ABSTRACT

The strategy of developing small scale enterprise around mining area as part of community development program of Antam-Pongkor gold mine.

The purpose of this research is to specify the primary small scale enterprise which could support local society economies during mining operation and post-closure period; to identify and evaluate the internal and external influencing factors; to evaluate the institutional aspects; and to determine the best strategy of developing small scale enterprise around mining area as part of Antam-Pongkor gold mine's community development program.

Applying Exponential Comparison Method (HE), small scale enterprise such as peanut cultivation business, poultry, goat/sheep breeding business, bamboo-based craft and furniture, and traditional Bentonite mining were chosen to be the primary small scale enterprise in inquiry. The external factor evaluation shows that the existing strategies are capable of responding to opportunities and of minimizing external treats. Meanwhile, the internal factors evaluation shows that company is able to optimize their strength and to overcome its weaknesses.

This research concludes that the small scale enterprise persons could benefit from the loan although they encounter difficulties of administrative procedure and lack of expert guidance. These persons therefore need technical guidance and additional fund to develop their business. Further empowerments of relevant institutions are required as well.

The application of quantitative strategic planning matrix confirms that the priority of the chosen strategy is to provide loan as well as to encourage local potential-based small scale enterprise that provides more local labor absorption. The strategy also suggests collaboration with practitioner and academic expertise.