

The Influence of Mandatory Halal Certification Decisions and Adaptation Strategies on Operational Decisions of Msmes in Sukmajaya District, Depok City, West Java

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ABSTRACT

Amid rapid economic growth, MSMEs play a vital role in Indonesia's economy, driving local economies and providing employment. However, they face challenges such as increasing competition and the requirement for halal certification, as mandated by Law No. 33 of 2014. Halal certification is crucial for both Muslim consumers and global market competitiveness, often requiring MSMEs to adjust production, management, and operations. Effective adaptation strategies, including changes in production methods and supply chain management, are essential to meet halal standards without compromising efficiency. Research shows that mandatory halal certification and adaptation strategies have a positive and significant influence on the operational decisions of MSMEs in Sukmajaya, Depok, West Java. The mandatory halal certification decision has a positive and significant influence on the operational decisions of MSMEs in Sukmajaya District, Depok, West Java, with a significance value of $0.000 < 0.05$. Similarly, adaptation strategies have a positive and significant impact on the operational decisions of MSMEs in Sukmajaya, with a significance value of $0.000 < 0.05$, and the coefficient value is 0.888

Keywords: MSMEs, Halal Certification, Competitive Adaption Strategy

1. INTRODUCTION

Halal certification is a must for business actors who produce and sell food and beverage products. This regulation emerged as part of Law Number 33 of 2014 concerning Halal Product Assurance (JPH), which requires all products circulating in Indonesia to have halal certification. For MSMEs, this creates administrative challenges and additional costs, which are sometimes difficult to meet. The fact is that many MSMEs in Sukmajaya do not yet have halal certification because of the complicated process and quite high costs. Lack of knowledge and education about the importance of halal certification among MSMEs, limited access of MSMEs to institutions or facilitators who help take care of halal certification. MSME adaptation strategies to the obligation of halal certification MSMEs in Sukmajaya District, like in many other places, are required to adapt to this new regulation. This adaptation can be in the form of changes in the production process, seeking funding for certification, or collaborating with other parties to obtain halal certification. Phenomenon that occurs Some MSMEs try to implement production practices that comply with halal standards, even without official certification, in the hope of still being able to attract Muslim consumers, there are MSMEs that choose to ignore the rules because they consider the market they serve is not a segment that cares about whether or not the product is halal. Larger or better organized MSMEs tend to be more prepared to follow the halal certification process compared to small MSMEs that do not yet have sufficient resources. MSME operational decisions such as the use of raw materials, production methods, and marketing, are influenced by the need to obtain halal certification. This can affect their entire supply chain as well as the target market. The fact is that there are MSMEs that change their operational decisions by choosing suppliers who have halal certificates, even though the price of raw materials can be higher. Some MSMEs also change the way they market their products, relying on the "halal" label as a marketing strategy to attract Muslim consumers, dependence on halal-certified suppliers sometimes increases the burden of production costs. There is a significant gap between the current conditions and the ideal conditions that are expected such as Access and Cost, Knowledge and Education, Government Support. The urgency of this research is.

1. Compliance with Regulations: Halal certification is part of the regulations that must be complied with by business actors. Understanding its impact on MSMEs is very important to know whether this policy helps or burdens.
2. Consumer Protection: Halal certification is important for Muslim consumers, so this research contributes to the understanding of how this certification can increase consumer confidence in MSME products.
3. MSME Competitiveness: This research will provide insight into how MSMEs can utilize halal certification as a strategy to increase their competitiveness in the market.
4. The Need for Intervention: This research can provide a basis for better policies in helping MSMEs adjust to halal certification regulations, especially in the context of public policy and government support.

Amid rapid economic growth, the Micro, Small, and Medium Enterprises (MSME) sector plays a crucial role in Indonesia's economy, driving local economies and providing significant employment. However, MSMEs face major challenges, particularly in dealing with increasing competition and more complex consumer demands. One growing issue is the requirement for halal certification, in line with Law No. 33 of 2014 on Halal Product Guarantee (JPH). Products entering, circulating, and sold in Indonesia must be halal-

certified. According to Government Regulation No. 39 of 2021, the first phase of mandatory halal certification will end on October 17, 2024 (Badan Penyelenggara Jaminan Produk Halal, 2023). Halal certification, which ensures products meet Islamic standards, is essential not only for Muslim consumers but also for building trust and competitiveness in global markets. Implementing halal certification often requires MSMEs to adjust production processes, management, and operational strategies. Additionally, MSMEs must face various operational challenges that require effective adaptation strategies, involving changes in production methods, supply chain management, marketing, and distribution. Proper adaptation is critical for MSMEs to meet halal certification requirements without sacrificing product quality or efficiency. A key issue is how the decision to obtain halal certification impacts the adaptation strategies implemented by MSMEs and their operational decisions. MSMEs are a cornerstone of national economic growth, job creation, and income distribution. In an evolving market, MSMEs face significant challenges, one being the mandatory halal certification. This process ensures products marketed meet halal standards based on Islamic principles. In Indonesia, with its Muslim-majority population, halal certification is not just a requirement for domestic market access but also opens opportunities for international expansion. Halal certification requires significant changes in MSME operations, including adjustments in production processes, raw materials, and operational procedures. Based on JPH regulations, three product groups must be halal-certified by the end of the first phase: food and beverages, raw materials and food additives, and slaughtered products and services (Aqil Irham, 2024). MSMEs need to develop effective adaptation strategies, such as supply chain adjustments, production process modifications, and marketing innovation. The decision to obtain halal certification often affects daily operational decisions, including resource allocation, risk management, and regulatory compliance.

Figure 1. Trends in Halal Certification Registration

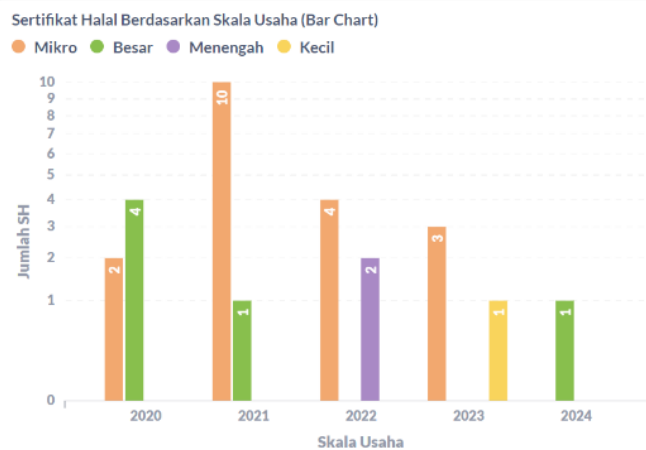


Source BPJPH (2024)

Figure 1. illustrates a graphic representation of empirical data related to the trend in the number of halal certification registrations in Indonesia from 2019 to the projected year of 2024. The graph uses a vertical axis to measure the number of halal certification registrations, while the horizontal axis marks the time period year by year. In 2019, 243 entities registered their products for halal certification, indicating a low starting point in the registration trend. In 2020, there was a significant increase to 9,107 registrations, suggesting growing awareness or regulatory changes that may have influenced the uptick in halal certification registrations. By 2021, registrations rose further to 17,821, continuing the previous positive trend, possibly driven by internal or external factors within the industry. In 2022, registrations dramatically surged to 139,658 (Aqil Irham, 2024). This spike likely

reflects the implementation of new policies or increased market demand for halal products. In 2023, the number of registrations reached a peak of 1,356,917. This exponential growth could be the result of factors such as rising global demand, market expansion, or responses to specific socio-economic conditions. However, projections for 2024 show a sharp decline to 453,339 registrations. This decrease may reflect a market correction following the previous year's surge, or it could be a result of policy changes or market conditions that no longer support such high registration levels. Overall, the graph offers an overview of the dynamics of halal certification registrations, potentially influenced by various economic, social, and regulatory factors. The graph also uses two types of lines—solid for historical data and dashed for projections—which aids in analyzing trends and future planning.

Figure 2. Halal Certification Based on Business Scale



Source: BPJPH (2024)

Figure 2. shows a bar chart illustrating the distribution of halal certificates issued based on business scale from 2020 to the projected year of 2024. Business scales are categorized into four groups: micro, small, medium, and large, each represented by different colors in the graph. Micro Enterprises (orange): There is fluctuation in halal certificate registrations, peaking in 2021 with 10 certificates. In 2022, the number decreased to 4, and in 2023 and 2024, there was a steady decline to 3 and 1 certificates, respectively. Small Enterprises (green) The trend for small enterprises shows a peak in 2020 with 4 certificates, followed by a decline in subsequent years, stabilizing at about 1 certificate per year in 2023 and 2024. Medium Enterprises (purple) A drastic decline is observed after the peak year of 2022 with 4 certificates, followed by a decrease to 2 certificates in 2023, and a projected 1 in 2024. Large Enterprises (yellow) The number of halal certificates for large enterprises remains relatively stable, with a declining trend from 2 certificates in 2020 to 1 certificate in 2024 (Badan Penyelenggara Jaminan Produk Halal, 2023). The chart reflects the dynamics and variations in halal certification registrations based on business scale. In micro enterprises, a significant decline follows the peak, which may indicate the influence of policies or changes in market demand for halal products from micro businesses. Meanwhile, small and medium enterprises show a more stable declining trend. Although large enterprises do not exhibit major fluctuations, they still experience a decline, suggesting potential issues or challenges faced by various scales of business in maintaining or increasing the number of halal certificates issued. Overall, this graph provides important insights into the successes and challenges in halal certification registration, which can be highly beneficial for stakeholders in formulating more effective policies. This research aims to explore how the decision to obtain halal certification influences the adaptation strategies of MSMEs and how this impacts their operational decisions. With a better understanding of this influence, it is hoped

that MSMEs can manage changes more effectively, enhance competitiveness, and contribute more optimally to the economy.

2. LITERATURE REVIEW

To clarify the main theory used in this study and support proper data collection, here is a more detailed explanation Institutional Theory Institutional theory (Scott, 2014) focuses on how companies or organizations, including MSMEs, adapt to regulations, norms, and values in their external environment. In the context of halal certification, MSMEs must follow the rules set by the government to obtain halal certification as part of regulatory compliance. This certification is a form of normative pressure that forces MSMEs to adapt in order to maintain their legitimacy in the market. An important aspect of this theory is how MSMEs adopt and comply with halal rules as a form of response to existing external pressures. Strategic Adaptation Theory: This theory explains how companies, including MSMEs, develop and adapt their strategies to respond to external changes, such as new regulations, market changes, or competition. In the context of this study, MSMEs in Sukmajaya need to adjust their operational strategies to comply with halal certification obligations, both in terms of costs, resources, and production processes. Operational Decision-Making Theory: Operational decisions refer to the various day-to-day decisions that affect the production and distribution of goods and services. This theory emphasizes the importance of efficiency in daily operations to achieve broader business goals. In this study, the focus is on how the obligation of halal certification affects operational decisions of MSMEs, such as the selection of raw materials, suppliers, production management, and distribution. Mandatory halal certification decision products consumed by the public, especially by the Muslim community, must meet strict halal standards. This requirement not only protects consumers but also strengthens the position of halal products in the rapidly growing global market (Prof. Dr. Irwandi Jaswir, 2020).

a. Product Quality and Standards

This indicator measures the impact of halal certification on improving product quality standards, which include cleanliness, safety, and suitability for consumption (thayyib) in accordance with halal principles.

b. Difficulties and Challenges

This indicator measures the barriers or challenges faced by MSME actors in the process of obtaining halal certification, such as administrative, technical, or financial constraints.

c. Consumer Trust

This indicator evaluates the extent to which halal certification influences consumer trust and loyalty toward products that have obtained halal certification.

Adaptation Strategy

Adaptation strategies are defined as a set of measurement tools used to evaluate the ability of a system whether an individual, community, or organization—to adjust and survive in response to environmental, social, or economic changes.

a. Adaptive Capacity

The ability to access and utilize available resources.

b. Resilience

The ability to recover from disruptions.

c. Flexibility

The willingness and ability to innovate and change approaches.

Operational decisions

Operational decisions are measurement tools used to evaluate and monitor the outcomes of operational decisions in the context of modern business.

- a. Labor Productivity
- b. Supply Chain Management
- c. Technology Utilization

3. RESEARCH METHOD

The method applied in this study is quantitative based on the positivist concept, which is used to study a particular population or sample. Sugiyono (2022) also defines qualitative research methods which are often referred to as naturalistic research methods as research conducted in natural conditions, usually, research instruments are used to collect data, while sampling procedures are applied. Testing the established hypothesis is the goal of quantitative or statistical data analysis, the purpose of this study is to develop a theory that can be applied to explain, predict, and regulate phenomena involving two or more variables. In this case, the dependent variable studied is the operational decision of MSMEs, while the independent variables studied are the mandatory halal certification decision and adaptation strategy.

Research Object

The location of this research is in Sukmajaya District, Depok City, West Java, which is one of the districts with significant MSME growth. The research subjects are MSMEs (Micro, Small, and Medium Enterprises) in Sukmajaya District that are involved in the halal certification process and apply various adaptation strategies in their operational decisions. This study aims to examine the influence of mandatory halal certification decisions and adaptation strategies on the operational decisions of MSMEs in the area.

Techniques of Data Collection:**a. Pre Survey**

According to Reza (2020) Pre-Survey is a preparatory stage carried out before carrying out a survey or research. Respondents are given a questionnaire to fill out as part of a survey of at least 30 respondents by giving questions or statements to the respondents to answer.

b. Questionnaire

Questionnaires and measurement scales are one of the most important elements in social research, the availability of good quality surveys is the key to unmasking research and answering all research questions.

c. Interview

According to Indrawan, as explained in the book *Qualitative & Quantitative Research Methodology* by Sugiyono (2022), an interview is a relationship between two people whose aim is to exchange information. In this research, structured interviews are used as a data collection technique where the researcher asks participants about certain themes to share thoughts and information or the interviewer has clear knowledge about the information that needs to be obtained.

Hypothesis Test

According to Sugiyono (2022), a hypothesis is a temporary answer to the formulation of a research problem which is based on empirical evidence obtained through data collection. The hypothesis will be rejected if it does not match the facts collected, and accepted if proven correct based on the findings from the data collected, the t test is used to test the level of significance to determine the influence of the independent variables Mandatory Halal Certification (X1) and Adaption Strategy (X2) on the dependent variable namely the partial operational decisions (Y), whether it has a significant effect or not. The t test results of this calculation are then compared to the following conditions:

- a. If the significance value is ≤ 0.05 then Ho is rejected and Ha is accepted
- b. If the significance value is > 0.05 then Ho is accepted and Ha is rejected.

The F test aims to find out whether there is a simultaneous influence of the independent variables. The model can be called feasible if it has a Sig F value less than or equal to alpha 0.05.

Multiple Linier Regression

According to Sugiyono (2022), multiple linear regression analysis is a regression that involves one dependent variable and two or more independent variables. Here's how to write a multiple regression equation:

$$Y = \alpha + b_1X_1 + b_2X_2 + e$$

4. RESULTS AND ANALYSIS

Based on the results of the study, the HR management strategy variable has a regression coefficient of 0.372 and a sig value of 0.000 which is smaller than the sig level of 0.05, so the decision to require halal certification has a significant effect on operational decisions in MSMEs throughout Sukmajaya District, Depok City. These results are in line with Sari's research (2023) which explains that the decision to require halal certification has a positive and significant effect on operational decisions in the food industry in Indonesia. Furthermore, the results of research conducted by Yuliana (2024) state that the decision to implement halal certification has a positive and significant impact on the company's operational performance and competitive advantage. The competitive advantage variable has a regression coefficient of 0.318 and a sig value of 0.000 which is smaller than the sig level of 0.05, so the adaptation strategy has a significant effect on operational decisions in MSMEs throughout Sukmajaya District, Depok City. These results are in line with Setiawan's research (2023). This study shows that adaptation strategy has a positive and significant effect on operational decisions in Indonesian manufacturing companies. Furthermore, research conducted by Alamsyah (2024) explained that this study found that adaptation strategy has a positive and significant influence on operational decisions in the retail sector. This is also in line with Lestari's research (2024). This study revealed that adaptation strategy has a positive and significant influence on operational effectiveness and efficiency. Therefore, it can be concluded that the success of the adaptation strategy is one of the elements that plays a role in improving operational decisions of MSMEs in the Sukmajaya District, Depok City. Meanwhile, based on the results of the F test, it was concluded that the two independent variables, namely the mandatory halal certification decision (X1)

adaptation strategy (X2), together have a positive and significant influence on the dependent variable, namely the operational decision of MSMEs (Y). This finding is supported by a significance value (sig) of 0.000 which is less than 0.05, so H0 is rejected and H1 is accepted. This confirms that the operational decision variable (Y) is jointly influenced by the mandatory halal certification decision (X1) and adaptation strategy (X2). This finding is in line with the research of Rini (2023) and Hadi (2024) that this study found that the decision on mandatory halal certification and adaptation strategies have a positive and significant influence on the operational decisions of MSMEs in Indonesia. Therefore, this study provides an important dedication in understanding that the variables of the decision on mandatory halal certification and adaptation strategies not only have an individual influence, but also jointly influence the operational decisions of MSMEs in Sukmajaya District, Depok City. The implications of this finding can provide direction for business actors in managing both aspects well in order to achieve increased performance in making optimal decisions in the business and business environment.

Validity Test

According to Ghozali (2019), validity testing is carried out to determine the validity of a questionnaire. If the questions on a questionnaire can provide information that will be used to assess something, then the questionnaire is considered valid. The significance test is carried out by comparing the calculated *r* value with the table *r* value, $r_{count} > r_{table}$, then it is declared valid.

Table 1. Validity Test Result

	<i>Item</i>	<i>r count</i>	<i>r table</i>	<i>Result</i>
<i>Mandatory halal certification (X1)</i>	X1:1	0.372	0.213	Valid
	X1:2	0.296	0.213	Valid
	X1:3	0.363	0.213	Valid
	X1:4	0.378	0.213	Valid
	X1:5	0.575	0.213	Valid
	X1:6	0.603	0.213	Valid
	X1:7	0.412	0.213	Valid
	X1:8	0.389	0.213	Valid
	X1:9	0.526	0.213	Valid
	X2:1	0.383	0.213	Valid
	X2:2	0.515	0.213	Valid
	X2:3	0.261	0.213	Valid
	X2:4	0.553	0.213	Valid

<i>Adaption Strategy (X2)</i>	X2:5	0.442	0.213	Valid
	X2:6	0.382	0.213	Valid
	X2:7	0.309	0.213	Valid
	X2:8	0.353	0.213	Valid
	X2:9	0.320	0.213	Valid
	Y.1	0.461	0.213	Valid
	Y.2	0.359	0.213	Valid
	Y.3	0.496	0.213	Valid
	Y.3	0.508	0.213	Valid
<i>MSME Performance (Y)</i>	Y.4	0.303	0.213	Valid
	Y.5	0.228	0.213	Valid
	Y.6	0.409	0.213	Valid
	Y.8	0.281	0.213	Valid
	Y.9	0.443	0.213	Valid

Source: Managed by SPSS, 2024

From the data contained in table 1, there are 9 statements in the MSME Performance variable (Y) with the results showing that all existing statements are declared valid because rcount is greater than rtable (rcount>0.213).

Reliability Test

In this research, Cronbach's Alpha was used as a method to evaluate indicator reliability. The reliability of an indicator or statement is considered adequate if the Cronbach's Alpha value exceeds the threshold of 0.6 or the equivalent of 60%. This indicates that the instrument or statement is reliable or has a good level of consistency.

Table 2. Reliability Test Result

<i>No</i>	<i>Variabel</i>	<i>Cronbach Alpha</i>	<i>Sig.</i>	<i>Result</i>
1	Mandatory Halal Certification (X1)	0.902	>0,6	Reliabel
2	Adaption Strategy (X2)	0.907	>0,6	Reliabel
3	Operation Decisions (Y)	0.895	>0,6	Reliabel

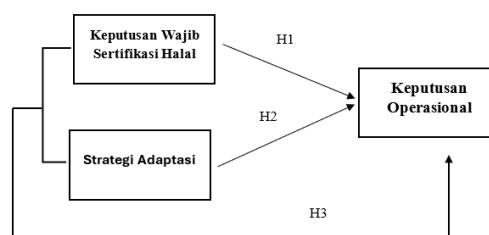
Source: Managed by SPSS, 2024

Based on table 2., it can be seen that all variable in this study are considered reliable because the Cronbach Alpha value >0,6 significance level.

t Test Result

According to Ghozali (2021), the t test is used to test the level of significance to determine the influence of the independent variables Mandatory Halal Certification (X1) and adaption strategy (X2) on the dependent variable, namely the Operation Decisions of MSMEs (Y), partially, whether they have a significant effect or not. If the significance value is > 0.05 then H0 is accepted and Ha is rejected and vice versa, if the significance value is < 0.05 then H0 is rejected and Ha is accepted.

Figure 3. Conceptual Framework



Source: Developed in Research, 2024

Table 3. T-Test Result

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	13.373	2.884		4.637	.000
	Total_X1	.372	.043	.635	8.663	.000
	Total_X2	.318	.054	.434	5.923	.000

a. Dependent Variable: Total_Y

Source: Managed by SPSS, 2024

Based on the results above, this test has formulated the following hypothesis:

H1: There is a positive and significant effect of mandatory halal certification decisions on the operational decisions of MSMEs in Sukmajaya District, Depok City, West Java. Sig. $0.000 < \alpha = 0.05$ and the T-table using the formula $df = N - K - 1 = 84 - 2 - 1 = 81$, which means the T-table value is 1.663. Furthermore, the calculated T value obtained from the coefficient table is 8.663. Since Sig. < 0.05, the hypothesis is partially significant. Based on the hypothesis testing results, it can be concluded that Hypothesis 1, which states, "There is a positive and significant effect of mandatory halal certification decisions on the operational decisions of MSMEs," is supported. This is consistent with previous research conducted by Sari (2023), which found that mandatory halal certification decisions have a positive and significant effect on operational decisions in the food industry in Indonesia.

H2: There is a positive and significant effect of adaptation strategies on the operational decisions of MSMEs in Sukmajaya District, Depok City, West Java.

Sig. $0.000 < \alpha = 0.05$ and the T-table using the formula $df = N - K - 1 = 84 - 2 - 1 = 81$, which means the T-table value is 1.663. Furthermore, the calculated T value obtained from the coefficient table is 5.923. Since Sig. < 0.05 , the hypothesis is partially significant. Based on the hypothesis testing results, it can be concluded that Hypothesis 2, which states, "There is a positive and significant effect of adaptation strategies on the operational decisions of MSMEs," is supported. This is consistent with previous research conducted by Setiawan (2023), which shows that adaptation strategies have a positive and significant effect on operational decisions in manufacturing companies in Indonesia.

Hypothesis F- Test

Hypothesis testing in this research using SPSS can be seen in the following table:

Table 4. F-Test Result

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	164.298	2	82.149	52.696	.000 ^b
	Residual	126.273	81	1.559		
	Total	290.571	83			

a. Dependent Variable: Total_Y

b. Predictors: (Constant), Total_X2, Total_X1

Source: Managed by SPSS, 2024

H3: There is a positive and significant joint effect of mandatory halal certification decisions and adaptation strategies on the operational decisions of MSMEs in Sukmajaya District, Depok City, West Java.

Based on the F-test calculation results above, the calculated F value is 52.696, while the critical F table value with $df = N - 2 - 1 = 84 - 2 - 1 = 81$ is 3.130. When compared to the F table at a significance level of 5% or 0.05, it can be concluded that $F_{\text{calculated}} > F_{\text{table}}$, which is $52.696 > 3.130$. Therefore, there is a positive and significant joint effect of mandatory halal certification decisions and adaptation strategies on the operational decisions of MSMEs in Sukmajaya District, Depok City. This aligns with previous research conducted by Rini (2023), which concluded that the study found that mandatory halal certification decisions and adaptation strategies have a positive and significant effect on the operational decisions of MSMEs in Indonesia. Based on the simultaneous test results (F-test) above, it can be concluded that the calculated F value $> F_{\text{table}}$, which is $52.696 > 3.130$, meaning H3 is accepted. In conclusion, mandatory halal certification decisions and adaptation strategies have a positive and significant effect on the operational decisions of MSMEs in Sukmajaya District, Depok City, West Java.

Multiple Linear Regression

According to Ghozali (2021), regression analysis is basically research on the relationship between the dependency of a dependent variable and one or more independent variables. The application of multiple linear regression analysis was carried out with the aim of determining the orientation and magnitude of the influence produced by the independent variables (X1 and X2) on the dependent variable (Y). The results of the multiple regression analysis can be seen in the following table:

Table 5 Multiple Linear Regression Result

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	13.373	2.884		4.637	.000
	Total_X1	.372	.043	.635	8.663	.000
	Total_X2	.318	.054	.434	5.923	.000

a. Dependent Variable: Total_Y

Source: Managed by SPSS, 2024

$$Y = 13.373 + 0.372X1 + 0.318X2 + e$$

Based on the formula above, it can be interpreted that:

1. Constant (a): The results of the multiple linear regression test show that the constant value obtained in this study is 13.373. This finding indicates that the variables of mandatory halal certification decisions and adaptation strategies are considered constant factors in the context of the research. This suggests that the variables of mandatory halal certification decisions and adaptation strategies have a positive dedication of 13.373 towards the operational decisions of MSMEs.
2. The regression coefficient for the variable of mandatory halal certification decisions is 0.372, indicating a positive correlation between the variable of mandatory halal certification decisions and adaptation strategies. The interpretation of this coefficient is that for every one-unit increase in the variable of mandatory halal certification decisions (X1), there will be a dedication to the operational decisions of MSMEs (Y) of 0.372, assuming that other variables are held constant.
3. The regression coefficient for the adaptation strategy variable is 0.318, indicating a positive correlation between the adaptation strategy variable and the operational decisions of MSMEs. In other words, the interpretation of this coefficient is that for every one-unit increase in the adaptation strategy variable (X2), there will be an impact on the operational decisions of MSMEs (Y) of 0.318, assuming that other variables are held constant.

Determination Coefficient (R²)

According to Sugiyono (2022), this determination analysis is utilized to identify the percentage of impact collectively generated by the independent variables on the dependent variable. To measure the extent of the contribution made by the independent variables, namely Mandatory Halal Certification Decisions (X1) and Adaptation Strategies (X2), to the dependent variable Operational Decisions of MSMEs (Y), the adjusted R² value is used as an indicator. The results of the coefficient of determination test in this study can be seen in the following table:

Table 6. Determination Coefficient (R²)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.938 ^a	.897	.888	1.249

a. Predictors: (Constant), Total_X2, Total_X1

Source: Managed by SPSS, 2024

Based on the calculation results of the Coefficient of Determination in the table above, the value of the Coefficient of Determination (Adjusted R²) is 0.888, which indicates that the influence of the independent variables, Mandatory Halal Certification Decisions and Adaptation Strategies, on the dependent variable, which is the operational decisions of MSMEs, is 88.8%. Meanwhile, the remaining 11.2% is influenced by other variables that have not been studied or are not included in the regression in this research.

5. CONCLUSION

1. The mandatory halal certification decision has a positive and significant effect on the operational decisions of MSMEs in Sukmajaya District, Depok City, West Java, with a significant value of $0.000 < 0.05$. This finding is consistent with previous research, which confirms that the mandatory halal certification decision enhances the operational decisions of MSMEs. Therefore, business actors are encouraged to apply for halal certification to increase consumer trust in their products and advance the halal industry in Indonesia.
2. The adaptation strategy has a positive and significant effect on the operational decisions of MSMEs in Sukmajaya District, Depok City, West Java, with a significant value of $0.000 < 0.05$. This finding is consistent with previous research, which emphasizes that the adaptation strategy enhances the operational decisions of MSMEs to improve and advance business performance while promoting changes with new policies.
3. The results of the hypothesis test and multiple linear regression indicate that the mandatory halal certification decision and adaptation strategy have a positive impact and significance (sig.) on the operational decisions of MSMEs in Sukmajaya District, Depok City, West Java. The coefficient value is 0.888, indicating that the contribution of the independent variables, namely the mandatory halal certification decision (X1) and the adaptation strategy (X2), to the dependent variable, the operational decisions of MSMEs (Y), is 88.8%, while the remaining 11.2% is influenced by other variables not included in this study.
4. Based on the simultaneous analysis results, the simultaneous test (F test) shows that $F \text{ count} > F \text{ table}$, specifically $52.696 > 3.130$. The conclusion is that the mandatory halal certification decision and the adaptation strategy have a positive and significant effect on the operational decisions of MSMEs.

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