



© Copyright Kemala Publisher
All rights reserved

Science, Engineering and Social Science Series
ISSN/e-ISSN: 2541 – 0369/2613 – 988X
Vol. 4, No. 4, 2020, Printed in the Indonesia

Application of Risk Management in Development Noor Halal Minimarket at Islamic Education Institutions

Meydi Nindia Larasati^{1,*}, Rhian Indradewa¹, Tantri Yanuar Rahmat Syah¹, Diana Fajarwati¹
¹Faculty of Economics and Business, Esa Unggul University-Jakarta

The development of minimarkets in Indonesia is currently growing. The national minimarket network owned by large companies makes conventional stores and local minimarkets has been decreased in competitiveness. Here, the national minimarket provides a variety of facilities offered to make customers comfortable to shop. The competition with the national minimarket network is a challenge faced in the local minimarket business. Thus, a minimarket has innovation and strategy to brings actual solutions along with the times also changes to win the competition. Here, the Noor Halal Minimarket in this case chose Islamic Education Institution as an untapped market niche, especially in Bogor Regency, West Java due to have the large number of Islamic center education. Another strategy that is a mainstay is to use innovation vending machine in daily operations for the efficiency and application of tiered prices following a certain number of purchases.

Keywords: Risk Management, Noor Halal Minimarket, Islamic Education Institutions Risk Management, Noor Halal Minimarket, Islamic Education Institutions

1. INTRODUCTION

Minimarket is a shop that sells a variety of needs that apply a modern system, where the buyers take their own items needed [1]. The facilities provided by the minimarket make customers comfortable to shop. Thus, minimarket has changing people's habits in buying they needs. It can be seen clearly in the sales and traffic data of visitors over minimarket. So this strategy makes a minimarket as a good business potential. The establishment of a business cannot be denied having various risks that may occur. So risk management is needed to assess the business and as a form of anticipating risks with threaten the business [2, 3]. Thus, Noor Halal Minimarket has been come as a competitor minimarket who have risk management planning in developing, they business. With the aim of achieving the company's vision and mission and creating quality service oriented to customer satisfaction. In addition, Noor Halal Minimarket is supported by quality resources in each field.

*Email Address: meydilaras5@gmail.com

2. METHODOLOGY

The risk management process implemented by Noor Halal Minimarket is based on ISO 31000 in 2018 with the following explanation, as follows:

A. Scope, Context, and Criteria

The scope of application is based on the company's business goals in business management. Companies in planning this must pay attention to goals and decisions made [4]. The context of the application of risk management includes the internal context and external context. Context relates to the environment in which the company sets targets and objectives [5]. Possible risks are then determined based on the importance of the risk level. This is done as a support in decision making.

B. Risk Assessment

In the risk assessment over Noor Halal Market is carried out with three stages such as risk identification, risk analysis, and risk evaluation. Here, the companies can identify risks usually through experience, internal history,

consulting with experts and conducting external analysis. Identifying risks can not only benefit the management team but can also be used as signs that can be followed and studied by the entire company team [6]. All teams must participate in identifying risks based on their prior knowledge and experience to identify possible risks that might occur. After identifying possible risks, the next step is risk analysis, which is digging deeper into the likelihood of the risk occurring and the consequences. During this process, it is estimated that the likelihood and impact of each risk can be decided in order to prioritize risks [7, 8]. After a risk analysis is carried out, the next step is an evaluation of the risk. Risk evaluation is done by creating an inherent risk map.

C. Risk Treatment

Risk treatment involves choosing a number of risk treatment options is implemented over Noor Halal Market. Here, predetermined some risks that require special attention can be applied after the risk treatment modifies as a risk control. Risk treatment covers the stage of risk treatment assessment with decides the risk level with tolerated value, if it cannot be tolerated, the new risk treatments will be made and the effectiveness assessment is treatment with carried out [9, 10]. After the risk is given a treatment, the risk of change can be concluded in the residual risk map table.

D. Communication and Consultation

The risk management process consists of communication and consultation stages. The communication and consultation plan are determined at an early stage [11]. The communication delivered regarding the risk problem itself, the causes of the risk, how the consequences and steps that must be taken in dealing with risk.

E. Monitoring and Review

Monitoring and Review is part of the risk management process plan that involves inspection and supervision [12]. This stage is done regularly with responsibilities for monitoring and review must be clearly defined. The results of Monitoring and Review are then recorded and reported and used as input from the review of the risk management framework [13].

F. Recording and Reporting

At the last stage in risk management, storage and reporting of risks is carried out. The unit responsible for managing company risk must analyze the resulting report and then submit the results of the analysis periodically as needed to management.

3. RESULT AND DISCUSSION

Based on the description of the risk management process, the following is the discussion result of the Noor Halal Minimarket team.

A. Scope, Context, and Criteria

The study of the scope of risk is limited to top ten risk which causes disruption to business operations. The context is focused only on marketing, operational, human resources, and finance in the Noor Halal Minimarket business that is in the Islamic Education Institution. And the criteria set by Noor Halal Minimarket are as follows.

Table I. Risk Probability Criteria

Index	Probability	Percentage (%)
1	Rare	(0% $p \leq 20\%$)
2	Impossible	(20% $p \leq 40\%$)
3	Possible	(40% $p \leq 60\%$)
4	Likely	(60% $p \leq 80\%$)
5	Almost Certain	(80% $p \leq 100\%$)

Table II. Risk Impact Criteria

Index	Impact	Impact on Reputation (Qualitative)	Impact on Organizational Strategic Targets (Qualitative)	Impact on Human Resources- Worker Reaction (Qualitative)	Impact on Operational Sustainability (Qualitative)	Impact on commercial aspects (qualitative)	Impact on market share aspects (qualitative)	Impact on the Customer Satisfaction Index (CSI) Aspect (Qualitative)
1	Insignificant	There is no reputation impact	Very small impact, performance targets and targets can still be achieved	Individual responses to problems	There are no disturbances	Minimum impact	Market loss <math>< 1\%</math>	80% <math><CSI \leq 100\%</math> (Very Satisfied)
2	Minor	Internal Company Impact	Performance targets and targets were achieved slightly below targets	Some employees are disappointed and have negative comments	There are disturbances but do not have a significant impact	Some customer dissatisfaction	Lost market share of 1% - 2%	60% <math><CSI \leq 80\%</math> (Satisfied)
3	Moderate	Impact on areas in Islamic Education Institutions	Performance targets and targets are achieved below the target	Most employees are disappointed and comment negatively and influence others	There is a significant disturbance	Customers make a complaint	Lost market share of 2% - 3%	40% <math><CSI \leq 60\%</math> (Quite satisfied)
4	Major	Impact on areas outside Islamic Education Institutions	The performance targets and targets achieved are still far below the targets	Most employees are dissatisfied with management and make negative news	There is a major disruption, loss of operational ability	Loss of trust in Islamic Education Institutions and customers	Loss of market share between 3% - 4%	20% <math><CSI \leq 40\%</math> (Less satisfied)
5	Catastrophic	Regional Impact (Jabodetabek)	Performance goals and targets not achieved	Resign employees	Severe interference, unable to operate	Islamic Education Institutions cut off employment and no customers	Lost market share > 4%	0% <math><CSI \leq 20\%</math> (Not satisfied)

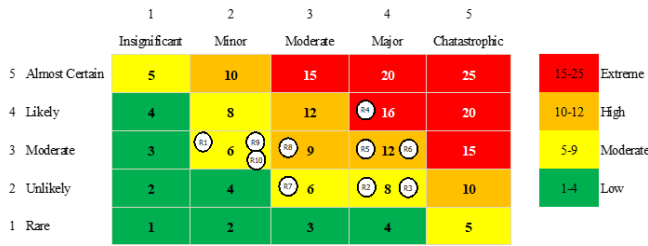
B. Risk Assessment

Noor Halal Minimarket risk assessment activities are summarized in the following Table III and Table IV as follows:

Table III. Risk Assessment

No	Stages	Description
1	Risk Identification	Identify risk based on the risk context which then determines risk events, causes of risk, risk symptoms, positive factors (controls), and qualitative impacts
2	Risk analysis	Done by determining the likelihood and impact of risks so a Risk Priority Number (RPN) is obtained
3	Risk Evaluation	Evaluate risk by creating an inherent risk map

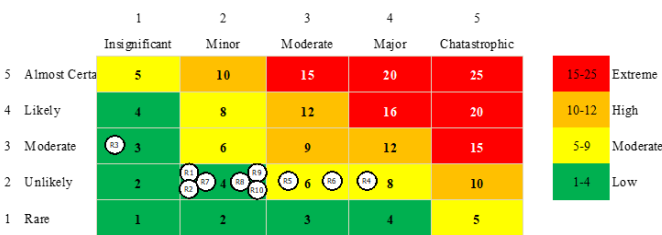
Table IV. Inherent Risk Map



C. Risk treatment

Treatment is carried out using the results of a risk analysis which is then given a mitigation plan. Mitigation plans determined by each risk are determined by the PIC as a form of implementation responsibility. Then after the mitigation plan is carried out, the risks will experience a decrease in the Risk Priority Number (RPN). This is the residual value. After the value is obtained, it is summarized on the residual risk map.

Table V. Residual Risk Map



D. Communication and Consultation

At this stage Noor Halal Minimarket determines the escalation level based on risk level and risk value. Communication and consultation are carried out differently based on the level of risk. The higher the level of risk, the higher the level of authority for communication and consultation.

E. Monitoring and Review

Monitoring and review are set out in the following table.

Table VI. Review and Monitoring

No	Activity
1	Management prepares a monthly risk event report form
2	All employees fill out a monthly risk event report
3	Reports of risk events are summarized by the head of the store and then reported quarterly
4	Supervisors monitor and review and make a summary of risk events and then reported every 6 months
5	Risk events are concluded in the annual risk management report and managed by the manager level and above

F. Recording and Reporting

The following is the Noor Halal Minimarket plan for risk management storage and reporting.

Table VII. Recording and Reporting

No	Time	Activity	PIC	Monitored By
1	Quarterly (3 months)	Making reports on risk events that occur for 3 months	Head of Shop	Supervisor
2	Semester (6 Monthly)	Make a summary of risk events that occur for 6 months	Supervisor	Manager
3	Annual	Making a risk management report	Manager	director

4. CONCLUSION

The risk management that has been implemented by Noor Halal Minimarket based on the description above, it is concluded that there are top ten risks that have the potential to disrupt business operations. Risk is determined based on the marketing, operational, human resource, and financial context, each of which has a different level of risk. Here are some risks that are the main focus of management. Competitor is undeniable, because competitors see a good opportunity in this monopolistic business. This risk is at a moderate level with mitigation plan is carried out by looking for the advantages of the Noor Halal Minimarket that can compete with competitor minimarkets later, such as: using vending machines with e-money. Then the risk will decrease to a low level. In terms of sales inventory contained in the Noor Halal Minimarket. This relates to expired and halal products. The risk if found by customers is that the product is expired and not halal. This risk is at extreme levels if it occurs. So, to overcome these risks occur, carried out mitigation plans by doing regular inspection of products sold, and placing a special handling team to be more controlled all products sold. So, the risk will decrease to moderate level. Complaints from customers due to the services provided are not satisfactory. The risk is at a high level. Mitigation plans are carried out by giving warnings and training for employees to serve more responsively and quickly. So the risk will decrease to a low level. Turn over height can also disrupt business operations. This happened as a result Fresh graduate employee who are not accustomed to work experience homesickness. This risk is at the moderate level. Mitigation plan undertaken by Regular employee performance evaluations. So, the risk will decrease to a low level.

Payment of trade payables to suppliers and distributors that are not timely is a risk for Noor Halal Minimarket. This risk is at a moderate level. The mitigation plan that will be carried out is by Perform cash monitoring and evaluation of stock every day. Daily monitoring of payments to suppliers and distributors So the risk will decrease to low levels. Based on the complete risk management process, Noor Halal Minimarket has inherent risk where there is 1 extreme risk, 3 high risk, and 6 moderate risk. After the mitigation plan is implemented it is expected that the residual risk will decrease to 3 moderate risk and 7 low risk. For the initial stage, residual risk is still acceptable but will be gradually reduced again according to management's policy.

References

- [1] Artadi, R., Syah, TYR. (2019). Lean Service Design in Purchasing Orders of Motorcycles: Case Study at Mandiri Utama Finance Branches Tangerang, Indonesia. Indonesia: Journal of Multidisciplinary Academic.
- [2] Firmansyah, MR., Syah, TYR., Pusaka, S., Ramdhani, D. (2020). Marketing Plan Implementation over Business Start-up: Food Combining at PT. Corn Rice Archipelago. Indonesia: Journal of Multidisciplinary Academic.
- [3] Hartati, S., Syah, TYR., (2018) Safety Management on MRI Services Within Radiology Unit. IOSR Journal of Business and Management.
- [4] Marsiwi, CKK., Syah, TYR., Pusaka, S., Indradewa, R. (2019). Investment Feasibility Analysis in Financial Aspects of Stratup Business In Lifestyle Combining Barbershop And Coffee Shop Over PT. Jeeva Work Corporation. Indonesia: Journal of Multidisciplinary Academic.
- [5] Naim, A., Syah, TYR., Pusaka, S., Ramdhani, D. (2019). Implementation of Quality Management for Food Combining on Startup Business PT. Corn Rice Archipelago. Indonesia: Journal of Multidisciplinary Academic.
- [6] Novia, R., Syah, TYR., Indradewa, R., Pusaka, S. (2020). Hotel Risk Management Implementation Based on Technology over LH Hotels. Indonesia: Journal of Multidisciplinary Academic.
- [7] Priscilla, LR., Syah TYR., Rina, A., Moelyono. (2019). Risk Management for Start-up Company: A Case Study of Healthy Kitchen Restaurant and Catering. Russian: Journal of Agricultural and Socio-Economic Sciences.
- [8] Putra, RP., Syah, TYR., Pusaka, S., Indradewa, R., (2019). Human Resources Implementation Using the McKinsey 7S Method for Business Startup: Duck Nugget Frozen Food. Indonesia: Journal of Multidisciplinary Academic.
- [9] Susananto, PH., Syah, TYR., Indradewa, R., Pusaka, S. (2019). Human Capital Strategy Implementation for Business Startup: Jeeva Works Company. Indonesia: Journal of Multidisciplinary Academic.
- [10] Susanti, B., Syah TYR., Sunaryanto, K. (2020). Lean Consumption Implementation for Acceleration Improvement in Executive Outpatient Wait Time over Hermina Hospital Bekasi. Indonesia: Journal of Multidisciplinary Academic.
- [11] David, FR (2011). Strategic Management - Concepts and Cases. 13th Edition. Prentice Hall. New Jersey. The USA.
- [12] Grant, RM (2010). Contemporary Strategy Analysis. 7th Edition. John Wiley & Sons Ltd. West Sussex. UK
- [13] Susilo, Leo J. (2018) Risk Management Guide for Risk Leaders and Risk Practitioners. Jakarta: Grasindo.

Received: 27 June 2020, Accepted: 25 July 2020