

ABSTRACT

Wood Processing Industry Center on Koja street Bandung is one of the industrial centers in the city of Bandung that has potential to increase economic growth in the city of Bandung. This center is generally a used wood processing center where used wood is processed into products that have a high sale value. The wood processing industry center has been established for dozens of years, but the business capability of this business is still low. The wood processing industry center has been established for dozens of years, but the business capability is still low. There are several obstacles, both from internal and external factors in this wood processing center that make the managerial ability of business actors is still low. Managerial ability affects business performance. So that if managerial ability is low it will affect the performance of the business itself.

The purpose of this study is to determine what internal factors and external factors that cause the low managerial ability at the Wood Processing Industry Center on Terusan Pasir Koja street in Bandung city and how these factors affect the low managerial ability of the Wood Processing Industry Center on Terusan Pasir Koja street in Bandung city.

The research method uses descriptive qualitative methods. Data collection was carried out by conducting interviews with 3 main sources, namely business owners at the Center for Wood Processing Industry on Terusan Pasir Koja street in Bandung who are considered capable of answering researchers' questions. Sources of data in this study came from primary data and secondary data.

The research results showed that internal factors that influenced the low managerial ability at Terusan Pasir Koja Processing Center were management skills, inadequate supervisory skills, lack of HR training, inadequate marketing strategies, and competitive pressures in the market while external factors affecting the low managerial ability at Terusan Pasir Koja Wood Processing Center is lack of raw materials, lack of support from the government, competition barriers, and insufficient labor skills.

Keywords: *Internal Factors, External Factors, Management Ability*