

Analysis of the Performance of the West Nusa Tenggara Provincial Industry Office in Increasing the Added Value of Food Small and Medium Industry Products (SMIs) in Mataram City

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ABSTRACT

This study aims to analyze the performance of the West Nusa Tenggara Provincial (NTB) Industry Office in increasing the added value of Food Small and Medium Industries (SMEs) products in Mataram City. The research method used is qualitative with a case study approach. The data collection techniques in this study are through observation, interviews and documentation. The informants in this study are parties from the Department of Industry and Food SMEs in Mataram City. The results of the study show that the performance of the NTB Provincial Industry Office in increasing the added value of Food SME products in Mataram City is considered quite good even though it still needs improvement and development in several aspects. The NTB Provincial Industry Office needs to continue to innovate in providing more comprehensive support, including in the aspects of capital, marketing, and raw material processing. In addition, the NTB Provincial Industry Office also increases the added value of food SMEs products in Mataram City based on four indicators, namely work quality indicators, quantity indicators, timeliness indicators, and effectiveness indicators.

INTRODUCTION

Small and Medium Industries (SMEs) are proof that in general economic development in Indonesia is based on the people's economy (Diansari & Rahmantio, 2020). This sector has a considerable role in boosting the regional economy, and able to absorb a relatively large number of workers so that it can reduce the unemployment rate in Indonesia. In addition, the existence of this sector also plays an important role in the welfare of the people, the development of the industrial sector, and regional growth (Prihatini & Aldila, 2023). However, apart from their role and potential, SMEs also face many problems including limited capital, low quality of human resources, and lack of mastery of science and technology. One of the efforts that can be made by SMEs to survive is to increase the added value of their products so that they are able to compete in a wider market scope because they present products that have more value compared to other products or competitor products.

One of the industrial sectors that is most widely pursued by the people of NTB according to data obtained from the NTB Provincial Industry Office is the food industry sector, including in Mataram City, which is the capital city of NTB. The existence of an industrial sector engaged in the food sector among the community can make a huge contribution to improving people's welfare (Setiawan & Yudha, 2023). However, the food industry sector experienced a very drastic decline in 2020, one of the main reasons why food sector SMEs experienced a drastic decline in a relatively short time was due to the *Covid-19 phenomenon*. The following will be displayed a graph of the recapitulation of the number of SMEs recorded in the food industry sector in Mataram City based on data from the NTB Provincial Industry Office.

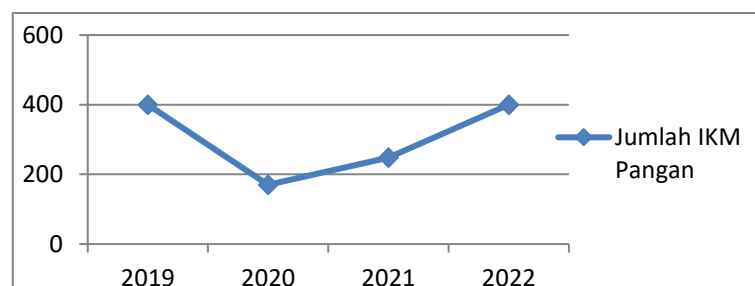


Figure 1. Recapitulation of the Number of Food SMEs in the City Mataram in 2019-2022

Figure 1 shows that in 2020 the *Covid-19* Pandemic had an economic impact on food sector SMEs in Mataram City which caused a decrease in the number of industries from the previous year. This *Covid-19 phenomenon* has caused a decrease in the value of food SME products in the city of Mataram from 2020 to mid-2022. The government has implemented restrictions on community activities as an effort to handle the pandemic which has resulted in SMEs not being able to produce smoothly due to difficulties in the supply of raw materials, decreased production, capital constraints, disruptions in distribution, and termination of labor relations (PHK) as the heaviest consequences. This impact affects the decline in the value of SMEs and leads to significant economic losses (Hadiwardoyo, 2020).

The government through the NTB Provincial Industry Office needs to implement policies related to the development of SMEs so that it can make it easier for industry players to open a business (Kurniawan & Haji, 2023). The NTB Provincial Industrial Office is a work unit or official government institution that has the main task and function of managing and supervising all forms of industrial activities that occur in a region or region. In addition, the NTB Provincial Industry Office must maximize its role so that SMEs become even better in the future (Annisa, 2022). The NTB Provincial Industry Office's efforts to create resilient small and medium industries in increasing the added value of their products are through industrial development. The NTB Provincial Industry Office plays an important role in efforts to restore economic losses affected by *Covid-19* by developing SMEs, especially development in increasing the added value of SME products through industrial development, provision of facilities, guidance, and other assistance (Masrianto & Nurmasari, 2021). Not only the *Covid-19* pandemic has caused a decrease in the added value of SMEs, but also a number of other problems. These problems include obstacles related to capital, limited marketing reach, lack of unprofessional processing technology resources, and related to the lack of knowledge possessed by SMEs. In addition, most industry players have not made systematic promotional efforts in order to increase sales volume (Prihatini & Aldila, 2023). The performance of the NTB Provincial Industry Office in developing SMEs is also still not good because the coaching program is not realized, there is a lack of direct direction, and there is still little control over all coaching programs that have been carried out, affecting the added value of SME products (Masrianto & Nurmasari, 2021).

From the things that have been explained above, the researcher is interested in conducting research on the performance of the NTB Provincial Industry Office in increasing the added value of IKM products. In accordance with what has been explained earlier, the NTB Provincial Industry Office has provided guidance to SMEs, but some coaching programs are considered less realized due to the limited resources owned by the NTB Provincial Industry Office. This lack of resources is the cause of the decline in the performance of the NTB Provincial Industry Office, this is seen from the drastic decrease in the number of SMEs during *Covid-19* which in the following years has not shown that Food SMEs in Mataram City have fully recovered. Based on this background, the researcher raised a topic entitled "Analysis of the Performance of the West Nusa Tenggara Provincial Industry Office in Increasing the Added Value of Food Small and Medium Industry (IKM) Products in Mataram City".

LITERATURE REVIEW

Grand Theory

The theory used is value added theory, which is basically a concept that describes the increase in the value of a product through the production process (Fatmawati et al., 2023). An item will have added value when a process occurs that increases the value of the item (Nikma et al., 2023).

Performance

Government Regulation number 18 of 2021 defines performance as an achievement or result based on activities or programs that have been achieved based on the use of the planning budget with the quantity and quality that has been measured. According to Ameliya et al., (2024) performance is the results obtained by individuals or organizations based on their tasks and parts that aim to improve organizational strategies in order to achieve specific goals related to organizational competence. Based on the definition that has been explained, it can be concluded that performance is an overview of the level of achievement of an individual or organization based on activities that have been programmed to achieve the vision and mission of the organization that has been outlined in the plan. Performance indicators are quantitative or qualitative measures that describe the level of achievement of a goal or goal that has been set (Shandy, 2021). According to Robbins in (Panjaitan et al., 2023) explained that performance indicators are a tool to measure the extent of achievement in a performance. Here are some indicators to measure performance:

1. The quality of work in a local government institution has a great influence on the level of productivity, and can explain the quality produced or obtained, create excellence in the use of resources, provide good service quality to achieve the satisfaction of SMEs, and can meet the targeted implementation.
2. The quantity for a performance can be measured based on the quality that has been produced, such as the use of more efficient technology, an increase in production capacity, development in labor efficiency, and optimizing the incoming chain to reduce production costs.
3. The appropriate use of time in the performance of the Industrial Service refers to the time used for various activities that contribute to creating added value products in the SME sector, the delivery of appropriate information or training in supporting product development, monitoring of projects or programs implemented by the Industrial Service, the appropriateness in responding to changes in policies or regulations that can affect the quality of small industries.
4. Effectiveness includes the efficient use of raw materials and energy, improvement in the production process for the sustainability of the IKM, improvement in production management and operations in an industry, improvement of product quality in SMEs, and providing the latest innovations to SMEs that can increase competitiveness among SMEs and expand the marketing area.

Added Value

Added value is the added value of a product or commodity because it is processed, transported, and stored (Dwiyono, 2019). According to Rizqi &

Andesta (2022), added value is the difference between the value of the product and the value of raw materials based on the output value obtained through the sale of the product by making inputs (intermediate costs) that have been incurred. Meanwhile, according to Rahman et al., (2024) that added value is an increase in value or a change in value caused by the treatment of a product based on raw materials or materials that are processed into new products. And according to (Ginting et al., 2023), in the context of increasing added value, it is the company's efforts to expand the scope and improve the quality of the company based on the reach of the community in increasing marketing targets that will bring the company to a better level. The added value of a product can be said to increase if the results of a product can show that the product looks more quality and superior so that business owners can increase their selling price.

Food Small and Medium Industries (SMEs)

IKM is a business or activity by processing raw materials or semi-finished goods into ready-to-sell goods and have economic added value (Ellen in Bakhri, 2020). Food SMEs are one of the industrial sectors that can increase regional income and have a major impact on people's welfare. The food industry is closely related to the economic field that is productive and able to stand on its own (Arnold et al., 2020). SMEs in the food sector are also often referred to as businesses that have a lower production capacity compared to large companies, but are still able to meet the needs of the local market and can improve people's welfare (Suprobowati et al., 2022).

METHODOLOGY

The method used in this study is a qualitative approach with a case study research design. According to Sugiyono (2022), qualitative research is research that is used to see the state or condition of an object in nature where the researcher is a key instrument and prioritizes meaning rather than generalization in general, while a study is a type of research in which the researcher explores in depth the program, event, process, and activity of an individual, a group, or an organization. The use of this case study is very appropriate because the researcher wants to explore the problems that exist in the NTB Provincial Perindustrian Office.

In this study, the researcher used primary and secondary data collection techniques. Primary data was obtained from the results of observations, interviews and documentation. Observation is the process of collecting data by systematically observing various kinds of human activities and physical settings where these activities take place continuously from natural activities to produce valid data. This research was conducted in Mataram City, West Nusa Tenggara. Interview, according to Esterberg (in Sugiyono, 2022), is a meeting of two people to exchange information and ideas through questions and answers, so that meaning can be constructed in a certain topic. In this study, there were several informants interviewed who were Functional Officials from the NTB Provincial Industry Office and SMEs engaged in the food sector. The informants in this study are as follows:

Table 1. Informant Profile

No	Name	Business Age
1	Pejabat Fungsioanal Dinas Perindustrian Provinsi NTB	-
2	Sate Rembige Goyang Lidah	>5 tahun
3	Ayam Taliwang Beca Bero	>5 tahun
4	IKM Ayang D'Chils (Ayam Krispi)	>5 tahun
5	IKM Bunga Kertas (Kue Basah)	>5 tahun
6	IKM Pade Angen (Kue Kering)	>5 tahun

According to Sugiyono, (2022) documentation is a method applied to obtain data and information in the form of books, archives, documents and numerical writings that provide a variety of reports, as well as information that can provide valid results in supporting research. Meanwhile, secondary data is obtained from the results of previous studies, such as articles, scientific journals, books, and other information that can help researchers in collecting data.

In qualitative research, data analysis is divided into 3 flows used, namely data reduction, data presentation, and drawing conclusions or verification. Data redaction is to group important data and focus on important data according to the topic in the research. Data presentation is a process used to present data that has been sorted/reduced in the form of easy-to-understand text. Drawing conclusions is carried out to describe the description of an object that was previously unclear so that after research it becomes clear.

RESEARCH RESULT

Performance Analysis of the NTB Provincial Industrial Office

According to Robbins in (Panjaitan et al., 2023), performance indicators are a tool to measure the extent of achievement in a performance. The assessments that will be carried out to measure the performance of the NTB Provincial Industry Office in increasing the added value of Food SME products in Mataram City are based on work quality indicators, quantity indicators, indicators of appropriate use of time, and effectiveness indicators.

Work Quality Indicators

The work quality indicator is used as an indicator to measure how well or effectively the coaching carried out by the NTB Provincial Industry Office in increasing the added value of Food SME products in Mataram City. Performance quality is defined as the level at which the process or result of the activities carried out is perfect or in other words able to carry out activities ideally or in accordance with the intended purpose. The coaching carried out by the NTB Provincial Industry Office in an effort to increase the added value of Food SME products in Mataram City is one form to realize the vision of the NTB Provincial Industry Office, namely to create a superior and independent industrial society. The coaching carried out by the NTB Provincial Industry Office based on work quality indicators is said to be quite good. The forms of coaching programs by the NTB Provincial Industry Office to increase the added value of Food SME products in Mataram City are as follows:

1. IKM Production Development aims to produce quality products and encourage product innovation.
2. Standardization of Human Resources, aims to improve the quality of the workforce and increase productivity.
3. Facilitating Facilities and Infrastructure, aiming to improve production efficiency and expand marketing access.
4. SME Assistance aims to assist SMEs to optimize coaching.

The impact felt by Food SMEs in Mataram City from the implementation of this coaching is the increase in the added value of their products which is shown through increased productivity and being able to produce quality products. This increase in productivity can be seen from the number of SMEs and the number of workers who began to increase slowly in the 2022-2023 time frame. The following is presented with tables and pictures of the increase in the number of SMEs and the number of workers from 2019-2023.

Tabel 2. Number of SMEs and Food Industry Workers in Mataram City in 2019-2023

No.	Year	Food SMEs	Workforce
1.	2019	400	3.649
2.	2020	170	5.200
3.	2021	248	712
4.	2022	400	840
5.	2023	923	1.843

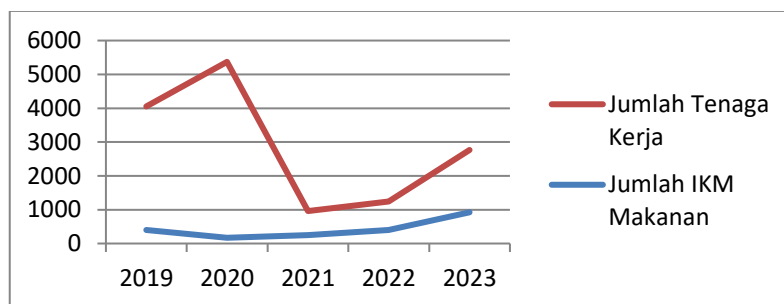


Figure 2. Number of SMEs and Food Industry Workers in Mataram City in 2019-2023

The extreme decline in the number of food SMEs occurred in 2020, which decreased by 57.5%, but this decrease was not in line with the increase in the number of workers which increased by 42.5%. The opposite condition occurred in 2021, namely the number of SMEs increased by 45.9% and the number of workers decreased by 86.3%. Conditions began to improve in the 2022-2023 period which shows that the number of Food SMEs and the number of workers began to increase significantly, this is shown by the number of Food SMEs in 2022 having the same number as in 2019 before *Covid-19*, which was as many as 400 SMEs, although the number of workers is still much less than in 2019, which amounted to 840 workers. Then in 2023 the number of Food SMEs and the number of workers also increased by 130.8% and 119.4% from the previous year,

this shows a huge increase as evidenced by the number of Food SMEs and the number of workers who have more than doubled. The development of Food SMEs in Mataram City shows that there are changes and benefits felt by Food SMEs in Mataram City. The change felt by SMEs is that during the *Covid-19* pandemic they lack adequate human resources or a qualified workforce so that they are not able to increase productivity and produce quality products. However, now the Food SMEs are starting to recover and have adequate human resources to support their business productivity as a result of the guidance carried out by the NTB Provincial Industry Office.

Quantity Indicator

The quantity indicator is used as an indicator to measure a number of aspects related to productivity and labor efficiency at the NTB Provincial Industry Office in increasing the added value of Food SME products in Mataram City. Quantity is defined as a measure of the extent to which a program or activity can be completed in a set amount with a specified period of time. The implementation of coaching is carried out in accordance with the needs of SMEs and adjusted to the budget owned by the NTB Provincial Industry Office. The activities in the coaching program by the Industry Office at Food SMEs in Mataram City are quite in accordance with the target that has been set considering that the targeted time is for one year. The results of interviews and observations of researchers on SMEs show that they often receive guidance from the NTB Provincial Industry Office to increase the added value of their products. In addition, this is also shown based on data obtained from *disperin.ntbprov.go.id* website related to activities in the Food SME development program in Mataram City continues to increase from 2019-2023.

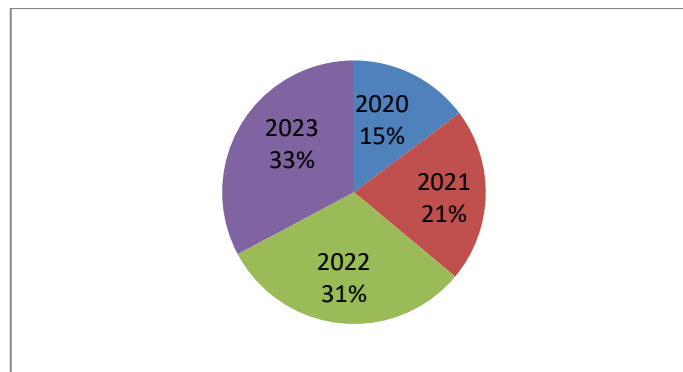


Figure 3. Number of NTB Disperin Development Activities in 2020-2023

As stated in Figure 3 above, in 2020 the coaching program was only implemented by 15% then increased to 21% in 2021. This shows that the quantity indicator of the NTB Provincial Industry Office increased slowly but surely, until the following year it increased again to 31% in 2022 and again in 2023 to 33%. So it can be concluded that based on the quantity indicator, the NTB Provincial Industry Office in increasing the added value of SME products is quite good and meets the target. However, data found in the field based on the results of interviews and observations shows that there are still complaints from SMEs who have not received guidance for processing raw materials and providing

production equipment facilities, among them there are also still those who need expert labor to help their business productivity. This can be caused by the uneven development activities by the NTB Provincial Industry Office, considering that the number of SMEs in Mataram City based on the latest data collection in 2023 is 923 Food SMEs.

Indicators of Proper Time Usage

The indicator of the right use of time is used as an indicator to measure the ability of the NTB Provincial Industry Office to complete coaching to increase the added value of food SME products in Mataram City. The right use of time in the performance of the Industrial Service refers to the time used for various activities related to increasing the added value of products in the Food SME sector. The performance of the NTB Provincial Industry Office in increasing the added value of SME products based on the right time use indicator is quite good, this is shown from the results of the interview which states that the SME actors have followed the coaches from the NTB Provincial Industry Office and affect their business productivity.

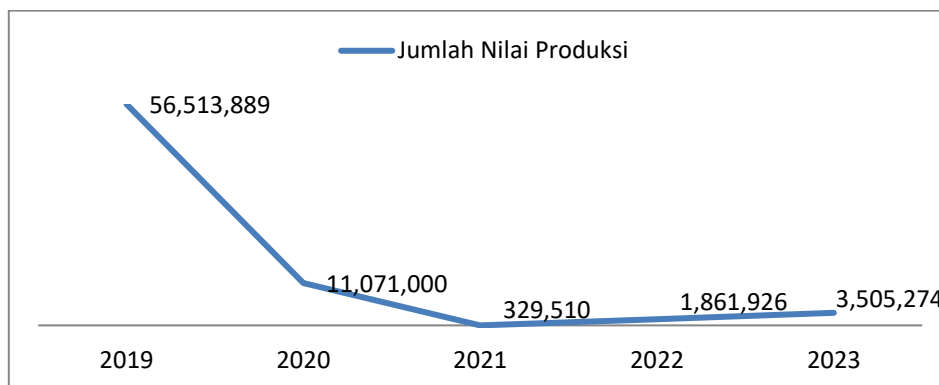


Figure 4. Total Production Value of Food SMEs in Mataram City in 2019-2023

Figure 4 above shows that the previous *Covid-19* pandemic had resulted in a very extreme decline in the total production value in 2020, which was a decrease from the previous year of 80.41%. The decline occurred again in 2021 which is also still very extreme, namely a decrease of 97.02% from the previous year, one of the causes of the decrease in the number of production values in 2021 is the lack of qualified labor so that many SMEs have difficulties in processing raw materials, difficulties in production efficiency, difficulties in packaging in accordance with the standardization of food safety requirements, and difficulties in product marketing. However, with the guidance from the NTB Provincial Industry Office, the production value of food SMEs in Mataram City slowly began to increase in 2022 and 2023. The number of increases is indeed not proportional to the number of very extreme decreases, but this increase is quite certain and significant.

Effectiveness Indicators

Effectiveness indicators are used as indicators to measure the level of achievement of set goals. Effectiveness is defined as the use of existing resources in optimizing the implementation of a program or activity. The use of these resources includes human resources and technology, as well as material maximization to achieve the highest targets. Based on data from the NTB Provincial Industry Office, the latest data on the number of employees of the NTB Provincial Industry Office is 58 civil servants + 48 contract workers. Human resources in the implementation of coaching programs to increase the added value of Food SMEs products in Mataram City are still declared to be disproportionate. Human resources from employees at the NTB Provincial Industrial Office, which totals 58 civil servants and 48 contract workers, are still disproportionate to handle 1,122 SMEs in Mataram City. However, the NTB Provincial Industry Office also opens opportunities for students who want to do an internship at the NTB Provincial Industry Office. The opening of internship opportunities for students is aimed at helping coaching programs or to support the success of coaching programs, although later the increase will not increase too significantly because the number is also small. This effectiveness indicator is said to be still ineffective because there is still an imbalance or disproportionate amount of human resources owned by the NTB Provincial Industry Office to foster SMEs in Mataram City. Nevertheless, it turns out that there is still an improvement in the performance of the NTB Provincial Industry Office, although slowly, this is shown in the following figure.

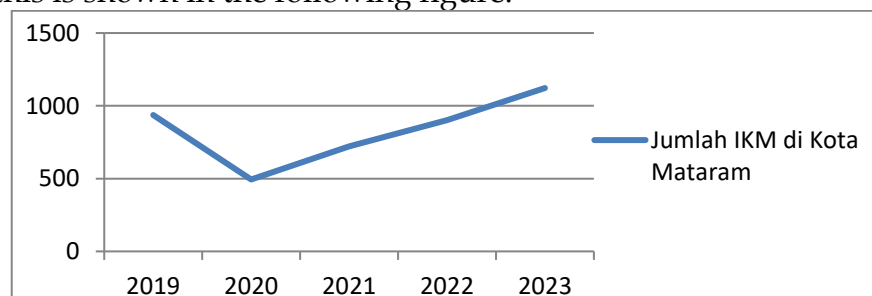


Figure 5. Number of SMEs in Mataram City in 2019-2023

Figure 5 above shows that in the 2019-2020 period there was a decrease of 47.28% from the previous year for all industrial sectors recorded in the NTB Provincial Industry Office. However, in the 2020-2023 period, the number of SMEs in Mataram City for all industries gradually increased until the highest increase occurred in 2023, namely SMEs in Mataram City amounting to 1,122 SMEs in all industrial sectors. This increase in the number of SMEs certainly needs to be balanced with an adequate increase in human resources from the NTB Provincial Industry Office so that in the future there can be a more significant and effective increase in increasing the added value of SME products, especially Food IKM products in Mataram City.

Increasing the Added Value of Food SME Products

Added value is the growth in the value of a commodity because it undergoes processing, transportation or storage in a production process. The

added value of a product can be said to increase if the results of a product can show that the product looks higher quality and superior so that the business owner can increase the selling price. The following are indicators used to measure the added value of products.

Product Results

The results of this product are used as an indicator to measure whether the products produced by Food SMEs in Mataram City through guidance by the NTB Provincial Industry Service have experienced an increase in product added value or not. The theory used is value added theory, which is basically a concept that describes the increase in the value of a product through the production process (Fatmawati et al., 2023). An item will have added value when a process occurs that increases the value of the item (Nikma et al., 2023). Based on the results of interviews and observations of food SMEs in Mataram City, it turns out that the products they produce in the process of running time from 2019-2021 have decreased in product value due to *Covid-19* and a number of other problems. But then with the guidance from the NTB Provincial Industry Office in the 2021-2023 period has increased slowly but surely until 2023, Food SMEs in Mataram City are able to increase the added value of their products by producing innovative and quality products and are able to save production costs by maximizing the use of local raw materials or their own processed raw materials. As previously explained, the added value of a product is a value that can make the product look superior and quality compared to other products. With adequate licensing and labeling as well as packaging that is in accordance with food safety standards, it will make the product look superior and of higher quality, this will also expand marketing access for Food SMEs in Mataram City. This means that the Department of Industry has succeeded in fostering to increase the added value of food SME products in Mataram City.

Income

This income is used as an indicator to measure whether the added value of the product affects the income of SMEs or not. When an SME business actor produces quality products, it will have an impact on increasing income or turnover obtained. *Value added* is the increase in value of a commodity because it undergoes the process of processing, transporting or storing in a production. In the process of processing, added value can be defined as the difference between the value of the product and the cost of raw materials, excluding labor (Ministry of Finance, 2012). Field findings from the results of the interviews are known that SMEs admit to having experienced an increase in income since the guidance by the NTB Industry Office, but they also still have complaints related to the lack of labor or adequate resources so as to reduce the production value produced. In addition, the decline in production value can also be caused by the lack of adequate production tools to support production efficiency, this was also conveyed by SMEs in an interview session related to their needs for production tools.

Table 3. Estimated Income of Food SMEs

in Mataram City in 2019-2023

Data Type	2019	2020	2021	2022	2023
Types of Industrial Units (Food)	400	170	248	400	923
Number of Workers	3.649	5.200	712	840	1.843
Total Production Value	56.513.889	11.071.000	329.510	1.861.926	3.505.274
Number of Raw Materials	17.098.726	5.000.000	32.858	801.390	1.248.947
Revenue Forecast	39.415.163	6.071.000	296.652	1.060.536	2.256.327

Production value is the value of a number of commodities that are actually produced from the production process carried out by the industrial company itself in a certain period of time. Usually, industrial companies in determining the production value of each type of product produced have taken into account the components of production costs and expected profits. The amount of raw materials is all kinds of raw materials and auxiliary materials used in the production process. The following is a picture of the estimated income from Food SMEs in Mataram City by subtracting the amount of production value by the number of raw materials.

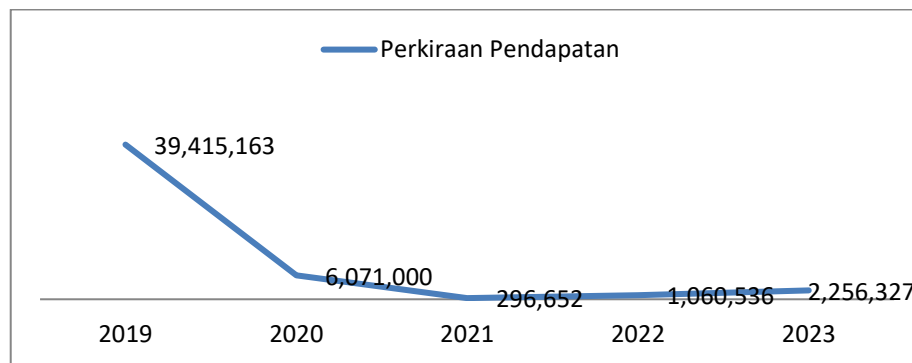


Figure 6. Estimated Income of Food SMEs in Mataram City 2019-2023

The year 2019-2021 shows that the income obtained by Food SMEs in Mataram City continues to decrease, especially in 2019 towards 2020 due to the *Covid-19* pandemic which has a great effect on the economic downturn, besides that this is also influenced by the unavailability of quality human resources so that SMEs experience difficulties in food processing, raw material selection, marketing, product packaging, and so on. Then in 2021 there was also a decrease in income, although in that year the number of Food SMEs in Mataram City increased, but the number of workers dropped very drastically, affecting production and having an impact on low production values, eventually reducing income. In the following year, namely 2022-2023, the estimated income of Food SMEs in Mataram City will gradually increase, the number of workers will also

increase, affecting the increase in production value. This increase in estimated revenue can be said to be the result of the guidance carried out by the NTB Provincial Industry Office for food SMEs in Mataram City, including fostering production development and standardization of human resources.

DISCUSSION

Analysis of the Performance of the NTB Provincial Industry Office in Increasing the Added Value of Food SME Products in Mataram City

The performance of the NTB Provincial Industry Office in an effort to increase the added value of Food SME products in Mataram City is considered to be quite good, this is based on 4 indicators that have been explained previously, namely work quality indicators, quantity indicators, indicators of the right use of time, and effectiveness indicators. Then the increase in the added value of SME products is also based on product yield indicators and income indicators. The performance of the NTB Provincial Industry Office based on work quality indicators is considered quite good, this is shown through the coaching carried out by the NTB Provincial Industry Office in an effort to increase the added value of Food SME products in Mataram City including the development of SME production, standardization of human resources, facilitating facilities and infrastructure, and assistance for SMEs. IKM Sate Goyang Lidah and IKM Ayam Taliwang Beca Bero are examples of SMEs that have received guidance from the NTB Provincial Industry Office, where previously they did not have product innovations, then after coaching they became new product innovations so that they would add value to their products and would have an impact on their income. This is in line with research conducted by (Syahputra,, 2022) which states that the quality of existing work is quite good if the activities are successfully carried out and completed properly, then the NTB Provincial Industri office will also be considered qualified.

Based on the quantity indicator, the performance of the NTB Provincial Industry Office is also considered quite good. This is evidenced by the number of coaching that continues to increase every year with the hope that IKM actors will be more fostered and easier to apply the knowledge provided. IKM Ayang D'Chils (Ayam Krispi) is one example of an IKM that previously did not have a qualified workforce and was not used to digital marketing, but in the end with the guidance from the NTB Provincial Industry Office, IKM Ayang D'Chils (Ayam Krispi) has a qualified workforce, for example in processing its products and has begun to get used to digital marketing. Both of these things will increase the added value of the product because it produces quality products and expands the marketing reach which will increase revenue. This research is in line with research conducted by (Ginting et al., 2023), which states that a product can be said to increase if the results of the product look quality and superior so that bussiness owners can increase the selling price.

The performance of the Industrial Office based on the indicator of the right use of time is considered quite good, this is evidenced by the productivity level of SMEs which began to increase after guidance from the NTB Provincial Industrial Office. So with the increase in the productivity of Food SMEs in

Mataram City with the guidance by the NTB Provincial Industry Office, it has shown that Food SMEs in Mataram City have experienced an increase in the added value of the products produced and this will have an impact on their income. Based on effectiveness indicators, the performance of the NTB Provincial Industry Office is still considered ineffective because there is still an imbalance or disproportionate amount of human resources owned by the NTB Provincial Industry Office to foster SMEs in Mataram City. Although overall there is still an increase in performance as evidenced by the increase in the number of SMEs from year to year, it needs to be balanced with an adequate increase in human resources from the NTB Provincial Industry Office so that in the future there can be a more significant and effective increase in increasing the added value of SME products, especially Food IKM products in Mataram City. Paper Flower IKM (Wet Cake) and Pastry IKM are examples of SMEs that experience uneven coaching activities because there are still complaints from these SMEs for the processing of raw materials and the provision of production equipment facilities.

CONCLUSIONS AND RECOMMENDATIONS

Overall, the performance of the NTB Provincial Industry Office in increasing the added value of food SME products in Mataram City can be considered quite good, although it still needs improvement and development in several aspects. The NTB Provincial Industry Office needs to continue to innovate in providing more comprehensive support, including in the aspects of capital, marketing and processing of raw materials. So that it can prove the sustainability and increase of competitiveness between food SMEs from Mataram City in the future. The NTB Provincial Industry Office has taken various significant strategic steps regarding the provision of coaching for SMEs, the provision of facilitation of access to quality raw materials, packaging development, product marketing and various obstacles in SMEs. These measures aim to increase product competitiveness among food SMEs in Mataram City both in the local market and the national market. In addition, the results of the study indicate that there is an increase in skills and technical knowledge among food SMEs in Mataram City. The coaching organized by the NTB Provincial Industry Office has helped business actors in understanding production techniques, product sales, improving packaging in products and using more efficient and innovative ingredients that can increase the added value of these food SME products. This can have a big impact on improving quality, variety and saving time in the product processing process, so that it is able to attract more consumers and expand the market for SMEs.

However, there are still several challenges that need to be overcome by the NTB Provincial Industry Office. One of them is the limited access to capital for SMEs. Although there is support in the form of coaching and facilitation, limited funds are often a considerable obstacle among SMEs. Therefore, further efforts are needed to open easier and more affordable access to coaching for SMEs, increase the frequency and quality of coaching, build partnerships with the private sector, including supermarkets, restaurants, and hotels to absorb food SME products, as well as encourage research and development of local food

products, including the development of processed foods based on local raw materials, increase innovation in maintaining local food products and eco-friendly packaging.

ADVANCED RESEARCH

This research still has limitations, so further research is needed with the topic "Analysis of the Performance of the NTB Provincial Industry Office in Increasing the Added Value of Food SME Products in Mataram City" to improve this research, as well as add insight for readers.

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