

ANALYSIS OF BUSINESS DEVELOPMENT IN THE ROTI YULFA LABULANGO INDUSTRY TO REDUCE UNEMPLOYMENT

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ABSTRACT

The bakery industry plays a vital role in the Indonesian economy, particularly in absorbing labor and reducing unemployment. However, most research is macro-scale, thus under-representing the dynamics of micro-scale business development. This study aims to analyze the business development strategy of Roti Yulfa Labulango, its contribution to employment, and the challenges faced. The study used a qualitative approach with a case study design on Roti Yulfa Labulango, which has been operating since June 2019 on Jl. Bali, Pulubala, Kota Tengah, Gorontalo City, with one owner and six employees. Data were collected through in-depth interviews, production process observations, and operational documentation, then analyzed inductively and thematically. The results show that the bread product diversification strategy (pandan, peanut, chocolate, mocha, and banana), production scheduling, and clear task allocation increased production capacity, product quality, and workforce skills and stability. This business development was able to absorb direct and indirect labor, including local residents, thus contributing significantly to reducing local unemployment.

Keywords: Business Development, Bakery Industry, Unemployment

1. INTRODUCTION

The Micro, Small, and Medium Enterprises (MSMEs) industry in Indonesia has long been recognized as the backbone of the national economy. The bakery industry dominates nearly all business units in Indonesia and is known for its flexibility in absorbing labor across various business scales, from micro to medium. Because the capital and skills required are relatively affordable, the bakery industry provides opportunities for individuals who may not have access to formal employment in large companies, thus becoming an important alternative in equalizing employment opportunities and improving community welfare (Ismail et al. 2022).

Various empirical studies demonstrate that the bakery industry plays a strategic role in absorbing labor and reducing unemployment. For example, Chairun Nissa et al. (2023) stated that the bakery industry consistently contributes the most to job creation, particularly for informal workers, women, and communities in rural areas. Furthermore, research by Agung Nugraha & Evi Sofiati (2022) found that the bakery industry provides more than 60% of total employment opportunities, despite facing infrastructure and skills limitations. These study findings confirm that developing the bakery industry is not simply a matter of increasing business units, but also of businesses' capacity to significantly absorb labor.

However, most of the literature is macro and general, discussing the bakery industry in aggregate at the national or provincial level. For example, Nirwan et al.'s (2021) study in Palopo City showed a significant negative relationship between the number of bakery industries and unemployment and poverty rates in the 2016–2020 period. However, the study failed to explore business characteristics, development strategies, or the specific challenges of each small business unit. This creates a research gap: the need for more in-depth studies at the micro and contextual level to understand how specific business development can impact employment and unemployment reduction.

Based on this gap, this study will focus on the home-based bakery industry, Roti Yulfa Labulango, with the hope of providing empirical evidence on the concrete role of the micro-scale bakery industry in addressing local unemployment. Thus, this research is expected to address the gap in the overly general literature and provide a concrete picture of home-based businesses and their contribution to employment (Raja Putra Kiswandi et al. 2021).

The research questions are as follows: first, what are the business development strategies and efforts undertaken by Roti Yulfa Labulango, including those related to production, management, distribution, and capacity building? Second, to what extent does this business development contribute to employment and unemployment reduction in the local area? Third, what are the challenges and obstacles faced in developing small businesses to ensure they can play an optimal role in job creation?

This research is highly relevant, particularly in the context of efforts to address unemployment in rural areas or small towns, where access to formal employment is often limited. According to Ismail et al. (2022), analysis of specific business units can reveal effective micro-enterprise development models that can be replicated in other areas with similar characteristics.

Furthermore, this research provides empirical evidence for local policymakers on the importance of supporting and strengthening the micro-bakery industry to maximize its potential for employment. This aligns with the findings of Chairun et al. (2023), which confirm that the bakery industry contributes significantly to employment and unemployment reduction, particularly in the informal sector.

From an academic perspective, this study enriches the literature with contextual and operational data, complementing previous research that tended to be aggregate and macro-based. This research is expected to provide practical recommendations for businesses, the government, and other stakeholders to increase the capacity of the micro-bakery industry, particularly home-based businesses like Roti Yulfa Labulango, so that they can contribute more significantly to reducing unemployment and improving community welfare..

2. RESEARCH METHOD

This research uses a qualitative approach with a case study design, focusing on Roti Yulfa Labulango as the unit of analysis. The research location is on Jl. Bali, Pulubala, Kota Tengah, Gorontalo City, where the bakery has been operating since June 2019. The organizational structure consists of one owner (boss) and six employees, and it produces several bread variants, including pandan, peanut, chocolate, mocha, and banana. The case study approach was chosen to allow the researcher to explore the internal dynamics of the business in depth, including business development strategies, production processes, workforce management, and the impact on employment and the potential for reducing unemployment in the local area. Therefore, data was collected through qualitative techniques: in-depth interviews with the owner and employees, observations of the production process and business activities, and operational documentation (production records, work schedules, workforce structure, and historical business data since 2019).

Data analysis was conducted inductively through the stages of data reduction, data presentation, and conclusion drawing. Data from interviews and observations were transcribed and then reviewed thematically to identify patterns, strategies, and the relationship between business development and employment. Operational documentation was used to complement and verify informants' narratives, resulting in a holistic understanding of the case. This approach aligns

with qualitative case study research guidelines, where the researcher serves as the key instrument, and social reality in its natural context becomes the primary focus of analysis (Elva, 2025).

3. RESULT AND DISCUSSION

Yulfa Labulango Bread Business Development Strategy

Business development strategies in the context of small businesses encompass efforts undertaken by business owners to expand production capacity, improve operational efficiency, expand markets, and strengthen business sustainability so that the business not only survives but also grows and absorbs labor. This strategy encompasses aspects of production, management, distribution, product innovation, and human resource management. Statement based on an interview with the Owner (Boss):

"Since this business was founded in 2019, we have wanted to maintain traditional bread, but we also wanted to be competitive. So, we developed variants: pandan, peanut, chocolate, mocha, and banana bread, to provide a wider choice and cater to different tastes. We schedule production twice daily, morning and afternoon, to ensure the dough is always fresh and we can meet daily demand. We also divide tasks among our six employees to ensure specialization: one bakes, one wraps, and one handles quality control."

The owner's statement indicates that Yulfa Labulango Bread actively implements product diversification and operational management strategies to increase competitiveness and production capacity. Diversification (from different types of bread) allows the business to reach various consumer segments, such as those who prefer sweet flavors (chocolate, mocha), those who prefer unique flavors (pandan), or those who prefer fruity flavors (banana). Meanwhile, the division of tasks and production schedules demonstrate a more streamlined operational structure, enabling production efficiency and continuity. Furthermore, employee interviews

"With several bread varieties, we have more freedom to divide tasks. Sometimes I bake pandan bread in the morning, then in the afternoon I help pack banana bread. This adds variety to the work, and we learn many different techniques. Since having a fixed schedule and division of tasks, the workload feels more structured. We also feel a sense of responsibility, so production and quality remain consistent."

Interviews with the owner and employees indicate that Roti Yulfa Labulango's primary business development strategy is product diversification and operational management with a clear task structure. This diversification allows the business to avoid relying on a single product type, so that when demand for one variety declines, other varieties can support revenue. This is especially important for home-based or micro-scale businesses like Roti Yulfa Labulango to maintain business stability and sustainability.

Furthermore, the division of tasks and regular production scheduling demonstrate that, despite the small scale of the business, internal management is well-organized. A clear work structure helps maintain production quality, expedites processes, and facilitates coordination among employees. This system demonstrates that even small-scale bakery industries can adopt systematic management practices, rather than simply unstructured informal production, and thus can be considered productive and sustainable businesses.

From a labor perspective, this strategy also benefits employees: work becomes more structured, task variety allows for skill development, and business continuity provides hope for job stability. Thus, Roti Yulfa Labulango's business development strategy not only impacts bread output but also the quality and continuity of employment opportunities—an important aspect when discussing the bakery industry's role in reducing unemployment at the micro level.

Several studies support that business development strategies (through product diversification, capacity building, and internal management) in small and medium-sized enterprises have a positive impact on employment absorption and business sustainability. For example, research by The Role of MSMEs in Local Economic Improvement and Labor Absorption in Indonesia shows that the MSME sector plays a crucial role in advancing the local economy and absorbing labor, especially in rural and suburban areas, when businesses are accompanied by access to capital, policy support, and capacity building (Kurniadi et al 2023). Similarly, a study by The Impact of Bread Industry Development on Labor Absorption and Community Income in Malino Nature Tourism, Gowa Regency found that the development of the bread industry through observation, interviews, and documentation had a real effect on local labor absorption, even though the business faced various

obstacles. This is relevant to the method and context of case studies such as Roti Yulfa Labulango (Ramadhan et al 2024).

From a social theory perspective, for example, sociologists like Émile Durkheim's perspective, micro-enterprises at the community level, such as Roti Yulfa Labulango, can be seen as a manifestation of organic solidarity in modern society: individuals work together through a division of labor to achieve common goals, creating interdependence, and strengthening social bonds economically. The work structure and task specialization in these small enterprises demonstrate that, despite their small scale, a division of labor approximating the characteristics of collective labor in modern society exists, which, according to Durkheim, ensures social cohesion and community sustainability. Furthermore, by absorbing local labor, these enterprises help reduce dependence on migrant labor or unemployment, thereby maintaining social and economic stability within the community.

Contribution of Business Development to Employment Absorption

The contribution of business development to employment absorption refers to a business unit's ability to provide employment opportunities for the surrounding community. In the context of the bakery industry, this contribution includes not only direct job creation (permanent or casual employees) but also indirect employment, such as raw material suppliers, distribution, and support services. Successful business development typically has a positive impact on job stability, workforce skills improvement, and a reduction in local unemployment rates. The owner's statement reads:

"Since we added bread varieties and reorganized our production schedule, we've been able to hire six full-time employees. Previously, we only had three. With this addition, we can cover all stages of production, from baking and packaging to quality control. Sometimes, local residents even help fulfill large orders. We want this business to be a stable source of income for our employees, so each employee has a specific role and knows their responsibilities."

The owner's statement indicates that business development, both through product diversification and operational restructuring, directly increased the business's capacity to absorb labor. The increase in employees from 3 to 6 demonstrates the tangible impact of this business strategy on local employment opportunities. This aligns with the concept that the bakery industry can play a significant role in reducing unemployment at the micro level. The employee interview continued:

"Since the business has grown, the work has become more structured, and we've learned more. In addition to baking bread, I also help with packaging peanut and chocolate bread. This has increased our experience and skills. We also feel more secure in our jobs as the business continues to grow. Some friends and neighbors who were previously unemployed now help out occasionally, especially when there are a lot of orders."

Interview results indicate that the development of Roti Yulfa Labulango has significantly contributed to employment. The addition of product variants and the adjustment of production schedules have allowed the business to expand production capacity while simultaneously employing more employees. This not only provides permanent employment but also opens up additional employment opportunities for the surrounding community, especially during times of increased demand.

Employees directly benefit from more structured work, improved skills, and income security. The variety of tasks in the production process helps them develop new skills and gain work experience, which in turn improves productivity and product quality. Thus, the contribution of business development is not only evident in the number of employees employed but also in the improvement of employee competency.

In addition to direct benefits to employees, this business also impacts the surrounding community through indirect employment opportunities. Raw material suppliers, local distribution, and occasional assistance from local residents are all part of the impact of business development. This demonstrates that micro-enterprise development strategies can generate multiplier economic effects and strengthen local socio-economic networks.

Several studies demonstrate the link between bakery industry development and employment. Research by Ramadhan et al. (2024) found that bakery industry development through product

diversification and increased production capacity significantly impacts local employment, while simultaneously increasing community income. Meanwhile, Kurniadi et al. (2023) emphasized that bakery industry development, particularly with sound internal management, can create greater employment and reduce unemployment in rural and suburban areas.

From Durkheim's theoretical perspective, business development that increases employment is an example of organic solidarity in modern society. A clear division of labor and interdependence between owners, employees, and the surrounding community creates stronger social bonds. With employment opportunities and an equitable distribution of responsibilities, communities become more economically and socially cohesive, reducing reliance on unemployment and fostering social stability in the local environment.

Challenges and Obstacles in Business Development

Challenges and obstacles in business development are the obstacles faced by bakery industry owners in running and expanding their businesses. These constraints can be internal, such as limited capital, production capacity, employee skills, or management, or external, such as market competition, fluctuating raw material prices, government regulations, and changes in consumer demand. Identifying these challenges is crucial for understanding business development limitations and implementing mitigation strategies. Interview with the owner (boss):

"Capital is our main constraint. Sometimes we receive large orders, but we have limited capital for raw materials. We also have difficulty adding production equipment because it is quite expensive. Competition with bread from other stores and online sellers is also a challenge. We must ensure consistent quality and taste to ensure loyal customers continue to buy our products."

The owner's statement indicates that Roti Yulfa Labulango's main constraints are limited capital to increase production capacity and market competition. Furthermore, limited production equipment limits the business's ability to expand and meet high demand. External challenges, such as competition with other bakeries, require the company to maintain product quality and innovation to remain competitive. Further employee interviews:

"Sometimes we are overwhelmed when orders are high because production equipment is limited, and we have to take turns baking. This makes us work harder. We want to learn new techniques to improve the quality of the bread, but training is rarely available. This makes it challenging for employees to develop as the business grows."

Interviews with the owner and employees indicate that internal constraints, particularly limited capital and production capacity, are factors that limit business development. This impacts the business's ability to increase production, add product variety, or hire more employees. Employees also feel the impact, especially when orders increase, requiring extra work and adaptation to limited equipment.

In addition to internal constraints, external challenges are also significant, such as market competition from other bakeries and online sellers. Roti Yulfa Labulango's strategy of maintaining quality, product consistency, and bread variety serves as a mitigation mechanism against market pressures. These constraints demonstrate that micro-enterprise development always faces limitations, making sound internal management and innovation key to maintaining business stability and growth.

Furthermore, limited training and employee skills development hinders human resource development. However, improving employee skills is crucial for production efficiency and product innovation. Therefore, internal and external challenges must be strategically managed to ensure business development continues and contributes to job creation and reduced unemployment in the local community.

Several studies confirm that internal and external constraints are critical factors in the development of the bakery industry. Research by Nugroho et al. (2022) indicates that limited capital, production capacity, and access to training are key obstacles to the development of the bakery industry in the food sector, impacting the ability to absorb labor. Meanwhile, research by Fitriani & Wibowo (2023) confirms that market competition and fluctuating raw material prices

are significant external barriers, necessitating product innovation and operational management strategies to maintain competitiveness.

From Durkheim's theoretical perspective, constraints and challenges in micro-enterprises can be seen as factors influencing organic solidarity in modern society. When businesses face internal and external constraints, interactions between owners, employees, and the surrounding community become more complex. An effective division of labor and community support help maintain social cohesion and local economic sustainability. Mitigation strategies for these constraints also reflect the adaptation of modern societies in maintaining socio-economic stability through cooperation and interdependence.

4. CONCLUSION

Based on research at Roti Yulfa Labulango, the implemented business development strategies, such as bread product diversification and a clearly defined production schedule with a clear division of tasks, have proven effective in increasing production capacity and competitiveness. This strategy not only expands product choices for consumers but also enables the business to manage operations more efficiently, maintain product quality, and create a structured work environment for employees.

The contribution of business development to employment is also clearly evident. Adding product variants and increasing production capacity allows the business to absorb more labor, both directly through permanent employees and indirectly through assistance from local residents when demand increases. Employees benefit from job stability, experience, and skill development, thus positively impacting local unemployment.

However, business development also faces various obstacles, both internal and external. Limited capital, production capacity, and access to training are internal barriers, while market competition, fluctuating raw material prices, and pressure from other businesses are external challenges. These obstacles require owners and employees to develop effective mitigation strategies, such as product innovation, systematic operational management, and employee skill development, to ensure the business remains competitive and sustainable.

From the perspective of Durkheim's social theory, micro-enterprises like Roti Yulfa Labulango reflect the organic solidarity of modern society. The clear division of labor and interdependence between owners, employees, and the local community strengthen social cohesion and economic sustainability. Thus, the development of micro-enterprises not only impacts the economy but also plays a role in maintaining social stability, improving the quality of life for local communities, and reducing unemployment in the surrounding area.

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