ABSTRACT

"The Effect of Internal and External Environment Of Business Performance In industrial knitted center Binong Jati Bandung"
By: Eva Muharomatil Arofah
Advisor: Dra. Rahma Wahdiniwaty. M.si

The research was conducted at the center of the craftsmen in small and medium industries (IKM) knitted center Binong Jati Bandung. Phenomenon that occurs is the presence of a free trade zone (AFCTA), where the imported products from other developing countries was grown in Indonesia so made the impact on small industries. One of the centers that directly affected by the policy of the AFCTA is IKM center Knitted Binong Jati Bandung wich have to compete with other cheaper imported products and quality. Other factors causing delays in the production of knitted center Binong Jati is the rising price of raw materials of wool, the increase in electricity tariffs, thus inhibiting the activity of the company. There are several strategies that can be done to increase the production process, for example, create a new knitted products in the design by adding fabric accents usual or add other acessories that the knitted product different from the others. Expand the area of distribution and marketing. But the craftsmen at the center of IKM knitted Binong Jati Bandung is not yet dared to internal and external environment on business performance.

The method used in this study is a method of qualitative (descriptive) and quantitative (verifikatif). The unit of analysis in this study are the craftsmen that existed at the center of IKM Knitted Binong Jati Bandung identity totaling 200 enterprises with a sample of 67 respondents. Statistical test used is the calculation of pearson correlation, regression analysis, correlation, coefficient of determination, hypothesis testing, and also use the aid program SPSS 19.0 For Windows Applications.

The results of the research showed that the internal environment in the center IKM knitted Binong Jati Bandung overall identity the criteria is enough to support While the influenced by other factors such as entrepreneurial spirit, innovation, motivation. Internal and external environmental influences have a positive and significant impact on business performance in small industrial centers and medium enterprises (SMEs) knitted Binong Jati Bandung. This means that the internal environment and external support, the higher the performance of its business

Keywords: Internal Environment, External Environment, the performance of the business