

CHAPTER I INTRODUCTION

I.1 Background

According to Law no. 20 of 2008 concerning micro, small and medium enterprises, it is explained that the MSME, or is a productive economic business that stands alone. What is meant by standing alone is that micro, small and medium enterprises (MSMEs) must be run by individuals or business entities that are not subsidiaries or not branches of companies from other business models and Law No. 20 of 2008 also regulates criteria in providing clarity regarding the classification of the types of business listed in the law. There are some figure for SMEs condition according to Indonesia Investment such as Indonesian MSMEs contribute slightly over 61 percent to Indonesia's total gross domestic product (GDP) Indonesian MSMEs absorb around 97 percent of Indonesia's domestic employment and Around 99 percent of existing business in Indonesia today fall in the MSME category.

Leather industry in Indonesia is one of the biggest sectors which support Indonesian economy. Based on the data released by Statistics Indonesia (Badan Pusat Statistik or BPS) on August 2018, its contribution to Indonesia's national Gross Domestic Products (GDP) relatively stable around 27-28 per cent from 2014 until 2017. Meanwhile, until the 3rd quarter of 2018, the contribution of national leather industry was recorded in the percentage of 26.

Garut is arguably the most famous producer of leather products in Indonesia. Many jackets, shoes, and leather bags are produced from Garut. Sukaregang area is a popular area of leather crafts in Garut, that has begun since 1970-ies. With top-notch quality and competitive prices. The majority of leather craftsmen in this area use genuine leather, such as sheep, cow, and buffalo skin, which use is adjusted for the product to be made. (Directorate General of National Export Development, 2018)

PT. Elco Indonesia Sejahtera is one of the primary industries in Garut ,Indonesia which work in the lather tanning industry that are engaged in the choice of leather, to become a garment, leathercraft, and others. To support its business

Chapter II Literature Review

Chapter II contains theory, literature, and previous research related to the issues raised in this study.

Chapter III Methods

Chapter III contains the research methodology that will be used in research using conceptual models, research systematics, data collection, data management, evaluation methods, reasons for selecting methods and activity schedule plans.

Chapter IV Analysis and Design

Chapter IV contains an explanation regarding PT. Elco Indonesia Sejahtera and contains design analysis, especially business processes in the accounting department and system design to be developed

Chapter V Testing and Implementation

Chapter V describes the configuration, customization, testing of the results of the Odoo application design, and application testing at PT. Elco Sejahtera Indonesia.

Chapter VI Conclusion and Sugestion

Chapter VI is the concluding chapter which contains conclusions and suggestions from the research that has been conducted for further development.