizing strengths-opportunities (SO) focuses on optimizing the traditions and hereditary skills of craftsmen, as well as market development through marketing and cooperation with the government. On the other hand, the weakness-opportunity (WO) strategy allows MSMEs to overcome internal limitations by capitalizing on export opportunities and government support. Furthermore, the strength-threat (ST) and weakness-threat (WT) strategies emphasize maintaining product identity and cooperation among artisans to deal with market changes and external threats. Thus, a holistic approach to management strategies can help Trowulan stone sculpture MSMEs to strengthen their position in the market and achieve sustainable growth.

As input, it is suggested that MSMEs strengthen cooperation with the government in terms of policy development and resource allocation that support the industry. In addition, increasing access to training, technology and export markets also needs to be prioritized to improve the competitiveness and sustainable growth of Trowulan stone sculpture MSME businesses.

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