



THE PLANNING MODEL OF APPLICATION TO INCREASE THE PRODUCTION ON THE FURNITURE BUSINESS

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Abstract

This research is based on the importance of planning in the world of business, especially in terms of production which of course will not be separated from a considerable expense. With planning, the company can figure out the amount to be produced, whether it is too large or too low. If in production there are deviations from the predetermined plan, it will be costly to the company concerned and the use of high costs in the production stage will disserve to the company. This research is qualitative research that aims to find out and explain the planning carried out in the Furniture Business in 2021. The purpose of this study is to describe how the implementation of Furniture Business planning, increase production. The result of this research is that the Furniture Business in the production of goods has planned as before, it can be proven in 2021 in the sales budget for One Package of Living Room Chairs which will be carried out in 2021, with a sales plan of 47 units and a sales budget of Rp. 94.000.000. As for the wardrobe sales budget which will be carried out in 2021, with a sales plan of 43 units and a sales budget of Rp.38.700.000, based on estimation results using three production approaches, that emphasize the stability of production, prioritizing inventory stability, and the combination of inventory and production levels fluctuating at certain limits. Furniture business for the final result is still an optimum balance between the level of production and the supply of inventory levels

Keywords: Planning, Production Budget

INTRODUCTION

In the world of business, planning is needed, especially for a business that starts from a small business and develops into a massive business. With the development of a business, the effort the progress everything is necessary to plan.

According to Handoko (2011:78) planning is the selection of a set of activities and the subsequent decision on what to do, when, how, and by whom. So a plan is needed in carrying out activities especially in the business sector. According to Siswanto (2005:44) planning has a function that must be known by a manager, namely being able to determine the role faced by the organization in the future, being able to connect the organization with various environmental systems, evaluating and estimating what needs can be met by the organization. organization. For this reason, a manager must first know the planning function, because the planning function has very close relationships with decision-making.

In this study, researchers want to examine the planning and controlling of production in the Furniture Business. Furniture is a primary need that is consumed by the community, especially in households, offices, hotels, especially boarding houses. As a primary need, humans like it or not they have to fulfill it. With the demand of the community in meeting their growing needs, the furniture business is required to be able to produce in large quantities, but in reality, the Furniture Business for three years has a declining tendency.

So with proper planning, Furniture Business is expected to be able to continue to increase the amount of its production. In consequence, based on the above description, the authors are interested in researching with the title: The Planning Model of Application To Increase The Production On The Furniture Business.

Based on the background of the description, it can be formulated regarding the formulation of the problem: How is the implementation of the planning functions performed by the Furniture Business in the capacity to increasing production?

According to Hafidhuddin and Tanjung (2003:77), planning is the initial activity in a job in the form of thinking about things related to the work to get optimal results. In consequence, planning is a necessity, a necessity in addition beside a need. Where everything requires planning.

Meanwhile, according to Hasibuan (2017: 91) planning is a basic function of management, because organizing, staffing, directing, and controlling must be first to be planned. Planning is aimed at a future full of uncertainty, due to changing conditions and situations. According to Handoko (2011:78), one of the important aspects of planning is decision making, the process of developing and selecting a set of activities to solve a particular problem. Decisions must be made at various stages in the planning process.

From the explanation above, it can be seen that some of the objectives of planning are so that a manager can plan before doing an activity at work so that the work can be more effective and efficient.

According to Kotler (2016:390) the main benefits of planning are:

1. Encouraging a systematic forethought pattern for all management.
2. Leads to the coordination of better company activities.
3. Encouraging the improvement of performance standards for control purposes.
4. Train the executives in sharpening the formulation of company goals and policies.
5. Make the companies more prepared for sudden developments.
6. Make executives have a more dynamic sense and attitude in assuming interrelated responsibilities.

With planning, leaders can study the problems, situations, and conditions in the past, present, and can predict the future. From there a company so that will never experience the problems that have existed before.

According to Gunawan Adisaputro in Haruman and Rahayu (2007:3), the budget is a formal and systematic approach rather than the implementation of management responsibilities in planning, coordination, and supervision. While the management process by Welsch and Hilton (2000:1) can be explained as follows:

1. Develop a plan to provide guidelines (planning).
2. Develop structured a work organization which is the division of authority and the division of responsibilities for the personnel (employees) of the company (organizing).
3. Guiding, giving instructions, and directing employees (directing).
4. Creating harmonious coordination and cooperation among all parts of the company (coordinating).

5. Supervise the work of employees in realizing what is stated in the company plan that has been established (controlling).

The relationship between the budget and management is that the budget can assist management in managing the company. Management must make decisions that are most beneficial to the company, such as choosing goods or services to be produced and sold, selecting or selecting customers, determining price levels, production methods, distribution methods, sales terms.

So the main function (usability) of the budget is as a working guideline, as a work coordination tool, and as a work monitoring tool. When compared to these management functions, seem that the budget has very close relationships with management, in particular related to the preparation of the plan (planning), coordination of work (coordinating), and oversight of the work (Controlling). Accordingly, it appears that the budget is a management tool to help carry out its functions.

According to Haruman and Rahayu (2003:57), the production budget is a separate plan regarding the number of units of goods to be produced by the company during the coming period, which includes plans for the type (qualitative) of goods to be produced, the amount (quantitative), and the time (when) the product will be carried out. So a company must do a budget first before doing production to know the type and amount of goods to be produced.

According to Haruman and Rahayu (2007:58), a production budget is a tool for planning, coordinating, and controlling production activities, so that the purpose of preparing a production budget is 1) Supporting the activities of the sales department, so that goods can be available as planned, 2) Maintaining an optimum supply level, 3) Regulating production in such a way that production costs are minimized.

The benefit of production for an entrepreneur or businessman is to know how much inventory must be prepared before holding sales activities. Beyond that, usually, an entrepreneur in producing more minimizes the costs that will be incurred.

According to Haruman and Rahayu (2007:58), the factors that influence the size of the number of goods that must be produced by the company during a certain period are:

1. The number of items that have been planned for sale, as stated in the sales budget
2. Factory machinery and equipment capacity
3. The workforce that is owned related to quality and quantity
4. Stability of raw materials and working capital owned
5. Warehouse facilities

In general, a sale is not always the same, with the factors that affect the budget, the usefulness of planning for a leader is to be able to find out how much the budget must be spent in 1 (one) year.

METHOD

This type of research is qualitative research using the descriptive method. According to Kirk and Miller (1986:9) in Moleong (Revised Edition,4), a qualitative approach is a particular tradition in social science that is fundamentally dependent on human observations both in its area and in its terminology.

So from the exposure above, it can be concluded that qualitative research must be carried out using direct observation of the phenomena that are happening. In qualitative research, a researcher usually uses observations, interviews, and document reviewers.

While this research uses the descriptive qualitative method. Qualitative descriptive is research conducted by studying problems or phenomena that occur in the community and then analyzed using existing methods and interpreted in the form of sentences or statements based on the data obtained. The location of this research was conducted in Pd. Furniture. The address is in the Serang City area from January to March 2021.

According to Hasan (2002:83), data collection is the recording of events or things or descriptions or characteristics of some or all elements of the population that will support or support research.

This study used several data collection techniques, namely Observation, Interview, and Documentation. According to Arikunto (2019:206), documentation is a method used to find data about things or variables in the form of notes, transcripts, books, newspapers, agendas, and so on. The advantage of user documentation is that it is relatively inexpensive, time and energy-efficient. Data collected using document techniques tend to be secondary data, such as data collected by observation, interviews, questionnaires, primary data, or data directly obtained from the first party.

In this study, data processing was carried out using qualitative data analysis methods. That is an analysis that does not use mathematical models, statistical and econometric models, or certain other models. The data analysis carried out is limited to data processing techniques, such as checking data, in this case just reading the available tables, graphs, or numbers, then doing descriptions and interpretations.

Qualitative data analysis is an effort made by working with data, organizing data, sorting it into manageable units, synthesizing it, looking for and finding patterns, discovering what is important and what is learned, and deciding what to tell others.

From this understanding, it can be concluded that qualitative data analysis is the process of organizing, sorting the data and sorting the data into manageable units, then analyzing without using mathematical, statistical, or econometric models, and then deciphering and interpreting the data.

So the data analysis used in this study uses qualitative analysis, in which the data analysis process is carried out in stages, starting by examining all data obtained from various sources, including the results of interviews with furniture owners, which in the interview contains the process of making furniture. , the beginning of production planning and until the production control issued by furniture. In addition to interviews, researchers also made direct observations at the location and understood documentation about furniture sales. The data that has been obtained is read and studied and analyzed. Then the next stage is to perform data reduction which is done by doing abstraction. Abstraction here is an attempt to make a summary of the core, processes, and statements that need to be maintained so that they remain in it. The next step is to arrange it into units which are then categorized in the next

step. The final stage of data analysis is to check the validity of the data, then proceed with the stage of interpreting the data and managing the results using qualitative data analysis methods

RESULTS AND DISCUSSION

A plan is very important in the business world and must even be considered carefully by a manager because if there is an error in planning it can fail in the business. Planning in the Furniture Business according to the leadership presented in the interview, namely: "Every production process must always be planned in advance, usually production planning is done by estimating sales that occurred in the past year as a reference for the coming year or depending on the number of buyer orders."

From the description of the interview, it can be concluded that the Furniture Business does planning before carrying out production activities. The plan is to estimate sales using the previous year's data as an estimate reference, then they prepare the materials and tools that will be used. To achieve this goal in the industrial world, it is very necessary to have planning and control that is summarized in a sales and production budget.

So in the business world, all the work or behavior that we will do and the words we will say must be planned, so that in this life we can get optimal results. Therefore, planning before carrying out production is an initial activity that must be considered in an entrepreneur as a form of thinking about things related to the business to get optimal results or planning is a necessity because with planning we can make a decision (decision-making). The process of developing and selecting a set of activities to solve a particular problem.

The details of furniture sales will be clarified in the table below, starting from 2018 to 2020, and will also present sales plans and realizations every month in each year for three years.

Based on research that has been carried out in the Furniture Business for three years, from 2018 to 2020, the data on the plan and realization of the sale of One Furniture Stair Chair Package in 2018 are as follows:

Table 1 Sales Plan and Actual Sales of One Seat Package for 2018-2020

Month	2018			2019			2020		
	Sales Plan	Sales Realization	Deviation	Sales Plan	Sales Realization	Deviation	Sales Plan	Sales Realization	Deviation
January	5	3	2	5	4	1	5	6	-1
February	4	3	1	5	3	2	4	3	1
March	4	4	-	4	3	1	4	3	1
April	5	4	1	4	4	-	5	6	-1
May	5	4	1	6	4	2	6	5	1
June	6	5	1	5	5	-	6	5	1
July	7	6	1	5	3	2	5	3	2
August	4	3	1	3	3	-	4	3	1
September	3	3	-	4	3	1	4	3	1
October	4	3	1	4	4	-	4	4	-
November	3	3	-	5	4	1	5	4	1
December	6	4	2	5	5	-	6	6	-
amount	59	48	11	55	45	10	58	51	9

Based on the above calculation, we can find out how many realized sales of One Chair Package per month in the Furniture Household Industry are so that by using the monthly sales realization data, this will be used as the basis for planning to determine how much production will be in the next period, namely in 2021. Because to plan what the level of sales in 2021 must be using sales data in the previous

year, namely sales data in 2018-2020 which is used as the basis for planning. The results of the average sales volume for 2018-2020 can be seen that the sales plan for 2021 is 47 units. With the following calculations:

$$\begin{aligned} \text{Average sales} &= (\text{total sales in 2018} + \text{total sales in 2007} + \text{total sales in 2020}) : 3 \\ &= (48 \text{ pieces} + 45 \text{ pieces} + 51 \text{ pieces}) : 3 \\ &= 47 \text{ pieces} \end{aligned}$$

Then from the sales plan of 47 units, a sales budget can be drawn up by multiplying the selling price of Rp. 2.000.000 per piece, one package of living room chairs which costs Rp. 2.000.000 is often in demand by customers because of its unique shape. Then the preparation of the sales budget for 2021 is calculated as follows:

$$\begin{aligned} \text{Sales budget} &= \text{number of sales plans} \times \text{selling price of One Living Room Chair Package} \\ &= 47 \text{ pieces} \times \text{IDR } 2.000.000 \\ &= \text{Rp. } 94.000.000 \end{aligned}$$

So from the above calculations, it can be determined that the sales budget for one package of living room chairs will be carried out in 2021, it can be seen that the sales plan is 47 units and the sales budget is Rp. 94.000.000

The plans and realization of the sale of the Furniture Home Industry Cupboard for 2018-2020 are as follows:

Table 2 Sales Plan and Realization of Home Industry Wardrobe Sales

BLN	2018			2019			2020		
	Sales Plan	Sales Realization	Deviation	Sales Plan	Sales Realization	Deviation	Sales Plan	Sales Realization	Deviation
January	5	3	2	4	3	1	5	4	1
February	4	3	1	4	4	-	4	3	1
March	4	4	-	5	3	2	3	3	-
April	5	4	1	4	4	-	3	3	-
May	5	4	1	5	4	1	5	5	1
June	6	5	1	5	4	1	6	5	1
July	7	6	1	5	3	2	7	6	2
August	4	3	1	4	3	1	5	3	-
September	3	3	-	3	3	-	3	3	1
October	4	3	1	4	3	1	4	3	1
November	3	3	0	4	3	1	5	4	1
December	6	4	2	4	3	1	7	6	
amount	56	45	11	51	40	11	57	48	9

Data Source: Furniture Industry Business. Processed

Based on the calculation above, it can be seen how many realized sales of chairs per month for three years, by using the realization data on monthly sales, it can be planned how many sales the following year, namely in 2021. Because to plan what the level of sales in 2021 must be using sales data in the previous year as a planning benchmark.

The results of the average sales volume of wardrobes in 2018-2020 can be seen that the wardrobe sales plan for 2021 is 43 units. With the following calculations:

$$\begin{aligned} \text{Average sales} &= (\text{total sales in 2018} + \text{total sales in 2007} + \text{total sales in 2020}) : 3 \\ &= (45 \text{ pieces} + 40 \text{ pieces} + 48 \text{ pieces}) : 3 \\ &= 43 \text{ pieces} \end{aligned}$$

Then from the sales plan of 59 units, a wardrobe sales budget can be prepared by multiplying the selling price of Rp. 90.,000, cupboards that cost Rp. 900,000 are often ordered by customers because their very simple and unique shape is very suitable to be placed in boarding houses. Then the preparation of the sales budget in 2021 with the following calculation method:

$$\begin{aligned}\text{Sales budget} &= \text{the number of sales plans} \times \text{the selling price of the wardrobe} \\ &= 43 \text{ pieces} \times \text{Rp. } 900.000 \\ &= \text{Rp. } 38.700.000\end{aligned}$$

So from the above calculation, it can be determined that the sale of wardrobes will be carried out in 2021, it can be seen that the sales plan is 43 pieces and the sales budget is Rp. 38.700.000

From the calculations for 2018-2020 in the sales of One Chair and Wardrobe Packages, it can be seen that every year the level of sales fluctuates, this is due to the uncertain economic factors that hit Indonesia every year. However, the ups and downs of furniture sales can be minimized by furniture craftsmen so that there are not too many deviations in sales that occur in the coming year.

Forecast The production budget projections for 2021 are based on the above budget calculations using three different approaches

The existence of sales budget forecasting carried out by Furniture, in the production process in 2021 is to find out how much budget must be spent by Furniture. Before calculating production stability, inventory stability, and the combination of inventory and production, it should be noted that the initial inventory was obtained from the difference in 2020 of 9 pieces, while for the calculation of the ending inventory it was obtained from the final calculation for December. The calculation method is for January the production plan is added to the known initial inventory, then it becomes a necessity. The need can be deducted by the sales plan, so it becomes ending inventory. This ending inventory can be used as beginning inventory for February. The calculation continues until December. Therefore, the final inventory can be found.

1.Furniture Business Production Plan With Production Stability Approach

The sales budget for 2021 is already known as explained above, the next step is to make a production budget. Before the production budget is carried out, the sales plan for 2021 can be seen first.

Based on the data obtained, it can be determined that the production plan to be carried out in 2021 is intended to determine the number of goods that the Furniture Business must produce in 2021. In addition to estimating the number of goods produced in 2021, the furniture business must also take into account the level of inventory of materials to be used at the beginning and end of each year.

The purpose of doing a production budget is to avoid wasting costs and time during production activities so that later with the existence of production budgeting, it is expected that there will be a maximum production. The calculation of the production plan using the production stability approach can be done. From the production plan of One Chair Package in 2021 it is 42 units, which can be explained how the calculation is as follows:

Production Overview of One Package Living Room Chair

2021 sales 47 pieces
Year-end inventory 4 pieces +
1 year requirement 51 pieces
Initial inventory year 9 pieces –
Quantity to be produced 42 pieces

Allocation

Production levels for each month are:

Production for 1 year is 42 pieces, while the monthly production is $= 3.5$ pieces when rounded to 3 pieces

If the monthly production is 3 pieces, then the shortfall is $42 - (3 \times 12) = 6$ pieces.

For the shortage of 6 pieces, it can be allocated to the months where the sales level is high, namely: March, April, May, June. For the method of allocation, usually in 1 (one) month, the Furniture Business produces 3 pieces of One Chair Package, but for March, April, May, June it tends to produce more than 3 pieces. This excess figure can reach 4, 5, 6 pieces, usually, this excess is adjusted to the high level of consumer demand. Because in March, April, May, June there are so many weddings. To build a household, household furniture is needed, such as a package of living room chairs to entertain guests. From the planned production of wardrobes in 2021 it is 40 pieces, which can be explained how the calculation is as follows:

Cabinet Production Overview

2021 sales 43 pieces
Year-end inventory 6 pieces +
1 year requirement 49 pieces
Initial inventory year 9 pieces –
Quantity to be produced 40 pieces

Allocation

The level of production for each month is: production for 1 year 40 pieces, while the production per month $= 3.33$ pieces when rounded into 3 pieces. If the monthly production is 3 pieces, then the shortfall is: $40 - (3 \times 12) = 4$ pieces.

For a shortage of 6 pieces, it can be allocated to the months where the sales level is high, namely: April, June, July. The method of allocation is usually in 1 (one) month the Furniture Business produces 3 cupboards, but for March, April, May, June they tend to produce more. This excess figure can reach 4 pieces, usually, this excess is adjusted to the high level of consumer demand. Because in March, April, May, June, many consumers order 2 door wardrobes. Where in these 4 months the number of new students who arrived in the city of Serang.

2. The Furniture production budget plan focuses on supply stability

In production, the second step is to prioritize inventory stability, where production must prepare supplies of raw materials or auxiliary materials that will be used in the production process.

Beginning of year inventory	= 9 pieces
Year-end inventory	= 4 pieces -
Differences	= 5 pieces

In the sale of the One Living Room Chair Package in 2021, there is a difference of 5 pieces, and the difference is allocated in March, April, May, June, and July. Because in these 5 months the number of requests has increased compared to other months. So that in other months the amount of inventory is reduced and allocated for March, April, May, June, and July.

Beginning of year inventory	= 9 pieces
Year-end inventory	= 6 pieces -
Difference	= 3 pieces

In the sale of the One Living Room Chair Package in 2021, there is a difference of 3 pieces, and the difference is allocated in March, April, May, and June. Because in those 4 months the number of requests has increased compared to other months. So that in other months the amount of inventory is reduced and allocated for March, April, May, and June.

Beginning of year inventory	= 9 pieces
Year-end inventory	= 6 pieces -
Difference	= 3 pieces

In the sale of the One Living Room Chair Package in 2021, there is a difference of 3 pieces, and the difference is allocated in March, April, May, and June. Because in those 4 months the number of requests has increased compared to other months. So that in other months the amount of inventory is reduced and allocated for March, April, May, and June.

3. The plan for preparing the furniture production budget by combining inventory levels and production levels fluctuates within certain limits.

In the level of inventory and production levels, although both fluctuate, at the level of sales, inventory, and production, efforts must be made to achieve an optimum balance. Even though inventory levels and sales levels fluctuate, the result is that there is still a balance between the two. For the 2021 production plan, the furniture craftsman business.

In the production plan for One Package of Living Room Chairs and Cupboards for 2021, although there are fluctuations between inventory levels and production levels, it can be seen in the table above for the final result, there is still an optimum balance. The meaning of the optimum result is that from the total of the three approaches, the final result is always the same. From obtaining optimum results, furniture craftsmen entrepreneurs have controlled the level of inventory and carried out planning before carrying out production

CONCLUSION

Based on the analysis that has been done above, it can be concluded that the furniture business planning application has been carried out by estimating the sales budget in 2021, namely the sales budget for one package of living room chairs that will be carried out in 2021, with a sales plan of 47

units and a sales budget of Rp. 94.000.000. As for the wardrobe sales budget which will be carried out in 2021, with a sales plan of 59 units and a sales budget of Rp. 56.050.000. However, the Furniture Business in production planning has not implemented forecasting using three production approaches, but if it is calculated based on the forecast results using three production approaches (prioritizing production stability, prioritizing inventory stability, and the combination of inventory levels and production both fluctuating at certain limits). certain), the Furniture Business for the final result is still an optimum balance between the level of production and the level of inventory.

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