

Application of Information Technology in Increasing Effectiveness, Efficiency and Production of Halal Culinary MSMEs in Dompu Regency

Hazratul Munawarah^{1*}, Irwansyah², Rizky Ramadhan³

Sekolah Tinggi Ilmu Ekonomi Yapis Dompu

*E-mail: hajratulmunawarah21@gmail.com

Abstrak. This research aims to determine the application of information technology in increasing the effectiveness, efficiency and halal culinary production of MSMEs in Dompu Regency. The research method used in this research is qualitative research, with a descriptive approach. In general, qualitative data collection techniques in this research that are often used by social researchers include; observations, interviews and literature studies or library studies (documentation) to Sina Cake Dompu. With information consisting of owners, managers and staff, the research results explain that the application of information technology to halal culinary MSMEs such as Sina Cake Dompu has had a positive impact in increasing effectiveness, efficiency and production. By utilizing digital technology, operational processes become more organized and opportunities for market expansion open up. Therefore, MSMEs need to continue to adopt technological innovation in order to survive and develop.

Keywords: *Information Technology, Effectiveness, Efficiency and Production, Halal Culinary UMKMs.*

INTRODUCTION

One of the obstacles that has emerged in the era of globalization in various fields of life is communication and information technology. Information technology is a component that cannot be separated from the business world, especially to compete in an increasingly competitive market. The need for information technology is a top priority for companies to survive in a very challenging business environment. Information technology has driven developments in products and processes, as well as forming an information-based society (Hendrawati, 2017). The changes caused by globalization have consequences for changes in the business environment, including technological advances, changes in consumer views, and product competition. As a result, MSMEs are required to improve product quality, services, efficiency, production costs, and increase their productivity. Therefore, mastering information technology is a must for business actors in the MSME sector. (Hariani et al., 2024).

In Indonesia, MSMEs in the culinary sector have become one of the fastest growing sectors. The culinary business is also the basis for innovative and unique local innovation. MSME Culinary Business is a major contributor to creating jobs in the local economic context (Hariani et al., 2024). The halal food industry in Indonesia has existed since the end of 1976, marked by labeling carried out by the Ministry of Health. Indonesia is a country that has promising prospects in developing the halal culinary industry. This is an implication of the large Muslim population in Indonesia. The government continues to strive to make Indonesia a country producing halal products. One of the steps taken is to implement new regulations through Law Number 33 of 2014 concerning Halal Product Guarantees (UU JPH) which has been approved and entered into force on 17 October 2019. In the JPH Law, halal certification, which was initially voluntary for business actors, has now been changed to mandatory. Micro, Small and Medium Enterprises (MSMEs) are also included in

the scope of the halal product guarantee policy.

The efforts of the Dompu Regency Government, in increasing the growth of MSMEs, are doing well. In this third year, the number of MSMEs that were successfully formed far exceeded the target. It is recorded that currently there are 1,245 new MSMEs. This means that currently the number of MSMEs in Dompu Regency has increased by 50 percent. Head of the Dompu Regency Cooperatives and MSMEs Service, Daryati Kustilawati, said that currently the number of MSMEs in Dompu Regency has reached 2,757 MSMEs. This figure continues to grow, because with the full intervention of the Dompu Regency Government, both in terms of capital assistance and market guarantees, stimulating MSMEs which, due to the Covid Pandemic, have collapsed, are now starting to rise again. "This shows that the state is present for the progress of MSMEs," he said, Thursday (18/7/2024). This figure, continued Daryati Kustilawati, does not include MSMEs that are managed by private companies such as PT. Sumbawa Timur Mining. By using the Tobacco Excise Profit Sharing Fund (DBHCT) budget, the Cooperatives and MSMEs Department is concentrating on providing food management training for MSMEs based on fisheries and livestock products. (KBRN, Dompu:2024)

Based on initial observations, researchers saw an increase in the number of MSMEs in Dompu Regency, with the increased growth. This MSME is also accompanied by an increase in the application of information technology. So the aim of this research is to examine the application of information technology in increasing the effectiveness, efficiency and production of halal culinary MSMEs in Dompu Regency.

The type of research used in this research is qualitative research, with a descriptive approach, *approach* Descriptive is research that attempts to answer existing problems based on data. The analysis

process in descriptive research is presenting, analyzing and interpreting (Sugiyono, 2017: 8). This research was used with the aim of getting an in-depth picture of how information technology is applied in increasing the effectiveness, efficiency and production of halal culinary MSMEs in Dompu Regency.

RESULTS AND DISCUSSION

General Description of Research Objects

Sina Cake is a traditional culinary specialty from Dompu, an area on Sumbawa Island, West Nusa Tenggara (NTB), Indonesia. The name "Sina Cake" in Bahasa Bima-Dompu means "Chinese cake", which reflects the influence of Chinese culture in Dompu's local cuisine. Sina Cake is located at Jalan Secepat, Bali Satu Village, Dompu District, Dompu Regency.

Research result

Description of informant characteristics

In this study, the informants were the owner, manager and several staff representing other staff who were considered representative in collecting information during the research.

How is the application of information technology in increasing the effectiveness, efficiency and production of halal culinary MSMEs in Dompu Regency?

Halal culinary Micro, Small and Medium Enterprises (MSMEs) have an important role in the economy, especially in countries with a majority Muslim population. In the current digital era, the use of information technology is the key to increasing the effectiveness, efficiency and production capacity of halal culinary MSMEs. Technology allows business actors to manage their business better, expand market reach, and increase competitiveness. Field research findings obtained through sources can be described as follows:

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Digitalization of Business Management Systems

Sina cake Dompou has used the Digitalization of the Business Management System. The use of accounting and inventory management software helps MSMEs record transactions, manage raw material stocks, and carry out financial analysis more accurately and efficiently. Results of interviews with *informant 1* as the owner stated that Sina Cake Dompou has used a financial application to record transactions called accounting software (Jurnal, Zahir). And also use inventory management software for operational efficiency.

Digital Marketing and E-Commerce

Digital Marketing and E-Commerce Halal culinary MSMEs can utilize social media, websites and marketplace platforms to promote their products. With the right digital marketing strategy, such as SEO, paid advertising and interesting content, customer reach can increase significantly. Sina Cake has done Digital Marketing and E-Commerce This is confirmed by the results of interviews with halal culinary MSMEs *informant 2* which stated that the use of social media for product promotion and E-commerce to expand the market reach of Sina Cake Dompou products. Also, Sina Cake maximizes marketing by creating interesting content on social media to attract new customers. Use paid advertising features to reach a wider audience. Hold special promotions through the marketplace or social media. Optimizing SEO to increase website visibility.

Use of Ordering Applications and Delivery Services

Collaboration with food delivery service platforms such as *GoFood*, *GrabFood*, or *Shopee Food* allowing customers to order food more easily. This

can increase sales volume without the need to open physical branches. Sina cake Dompou has collaborated with Dompou couriers for delivery services because in Dompou there is no delivery service platform like those in big cities. This is reinforced by the statement *informant 3* we use an online purchasing system through the Platform application *e-commerce* (Shopee, Tokopedia). Application *point of sale (POS)* such as Moka or iSeller and *Digital marketing tools* (*Google Ads*, *Meta Ads*). Also, Facebook to make it easier for customers to find out product types and product stock.

Digital Based Halal Certification

Technology also plays a role in the halal certification process, where MSMEs can apply for and track certification status via an online platform. This speeds up the licensing process and provides more confidence to consumers. The results of research on the Dompou Sina Cake business show that Sina Cake already has a halal certificate. This is confirmed by the results of interviews with *informant 4* with the question is: Does the halal label make Muslim consumers more confident in giving Sina cake products? The interviewee's answer stated that yes, the halal label provides a guarantee of product halalness thereby increasing Muslim consumer confidence and also increasing market access to the Muslim segment.

Benefits of Implementing Information Technology

Effectiveness: Technology makes business management easier, from financial recording, stock management, to interaction with customers. This is reinforced by the results of interviews with *informant 1* with questions: What is the development strategy for MSMEs in improving product quality? The resource person answered, namely by conducting market research to understand consumer needs, implementing production quality standards (for example, HACCP for

culinary products) and holding training to improve employee skills. The next question is: How is social media used, and has Sina Cake made any innovations? *informant 2* answered that Sina Cake uses social media for branding and promotion of new products, Sina Cake can also innovate in terms of flavor variants or product packaging.

Efficiency: The use of applications and automation systems reduces operational costs and speeds up business processes. In this case the question points: How can MSMEs increase their operational efficiency? *Informant 1* answered that Sina cake Dompus uses a stock management application to avoid overstock and understock. Automation of production processes (for example, automatic kneading machines for cake products). Strengthened by *informant 2* which stated that in order to increase market access, Sina Cake join digital platforms and marketplaces and also take part in culinary exhibitions or bazaars to expand your network and increase your business by diversifying products and collaborating with influencers or other parties to increase *brand awareness*.

Increased Production: With technology, the production process can be more organized, reduce wastage of raw materials, and increase production capacity without adding a lot of labor. Departing from the interview question, what is the quality of human resources in the Sina cake production department to improve product quality? *informant 2* The answer is by holding regular training to improve skills as well as implementing clear SOPs in the production process. Followed by the question, how is the quality of Sina Cake products from year to year? Informants 3 and 4 answered that it could be assessed through customer reviews, increased sales volume, and consistency of taste and quality.

Discussion

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Increased Effectiveness

1. Implementing a digital recording system in raw material management helps in managing stock more accurately and prevents material shortages that can hamper production.
2. The use of communication and coordination applications between employees simplifies task distribution and increases work effectiveness.

Increased Efficiency

1. The use of technology-based production machines helps speed up the cake making process, thereby reducing production time and operational costs.
2. Digital payment systems enable faster transactions and reduce dependence on cash, which results in better financial management.

Increased Production

1. Digital marketing through social media and e-commerce expands Sina Cake Dompus's market share outside the Dompus area, so that product demand increases.
2. The use of accounting software helps in more organized financial records, making it easier to make business decisions to increase production.

The results of this research are in line with research conducted by J. Prayoga, (2017) and Henni Indrayani, (2019) which revealed that the function of information technology in companies, whether large, medium or small, requires an information system that is able to unify data in order to increase company efficiency.

CONCLUSION

Information technology is an important factor in increasing the effectiveness, efficiency and production capacity of halal culinary MSMEs. By utilizing digital technology, business actors can expand markets, optimize operations, and maintain halal standards and product

quality. Therefore, halal culinary MSMEs need to continue to adapt to technological developments in order to remain competitive in the digital era. The research results explain that the application of information technology in halal culinary MSMEs such as Sina Cake Dompur has had a positive impact in increasing effectiveness, efficiency and production. By utilizing digital technology, operational processes become more organized and market expansion opportunities open up. Therefore, MSMEs need to continue to adopt technological innovation in order to survive and develop in the digital era

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