

PT Baasithu Boga Services PT Baasithu Boga Services Strategic Plan and Camp Management Services Company

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Abstract

This academic journal is qualitative research on analyzing and making a strategic plan for the company PT BBS catering and camp services. PT BBS has an existing client market from oil and gas companies in remote areas with the challenges of declining production trends and intense competition. This study tries to see things that affect the business both internally and externally, using strategic analysis tools such as the IFE-EFE Matrix, Competitive Profile Matrix - CPM, Grand Matrix Strategy, and SWOT/TOWS Analysis. The determination of the priority of marketing and operational strategies is carried out by analyzing the Quantitative Strategic Planning Matrix - QSPM, while determining the priority of alternative material supply strategies is carried out by the Analytical Network Process - ANP. In the end, the Strategic Plan is formulated with the Balanced Score Card. The study result in PT BBS research conditions shows that the short-term strategy is conservative to maintain performance in the old market and long-term preparation to enter new markets and develop service products with careful feasibility calculations. To survive and thrive in the competition, a cost leadership strategy is applied and forms part of the technostructure of the organization with a focus on contractual mastery, marketing in new markets, and product and service development.

Keywords

strategic management; strategic planning; catering; analytical network process



I. Introduction

Services remote service catering and camp management are satisfactory, will always be needed by the client company such as oil rigs, operating oil and gas onshore or offshore, to be able to focus all of its business without the need to bother to manage accommodation and food supply for workers. This line of business is not easy, because of the continuous provision of services day and night, intensive human interaction, the desire for high service quality from oil and gas company clients, operating locations that are difficult to reach and far from the logistics center, problems with local workers, the limited scope of contracts. can change suddenly following the development of the client's operations. Meanwhile, there are also very strong external challenges such as declining demand for services in the oil and gas segment and intense competition with similar business actors.

This research is about PT Baasithu Boga Services (PT BBS) a remote catering service and camp management company that is in the developing stage. With limited resources and a relatively small head office, the company competes with big competitors. PT BBS in 2020 handled twelve catering service and camp service contracts with locations spread from Sumatra to Sulawesi. The company has also been in and out of project contracts more than 50

times in various remote locations since its establishment in 2009, with locations spread out such as Jambi, Musi Banyuasin - South Sumatra, East Kalimantan, East Java waters, the Java strait, platforms in the Natuna Islands, to Central Sulawesi. Its clients include JGC Projects, Kentech Qatar Technical Services, Petrochina Jabung Ltd, ExxonMobil Indonesia, ConocoPhillips Indonesia, Premier Oil Indonesia, and others. This oil and gas market is unique because it operates in remote areas with high hygiene and service requirements, thus creating its niche market with relatively higher service prices, and has a fairly difficult entry barrier for many other catering companies in general.

The performance of PT BBS from 2014 to 2019, shows a trend that needs to be addressed immediately for strategic steps going forward. Revenue showed an increase from 2014 to 2018, but the trend decreased in 2019. Meanwhile, net profit showed an average trend and even decreased from 2017 to 2019. The initial observation was that catering and camp services in the oil and gas company client market showed business is going down. This is in line with the main clients of crude oil and natural gas producers in Indonesia, which saw a decline in production which resulted in lower demand for camp and catering services.

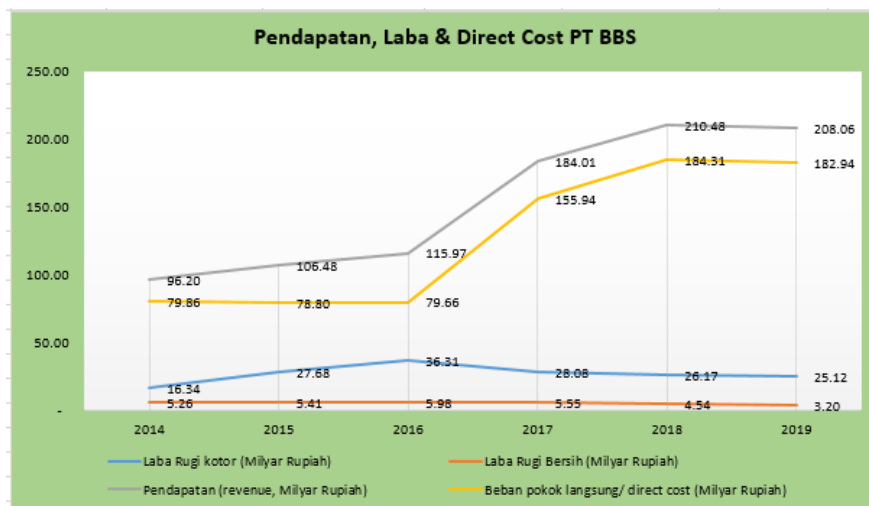


Figure 1. Revenue, Profit, and Direct Cost of PT BBS 2014-2019
(Source adapted from PT BBS 2014-2019 Financial Report)

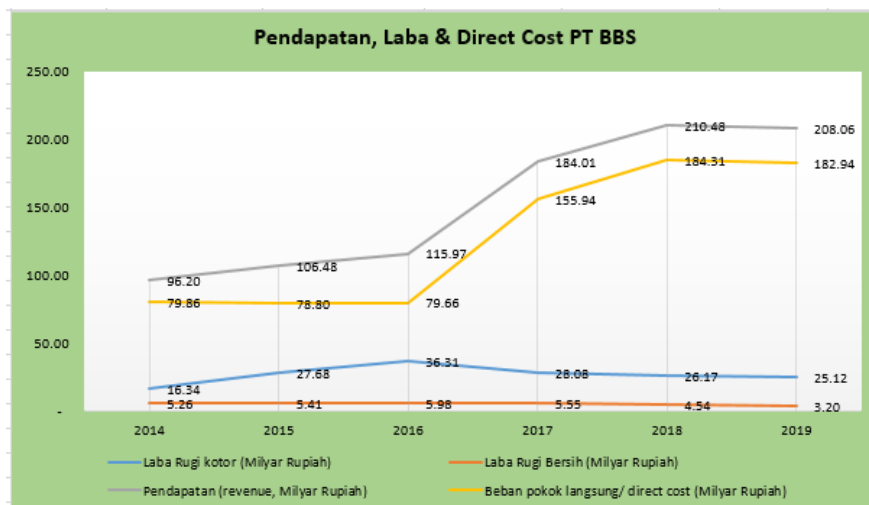


Figure 2. Indonesia's Crude Oil Production (Source BPS 2020)

With the trend of declining profits and a decrease in market potential in the oil and gas sector, which are PT BBS's main clients, this is also what makes it very important to determine future strategies. This study aims to make short-term and long-term strategic plans for the company so that PT BBS can continue to be sustainable and develop.

II. Research Methods

This study uses qualitative research, using several theories and analytical tools used in the stages of strategic planning, as illustrated in the Strategic Thinking Framework diagram. At the input stage, the IFE-EFE Matrix and Competitive Profile Matrix – CPM analysis tools are used. Then at the strategy analysis stage, SWOT/TOWS Analysis, Porter's Generic Strategies, Strategic Position, and Action Evaluation – SPACE Matrix, and Grand Matrix Strategy Analysis tools are used. Then at the strategy formulation stage, tools such as Quantitative Strategic Planning Matrix – QSPM and Analytical Network Process – ANP are used. The strategy implementation plan is formulated in short and long-term plans, with comprehensive targets and action plans, and includes key performance indicators (KPI) in the Balanced Score Card framework.

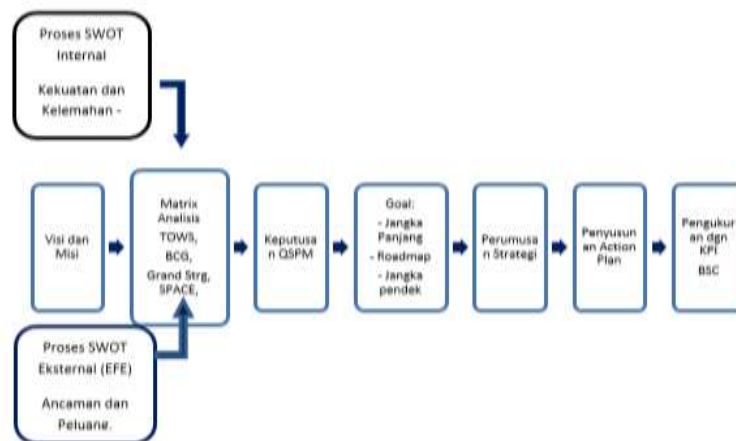


Figure 3. Strategic Thinking Framework

III. Discussion

3.1 Vision and Mission of the Company

PT BBS has a vision: "*To be Trusted Catering Services in National and Regional Wide*" and mission: "*To carry out integrated services of Catering, Housekeeping, Laundry with prime services for satisfying the stakeholders and develop a partnership in line with government policy*". The vision and mission statements describe the long-term expectations of the aims and objectives of the establishment of PT BBS as a basic reference for strategy formulation.

3.2 Identification of the Causes of the Declining Profit Trend of PT BBS in 2017-2019

As discussed in the introduction, the data shows a downward trend in profits starting in 2017. PT BBS recorded a profit from 2014 of 16.3 billion rupiahs and continued to increase until 2016 to 36.5 billion rupiahs, but the trend decreased until 2019 to 25.1 billion rupiahs. What's interesting is that the sales trend continues to rise and PT BBS has never recorded a

loss until now, however, this downward trend in profits is one of the concerns in formulating future strategies.

From discussions with the *board of directors* and managers, it was stated that the decline in profits was due to several factors. The first is the change in the currency of the contract transaction from USD to Rupiah. This started from the SKKMigas policy in 2016 that transactions in *oil and gas* use Rupiah currency, which previously used US Dollar as the currency in contracts. This has a significant impact because previously the Rupiah tends to weaken against the Dollar so that changes in material prices and *labor costs* are compensated by changes in the Rupiah exchange rate against the Dollar. This opinion is strengthened by looking at the *historical* Rupiah – Dollar exchange rate, which before 2016 tended to weaken. However, this policy is an *uncontrollable* factor for PT BBS and other competitors, so it is not discussed further in strategy formulation.

Another thing that affected the decline in profit was in the *oil and gas* sector, there was a tightening of spending by the regulator (SKKMigas), including in *catering and camp services*. This makes the competition for the *lowest bidder* price even sharper so that catering service actors tend to reduce their profit percentage to compete, including PT BBS. Whereas the actual time of competition is during the auction to determine *the lowest bidder* from all bidders who pass the technical qualifications. So it can be said that Michael Potter's *cost leadership* strategy is working here. As illustrated in the profit and loss percentage chart below, PT BBS noted that the margin, which was usually quite large at 17%-31% before 2016, was depressed to 10-15%.

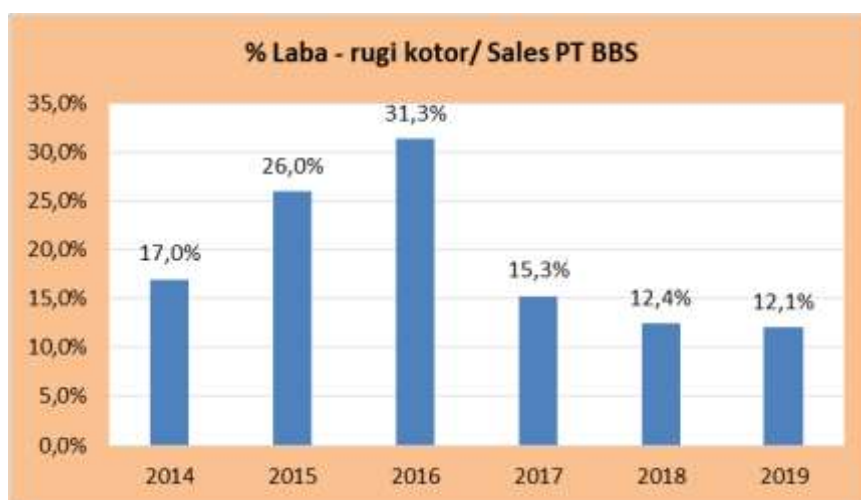


Figure 4. Percentage of Gross Profit and Loss/ Sales of PT BBS (processed from PT BBS's financial statements)

To be competitive, PT BBS performs efficiently in several matters including operating expenses. Operating expenses are from marketing costs, office staff costs, general costs, administrative costs, and depreciation costs. Usually related to head office expenses outside the *direct costs* associated with direct operational expenses.

3.3 Potential efficiency at *Direct Cost*

In a further exploration of why profits have declined since 2017, the focus of the discussion goes to *direct costs*. Direct costs consist of *food costs* (food materials, drinks, and used equipment) an average of about 50% of *direct costs*, then there is an element of *labor costs* around 40%, and elements of *field overhead costs* such as car rental, stationery (office stationery). , laptops, printers, and others about 10%.

The amount of *direct costs* is strongly influenced by the price of food and beverage supplies and materials used in the *food cost* element and the regional wages from site employees on the *labor cost* element. For *labor costs*, because they are related to regional wage levels, it is considered a *non-controllable* factor because it is a matter of compliance with Regional Regulations and it can be seen the size of the market in the area where the operation is concerned. Meanwhile, on the *food cost* factor, the price of material supply is fluctuating and is always a concern of PT BBS management every time the procurement process. Prices of foodstuffs such as *frozen food* or *dry goods* can rise high during seasons such as holidays or holidays, or when there are scarcity and transportation difficulties. If fluctuations and the method of purchasing goods can be improved, there will be potential cost savings.



Figure 5. Direct costs (*direct cost*) / Sales PT BBS (processed from the financial statements of PT BBS)

The current practice is that PT BBS cooperates with *suppliers* who send materials directly to the *site* in a cycle of 1-2 weeks. The advantage is that PT BBS does not need to own and operate *buffer storage*, but there is a disadvantage that when procurement will be affected by fluctuations in material prices and also purchasing goods with 1-2 weeks will be more expensive than buying directly a lot for a longer term for example 3 months. Another consideration in choosing a strategy, namely the supply of goods selection of *suppliers* large and *suppliers* locally. For large and cheaper quantities, it is usually obtained from large *suppliers* from big cities, while some *suppliers* are from local which can only be in small quantities. Well-controlled empowerment of local *suppliers* is considered to be able to provide benefits to operational control in *remote areas* which have an impact on *social costs*.

In the strategic decision analysis section, we discuss the selection analysis of two alternative material supply strategies. The first option is *direct supply* to the *site* by the supplier with a delivery frequency of 1-2 weeks as is the current practice, and the second option is to increase storage capacity at certain strategic points to get cheaper material prices. The decision analysis of the two options was carried out using the *Analytical Network Program* - ANP method.

3.4 The COVID-19 Pandemic Situation and Contractual Matters

An unexpected event that is very influential is the COVID-19 pandemic in 2020-2021. Sihombing (2020) state that Covid-19 pandemic caused everyone to behave beyond normal limits as usual. The outbreak of this virus has an impact especially on the economy of a nation and Globally (Ningrum, 2020). The problems posed by the Covid-19 pandemic which

have become a global problem have the potential to trigger a new social order or reconstruction (Bara, 2021). Companies must do extra and of course, higher costs to survive, such as limiting personnel in the workplace, workers having to test for COVID-19, schedule changes, sick workers, blocked suppliers, hard-to-find materials, and so on high cost. Covid19 on many contracts is not considered *force majeure*. Two parties, both caterers and customers, prefer to sit together and *adjust* each other's operations to be able to survive together through this pandemic.

Another thing that also affects the decline in profits is several *incidents* or *slippage* in the execution of the contract. This is situational but can lead to lower profits or even losses at some point. There is a change in the number of PoB (*personnel on board*) from what should be served by PT BBS to below the *break-even point* due to the changing situation of the client company in the field, or for example a sudden delay in the project schedule, while the contract with the client company does not specify a minimum number. or compensation for delays. *This incident* or *slippage* causes operational costs with billing values that are not as previously estimated which results in decreased income or even losses in some cases.

To survive, PT BBS needs to consider how to better manage unexpected things such as pandemics and contractual changes in formulating future strategies.

3.5 Target Market Choice: Oil and Gas vs entering the New Client Market for Mining Companies (Coal)

Referring to the identification of research problems that PT BBS needs to make a strategy to anticipate the estimated demand for *camp and catering services* in the *oil and gas* sector in the future will continue to decline, in line with the continued decline in *oil and gas* production. A rough estimate of production will drop drastically in 2026 and oil reserves in Indonesia will be very minimum around 2030. This forecast requires PT BBS to make a strategy going forward by looking at other sector markets such as clients in mining companies. Why go to a mining company, because PT BBS has experience in *oil and gas* operations in *remote* areas where coal mining operations are also available. If we look at coal production in Indonesia, it can be seen that the trend is increasing, as in Figure 6 Coal Production -Tons. (Source: Central Bureau of Statistics 2020. The market in the coal mining sector, for example, has a more labor-intensive workforce than oil and gas, so the prospect of catering services is also quite large. Although the market for client companies in the mining sector has a seemingly promising trend, penetrating this sector market is not an easy task. The standard of catering services at mining companies is lower than that of *oil and gas* so that the *entry barrier* is more open to many competitors. The margin per customer's head is also smaller. This requires special methods and skills that must be learned, properly designed, and prepared before actually entering the competition in this market segment.

Analysis of alternative strategy decisions to enter the market for new client companies in the mining sector versus fixed strategies in the *oil and gas* client company market is carried out in section decision Analysis Quantitive *Strategic Planning Matrix* - QSPM.



Figure 6. Coal Production -Tons
(Source: Central Bureau of Statistics 2020)

3.6 Strengthening Technostructure Organizational Functions

About the implementation of the strategy, PT BBS will strengthen organizational functions in the *technostructure* section. The desire of PT BBS is in line with the organizational design described by Henry Mintzberg 1979, that a good and effective organization will require a well-functioning *technostructure*.

The *technostructure* part according to Mintzberg is the part that serves the organization by influencing the work of others in the organization. This section is a *think tank* that is sometimes outside the operational workflow, but they may design the operation, modify/improve it, develop products or develop personnel.

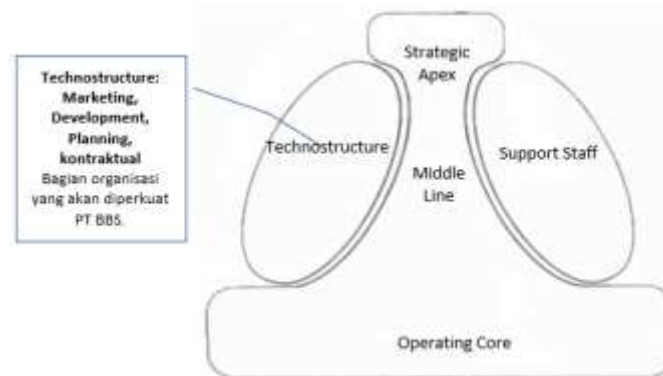


Figure 7. Adaptation of Mintzberg Basic Part Organization
(Source: Henry Mintzberg)

The strategic plan for strengthening the *technostructure* section by PT BBS is for functions such as marketing development, making a road map to study and pave the way to new markets in the next 2 years, internal development such as making evaluations and recommendations so that *direct costs* can be more efficient, product development a new service as an *add-on* to the *catering and camp service* that is currently running, *Strategic Planning* which is responsible for monitoring the implementation and evaluation of the company's strategic planning, as well as contractual mastery, namely learning from previous contracts, providing a standard *checklist* and *guidance* for contract implementation both from commercial and legal aspects that prevent the occurrence of *contract slippage*.

3.7 IFE Analysis – EFE Matrix

IFE and EFE Matrix analysis to determine the value of critical factors that exist in the internal and external of PT BBS. These factors are then mapped in the analysis quadrant so that a strategic planning step is decided to be taken. The preparation of factors starts from the *Internal Factor Evaluation* - IFE, then *External Factor Evaluation* - EFE, and then the ranking and weighting. The results of the formulation of the IFE – EFE Matrix are as follows.

3.8 Matrix Analysis of Competition Profile – CPM (Benchmarking)

Analysis of the *Competitive Profile Matrix (CPM)* is intended to identify the company's main competitors on the strengths and weaknesses of these competitors related to the company's competitive strategic position. For this analysis, two competitors have been selected from *catering and camp service* players who often meet during tenders in the *oil and gas* sector.

In the process of analyzing the CPM of PT BBS with its two competitors, important factors are applied that provide contextual constraints in *benchmarking*. Important factors for success in this *remote oil and gas* operational scope are service quality, competitive prices,

profitability, customer relations, *remote area* field operations, approach with local communities, supplier relations and service or product development. An important factor in the quality of the service in question is referring to the qualification requirements that must be met by bidders for *catering and camp service* services for oil and gas client companies. The competitive price factor and profitability will determine who is *the lowest bidder* who wins the auction and can still make a profit. While the success factors of *customer* relations, *remote area* field operational capabilities, approaches with local communities and supplier relationships will describe the ability to maintain operational continuity in *remote oil and gas areas*.

Table 4. *Competitive Profile Matrix of PT BBS*

		BBS		Competitor A		Competitor B	
Important success factors	Weight	Rating	Score Weight	Rating	Score Weight	Rating	Score Weight
Service quality	0.14	3	0.41	4	0.55	4	0.55
Competitive price	0.18	3	0.53	2	0.35	3	0.53
Service or product development	0.08	2	0.16	4	0.31	4	0.31
Profitability	0.14	3	0.41	2	0.27	2	0.27
Relationship with customer	0.12	4	0.47	4	0.47	4	0.47
Remote area field operations	0.12	3	0.35	3	0.35	3	0.35
Approach with local people	0.12	3	0.35	2	0.24	2	0.24
Relationship with Supplier	0.12	3	0.35	3	0.35	3	0.35
Total	1		3.04		2.90		3.08

Rating: 1=major weakness, 2=minor weakness, 3=minor strength, 4=major strength.

Weight= 0-1 scale, 0= not important 1= very important.

From the CPM analysis, it can be seen that the position of PT BBS is in second place at 3.04, the score is slightly below competitor B 3.08, and above competitor A 2.90. From these key factors in the context of oil and gas competition, PT BBS can compete well, especially in terms of profitability and the ability to carry out operations in remote areas. This is because BBS has a leaner and more agile organizational structure and has good field operational capabilities. The main disadvantage of PT BBS compared to its competitors is in terms of service and product development, as well as the level of service quality. This can then be used as input to make future strategies to be more sustainable.

3.9 SWOT/ TOWS Analysis

SWOT analysis is the identification of various factors systematically to formulate company strategy. This analysis is based on the logic that maximizes the strengths (strengths) and opportunities (opportunities), but simultaneously can minimize your weaknesses (weaknesses) and threats (threats).

Table 5. Matrix SWOT/ TOWS PT BBS

Strength 1. The highest leadership of PT. BBS has a very good network with the customer/ market. 2. The BBS head office management team is lean, agile/agile and multi-functional. 3. PT BBS's operating expenses are relatively low. 4. Already have a management system requirement that is quite good for the oil & gas market which is difficult for new low-cost players to enter. 5. Have experience on a long scale project of 4 years or a short 1 year or less. 6. Having operational experience in remote areas which is already very diverse; Jambi, South Sumatra, West Java, Kalimantan, Sulawesi	
Weakness 1. Lack of deepening & mastery of contracts, learning from several 'mistakes' of previous contracts which were not in favor of PT BBS. 2. Does not have physical facilities such as own kitchen/workshop & storage; kitchen/workshop for display, quality control, product development, training. storage: especially cold to maintain the stability of the price of goods. 3. Marketing is still dominantly held by the leadership, the marketing team has not performed the marketing function for long-term sustainability. 4. Business and product development has not been made or there is no special group that handles it. 5. Employee development for future competition is still limited. 6. Financial support compared to competitors is still limited.	
Opportunities 1. Oil & gas clients in the South Sumatra, Jambi, Surabaya, Balikpapan, Sulawesi areas have experienced the service performance of BBS & are considering it as an option in the tender. 2. The <i>oil and gas</i> market in the next few years will still enter a scale that can be handled, compared to competitors that are large-scale oriented because the operating expenses of PT BBS are relatively smaller. 3. Cooperation with existing suppliers with a good level of trust. 4. The BBS relationship that has been established is good with suppliers both material and labor in the area where it operates. 5. Development of services in the field of remote camp maintenance in bundling with catering & camp services	Threats 1. Competition in the oil & gas camp & catering service market with carrier companies, most of which are big players, such as PSU, Indocater, ACS, GDSK, PDC, etc. 2. The instability of food ingredients prices makes it difficult to predict the numbers when submitting tenders. 3. Pressure from local authorities to use resources, both labor and suppliers. 4. Possible entry of new players. 5. Customers are regulated by the tender system at SKKMigas which always emphasizes the lowest bidder, causing low price competition.

(laundry, house keeping).	
6. Opportunity to enter new market in mining.	

Furthermore, the strategies obtained from the results of the SWOT/TOWS analysis will be used to formulate a comprehensive strategy for PT BBS in the strategic planning process.



Figure 8. Position of PT BBS in Grand Matrix Strategy

3.10 Decision Analysis Quantitive Strategic Planning Matrix - QSPM

From the strategies derived from the SWOT/TOWS matrix, there are alternative strategies that require an analysis of which decisions are more priority to be carried out. Decision Analysis *Quantitive Strategic Planning Matrix* – QSPM in this case is used to formulate a more priority strategy choice. Two strategic options that must be decided as a priority are as follows.

- Alternative strategy 1: Continue to focus on marketing in the *oil and gas* market, especially in remote projects with good feasibility assessments (code: ContOnG).
- Alternative strategy 2: Entering new markets in mining catering which has a large potential in remote areas. (code: newmining).

In the process of analyzing the QSPM decision, the two alternative strategies are compared by giving an *attractiveness score* (AS) on external and internal key factors relevant to the choice of strategy, then multiplied into a *total attractiveness score* (TAS).). The results of the priority analysis of the strategic choices are described in the following table.

Table 6. Analysis of *Quantitive Strategic Planning Matrix* - QSPM PT BBS
Alternative Strategy: Continue to Focus on the Oil and Gas Market Vs the New Mining Market

		Weight	Alternative strategy			
			1:ContOnG		2:newmining	
Key Factors Opportunities:			US	BAG	US	BAG
1	Oil & gas clients in the South Sumatra, Jambi, Surabaya, Balikpapan, Sulawesi areas have experienced the service performance of BBS & are considering it as an option in the tender.	0.14	3	0.407	2	0.271

2	The oil & gas market in the next few years is still on a scale that can be handled by PT BBS.	0.12	3	0.356	2	0.237
3	Cooperation with suppliers with a good level of trust.	0.10	3	0.305	3	0.305
4	PT BBS has a good relationship with local suppliers, both material and labor in the operating area.	0.08	2	0.169	2	0.169
5	Development of services in the field of remote camp maintenance in bundling with catering & camp services (laundry, house keeping).	0.10	3	0.305	2	0.203
6	Possibility of developing new markets in mining and manufacturing.	0.05	2	0.102	3	0.153
Threats:						
1	Competition in the oil & gas camp & catering service market with caterer companies, most of which are big players, such as PSU, Indocater, ACS, GDSK, PDC, etc.	0.12	3	0.356	2	0.237
2	The instability of food ingredients prices makes it difficult to predict the numbers when submitting tenders.	NA	-	-	-	-
3	Pressure from local authorities to use both labor and material resources.	0.07	2	0.136	1	0.068
4	Possible entry of new players.	0.03	3	0.102	1	0.034
5	Customers are regulated by the tender system at SKKMigas which always emphasizes the lowest bidder, causing low price competition.	NA	-	-	-	-
Total		1.00				
Strength:						
1	PT. BBS has a very good network with the customer/ market.	0.10	4	0.384	2	0.192
2	The BBS head office management team is lean, agile/agile and multi-functional.	0.12	3	0.370	3	0.370
3	Operating expenses of PT. BBS is relatively low.	0.11	3	0.329	2	0.219
4	Already have a management system requirement that is quite good for the oil & gas market which is difficult for new low-cost players to enter.	N/A	-	-	-	-
5	Have experience on a long scale project of 4 years or a short 1 year or less.	0.11	3	0.329	2	0.219
6	Having operational experience in remote areas which is already very diverse; Jambi, South Sumatra, West Java, Kalimantan,	0.08	4	0.329	4	0.329

	Sulawesi					
	Weaknesses:					
1	Lack of deepening & mastery of contracts, learning from several 'mistakes' of previous contracts which were not in favor of PT BBS.	0.10	2	0.192	2	0.192
2	Does not have physical facilities such as own kitchen/workshop & storage; kitchen/workshop for display, quality control, product development, training. storage: especially cold to maintain the stability of the price of goods.	0.05	2	0.110	2	0.110
3	Marketing is still dominantly held by the leadership, the marketing team has not performed the marketing function for long-term sustainability.	0.08	3	0.247	2	0.164
4	Business and product development has not been made or there is no special group that handles it.	0.04	2	0.082	2	0.082
5	Employee development for future competition is still limited.	NA	-	-	-	-
6	Financial support compared to competitors is still limited.	NA	-	-	-	-
	Total	1.00		4,607		3,555

From the QSPM analysis, it was found that the *total attractiveness score* – TAS continued to focus on marketing in the oil and gas market of 4,607, bigger than TAS for marketing in the new mining market of 3,555.

The results of this analysis are obtained from discussions taking into account the current situational conditions. The results of the QSPM show that the strategic alternatives that are prioritized are focusing on marketing and providing resources to continue to the market for *oil and gas* companies. While the alternative strategy to enter the mining market is a lower priority, with a note that it will still be carried out in a longer period of time by forming a team that can pave the way with proper feasibility calculations. The discussion also conveyed the possibility of needing to re-analyze the future period with the developing situation.

3.11 Analytical Network Process Decision Analysis - ANP

From the strategies generated in the SWOT/TOWS matrix, there are alternative strategies that require an analysis of which decisions are more prioritized to be carried out, related to the availability of resources and the focus of the work team. Two strategic options that must be decided as a priority are as follows.

- Strategy Options I: Cooperation with material suppliers for *direct supply* to the site where PT BBS operates, with a delivery cycle of 1-2 weeks.
- Strategy Option II: Make additional storage capacity for *frozen food and dry goods* at certain strategic points for 3 months so that the price of ingredients is cheaper.

Analysis of this strategic decision is carried out using the *Analytic Network Process* – ANP. This ANP method is suitable because these two options have elements that influence

each other. Saaty (1999) explains that ANP is a general theory of relative measurement that is used to obtain a composite priority ratio scale from an individual ratio scale that represents a relative measurement of the effect of interacting elements with respect to control criteria. The elements in the ANP analysis here are *social, operational and cost benefit* criteria . The ANP analysis was carried out using the *superdecision* software from Prof. Saaty, by processing the input from the FGD.

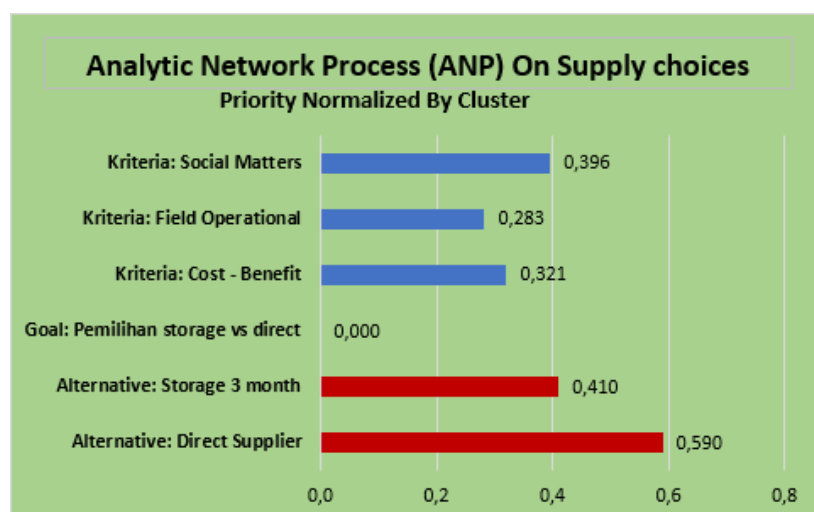


Figure 9. ANP Analysis Selection of Additional Strategy for Storage Facility vs Direct Supply

The results of the ANP analysis show that the strategy that fits the current conditions is more of a priority with the *direct supply* strategy than the strategy choice of making additional *storage facilities*.

3.12 Strategy Formulation Stages

From the results of the analyzes that have been carried out in the context of making strategic plans, with the results of the analysis of the I/E matrix, grand strategy matrix, SWOT/TOWS matrix, CPM, ANP and QSPM, then a comprehensive strategic plan is drawn up which is divided into two short-term periods and long term.

Table 7. Action plan – Target in the *Balanced Score Card* (BSC) PT BBS

Balanced Scorecard		
Perspective	Action Plan	KPI size or target
Financial	Maintain monthly-annual sales by maintaining performance and offering to the customer activity calendar.	Stable sales with a minimum total of 210 billion Rupiah per year.
	Direct cost efficiency with good quantity quality control supply from suppliers.	Minimum gross profit of 15%. Invoice process maximum 30 days per month.
Customers	* Maintain service delivery according to the standards required by the contract. * Maintain good communication relationship with customers.	* KPI service acceptance 85%. * Monthly meetings with customers to discuss performance and improvement ideas.

	* Promote the performance of PT BBS to customer candidates in oil and gas projects.	* Marketing to projects minimum tender 5 times per year.
	* Promote proposals for <i>bundling catering and camp services plus camp maintenance</i> for lower total costs.	* 15 sessions of proposal bundling camp catering service plus maintenance to selected candidates in year 1 & 2.
Internal	High standard company operations with <i>leadership assurance</i> by middle & top management.	* Management visibility to the target site 4 times annually. * Annual audit of ISO standard no significant findings.
Learning	Strengthening the <i>technostructure</i> organizational part in the field of marketing and development, with a focus on: o Contract control, learning from previous contracts. o Marketing assessment in the mining area. o Service excellence: training, standards. o Cost optimization.	* re-instatement technostructure team. --> 1st year
		* Standard commercial & legal checklist for contract bidding that guarantees no contract slippage. --> 2nd year.
		* Road map and assessment results of service contracts to mining company areas. --> 2nd year of initial road map, 3rd year of pilot project.
		* Service performance evaluation and recommendations for excellence --> yearly.
		* Cost optimization program ie additional storage capacity in strategic places--> year 2 & year 3 execution.
	Entering a new market in mining catering which has quite a large potential in remote areas.	The pilot project entered the catering service of a mining company (ie coal). --> 3rd year. Establish in new market in 4th year.
	A clear CSR program with local authorities for minimum social costs.	minimum <i>unrest</i> from local community.

IV. Conclusion

This research is to answer the research objectives, namely to analyze and make short-term and long-term strategic plans for the company, which are as follows.

- PT BBS's position is in the hold and maintain quadrant which still has growth potential . It is recommended to concentrate on horizontal integration, continue to improve on its internal sides in order to remain competitive in the market.
- Compared to two competitors in the context of competition in the oil and gas catering service remote area market, PT BBS is in second place with a score of 3.04, slightly

below competitor 1 with a score of 3.08, and above competitor 2 with a score of 2.90. The key factors for PT BBS to compete well are in terms of profitability and the implementation of operations in remote areas. While the shortcomings of PT BBS compared to its competitors are in terms of service and product development, as well as the level of service quality.

- Strategic Position and Action Evaluation (SPACE) PT BBS is in the 'conservative' quadrant. The short term strategy is suggested to conservatively maintain performance in the old market but be prepared to enter new markets and develop service products in the long term with careful feasibility calculations. Aggressive action options are not recommended in the short term.
- Grand Matrix Strategy PT BBS in quadrants with general strategies of market development, market penetration, product development, forward or backward or horizontal integration and related diversification.
- A more priority market focus strategy in the short term is to continue in the catering market for oil and gas companies . Meanwhile, the strategy to enter new markets such as mining companies must still be carried out in a longer period of time by forming a road map formulation team with the right feasibility.
- The strategy for material supply that is more prioritized in the short term is direct supply from vendors directly to locations. Meanwhile, the alternative strategy of adding a buffer storage facility to streamline direct costs must still be considered for technical review in the long term.

The resulting strategies are then structured into two part-time implementations, namely the short-term strategy of 1-2 years and the long-term strategy of 3-5 years. From these strategies, targets are then set with key performance indicators – KPIs and action plans in four Balance Score Card – BSC perspectives, namely Financial, Customer, Internal process and Learning perspectives . With the targets, action plans and score cards , it is hoped that PT BBS will have clear and formal strategic steps guidelines, with performance measures and periodic evaluation cycles for sustainable long-term operations.

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