

ABSTRACT

ASEAN Economic Community (AEC) is an economic integration of ASEAN member countries held in 2015. One of the economic development programs in AEC is empowering Micro, Small and Medium Enterprises (SMEs). SMEs have an important role in the national economy, such as major players in the various sectors of the economy, the largest provider of employment, and its contribution in export activities. However, SMEs face many problems both financial and non-financial issues. Given the importance of the role of SMEs so that the necessary strategies to develop SMEs, especially for ASEAN free trade deal in AEC.

This study aims to formulate business strategies Small and Medium Industries (SMI) in the Cibaduyut shoe industry center. Strategy formulation is done using a three-stage strategy formulation. The first stage uses EFE and IFE matrix combined with the Analytic Hierarchy Process (AHP) to determine the weight of the EFE and IFE matrix, the second stage using SWOT matrix, while the third stage is used for decision making matrix QSPM. This study includes a descriptive study with a qualitative approach. Data collected through interviews, observation, documentation and study of literature.

The results showed a score of EFE matrix is 2.681 and a score of IFE matrix is 2.421, so that the position of the Cibaduyut shoe industry center in the diagram SWOT analysis is in cell 3, which is a turn-around strategies. The top priority strategy based on the evaluation of the QSPM matrix is to securing domestic market segment and only targeting overseas market segments that match the characteristics of Cibaduyut shoes products such as Europe.

Keywords: SMEs, EFE, IFE, AHP, SWOT, QSPM