

CHAPTER I

INTRODUCTION

This chapter contains the introduction of the research which consists of background, problem formulation, objective, research scope, and outline of the report.

1.1 Background

Micro Enterprises are a small-scale businesses belong to a person or sole proprietorship who has enough qualification to build the business in small scale. Small-scale business means an independent productive economic business, belongs to individuals or corporations that are not subsidiaries or not branches of companies that are owned, controlled, or part of either directly or indirectly from medium-sized businesses. It can be concluded small enterprises are business activities with a limited scale activity, simple management, the limited capital, and the limited market (UU RI No. 20 Tahun 2008).

The Deputy of Macro and Financial Economics, the Coordinating Ministry for Economic Affairs, Iskandar Simongkir, stated the role of developing Small and Medium Enterprises (SMEs) in the national economy was relatively large. The number of small businesses in Indonesia at the beginning of 2018 reached 93.4 percent, then medium businesses 5.1 percent, and large businesses only 1 percent. He also stated that it was necessary to increase the number of SMEs in order to keep strong Indonesia's economic foundation and SMEs in Indonesia would not only stay at the level of small businesses (Liputan6.com, 2018).

The increasing number of SMEs in Indonesia shows that SMEs have an important role in improving the economy in Indonesia as well as being a major player in economic activities in various sectors. Moreover, SMEs contribute as the largest provider of employment, also as the important players in developing local

economic activities and community empowerment. They are also the creators of new markets and sources of innovation. The progress of SMEs can be achieved by increasing the number of SMEs in each region (Husada, 2016).

Food SMEs are the highest number of SMEs in West Sumatra. As an evidence, the Head of West Sumatra SMEs, Zirna Yusri, stated that not only crafts that are dominated by SMEs in West Sumatra, food SMEs are also well developed. Some SMEs that produce handicrafts and food have exported their products, even the quantities are still limited or only to fulfill orders on a regular basis. Most of these food businesses come from home-based businesses, such as crackers and sticks from various ingredients, *Rendang*, and others (CendanaNews, 2018).

Dapua Ummi Dipo is one of the SMEs, producing typical food in West Sumatra, called *Rendang*. This SMEs was founded by Ms. Neni Rahdipa in 2010 with the address of Beringin Indah Lestari Aster 12 Housing, Tanjung Aja, Balai Gadang, Kota Padang, West Sumatra. Dapua Ummi Dipo runs its business usually based on make to stock and make to order. Dapua Ummi Dipo produces various types of *Rendang*, such as *Rendang Daging*, made from beef; *Rendang Ayam*, made from chicken; *Rendang Ikan*, made from fish; *Rendang Lokan*, made from oyster; *Rendang Jamur*, made from mushroom; *Rendang Jengkol*, made from jengkol; *Rendang Pakis* (fern), made from pakis; and *Rendang Gurita*, made from octopus. The production capacity of this SMEs is around 5 kg - 20 kg per day. The process of cooking *Rendang* in Dapua Ummi Dipo takes 7 hours to get 5 kg *Rendang*. This process consists of the preparation step for about 1 hour, cutting the meat for about 15 minutes, washing the ingredients about 15 minutes, grinding the ingredients for about 30 minutes, cooking for about 4 hours, and packing process for about 1 hour.



Figure 1.1 New Production Site of Rendang Dapua Umami Dipo SMEs

At the end of 2018, Dapua Umami Dipo has been planning to move the production site from the current place to *Pasar Raya (Padang Central Market)*, Pasar Raya Fase 1 Kampuang Jao, 3rd Floor, Padang City, West Sumatra (can be seen on **Figure 1.1**). At the moment, Dapua Umami Dipo has already obtained food safety certification from the Ministry of Health and Halal Certification from Majelis Ulama Indonesia (MUI). Dapua Umami Dipo wants to get other certifications from BPOM MD, SNI and ISO 22000.

BPOM MD is licensing the form of a marketing authorization for food products produced by the domestic industry that is greater than a household scale (ukmindonesia.id). SNI is the only standard that is applied nationally in Indonesia which was formulated by the Technical Committee and the SNI formulation set by the National Standardization Agency with the aim to protect consumers as users of the product (bsn.go.id). And ISO 22000 is a food safety management system that can be applied to any organization in the food chain and agriculture-livestock (wqa.co.id). Based on explanation about those certification can be conclude that institutions require any business to have standardization in its production cycles including pre-stage of production, processing stage, storage area and facilities, transportation and distribution. In addition, related business also has to comply with

the of organic food production systems. This final project will helping Dapua Umami Dipo to get the certifications of BPOM MD only.

Based on Food and Drug National Agency, Republic of Indonesia, regulation number HK.03.1.23.04.12.2206 in 2012, a good way of producing food is one of the important factors to meet the quality standards or food safety requirements set for food. Those requirements must be met regarding food handling in all production chains from raw materials to final products which include:

- a. Location and Production Environment;
- b. Buildings and Facilities;
- c. Production Equipment;
- d. Water Supply or Water Supply Facilities;
- e. Hygiene and Sanitation Facilities and Activities;
- f. Health and Hygiene Employees;
- g. Maintenance and Employee Sanitation Hygiene Program;
- h. Storage;
- i. Process Control;
- j. Food Label;
- k. Supervision by Responsible Agency;
- l. Product Withdrawal;
- m. Recording and Documentation;
- n. Employee Training.



Good Manufacturing Practices (GMP) is very useful for the survival of the food industry both small, medium and large scale. Through this good way of food production, the food industry can produce quality, consumable, and safe food for health. By producing quality food that is safe for consumption, public trust will undoubtedly increase, and the food industry concerned will grow rapidly. With the development of the food industry that produces quality food and is safe for consumption, the public in general will be protected from food quality deviations and health-threatening hazards.

Head of Certification Division, Food and Drug National Agency, Padang, Mrs. Aria B. Asgul, S.Si, Apr, said that in order to obtain the MD BPOM certificate, the related business actors must meet the GMP design (certified) and must have separate hygiene rooms, raw material space, production space, and packaging space for avoid cross contamination. This can be achieved by designing the layout and facilities of the Rendang production process in accordance with the rules of the GMP and designing a Work Instruction (WI) in each room of the Rendang Dapua Ummi Dipo SMEs production process.

1.2 Problem Formulation

The formulation of the problem in this study is designing layout, facilities, Good Manufacturing Practices (GMP) and Work Instruction (WI) during Rendang production process in Dapua Ummi Dipo SMEs.

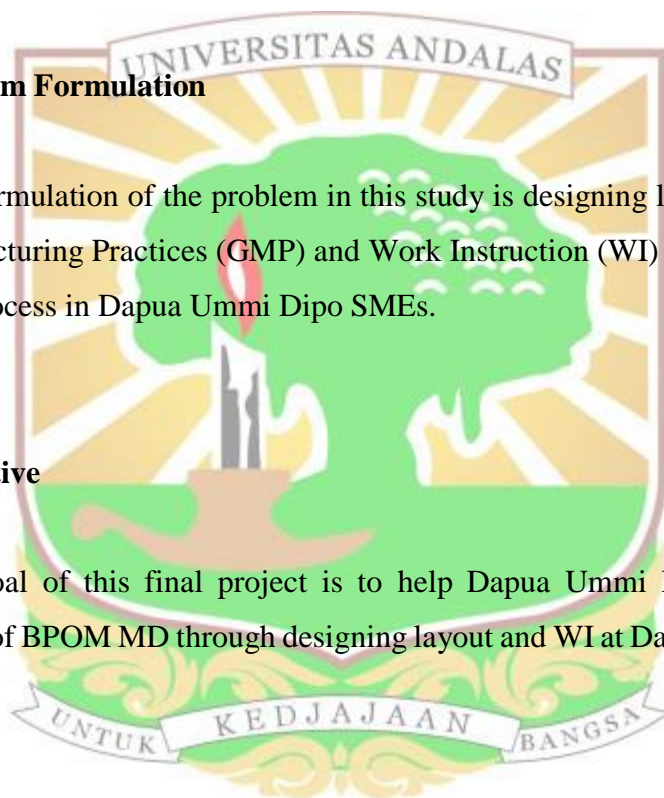
1.3 Objective

The goal of this final project is to help Dapua Ummi Dipo to get the certifications of BPOM MD through designing layout and WI at Dapua Ummi Dipo SMEs.

1.4 Research Scope

The research scope in this research are as follows:

1. The research did not discuss about the list of food ingredients and food additives.
2. The type of Rendang is made from beef.



1.5 Outline of Report

This final project is divided into several chapters which are arranged systematically in order to facilitate the reading and understanding. As for the outline of the report are:

CHAPTER I INTRODUCTION

This chapter discuss about background of the research, problem formulation, research objective, scope of research, and outline of report.

CHAPTER II LITERATURE REVIEW

Literature review describes the supporting theory of research, previous research and other things related to this research.

CHAPTER III RESEARCH METHODOLOGY

The research methodology consists of steps that include the stages in designing a new production work area in Small Medium Enterprise Dapua Ummi Dipo.

CHAPTER IV DESIGNING

This chapter contains the things needed in designing the layout and facilities starting from data collection, data processing, material flow analysis, work facility planning, work station design, layout and facility design, and design of the Work Instruction (WI).

CHAPTER V DISCUSSION

This chapter contains an analysis of the designs that have been carried out. Analysis was carried out on the layout design, Good Manufacturing Practices (GMP), and Work Instruction (WI).

CHAPTER VI CONCLUSION

This chapter consists of summary and recommendation of this research.