SUMMARY

DIAN RINALDY. Strategic Analysis of Automotive Components Small Medium Enterprises Case Study in PT PQR. Supervised by ALLA ASMARA and MUHAMMAD FINDI.

Automotive industries are one of fast-growing business in Indonesia align with the increasing demand of vehicles. Car manufacturers are supported with layers of supply chain with Small and Medium Industries (IKM) are typically at Tier 2 and Tier 3. Automotive component’s IKM are challenged with limited raw materials, price fluctuations, limited capital support, and lack of human resources quality. PT PQR as automotive IKM have been struggled with 35% revenue decreasing within the last 4 years.

This study uses a descriptive method with a case study at PT PQR located in Cileungsi, Bogor. To describe the complete picture of the company's condition, the primary data was obtained through the results of questionnaires by deliberately selected respondents (purposive sampling technique) who were in the PT PQR supply chain, consisting of internal key person in PT PQR, as well as external parties such as customers, suppliers and small and medium industry associations.

Strategic planning stages by external analysis developed with Porter’s five Forces and PEST Analysis, internal analysis, IE Matrix, TOWS matrix and QSPM.

Results of this research found that the growth of demand, customer loyalty, and car-maker competition as opportunities while exchange rates and import policies are the main threats. Meanwhile product’s quality, competitive selling prices, and production capacity is major strength while low productivity, workplace accidents, and quality of human resources as major weaknesses. With IFE 2.367 and EFE 2.178 to position PT PQR in quadrant V of IE matrix, strategic recommendations are hold and maintain. Market development strategy is selected as top priority completed with 21 action plans in short and long term to implement selected strategy.

Keywords: PEST analysis, EFE, IFE, IKM, porter five forces, automotive, strategic planning, QSPM, TOWS Matrix