



Survey of leading products in home processing agro-industry, MSME woven fabric industry in Pringgasela District East Lombok District

Suprianto ¹, Himawan Sutanto ², Eka Agustiani ³, Endang Astuti ⁴

¹⁻⁴ Faculty of Economics and Business, University of Mataram, Indonesia

* Corresponding Author: **Suprianto**

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Abstract

The purpose of this study was to analyze production businesses, the level of efficiency and added value of woven fabric agro-industry products for the home industry (MSMEs) in Pringgasela sub-district, East Lombok district. This type of research is descriptive qualitative and quantitative with a sample of 9 woven household business units in Pringgasela sub-district, the sample is determined purposively (purposive).

Woven craftsmen in Pringgasela District can produce 4-5 woven fabrics per month, with an average price per unit of cloth of IDR 350,000. The average income received by woven craftsmen in Pringgasela District, East Lombok Regency is IDR 1,338,888.89/per month. Woven fabric is one of the processed products of the MSME household industry which is quite efficient and worthy of being developed by the community, because in terms of the income earned it is quite adequate and the business efficiency value is above one ($E > 1$) with an average acquisition value of 2.63 means that economically this business is feasible to work on.

The total added value of the business can be seen by the number of respondents as many as 9 respondents can produce an average price per unit of Rp. 350,000, - with an average added value per unit of woven fabric products of Rp. 170,040, while the average value added ratio is 63.12%.

To increase revenue in marketing woven fabric products, it is necessary to take advantage of technological advances by conducting marketing and promotions through social media (Fb, Twitter, Website, Instagram) so that the wider community knows, saves costs and time. Given that nowadays the use of smartphones in today's society is very high, wherever and whenever people can.

Keywords: Production Cost, Efisiensi, Added Value of Woven Fabric

1. Introduction

Small and medium industry is one of the important sectors in the economy. This industry is also one of the breakthroughs to increase economic growth in the midst of society. For the Indonesian economy, small and medium industries can be a support for sustainability the economy because it helps the community's economic growth. And it is also hoped that the independence of the community or small and medium industry players will be able to reduce the unemployment rate if you look at the fact that employment opportunities are increasingly limited with the number of workers who have not been absorbed continuously increasing.

Various types of products produced by small and medium industry players have quality. This is due to their desire to be able to compete in the market. Even though the business actors are small and medium industry level, they consider quality and quality aspects before the goods they produce will be marketed. Competitive market competition conditions are an aspect that cannot be separated from attention, they must compete with large companies. One of the reasons why small and medium industry players consider quality and quality aspects is of course due to their awareness of consumers and potential customers who are more selective before making a purchasing decision.

In the era of decentralization, local governments are trying to develop SMEs in their regions as one of the efforts to encourage regional economic growth. We realize that the development of SMEs in the regions is very closely related to regional autonomy. Implemented regional autonomy causes regions to have the opportunity to manage their respective regions. Local governments manage resources based on their local potential, including regulating regional IKM. And for the East Lombok area, especially in Pringgasela District, one example of a small and medium industry is making Ikat Woven Fabrics.

Woven fabric as one of Indonesian literature which is known as a rich cultural heritage is not only seen from the techniques and the various styles and types of cloth made, but furthermore we can recognize the various functions and meanings of cloth in people's lives which reflect customs, culture and cultural habits, which lead to identity as a component of the Indonesian nation.

Ikat weaving in Indonesia generally uses natural fibrous fabrics such as cotton and silk, both woven manually by the community, especially housewives. There are 3 types of woven fabrics in Indonesia, namely, warp woven fabrics (inland Sumatra, Kalimantan, Sulawesi, and NTT), weft woven fabrics (NTB, Aceh, South Sumatra, South Sulawesi, Central Sulawesi, Java and Bali), and woven double tie (Japan known as Tate-Yoko Gasuri, India known as Patola cloth, and Indonesia with Gringsing cloth originating from Tenganan, Karangasem, Bali)

West Nusa Tenggara is one of the areas that has developed the Weaving Ikat Weaving tradition because it is located in coastal areas. Pringgasela Subdistrict is one of the subdistricts in East Lombok Regency where most of the people make Weaving Ties, especially in Pringgasela village. In Pringgasela Village, there are approximately 420 weavers. These weavers developed a weaving tradition which is often called Sesek Weaving for generations, the name sesek is taken from the origin of the sound when weaving "sek sek".

1.2 Research Problems

Based on the background description above, the research problems obtained are as follows:

1. The big surprise of production, production costs and business income for home industry Ikat woven fabrics for small and medium woven cloth craftsmen in Pringgasela District?
2. How is the feasibility of a woven cloth household business measured from the level of efficiency of the business
3. What is the added value of woven fabric products from the woven fabric craft business in Pringgasela District?

1.3 Research Objectives

The objectives of this research are as follows

1. Analyze how the process of making woven Ikat fabrics, production costs and income of home industries in Pringgasela District, East Lombok.
2. Analyzing the feasibility of the woven fabric business in Pringgasela District
3. Analyze the level of production of woven fabrics in the Priasela District.

2. Literature review

2.1. Industry Theory

Based on Law No. 3 of 2014 concerning Industry, specifically article 1 paragraph 2, industry is all forms of economic activity that process raw materials and/or utilize industrial resources to produce goods that have added value or higher benefits, including industrial services. Law number 3 of 2014 concerning industry has positioned industry as one of the pillars of the economy and has given the government a large enough role to encourage the progress of national industry in a planned manner. This role is needed in directing the national economy to grow faster and catch up with other countries that have advanced first.

According to the Central Bureau of Statistics (BPS), industry is a business or activity of processing raw materials or semi-finished goods into finished goods that have added value for profit. Industry is also often interpreted as a group of companies that have similar products. Based on the business sector, the industry is grouped into the processing industry and industrial services.

Processing Industry is an economic activity that carries out activities to change basic goods mechanically, chemically, or by hand so that they become finished/semi-finished goods, and/or goods of less value into goods of higher value, and are closer in nature to the end user. Included in this activity are industrial/makloon services and assembly work. While industrial services are industrial activities that serve the needs of other parties. In this activity the raw materials are provided by other parties while the processors only process them in exchange for a sum of money or goods as remuneration (tolling fee). Example: tailor, sugar factory, flour factory, salon.

The Central Bureau of Statistics classifies the manufacturing sector in Indonesia based on four categories based on the number of workers working in manufacturing companies regardless of how much capital is invested or the power of the machines used. The four categories are:

- a. The household craft industry is a company or processing industry that has 1-4 workers.
- b. Small industry, is a company or processing industry business that has 5-19 workers.
- c. Medium industry, is a company or industrial processing business that has 20-99 workers.
- d. Large industry, is a company or processing industry that has 100 workers or more.

The Ministry of Industry classifies Indonesia's national industries into three major groups, namely:

A. Basic Industry

The basic industrial group is divided into two, the first includes the Machinery and Basic Metal Industry (IMLD) which is included in the IMLD group, namely the agricultural machinery industry, electronics, trains, airplanes, motor vehicles, steel, aluminum, copper and so on. The second group is the basic chemical industry (IKD). Included in the IKD are the wood and natural rubber processing industries, the pesticide industry, the fertilizer industry, the silicate industry and others. The basic industry has the aim of increasing economic growth, helping the industrial structure

and being capital intensive and encouraging the creation of large employment opportunities.

B. Miscellaneous Industries (IA)

Processing that broadly for various forest resources, processing of agricultural resources and so on is included in the category of various industries. Various industries have the goal of increasing economic growth and equity, not being capital intensive and expanding employment opportunities.

C. Small industry

Small industries include the clothing and leather industries (textiles, apparel and leather goods), the food industry (food, beverages and tobacco), the general handicraft industry (rattan, wood, bamboo, non-metallic minerals industries), the metal industry (machinery, electricity, science tools, goods and metals and so on), chemical industry and building materials (paper industry, printing, publishing, rubber and plastic goods).

2.2. Definition and Criteria for Small and Medium Industries (IKM)

A Central Bureau of Statistics (BPS)

The Central Bureau of Statistics (BPS) defines Small and Medium Industries (IKM) as follows:

- 1) Small industry, namely an economic activity that carries out activities of converting basic goods into finished/semi-finished goods and/or goods of less value into goods of higher value, which has a workforce of 5-19 people.
- 2) Medium industry, namely an economic activity that carries out activities of converting basic goods into finished/semi-finished goods and/or goods of less value into goods of higher value, which has a workforce of 20-99 people.

According to the Ministry of Industry and Trade (Depperindag)

The Ministry of Industry and Trade (Desperindag) defines Small and Medium Industries (IKM) as follows:

- 1) Small industry, is an economic activity that processes raw materials, semi-finished materials and or finished goods into higher quality goods for use and has an investment value of between Rp. 5,000,000.- (five million rupiah) up to Rp. 200,000,000, - excluding land and business buildings.
- 2), medium industry, is an economic activity that processes raw materials, semi-finished materials and or finished goods into higher-end goods for use with an investment of between Rp. 200,000,000 up to 10 billion, excluding land and buildings for business premises.

2.3. Production Theory

A. Production

Production is an activity carried out to add value to an object or create new objects so that they are more useful in meeting needs. Production is not only limited to manufacture but also storage, distribution, transportation, retailing, and repackaging or others (Millers and Meiners, 2000).

Production is a process where goods and services called inputs are converted into other goods and services called outputs. Many types of activities occur in the production process, which include changes in form, place and time of use of production results. Each of these changes involves using inputs to produce the desired output. Production can be defined as a process that creates or adds value or new benefits

(Atje Partadiradja, 1979). Use or benefit implies the ability of goods or services to meet human needs. So production includes all activities of creating goods and services (Ari Sudarman, 1999).

B. Factors of Production

In a production can not be separated from the production process. The production of the food and beverage industry requires various types of production factors, including capital, labor and raw materials. By using factors of production in each production process, it is necessary to combine them in a certain quantity and quality. The definition of the factors of production are the types of resources used and required in a production process to produce goods and services. The size of goods and services from the production results is a function of production and factors of production. Factors of production can be classified into two kinds:

1. Fixed Factors of Production (Fixed Input) Namely factors of production whose quantity does not depend on the amount produced. The input will always be there even if the output drops to zero.
2. Variable production factors (Variable Input) Namely factors of production which can change in a relatively short time, according to the amount of output produced. According to this definition, production includes all activities and does not only cover a very broad sense, production includes all activities and does not only include the manufacture of goods seen by using production factors. The production factors in question are the various kinds of inputs used to carry out the production process. Factors of production can be classified into factors of production of labour, capital and certain raw materials. Activities that occur in the production process which include changes in form, place and time of use of production results.

The types of raw materials according to Gunawan Adisaputro and Marwan Asri are

1. Direct raw materials Direct raw materials or direct materials are all raw materials that are part of the finished goods produced. The costs incurred to purchase direct raw materials have a close relationship and are proportional to the amount of finished goods produced.
2. Indirect Raw Materials Indirect raw materials or also called indirect materials, are raw materials that play a role in the production process but are not directly visible in the finished goods produced.

A. Production Costs

Production costs are costs that must be borne by producers in the form of money to produce goods/services. Determining production costs based on this understanding requires accuracy because some are easy to identify, but some are difficult to identify. Production costs are referred to as costs incurred in obtaining and using the main raw materials and supporting raw materials, costs incurred to pay all employees, as well as other supporting costs such as transportation costs, maintenance costs, Electricity costs.

Production costs are all expenses made by the company to obtain factors of production and raw materials that will be used to create the goods produced by the company (Sukirno, 2011: 208).

The following are the types of production costs according to Sukirno (2008):

a) Total Cost (TC)

Total Cost (Total Cost) is the cost incurred for production activities. The total production cost or total cost (Total Cost) is obtained from adding up the total fixed costs (Total Fixed Cost) and total variable costs (Total Variable Cost).

$$TC = TFC + TVC$$

b) Total Fixed Cost (TFC)

Total costs incurred to obtain factors of production (inputs) that cannot be changed in amount or costs whose amount is not affected by the amount of goods produced. An example is the cost of building rent where regardless of the amount of output produced by the company, the amount of building rent that must be paid is the same.

c) Total Variable Cost (TVC)

The total cost incurred to obtain factors of production that can be changed in number or costs whose amount depends on the amount of goods produced. The more output, the higher the variable costs. An example of a variable cost is the purchase of raw materials.

d) Average Fixed Cost (AFC)

Average fixed cost is the total fixed cost (TFC) of producing a given quantity of goods (Q) divided by the amount produced.

e) Average Variable Cost (AVC)

The average variable cost is the total variable cost for producing a number of goods (Q) divided by the number of products. The average changing cost is calculated by the formula:

$$AVC = TVC / Q$$

f) Average Total Cost (AC)

Average total cost is the total cost (TC) of producing a given quantity of goods (Q) divided by the amount produced. The value is calculated using the formula below:

$$AC = AFC + AVC$$

g) Marginal Cost (MC)

Marginal cost is the increase in production costs incurred to increase production by one unit. Thus, the marginal cost can be found using the formula:

$$MC_n = TC_n - TC_{n-1}$$

For the purpose of planning and controlling costs and making decisions, costs can be classified according to their behavior in relation to changes in the volume of activities which are grouped into three types, namely:

1) Fixed costs

Fixed costs are costs that are constant in total without taking into account changes in activity levels within a certain Relevant Range.

2) Variable costs

Variable costs are costs whose total changes in proportion to changes in the volume of activity. According to Nafirin (2004: 203) Variable costs are costs whose amount changes in line with changes in the volume of activity but the cost per

unit does not change even though the volume of activity changes. In other words, variable costs represent a relatively constant amount per unit as activity changes within the relevant range. Variable costs can usually be assigned to departments with relative ease and accuracy and can be controlled by supervisors at a given level of operations. Variable costs usually include direct material costs and direct labor costs.

3) Mixed charge

Mixed costs are costs that consist of semivariable costs and semifixed costs.

B.Pe

B. Income

Income is the amount of income earned by the community for their work performance in a certain period, whether daily, weekly, monthly or yearly (Sukirno, 2006). Rahardja and Manurung (2001) stated that income is the total receipt (money and not money) of a person or a household in a certain period. Based on these two definitions, it can be concluded that income is income received by the community based on its performance, both monetary and non-monetary income during a certain period. Mankiw (2011) states that income is formulated as the result of multiplying the number of units sold with the nutrient per unit. When formulated mathematically, the results are:

$$TR = P \times Q$$

Where: TR = total revenue, P = price (price), Q = quantity

2.4. Business Efficiency

Efficiency is a method used in the production process, by producing maximum output. Pressing production expenditures as low as possible, especially raw materials, or can, produce maximum production output with limited resources (Doll and Orazem, 1984).

Technical efficiency will be achieved if the entrepreneur is able to allocate production factors in such a way that high yields can be achieved. Entrepreneurs increase their output by reducing the prices of factors of production, and selling their products at high prices, so these entrepreneurs carry out technical efficiency and price efficiency at the same time. Such a situation is often referred to as economic efficiency. Entrepreneurs carry out economic efficiency as well as technical efficiency and price efficiency (Daniel; 2002).

The concept of efficiency from the economic aspect is called the concept of economic efficiency or price efficiency in the economic theory of production, generally using this concept. Viewed from the concept of economic efficiency, the use of factors of production is said to be efficient if it can produce maximum profit. To determine the optimum production level according to the concept of economic efficiency, it is not enough to know the production function. There is another condition that must be known, namely the ratio of input output prices (Hanani: 2011).

2.4. Value Added Theory

Agricultural commodities are generally produced as raw materials and are easily damaged, so they need to be consumed or processed first. This processing process can increase the use of agricultural commodities. The willingness of consumers to pay agro-industry output prices at relatively high prices is an incentive for processing companies to

produce agro-industry output. This agro-industrial activity increases the use of agricultural commodities that require processing costs. One concept that is often used to discuss the processing of this agricultural commodity is added value (Sudiyono, 2002: 147).

Consumer balance due to downstream agro-industry activities can be explained by the attribute method. The attribute method explains that consumers derive the utility of an item from the attributes attached to that item. The balance of consumers in the process of food consumption is influenced by income, price per unit of goods and attribute rating. Consumers pay attention to the attributes of food safety, nutrition, value and packaging. Based on research conducted, consumers are willing to pay for processed products which are more expensive than unprocessed products because consumers can achieve a higher level of satisfaction than before. Therefore, processing can shift the desires of consumers who initially choose unprocessed products to processed products so that processing can increase added value (Sudiyono, 2002: 148-149).

According to Hayami (1987) in Sudiyono (2002: 149), there are two ways to calculate added value, namely added value for processing and added value for marketing. The factors that affect added value for processing can be categorized into two, namely technical factors and market factors. Influential technical factors are production capacity, the amount of raw materials used, and labor. While the market factors that influence are output prices, labor wages, material prices

The amount of added value due to the processing process is obtained from reducing the cost of raw materials and other inputs to the value of the product produced, excluding labor. In other words, added value describes the rewards for labour, capital and management. Mathematically it can be described as follows (Sudiyono, 2002: 149-150):

$$\text{Value added} = f(K, B, T, U, H, L)$$

Where:

K: Production capacity

B: Raw materials used

Q: Labor used

U: Labor wages

H: Price of output

H: Price of raw materials

L: Other input values (value and all the sacrifices that occur during the treatment process to add value)

2.5. Meaning of Weaving

Weaving belongs to one of the typical Indonesian cultural arts produced by the hand skills of Indonesian residents using very simple or traditional looms. The word weaving itself has a high meaning, historical value, and technique in terms of colors, motifs, and the types of materials and threads used, and each region has its own characteristics. In addition, weaving is also one of the cultural heritages of the Indonesian nation which should be preserved and preserved.

According to the Big Indonesian Dictionary (2002: 1176), weaving is a craft in the form of material (cloth) made from yarn (cotton, silk, etc.) by inserting weft transversely on the warp (tools, tools). The weft threads are the threads that are inserted transversely to the warp threads when weaving the fabric, while the warp threads themselves are the woven threads that are arranged parallel (lengthwise) and do not move (tied at both ends).

Weaving crafts are produced by crossing that occurs between two threads that are perpendicular to each other (vertical and horizontal). Threads that run vertically or follow the length of the fabric are called warp threads, and threads that run horizontally or follow the width of the fabric are called weft threads. The yarn to be used as warp thread is given additional strength first, by adding starch and then drying, drying in the sun in a stretched state.

According to Setiawati (2007: 9), weaving is an ancient textile craft by placing two sets of knitted threads called warp and weft on a loom to be turned into cloth. Various opinions regarding the meaning of weaving from experts have also been put forward, all of which refer to the same meaning, namely spinning certain materials that can be made into threads which are then made into cloth or sarongs using certain techniques and tools.

Weaving is also inseparable from the tools used in the manufacturing process to become a woven cloth, because the tools used greatly affect the woven product. Each loom also has its own role. A loom is a tool for weaving longitudinal threads (warp threads) and transverse threads (weft threads). The traditional looms used in Indonesia are generally gedokan looms which later developed into non-machine looms (ATBM). With the development of more sophisticated techniques, machine looms (ATMs) emerged. ATMs are easier and more practical, because everything is done by a machine.

2.2.1 Conceptual Framework

Production is a process of transforming inputs into outputs. Capital, labor, raw materials are factors of production that affect the production of woven fabrics in Pringgasela District. Capital is goods that are used as provisions/base to work or do business either in the form of money, skills, or others. Labor is the entire population that is considered able to work and is able to work if there is no demand. Raw materials are materials used in making products where these materials are thoroughly visible in the finished product. Apart from that, there are also production costs which are a burden that must be borne by producers in the form of money to produce goods/services.

From this description, a research framework schema is formed as shown in Figure 2.1 which has been arranged as shown below.

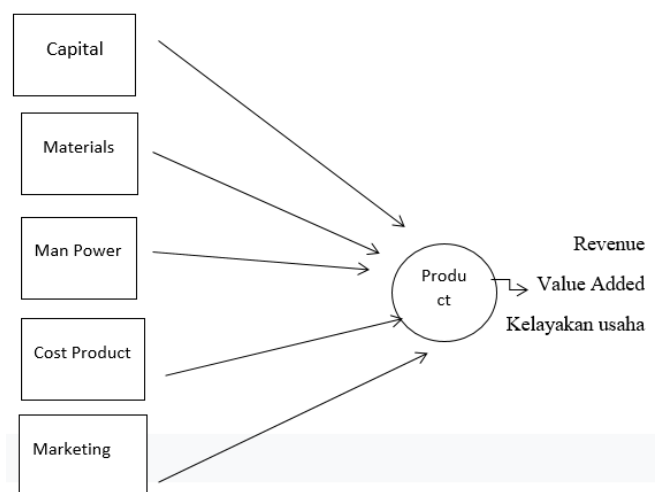


Fig 1

3. Methods

3.1 Types of Research

The type of research used in this research is descriptive qualitative research. This descriptive method describes the production process and production costs and the level of efficiency of micro, small and medium enterprises (MSMEs) of woven fabrics in Pringgasela sub-district, East Lombok district.

3.2 Location and Time of Research

This research was conducted in East Lombok district. The object of research is MSME activists in the field of woven fabric production in Pringgasela sub-district, East Lombok district. This research was conducted from the beginning of May to the end of July 2022, starting with the process of collecting data, processing and writing a final report.

3.3. Population

According to Sugiono (2010: 117) "Population is the area of generalization of objects or subjects that have certain qualities and characteristics set by researchers to study and then draw conclusions."

Based on the research conducted, the population of this study is the woven fabric craftsmanship community in Pringgasela District, whose sample was determined purposively (purposively) as many as 9 IKM business units.

3.4 Data collection methods

The data collection technique used was interview and documentation techniques, where there was an interview session with a resource person who produced woven fabrics to gather information related to the prospects for fabrics and woven fabrics in Pringgasela sub-district, East Lombok district.

3.5 Samples and Sampling Techniques

The sample according to Ismayanto is part of the totality of research subjects or part of the population which is expected to represent the characteristics of the population determined by certain techniques. Therefore, the sample used in this study is the total sample or saturated sample, which is a sampling technique when all members of the population are used as samples.

The sample in this study were 9 business units of woven cloth craftsmen in Pringgasela District.

3.6 Data Collection Techniques and Tools

This study uses data collection techniques through interviews with sources of woven cloth makers, so that from the interview process some information is collected which can be data to be developed.

3.7 Types and Sources of Data

This research contains primary data types, where the data search process is carried out by directly interviewing the makers and producers of doi woven cloth, Pringgasela sub-district, East Lombok district.

3.8. Data Analysis Procedures

This study uses descriptive data analysis by providing a general description of the research object that has been studied. The analysis was carried out qualitatively and quantitatively with the following analytical procedures:

1. Analysis of production costs in small and medium woven textile industries in Pringgasela District.
2. Analysis of depreciation that occurs in the medium-sized industry for processing agro-industrial woven fabrics in Pringgasela District.
3. Analysis of business feasibility as measured by the value of business efficiency in the production of woven fabrics in the District of Pringgasela.
4. Analysis of added value in the medium industry for the production of woven fabrics in Pringgasela District.

4. Results and Discussion

4.1. Description of the Research Area

Makmur Village is one of the villages in the Pringgasela sub-district, East Lombok district. This village is one of the villages where research is carried out related to home industrial processed products, umkm, woven fabrics. Several respondents who were interviewed by our team as researchers obtained information related to processed woven fabric products produced by the community in Makmur Village, Pringgasela sub-district, East Lombok district. This region is an area with a large population of women who produce woven fabrics. Most of the people in this village produce woven fabrics as an additional income from the main job they are engaged in.

4.1.1. Production process

The production process of woven fabric carried out by the community in Makmur Village as a community activist for woven fabric processing, namely:

1. Prepare materials and tools for the weaving process consisting of:

No Type of Equipment Amount/Unit

1. Explore 2
2. Tap 1
3. Belinda 1
4. Queen 2
5. Classifier 1
6. Pinch 2
7. Lekot 1
8. Gelebis 1
9. Desert Lombok 1
10. Stick 1
11. Auction 1
12. Pelting 1
13. Binoculars 1
14. Selenga 1

Weave Materials

Material

No. Material Amount/Unit

1. Yarn 10 Rolls
2. Fabric dye 15 sachets

The steps for producing woven fabrics in Makmur Village, Pringgasela District are as follows:

1. Straighten the threads to be woven as much as needed
2. Then the threads that have been straightened or wavy are dipped into the natural dyes that have been provided, soak for several hours until the color absorbs perfectly.
3. After the thread that has been dyed has blended with the natural color that has been given, then lift the thread.
4. The next step is the thread drying process, by drying it in the sun for 2 hours.

5. After drying, the threads that have been colored will be rolled up using pieces of wood or "Gontor" in Sasak language.
6. After being gontored, the next step is to enter the stage of exploring or assembling the woven fabric threads so that they form the desired motif patterns.
7. The next step after designing the motif or assessment, usually the time spent making this section is 1 week.
8. Then after finishing the weaver will usually start the weaving process, usually the time spent doing this weaving process is a maximum of 2-3 weeks.
9. Lastly, after entering the weaving stage, the woven fabric production process is usually finished, the final part is just cutting the parts of the thread that are not neat, and the woven fabric is ready to be marketed.

4.1.2 Product Marketing

The marketing of Pringgasela woven fabric products is mostly marketed by producers by selling directly to consumers. Usually the process is carried out by means of which many consumers place orders for woven fabrics to be made. And some of the respondents who have been interviewed do marketing by selling to collectors to facilitate sales or marketing. The price offered by each respondent or producer who has been interviewed sets a price at various prices depending on the level of difficulty in making the woven fabric itself. Some sell for around Rp. 300,000-Rp. 500,000. This price is applied according to the length of the process carried out by the weaver to produce the woven cloth itself.

4.1.3 Production

The production of woven fabrics is carried out in one month, usually weavers or producers obtain as many as 3-4 units of woven fabrics. This is obtained depending on the size and ease in the process of making woven fabrics.

The production process that the researcher can conclude from the 9 respondents who have been interviewed is as follows:

Table 1: Production and production costs for the woven fabric home industry

| No. | Name Respondent | Product (Q) | Harga(P) IDR | Total Revenue TR=(QxP) IDR | Total Cost (TC) IDR | Revenue H=TR-TC IDR |
|-----|-----------------|-------------|--------------|----------------------------|---------------------|---------------------|
| 1. | Masruni | 4 | . 450.000 | 1.800.000 | 1.500.000 | 200.000 |
| 2. | Sahnim | 6 | . 300.000 | 1.800.000 | 1.500.000 | 200.000 |
| 3. | Ibu Sum | 4 | 400.000 | 1.600.000 | 700.000 | 900.000 |
| 4. | Gitania | 4 | 350.000 | 1.400.000 | 700.000 | 700.000 |
| 5. | Ana Maria | 4 | 400.000 | 1.600.000 | 1.100.000 | 500.000 |
| 6. | Ibu Aini | 5 | 300.000 | 1.500.000 | 1000.000 | 500.000 |
| 7. | Andriani | 2 | 400.000 | 800.000 | 500.000 | 300.000 |
| 8. | Nurhayati | 2 | 250.000 | 500.000 | 600.000 | 100.000 |
| 9. | Ibu Haini | 3 | 350.000 | 1.050.000 | 500.000 | 550.000 |

As already contained in Appendix 5, we can describe that the production that can be made by producers in 1 production is as many as: Respondent 1 as many as 4 units, Respondent 2 as many as 6 units, Respondent 3 as many as 4 units, Respondent 4 as many as 4 units, Respondent 5 4 units, 5 units for 6 respondents, 2 units for 7 respondents, 2 units for 8 respondents, and 3 units for 9 respondents.

4.2 Production Costs

Production costs are costs incurred by woven fabric craftsmen during the production of woven fabrics. This production cost starts from the cost of the equipment used to produce woven fabrics, transportation costs, promotion costs if any and costs of materials incurred during the woven fabric production process:

Table 2: Cost of Production for Home Business Woven Fabric Industry

| No. | Cost Type | Price (IDR) | Amount/Unit | Total Cost (IDR) |
|-----|-------------------------------|-------------|-------------|------------------|
| 1. | Equipment Cost | 500.000 | 9 | 4.500.000 |
| 2. | Workers" salaries | .15.000 | 8 | 120.000 |
| 3. | Production cost | 200.000 | 9 | 1.800.000 |
| 4. | Marketing transportation cost | 20.000 | 9 | 180.000 |
| 5. | Packaging cost | 15.000 | 9 | 135.000 |
| | Total | 750.000 | | 6.735.000 |

4.2.1 Fixed costs or equipment depreciation

In the research process that we carried out, based on information from several respondents we had interviewed, the fixed costs or depreciation obtained in producing woven fabrics from the 9 respondents we examined were as follows: Based on the appendix that we have processed, the following is the fixed cost report data or depreciation of production equipment for the processing of woven fabric SMEs in the Pringgasela sub-district:

Based on the data the researcher obtained, along with the attachments to the variable cost data contained in the production process of the woven fabric industry in the Peringasela sub-district, from 9 respondents who had been interviewed to be able to analyze the income and expenses earned by the woven fabric manufacturers in the Pringgasela sub-district.

Table 3: Fixed Costs, Variable Costs and Total Costs

| No | Name Respondent | Fixed Cost (IDR). | Variable Cost (IDR). | Total Cost (IDR). |
|----|-----------------|-------------------|----------------------|-------------------|
| 1. | Masruni | Rp.32.028,328 | Rp.450.000 | 482.028,328 |
| 2. | Ibu Sahnim | Rp.27.795,63 | Rp.800.000 | 827.795,63 |
| 3. | Ibu Sum | Rp.23.680,51 | Rp.800.000 | 823.680,51 |
| 4. | Gitania | Rp.27.722,18 | Rp.500.000 | 527.722,18 |
| 5. | Ana Maria | Rp.42.527,73 | Rp.600.000 | 642.527,73 |
| 6. | Aini | Rp.92.388,85 | Rp.900.000 | 992.388,85 |
| 7. | Andriani | Rp.72.472,18 | Rp.800.000 | 872.472,18 |
| 8. | Nurhayati | Rp.36.944,4 | Rp.500.000 | 536.944,4 |
| 9. | Haini | Rp.26.999,97 | Rp.400.000 | 426.999,97 |
| | Total | Rp.382.559,778 | Rp.450.000 | 832.559,778 |

Based on the variable cost data above, the variable cost data for woven fabrics was issued by 9 respondents, the total is contained in the attached data above, where the highest production cost achievement was Rp. 1,242,573.- and the lowest production cost was Rp. 427,000.- The above data describes variable costs that vary between respondents which are influenced by the unit size of the woven fabric produced.

4.3 Analysis of Business Income

Based on the results of data processing that has been done by

researchers, it can be seen that the total income of producers in producing woven fabrics in the Peringgasela sub-district which is carried out by mothers in the prosperous village of Pringgasela sub-district, East Lombok district is as follows:

Table 4: Production Data, Production Costs and Business Income for the Woven Fabric Home Industry

| No. | Name Respondent | Product (Q) | Price (IDR) | Total Revenue TR=(Qxp) (IDR) | Total Biaya(TC) (IDR) | Revenue H=TR-TC (IDR) |
|-----|-----------------|-------------|-------------|------------------------------|-----------------------|-----------------------|
| 1. | Masruni | 4 | 400.000 | 1.600.000 | 482.000 | 1.118.000 |
| 2. | Sahnim | 6 | 300.000 | 1.800.000 | 827.795,63 | 200.000 |
| 3. | Ibu Sum | 4 | 400.000 | 1.600.000 | 823.680,51 | 900.000 |
| 4. | Gitania | 4 | 350.000 | 1.400.000 | 527.722,18 | 700.000 |
| 5. | An Maria | 4 | 400.000 | 1.600.000 | 642.572,73 | 507.611 |
| 6. | Ibu Aini | 5 | 350.000 | 1.750.000 | 992.388,85 | 757.611 |
| 7. | Andriani | 2 | 400.000 | 800.000 | 472.472,18 | 327.528 |
| 8. | Nurhayati | 2 | 250.000 | 500.000 | 236.944,4 | 263.056 |
| 9. | Ibu Haini | 3 | 350.000 | 1.050.000 | 426.999,97 | 623.000 |

Sumber: Data lampiran diolah

From the data attachment above, we can see the total net income from woven fabric production obtained by each woven fabric producer in the prosperous village of Peringgasela sub-district for 1 production period with the total quantity and selling price given as follows: respondent 1 with income amounting to IDR 1,118,000, - and respondents Total income can be seen in the attached table of production data and production costs

1.4. Efficiency Analysis and Business Feasibility

Based on the research and data analysis that has been done, it can be seen that the production of this woven fabric is one of the processed products of the SMEs home industry which is quite efficiently developed by the community, because in terms of the income earned it is quite adequate with the total expenses incurred. This means that there is a profit for the producer for every unit of woven fabric produced.

Table 5: Business Efficiency in the Home Industry of Woven Fabric Products

| No | Name Respondent | Total Revenue (TR) IDR | Total Cost (TC) IDR | Efficiency |
|----|-----------------|------------------------|---------------------|------------|
| 1 | Masruni | 1.600.000 | 482.000 | 3,32 |
| 2 | Sahnim | 1.800.000 | 827.795,63 | 2,17 |
| 3 | Ibu Sum | 1.600.000 | 823.680,51 | 1,94 |
| 4 | Gitania | Rp.1.400.000 | 527.722,18 | 2,65 |
| 5 | Ana Maria | Rp.1.600.000 | 642.572,73 | 2,49 |
| 6 | Ibu Aini | Rp.1.750.000 | 992.388,85 | 1,76 |
| 7 | Andriani | Rp. 800.000 | 472.472,18 | 1,69 |
| 8 | Nurhayati | Rp. 500.000 | 236.944,4 | 2,11 |
| 9 | Ibu Haini | Rp.1.050.000 | 426.999,97 | 2,46 |

Sumber: Data lampiran diolah

The average value for the efficiency of agro-industry businesses for MSME actors is above 1 (E > 1) meaning that each additional unit of cost used in the production process

will provide additional income of more than one unit. As in the respondent Nine, Mrs. Haini, with a value of business efficiency of 2.46, in other words, every additional production cost of Rp. 1 will provide an additional income of 2.46 times, so Mrs. Haaini's processed industry business is said to be feasible to work on because it still provides benefits.

Business efficiency can also be seen from several things including:

1. The profit system obtained in the production of woven fabrics is sufficient to increase the income of MSME actors.
2. The process of making this woven cloth is also not too tiring for the craftsmen, because the production process is part-time and can be done as a side job for mothers in Pringgasela District.
3. From the expenses incurred in accordance with the income which will then be generated by the women of Makmur Village, Pringgasela District.

Based on an analysis of the data that we have obtained, we can conclude that the production of woven cloth is one of the MSME agro-industry businesses that deserves to be developed, because apart from being a vessel for preserving the culture of the local village, the production business. This woven fabric can also be used as a livelihood by woven cloth craftsmen in Peringgasela village. It is said that it is also feasible to be developed as a business for the Peringgasela village community. Because this business can help improve the economy of the community in Makmur Village, Pringgasela District, East Lombok Regency.

1.5. Business Value Added Analysis

The basis for calculating the added value analysis is per kg of yield, the standard price used for inputs/raw materials and production at the processor/producer level.

Analysis of Added Value with the following formula (Sudiyono; 2004):

$$NTp = Na - Ba \dots \dots \dots Ba = (Bb + Bp + Bbp)$$

Information :

NTp = Product Added Value (Rp)

Na = Final Product Value (Rp)

Ba = Intermediate fee (Rp)

Bb = Cost of raw materials (Rp)

Bp = Cost of equipment depreciation (Rp)

Bbp = Cost of supporting materials (Rp)

Value Added Ratio (RNT) = NT / NP

Where: RNT = Value added ratio (%)

NT = Value Added (Rp)

NP = Production Value (Rp).

Information

a. If the Value Added Ratio is > 50%, then the added value of processed products is high

b. If the Value Added Ratio < 50%, then the value added product

Value added = Selling price/unit-Input cost/unit

Table 6: Added Value and Value Added Ratio of Home Woven Fabric Industry in Pringgasela District, East Lombok

| No | Name of Respondt | Selling Pricel/Unit (Rp) | Inputcost/Unit (IDR) | Value-Added (IDR) | Value Added Ratio (VAR) (%) |
|----|------------------|--------------------------|----------------------|-------------------|-----------------------------|
| 1. | Ibu Masruni | 450.000 | 275.000 | 175.000 | 66,67 |
| 2. | Ibu Sahnim | 300.000 | 137.965 | 162.035 | 54 |
| 3. | Ibu Sum | 400.000 | 205.920 | 194.080 | 64,69 |
| 4. | Ibu Gitania | 350.000 | 131.930 | 218.070 | 72,69 |
| 5. | Ana Maria | 400.000 | 160.572 | 239.357 | 59,84 |
| 6. | Ibu Aini | 300.000 | 198.478 | 201.523 | 67,17 |
| 7. | Ibu Andriani | 400.000 | 236.236 | 163.764 | 65,94 |
| 8. | Nurhayati | 250.000 | 118.472 | 131.528. | 57,88. |
| 9. | Ibu Haini | 350.000 | 142.000 | 208.000 | 59,43 |
| | Rata-Rata | 350.000 | | 170.040 | 63,12 |

Source: Processed attachment data

Data attachment

Attachment 1

Identity of Respondents in the Woven cloth Business responden penenun di Kecamatan Pringgasela

| No. | Respondent' Name | Age | Gender | Last education | Family dependents | Length of business(years) |
|-----|------------------|-----|-----------|----------------|-------------------|---------------------------|
| 1 | Masruni | 45 | Perempuan | SD | 4 | 10 |
| 2 | Sahnim | 60 | Perempuan | Tidak Sekolah | 5 | 40 |
| 3 | Sum | 46 | Perempuan | SD | 9 | 30 |
| 4 | Gitania | 31 | Perempuan | SD | 3 | 10 |
| 5 | Ana Maria | 30 | Perempuan | SMA | 4 | 3 |
| 6 | Aini | 32 | Perempuan | SMA | 5 | 10 |
| 7 | Andriani | 40 | Perempuan | SD | 3 | 30 |
| 8 | Nurhayati | 45 | Perempuan | SD | 5 | 25 |
| 9 | Hini | 36 | Perempuan | SMP | 5 | 18 |

Attachment 2

Picture of the Woven fabric productio0n process





Based on the analysis of the data above, it can be seen that the total value-added analysis of the business obtained by the home industry business processed woven cloth SMEs for the people of the prosperous village of Pringgasela sub-district by producing woven cloth is the average price per unit of woven cloth which is set for each producer woven cloth as contained in the table above is Rp. 350,000, - Meanwhile, the added value of woven cloth products business is an average of Rp. 170,040 per unit of woven cloth. While the value added ratio of the woven fabric industry business averaged 63.12%, this indicates that the value added ratio is above 50% meaning that if the Value Added Ratio is $> 50\%$, then the added value of processed products is high

Based on the total added value of the business, it can be seen as follows, from the number of respondents, as many as 9 respondents, the woven fabric industry business is feasible to be cultivated, meaning that this business can provide benefits with the added value created.

Conclusions

Based on the results of data analysis and discussion, the following conclusions can be drawn:

1. Woven craftsmen in Pringgasela District can produce 4-5 woven fabrics per month, with an average price per unit of cloth of IDR 350,000.
2. The average income received by weaving craftsmen in Pringgasela District, East Lombok Regency, is IDR 1,338,888.89/per month.
3. Woven fabric is one of the processed products of the MSME home industry which is quite efficient and worthy of being developed by the community, because in terms of the income earned it is quite adequate and the business efficiency value is above one ($E > 1$) with an average acquisition value of 2,63 means that economically this business is feasible to work on.
4. The total added value of the business can be seen by the number of respondents as many as 9 respondents can produce an average price per unit of Rp. 350,000, - with an average added value per unit of woven fabric products of Rp. 170,040, while the average value added ratio is 63.12 %.
5. Utilizing technological advances by conducting marketing and promotions via social media (Fb, Twitter, Website, Instagram) so that the wider community knows, saves costs and time. Considering that nowadays the use of smartphones in today's society is very high, wherever and whenever people can find out about this product.

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