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An Employee Competency Development Strategy To Increase Productivity In The Digital Era

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ABSTRACT
The rapid advancements in technology and the digital transformation of indus-tries have necessitated innovative strategies for employee competency development to maintain organizational competitiveness. This study explores the implementation of em-ployee competency development strategies designed to increase productivity in the digi-tal era. Using a qualitative research approach, the study examines case studies from vari-ous industries that have successfully integrated digital tools and training programs into their human resource management practices.The findings reveal that effective compe-tency development strategies involve a combination of personalized training programs, continuous learning opportunities, and leveraging digital technologies such as e-learning platforms and virtual simulations. Moreover, fostering a culture of adaptability and inno-vation among employees was found to be critical in enabling organizations to navigate the challenges of digital disruption. The study concludes that organizations that prioritize employee competency development not only enhance productivity but also improve em-ployee engagement and organizational resilience in the face of rapid technological change. This research provides valuable insights for HR practitioners and policymakers in designing and implementing effective development strategies to meet the demands of the digital era.

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INTRODUCTION

Entrepreneurship in general is the ability to stand alone in exploring and seeking existing business opportunities in order to create the welfare of oneself and one's family based on ability, experience and creativity in order to produce something, in addition to creating the most effective job opportunities in increasing employment. In Indonesia, both micro and small and medium enterprises have played an important role where in 1999 there was a monetary crisis and many large businesses collapsed, in fact micro, small and medium enterprises did not experience great pressure.

Micro, small and medium enterprises (MSMEs) are activity programs that can increase employment opportunities, provide extensive economic services to the community so that they can contribute to the "expositions" of increasing and equalizing the level of income of the population and increasing economic growth and play a role in producing national stability. Law Number 20 of 2008 concerning Medium, Small and Micro Enterprises states that micro businesses are productive businesses owned by individuals and/or individual business entities that have met the micro characteristics as regulated by law, while small businesses are independent productive economic businesses carried out by individuals or business entities that are not subsidiaries or branches of companies that are already owned, controlled, or become part of either personally or not. Exclusively from medium-sized businesses or large businesses that can meet the criteria for small businesses as referred to in the Law, and medium-sized businesses are productive businesses that stand alone, carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or are part of either directly or indirectly a medium-sized business or large business that meets the criteria as referred to in the Law.

Every management of SMEs in order to be able to compete and develop better really needs a strategy to increase productivity. Strategy is an activity in identifying opportunities so that it can be determined what will be done in achieving goals and expectations while productivity is a comparison between the results achieved (output) using the total source of resources (input) used in a unit of time. Resources are inputs in the form of buildings, land, tools, machines and raw materials and the most important is human resources. Employee work productivity for a company is so crucial to be a measure of success in running all efforts because if employee work productivity increases in the company, it means that the company's productivity also increases as a result the company's profits obtained will also be maximized.

Small businesses processing tofu and tempeh in Kuala District, Langkat Regency, even though they are not leading SMEs, must still be able to compete. This capability aims to be able to market and increase production results in a wider range and competitive advantages with similar SMEs that can come from nearby areas such as Binjai City so that it is hoped that tofu and tempeh processing SMEs can also become superior SMEs for Langkat Regency, but tofu and tempeh processing SMEs in Kuala District, Langkat Regency in their management are still low, this can be seen from the results of preliminary interviews where several entrepreneurs said that they had not marketed outside the region, this is because of their limited knowledge in carrying out good marketing methods as well as the human resources they use as employees have low education because they are only limited to processing production, not to employees who understand how to promote or how to market, so according to them tofu and tempeh production will be difficult to become superior products.

Indeed, excellence and competitiveness can only be realized through strategic management carried out by the owner properly and well, especially for functional strategies. Functional strategies are focused on the development and maintenance of a special competence to produce competitive advantages for a company or business unit through production, marketing, promotion, finance, human resources, and other functional strategies.

literature review

Definition of Strategy

Basically the word "strategy" is adopted from the military term and the word "strategy" comes from the Greek word "strategos" (stratos = military and ag = lead), which means "generalship" or something done by war generals in making plans to win the war ". Chandler (in Rangkuti, 2013:3) states that strategy is "a set of tools in achieving company goals in relation to long-term goals, follow-up programs, and resource allocation priorities". Furthermore, Hamel and Prahalad (in Rangkuti, 2013:3) say that strategy: Is an action that is incremental or always getting higher, continuous and carried out based on the perspective of what will be expected in the future, with this, the planning strategy almost always starts from 'what can happen', not starting from 'what happened'.

According to Stoner (in Rangkuti, 2013:4) the concept of strategy can be defined based on two different perspectives. First, strategy is defined as "a program to determine and achieve organizational goals and implement its mission. The meaning contained in this strategy is that managers play an active, conscious and rational role in formulating organizational strategies. In a turbulent and ever-changing environment, this view is more widely applied".

While the second perspective, strategy is defined "as a pattern of response or organizational response to its environment over time. In this definition, every organization must have a strategy, even though it is never formulated explicitly. This view is applied to managers who are reactive, namely only responding and adapting to the environment passively when needed".

Next, according to Assauri (2011:2), strategy is "the activity of identifying opportunities to determine what will be done to achieve goals or expectations". Porter (in Rachmat, 2014:2) strategy is "A set of different actions or activities to deliver unique value". Based on the opinions of the experts above, it is concluded that what is meant by strategy is activities that are full of competitiveness and business approaches to achieve satisfactory performance and according to targets.

Understanding Strategic Management

Strategic management is a dynamic process because it takes place continuously in an organization. Strategic management refers to the process of selecting strategies and guidelines to maximize the goals of the organization concerned. Strategic management includes all activities that lead to the creation of organizational goals., Strategic goals and the development of plans, actions and guidelines to achieve the results desired by the organization concerned.

According to Solihin (2012:64) strategic management "is a series of decisions and actions carried out by management resulting from the process of formulating and implementing planning and actions usingachievement of competitive excellence". Next, according to Sampurno (2013:4) Strategic management consists of "analysis, decisions and actions from the organization to build and maintain competitive excellence". According to Nuryadin (2012:27) strategic management is "The process of directing strategic planning efforts and claiming that the management strategy is implemented well as a result of which it can guarantee the organization's success in the long term."

According to Taufiqurokhman (2016:15) strategic management is "A number of decisions and actions that lead to the preparation of a tactic or a number of effective tactics to help achieve business targets". Jaewono (2012:3) said that business strategy management is "a strategy to achieve goals, which is often analogous to chess strategy, of course some characteristics of the game of chess are relevant to business practices, such as systematic thinking, planning, agility, risk taking, and the spirit to win the game. some characteristics of the game of chess that are relevant to business practices".

Rangkuti (2014:3) said that strategic management is "An interactive process to align the organization as a whole with its environment, a series of actions starting from environmental analysis, determining the direction of the organization, formulating organizational strategies, implementing organizational strategies and evaluating, and controlling strategies, in this way, the strategic management process is continuous and interactive because it starts with the first step, ends with the last step, and returns to the first step and then continues repeatedly". Wheelen (in Rangkuti, 2014:3) said strategic management is"A series of management decisions and actions that determine the company's long-term performance, formulating strategies, implementing strategies and others, the last is evaluation and control".

According to the opinions of the experts above, it can be concluded that strategic management means a plan that is prepared and processed by considering many aspects that have the aim so that the plan when implemented can have a positive impact on the organization concerned in the long term.

Objectives of Strategic Management

Suwandiyanto (in Taufiqurokhman, 2016:4) there are four management objectivesstrategies, namely:

a. Conveying the direction of achieving organizational/company goals.
   In this case, managers must be able to show all parties the direction in which the company is headed, because a clear direction can be used as a basis for controlling and evaluating success.
b. Considering the interests of several parties.
   Organizations/companies must meet the needs of various parties, suppliers, employees, shareholders, banking parties, and other members of the wider community who play a role in the success or failure of the company.
c. Dealing with every change back evenly
   Strategic management enables top executives to anticipate change and prepare guidance and controls, thereby broadening their time/thinking horizons considerably.
d. Efficiency and effectiveness
   The responsibility of a manager is not only to concentrate on the ability for the sake of efficiency, but also to have focused attention in order to work hard to do things better and more effectively.

According to Lubis (in Jaewono, 2012:4) the objectives of strategic management are:

a. Identify problems before they arise
b. Make managers or executives more interested in the organization
c. Make the organization more accepting and attentive to changes that occur
d. Align all efforts with goals

e. Encourage the creation of cooperation in order to address problems and be able to utilize existing opportunities.

Stages in the Strategic Management Process

Rachmat (2014:60) stated that in formulating and deciding on a management strategy, various stages must be passed through and the strategic management process consists of several stages, namely:

a. Formulation of organizational (company) mission For an organization or company, mission determination is crucial because the mission is not only fundamental in nature, but also forms an organization that has a special "identity", in other words, the mission is what distinguishes one organization from other organizations of the same type or similar business fields. The mission also clearly shows the main tasks that must be carried out in the organization in order to achieve the goals that have been previously determined. Some of the characteristics that must be depicted include:
    1. A mission is a statement that is general in nature and applies to a long period of time regarding the “intentions” of the organization in question.
    2. The mission includes the philosophy that is adopted and will be used by tactical decision makers in the organization.
    3. Implicitly describes the image that is to be projected to the wider public.
    4. It is a reflection of the identity that one wants to create, grow and maintain.
    5. Describes clearly the needs of customers or service users that will be attempted to be satisfied. In short, the mission must clearly show what flagship products will be produced, what consumer market will be captured, how to utilize the technology that will be used, all of which describe the value system and priority scale adopted by strategic decision makers in the organization.
b. The role of organizational profiles Every organization faces limitations in its ability to provide and obtain the necessary resources, be it funds, facilities, time and energy. Facing such a reality, management needs to conduct an objective analysis so that it can be influenced by the organization's capabilities based on the resources it has or may obtain. Based on this analysis, the organization's profile is determined. The profile in question describes the quantity and quality of the various sources that it can or may control to be utilized in the context of strategy application.
c. External or external environment Every manager must realize that the organization he leads must inevitably interact with its environment. The organization is influenced by a certain level, development and nature of changes that occur in its environment. Liked or not, the consequences of environmental factors must be taken into account no matter how difficult it is to do the calculation. It is said to be difficult because various factors are beyond the organization's ability to control them. The external environment can be classified into 2 types that are interrelated and influence each other, namely the near environment and the far environment. The "Near" external environment what is meant by the close environment is the external environment that has an impact on the operational activities of the organization, similar to various forces and conditions in

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the scope of the industry where the organization operates, competitive situations, market situations, specific job requirements that are specialized but needed by the organization, all of which influence the choice of alternative management strategies that are expected to support the organization's efforts to achieve previously determined goals. many close environmental factors can arise due to the actions of the organization itself. The "distant" external environment The distant external environment means various forces and conditions that exist regardless of what happens in the close external environment. but have been recognized and utilized by competitors. Such forces and conditions can be political, economic, technological, security, legal, socio-cultural, educational and cultural in nature.

METHOD

This research is a qualitative descriptive research. According to Sugiyono (2015:29) descriptive method is "a method used to describe or analyze a research result but is not used to make broader conclusions" and according to Rusiadi (2014:12) descriptive research is research conducted to determine the value of independent variables, either one or more variables (independent) without making comparisons or connections with other variables. The location of this research is the tofu and tempeh SMEs in Kuala sub-district, Langkat Regency. The research started in July 2021 to November 2021 and for more details, please see the following research schedule table:

The subjects in this study were selected purposively, the criteria used in determining the subjects of this study are as follows:

1. The subject is a tofu and tempeh business actor
2. Entrepreneur subjects who have had a business for more than 1 year
3. The subject is domiciled in Langkat Regency

Qualitative research is a research that focuses on sentence exposure, so that it is more able to understand the complex psychological conditions of humans (influenced by many facts) which are not enough if only measured using a scale. This is mainly based on the assumption that humans are animal symbolicum (symbolic creatures) who seek meaning in their lives. So this research requires a qualitative role in order to see humans as a whole.

The purpose of qualitative data analysis is for researchers to obtain the meaning of the relationship between variables so that it can be used to answer the problems formulated in the research.Qualitative descriptive analysis technique according to Sugiyono (2015: 335) is "The process of systematically searching and compiling data obtained from documentation by organizing data into categories, describing them into units, synthesizing, compiling them into patterns, choosing what is important and what will be studied, and making conclusions so that they are easily understood by oneself and others". The data analysis technique used in this study is in accordance with the opinion of Miles and Huberman (Sugiyono, 2015: 337), namely:

1. Information Collection
   Information gathering through data collection from sources
2. Data Reduction

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Data reduction is the first component in analysis which is the process of selecting, focusing, simplifying, and abstracting available data.

3. Data Presentation

   Data presentation is a series of information, descriptions in narrative form that are arranged logically and systematically that refer to the formulation of the problem that has been formulated as a research question. Data presentation is a description of the detailed conditions to tell and answer each problem in the research. This is intended to facilitate understanding of the description of the phenomena that exist in the research object.

4. Drawing Conclusions and Verification

   The data obtained since the beginning of the research is actually already a conclusion. The conclusion was initially unclear and still temporary, then increased to the stage of a solid conclusion, namely a statement that has a strong foundation because it has gone through the data analysis process. At this stage is to find the meaning of explanatory patterns, possible configurations, causal flows of propositions. Drawing conclusions is done carefully by verifying in the form of a review of field notes so that the data can be tested for validity.

RESEARCH RESULTS

Entrepreneurial Strategy Management in Increasing Work Productivity.

Strategic management is a comprehensive and ongoing management process aimed at formulating and implementing effective strategies, which is a way to achieve business opportunities and challenges. An effective strategy is a strategy that encourages the creation of a perfect harmony between the organization and its environment and between organization with the achievement of its strategic goals.

Tofu and tempeh business is one of the small and medium businesses that has the potential to be developed better because tofu and tempeh business has been proven to create jobs and increase people's income, especially in rural areas. In the competition with small and medium businesses in the food and non-food sectors and the increasingly difficult business climate, it requires small and medium tofu and tempeh businesses to be more productive in running their businesses so that they are more able to develop rapidly and can become successful entrepreneurs in the tofu and tempeh business sector.

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Brand Name Inclusion on Products

A product really needs a brand as a differentiator for similar products so that a brand is an inseparable part of the business strategy decision and according to Mr. Imam, including a brand is mandatory, as he said:

> *"Our products definitely use a clear brand, because with a brand, buyers can more clearly know whose tofu and tempeh they are buying, although many tofu and tempeh productions often do not use a brand and are only wrapped in clear plastic, but we are not like that."*

Furthermore, according to Mr. Sis, the brand is important because with the brand, consumers will remember the tofu and tempeh that they will buy next time. "In addition to the brand, which must definitely be included, the halal label is also important because with the brand and halal label, consumers will remember the tofu and tempeh that they will buy next time."

Based on the results of this interview, it can be seen that the decision of the entrepreneurial strategy is correct and appropriate that a product must include a brand and in addition the inclusion of halal labeling because the brand is one of the important attributes of a product, where the brand of a product can provide added value to the product. A brand is not just a name for a product, but more than that it is an identity to distinguish it from products produced from other products and with a special identity, certain products will be more easily recognized by consumers and in turn will certainly make it easier when repurchasing the product.

Product Price Adjustment With Price On Market Share

Price is one of the elements of the marketing mix that can generate revenue, where other elements incur costs and price is part of the marketing mix elements, namely price, product, channel and promotion and which are often called the 4 Ps. Price for a business will generate income, while other elements of the marketing mix, namely product, place and promotion, give rise to costs or burdens that must be borne by a business. Tofu and tempeh businesses must also pay attention to their prices in the market share in order to remain competitive, and according to Mr. Imam, the prices they use to sell tofu and tempeh are in accordance with market prices:

> *"The tofu and tempeh that we sell are in accordance with market prices because if the price is considered expensive by buyers, then buyers will definitely run to products sold by other businesses, so we follow market prices."*

The same thing was conveyed by Mr. Sis that the price cannot be made expensive because there is a lot of competition in the tofu and tempeh business, as expressed by Mr. Sis:

> *"Prices remain in line with market prices because if they are made expensive, we will lose to competitors"*

Mrs. Risma also said that the price certainly cannot be set high because it will affect sales turnover, as she said: "We adjust our prices to the prices on the market, because if we sell at a high price, even though we make a quick profit, we will actually make a loss, because there are many sellers like us."

Price is income for entrepreneurs and from the consumer's perspective, price is an expense or sacrifice that must be made by consumers to obtain the desired product to meet the needs of the consumer. Price for a business will generate income, while other elements

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Price is income for entrepreneurs and from the consumer's perspective, price is an expense or sacrifice that must be made by consumers to obtain the desired product to meet the needs of the consumer. For business people, prices are easiest to adjust to market conditions, while other elements such as products, places and promotions require a longer time to adjust to market conditions, therefore prices can provide an explanation to buyers regarding the quality of the product and the brand of the product.

Price is an attribute attached to an item that allows the item to meet the needs, desires and satisfy consumers. There is a price which is the value of a product to be exchanged for another product. This value can be seen in a barter situation, namely the exchange of goods for goods. Nowadays, the economy no longer barters but uses money as a measure called price. So price is an amount of money used to assess and obtain products or services needed by consumers.

Price is very important for the economy, because price plays a major role in business and business that is run. In other words, the price level set affects the turnover of goods sold. The amount of goods sold affects the costs incurred in relation to the procurement of goods for trading businesses and production efficiency for the business world. Price greatly affects income, so that price affects business profits and the position of business finances.

Consultation with Experts in Business Development.

In business development, expert views are certainly needed regarding the development of the business being carried out, and according to Mr. Imam, Mr. Sis and Mrs. Risna, the business development they carried out only discussed with similar business actors in the association and did not use experts: *"In developing our business, we discuss and exchange ideas with fellow tofu and tempeh entrepreneurs and do not use experts from universities or anywhere, just from us as fellow members of the association."*

However, specifically for Ms. Risna, apart from discussions, Ms. Risna searches on

YouTube, meaning she has utilized existing media and technology, as she stated: "Apart from discussions among traders, I also search on YouTube, there will be some"

Based on the results of this interview, it is known that business actors do not use special consultants and only rely on sharing advice from the experiences of fellow association members. Process strategy aims to create a process that can produce products that can meet customer desires. The process chosen will have a long-term effect on the efficiency and flexibility of production. Process strategy is an organizational approach to transforming resources into outputs in the form of goods or services. This strategy aims to find a way to produce goods and services that meet customer requirements.

In the process strategy, there is definitely a production process that a company uses to run its production. The production process itselfis an activity involving human power, materials and equipment to produce useful products. Strategy is a managerial process to maintain a proper fit between objectives, skills, resources and changing market opportunities. The purpose of strategic planning is to shape and refine the company's business and products so as to meet the target profit growth. The company's strategic planning must go through a systematic, coordinated and continuous process.

CONCLUSION

The conclusion of the research conducted with the title Entrepreneurial Strategy Management in Increasing Work Productivity in Tofu and Tempe SMEs in Kuala District, Langkat Regency, is as follows: The strategic management carried out to increase work productivity in tofu and tempeh businesses in Kuala District, Langkat Regency, namely by using local employees, the capital used tends to be self-capital, and in development there is more discussion with fellow traders. The impact of entrepreneurial strategy management in increasing work productivity in tofu and tempeh businesses in Kuala District, Langkat Regency, in addition to local residents getting income, tofu and tempeh businesses can also develop more. Not yet using technology in marketing or production processes, so tofu and tempeh entrepreneurs seek solutions from discussions with fellow entrepreneurs and if the ingredients are expensive, the size is reduced.

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