

Labor Development Strategy in the Bag Industry

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Abstract

The research aims to formulate strategies for improving the labor competencies in the bag industry in Kudus Regency. Population of this study is business players and then sample is collected with technique of random samples. Data is analysed using the SWOT analysis (Strength, Weaknesses, Opportunities, and Threats). The results showed that the proper strategy for improving employment in the bag industry is growth and build strategy. Growth and development strategy is intensive action undertaken through the development of labor competencies to improve the quality of output. It's can be made with creating the learning resources by design method and trainings refers to the Competency Based Training (CBT).

Abstrak

Penelitian ini bertujuan untuk merumuskan strategi untuk meningkatkan kompetensi tenaga kerja di industri tas di Kabupaten Kudus. Data terdiri pelaku usaha, yang akan dianalisis menggunakan alat analisis Strength, Weaknesses, Opportunities, and Threats (SWOT). Hasil menunjukkan bahwa strategi yang tepat untuk meningkatkan lapangan kerja di industri tas adalah strategi pertumbuhan dan strategi pengembangan. Pertumbuhan dan strategi pembangunan merupakan tindakan intensif dilakukan melalui pengembangan kompetensi tenaga kerja untuk meningkatkan kualitas output. Hal ini dapat dilakukan dengan menciptakan sumber belajar dengan merancang metode dan pelatihan merujuk pada Pelatihan Berbasis Kompetensi (CBT).

Introduction

In Kudus Regency, The industrial sector is a sector which the highest contribution to economy structure or GDP of the regions. According to the BPS 2014 that industrial sector in Kudus Regency is the top compared with the other economic sectors. The development of the total business unit industry small and medium in Kudus Regency from year to year is the average increased. However, In 2009, the number of of micro and small businesses decreased by 16,54 % while in 2013 the number of units of micro and small businesses in Kudus Regency decreased significantly by 16,69 %.

According to the Department of Industry, Cooperatives and SMEs in the initial observations on 26 November 2014 stated that the small and medium industry are

many and growing rapidly in Kudus regency, one of them is bag industry. Now, bag industry is one of the lucrative industries. The average populations in the world are spending most of his money to spend bag. Therefore, entrepreneurs are very keen to develop its business in the bag industry. This small and medium enterprises need to be improved and empowered because it will contribute to economic growth in the region Kudus District. Decreasing the number of small businesses will give an impact to productivity of bag in Kudus..

Data from the Joint of Business Group, (2014) showed that the value of productivity and demand for bags in Kudus regency of the year 2010-2013 has increased. But the value of bag productivity is lower than the value of its demand. So, it

indicates that there is a gap in the bag needs in Kudus.

Preliminary observations made in the month December 2014 notes that several fundamental problems are often faced by small and medium industries are First, the quality of Human Resources is still low; Second, Capital owned entrepreneurs are still small, so they face some difficulties when expand its business; Third, limited ownership of modern technology that caused a limited production.

Human Resources become the determining factor of competitiveness in the market. Development and rapid competition in bag industry requires innovation and high-skill labor. Therefore we need labor development strategy to improve the quality of output in the bag industry in Kudus. So, this study intends to formulate appropriate labor development strategy to improve quality and quantity of output in the bag industry in Kudus.

Methods

This research does not perform hypothesis testing. This study focused on identifying the strengths, weaknesses, opportunities and threats faced by employment. Then it uses to determine an appropriate development strategy in an effort to improve the quality of output in the industrial bags in Kudus District. The unit of analysis in this study is the bag industry in Kudus.

Population in this study is a business unit of bag convections in Kudus. The data collection method is survey of 93 business

units. The population data of bag industries in Kudus regency is as follows.

Data in this research are secondary and primary data. Data obtained from the BPS and the Government of Kudus District. Secondary data were obtained with the documentary studies, literature or a desk study. There are two types of primary data, the external data and internal data. External data is data and information from outside government or linked agency, such as opportunities and threats. Data included in this categories are issues related to economic issues, social, cultural, demographic, environmental and government policy, that directly and indirectly can influence on the development of employment in the bag industry in Kudus. Then, all information was made into Matrix of External Factors Evaluation (EFE). Internal data is necessary to identify the strengths and weaknesses of the object studied. After all the information were collected, then organized into a matrix called Internal Factors Evaluation (IFE) Matrix.

This study uses SWOT analysis to determine the development strategy of labor in Kudus district. SWOT analysis is helpful to conduct the assessment not only in the big industries, but also in small and medium industries (Gupta, 2013). Specifically, SWOT is a basic and candid model that assesses what a business can and cannot do, as well as its potential opportunities and threats. The method of SWOT analysis is to take the information from an environmental analysis and separate it into internal (strengths and weaknesses) and external issues (opportunities and threats) (Ommani, 2011).

Table 1: Bag industries in Kudus Regency 2014

| No | Village | Small and micro enterprises (unit) |
|--------------|-------------|------------------------------------|
| 1 | Loram Wetan | 17 |
| 2 | Loram Kulon | 23 |
| 3 | Pegunungan | 15 |
| 4 | Gulang | 18 |
| 5 | Gebog | 20 |
| Total | | 93 |

Source: Joint of Business Group (KUB), 2014

| | | Total Score of IFE | | |
|--------------------|--------|--------------------|-------------------------|-----------------------|
| | | 4,00 Strong | 3,00 Average | 2,00 Weak 1,00 |
| Total Score of EFE | High | Growth I | Growth II | Stability III |
| | Medium | Growth IV | Stability V | Contraction VI |
| | Low | Growth VII | Contraction VIII | Liquidity IX |

Figure 1: Matrix of EFE and IFE Result and Discussion

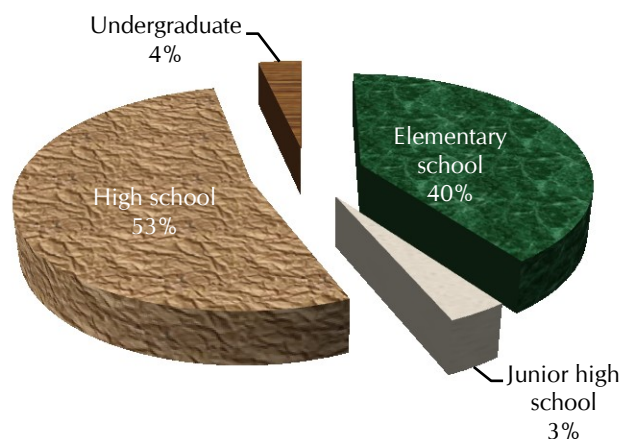
Kudus District is divided into 9 sub districts, 132 villages, and 414 hamlet. Interview with 85 entrepreneurs of bag convections were conducted to determining activity of bag industry. The number indicates the existence clusters of small medium of bag convections in Kudus.

Research was conducted in many village such Loram Wetan, Loram Kulon, Gulang. Pegunungan and Gebog. Department of Industry, Cooperatives and SMEs states that these are villages which contained industrial clusters of small and medium bags in Kudus.

Level of education

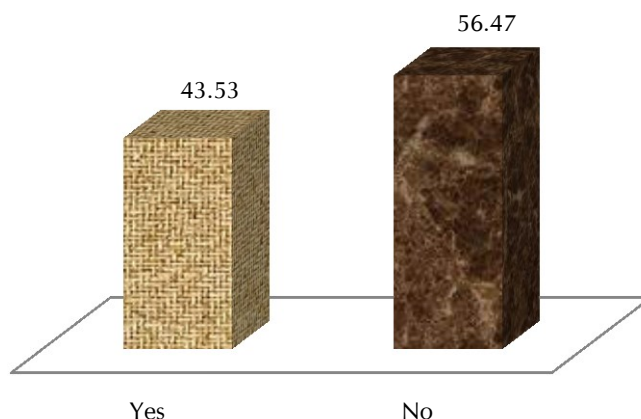
If viewed from a background level of respondent’s education, it could seen that most of them have a low educational background. It is important because the educational background is crucial for up grading of knowledge and technology more effectively and efficiently.

Figure 2 informs that 53% of workers in the bag industry are high school graduates. Meanwhile workers who only finished elementary school and not graduate are 40%. This becomes an important indication of unsuccessfully the transfer process caused by a low educational background knowledge.



Source: Primary Data

Figure 2: Respondent Education



Source: Primary Data

Figure 3: Access to Training

Specialization of Labor

An understanding of the importance of work based on specialization of workers was already widely understood by businesses in the industrial bags. Specialization will be able to increase productivity, because each worker optimally, will reach a certain expertise to achieve the business objectives of profit maximization. It looks more than 95% of business owners do the job specialization. However, there are still 4.7%, which does not require that specializes in this type of work. Specialization work performed 37.6% refers to last education, while 62.4% based on skill or ability. In other words, many workers in the bag industry have the ability to be self-taught.

In Figure 3 shows that 56.47% of the workers got a self-taught skills. Meanwhile the capabilities was got from training of the owner as much as 43, 53%. Training provided only about 1-2 times a year, with the main material is giving the basic skills needed in the industry, sewing the bag.

Production of bags

There are 75% of respondents said that production level in the bag industry in Kudus was stable, only 5% were increased. Meanwhile 20% were decreased. Production levels were stable, according to some

respondents means that despite the price is increase, but it does not result in a decrease in the number of buyers. In other words, decline in prices has no effect on output. Bag designs are made of 48.2% from a market demand, while 51.8% is the result of his own design. The conditions require that employers in the bag industry to be active in marketing to gain the market.

Table 2: Bag Design Made in Kudus

| Type | Respondents | % |
|--------------|-------------|-------|
| 5 | 64 | 75,29 |
| 4 | 7 | 8,24 |
| 3 | 14 | 16,47 |
| Total | 85 | 100 |

Source: Primary Data

Table 2 shows that design made by employers are relatively numerous, ranging from 5 designs (75% of respondents). It's state that the entrepreneurs have not focused on uniqueness of the resulting production.

SWOT analysis

Environmental analysis is needed to identify factors into strengths, weakness, opportunities and threats. Results of this analysis will be used to conduct an internal evaluation (Internal Factors Evaluation = IFE) and external evaluation (External Factors

Evaluation = EFE). Here are the results of the environmental analysis at the labor development to improve quality and quantity output in bag industry in Kudus;

1. **Strengths**; Stock of labor are abundant, existence of specialization in work (sewing, embroidery), trainings given by the department is free to workers, training material is basic skills that should be mastered by workers in the bags industry;
2. **Weakness**; This type of training is still not varied (same from year to year), educational level of workers is still relatively low; There are no standardized of bag's quality (weak quality control), Design created and defined by the employer, not by the market.
3. **Opportunities** ; Request for bag is still high; Job opportunities in the bag industry is still wide open; Types of jobs are offered vary (tailor, embroidery, 'pengobras'); High demand for the bag is an opportunity to increase employment opportunities, buyers does not decrease despite sales price is increase.

4. **Threats**; High competition among workers (with the same level of expertise); The desired quality standards are not in accordance with the given; Ability to absorb for knowledge and technology workers are still weak; Frequency of mentoring and training by the department is still lacking; Lack of skilled labor; The existance foreign products especially bag become competitors.

Internal Factors Evaluation (IFE)

Internal identification is performed to determine strengths and weakness that affect labor development in the bags Industry.

Table 3 shows that the average total score for strength factor is 1.59, while the average score of weakness factor is 0.68. This shows that bag industry has a greater power factor than weakness. Therefore, entrepreneurs should be able to take advantage of industrial bags and optimize the strength to further minimize weaknesses to improve the quality of its workforce.

Table 3: Internal Factors Evaluation

| Internal Factors | Quality | Rating | Score | Rank |
|---|-------------|--------|-------------|------|
| Strenght | | | | |
| A Stock of labor are abundant | 0,15 | 3,50 | 0,52 | 1 |
| B existence of specialization in works (sewing, embroidery) | 0,12 | 3,50 | 0,42 | 2 |
| C trainings given by the department which is free of charge for workers | 0,12 | 2,50 | 0,29 | 4 |
| D training material comprises basic skills that should be mastered by workers | 0,12 | 3,00 | 0,36 | 3 |
| The mean total score of Strength | 0,50 | | 1,59 | |
| Weakness | | | | |
| E Type of training does not have enough variation | 0,12 | 1,5 | 0,18 | 2 |
| F educational level of workers is low | 0,13 | 1,0 | 0,13 | 4 |
| G There are no quality standard for bag (weak quality control) | 0,13 | 1,5 | 0,20 | 1 |
| H Design created and defined by the employers, not by the market | 0,11 | 1,5 | 0,17 | 3 |
| The mean total score of Weakness | 0,50 | | 0,68 | |
| Total | 1,00 | | 2,27 | |

Moreover, Table 3 shows that stock of labor are abundant became the largest force of businesses bag industry. The second largest force is existence of specialization in work (sewing, embroidery). With specialization, working time should be faster because each worker can focus on what is done. Logically, productivity can be increased. Meanwhile, there has been no standardized of bag's quality (weak quality control) be the greatest weakness perceived by businesses bag industry . This condition occurs because businesses do not have proper planning. Production will be done if entrepreneur has a capital and bags have been sold. Total score of IFE matrix is 2.27 which indicates that bags industry are in average condition. It means, business owners optimize the strength to overcome their weaknesses.

External Factors Evaluation (EFE)

External identification conducted to determine the opportunities and threats that affect the development of labor in the bag industry in Kudus. Rating had given depending on the response shown by the company towards the opportunities and threats. Table 4 shows that the total average of scores for the key factor of opportunities is 1.62. However, the average total score for the threat is a key factor of 1.56. It suggests that opportunity is the key factor which greater than threat. So, the bag industry businesses should be able to optimize the existence opportunities to address the threat. Based on EFE matrix, the total value is obtained by 3.18. This suggests that crafters bag industry has a high ability to take advantage of external opportunities and avoid the threats facing the business process.

Table 4: External Factors Evaluation

| Internal Factors | Quality | Rating | Score | Ranking |
|--|-------------|--------|-------------|---------|
| Opportunity | | | | |
| A Request for bag is still high | 0,11 | 4 | 0,42 | 1 |
| B Job opportunities in the bag industry is still wide open | 0,09 | 3,5 | 0,32 | 3 |
| C Types of jobs are offered vary (tailor, embroidery) | 0,09 | 3 | 0,26 | 4 |
| D High demand for the bag is an opportunity to increase employment opportunities | 0,10 | 3,5 | 0,35 | 2 |
| E buyers do not decrease despite sales price is increase. | 0,09 | 3 | 0,26 | 5 |
| The mean total score of Opportunity | 0,47 | | 1,62 | |
| Threats | | | | |
| F High competition among workers (with the same level of expertise) | 0,07 | 2 | 0,11 | 6 |
| G The desired quality standards are not in accordance with the given | 0,10 | 3 | 0,25 | 4 |
| H Ability to absorb for knowledge and technology workers remains weak | 0,09 | 4 | 0,33 | 1 |
| I Frequency of mentoring and training by the department is still lacking | 0,09 | 4 | 0,31 | 3 |
| J Lack of skilled labor | 0,09 | 4 | 0,32 | 2 |
| K The existent foreign products especially bag become competitors | 0,08 | 3 | 0,24 | 5 |
| The mean total score of Threats | 0,53 | | 1,56 | |
| Total | 1,00 | | 3,18 | |

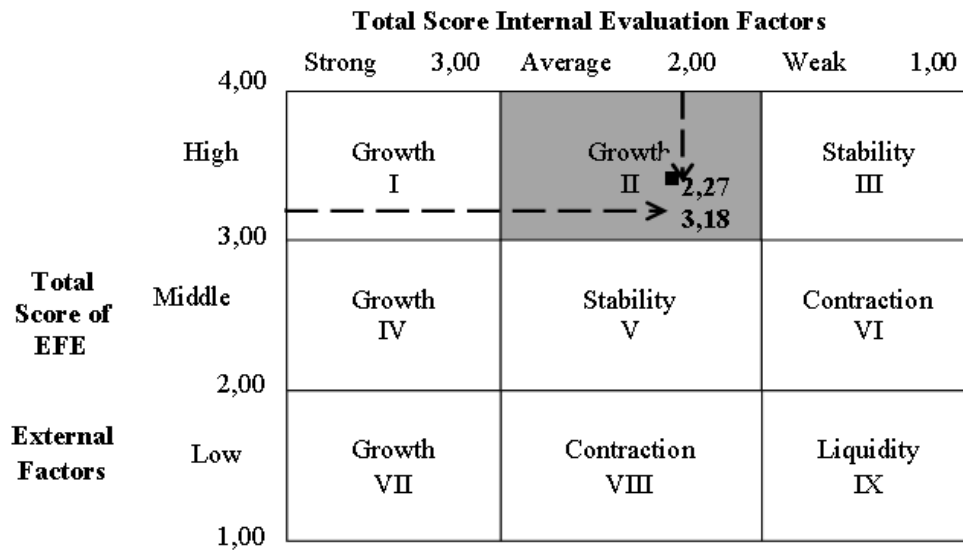


Figure 5: Internal External Matrix

Table 4 shows that market demands which growing up become the main opportunities and motivation for bag industry to expand the business. This is triggered by today's lifestyle where people need bags to support the daily activities, such as work, school, and traveling. Even today the bag is widely used as a souvenir on specific events such as meetings, seminars and others. The biggest weakness faced by the bag industry is the ability to absorb knowledge and technology workers are still weak. This factor is a threat that must be anticipated because it can hinder product quality.

Each total score obtained from the evaluation of internal factors and external factors mapped in a matrix, called external internal matrix. This mapping is important to the selection of strategic alternatives in more detail to face competition and changes to improve quality and quantity of output in the bag industry in Kudus. Referring to Figure 5, the strategy pursued is the growth and builds strategy. This strategy is labor-intensive form of competence development for improving the quality of the bag. Learning resources is designed in accordance with the needs of employers and trainings is provided refers to the Competency Based Training (CBT).

Alternatives Development Strategy

Alternatives formulation development strategy can also be done by making the SWOT matrix as shown in Table 5.

Strength-Opportunities (SO) Strategy

1. *Improving the ability of workers in the field of marketing to expand the marketing network.*

This strategy needs to be done to meet the increasing market demand. Through promotions, exhibitions, fashion shows and other promotional media excellence, uniqueness bags can be introduced so that it will be quickly recognized by consumers. Moreover, by starting the introduction of Semarang as MICE City is expected to further increase market share Industry bag of Kudus. In addition to the exhibition, promotion can be done through distribution of brochures and leaflets. The goal is, give information to consumers about the existence, uniqueness and distinctiveness bag. Promotions can also be done by developing networking and on-line marketing. Generally, businesses do not have a sales force that specifically handles the marketing. The period ahead, promotion is an important aspect

in labor development as an effort to improve quality and quantity in bags industry. Sales success is highly dependent on the means, methods and crea-

tivity of marketing. It is very important because bags industry is in the phase to open a new market share.

Table 5: Bag Industry SWOT Matrix

| | | Strength- S | | Weakness- W | | | |
|--|--|--|--|--------------------|--|-----------|--|
| | | IFE | | EFE | | | |
| | | S1. Stock of labor is abundant. S2. Existence of specialization in work (sewing, embroidery). S3. Training material is basic skills that should be mastered by workers in the bags industry. S4. Training given by the department is free to workers | W1. There are no standardized of bag's quality (weak quality control). W2. This type of training is still not varied (same from year to year). W3. Design created and defined by the employer, not by the market. W4. Educational level of workers is still relatively low | | | | |
| | | Opportunities- O | | SO | | WO | |
| | | O1. Request for bag is still high O2. High demand for the bag is an opportunity to increase employment opportunities O3. Job opportunities in the bag industry is still wide open O4. Types of jobs are offered vary (tailor, embroidery) O5. buyers does not decrease despite sales price is increase | 1. Improving the ability of workers in the field of marketing to expand the marketing network. 2. Improving the competence of employees through formal education, vocational training and the development of labor productivity. 3. Improving the learning resources is designed as needed. | | 1. Improving the quality of training provided refers to (Competency Based Training). 2. Developing competence and knowledge trainers to improve the quality of the output (bag) in terms of technique and design through mentoring and training by departments and experts. | | |
| | | Threats- T | | ST | | WT | |
| | | T1. Ability to absorb for knowledge and technology workers are still weak T2. Lack of skilled labor T3. Frequency of mentoring and training by the department is still lacking. T4. The desired quality standards are not in accordance with the given. T5. The existence foreign products especially for bags become competitors T6. High competition among workers (with the same level of expertise) | 1. Holding a 9-year basic education and training in a flexible and standardized yet affordable cost. 2. Expanding employment opportunities with a placement policy direction in accordance with the competence and expansion of employment opportunities. 3. Optimization of existing resources and the efficiency of job training to minimize time and cost of production through coaching programs, facilities and instructors and expert training, systems and training approaches to create products according to market demand. | | 1. Introducing quality assurance framework 2. Certify competence in a systematic and massive work with the proactive approach (reach out). 3. Improve the quantity and quality by partnering with others to face global competition and gain greater market share. 4. Providing communication media and the promotion of business operators and workers of industrial bags in an effort to simplify and expand the network Industrial bags. | | |

Source: Primary Data

2. *Improving the competence of employees through formal education, vocational training and the development of labor productivity.*

Improving the quality of the labor is done through formal education, job training and mentoring in the workplace. All are made as an integrated system development of comprehensive and integrated employment. Job training requires information about the types of skills required by employers. Mentoring requires competent experts in the field. Providing extensive training enhances employees' knowledge of their firm's operations, markets, customers, coworkers, and products, thereby enhancing productivity by creating more efficient operational capabilities and routines.

3. *Improving the learning resources is designed as needed.*

Due to mechanization of processes, jobs became complex and more specialized, which resulted in a demand for skilled workers. This, in turn, promoted the growth of education that could provide training and skills for technically proficient labor. Employers and unions in curriculum development and ensure that the skills taught in accordance with what is needed in the modern workplace. Design and planning made involving labor, universities, labor organizations, and other stakeholders who come together to learn about the partnership model sector, including effective analysis industry, the involvement of employers, building partnerships, and the design of training programs relevant industries. In addition, the curriculum used at least be able to reflect what is desired by the employer or the world of work contains elements of knowledge, skills and attitudes.

Strength-Threats (ST) Strategy

1. *Holding a 9-year basic education and training in a flexible and standardized yet affordable cost.*

In order to get the market more widely and be competitive in the world, the bags must be made by a skilled workforce. That is produced through a flexible training system with standard of international but reasonable expenses incurred by the worker. The training system should be oriented towards market driven adapted to changes in technology, changes in the economic structure. This strategy must be met to ensure all students in vocational programs, aspirants, have basic skills numeracy and literacy sufficient to support lifelong learning and career development, especially to ensure and support the transfer of knowledge and technology. Lifelong learning is learning new skills and acquire new knowledge infinite, especially to ensure and support the transfer of knowledge and technology (Sabates, 2008). In addition, it's crucial to change general education into vocational and skills training, especially for the short and medium term. Renewal the common forms of training into the application of technology is a breakthrough to offset the acceleration of technological development.

2. *Expanding employment opportunities with the policy direction in accordance with the placement of labor competencies.*

A sectoral policy is spearheading the creation of employment opportunities. It takes cooperation among labor offices in compliance with the SME department of labor. This is because manpower is a provider of information about jobs that are needed and provide input on prospective new employees. However SME agencies provide training vessel and procedures for sewing and designing bags with the resulting labor warranty competence.

3. *Optimization of existing resources and the efficiency of job training to minimize time and cost of production through*

coaching programs, facilities and instructors and expert training, systems and training approaches to create products according to market demand.

Usually, the labor of the workers has a loyal nature and work hard, but they do not follow the market changes. In product development, workers still offer industrial bags based on the motives marketable, consumers have not been involved in product development. Industry bag will be accepted by consumers if it is produced in accordance with motifs, designs and desires of consumers. Therefore, the mastery of technology and information will greatly help workers determine variations of motifs and designs are in accordance with market demand. Workers can learn a lot of skills in the workplace, both informal and formal training. Therefore, such training cannot be left to employers for several reasons. First, the Company provides firm-specific training to their workers, but the company has little incentive to provide training for general skills. The company also may face obstacles or too small to be able to provide effective training. Second, entrepreneurs may be reluctant to recruit fresh graduates unless they are "ready to work", because of the high cost of the training. Third, highly skilled workforce can encourage investment in the country; while the skills of workers are expected to increase the skills of co-workers (eg create "spillovers" positive).

Weakness-Opportunities (WO) Strategy

1. *Improving the quality of training provided refers to the Competency Based Training.*

Competency Based Training is a fundamental part of training reform. Competency Based Training included the establishment of industries to design, build and implement training (Martina, 2012). Thus the implementation of the training

received by the industry and the training results will be responsive to the needs of the industry. One key to the success of Competency Based Training is the assessment of the ability of a certain skill level and certification should be adjusted to the level of knowledge, skill and mental attitude as required in the national competency standards [National Competency Standard]. For the first step is to make the work competency standards of skills of workers in accordance with their respective fields of work. In addition, it should be made standard-setting work, modular curriculum, learning and teaching materials, assessment and evaluation procedures, environmental certification and proper training, counseling and guidance services, accreditation of training modules delivered by BLK in institutional accreditation.

2. *Developing competence and knowledge trainers to improve the quality of the output (bag) in terms of technique and design through mentoring and training by departments and experts.*

Assistance is indispensable not only to maintain continuity of production, but also in terms of quality of output. Upgrade technology for workers is a term that is still considered a luxury. Workers claimed that it has implemented the use of electric sewing machines, machine 'obras', and electric cut machines. Apparently there are still prevalent use manual sewing machines; scissors cut as equipment make the daily bag and frequency. In fact, the appropriate technology is believed to facilitate entrepreneurs in the process of making bags. However, the technology used was semi-manual and simple. Engineering and manufacture of bag design is still simple. Therefore, the provision of services on the up-grade training and mentoring technology needs to be done by various agencies related services including industry and trade,

department of cooperatives and SMEs and business associations bag industry.

Weakness-Threats (WT) Strategy

1. *Introducing a quality assurance framework.*

Encourage the development and determination of regional quality assurance framework (RQAF) as a first step to be recognized qualification in the regional labor (labor competitiveness). RQAF program can promote the skills of the workforce are qualified in accordance with the needs of the industry, which can be the qualification level of education and work competency certificate owned labor (Ruiz, 2012). The program also helps the workforce in order to convince the organization-industry-client that it is competent in work or providing products or services and increase confidence.

2. *Certify competence in a systematic and massive work with the proactive approach (reach out).*

The government should be active pick up the ball went to the community of professional workers. In order for this certification program can be followed by as many Indonesian workers, a means toward certifications such as education, especially professional education and vocational training centers as well as a decent and international standards, should be built. By doing so, will create a link-train-match as the expansion of employment. This task should not only be done by the government, but could also private parties and businesses, given the many training centers are very good quality privately owned. Given this strategy is expected to spur the younger generation more likely to develop competency-based human resource potential in accordance with the occupied areas of the profession through training-training of special skills that are certified in accordance with the National Competence Indonesia (SKKNI). In addition to the

industry that the benefits of certification help convince his clients that the products / services have been made by competent personnel, and assists ensure the link and match between the competencies of graduates with competencies demands of the industrial world. (Henrich, 2008)

3. *Improve the quantity and quality by partnering with others to face global competition and gain greater market share.*

The opportunity to partner with other parties is a good opportunity to continue to be optimized. This is because businesses based on industry recognizes that by partnering bag there are many advantages to be gained primarily for troubleshooting products and search for raw materials. However, today a partnership among business actors bag industry is still not running optimally. Not optimal characterized by the small number of benefits received. The exhibition, which is done, cannot cover all the members. In addition, the information obtained is not perfect so that they are difficult to follow. This is not only related to marketing issues, but also the procurement of raw materials. Yet on the other hand, now a lot of requests made by the government and private institutions related to the promotion of the Central Java Provincial Government to participate echo "Visit Central Java Year 2013".

4. *Providing a medium of communication and promotion of business and the bag industry workers in an effort to simplify and expand the network of Industrial bags.*

The promotion of Industrial bags needed a container to help market and develop industrial product bags as well as a means of developing the craft industry as a bag tourism industry in the city of Semarang. With a media procurement and facilities such as creating

a "Center for Information, Promotion of Trade and Craft of bags industry " can be used to improve the existence of the bag industry as one of the potential industry and tourism in the city of Semarang. The facility is expected to help and support the craft industry industrial bag so as not to drown, which consist in the introduction, development and marketing of industrial craft bag especially for small industry to exchange expertise and information.

Conclusion

Environmental analysis on the bag industry in Kudus regency showed that the total value of external factors have a scores higher than the total value of internal factors. It means that an external condition of bag industry has a great opportunity to improve. Referring to these values, its position is in cell II. The strategy adopted in this position is a growth and build strategy. Strategy development of labor in the bag industry in Kudus is growth and development strategy. That is the labor-intensive form of competence development to improve the quality and quality of bags. Steps taken are expanding the employment opportunities that the policy direction in accordance with the placement of labor competencies and then the learning resources is designed in accordance with the needs of employers and provide training which refers to the Competency Based Training (CBT)

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