

Analysis of the Application of Management Functions in Micro-Entrepreneurs to Support Business Sustainability (Case Study of Small Food Stalls in the Bojongsalaman Village, West Semarang)

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Abstract. This study aims to analyze the implementation of management functions in supporting business sustainability in small food stalls as a form of micro-entrepreneurship in Bojongsalaman Village, West Semarang. This study used a descriptive qualitative approach through semi-structured interviews and direct observation. The results showed that although business owners do not apply management formally, the four management functions of planning, organizing, directing, and controlling have been applied intuitively and effectively. The planning function is done pragmatically based on economic needs and market observations. The organizing function shows high flexibility with a family-based division of labor. Directing and controlling functions are carried out through a personal approach and daily evaluation of operations. This implementation has been proven to support business sustainability, both in terms of finance, operations, and customer relations. This study recommends the need for basic management training for micro-entrepreneurs to optimize business sustainability.

Keywords : Management Functions; Micro-Entrepreneur; Business Sustainability; Small Food Stalls; Bojongsalaman Village; West Semarang

INTRODUCTION

In the current era of globalization, business competition is getting tighter and more complex. Technological developments, market openness, and high information mobility have encouraged businesses from various parts of the world to compete directly, not only on a large scale, but also to the small and micro business sector. Globalization does open up vast opportunities for businesses to expand markets and increase productivity, but on the other hand, it also presents serious challenges, especially for local businesses. Micro and small businesses in many developing countries, including Indonesia, are facing immense pressure to survive amidst the dominance of more competitive global products and services.

By 2023, the growth of micro-entrepreneurs in Indonesia will be rapid, with the growth rate of small businesses reaching 87%, the highest rate since 2020 (Badan Pusat Statistik, 2023). This increase shows a growing confidence in the country's economic stability and an increasing number of active and flexible young entrepreneurs. In addition, government support for MSMEs has also helped accelerate the sector's progress, making it an important pillar in strengthening the country's economy.

Brand credibility, is an element built over time through repeat purchases by customers. In this context, entrepreneurs and business actors in the Micro, Small and Medium Enterprises (MSMEs) sector play a strategic role in supporting national economic resilience and growth. Understanding the role and dynamics of micro-entrepreneurs is important, especially in analyzing their contribution to social and economic development, especially at the local level. Micro-entrepreneurs refer to individuals or groups that run

very small-scale businesses with limited capital, labor, and access to formal managerial training and resources.

In many areas, including Bojongsalaman Village in West Semarang Subdistrict, micro-entrepreneurs have long been a pillar of the community's economy. They run businesses that are generally in the informal sector and household-based, such as small food stalls that target the daily needs of the surrounding community. Despite their small scale, the role of micro-enterprises cannot be underestimated as they not only absorb labor, but also keep the local economy alive.

One obvious example of a micro-entrepreneur is a small food stall vendor. Small food stalls not only create jobs for many people, but also serve as economic drivers in local communities. With relatively little capital, small food stalls can fulfill the basic needs of customers, while creating a mutually beneficial economic cycle around them. However, the success of small food stalls often faces great challenges. Limited resources, such as funds, labor, and access to management training, are major obstacles in maintaining business sustainability. Business sustainability itself is defined as the ability of a business to keep running and growing in the long term, by considering financial, managerial, and environmental aspects of the business (Lubis & Anandia, 2024). Sustainability indicators include revenue consistency, resource efficiency, innovation, and adaptability to market dynamics.

One of the main causes of the problem is the lack of optimal application of management functions. Many stall owners still rely on intuition and personal experience, without a systematic management approach. In fact, good management includes the functions of planning, organizing, directing, and controlling which are key to efficient and sustainable business management (Fadzil Hanafi Asnora, 2024). For example, the planning function can help business owners set clear goals and appropriate strategies in the face of market dynamics, a good organizing function enables efficient resource allocation, an effective directing function can increase the productivity of the work team, and a controlling function is an important tool to ensure that the business stays on track in accordance with the predetermined targets.

Effective implementation of management functions plays a direct role in strengthening the sustainability of small food stall businesses. Each management function is integrated in creating a business management system that is more adaptive and resilient to market pressures and resource limitations. Careful planning allows business actors to set a long-term vision and realistic business development strategies. Good organization supports efficiency in the use of limited resources, while proper direction can motivate the workforce and strengthen internal communication. Meanwhile, control is an important foundation in the process of evaluation and continuous improvement. Thus, the application of management functions not only helps business owners in their day-to-day operations, but also enhances the resilience and competitiveness of the business in the long run, which ultimately supports the achievement of overall business sustainability.

This research refers to research conducted by Dea Puspa Seruni, Putri Suci Asriani, Irnad (2022) which explores the Application of Management Functions in Lancor Coffee MSMEs in Sido Rejo Village, Kabawetan District, Kepahiang Regency. The study highlighted how the implementation of management functions, including planning, organizing, implementing, and controlling, plays an important role in maintaining business continuity and development. The findings confirmed that proper implementation of management

principles can have a positive impact on operational effectiveness and business resilience (Seruni et al., 2024).

However, to date, few studies have specifically investigated how the application of management functions contributes to the sustainability of small food stalls at the local level, particularly in Bojongsalaman Village, West Semarang. Most studies on MSMEs are general in nature and have not touched on specific micro-contexts, such as conventional management practices, local market dynamics, and limited access to information and managerial training (Muliadi, 2023). Therefore, more in-depth research is needed to understand how micro-entrepreneurs can apply management functions to support the sustainability of their businesses.

This study aims to analyze the application of management functions in small food stalls in Bojongsalaman Village, West Semarang as a form of micro-entrepreneur. This study is expected to provide in-depth insight into how the application of good management can improve the sustainability of small food stall businesses, as well as provide practical recommendations for other business owners in running their businesses.

METHOD

This research adopts a qualitative method, which aims to explore and understand in depth how individuals interpret certain phenomena (Ilmu et al., 2024). The focus of this qualitative research is to explore how effective the implementation of management functions is and its impact on business sustainability. To achieve this goal, offline semi-structured interviews were conducted with owners of small food stalls in Bojongsalaman Village, West Semarang, considering the characteristics of the research materials and time efficiency.

The methodology used in this study is a descriptive qualitative approach, with data collection techniques through interviews and observation. The interview process involved stall owners, employees and customers, revealing the challenges faced by owners as well as the preferences of customers. The analysis focused on the four main functions of management: planning, organizing, directing and controlling, and how they relate to sustainability. In addition, direct observations were made of the production process, customer service, and the physical condition of the food stall, to gain a comprehensive understanding of the food stall experience.

RESULTS AND DISCUSSION

In-depth analysis of qualitative data obtained from semi-structured interviews with owners, employees and consumers of food stalls in Kelurahan Bojongsalaman, as well as through direct observation, revealed interesting dynamics in the application of management functions in microenterprises and their impact on business sustainability. The findings suggest that while formal management practices may be limited, management principles are naturally applied through an approach that is adaptive, personalized and grounded in a deep understanding of the operating environment.

1. Planning

In the context of planning, it appears that small food stall owners adopt a very pragmatic approach and are responsive to local market conditions. The main objective of the business, as the owner states, is to meet the economic needs of the family in the short term and achieve sustainable growth in the long term. Although there is no formal written plan, this does not mean that planning does not exist, rather a clear vision of sustaining the

business and serving the local community serves as a guideline for decision-making.

Opportunities and threats are identified intuitively through direct observation of consumer preferences and the activities of competitors around the business area. Strategic decisions on menu diversification and pricing are made based on ongoing interactions with customers and a deep understanding of demand elasticity at the micro level. The main marketing strategy relies on word of mouth marketing and interpersonal relationships, demonstrating the utilization of social capital as an effective promotional tool on a local scale. The lack of a formal budget is overcome by daily recording of income and expenses, which allows the owner to monitor cash flow and manage financial resources directly.

This finding is in line with previous research by (Andika et al., 2023) in Makassar and Pare-Pare, South Sulawesi, which showed that informal sector businesses often rely on direct observation of consumer preferences and competitor activities to identify opportunities and threats. Despite not having a formal written plan, they have a clear vision for sustaining the business and serving the local community, which serves as a guideline for decision-making.

2. Organizing

The organizational structure in the small food stalls that were the object of this study is informal and highly dependent on the role of each family member. The division of tasks is based on individual availability and expertise, reflecting the natural flexibility of running a microenterprise. This approach is common and provides advantages in terms of cost efficiency and work cohesiveness in the context of microenterprises (Gary Dessler & Varrkey, 2005). Resource management, especially raw materials, shows a reliance on long-term relationships with local suppliers. This not only facilitates price negotiations, but also ensures availability of goods.

Time-oriented raw material procurement practices (just-in-time) were implemented to reduce potential losses due to spoilage of perishable materials. In addition, a simple and visual inventory management system helps reduce operational complexity. Workflow efficiency is achieved through ergonomic spatial arrangements, the result of years of experience, enabling quick response to customer requests, especially during busy times.

This finding is consistent with research by (Naufalin et al., 2024) which highlights that micro-enterprises tend to have simple and flexible organizational structures. This allows them to adapt quickly to market changes and limited resources.

3. Actuating

Leadership in small food stalls tends to be personal and focused on family relationships. The owner directly provides guidance to his family members who help, both through words and by setting an example at work. Internal conflict resolution is done through informal dialogue and consensus building among family members. This leadership style illustrates a transformative leadership model at the micro level, where encouragement comes more from emotional closeness and a sense of shared responsibility (Yukl, 2013).

Although there is no formal training, the process of knowledge transfer occurs directly through daily practice. Employees, in this case the owner's children, also stated that they felt involved in the decision-making process and provided input regarding the menu and promotion strategy. This illustrates an element of empowering leadership that has the potential to be developed further.

4. Controlling

Small food stall owners have implemented the control function in their business management in a simple but effective way. The warung owner regularly monitors daily sales. He compares how crowded today's visitors and sales are with the previous day, and calculates daily or weekly profits. Customer satisfaction is measured based on direct interactions and how often they return. This shows an effort to monitor performance on an ongoing basis although modern analytical tools are not yet in use. The owner has a simple daily log to document income and expenses. These records are used to analyze profit and loss, best-selling products, and the biggest expense categories. This shows that although the recording system is manual, the owner is quite aware of the importance of financial data as a basis for evaluating the business.

Goal achievement is measured by the fulfillment of daily needs, the ability to save, and an increase in the number of customers. This shows that success indicators are still personal and practical, but quite relevant for small-scale businesses. If the business is not doing well, the owner finds out the root of the problem such as menu quality, service, or price. Subsequently, improvements are made in stages. This shows that corrective action is an important part of the control function. Shop owners are also open to feedback from customers, either directly or through casual conversation. Small food stall owners use the feedback to make adjustments to dishes and menus. This shows that customer feedback is an important component of evaluation for quality improvement. Despite their informal and uncomplicated nature, stall owners have applied the basic principles of the control function in management, such as monitoring performance, financial records, evaluation, corrective action, and utilizing feedback. This approach is in line with the characteristics of small businesses that rely on hands-on involvement and on-the-ground experience.

This is in line with the findings (Djafar et al., 2021) in Gowa Regency showing that the role of controllers in MSMEs includes financial supervision, sales planning, inventory checking, and performance evaluation. Although on a more formal scale, these activities reflect control practices carried out informally by small food stall owners, such as recording daily sales and adjusting menus based on customer preferences.

5. Application of Management Functions in Supporting Sustainability:

Based on an interview with the owner of a small food stall, there are some important findings regarding the application of management that is crucial for business continuity. The owner revealed that the main challenges in maintaining his business include intensifying competition, fluctuating raw material prices, and limited funds for business development. To overcome these problems, stall owners implement various strategies such as maintaining good food flavors, providing quality service to customers, and setting affordable prices. In addition, stall owners also take the initiative to add menu variations and explore online sales if there are additional funds, which shows an effort to adapt to the times. The owner actively observes market trends by looking at the food that consumers are interested in, and slowly introduces new menus to suit market tastes. This reflects the ability of business owners to adapt to changing consumer preferences. On the other hand, there are plans to develop products and services such as providing breakfast menus and taking orders for small events, as well as expanding market reach using social media, although their understanding of how to use it still needs to be improved. To manage risks, business owners emphasized the importance of prudent financial management, avoiding excessive debt, and finding alternative raw materials if there are problems in supply.

Overall, stall owners demonstrate awareness and application of management functions that support business continuity, especially in planning, simple organization, supervision, and risk control, although all of these are done in an informal way and based on personal experience.

This is relevant to the results of research conducted by (Elias et al., 2021) where the survival strategy of Batak restaurant MSMEs is digital marketing, creative innovation in products / menus, service improvement, and strengthening human resources, innovation and customer service.

CONCLUSION

This study has conducted an in-depth analysis of the application of management functions such as planning, organizing, directing, and controlling. In the context of small food stalls as a form of micro-entrepreneurship in Bojongsalaman Village, West Semarang, with the aim of supporting their business sustainability. The findings of this study show that although business owners do not apply the management functions formally and systematically, the four functions have been applied in an intuitive and effective way. The planning process takes a pragmatic approach, based on economic needs and market analysis. The organization shows a high degree of flexibility with the division of tasks based on family relationships. Meanwhile, direction and control are carried out with a personal approach and daily operational evaluation. The application of this responsive and personalized management has proven to support business continuity, both in terms of financial, operational, and customer relations.

Thus, to strengthen the long-term sustainability of micro-enterprises and assist them in facing more complex challenges in the future, this study suggests that small food stall operators in Bojongsalaman Village improve the application of management functions more systematically through basic management training that includes planning, organizing, directing, and controlling so that business sustainability can be optimized. In addition, more structured financial records and the utilization of technology such as social media need to be adopted to improve operational efficiency and marketing. Strengthening social networks with customers, suppliers and local communities is also important to support marketing and business stability. Regular evaluation and adaptation of all aspects of the business must be carried out consistently so that the business can survive and thrive in the face of market dynamics and limited resources, so that overall a more optimal application of management functions will strengthen the resilience and competitiveness of micro businesses.

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