
Growth Strategy & Sustainability Pt. Jakarta Industrial Estate Pulogadung

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doi: 10.51505/IJEBMR.2023.7104

URL: <https://doi.org/10.51505/IJEBMR.2023.7104>

Received: December 27, 2022

Accepted: January 03, 2023

Online Published: January 18, 2023

Abstract

The industrial revolution is currently entering a transitional period from the 3.0 era which relied on automation technology and robots, towards the 4.0 era which combines the power of big data-based information technology (big data) and artificial intelligence (artificial intelligence). The aim of the research is to formulate and make a Growth & Sustainability Strategy Plan for PT. Jakarta Industrial Estate Pulogadung and Formulating and determining the Formulation and Leveling of PT Jakarta Industrial Estate Pulogadung's Growth & Sustainability Strategy for Supporting Infrastructure (HR, Finance & Information Technology). Conclusion: Optimization Strategy, namely business optimization in increasing income or reducing expenses & Business Redefinition, namely carrying out re-planning of business lines that have the opportunity to be developed KIP remaster plan, which is to diversify property products including Industrial, Commercial & Residential What needs to be done is Business Development & Operations, namely E-Commerce Warehousing, Cold Storage, Modern Warehousing, Offices, Retail (Shopping Centers) Integrated hotels, rental apartments and condominiums and entering new industrial areas: namely expanding the management or operation of industrial estates outside KIP, the programs are: Development of KIT Subang, expansion to other integrated industrial areas.

Keywords: corporate strategy, corporate action, mergers and acquisitions, value of the firm.

1. Introduction

The industrial revolution is currently entering a transition period from the 3.0 era which relied on automation technology and robots, towards the 4.0 era which combines the power of big data-based information technology (big data) and artificial intelligence (artificial intelligence). To support industrial activities 4.0, careful preparation is needed in all aspects, including infrastructure, utilities, human resources, natural resources, systems, and procedures.

The condition of industrial estates in Indonesia is currently entering a period of transition from third generation industrial estates (eco industrial parks) to fourth generation industrial estates (smart-eco industrial parks). technology according to the era of the industrial revolution 4.0. Currently, industrial estates will be encouraged to build digital infrastructure and carry out digital transformation in the management of their industrial estates, to facilitate communication and provide services to tenants. The aspect of digitalization is one of the main keys in the transition to the fourth-generation industrial area. The application of digitization starts with digital infrastructure integration, integrated logistics systems, human resource development in the context of industry 4.0 adaptation, development of digital hubs and innovation centers to the emergence of a circle economy (circular economy) that carries the spirit of resource efficiency.

In developing a smart-eco industrial park, there are several aspects to be implemented. Among them are smart energy management and smart water management. These two aspects are in line with the application of green industry principles, namely resource efficiency through energy management and water management. Smart-eco industrial park is a regional development concept through digital transformation in the management of industrial estates that encourages the creation of green industrial areas with digital technology and innovation. This strategic step is also a concrete manifestation in implementing the priority programs on the Making Indonesia 4.0 roadmap. Namely, by applying the principles of sustainable development including reducing carbon emissions and the circular economy, as well as world policies such as the EU Green Deal and the implementation of green industry policies. Meanwhile, to accommodate developments in the digital era, it is necessary to establish a special area for the digital industry with the aim of infrastructure concentration. Telecommunications (high speed broadband) and the use of renewable energy as a source of energy in the digital industrial area.

It should be noted, the development of industrial estates in Indonesia has increased both in number and land area. As of January 2022, there are 135 industrial estate companies with a total land area of 65,532 hectares spread across the islands of Java, Kalimantan, Maluku, Papua, Nusa Tenggara, Sulawesi, and Sumatra. Of the 135 industrial estates, 46% or 30,464 hectares are already occupied by industrial tenants. The Minister of Industry stated, the government is seeking equitable industrial development by accelerating the development of industrial estates by facilitating the development of 27 industrial estates that are included in the 2020–2024 National Medium-Term Development Plan (RPJMN) and 16 national strategic projects (PSN). The development of these industrial estates is intended to seize opportunities investment both from outside and within the country who are increasingly interested in coming to Indonesia. Moreover, Indonesia is determined not to export raw materials anymore. The obligation for industries to be in industrial estates has given industrial estate managers a very large role and responsibility in creating and maintaining a conducive investment climate in industrial estates. These efforts, among others, are realized through the provision of licensing facilities, industrial relations, provision of utilities, infrastructure, and other industry support services.

The Pulogadung Industrial Area is the first Industrial Area to be established in Indonesia. Given these conditions where there are many deficiencies that occur during the planning period. The end of the 5-year RJPP for 2014 – 2018 is a new leap for the company in achieving its long-term goals. The preparation of the 2019 – 2023 RJPP supports the aspirations of PT Jakarta Industrial Estate Pulogadung in a quantum leap for plans up to 2038.

2. Literature Review

2.1 Strategy Management

Strategic management can be defined as the art and knowledge of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its goals (Fred R. David, 2011: 4). Or another definition of a series of fundamental decisions and actions made by top management and implemented by all levels of the organization (Sondang P. Siagian, 2012:15). The types of strategies are the Integration Strategy; Incentive Strategy; Diversification Strategy and Defensive Strategy.

2.2 Pestle Analysis

PESTLE analysis is an acronym for tools used in strategic management to analyze, identify, and monitor what external factors may impact the company in the future. Political Factor, Economic Factor, Social Factor (social), Technological Factor (technological factor), Legal Factor (legal factor) and Environmental Factor (environmental factor).

2.3 External Strategy Factor Matrix

In conducting an external analysis, the entrepreneur explores and identifies all the Opportunities (opportunities) that are developing and becoming trends at the time as well as Threats (threats) from competitors and potential competitors. Strategic planners must analyze the external environment to find out various possible opportunities and threats. Before making a matrix of external strategic factors, we need to know in advance the external strategic factor analysis or EFAS (external strategic factor analysis summary).

2.4 Internal Strategy Factor Matrix

Internal analysis focuses more on identifying the strengths and weaknesses of the company. Strength is an advantage in resources, skills, or other capabilities relative to competitors and the needs of the market served or intended to be served by the entrepreneur. Weaknesses are limitations/deficiencies in resources, skills and abilities that seriously impede the effective performance of entrepreneurs. After the internal strategic factors of the entrepreneur are identified, an IFAS table (Internal Strategic Factors Analysis Summary).

2.5 TOWS Matrix

The TOWS matrix has four commonly used strategies for entering the market and dealing with threats. The four TOWS strategies are: a) Strength/Opportunity (SO): This strategy makes the company use its strengths to exploit opportunities; b) Weakness/Opportunity (WO): This strategy indicates that you will overcome any weaknesses you have and take advantage of the opportunities that exist. So you mitigate weaknesses then exploit opportunities; c) Strength/Threat (ST): The company will exploit its strengths to overcome the potential threats that will be present, and d) Weakness/Threat (WT): The last choice of strategy is a little less attractive. This strategy uses steps to reduce weaknesses to avoid threats.

2.6 POPIT Model

The POPIT model is a quick and easy-to-use tool for ensuring that all internal business aspects are considered from the outset and during any business change. You can use the POPIT model to ensure that you have taken a holistic approach to the change process and consider other aspects of the business, in addition to the more obvious business processes and IT systems.

The POPIT model provides a useful perspective for considering needs, opportunities, and desired changes to solve business problems. POPIT stands for Process, Organization, People, Information and Technology. Sometimes the POPIT model is referred to as the four-view model and is abbreviated as Process, Organization, People, and Information Technology.

2.7 QSPM (Quantitative Strategic Planning Matrix)

According to David (2009), the Quantitative Strategic Planning Matrix (QSPM) technique is one of the analytical methods in the literature designed to determine the relative attractiveness of various alternative courses of action. This technique objectively shows which strategy is the best. QSPM uses the analysis of the S inputs from Stage 1 and the matching results from the Phase 2 analysis to objectively determine the strategy to be implemented among alternative strategies. The strategy analysis carried out is using the Quantitative Strategic Planning Matrix (QSPM) method. The Quantitative Strategic Planning Matrix (QSPM) is objectively able to show which strategy is the best of various alternatives (Mahfud, T. 2017) (Mas'ud E and Imam S. 2016) (Puspitasari N., B., Rumita., Rani, Pratama G. Y., 2013) (Purwandari, S., 2015).

3. Method

This research uses descriptive qualitative research. In carrying out the research methodology, several stages of the study were carried out, namely the previous secondary data collection, data compilation, analysis work and reporting. Qualitative data will be analyzed using Industry Internal & External Environment Analysis, SWOT Analysis & PESTLE, Company Position Analysis and the POPIT model. The object of research is in the preparation of Business Innovation Strategic Planning Towards Growth & Sustainability of PT Jakarta Industrial Estate Pulogadung. Methods Data collection was carried out using FGDs, observations, literacy studies and secondary data.

4. Results and Discussion

STRENGTH AND WEAKNESS

In Strength, having industrial area land with a strategic location; Pulogadung Industrial Estate is a National Vital Object; Number of productive age and potential human resources with good education; Healthy company liquidity; Consistent implementation of corporate GCG and stable level of corporate soundness. In terms of Weaknesses, the Company does not yet have adequate IT for the Support System and Executive Information System; There are limitations in human resources and company structure; Land ownership status that does not yet have legal certainty of ± 194.5 Ha is not yet HPL; Limited land for development in the Pulogadung Industrial Area; and There is no controlling shareholder.

COMPANY POSITION ANALYSIS

The company's strategic initiative plan is analyzed that the landscape condition of the industrial area business ecosystem is quite positive and supports implementation. The analysis is carried out based on external analysis, industry attractiveness and SWOT analysis. External Analysis External analysis is carried out by considering the strategic and business aspects that occur in the company's industrial ecosystem. In summary, there are 8 factors that can provide a comprehensive company position in the next 5 years.

INDUSTRY ATTRACTIVENESS ANALYSIS

PT JIEP's business line shows an attractive market growth potential and this opportunity can be exploited by strengthening core competence and infrastructure development. Opportunities for the re-master plan program must also be utilized. So that the direction of business development that will be carried out by PT JIEP is considered still attractive. Analysis of industrial attractiveness is carried out by compiling a matrix between market attractiveness and business unit strength.

SWOT ANALYSIS

SWOT Analysis is used to understand the weaknesses and strengths of PT JIEP both internally and externally as a basis for developing strategies for the company.

PESTLE ANALYSIS PT. JIEP

Internal improvement to be able to position the company to compete optimally. With the potential and strategy that will be carried out, it is expected that in the next 5 years the company will move to quadrant I where the company can achieve the maximum growth phase.

FGD IMPLEMENTATION RESULTS

After conducting a focus group discussion, the conclusions and results obtained are to diversify property products; Enter the utilities business; Optimizing existing business potential; Expansion of fee-based income business; Enter into a new commodity trading business; Looking for strategic partners for each project; Mining land banking outside the JIEP Area; Raising capital from the market (MTN or IPO); Develop new projects in other areas outside the JIEP Area; Developing an integrated system for the JIEP Area; Optimizing the Occupancy Rate of the JIEP Area; and Adding Land Banking outside the JIEP Area.

PT JIEP STRATEGY PLAN

The company will focus on two strategic initiative plans for the next 5 years, namely the Re-Master Plan for the JIEP Area from Industrial to Non-Industrial Based and the assignment to become the Subang Integrated Industrial Estate Operator. The Re-Master Plan for the JIEP area which has the main industrial portfolio proportions, for diversification by developing commercial (hotel & JICC), residential and utility business lines is planned to increase the potential for achieving revenue targets, increasing asset productivity, and increasing company valuations. Meanwhile, the operator in the Subang Integrated Industrial Estate (Grand Rebana) was assigned

by the Ministry of BUMN to PT JIEP, which is planned to increase the potential for achieving revenue targets, increase company valuation, and increase HR competence.

KIP REDESIGN CONCEPT

The redesign of the KIP Area transformation puts forward the concept of centralized green areas. The centralization of green areas within the JIEP Area is intended to optimize the function of open space not only for KIP residents, but also for the public in the City of Jakarta. This green area will also function as a regional infrastructure utility, including as a filter area (wetland), water treatment plant, and hydroelectric power plant. The regional function zone is divided into 7 hubs, namely digital (business) hub, halal hub, logistics hub, social hub, cultural hub, media hub, and green hub.

DEVELOPMENT STRATEGY

In achieving company goals, PT JIEP will collaborate on 3 (three) strategic initiatives Optimization & Redefine Existing Business, Remasterplan KIP serts Entering new Industrial Area and (five) foundation enablers to answer problems and aspirations, namely Organization & HR: carrying out organizational transformation, improve certainty, quality and Talent management system . Funding: Additional capital through PMD, as well as conducting project financing for master plan projects, IT Systems: managing IT Systems that can support the company's business, Risk Management: Managing Potential Risks that can support the company's business, Legal: identifying settlement of regulatory issues that can support achievement target.

RE-MASTER PLAN JIEP AREA

In the context of the KIP remaster plan, PT JIEP needs to diversify property products in 3 (three) business sectors, namely industrial, commercial, and residential. In the industrial sector, PT JIEP will develop warehouse and distribution facilities. In the commercial sector, the property being developed is in the form of hotel, office, and retail businesses. In the residential sector, there are two types of property to be developed, namely flats and condominiums. Residential, hotel, office, and retail are in stage 1 of implementing the KIP remaster plan with prerequisites for stage 1 development, namely the remaster plan can be directly developed because the development will be directed to land without licensing problems. While the next stage is the development of various kinds of hubs and the development of supporting infrastructure with prerequisites for RTRW and RDTR permits.

ENTERING NEW INDUSTRIAL AREA

Expansion to several industrial areas, both in terms of operations and investment is a strategy that must be carried out in the next 5 years. In expanding into several new Industrial Estates, the points of concern are as follows:

- 1) Availability of CAPEX - Provision of CAPEX (as an investment tool) through various funding schemes needs to be prepared;
- 2) Utilization of Core Competence - Reputation as IP manager can be utilized to open up

new investment opportunities;

- 3) Readiness and Synergy of Shareholders - Shareholders are expected to show readiness for development and establish synergies with other regional BUMDs.

5. Conclusion

Growth & Sustainability Strategy of PT. Jakarta Industrial Estate Pulogadung is an optimization strategy, namely business optimization in increasing income or reducing expenses & Business Redefinition, namely re-planning business lines that can be developed. The Strategy Program is with the Industrial Plot Business, which is the implementation and dissemination of estate regulation, management of all HPL and HGB certification at KIP and Optimization of PPTI billing, extension, and disbursement. Denfan Maintenance Fee which is an improvement in the maintenance fee billing system, Adjustment of problems related to SPPT and Implementation of investor/tenant control systems.

BPSP focuses on logistics, e-commerce and FMCG target markets as well as product specifications that match market needs and industry challenges. And Utilities, developing new utility business lines (Telecommunications and WWTP), and Optimizing commercial schemes in existing business lines by conducting further studies of the needs of investors/tenants. Logistics is fulfilling the Competency Gap and Acquisition through the Direct Involvement Partnership, Increasing Warehousing Occupancy Levels through the Indirect Involvement Partnership and Developing the Advanced Logistic Management business. And RBSM is the fulfillment of the Competency Gap and Acquisition through the Direct Involvement Partnership and Increasing the Occupancy Rate of Retail Buildings through the Indirect Involvement Partnership.

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