



**JOURNAL**

**IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE (GCG) GREEN  
ECONOMY FOR MSME SUSTAINABILITY (CASE STUDY OF ZERO WASTE NAKED  
INC STORES)**

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**Abstract:**

The object of this research is a store with zero waste concept Naked Inc, Jakarta. Naked Inc. is a grocery retail store that provides organic products with a non-packaged shopping method. Naked.Inc is one of the green businesses that supports SDG (Sustainable Development Goals) No. 12 Responsible Consumption and Production takes the initiative to contribute to reducing the accumulation of waste caused by the high level of public consumption. In practice, MSME businesses usually do, produce, sell and make a profit. without taking into account the aspects of business continuity and increasing income for the long term. This study uses a qualitative descriptive method. Collecting data through field studies such as interviews, observation and documentation. This study aims to describe the implementation of GCG implementation in Naked.Inc and determine the right strategy for the development of Naked.Inc stores in terms of sales that will be implemented in the future. Using a SWOT analysis (Strengths, Weaknesses, Opportunities, Threats. The results of the study, Based on the results of triangulation on the application of GCG principles to Naked Inc. SMEs, it is good to apply the principles of transparency, accountability, responsibility, and independence. But it is still not optimal in the application of the principle of fairness. The right strategy searched using swot analysis using the IFAS matrix, EFAS matrix, SWOT matrix and SWOT Cartesian diagram, the strategy obtained is the strategy in quadrant I, namely the SO strategy, using strength (Strength) to take advantage of existing opportunities.

**Keywords:** Good Corporate Governance, MSMEs, Green Business, SWOT, Zero Waste

**BACKGROUND**

SDG (Sustainable Development Goals) was officially designed by the United Nations to deal with global challenges, in which it has principles in the implementation of achievements, namely Universal, Integration, and No one left behind (providing benefits for others) written in Presidential Regulation Number 59 of 2017 with these principles it can be seen that business is a vital partner in achieving TBP. TBP is a business opportunity, to provide products/services to be developed in dealing with the big challenges of the world's sustainable development. One of the business opportunities that can be done is to change or create a business with a green business concept. This environmentally



friendly business opportunity grows along with public concern. Green business that reduces waste, (Utomo, MN2022). Green Business business activities that are only profit-oriented but also seek to preserve the environment make a positive contribution to businesses, consumers, the environment, organizations and communities (Hirsch, 2010). The green business concept can not only be applied to large companies but also to MSMEs. Green Business aligns the goals of protecting the environment and business economic goals inherently, connected in an integrated manner and not contradicting each other (Walls et al., 2010).

According to the Director of Waste Management at the Ministry of Environment and Forestry, the zero waste lifestyle will dominate in the future. This zero-waste retail store is expected to help change people's behavior in shopping. By continuing to increase shopping facilities for some people who have adopted a minimalist lifestyle and love the environment, and with this type of business, you can also campaign for renewable energy which is being touted by the whole world. as well as reducing the use of single-use plastic switching to renewable energy sources for fuel, heating and electricity and being able to maintain the continuity of life on earth. This encourages a modern business mindset (green business) and a movement towards sustainability (Stern, N. & Taylor, 2007).

The values of GCG principles can be applied as a reference for all business entities, both large and small companies such as zero waste Bulkstore stores. Implementation of Good Corporate Governance can help MSMEs to improve their business performance in order to expand their reach with the aim of finding investors or other funding assistance, for example from government institutions and also by applying GCG principles to businesses will increase investor confidence in companies by disclosing financial information and actual accounting records and transparency efforts that convince stakeholders in the scope of business that is being carried out and according to (Handayani, 2017). Most small companies or MSMEs do not apply the principles of Good Corporate Governance. as is the practice of MSME businesses, their business processes usually carry out production, sell and make a profit. and does not take into account aspects of business continuity, especially increasing income for the long term, this is because there is no governance in business or business within the company, in MSMEs or small businesses there is no division of authority between one and another, according to one of the implementation of GCG principles in companies can improve business performance, and it is hoped that the implementation of GCG in the Bulkstore business can support the sustainability of retail businesses which are still not many in Indonesia, and can increase business existence and profits. The benefits expected from the implementation of GCG for MSME actors can grow into big businesses. governance in MSMEs is needed, even in small businesses the division of jobdesk such as finance, production, technology and so on needs to be accounted for by several people so that the business can operate optimally and continue to grow.

According to Purwanto & Mustamu (2013) there is a lot of literature in Indonesia that discusses SMEs, but there is still little that examines the implementation of Good Corporate Governance in SMEs. and the business of zero waste shops is still small in Indonesia. As well as a strategy for how a business model like this will continue to exist and develop. So that researchers assess this needs to be researched, it is hoped that the results of the research can provide strategic input through SWOT analysis for business continuity. Based on the problem above, the author takes the research title Application of Good Corporate Governance Principles for the Sustainability of MSMEs with the SWOT Method (Case Study at NAKED.INC Zero Waste Stores).



## **THEORETICAL FRAMEWORK**

### **Good Corporate Governance (GCG)**

Good corporate governance is a short definition of good corporate governance. The term corporate governance comes from the word governance which comes from the word gouvernance which means control or a condition under control. (Subroto, 2005). According to (Forum for Corporate Governance in Indonesia, (2011) .FCGI states that corporate governance is a set of rules governing the relationship between stakeholders inside and outside the company with regard to rights and obligations. The aim is to create added value for the parties involved. According to (Surya, 2006) Corporate Governance is a process that is implemented in a business or company with the aim of prioritizing the interests of all stakeholders, from stakeholders to shareholders. Good corporate governance must be able to combine laws, regulations and practices so that companies can generate long-term economic value for shareholders and stakeholders, able to manage human and financial resources. GCG is a system that regulates stakeholder relations within the company by using the principles of Good Corporate Governance. The importance of GCG principles includes convincing investors that the company carries out management functions properly, with a good corporate providing protection for shareholders and other stakes. GCG can help improve business performance to obtain funding assistance, which has a direct impact on accounting, direct disclosure of company information which will increase stakeholder confidence in this business. with the implementation of GCG the company's internal information will be conveyed properly and reduce bad risks in the eyes of stakeholders. where according (Zarkasyi, 2008) GCG elements, internal elements in the company are shareholders, commissioners, directors and permanent employees. and for external elements outside the company such as laws.

### **Principles of Good Corporate Governance**

The implementation of GCG is supported by several institutions such as the World Bank, APEC, IMF, OECD which are international institutions that develop general principles of corporate governance. In the principles of Good Corporate Governance there are 5 principles that are of concern to a company so that it runs as it should. these principles are Transparency, Accountability, Responsibility, Independence, and Equality. This study uses research indicators that are used to assess whether GCG principles have been properly implemented in the Bulkstore business. The first principle, the principle of transparency or openness of the indicators used in assessing the principle of transparency in this study is information and policies within the company. Second, the principle of accountability uses work-based and audit indicators. Third, The Principle of Responsibility uses indicators of compliance (compliance) and CSR (Good Corporate Citizen). Fourth, the Principle of Independence uses indicators to assess independence, namely the influence of the internal side as described by shareholders and owners, and externally, the influence of the government, NGOs and consultants. Fifth, the Equality Principle uses indicators of the rights of shareholders and employee recruitment, reward, punishment and compensation systems. by applying the principles of the company can run optimally. and externally, the influence of the government, NGOs and consultants. Fifth, the Equality Principle uses indicators of the rights of shareholders and employee recruitment, reward, punishment and compensation systems. by applying the principles of the company can run optimally.



## Bulkstore



Source: Naked Inc website

Bulkstore is a shop that implements the concept of zero waste, or zero waste. Bulkstores usually sell a variety of food and non-food products, and are usually environmentally friendly products, the operation of a waste-free bulkstore store is the concept of storing products long term without bulk packaging. such as spices, oils, soaps, shampoos, cotton, and so on and usually bulkstores use shelves or products are put in large jars and labeled with the name of the product and the weight outside the big jar. to make purchases, buyers must bring their own containers from home, for example, to buy cereal, they can bring containers such as cans or reusable lunch boxes (ID Kotliarov, 2021). The removal of packaging is the most visible change from a consumer perspective. Although it reduces convenience compared to supermarkets (Minami, C., Pellegrini, D. & Itoh, 2010), packaging removal has several advantages. it's more economical to spend money according to the amount of goods he needs, because in supermarkets products are usually sold in standard packaging and the price is the same and leads to higher expenses... as well as several cases where products are wasted because the quantity is excessive and not consumed. In the zero waste concept, buyers spend additional goods that are not needed and do not produce packaging waste. Usually, prices at zero waste stores tend to be a bit more expensive because stores focus on the quality of goods sold in bulkstore businesses, which are also closely related to suppliers. Having a zero waste store concept requires us to pay attention to suppliers, it is not only product quality that is considered but also bulkstore flexibility that must also pay attention to and cooperate with local regional suppliers, which is a hallmark of a zero waste shop business that uses containers (containers) that can be reused. waste) shopping at bulkstores also changes consumer behavior. The bulkstore concept also expands the range of environmental services with the existence of a recycling bank system where visitors can bring their plastic waste to be placed there, this is one of the business expansion strategies of the bulkstore. Apart from protecting the environment because it reduces food waste, shopping at bulk stores also changes consumer behavior. The bulkstore concept also expands the range of environmental services with the existence of a recycling bank system where visitors can bring their plastic waste to be placed there, this is one of the business expansion strategies of the bulkstore. Apart from protecting the environment because it reduces food waste, shopping at bulk stores also changes consumer behavior. The bulkstore concept also expands the range of environmental services with the existence of a recycling bank system where visitors can bring their plastic waste to be placed there, this is one of the business expansion strategies of the bulkstore.



### **Green economy**

The term Green economy was coined and planned by environmental economists first in England in 1989. Green economy will focus on renewable use, shifting from the use of fossil fuels to a low-carbon industry by promoting a circular economy that protects the environment and increases economic productivity (Victor et al. , n.d. 2018). Apart from that, the green economy approach is one of the efforts to reduce poverty, create jobs and support a sustainable economy. This economic activity will provide high and significant opportunities to encourage economic growth and contribute to the achievement of the Sustainable Development Goals (UNEP, 2011).

According to the United Nations Environment Program (UNEP) the implementation of the green economy can be through:

1. A decrease in consumption that generates a lot of waste
2. CO2 reduction and plus
3. Increasing the quality and quantity of employment in the green business sector
4. Increasing investment in the green sector
5. Decrease in resources or energy for production units
6. GDO increase for the green sector

Green business is defined as an action of personal desire to make the environment better while at the same time making companies compete with concern and support the principles of a green economy and maintain the quality of the environment and resources (Koester, 2016). Green business is not only the actors making profits from their business but also thinking about the sustainability of business operations (profitability), taking into account the values of sustainability. According to green business can be defined as follows:

- Have a good green marketing campaign
- Reducing the negative impact on the environment
- Able to maintain its business operations into the future
- Expand and expand the type of business in which the business operates
- Have a good environmental management system
- Comply with environmental regulations
- Doing good Corporate Social Responsibility (CSR).

### **METHOD**

This type of research uses a qualitative descriptive research method. The place chosen in this study is NAKED INC. The type of data in this study uses primary data sources with the main information source being the owner of Naked Inc. and secondary data from literature studies. Informants or data sources are selected based on subjects who know best about this research. Data collection techniques





use data triangulation to find the validity of the data in the field (Moleong, 2016). Data analysis was carried out using a triangulation approach SWOT analysis.

## RESULT AND DISCUSSION

### Business Description

Naked.Inc is the first zero waste shop in Jakarta, present in April 2019 by Kiana Lee as the founder. Kiana Lee built this type of business because Kiana herself applies a zero waste lifestyle and sees opportunities where this type of business has not yet been found in Jakarta. Kiana Lee went to school to major in culinary arts in Australia. Kiana always buys her daily needs at zero-waste shops where there is free packaging and brings her own containers. Upon returning to Indonesia, Kiana realized that there were no zero-waste stores in Indonesia yet, so Naked.Inc was created to help Indonesian people, especially Jakarta, implement a zero-waste lifestyle. Naked Inc. is one of the green brands that takes the initiative to contribute to reducing the accumulation of waste caused by the high level of consumption by the Indonesian people.

### Implementation of Good Corporate Governance

#### Transparency Principle

The principle of openness or transparency according to (Zarkasyi, 2008) In applying the principle of transparency, companies must provide information that is easily accessible, clear, accurate, timely, adequate, clear and comparable to the rights of stakeholders. The principle of transparency must be applied without reducing company confidentiality in accordance with personal rights and legislation. According to (KNKG, 2006) Transparency is needed for companies so that the business runs in a healthy and objective manner. Based on the results of source triangulation by comparing the results of interviews with informants, it can be assessed that the principle of transparency in MSMEs Naked Inc is explained in the following table:

**Table Transparency Principle Indicator**

Transparency Indicator	Done		Information
	Yes	No/ Not yet	
<ul style="list-style-type: none"> <li>• Doing business openly and transparently</li> <li>• Have a good green marketing campaign</li> <li>• Comply with environmental regulations</li> <li>• Collect and disseminate more information about the company, such as environmental impact &amp; performance.</li> </ul>	✓		<ul style="list-style-type: none"> <li>• UMKM Naked Inc explains information to customers, including product details, product catalog photos and price lists, and online and offline shopping procedures written on social media, websites and WhatsApp business shops.</li> <li>• UMKM Naked Inc actively creates content on Instagram</li> <li>• UMKM Naked Inc. has implemented health protocols.</li> <li>• MSMEs Naked Inc. have provided information and education through social media and websites where various information is written about the zero waste lifestyle, the environmental</li> </ul>



			impact when shopping at Naked Inc stores and so on.
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Source: Processed by the author

**Principle of Accountability**

Accountability Among the principles put forward by the KNKG is the application of the principle of accountability, companies must explain their duties and responsibilities, all employees and the structure of the company's organs must adhere to business ethics and code of conduct. According to (KNKG, 2006) in accountability must contain elements of clarity of function to achieve sustainable performance. Based on the results of source triangulation by comparing the results of interviews with informants, it can be assessed that the principle of accountability in MSMEs Naked Inc is explained in the following table:

**Table Accountability Principles Indicator**

Accountability Indicator	Done		Information
	Yes	No/Not yet	
<ul style="list-style-type: none"> <li>Product suppliers meet the demand for green business product standards</li> <li>Have a commitment to the principles of environmental sustainability in running a business</li> <li>Application of environmentally friendly technology into business</li> </ul>	✓		<ul style="list-style-type: none"> <li>Naked Inc. UMKM choose materials made from organic food and non-food and also become a requirement for goods for local MSMEs who want to collaborate</li> <li>UMKM Naked Inc. has implemented environmental principles such as supporting SDG No. 12 like how to shop without using containers</li> <li>UMKM Naked Inc. has already implemented technology for cashiers and warehousing stock.</li> </ul>

Source: Processed by the author

**Responsibility Principle**

In carrying out the principle of responsibility according to the KNKG, companies must comply with laws and regulations and fulfill their CSR responsibilities (*Corporate social responsibility*) to society and the environment in order to maintain long-term business continuity and be recognized as a good corporate citizen.

Based on the results of triangulation of sources by comparing the results of interviews with interviewees, it can be assessed that the principle of responsibility for MSMEs Naked Inc is explained in the following table:

**Table Responsibility Principle Indicator**

	Done	
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Responsibility Indicator	Yes	No/ Not yet	Information
<ul style="list-style-type: none"> <li>• Publish and implement corporate social responsibility</li> <li>• Have a good environmental management system</li> <li>• Increase the reuse &amp; recycling (waste management) of materials used in business processes</li> </ul>	✓		<ul style="list-style-type: none"> <li>• UMKM Naked Inc. has implemented social responsibilities such as the community (providing basic food donations to orphans) and employees (providing THR to employees), and obediently paying taxes.</li> <li>• Having a good environmental management system, such as caring for the environment around the company. The presence is described in the forms of CSR provided to the environment (there are recycling waste banks and zero waste types of shops).</li> </ul>

Source: Processed by the author

### Independence Principle

The principle of independence by the KNKG is the principle that companies must be managed independently, so that the various stakeholders in the company do not dominate each other and cannot be intervened by other parties. This means that there is no influence from other people or company personnel based on personal desires to influence company management.

Based on the results of source triangulation by comparing the results of interviews with interviewees, it can be assessed that the principle of independence in MSMEs Naked Inc is explained in the following table:

**Table Independence Principle Indicator**

Independence Indicator	Done		Information
	Yes	No/ Not yet	
<ul style="list-style-type: none"> <li>• Increase the productivity of human resources or customers in the company</li> <li>• The company can maintain its operations into the future</li> <li>• Expansion of the business where the business operates</li> </ul>	✓		<ul style="list-style-type: none"> <li>• Increasing customer productivity with a recycling waste bank that can be utilized by consumers. Then the employee's business function has been placed in competency according to jobdesk experience.</li> <li>• UMKM Naked Inc. has maintained in the future</li> <li>• Business expansion has been carried out by opening 3 branches of Naked Inc</li> <li>• MSMEs Naked Inc. have collaborated with local MSMEs that have the same vision.</li> </ul>





<ul style="list-style-type: none"> <li>Involving collaboration with local products in running the business</li> </ul>			
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Source: Processed by the author

### Fairness Principle

Application of the principle of fairness or equality According to (KNKG, 2006) describes equality of opportunity and behavior within the firm. must pay attention to the interests of other parties based on the principle of fairness. How the Company carries out its business activities by treating stakeholders fairly and equally and must maintain the interests of all stakeholders involved, especially the relationship between employees and owners. Based on the results of triangulation of sources by comparing the results of interviews with informants, it can be assessed that the principle of fairness or equality of MSMEs Naked Inc is explained in the following table:

**Table Fairness Principle Indicator**

Fairness indicator	Done		Information
	Yes	No/ Not yet	
<ul style="list-style-type: none"> <li>Provide more opportunities for input from stakeholders into corporate decision making</li> <li>Support employee development and increase the quality of employee performance</li> </ul>		✓	<ul style="list-style-type: none"> <li>MSMEs Naked Inc have not provided equal opportunities for all stakeholders in making decisions</li> <li>UMKM Naked Inc. in running its business has not done development for employees</li> </ul>

Source: Processed by the author

### SWOT analysis

In this SWOT analysis, the author uses data from interviews on the implementation of the GCC, so a strategy is created based on the SWOT analysis below:

### IFAS-EFAS Matrix

SWOT analysis analyzes data that includes internal and external factors that have an influence on developing strategies for the sustainability of MSMEs Naked Inc.

### Internal Factor Identification (IFAS) Naked UMKM Inc

No	Dominant Internal Factors	Weight	Ratings	Weight x rating
	<b>Strength (S)</b>			
1	Naked Inc. has regular customers	0.09938	4	0.39



2	Attractive store design (aesthetic)	0.09938	4	0.39
3	Quality & organic products	0.09938	4	0.39
4	Friendly service	0.09938	4	0.39
5	Brand Image is strong and has a good image	0.09938	4	0.39
6	The uniqueness of how to shop without packaging	0.09317	3.75	0.34
7	Product diversity (food, non-food, merchandise, herbs)	0.09938	4	0.39
8	How to buy with a weighing system (grams) and (liters) can save the buyer's expenses	0.08075	3.25	0.26
	<b>Total</b>	<b>0.77019</b>		<b>2.99</b>
<b>No</b>	<b>Weakness (W)</b>			
1	The price policy still depends on supply from farmers	0.0559	2.25	0.12
2	Not doing enough marketing	0.03727	1.5	0.05
3	The product does not last long because it does not contain preservatives	0.04969	2	0.09
4	Product prices are more expensive than conventional stores	0.04348	1.75	0.07
5	There are still very few shops like UMKM Naked Inc. so that many people don't know this type of shop	0.04348	1.75	0.07
	<b>Total</b>	<b>0.22981</b>		<b>0.43</b>
	<b>Total</b>	<b>1</b>		<b>3.43</b>

Source: Processed by the author

Rating Criteria Description:

Very good = 4

Good = 3

Fairly Good = 2

Less Good = 1

IFAS Rating (Internal Strategic Factors Analysis Summary)

Based on the table, the rating of internal factors in six out of eight strengths has the highest rating with a value of 4 (Very Good), namely, Naked Inc. has regular customers, attractive store design (aesthetics), quality & organic products, friendly service, strong brand image and has an image good and diversity of products (food, non-food, merchandise, herbs). These six factors are the strengths of



Naked Inc. MSMEs for business continuity and business development which must be maintained and enhanced by Naked Inc. MSMEs. while the highest rating for weakness is close to rating 1, namely, less intensive marketing, product prices are more expensive than conventional stores, and there are still few shops like MSME Naked Inc so that this type of store is not well known by many people.

Identification of External Factors (EFAS) Naked MSME Inc

No	Dominant External Factors	Weight	Ratings	Weight x rating
	<b>Chance (O)</b>			
1	Consumer demand for organic products will increase in this era of development.	0.15957	3.75	0.59
2	After the Covid-19 pandemic, people began to be interested in an environmentally friendly lifestyle and shop online	0.14894	3.5	0.52
3	Green Business or MSMEs with an environmentally friendly concept have a great opportunity to touch the global market	0.14894	3.5	0.52
4	Many communities care about the environment and implement a zero-waste lifestyle increase market segment opportunities	0.14894	3.5	0.52
5	The development of a new digital marketing platform that can make it easier for this green business to grow and become known to the public.	0.17021	4	0.68
	<b>Total</b>	<b>0.7766</b>		<b>2.84</b>
<b>No</b>	<b>Threat (T)</b>			
1	There are many conventional stores that sell non-organic natural products at low prices	0.08511	2	0.17
2	Public awareness of the zero waste lifestyle is still relatively low	0.06383	1.5	0.09
3	The economic downturn caused people's purchasing power to be low	0.07447	1.75	0.13
	<b>Total</b>	<b>0.2234</b>		<b>0.39</b>
	Total	1		<b>3.23</b>

Source: Processed by the author



**EFAS Rating (External Strategic Factors Analysis Summary)**

Based on the table, the rating of external factors in the opportunity aspect of MSMEs Naked Inc. has the highest rating with a value of 4, namely, the development factor in the digital era, in the development of new digital marketing platforms that can make it easier for this green business to develop and be known to the public. This is the highest opportunity that Naked Inc can take advantage of and to be rated 1 for a threat, that is, public awareness of the zero waste lifestyle is still relatively low.

**SWOT or TOWS matrix**

Based on the IFAS and EFAS tables, Naked Inc. SMEs can formulate a strategy by using the SWOT matrix by combining strengths and weaknesses, as well as opportunities and threats to produce 4 alternative strategies, namely SO (Strengths and Opportunities) strategy, WO (Weakness and Opportunities) strategy, ST strategy (Strength and Threat) and WT strategy (Weakness and Threat)(Solihin, 2012).

	Strengths (S)	Weaknesses (W)
<p>IFAS</p> <p>efas</p>	<ol style="list-style-type: none"> <li>Naked Inc. has regular customers</li> <li>Attractive store design (aesthetic)</li> <li>Quality &amp; organic products</li> <li>Friendly service</li> <li>Brand Image is strong and has a good image</li> <li>The uniqueness of how to shop without packaging</li> <li>Product diversity (food, non-food, merchandise, herbs)</li> <li>How to buy with a weighing system (grams) and (liters) can save the buyer's expenses</li> </ol>	<ol style="list-style-type: none"> <li>The price policy still depends on supply from farmers</li> <li>The marketing department is still not active and innovative in marketing products such as not maximizing the use of the marketplace or the liveshopping platform</li> <li>Product prices are more expensive than conventional stores</li> <li>Products do not last long because without preservatives</li> <li>There are still very few shops like UMKM Naked Inc. so that many people don't know this type of shop</li> </ol>
Opportunities (O)	SO Strategy	WO Strategy
<ol style="list-style-type: none"> <li>Consumer demand for organic products will increase in this era of development.</li> <li>After the Covid-19 pandemic, people</li> </ol>	<ol style="list-style-type: none"> <li>Collaborate with communities concerned with the environment. Formulation : S5 and</li> </ol>	<ol style="list-style-type: none"> <li>With not many stores selling organic and natural products, this creates an opportunity to develop a business model. Formulation: W5 and O1</li> </ol>



<p>began to be interested in an environmentally friendly lifestyle and shop online</p> <p>3. Green Business or MSMEs with an environmentally friendly concept have a great opportunity to touch the global market</p> <p>4. Many communities care about the environment and implement a zero-waste lifestyle increase market segment opportunities</p> <p>5. The development of a new digital marketing platform that can make it easier for this green business to grow and become known to the public.</p>	<p>O4</p> <p>2. Take advantage of opportunities by prioritizing the promotion of sanitary products Formulation : 5S and O1</p> <p>3. With the large number of foreigners shopping for Naked Inc, it can provide opportunities to market native Indonesian agricultural products. Formulations: S2, S4 and O3</p> <p>4. Using the Liveshopping feature to spread zero waste lifestyle campaigns Formulation : S1 and O5</p> <p>5. Good shop design can be immortalized and displayed in the form of photos on digital platforms Formulation : S7,8 and O5</p>	<p>2. Development of environmentally friendly product packaging can be promoted through social media and marketplaces. Formulation: W2 and O2, O5</p>
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Threats (T)	ST Strategy (Strategy that uses strength to overcome threats)	WT Strategy (Strategy that minimizes weaknesses and avoids threats)
1. There are many conventional shops that sell non-organic natural products at low prices. Public awareness of the zero waste lifestyle is still relatively low <sup>3</sup> . The economic downturn caused people's purchasing power to be low	1. Increase product innovation by making small packaging sample products Formulation : S2 and T1  2. The products offered prioritize products that are rarely sold in the market. Formulation : S4 and T2, T3	1. Increasing product sales innovation, making products more diverse and durable, such as placing diatalase near the cashier, which expires faster Formulation: W1, W4 and T3  2. Increasing activities and promotions related to environmentally friendly products in various online and e-commerce media such as advertisements, on Google Ads, Instagram Ads, Shopee Ads. Formulation: W2 and T2

**SWOT MATRIX FORMULATION TABLE**

<b>IFAS</b>	<b>Strength (S)</b> <b>3.00</b>	<b>Weakness (W) 0.43</b>
<b>efas</b>	<b>SO strategy</b> 3.00 + 2.84 = 5.84	<b>WO strategy</b> 0.43 + 2.84 = 3.27
<b>Odds (O) 2.84</b>	<b>ST Strategy</b> a. + 0.40 = 3.4	<b>WT Strategy</b> 0.43 + 0.40 = 0.83
<b>Threat (T) 0.40</b>		

Based on the table above, it shows that the largest total score is the SO strategy with a value of 5.84, the second largest is the ST strategy of 3.40, the WO strategy is 3.27 and the WT strategy is 0.83.

**Cartesius SWOT diagram**

Based on the IFAS and EFAS tables the scores for strengths and opportunities outweigh weaknesses and threats. To determine the implementation used to achieve business continuity and business development that accompanies increased competitiveness. To determine the strategic direction for MSMEs Naked Inc., internal coordinate point analysis and external coordinate point analysis can be used to find coordinates. The following according to how to find the coordinates as follows:

- a. Internal Analysis Coordinate





$$\text{Axis (X)} = \text{Strength (S)} - \text{Weakness (W)}$$

$$= 2.99 - 0.32$$

$$= 2.56$$

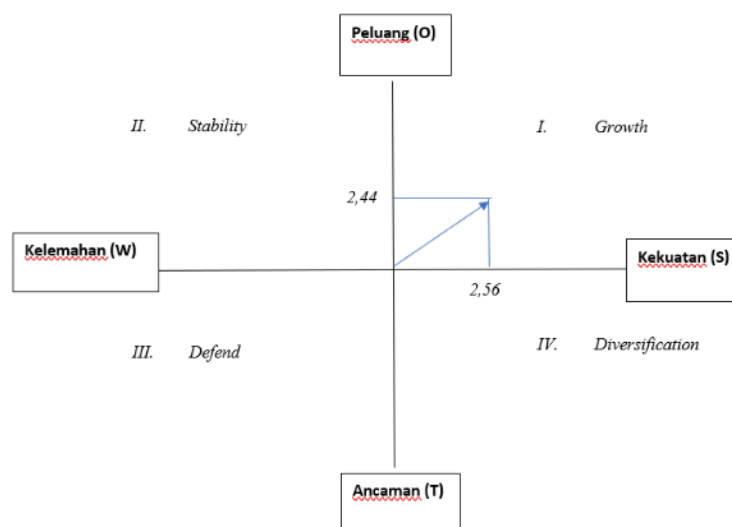
b. Coordinate External Analysis

$$\text{Axis (Y)} = \text{Opportunity (O)} - \text{Threat (T)}$$

$$= 2.84 - 0.39$$

$$= 2.44$$

The coordinates (x,y) are located at (2.56, 2.44)



**Figure SWOT SWOT Diagram Naked Inc**

Based on the diagram above, we can see that Naked Inc. SMEs are in quadrant I, which means the strategy used is the SO (Strengths and Opportunities) strategy or the Growth/Expansion strategy. The strategy that must be applied in this case is to support an aggressive strategy (growth oriented strategy). The focus of this strategy is to take advantage of the company's strengths and take advantage of various opportunities. The implementation of the SO strategy for Naked Inc. SMEs is as follows:

1. Collaborate with environmentally concerned communities to increase sales and good for store sustainability.  
Formulation : S5 and O4
2. With the Covid-19 pandemic, organic products and the zero waste concept have become the choice and consumer demand for the necessities of life for products that are good for health has increased. Naked Inc. can prioritize the promotion of environmentally friendly goods such as sanitary products, cleaning fluids or herbs made into tea, ginger and other spices.  
Formulation : 5S and O1
3. With a store concept that is modern and adaptable to bulk store layouts abroad, many foreigners visit to buy some of their needs, Naked Inc. can take the opportunity to market authentic Indonesian produce to foreigners who visit the shop, perhaps adding the names of spices, their origin and origin. the benefits of being an information label



for every purchase of unpackaged products at Naked Inc. can introduce our organic products to the global market. Formulation : S2,S4 and O3

4. With the existence of a rising marketing platform, namely live shopping, it can help Naked Inc. to spread a zero waste lifestyle campaign and promote organic products that are good for health and also people like something positive with goods with a good brand image or green business that is good for this environment can add to sales and make zero waste stores better known to the public.

Formulation : S1 and O5

5. A good shop design can be immortalized and displayed in the form of photos on a digital platform, and friendly service can add to a growing business with the help of testimonials on a digital platform

Formulation : S7,8 and O5

Based on the calculation of the IFAS EFAS matrix, SWOT matrix, and Cartesian diagrams, it shows that the SO strategy is a strategy that can be implemented immediately from the five SO strategies, namely using the Liveshopping feature to spread zerowaste lifestyle campaigns because liveshopping is on the rise as is the case with the liveshopping feature on Tiktok as a strategy to increase sales and take advantage of opportunities by prioritizing the promotion of natural-based sanitary products and herbal spice products which have increased in demand after Covid -19.

## CONCLUSION

Based on the various things that have been presented in the previous chapter, the following conclusions can be drawn:

### 1. Implementation of Good Corporate Governance (GCG) Green economy MSMEs Naked Inc

Based on the results and discussion of Naked Inc. SMEs regarding the principles of GCG Green economy, it has been well implemented but not maximized in several indicators. In its application, MSMEs Naked Inc. apply the principles of transparency, accountability, responsibility and independence. However, the implementation of GCG principles, namely the principle of fairness, has not been maximized.

### 2. Sthe right strategy for the development of MSMEs Naked Inc

Naked Inc. SMEs apply a strategy for development and competitiveness with an SO strategy based on the IFAS and EFAS matrices, namely using strengths (Strengths) to take advantage of existing opportunities.



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