ABSTRACT

CV XYZ is a small and medium enterprise (SME) operating in the leather-based footwear sector. Currently, business processes at CV XYZ are still conducted manually, such as stock recording, payroll, and financial reporting. This has caused several operational challenges, including inefficiencies, risk of recording errors, and a lack of data integration between departments. With the development of the Industrial Revolution 4.0, digital transformation has become an urgent need for SMEs to enhance their competitiveness and operational efficiency.

This study aims to analyze the existing business processes (as-is model) and design a recommended business process model (to-be model) at CV XYZ using the Business Process Model and Notation (BPMN) approach. The to-be model is designed as a strategic step towards the company's digitalization readiness based on the Indonesia Industry 4.0 Readiness Index (INDI 4.0) framework. This study adopts a qualitative approach with a descriptive research method. Data were collected through interviews, direct observations, and literature reviews.

The results show that CV XYZ's existing business processes have major weaknesses, such as reliance on manual systems, lack of data integration between departments, and operational inefficiencies. To address these issues, this study proposes a new business process model based on a centralized database, supporting digitalization in sales, production, and procurement processes.

The implementation of the to-be model not only improves operational efficiency and data accuracy but also enhances the company's digitalization readiness in supporting digital transformation towards Industry 4.0. The proposed system integrates data across departments and accelerates decision-making through real-time data access. This provides strategic benefits for CV XYZ in increasing productivity and competitiveness.

This study provides practical contributions for other SMEs to adopt digital transformation. For further implementation, it is recommended that the company conduct human resource training, regular evaluations of the implemented system, and adopt advanced technologies such as ERP and IoT to support sustainable digital transformation.

Keywords*: Business process, BPMN, Digitalization, Industry 4.0, SME*