## ABSTRACT

Increased public awareness of environmental issues has prompted a trend to use environmentally friendly products. In response to these trends, SMEs also have an important role in the fulfilling this demands. With the large opportunity of SMEs to build synergies between economic performance and environmental sustainability, then the government also formulate policies to encourage SMEs in Indonesia to be environmentally friendly. Unfortunately many of them are not ready yet. PT Greeneration Indonesia is a SME who committed to promoting green lifestyles. Nevertheless, the company has not adopted fully environmentally friendly standard due to limited of financial and knowledge. The company also felt a trade-off between short-term economic interests and environmental conservation, also the fears of failure in business development.

In this research, formulated strategy of PT Greeneration Indonesia to transform towards environmentally friendly company using Boston Consulting Group (BCG) matrix approach. Through this matrix will be known the business position of the company as well as strategic alternatives that can be implemented.

The results show that there are 19 external environmental factors and 15 internal environmental factors that influence company strategy. With the value of EFAS 3.1867 and IFAS 2.966, the company's current business position is in Questian Marks quadrant. So that strategies that can be implemented include market penetration, market development, product development and divestment. Based on the analysis and validation, there are 12 alternative strategies which then compiled into the strategy roadmap with a span of 5 years.

## Keywords: Boston Consulting Group (BCG) matrix, environmentally friendly, transformation strategy