

BUSINESS STRATEGY RECOMMENDATION FOR WARUNG LEPAK RESTAURANT USING QUANTITATIVE STRATEGIC PLANNING MATRIX (QSPM)

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Abstract— Tourism has developed into a major industry and has a strategic role and position of Bandung city development. The development has affected to its culinary business growth. Culinary business environment in the recent time has so many changes and becomes much more competitive. The competitiveness leads to Warung Lepak's performance loss and causes a decrease in sales. Dealing with current situation, the company should be survive and beats the competition through implementing strategic management which covers all future orientated aspects as provided the Quantitative Strategic Planning (QSPM) method. Quantitative Strategic Planning Matrix (QSPM) is a high-level strategic management approach for evaluating possible strategies. Quantitative Strategic Planning Matrix or a QSPM provides an analytical method for comparing feasible alternative actions. The QSPM approach attempts to objectively select the best strategy using input from other management techniques and some easy computations. This Final Project is trying to apply a strategic management systematically of Warung Lepak to return its performance, based on the strategic management framework. First step are scanning the environment and internal organizational, this step would identify possible opportunities and threats and its internal environment for strengths and weaknesses. The next step is formulating strategy which divides into three-stage decision-making framework. Stage 1 is The Input Stage, stage 2 is The Matching Stage, and stage 3 is The Decision Stage. The frameworks are applicable company such as Warung Lepak and can help strategists identify, evaluate, and select strategies. Based on the QSPM analysis result, a turnaround strategy becomes the most appropriate alternative strategy compared with market penetration and market development strategy. Turnaround strategy is a time based systematic process of stabilizing and revitalizing distressed or underperforming firms through financial, operational, and structural reorganization with the aim of achieving sustainable result. The strategy is appropriate to the company in declining phase. To be succeed, the implementation of alternative strategy needs the role and responsibility of the owners, socialization, and participation from all employees. The systematic step in the Quantitative Strategic Planning Matrix (QSPM) method makes the choosing processes of alternative strategies at Warung Lepak can be done appropriately, therefore the continuous improvement processes can be done in an effective way.

Keywords: Quantitative Strategic Planning Matrix, Turnaround Management, Strategic Management.

I. INTRODUCTION

This final project is one of the courses which must be taken as a graduation requirement and aims to examine student's ability to discover, analyze, and solve the problem by implementing and integrating knowledge and skills that are acquired during the lectures. Refers to an entrepreneur track which is the author concentration taken at the college, then the object is used a business that was run during the course guidance. Business type that used to analyze is a restaurant which has a students as target market. Topic that was examined is an issue which is in the restaurant as business object to be examined so that expected will be beneficial to the progress of this restaurant.

a) Company History

Warung Lepak is a fast-food cafe in campus area specialist which was founded by Denna Garthinda, Agra Madyastha, and Sandy Radhitya. The cafe located in the ground floor of Sentra Kampus building, at Ciumbuleuit197, Bandung, which is in front of Parahyangan Catholic University (UNPAR). The café operated since 23th June 2010. The idea to establish this café is appears by owner's experience in Bali. The Indian restaurant in Bali becomes an owner's inspiration to open mini café with similar concept in Bandung. The brand name itself comes from Malaysia language, which means is relax or hang out, therefore with that Warung Lepak brand will expected to be the place where the student can relax and hang out together while enjoying appetizing Asian dished especially Malay dishes.

b) Business Scope

Company's business scope is coverage in ciumbuleuit area, Sentra Kampus building visitors, and specifically Parahyangan Catholic University (UNPAR). Most of customers whose enter to Sentra Kampus building are UNPAR students. Dealing with current situation, Warung Lepak has to focus on UNPAR students as potentially target market.

c) *Company's Working Unit*

Warung Lepak is a partnership business that owned by three owners. Each owner or partner shares in the decision making and responsibilities. Partners also share in the losses or profits. The characteristic of the partnership structure are simple to start, diluted control, small investment, and share risks. The organizational structure is a simple structure which is owners who directly supervise the head chef, while other employees are under the head chef. Simple structure usually called entrepreneurial structures. It is particularly useful for new (entrepreneurial) business as it enables the founder to control growth and development. The decision-making of Warung Lepak is role by the owners and head chef has an important role. Kitchen operations are divided into two divisions consisting of cook division and beverages. Organizational structure over the role of head chef become the key person for the success of this café in the absence of supervisor division and only relies on control by the café's owner.

d) *Business Issue*

Maintain business become an issue for company in a birth organizational life cycle. As a start-up business, Warung Lepak faced with internal and external obstacle which affected to the company's performance. The company's revenue has been decreased when entered the second year since it's establish this cafe. It can be seen from figure 1.3, company's sales are declined about 50 percents compared to same month in a previous year. This circumstance is affected to company's financial problem.

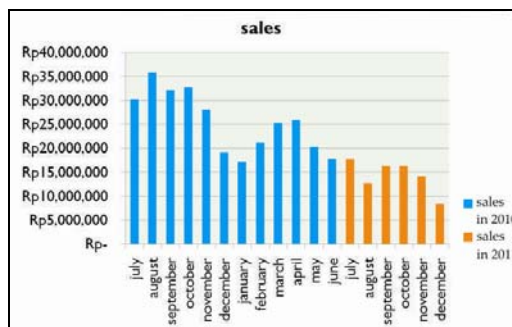


Figure 1.3 Warung Lepak's Graphic Sales Report
Source: Internal data of Warung Lepak

The emergence of competitors in the area near the location is makes the competition within industry to be tight. Achievement of the cafe in the first year that makes Warung Lepak in a comfort zone to be the turning point of the company's performance. Lack of control over the kitchen operational performance and staff employees are also a thing that lead to various obstacle in the company. In addition to the issue of sales decrease, there is an internal problem among employees so as to create two camps in the restaurant. This shape is accompanied by an increase in customer complaints against the stall, especially during peak hour. This leads to customer dissatisfaction with its

service, impact to the company image, and customers decrease.

II. BUSINESS ISSUE EXPLORATION

In this chapter will explain about the business exploration that faced by Warung Lepak. Business issues will be explored related to the company situation analysis and business situation that faced by the company at this time.

A. *Conceptual Framework*

The literature of strategic planning in preparing the company's strategic planning processes are includes four stages: environmental scanning, strategy formulation, strategy implementation, and evaluation and control (Wheelen, 2010: 63). It can be seen at figure 2.1 that the basic of conceptual framework is based on it four stages of strategic planning. Conceptual framework is restricted to the implementation phase. The conceptual framework consists of an internal condition, external, industrial situations, competitive conditions, and several other factors.

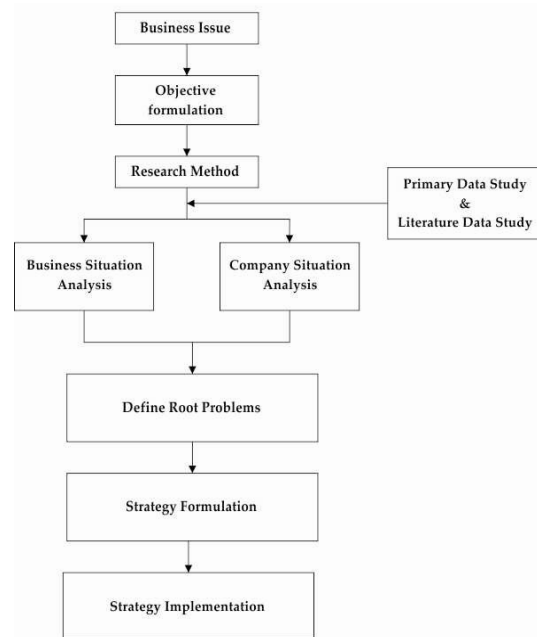


Figure 2.1 Conceptual Framework

By this method is expected to produce a strategic step that will be hold firm in facing of company's business issues. In making the conceptual framework, business strategy analysis was conducted relating to the return of restaurant performance in facing of culinary industry competition. Method of Data Collection and Analysis

The development of research on business issues is used the Quantitative Strategic Planning Matrix (QSPM) method which is a method that analyzes an effective alternative business strategy recommendation for Warung Lepak. In QSPM methods used three stages which are the input stage,

the matching stage, and the decision stage. Each stage are consists of matrices which using weighting and rating methods. Each stage must be done systematically and sequentially to get proper alternative strategy. By this method will facilitate tracing the roots of problems that became the company's business issues and can result in a strategic decision to overcome the existing obstacles.

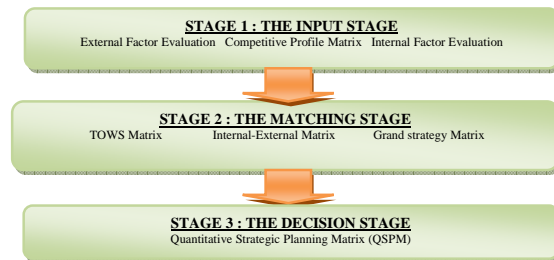


Figure 2.2 The Strategy-Formulation Analytical Framework Source: (Fred, 2005: 201)

Method which applied to provide weighting and rating on each matrix are to use the input of key informants whose owners of Warung Lepak. Reason in choosing a café's owners as a key informants because it is considered them know the company's internal and external condition directly. Assessment results of them afterwards made an overall average, it result is used as the benchmark in each matrix. The steps which taken in weighting and ranking method are survey, brainstorming with owners, filling matrices by each owners, averaged input data, and put weight and rating in each matrix.

B. Analysis of Business Situation

Develop a restaurant business need a combination of internal and external factors that affecting the industry. Both of these factors have significant influence in order to survive in the restaurant industry. Before analyzing further about business issue that happened to Warung Lepak, we should have to identify about campus food industry. Method that used to analyze external factor is Five Forces Porter's analysis.

a) Five-Forces Porter's Analysis

Porter's Five Forces model of competitive analysis is a widely used approach for developing strategies in many industries. The intensity of competition among firm varies widely across industries (Fred, 2005: 92). A strategy can analyze any industry by rating each competitive force as high, medium, and low.

• *The Threat of Entrants*

Threat of new entrants into the Food industry within campus area is high as there are few proprietary product differences and the cost to enter the market is relatively low. Low entry barrier affect to emerge number of players in this industry.

• *Bargaining power of buyer*

Bargaining power for the target market of students is high. Plentiful of alternatives of food stall that can be selected by the customer in choosing a

place to eat is become one major factor that makes the bargaining power of buyers is high.

• *Bargaining power of supplier*

There are many suppliers in the culinary industry. It makes the bargain of suppliers fairly moderate, because there are many players in their industry so restaurant has options to choose the supplier with a suitable price offer.

• *Threat of substitutes*

The substitute Products that can replace the campus culinary is the lunch box that brought from home (homemade). The bargaining powers of substitute products are still low, because lunch at the food stall in campus is more practical.

• *Competitive Industry*

The intensity of competition is known as rivalry. The strength of competition in this industry is very tight, the main competitor are Pizza Farm, Zigen, Bakso Balungan, Warung Bambu, Cabe Rawit, and Coffee Time. According to an interview with building management the number of players predicts to increase in 2012. These argue a high competition in the food industry in the campus area.

C. Company Situation Analysis

The company situation analysis was conducted by interview with company's owners and review from some company documents.

a) Company Business Strategy

From the initial start of Warung Lepak established, café's owners have already decided a differentiation strategy. It will be expected to gain broad market share. This broad target strategy also reliable to company's mission is to popularize Malay food such as canai bread and jala bread. The strategies are provides a comfortable stall, the quality of good taste, a sufficient portion, and fast services.

b) SWOT Analysis

SWOT is an acronym used to describe the particular Strength, Weakness, Opportunity, and Threats that are strategic factor for a specific company. SWOT analysis should not only result the identification of a corporation's distinctive competencies-the particular capabilities and resources that a firm possesses and the superior way in which they are used, but also in the identification of opportunities that the firm is not currently able to take an advantage of due to a lack of appropriate resources (Wheelen, 2010: 224).

Table 2.1 Warung Lepak's SWOT Analysis

	Strength		Weakness
S1	Uniqueness of Stall interior design by open kitchen concept	W1	Limited dining area inside stall
S2	Experienced chef from tourism academy	W2	Weak of human resources education
S3	Variety of menu such as Pastry, main course, and beverages	W3	Slow service on rush hour

S4	Have many UNPAR followers on account twitter.	W4	Initial capital as a bank loan
S5	Product price	W5	Lack of controlling system
S6	Have a good brand image in UNPAR environment	W6	Have no marketing plan
Opportunity		Threats	
O1	Purchasing power of UNPAR students	T1	New competitors pressures
O2	Launching of 1st floor food district within Sentra Kampus building	T2	Campus policy by changing academic schedule
O3	Growth of social media industry as a marketing tools	T3	Hepatitis A issue in UNPAR environment
O4	Proliferation of student boarding	T4	attenuate campus culinary industry
O5	New students each year (fix target market)	T5	Increase of food ingredients
O6	Growth of culinary industry in Bandung	T6	Student exam week and holiday period
			Increase of rent space

D. Root cause analysis

The Formulation of the problem methods in this research is using a fishbone diagram. The Fishbone diagram definition is also known as cause-and-effect diagram. This diagram will show an effect or result of an obstacle, with a variety of causes. By using a fishbone diagram, the company will find out the reasons of the decline in sales that have been described as the business issue in the previous chapter by identifying problem areas in data collection. It can be seen at figure 2.4 that the factors which cause a decrease in Warung Lepak sales are the environment, people, products, management, place and promotion, which can be described as follows:

- Environment

Increases of new competitors within sentra kampus building affect to Company's revenue. The revenue is decline due to lower company's market share.

- People

Ineffective number of employees, six employees who divided into two shifts lead to an internal issue with the inefficient work hour.

- Product

Pastry products offered by the Warung Lepak are not popular to students market, so sales of the pastry are below company's target.

- Service

Company's customer service is slow and unsatisfactory, whereas this factor is an important part for restaurant/cafe business to survive.

- Place

The small dining area with a capacity of 12 seats in the café discomfort when fully charged.

- Promotion

During this campaign conducted by Warung Lepak are only via social media such as twitter and facebook. The café isn't do direct promotion to maintain the customer for reminding their brand and gain repeat order.

It can be seen from figure 2.3 that the primary causes are in the environment, people, and service factor, it shown that sales decreasing caused by internal factor and external factor. The internal and external are consists of environment, people, products, management, place, and promotion factor. The six factors above is an element related with the restaurant business and have a relation to one another.

Therefore the strategic steps are required by Warung Lepak to facing the internal and external challenges. Formulation of the company's business strategy will determine the direction the company growth. Based on fishbone diagram, the business strategy that will propose by Warung Lepak is how company solves its employees, worse service, emergence of competitors, and marketing obstacles so as to increase company's sales. Business solutions which taken by Warung Lepak will be explain in the next chapter.

III. BUSINESS SOLUTION

A. Alternative of Business Solution

Strategy Formulation is the second phase in the strategic management process produces clear set of recommendations of alternative business solution, with supporting justification, that revise as the company mission and objectives, and supply the strategies for accomplishing them. Before implementing alternative strategy, first find out the current condition of the company by used Grand Strategy Matrix and TOWS Matrix. these measures will facilitate the matching strategy.

a) Grand Strategy Matrix

Grand strategy matrix is the tool for formulate alternative strategies which based on two evaluative dimensions: competitive position and market growth. Appropriate strategies for an organization to consider are listed in sequential order of attractiveness in each quadrant of matrix. Based on the company's internal and external factors which are known from formulation strategy stage, the company's Grand Strategy Matrix is in quadrant III.



Figure 3.1 The Grand Strategy Matrix

Source: (Fred, 2005: 219)

Matrix above shows that company positioned is weak of competitive position and narrow growth market. Company in this quadrant needs to evaluate their present approach to the marketplace seriously and exceed their competitive advantage. Although their industry is growing, they are unable to compete effectively and they need to determine why the firm current approach is ineffective, and how the company can best change to improve its competitiveness. The first option that usually chooses in quadrant III is retrenchment strategy or called turnaround strategy.

b) Corporate Strategy

In according to grand strategy matrix, the company's competitive advantage is weak and narrow market. So the company has to decide a retrenchment strategy as the corporate strategy to reduce the company's level activities. The directional strategy of retrenchment are turnaround, captive company, sell out, and bankruptcy/liquidation. Turnaround strategy was chosen in accordance with the objective its research that is able to respond to business issues within company so as to restore the company's performance to achieve sales targets.

c) Business Strategy

Strategy which is accordance to firm current conditions is cost leadership strategy. The company has to do cost management to cut expenditures. By the cost leadership strategy will be an efficient in company's operational cost.

d) TOWS Matrix Analysis

By the matching key internal and external factors in TOWS Matrix analysis generate a series of alternatives strategy which have to decide by firm. Afterwards, all the alternatives strategy have to categorize into general strategy which will chosen in Quantitative Strategic Planning Matrix (QSPM) at the decision stage. Here is the alternatives strategy categorizing table.

Table 3.4 Alternative Strategy Categorizing

No	Alternative strategy	category
1	Increase competitive advantage by direct strategy marketing.	Market penetration (offense)
2	Become a food sponsor for New student orientation event	
3	Reinforce company delivery service surround ciumbuleuit area	
4	Offense strategy market plan improve company position	
5	Build customer retention by promote a company delicious food with clean process	
6	Build customer relationship to evaluate and controlling company performance via social media or fanbase	
7	Improve customer loyalty and retention by Community based marketing strategy via social media	

8	Broad target market strategy beyond ciumbuleuit area	Market development
9	Open branch beyond Ciumbuleuit area	
10	Enter new markey by penetration to catering business	Diversification strategy
11	Downsizing strategy in critical period	Turnaround strategy (defense)
12	Manage for cash flow by divest strategy	
13	Use turnaround marketing strategy to stop company bleeding	
14	Reduce number of menu that rarely sold-Cut cost program	
15	Move to economic and strategic place near to UNPAR	Product development
16	Reinforce take away order by using a disposable and handy food packaging	
17	Improve differentiation advantage	
18	Add Rewarding system for employees performance	HRM Strategy

It can be seen at table 3.4 that strategy which generated by TOWS matrix are categorize into five alternative strategies, however the selected alternative strategy is only three, which are market penetration strategy, market development strategy, and turnaround strategy.

e) Quantitative Strategic Planning Matrix (QSPM).

The decision stage involves a single technique which is The Quantitative Strategic Planning Matrix (QSPM). This technique objectively indicates which alternative strategies are best and determines the relative attractiveness of various strategies based on internal and external critical success factor are capitalized upon or improve. The QSPM data consist of input from stage 1 and 2 in strategy formulation chapter (Fred, 2005: 220). The component of qspm are strategic alternatives, key factors, weights, attractiveness score, total attractiveness score, and sum total attractiveness score. The attractiveness Scores (AS) defined as numerical values that indicate the relative attractiveness of each strategy in a given set of alternatives. The range for attractiveness scores is 1 = not attractive, 2 = somewhat attractive, 3 = reasonably attractive, and 4 = highly attractive. The total attractiveness scores indicate the relative attractiveness of each alternative strategy. The Sum Total Attractiveness Scores (STAS) reveal which strategy is most attractive in each set of alternatives. (Fred, 2005: 223).

Table 3.5 The Quantitative Strategic Planning Matrix of Warung Lepak

STRATEGIC ALTERNATIVES								
key factor	weight	Market Penetration		Turnaround strategy		Market development		
		AS	TAS	AS	TAS	AS	TAS	
Opportunities								
1.Purchasing power of UNPAR students	0.1	4	0.4	3	0.3	1	0.1	
2. Opening of 1st floor food court increase traffic	0.1	2	0.2	3	0.3	3	0.3	
3.Trend promotion through social media such as Twitter, Facebook, and Foursquare	0.2	4	0.8	3	0.6	4	0.8	
4. Increasing number of student boarding	0.05	4	0.2	1	0.05	1	0.05	
5. New students each year	0.05							
Threat								
1.Pressure from new competitors	0.1	3	0.3	4	0.4	1	0.1	
2.Increasing rent space/year	0.05	1	0.05	4	0.2	1	0.05	
3.Unhealthy meal issue on campus	0.15	3	0.45	4	0.6	2	0.3	
4. increasing of raw material	0.1	1	0.1	4	0.4	3	0.3	
5. Students exam and holiday period	0.1	3	0.3	4	0.4	2	0.2	
Strength								
1.Uniquely of interior design with open kitchen concept	0.15	3	0.45	1	0.15	4	0.6	
2.Experienced head chef	0.05	2	0.1	3	0.15	4	0.2	
3.Variety of menu (main course, pastry, and noodle)	0.1	4	0.4	3	0.3	4	0.4	
4. Have many UNPAR students as followers on Lepak twitter account	0.1	4	0.4	1	0.1	3	0.3	
5. Affordable price for students	0.1	4	0.4	3	0.3	1	0.1	
Weakness								
1.Initial capital is a bank loan	0.15	2	0.3	4	0.6	1	0.15	
2.Warung lepak haven't SOP	0.05	1	0.05	4	0.2	1	0.05	
3.Limited dining area in stall	0.05	2	0.1	4	0.2	2	0.1	
4. Slow service at rush hour (lunch and dinner)	0.15	3	0.45	4	0.6	1	0.15	

5. Location inside building with no signage (unseen)	0.1	4	0.4	3	0.3	4	0.4
Sum Total Attractiveness Score	1		5.85		6.15		4.65

In The Quantitative Strategic Planning Matrix above, three alternatives strategies; Market Penetration, turnaround strategy (defense), and market development are being analyzed by Warung Lepak. The turnaround strategy has score of 6.15 which is the highest score of alternative strategies, whereas market penetration and market development strategy has score 5.85 and 4.65. The result indicates that turnaround strategy is the most attractive strategy when compared with market penetration and market development strategy.

Turnaround management strategy and market penetration are become two of the most suitable alternative strategy is expected to be able to cope with the symptoms that impact on decrease of company's sales. The symptoms are group into six factors which are People, service, environment, and promotion as primary cause, then product and place as supporting cause. Turnaround strategy solves the people, service and product innovation obstacles, and market penetration is solves an environment, promotion and place obstacles.

B. Analysis of Business Solution

According to the QSPM analysis, the turnaround strategy has score of 6.15 which is the highest score of alternative strategies, whereas market penetration and market development strategy has score 5.85 and 4.65. The result indicates that turnaround strategy is the most attractive strategy when compared with market penetration and market development strategy. That business conditions are in the condition of bleeding makes turnaround strategy becomes the most appropriate measures.

a) Turnaround Management

Turnaround management is a time based systematic process of stabilizing and revitalizing distressed or underperforming firms through financial, operational, and structural reorganization with the aim of achieving sustainable result. Two basic phases of turnaround strategy are contraction and consolidation. Contraction is the initial effort to quickly "stop the bleeding" with cutback in size and costs. Consolidation implements a program to stabilize the now-leaner corporation. Turnaround management can also be divided into four stages or activities which are stabilization, operational streamlining, entrepreneurship, and reorganization (Domingo, 2005: 10).

b) Market penetration strategy

According to QSPM result, market penetration strategy was ranks second from the resulting total score. Therefore, the strategy can be applied by the company after the turnaround management as an immediate strategy of the company. Market penetration strategy is obtained after the company's in stable condition. Market penetration strategy seeks to

increase market share for present products or services in present markets through greater marketing efforts.

Market penetration strategies which have to be run by Warung Lepak are the result generated by the TOWS Matrix that has been described previously. Therefore, the strategy is related to the company's strengths and weaknesses and the opportunities and threats of the culinary industry in the campus environment. Market penetration is possible to be run by the company include:

- Becomes an official food sponsor for UNPAR new students' orientation event, includes faculty and majors.
- Reinforce campaign of healthy and cleanly food and beverages production by socialize an open kitchen concept.
- Utilize of social media as a marketing tool which is now being developed. In addition to low cost, this method becomes very effective and well targeted. The action plans of social media marketing are update company's social media devices (blogs, twitter, facebook, wordpress, etc.) on a frequent basis. When launching a new product, get the product in the hands of customers likes (and criticizes) company's industry so the restaurant can earn an honest review by customers.
- Using an offensive marketing strategy to gain broad market share by entering new market segment.
- Reinforce company's delivery service to surrounding UNPAR area.

IV. CONCLUSION AND IMPLEMENTATION PLAN

Strategy implementation is the sum total of the activities and choices required for the execution of a strategic plan. Poor implementation has been blamed for a number of strategic failures (Wheelen and Hunger, 2010: 320). Strategy implementation involves establishing programs, person or unit who is responsible for conducting these activities, timeframe of the activities and flow of information, goods and money in each activity.

a) Immediate Program

This program can be said as a turnaround management. All these phase must be done by the company since the enactment of changes in the company's plans. Changes in the program attempted to be completed during the first year.

Table 4.2.Immediate Program

1	2	3	4	5	6	7	8	9	10	11	12
STABILIZATION											
	OPERATIONAL STREAMLINING										
	ENTREPRENEURSHIP										
	REORGANIZATION										

b) Financial budgeting

Based on a turnaround management program which suggested in the previous section, the next step is to estimate the financial resources for each phase within turnaround management program as shown in Table 4.6:

Table 4.6 Estimated Financial Resources

No	Program	PIC	Description	Cost	Total (in year)
1	R&D menu New food & beverage packaging	Owners & employees	monthly	Rp 300,000	Rp 3,600,000
2	Reinforce company's delivery service	Owners	twice a month	Rp 1,500,000	Rp 18,000,000
3	gasoline	Owners & employees	in the first month of program	Rp 300,000	Rp 300,000
4	Training 2 employees	Employees	monthly	Rp 100,000	Rp 1,200,000
5		Owners & employees	in the third of program	Rp 1,800,000	Rp 1,800,000
TOTAL EXPENDITURES IN A YEAR					Rp 24,900,000

It can be seen at table 4.6 that company's expenditures are majority coming from entrepreneurship and reorganization phase. The largest expenditure comes from company innovation which consist of product and packaging innovation. Basic of turnaround management is systematic process of cost management, therefore the program focused on stabilize company, operational streamlining, and reorganization. Three phases are referring to the sole purpose of effectiveness all the company's activities.

Table 4.7 Annual Cost Saving

No	Program	Monthly cost saving	Yearly cost saving	Total (in year)
1	Stabilization			
	Change in work hour			
	water and electricity expenses	Rp 400,000	Rp 4,000,000	
	employee meal allowance	Rp 360,000	Rp 3,600,000	
	New Supplier price	Rp 650,000	Rp 6,500,000	
	employees salary cuts	Rp 1,100,000	Rp 11,000,000	
				Rp 25,100,000
2	Operational Streamlining			
	cut of unprofitable menus			
	kebuli rice	Rp 320,000	Rp 3,200,000	
	jala bread	Rp 150,000	Rp 150,000	
				Rp 3,350,000
3	Reorganization			
	downsizing	Rp 2,700,000	Rp 32,400,000	
				Rp 32,400,000
	Total Savings			Rp 60,850,000

It can be seen at table 4.7 above that changes in company operational hour from 2 shifts into one shift can save about 25 million per year. Operational streamlining can reduce company's expenditure about

3.5 million per year and the largest saving comes from downsizing program. Downsizing program can reduce about 60 million per year of salary expenditure. These phase of turnaround program are makes the café's operational will be run effective and efficient.

c) Resources Requirement

In executing the turnaround program that has been described previously, the resources needed to support the program. Resources needed are as follows:

- Financial Resource

The financial resource is a crucial source in the implementation of turnaround management. With a few cash position and the company must make savings income to pay the cost of renting a place in next year would be impossible in the run turnaround program management.

- Human Resource

Turnaround strategy will not be implemented without the support and cooperation among existing human resources. The man power factor is important as the financial resources of power. Because the human resources that will ultimately implement this management turnaround program.

d) Conclusion

Finally, a conclusion that Warung Lepak is currently in the phase of sales decline requires an appropriate formulation of an obstacles so that the root cause of the decline in sales can be identified with an effective strategic move. Company which is in the culinary industry such as restaurant needs to notice to aspects of an influentially on the industry such as product, service, management, and labor. The whole aspect refers to the sole purpose of customer satisfaction. Satisfied customers and have trust in a product will increase purchases volume and have a high fidelity despite a wide range of similar products from other competitors.

Referring to the company which is in collapsed condition, to restore and enhance its performance and increasing of sales then need to do a turnaround strategy. Implementation of turnaround strategy is based on the Quantitative Strategic Planning Matrix (QSPM) method which issued a turnaround strategy to be the most appropriate alternative strategy used by the Warung Lepak currently. This strategy is appropriate to the companies that are in a bleeding condition that can be re-stabilized. After in steady state and then proceed with a market penetration strategy to increase market share.

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