

Evaluation of the Effectiveness of Cost Leadership Strategies in Reducing Operating Costs of Manufacturing Companies

Vera Christina Situmorang

Perbanas Institute, Jakarta, Indonesia

Email: vermadut@gmail.com

ABSTRACT

Evaluation of the effectiveness of a cost leadership strategy should also consider external factors that can affect the operating costs of a manufacturing company. The purpose of this study is to determine the effect of the implementation of cost leadership strategies on the reduction of raw material costs in manufacturing companies and to determine the impact of cost leadership strategies on production efficiency and product quality in manufacturing companies as well as to determine the perception of managers and employees on the effectiveness of cost leadership strategies in achieving cost savings goals in manufacturing companies. The method used in this study is qualitative descriptive. The results in this study are Internal factors that influence the success of this strategy include a corporate culture that supports innovation and efficiency, management involvement at all levels, appropriate incentive systems, and good integration with supply chain management. In addition, adaptability to external changes such as fluctuations in commodity prices is also key in maintaining the success of this strategy. In order to achieve the long-term goal of increasing profitability and sustainability, companies need to consider all of these factors holistically.

Keywords: Company. Leadership, Manufacturing

Corresponding Author; Vera Christina Situmorang
E-mail: vermadut@gmail.com



INTRODUCTION

Operational costs are an important component of a manufacturing company's operations. This includes all costs associated with carrying out the company's day-to-day production and operational activities. These costs have a significant impact on a company's profitability and overall performance. In the context of the manufacturing industry, operational cost management is the main focus to achieve efficiency, increase productivity, and maintain competitiveness in the market. One of the most dominant components of operational costs is the cost of raw materials (Luck et al., 2019). Raw materials are raw materials used in the production process. The dependence of manufacturing companies on raw materials makes managing raw material costs crucial. Fluctuations in raw material prices can have a direct impact on a company's operating costs. Effective procurement strategies and integrated supply chain management are key to reducing the impact of fluctuations in raw material prices on operational costs.

In addition to the cost of raw materials, labor costs are also a significant part of the operational costs of manufacturing companies. These costs include wages, benefits, and other costs related to direct and indirect labor. Labor cost management is not only related to the wages paid to employees, but also labor efficiency in the production process. According to

(Vindasari, 2020) Employee training, increased productivity, and the application of technology to automate work processes can help control labor costs and improve overall operational efficiency. Operational costs also include factory overhead costs. These overhead costs include fixed costs that are not directly related to production, such as utility costs, depreciation of machinery and equipment, facility maintenance costs, and general administrative costs. Managing plant overhead costs requires careful strategies to optimize resource use and reduce waste in day-to-day operations.

In addition to the main components such as raw materials, labor, and factory overhead costs, the operating costs of manufacturing companies also include other costs such as transportation costs, promotion and marketing costs, product research and development costs, and administrative and financial costs. Effective management of all these components is essential for maintaining a company's financial balance, improving profitability, and supporting long-term growth. According to (Rostiati & Ferliyati, 2019) Globalization and fierce market competition, the management of operational costs has become more complex. Manufacturing companies are required to continuously improve their operational efficiency without sacrificing product and service quality. Information technology and integrated management systems can be a solution to optimize the management of operational costs holistically. The implementation of technology for cost monitoring and analysis, the use of big data for demand forecasting, and ERP (Enterprise Resource Planning) systems to integrate all business functions are important in achieving effective cost management goals (Arfah, 2021).

External factors such as regulatory changes, global economic fluctuations, and technological developments also affect the operating costs of manufacturing companies. A company's ability to adapt to these external changes can determine success in managing operational costs and maintaining competitiveness in the market. Evaluation of the effectiveness of cost leadership strategies in reducing the operational costs of manufacturing companies is an important process that considers various strategic and operational aspects. According to (Khanna Nailil Muna & Malika Indah Nur Ismaya, 2023) The cost leadership strategy is implemented with the aim of optimizing the company's expenses through comprehensive operational cost control. In this context, the evaluation of the effectiveness of the strategy involves an in-depth analysis of the positive and negative impacts of the implementation of the strategy on the operational and financial performance of the manufacturing company. Cost leadership strategies focus on identifying and reducing costs that are not essential or do not add value directly to the production process.

One of the key aspects in evaluating the effectiveness of this strategy is the company's ability to efficiently manage and adjust the cost of production and distribution of goods. This includes a review of manufacturing systems, logistics processes, and supply chain management to ensure that every operational step optimizes the use of resources at minimal cost. Performance measurement is also an integral part of the evaluation of a cost leadership strategy (Perkasa & Suzan, 2021). Manufacturing companies need to monitor and evaluate key performance indicators (KPIs) related to operational costs, such as raw material costs, labor costs, and factory overhead costs. By analyzing this KPI data on a regular basis, companies can identify cost trends and make the strategic changes necessary to achieve sustainable cost efficiency.

Another aspect of the evaluation of a cost leadership strategy is its impact on innovation and product quality. While the primary goal of this strategy is to reduce costs, the evaluation should include an assessment of the company's ability to remain innovative in the production process and improve product quality. According to (Yusrizal et al., 2023) If cost leadership strategies stifle innovation or cause a decline in product quality, companies need to make adjustments to ensure that their competitive advantage is maintained. Evaluation of the

effectiveness of a cost leadership strategy should also consider external factors that can affect the operating costs of a manufacturing company. For example, fluctuations in raw material prices or changes in environmental regulations can affect the effectiveness of the cost strategies implemented. Companies need to have flexibility in their cost strategy to address external challenges and capitalize on emerging opportunities.

An evaluation of the effectiveness of a cost leadership strategy should include an analysis of the market response and overall financial performance. While these strategies can help increase profitability by reducing costs, companies also need to ensure that they don't sacrifice their long-term growth or financial sustainability. This evaluation requires a balance between reducing operational costs and the company's ability to generate long-term value for stakeholders (Puspitasari & Amah, 2019). Evaluation of the effectiveness of cost leadership strategies in reducing the operating costs of manufacturing companies involves a thorough analysis of various strategic, operational, and financial aspects. By understanding the impact of these strategies thoroughly, companies can make informed and strategic decisions to improve their operational and financial performance in a competitive business environment.

The study offers novelty by integrating a comprehensive analysis of operational costs, covering not only the aspects of cost reduction, but also their impact on innovation and product quality. By utilizing a descriptive approach that combines qualitative and quantitative methods, this study seeks to provide deeper insights into cost leadership strategies implemented in the context of the manufacturing industry. This is important in facing the challenges of globalization and fierce market competition, where companies are not only required to be efficient in managing costs, but also must be able to adapt to technological and regulatory changes.

The benefits of this study are global, as the results of the analysis can be a reference for manufacturers in various sectors to improve operational efficiency without sacrificing product quality. By understanding the factors that affect costs and implementing the right strategies, companies can optimize the use of resources, increase profitability, and maintain long-term sustainability. In addition, this research is expected to contribute to the development of best practices in operating cost management, which can be adapted by companies in various countries to face the challenges of the ever-evolving industry.

METHOD

The descriptive qualitative research method is a relevant approach in the context of evaluating the effectiveness of cost leadership strategies in reducing the operational costs of manufacturing companies. This approach allows researchers to gain a deep understanding of how the strategy is implemented, implemented, and perceived by various stakeholders within the company. Descriptive qualitative research focuses on the exploration and description of phenomena that occur in a natural context, without limiting certain variables or factors to be studied. In the context of cost leadership strategy evaluation, this method makes it possible to collect data through in-depth interviews with top-level managers, industry observers, and employees directly involved in the implementation of cost strategies.

Such interviews can reveal their views and experiences on how the strategy affects the company's day-to-day operational processes and strategic decisions. In addition to interviews, descriptive qualitative research methods can also involve participatory observation in the workplace to understand more directly how cost strategies are applied in practice. These observations can provide insights into the practical challenges faced by companies in implementing cost strategies, as well as the interactions between various departments and organizational functions in achieving set cost goals. Document analysis is also an important part of descriptive qualitative research methods, where documents such as financial statements, company policies, and strategic documentation can provide additional context and

understanding of how cost strategies are implemented and measured within a company (Laksono, 2019).

The main advantage of this approach is its ability to delve into the context and complexity of cost leadership strategies in reducing operational costs, as well as provide a rich narrative of the impact of those strategies on overall company performance. Thus, descriptive qualitative research becomes a suitable choice to answer more in-depth research questions in the evaluation of the effectiveness of cost strategies in manufacturing companies.

RESULT AND DISCUSSION

The effect of the implementation of cost leadership strategies on the reduction of raw material costs in manufacturing companies is an important aspect in efforts to improve operational efficiency and profitability. This strategy aims to identify and reduce costs that do not add value directly to the production process, including the cost of raw materials which are a significant component of the operating costs of manufacturing companies (Suzan & Ayunina, 2022). The implementation of a cost leadership strategy begins with an in-depth analysis of the cost component of raw materials. Companies examine various aspects of their supply chain, from vendor selection to inventory management, to identify savings opportunities. Through better negotiations with suppliers or optimization in inventory management, companies can obtain more competitive prices for raw materials or reduce their storage and handling costs.

This strategy encourages companies to standardize and select raw materials more efficiently. By establishing clear quality standards and identifying alternatives to materials that are more affordable while still meeting production requirements, companies can reduce raw material acquisition costs without sacrificing product quality. According to (Sedamayanti, 2020) The use of technology can also play an important role in this strategy, such as automated inventory management systems or monitoring technologies to optimize the use of raw materials. However, reducing the cost of raw materials is not solely about direct savings. This is also related to increasing efficiency in the use of these raw materials during the production process. Companies can apply lean manufacturing practices or more efficient production techniques to reduce waste or losses in the production process, thereby maximizing the value of each unit of raw materials used.

In addition to internal factors, the reduction in raw material costs is also influenced by external factors such as fluctuations in commodity prices or international trade policies. Cost leadership strategies allow companies to become more responsive to these changes by diversifying suppliers or entering into long-term contracts with suppliers to secure stable prices and supply. According to (Hendrianto & Kasim, 2017) It is important to consider the long-term impact of reduced raw material costs on the supply chain and the quality of the final product. Strategies that focus too much on cost savings without considering aspects of quality or supply chain sustainability can present significant risks for manufacturing companies. Continuous evaluation of raw material performance, product quality, and customer satisfaction is crucial in assessing the effectiveness of a cost leadership strategy.

Another aspect to consider is the influence of cost leadership strategies on company culture. The implementation of this strategy requires the support and involvement of the entire organization, from managers to production line employees. A work culture that encourages innovation and efficiency in raw material management can help ensure the long-term success of this strategy. The reduction in raw material costs must also be in line with the company's commitment to environmental sustainability (Cholishah, 2021). Cost leadership strategies can include efforts to select more environmentally friendly raw materials or reduce the ecological impact of the production process. Not only does it meet the demands of the global market that

is increasingly emphasizing socially and environmentally responsible business practices, but it can also provide long-term competitive advantages for companies.

The effect of the implementation of cost leadership strategies on the reduction of raw material costs in manufacturing companies is complex and involves many factors. With a holistic approach, companies can maximize operational efficiency, maintain product quality, and achieve long-term sustainability in the face of ever-changing market challenges. Internal factors that affect the success of a cost leadership strategy in reducing the operating costs of a manufacturing company include various aspects that come from within the organization. According to (Cyrena & Pangestuti, 2021) This strategy not only involves the finance department or top-level management, but also requires the involvement of all levels within the company. Internal factors that play an important role in the successful implementation of a cost leadership strategy. Company culture plays a crucial role in determining the success of a cost leadership strategy.

A culture that supports innovation, efficiency, and cost savings will facilitate the implementation of this strategy. If a company's culture tends to be stuck in routine or resistant to change, the implementation of a cost leadership strategy can face significant obstacles. Strong leadership and clear communication from top management in embracing change and promoting efficiency values will help create an environment where such strategies can be successful. In addition to culture, management commitment and engagement at all levels is also important (Pasaribu et al., 2022). Managers and department leaders need to understand the importance of cost leadership strategies and support them in their day-to-day decisions and actions. For example, production managers who are directly involved in the use of resources and raw materials need to implement efficient and sustainable production-practices to support the goals of the strategy.

The right incentive and reward system also influences the success of a cost leadership strategy. Companies can implement incentives related to achieving cost targets or operational efficiency, which can motivate employees to actively participate in cost-saving efforts. Conversely, if the reward system is not tied to the cost strategy objectives, employees may be less motivated to change their behavior or work practices (Anggi, 2022). An effective management information system (SIM) also supports the success of a cost leadership strategy. SIM provides the data and analysis necessary to monitor and evaluate cost performance on an ongoing basis. With accurate and real-time information about operational costs, management can identify potential further savings or make necessary changes in cost strategies.

Employee engagement is another factor that should not be overlooked. Employees who feel engaged and have a clear understanding of the goals of a cost leadership strategy are more likely to actively support and contribute to its implementation. Effective communication from management about the importance of cost strategies, as well as appropriate education and training for employees, can increase the level of participation and collaboration in achieving the company's cost goals. According to (Novilia & Tjoa, 2013) The integration of cost leadership strategies with supply chain management processes is also an important factor. The involvement of external suppliers and contractors in cost-saving efforts can provide additional benefits in reducing operational costs. Strong collaboration with suppliers can lead to better deals in terms of prices and purchasing conditions, while good integration in the supply chain can optimize logistics and distribution efficiency.

The last aspect to consider is the organization's ability to adapt to change. Cost leadership strategies should not be considered as a one-time action, but as a sustainable approach to improving operational efficiency. Organizations that are flexible and able to adapt their cost strategies to changes in markets, technology, or regulation will be more successful in achieving their long-term goals. According to (Tjoa & Harjanti, 2013) The success of the cost leadership strategy in reducing the operating costs of manufacturing companies is greatly influenced by

internal factors which include company culture, management commitment and involvement, incentive and reward systems, effective management information systems, employee involvement, integration with supply chain management, and the organization's ability to adapt. By paying attention to and managing these factors holistically, companies can achieve their cost savings goals effectively and sustainably in a competitive and changing business environment (Aldania & Niswah, 2021).

The impact of cost leadership strategies on production efficiency and product quality in manufacturing companies has significant implications for overall operations and customer satisfaction. This strategy aims to optimize the use of resources and reduce waste, which directly affects efficiency in the production process and ultimately affects the quality of the products produced. The implementation of a cost leadership strategy often begins with an in-depth evaluation of the production process (Mintorogo, 2013). Manufacturing companies need to identify processes that are inefficient or potentially wasteful of resources, be it labor, raw materials, or time. By analyzing and improving potentially optimized production processes, companies can increase throughput and reduce production cycle times. By applying lean manufacturing or Six Sigma principles, companies can reduce production lead times, eliminate activities that do not provide added value, and improve overall workflow.

Cost leadership strategies encourage companies to adopt technologies and systems that support production efficiency. The use of automation technology in the production process can reduce reliance on manual work, improve consistency in product output, and reduce the rate of human error. Manufacturing Execution Systems (MES) and Enterprise Resource Planning (ERP) can help companies to better manage inventory, predict demand, and optimize the use of resources efficiently. In addition to production efficiency, cost leadership strategies also have an impact on the quality of the products produced. Product quality is a critical factor that affects customer satisfaction, brand reputation, and market loyalty (Jesslyn et al., 2023).

By reducing waste and improving quality control in the production process, companies can produce more consistent products and have lower defect rates. For example, by standardizing production processes and using high-quality raw materials, companies can reduce the risk of defects or rejection of the final product. However, there are challenges that need to be overcome related to the impact of cost leadership strategies on product quality. According to (Zaitul et al., 2023) If a company focuses too much on reducing costs without considering quality, the risk of defective products or decreased customer satisfaction can increase. Companies need to strike the right balance between operational efficiency and product quality to achieve optimal results. The importance of quality control in the context of cost leadership strategies can also be seen from a supply chain perspective. The quality of raw materials received from suppliers can have a direct impact on the quality of the final product.

Strong integration with suppliers and prudent procurement policies are integral to a successful cost strategy. Ensuring that the raw materials used meet the established quality standards is an important step to avoid additional costs associated with the disposal of defective or returned products. The impact of cost leadership strategies can also affect product innovation (Yuliani & Lahaya, 2022). While this strategy aims to reduce costs, companies should also consider investing in research and development to increase product added value and meet the needs of the growing market. Increased production efficiency can free up resources to be used in new product innovation or existing product upgrades, which in turn can improve a company's competitiveness in a competitive market.

Another aspect to consider is the impact of cost leadership strategies on employee satisfaction and motivation. Reducing costs too drastically or without employee involvement can result in an uncondusive work environment, which can ultimately affect productivity and quality of work. Therefore, it is important to involve employees in the change process and

provide the necessary support and training to adapt to the new cost strategy. Cost leadership strategies have a significant impact on production efficiency and product quality in manufacturing companies (Sunarsi & Ahmar, 2022). By leveraging the potential for cost savings and improving quality control, companies can improve operational efficiency, reduce production costs, and improve customer satisfaction. However, the implementation of this strategy must be done carefully to ensure that there are no significant sacrifices in product quality or customer satisfaction that could jeopardize the company's reputation in the long run.

The implementation of cost leadership strategies in manufacturing companies to reduce operational costs is often faced with a number of obstacles and challenges that need to be overcome in order for the strategy to be successful. Some of the key obstacles that may be encountered include resistance to change, complexity in managing the supply chain, initial implementation costs, the influence of external factors, and challenges related to quality and innovation (Bara et al., 2023). One of the main obstacles in the implementation of a cost leadership strategy is resistance to change from the company's internal side. Employees and management who are already familiar with existing ways of working may be reluctant to change their work practices or embrace new strategies that focus on cost savings. This can be caused by fear of losing a job, concerns about product quality degradation, or inconvenience in adapting to a new process.

Effective communication approaches and adequate education to the entire organization are crucial to overcome this resistance and ensure support for strategy implementation. The complexity of managing supply chains is also a significant challenge in the implementation of cost leadership strategies. High dependence on certain suppliers or limitations in resource diversification can limit a company's ability to negotiate better prices or optimize logistics costs (Susila & Suparna, 2018). Changes in international trade policies or fluctuations in raw material prices can also affect the effectiveness of cost strategies, requiring a high degree of adaptability from companies to face these external challenges. The initial cost of implementing a cost strategy can also be a significant obstacle. While this strategy aims to reduce long-term operational costs, initial investments in new technology, equipment, or process changes can require significant budgets.

Companies need to make careful budget planning and reconsider their investment priorities to ensure that the long-term benefits of the cost strategy outweigh the initial costs incurred. External factors such as regulatory changes or economic fluctuations can also affect the implementation of a cost leadership strategy. According to (Krisna & Giantari, 2020) Changes in environmental regulations can encourage companies to adopt new technologies or production processes that require additional investment. Companies also need to consider the impact of fluctuations in raw material or labor prices on their cost strategies, as well as monitor changes in market conditions that may affect the success of their cost strategies. Other challenges are related to product quality and innovation. Cost reductions that are too aggressive or do not consider quality can result in a decrease in customer satisfaction levels or a company's brand reputation.

Companies need to ensure that the cost strategy implemented does not sacrifice the quality of the products produced. Investments in product innovation and research and development need to be maintained to ensure that companies remain competitive and relevant in an ever-changing market. In addition to these factors, other challenges in the implementation of a cost leadership strategy include difficulties in measuring and monitoring the results of the strategy (Sunarsi et al., 2021). Proper performance measurement is necessary to assess the effectiveness of a cost strategy and identify areas that still need improvement or adjustment. Companies must be able to collect accurate data and analyze it thoroughly to make informed and strategic decisions in managing their operational costs.

The implementation of cost leadership strategies in reducing the operational costs of manufacturing companies involves various obstacles and challenges that must be overcome. With a holistic approach, including effective communication, careful risk management, and adaptability to external changes, companies can improve their operational efficiency, reduce production costs, and maintain or improve the quality of their products (Arfah, 2021). By understanding and managing these challenges effectively, companies can achieve their long-term goals of improving business profitability and sustainability. The perception of managers and employees towards the effectiveness of the cost leadership strategy in achieving cost savings goals in manufacturing companies is a very important aspect in the successful implementation of the strategy.

This perception includes how cost strategies are received, understood, and implemented at different levels of the organization, as well as their impact on motivation, performance, and work culture. Managers' perceptions of cost leadership strategies play a key role in directing and implementing those strategies at the department or business unit level. Managers need to have a deep understanding of the objectives of the cost strategy and its impact on day-to-day operations. They are also responsible for ensuring that practices that support cost savings are consistently implemented in their units, such as more efficient inventory management, optimal use of resources, or reduced waste in the production process (Khanna Nailil Muna & Malika Indah Nur Ismaya, 2023).

Managers' perception of cost strategies can also affect their attitude towards change. If managers see this strategy as a positive challenge and an opportunity to improve operational efficiency and their contribution to the company's success, they are more likely to support the implementation of the strategy with more enthusiasm. Conversely, if managers feel that a cost strategy could threaten the stability or operational effectiveness of their units, they may be less motivated to implement it with full commitment (Perkasa & Suzan, 2021). The importance of clear communication from top management cannot be ignored either. Managers need to feel supported and guided in understanding the vision, goals, and long-term benefits of a cost leadership strategy. Open and transparent communication can help address any uncertainty or concerns that may arise among managers, allowing them to better articulate the value of the cost strategy to their team.

Employee perception of the cost leadership strategy is also very important in its successful implementation. Employees at various levels of the organization are the implementers of cost strategies in daily operational activities. Their perception of this strategy can affect their level of engagement and support for the implementation of the cost strategy. According to (Yusrizal et al., 2023) Employees need to understand how a cost leadership strategy will affect their work and their contribution to the company's goals. They may need to change their work routines or learn new methods to improve efficiency, which requires a high degree of adaptability and flexibility. Effective communication and proper training to employees is essential in ensuring that they understand their role in the success of the cost strategy.

Employee acceptance and support of the cost strategy can also be influenced by their perception of the personal impact of the strategy. If employees see that the implementation of a cost strategy could threaten their position or working conditions, they may feel anxious or unsupportive of the change. According to (Puspitasari & Amah, 2019) Management needs to proactively manage these concerns by providing clear information about the reasoning behind the cost strategy and the potential long-term benefits for the company and individuals. A work culture that encourages innovation, collaboration, and rewards for cost-saving efforts can also influence employees' perception of cost leadership strategies. If the company culture supports new experimentation, open feedback, and continuous improvement, employees may be more

motivated to identify and implement practices that can result in cost savings without sacrificing quality or productivity.

However, if the company culture is more conservative or not supportive of change, the implementation of a cost leadership strategy can face greater challenges. Employees may find it uncomfortable to propose new ideas or experiment with established ways of working. It is important to create an inclusive work environment and support cost-saving initiatives. In addition to internal factors, managers and employees' perceptions of cost leadership strategies can also be influenced by external factors such as market pressures or industry competition (Laksono, 2019). If the company operates in a highly competitive market or faces pressure to lower selling prices, managers and employees may be more receptive to cost strategies as part of efforts to stay competitive. The perception of managers and employees towards cost leadership strategies greatly affects the success of its implementation in achieving cost saving goals in manufacturing companies. By ensuring that managers and employees have a deep understanding, strong support, and active involvement in the implementation of cost strategies, companies can improve their operational efficiency, reduce production costs, and maintain or improve the quality of their products.

CONCLUSION

In the context of implementing a cost leadership strategy to reduce raw material costs in manufacturing companies, it can be concluded that this strategy has a significant impact on operational efficiency, product quality, and overall business sustainability. The implementation of this strategy begins with an in-depth analysis of the cost components of raw materials, including price negotiations with suppliers, optimal inventory management, and efficient standardization and selection of raw materials. The use of technology such as automated inventory management systems and production monitoring plays an important role in improving the efficiency of raw material use. However, this strategy is not only about direct cost savings, but also about increasing efficiency in the use of raw materials during the production process through lean manufacturing practices and more efficient production techniques.

Internal factors influencing the success of this strategy include a corporate culture that supports innovation and efficiency, management involvement at all levels, appropriate incentive systems, and good integration with supply chain management. In addition, adaptability to external changes such as fluctuations in commodity prices is also key in maintaining the success of this strategy. In order to achieve the long-term goal of increasing profitability and sustainability, companies need to consider all of these factors holistically. Thus, a cost leadership strategy is not only about reducing raw material costs, but also about optimizing operations across the board to achieve competitive advantage in a dynamic and competitive business environment.

BIBLIOGRAPHY

- Aldania, A., & Niswah, F. (2021). Competitive Strategy through the Economic Hero Program in Empowering MSMEs After the Covid-19 Pandemic (Study on the Surabaya City Government). *Publika*. <https://doi.org/10.26740/publika.v9n2.p137-148>
- Anggi. (2022). *Cost Leadership is a Cost Leadership Strategy to Achieve Maximum Profit, Really? Accurate*.
- Arfah, T. R. (2021). The Effect of Production Costs and Operating Costs on Net Profit in Manufacturing Companies in the Consumer Goods Industry Sector Listed on the Indonesia Stock Exchange in 2016-2020. *Siliwangi University*, 1(69).
- Bara, Y. P. B., Sinulingga, S., & Sembiring, M. T. (2023). Analysis of Marketing Strategy with Porter and SWOT Generic Approaches in Shaping Customer Retention (Case Study at Pt

- Charoen Pokphand Indonesia, Poultry Integration). *Al Qalam: Scientific Journal of Religion and Society*, 17(2). <https://doi.org/10.35931/Aq.V17i2.1990>
- Cholishah, E. (2021). The influence of intellectual capital, free cash flow, leverage, business strategy, and enterprise risk management on the quality of profits. *Thesis-2020*.
- Cyrena, M., & Pangestuti, I. R. D. (2021). The Influence of Earnings Management, Corporate Social Responsibility (CSR), Business Strategy on Bankruptcy Risk. *Syntax Literate; Indonesian Scientific Journal*, 6(4). <https://doi.org/10.36418/Syntax-Literate.V6i4.2358>
- Hendrianto, D., & Kasim, A. (2017). Formulation of Blue Ocean Strategy Pt Lippo General Insurance Tbk is a leader in the Indonesian insurance industry. *Journal of Banking, Management, and Accounting Research*, 1(2). <https://doi.org/10.56174/Jrpma.V1i2.11>
- Jesslyn, Maitri, B., Hartono, C., Jennifer, F., Liana, J., & Fatyandri, A. N. (2023). Analysis of business strategies and the level of competition with competitors in Seabank companies in the banking world. *Journal of Mirai Management*, 8(2).
- Khanna Nailil Muna, & Malika Indah Nur Ismaya. (2023). Production Cost Control Strategies in Effective Manufacturing Operations. *Sanskara Management and Business*, 1(03). <https://doi.org/10.58812/Smb.V1i03.182>
- Krisna, G. A., & Giantari, I. G. A. K. (2020). The role of cost leadership strategy in mediating market orientation and entrepreneurial orientation to business performance. *E-Journal of Management of Udayana University*, 9(11). <https://doi.org/10.24843/Ejmunud.2020.V09.I11.P01>
- Laksono, R. D. (2019). The effect of capital structure (leverage, debt equity ratio, long term debt to asset ratio), profitability, & operating costs on corporate income tax payable in manufacturing companies listed on the IDX for the period of 2015 – 2017. *Tirtayasa Ekonomika*, 14(1). <https://doi.org/10.35448/Jte.V14i1.5427>
- Luck, J. B., Sinaga, A., Sihotang, M., Oktavia, Desiani, J., & Hendry. (2019). The Effect of Sales, Operating Costs, Total Debt, and Inventory Turnover on Net Profit in Manufacturing Companies Listed on the Stock Exchange for the Period 2014 - 2017. *Journal of Multiparadigm Accounting Research (Jram)*, 6(2).
- Mintorogo, L. N. (2013). Management and Development of Metal Furniture Business at Cv. Karya Finished in Surabaya. *Agora*, 1(1).
- Novilia, F., & Tjoa, W. (2013). Management and Business Development in the Production Aspect at Pt . Planitum Ceramics Industry Surabaya. *Agora*, 1(1).
- Pasaribu, R. D., Pertiwi, A. N., & Sugiharto, Z. I. (2022). Business Strategy and Functional Programs in Bakery Business with Analysis Approach and SWOT Matrix. *Scientific Journal of Management, Economics, & Accounting (MEA)*, 6(3). <https://doi.org/10.31955/Mea.V6i3.2503>
- Perkasa, B. D., & Suzan, L. (2021). The Effect of Production Costs and Operating Costs on the Current Year's Net Profit in Manufacturing Companies in the Textile and Garment Sub-Sector Listed on the Indonesia Stock Exchange for the 2016-2019 Period. *E-Proceeding Of Management*, 8(5).
- Puspitasari, D. A. L., & Amah, N. (2019). The Effect of Profitability, Liquidity and Operational Costs on Corporate Income Tax (Study on Manufacturing Companies in the Consumer Goods Industry Sub-Sector Listed on the Indonesia Stock Exchange for the 2015-2017 Period). *Simba Innovation Seminar on Management, Business and Accounting I*, 1.
- Rostiati, & Ferliyati, H. (2019). The Effect of Production Costs, Operating Costs, and Sales on Net Profit in Manufacturing Companies Listed on the Indonesia Stock Exchange in 2012-2016. *Jurnal Akrab Juara*, 4(1).
- Sedamayanti, S. (2020). Reform of Human Resource Development in the Regions. *Journal of Performance Discourse: A Practical-Academic Study of Public Service Performance and*

Administration, 10(3).

- Sunarsi, C., & Ahmar, N. (2022). Cost leadership strategy, sustainability management differentiation and profit management. Print *Www.Google.Co.Id*.
- Sunarsi, C., Djaddang, S., Ahmar, N., & Sihite, M. (2021). The Role of Differentiation Strategy in the Influence of Cost Leadership Strategy on Real Profit Management. *Journal of Accounting Sciences*, 19(2).
- Susila, I. G. A., & Suparna, G. (2018). The Role of Cost Leadership Strategy in Mediating Market Orientation and Entrepreneurial Orientation on Small and Medium Business Performance (Study on Laundry Small and Medium Enterprises in Denpasar City). *E-Journal of Management Unud*, 7(5).
- Suzan, L., & Ayunina, H. Q. (2022). The Effect of Sales Volume and Operating Costs on Net Profit in Manufacturing Companies in the Automotive Sub-Sector and Their Components Listed on the Indonesia Stock Exchange for the 2016-2019 Period. *Scientific Journal of Accounting Students) Ganesha University of Education*, 13(2).
- Tjoa, F. N. W., & Harjanti, D. (2013). Management and Business Development in the Production Aspect at Pt . Planitum Ceramics Industry Surabaya. *Agora*, 1(1).
- Vindasari, R. (2020). The Effect of Debt to Equity Ratio, Return On Asset, and Operating Costs on Corporate Income Tax Payable (Case Study on Manufacturing Companies in the Consumer Goods Industry Sector on the Indonesia Stock Exchange for the 2015-2017 Period). *Journal of Accounting and Tax Analysis*, 3(2). <https://doi.org/10.25139/Jaap.V3i2.2199>
- Yuliani, P., & Lahaya, I. A. (2022). The Influence of Business Strategy and Market Competition on Profit Management. *Accountable*.
- Yusrizal, Dewanti, S., Sudarno, S., & Wati, Y. (2023). The Effect of Liquidity, Solvency, Profitability and Operational Costs on the Burden of Corporate Income Tax Payable on Manufacturing Companies in Various Industrial Sectors Listed on the Indonesia Stock Exchange in 2016 – 2020. *Bansi Journal - Accounting Management Business Journal*, 3(1). <https://doi.org/10.58794/Bns.V3i1.462>
- Zaitul, Z., Jayanti, C. Putri, Yasni, D. O., Wahyuni, A., Rifa, D., & Ilona, D. (2023). The Influence of Business Strategy on the Performance of Packaged Culinary Small Businesses: Management Control System as a Moderation Variable. *Current: Journal of Accounting and Business Studies*, 4(3). <https://doi.org/10.31258/Current.4.3.582-598>