

BUSINESS DEVELOPMENT OF COMMUNICATION EDUCATION INSTITUTION OF SURABAYA, EAST JAVA

¹Puput Tri Kusminto, ²J E Sutanto*

Ciputra University Surabaya
INDONESIA

Email: ¹pr_institute@yahoo.com

ABSTRACT

This study is aimed at finding out feasibility aspects of the business development of communication education institutions in Surabaya, East Java. The present study discusses 5 aspects of feasibility study, they are legal aspects, environmental aspects, market aspects, management aspects and financial aspects. For data analysis technique, this study employed Five Force Models of Competition analysis, SWOT analysis, Marketing Mix (4P), Payback Period (PP) analysis, Net Present Value (NPV), Internal Rate of Return (IRR), Profitability Index (PI) , And scenario analysis.

Based on legal, environmental, market and management aspects it is declared eligible to be developed. With regard the financial analysis, the total investment required was Rp 371,700,000.00. In the pessimistic scenario analysis, the results obtained PP for 3 years 1 month, NPV of Rp 320.121.208,00, IRR of 17% and PI valued 1.9. In moderate scenario analysis, the result of 2 years, NPV of Rp 955.282.173,00, IRR of 49% and PI valued at 4.3. In optimistic scenario analysis, 1 year 7 months, NPV of Rp 1,475,351,583,00, IRR of 70% and PI of 6.4. Based on the feasibility assessment on the financial aspect, this business is considered to be feasible to develop in all three scenarios. Therefore, based on the aforementioned aspects in this study, this business is deemed to be feasible develop.

Keywords : business development, feasibility study, communication education, investment

INTRODUCTION

Every people must understand their personality before creating a communication to achieve the desired personality, in this case, we are expected to become a figure who are ready to be publicly launched. However, this is not something which is impossible, this is in accordance with the thought of Andrew McCarty, Ph.D in his book entitled “positive thinking” (2007), suggesting that positive thinking and giving the highest appreciation to ourselves is something very basic to increase personality.

Every people must feel lack of confidence to deliver a speech in public. Consequently, one perception emerges that to be a public speaker must have a basic skill or soft-skill. This unconfident feeling is affected by the lack of material mastery that will be delivered, status, appearance or intelligence of the interlocutors (audiences). Directly, this may cause depression

or nervousness. Thus, a skill or soft-skill is required in each individual as well as their potentials are just necessarily to be displayed.

In accordance with a study conducted by Anwar (2012), it is stated that around 85% of us are in unpleasant nervousness related with ability of speaking in public. For 15% up to 20% of college students particularly in Surabaya, this fear may weaken and disturb individual performance.

Almost every people feels anxiety to show up in public, whether in the form of class presentation, business presentation, or in case of performing an act in theater or drama, even many brave people are still haunted by anxiety while communicating in public.

The communication institutions serving as research for business development of PR Institute is Kiddos Learning Center which concentrates on public speaking class situated in Puri Surya Jaya Sidoarjo. Kiddos Learning Center is a communications institution. The owner establishes this communication institution because a lot of children facing difficulty to talk, in addition many parents who have difficulty in establishing communication with their children. This contribution of this institution to the world of children's communication education is highly significant. It also provides self-development and ethics training to its students. In addition, Kiddos Learning Center class is divided into 3 classes of stages of Kiddos, as early knowledge for your baby who wants to learn basic public speaking techniques from early age at kindergarten school age, Kiddos can be the right choice as a school supplies public speaking surabaya for Your sons and daughters with age between 4-6 years; Kids to enrich the knowledge of teenagers in the field of profession related to public speaking which is given for 7 - 12 years old, Teens class is aimed to mature the ability to speak students professionally with the age of 13-17 years.

LITERATURE RIVIEW

Basic Theory of Business Feasibility Study

A business feasibility study was conducted. According to Jumingan (2014:3) business feasibility study is a study of whether a project can be implemented successfully. While Sakka & Yuzak (2013:1) explained that business feasibility study is a study involving various aspects, whether market and marketing aspects, technical and technological aspects, financial aspects, social and cultural economic aspects, juridical (legal) aspects, Management, all of which can be used to make a decision whether a business is worth doing or not.

Legal Aspects

Rumokoy & Maramis (2014: 3) states that law is any rule that can be legally forced by an authorized institution. In this case, the legal aspects include type of business entity and the business license arrangement.

Services

The company does not only cover sale of tangible physical products and can be perceived in terms of its benefits, but also sells products that are not real with benefits which can be perceived in the form of telecommunication services, aviation services, banking services and so forth. Experts define services as defined by Fandy Tjiptono (2012: 17) that services are an activity, benefits, or satisfaction offered for sale.

SWOT analysis

Armstrong & Kotler (2013: 82) explains that SWOT analysis is an analysis conducted to observe external and internal marketing environment. Strengths include internal capabilities, corporate resources, and positive situational factors that can help a company to serve its customers and achieve company goals. Weaknesses include internal limitations and negative situational factors which may affect a company's performance. Opportunities (opportunities) is a good factor and trends existing outside the environment that can be utilized by the company.

Challenges (threads) are unfavorable external factors that may present and affect the performance of the company.

Market and Marketing Aspects

According to Sunyoto (2014: 37) market illustrates buyers and sellers are all involved in actual or potential transactions of goods or services offered. While marketing is a social and managerial process that makes individuals and groups obtain what they need and want through the creation and exchange of mutual products and value with others (Fahmi, 2014: 117).

Marketing strategy

According to Bygrave in the journal Mayhan Prathama (2014: 17) defines marketing strategy as a set of instructions and policies that are used effectively to match marketing programs with target market opportunities to achieve business goals. Simply, a marketing strategy basically shows how a marketing goal can be achieved. Meanwhile, according to Kotler & Armstrong (2010: 216) marketing strategy is an efficient strategy that serves to assist companies in providing value to customers and build customer loyalty relationship.

Based on the above opinion, it can be said that marketing strategy is a collection of policies that can be a market segmentation strategy, choosing the right target market, and developing supply value positioning.

Aspects of Management and Human Resources

Aspects of management learns anything related to management plans and business implementation that will run (Rangkuti, 2012: 5). Management plays an important role in a business, but they must also be supported by a good workforce by which a business can run in accordance with the system built, so that the control of business can be more efficient and easy to run

Organizational structure

According Kasmir and Jakfar (2012: 174) organization is a system of activities that coordinate from a group of people who work together to achieve goals under the leadership of leadership. The organizational structure describes the formal roles, procedures, monitoring mechanisms. Authority, and the process of collecting policies. The purpose of the organizational structure is that the work can be completed better with the division of tasks and jobs.

Financial aspect

The financial aspect is an aspect used to assess the company's overall finance. From this aspect it is illustrated clearly any issue related to corporate profits, so it is one of the most important aspects to examine feasibility (Kasmir and Jakfar, 2012: 85). Those included into financial aspects are type of business costs, type of business capital, cash flow.

Investment Feasibility Analysis

There are several methods that can be used in analyzing and assessing investment feasibility. According Sunyoto (2014: 15) there are several methods that can be used as follows:

1. Break Event Point (BEP)
2. Payback Period (PP)
3. Net Present Value (NPV)
4. Internal Rate of Return (IRR)

For the data analysis in this research, the methods used are PP, NPV, IRR, and PI. So the method to be explained in the present study is only about the analysis of PP, NPV, IRR, and PI

Risk Analysis

According to Rangkuti (2012: 12), risk analysis is conducted to determine the possibility that will occur to the results of the analysis of a business project. In this research the risk analysis used is scenario analysis.

Scenario analysis is a risk analysis technique in which the best case and worst case outcome assessment is compared for one type of business performed. The scenarios used are divided into three possibilities, namely pessimistic scenarios, moderate scenarios, and optimistic scenarios.

RESEARCH METHODS

The research approach used in this research is applied research. Applied research deals with applications and theories to solve problems. Silalahi (2011: 23) explains that applied research is an investigation of one particular problem to find solutions that can be implemented for problem solving or to help make a good decision. There are three examples of applied research, namely evaluation research, research and development, as well as action research. The present study uses the type of research and development. Research and development is one aimed at developing a product so that the product has a higher quality (Kuncoro, 2013: 7). This research is expected to be a research material to analyze and develop business communication institution more broadly.

RESULTS AND DISCUSSION

Law

The establishment of a business entity can be easily maintained without using a 3rd party. In this case the communications agency only take care once business entity even later will open branch in other city. In this case, the management of this business entity is very easy and does not require large funds as well as does not burden the business owner.

Environmental Aspects

Site selection becomes a consideration in the business development process, in this case if the place or the environment used is inadequate then profit sharing can be done with other parties who have the environment and strategic place. In its development, kiddos learning center directly comes to the place where communication classes were held both at school and in which the event organizer holds the event in groups. This is done with an aim to deal with a place that is considered far and inadequate by the service user.

Services

At the beginning, this institution only offers classes of teaching and learning activities in place but over time the institute also provides services to fill training and workshop activities. This is to provide choice to prospective users of services to use the services of these communication institutions do not only come to the classroom but also can invite practitioners from existing communication institutions.

SWOT

Some weaknesses hindering the development of this business are:

1. The location of communication institutions entering into housing, so that only certain parties can reach. This can be tricked by providing private classes to both personal and group service users so as to facilitate the process of teaching and learning, but it can also be a way of profit sharing with other parties who have a strategic location and position so that it can be reached by users of The institutional services.

2. Teachers are hard to obtained due to the provided standard specified. This can be overcome by providing regular training so that the required human resources can be ready to use and have a positive contribution to the relevant institutions.
3. Lack of technology used. This can be overcome by budgeting funds to add equipment to support teaching and learning activities.

Market Aspects

Market segmentation was initially devoted only to children aged 4-17 years but in the future this institution will concentrate also for professional class which has an age range above 17 years. This is due to the demand and a good market share to be directed to the communication institution as a student. In addition, the market position not only as a provider of tutoring and teaching services but also as a communication consultant who can provide input for companies or other institutions that have public communication problems. Promotion is made by this institution not only through presentation and brochure, but also holding free trial class to prospective students but also also can make cooperation relation with internal party of school to be able to lead their students to this institution and by giving percentage to that party. Other things can also be done is that by holding a free seminar which can attract students in the free seminar activities about the functions and benefits of communication in the current era.

Management Aspects

This aspect of management has been determined to have their own roles and functions. But in its development, every division can make marketing freely to further optimize the results. For example, a teacher can also be appointed to give a presentation materials in front of prospective students or otherwise marketing is also equipped with the ability to teach to provide efficiency in the organization..

Financial aspect

To save the financial flow, it can be done by paying employees under the UMR (minimum allowance standard) for administrative and marketing personnel who have been trained, then every 3 months evaluation and revamping can always be conducted again. In addition, a contract is also conducted which in it explain that if a resign is decided then it must be informed 1 month earlier. To save the financing of human resources, they are recruited from SMK graduates. On the other hand, there is also an additional percentage cost given if the marketing is able to deal with related clients regarding the cooperation of the use of the service.

Conclusion

After conducting research and analysis on some aspects about business development of communication institute in Surabaya, East Java, hence we can draw some conclusion as follows:

1. Based on the analysis on the legal aspect, the established business will be in the form of cv or foundation, while the procedure for obtaining business license to establish communication education institution can be done legally. Thus, in the aspect of business, law is considered feasible to be developed.
2. Based on the analysis results of the business environment and industry structure, SWOT analysis of the strengths, weaknesses, opportunities, and threats is obtained by the company. In the SWOT analysis results, the result obtained was that the company is located in the first quadrant room A (first), namely growth quadrant with rapid growth strategy (fast growth strategy). Thus, on the aspect of the business environment, it is considered feasible to be developed.
3. Based on the analysis on the market aspect it shows that as many as 32.8% of students experiences moderate anxiety, 48.3% of students experiences high anxiety and 12.1% of

students experience very high anxiety in public speaking situations (Suwandi, 2013). The company has the potential for market development.

4. Based on the analysis of aspects of management and human resources, the organizational structure used is a simple organizational structure and self-managed by the owner who directly supervises their own employees. In this aspect the business is considered feasible.
5. Based on the financial aspects, the analysis uses Payback Period (PP) indicators, Net Present Value (NPV), Internal Rate of Return (IRR), Profitability Index (PI), and pessimistic, moderate, and optimistic scenario analysis, based on the results of the analysis , they show the results of the calculation of PP, NPV, IRR, and PI feasible on the three scenario analysis. Thus, the financial aspect of the business is considered feasible.
6. Based on all aspects that have been analyzed, the business is considered feasible to be developed..

REFERENCE

Fahmi,Irham. (2014) Studi kelayakan bisnis dan Keputusan Investasi. Jakarta: Penerbit Mitra Wacana Media

Jumangan. (2014) Studi kelayakan Bisnis Teori & Pembuatan Proposal Kelayakan. Jakarta: PT Bumi Aksara

Kasmir & Jakfar. (2012) Studi Kelayakan Bisnis Edisi Revisi. Jakarta: Kencana Prenada Media.

Kotler, P & Amstrong, G. (2013) Principle of Marketing. Upper Saddle River: Pearson

Kuncoro. (2013) Mudah Memahami dan menganalisis Indikator ekonomi. Yogyakarta : UPP STIM YKPN.

Rangkuti, Freedy. (2013) Teknik Membedah Kasus Bisnis Analisis SWOT Edisi Revisi. Jakarta: PT Gramedia Pustaka Utama

Rumongkoy, D.A & Maramis, F. (2014) Pengantar Ilmu Hukum. Jakarta: PT Raja Grafindo Persada.

Sakka, A. & Yuzak, E. (2013) Contoh-contoh Kasus Studi Kelayakan Bisnis. Jakarta: Penerbit Mitra Wacana Media.

Silalahi, U. (2011) Metode Penelitian Sosial. Bandung : PT. Reffika Aditama

Suliyanto. (2010) Studi Kelayakan Bisnis : Pendekatan Praktis. Yogyakarta : Penerbit ANDI

Tjiptono, F. (2012) Pemasaran Strategik. Yogyakarta : Penerbit ANDI