



Cost-Volume-Profit Analysis as a Short-Term Profit Planning Tool at Bobo Bakery & Café

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Abstrak: Analisis Cost Volume Profit merupakan alat bantu manajemen untuk merencanakan laba jangka pendek bagi suatu perusahaan. Ini dapat membantu perusahaan menentukan target pendapatan dan jumlah biaya yang harus dikeluarkan untuk mencapai target laba. Komponen analisis dalam penelitian ini adalah contribution margin, breakeven point, margin of safety, operating leverage, shut down point dan analisis target laba. Tujuan dari penelitian ini adalah untuk mengetahui bagaimana analisis cost volume profit dapat digunakan untuk perencanaan laba jangka pendek di Bobo Bakery & Cafe. Penelitian ini menggunakan metode analisis deskriptif. Berdasarkan hasil penelitian pada perencanaan laba tahun 2023 yang diketahui dari analisis cost volume profit ini menunjukkan bahwa Bobo Bakery & Cafe mampu menutupi biaya tetapnya dan memperoleh laba dengan contribution margin sebesar Rp3.969.089.908 atau 53%, titik impas sebesar Rp1.553.653.145 jika mampu mencapai volume penjualan sebesar Rp7.495.314.365 sedangkan margin of safety penjualan boleh turun agar tidak menyebabkan kerugian sebesar Rp5.941.661.220 atau 79,27%. Kemudian, operating leverage menunjukkan 1,26. Terakhir, shut down point yang berada pada titik penutupan perencanaan laba tahun 2023 Bobo Bakery & Cafe adalah sebesar Rp1.553.653.145,28, menunjukkan bahwa Bobo Bakery & Cafe harus menghasilkan penjualan lebih dari jumlah tersebut untuk membiayai biaya tunainya. Bobo Bakery & Cafe harus meningkatkan penjualan sebesar Rp7.495.314.365 untuk mendapatkan laba sebesar 60%, atau Rp3.145.653.741. Adapun biaya tetap diasumsikan konstan atau tidak berubah, sedangkan biaya variabel akan meningkat seiring dengan biaya produksi.

Abstract: *Cost Volume Profit Analysis is a management tool to plan short-term profits for a company. It can help companies determine revenue targets and the amount of costs that must be incurred to achieve profit targets. Some of the analysis components in this study are contribution margin, break even point, margin of safety, operating leverage, shut down point and profit target analysis. The purpose of this study was to determine how cost volume profit analysis can be used for short-term profit planning at Bobo Bakery & Cafe. This research uses descriptive analysis method. Based on the results of research on profit planning in 2023, which is known from the cost volume profit analysis, it shows that Bobo Bakery & Cafe is able to cover its fixed costs and make a profit with a contribution margin of IDR3,969,089,908 or 53%, a break-even point of IDR1,553,653,145 if it is able to achieve a sales volume of IDR7,495,314,365 while the margin of safety sales can decrease so as not to cause a loss of IDR5,941,661,220 or 79.27%. Then, the operating leverage shows 1.26. Finally, the shut down point which is at the closing point of Bobo Bakery & Cafe's 2023 profit planning is IDR 1,553,653,145.28, which indicates that Bobo Bakery & Cafe must generate more sales than that amount to finance its cash costs. Bobo Bakery & Cafe must increase sales by IDR7,495,314,365 to get a profit of 60%, or IDR3,145,653,741. The fixed costs are assumed to be constant or unchanged, while the variable costs will increase along with the production costs.*

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Introduction

The company helps the country's economy. When viewed from a strategic perspective, companies must develop in order to apply open and rational management in managing companies and businesses based on economic principles. Companies are basically built with goals and objectives to be achieved. One of these goals is to obtain the greatest possible profit so that the company can survive. However, because competition in the business world will get tougher over time, company management must prepare and make the right decisions to stay afloat and face the competition. In addition, proper planning and decision making are needed to help determine the level of profit that the company will get.

Net revenue, also known as profit, is the excess of total revenue over its total expenses. Management must consider the income earned and costs incurred before making a decision so that the company does not incur losses. Therefore, profit planning is one of the most important components for companies because it gives managers the ability to determine what the company must do to achieve the

profit targets that have been set. In doing profit planning there are several methods that can be used, one of which is cost volume profit analysis.

Cost volume profit analysis is a method to analyze how marketing operating decisions affect profits based on an understanding of the relationship between variable costs, fixed costs, selling prices per unit, and output levels (Bolocher et al, 2011: 504). To better understand the relationship between cost, volume, and profit, cost volume profit analysis also known as cost volume profit analysis focuses on how factors such as product price, sales volume, operating expenses, and number of products sold impact profits.

Cost volume profit analysis is a very important tool for diverse business decision making. The type of goods and Cost offered, the price charged, the marketing strategy used, and the cost structure used are all choices of business decisions in question. Business managers can use cost volume profit analysis to get information about the amount of sales or revenue needed to break even or reach profit targets. This analysis consists of components such as contribution margin, break even point, margin of safety, operating leverage, shut down point and profit target analysis. Contribution margin shows the amount available to cover fixed costs, and the rest will be profit during the period. Break even point is a situation when the company does not experience profits or losses. The margin of safety is used to calculate how much a sale can drop before a loss occurs. Operating leverage is the ability of management to utilize fixed costs to achieve a certain level of profit. Shut down points are used to find out when a business cannot operate economically. Profit target analysis is used to determine how many sales are required to achieve the expected profit target.

Bobo Bakery & Cafe which has been established since 1996 is one of the many similar businesses that are classified as successful in maintaining their business. The location of this business is very strategic which is located on Jl. Raya Mojoagung which is a highway that is always crowded with people. The products offered by Bobo Bakery & Cafe are in the form of food and drinks that can be eaten on the spot or taken home. Product marketing is done through social media such as Web, Instagram, Twitter, TikTok, YouTube. Based on data obtained from the documentation, it can be seen that the sales generated by Bobo Bakery & Cafe in 2021-2022 amounted to IDR 4,598,457,880 and IDR 5,267,694,412. Furthermore, operational costs incurred in 2021 amounted to IDR 3,047,748,539 and in 2022 amounted to IDR 3,301,660,824. Then for operating profit obtained in 2021 of IDR 1,550,709,341 and in 2022 of IDR 1,966,003,588. In this situation, Bobo Bakery & Cafe has never used cost volume profit analysis to plan its profits. Instead, they simply assume that more sales generated will result in more profit, without considering profit planning. Companies will find it difficult to evaluate management performance and make cost efficiencies if they only assess the profits they want to achieve. Therefore, the author wants to conduct research on profit planning using a cost volume profit analysis approach. So the title of this study is "Cost-Volume-Profit Analysis as a Short-Term Profit Planning Tool at Bobo Bakery & Cafe".

RESEARCH METHODS

The method used in this study is a descriptive quantitative approach. This study calculates contribution margin, contribution margin ratio, break even point, sales volume that must be met to achieve profit target, margin of safety, margin of safety ratio, operating leverage, and shutdown point. The results of these calculations will be explained descriptively.

The types of data needed to carry out this research are primary data and secondary data. Primary data were obtained through interviews with the companies studied. The secondary data needed is data from written sources. The data used in this study are qualitative and quantitative data. The qualitative data used include company profiles and interviews with company owners. Quantitative data used in the form of financial statements, sales data, and literature books related to this study.

RESULT

Cost Classification

Table 3.1 Bobo Bakery & Cafe costs for 2021-2022.

Happened Cost	2021	2022
Materials	IDR2.046.994.628	IDR2.277.034.177
Gas Cost	IDR 132.840.000	IDR 140.700.000
Electricity Cost	IDR 47.526.911	IDR 54.866.848
Cleaning and Safety Cost	IDR 5.918.300	IDR 6.015.800
Repair and Maintaince Cost	IDR 14.720.000	IDR 15.862.800
Directors and Employees Salary	IDR 798.560.700	IDR 804.563.200
Other Costs	IDR 1.188.000	IDR 2.618.000
Total	IDR3.047.748.539	IDR3.301.660.825

Source: Bobo Bakery &; Cafe Income Statement

These costs can be classified as follows based on the cost data incurred as listed in table 3.1 above.

Table 3.2 Cost Classification at Bobo Bakery &; Cafe

Description	Cost Classification
Materials	Variabel
Gas Cost	Variabel
Electricity Cost	Variabel
Cleaning and Safety Cost	Semivariabel
Repair and Maintaince Cost	Semivariabel
Directors and Employees Salary	Fixed
Other Costs	Fixed

Source: Bobo Bakery &; Cafe Income Statement

Table 3.2 shows the results of classifying costs based on cost behavior at Bobo Bakery & Cafe, consisting of fixed costs, variable costs, and semivariable costs.

Semivariable Cost Segregation

After the cost classification is complete, the author will present details of the separation of semivariable costs for electricity costs and machine maintenance costs using the high and low point method.

a. Electricity Cost

Table 3.3 Allocation of Semivariable Costs (Electricity Costs) of Bobo Bakery & Cafe

Year	Machine Hours	Electricity Cost
2021	2.518	IDR47.526.911
2022	2.980	IDR54.866.848

Source: Bobo Bakery & Cafe Income Statement

Variable Cost = $\frac{\text{Highest Activity Cost (Y2)} - \text{Lowest Activity Cost (Y1)}}{\text{Highest Activity (X2)} - \text{Lowest Activity (X1)}}$

$$\text{Variable Cost} = \frac{\text{IDR54.866.848} - \text{IDR47.526.911}}{2.980 - 2.518}$$

$$\text{Variable Cost} = \frac{\text{IDR7.339.937}}{462}$$

Variable Cost = IDR15.887,3095238

Fixed costs using highest point data:

Fixed Cost = Highest Activity Cost - Variable Cost

$$\begin{aligned} &= \text{IDR54.866.848} - (\text{IDR15.887,3095238} \times 2.980) \\ &= \text{IDR54.866.848} - \text{IDR47.344.182,3809} \\ &= \text{IDR7.522.666} \end{aligned}$$

Fixed costs use the lowest point data:

Fixed Cost = Lowest Activity Cost - Variable Cost

$$\begin{aligned} &= \text{IDR47.526.911} - (\text{IDR15.887,3095238} \times 2.518) \\ &= \text{IDR47.526.911} - \text{IDR40.004.245,3809} \\ &= \text{IDR7.522.666} \end{aligned}$$

b. Cleaning and Security Fee

Table 3.4 Semivariable Cost Allocation (Cleaning and Security Costs) Bobo Bakery & Cafe

Year	Working Hours	Cleaning and Security Fees
2021	3.028	IDR5.918.300
2022	3.080	IDR6.015.800

Source: Bobo Bakery & Cafe Income Statement

Variable Cost = $\frac{\text{Highest Activity Cost (Y2)} - \text{Lowest Activity Cost (Y1)}}{\text{Highest Activity (X2)} - \text{Lowest Activity (X1)}}$

$$\text{Variable Cost} = \frac{\text{IDR6.015.800} - \text{IDR5.918.300}}{3.080 - 3.028}$$

$$\text{Variable Cost} = \text{IDR6.015.800} - \text{IDR5.918.300}$$

$$\frac{3.080 - 3.028}{52}$$

$$\text{Variable Cost} = \frac{\text{IDR}97.500}{52}$$

52

$$\text{Biaya Variabel} = \text{IDR}1.875$$

Fixed costs use the highest point data:

$$\begin{aligned} \text{Fixed Cost} &= \text{Highest Activity Cost} - \text{Variable Cost} \\ &= \text{IDR}6.015.800 - (\text{IDR}1.875 \times 3.080) \\ &= \text{IDR}6.015.800 - \text{IDR}5.775.000 \\ &= \text{IDR}240.800 \end{aligned}$$

Fixed costs use the lowest point data:

$$\begin{aligned} \text{Fixed Cost} &= \text{Lowest Activity Cost} - \text{Variable Cost} \\ &= \text{IDR}5.918.300 - (\text{IDR}1.875 \times 3.028) \\ &= \text{IDR}5.918.300 - \text{IDR}5.677.500 \\ &= \text{IDR}240.800 \end{aligned}$$

b. Repair and Maintenance Costs

Table 3.5 Allocation of Semivariable Costs (Repair and Maintenance Costs) of Bobo Bakery & Café.

Year	Engine Hours	Repair and Maintenance Cost
2021	2.518	IDR14.720.000
2022	2.980	IDR15.862.800

Source: Bobo Bakery &; Cafe Income Statement

$$\text{Variable Cost} = \frac{\text{Cost of highest activity (Y2)} - \text{Cost of lowest activity (Y1)}}{\text{Highest activity (X2)} - \text{Lowest activity (X1)}}$$

$$\text{Variable Cost} = \frac{\text{IDR}15.862.800 - \text{IDR}14.720.000}{2.980 - 2.518}$$

$$\text{Variable Cost} = \frac{\text{IDR}1.142.800}{462}$$

$$\text{Variable Cost} = \text{IDR}2.473,59$$

Fixed costs using the highest point data:

$$\begin{aligned} \text{Fixed Cost} &= \text{Highest Activity Cost} - \text{Variable Cost} \\ &= \text{IDR}15.862.800 - (\text{IDR}2.473,59 \times 2.980) \\ &= \text{IDR}15.862.800 - \text{IDR}7.371.298,2 \end{aligned}$$

$$= \text{IDR}8.491.501$$

Fixed costs use the lowest point data:

Fixed Cost = Lowest Activity Cost - Variable Costs

$$= \text{IDR}14.720.000 - (\text{IDR}2.473,59 \times 2.518)$$

$$= \text{IDR}14.720.000 - \text{IDR}6.228.499$$

$$= \text{IDR}8.491.501$$

Cost Breakdown Recap

The following is a recapitulation of Bobo Bakery & Cafe's fixed and variable costs for 2021-2022 after breaking down semivariable costs into fixed costs and variable costs.

Table 3.6 Recapitulation of Cost Details at Bobo Bakery & Cafe for 2021-2022

Costs	Cost Classification Year 2021		Cost Classification Year 2022	
	Fixed	Variable	Fixed	Variable
Materials		IDR2.046.994.628		IDR2.277.034.177
Gas Cost		IDR 132.840.000		IDR 140.700.000
Electricity Cost	IDR 7.522.666	IDR 40.004.245	IDR 7.522.666	IDR 47.344.182
Cleaning and Safety Cost	IDR 240.800	IDR 5.677.500	IDR 240.800	IDR 5.775.000
Repair and Maintainace Cost	IDR 8.491.501	IDR 6.228.499	IDR 8.491.501	IDR 7.371.298
Directors and Employees Salary	IDR798.560.700		IDR804.563.200	
Other Costs	IDR1.188.000		IDR 2.618.000	
TOTAL	IDR816.003.667	IDR2.231.744.872	IDR823.436.167	IDR2.478.224.657
TOTAL COST	IDR3.047.748.539		IDR3.301.660.824	

Source: Bobo Bakery & Cafe Income Statement

Table 3.6 shows that Bobo Bakery & Cafe's fixed costs and variable costs were IDR 816,003,667 and IDR 2,231,744,872 respectively in 2021. Furthermore, fixed costs and variable costs for 2022 are IDR 823,436,167 and IDR 2,478,224,657, respectively.

Profit Planning Analysis or Profit Target

Researchers will use 2022 sales data to make profit planning. Based on the 2022 sales increase at Bobo Bakery & Cafe, it is expected that sales will increase in 2023, which will have an impact on increasing profits. According to documentation data, Bobo Bakery & Cafe wants a 60% increase in profit for next year. Therefore,

researchers will make a profit plan for Bobo Bakery & Cafe with a profit increase of 60%. Taking into account the large number of customer requests and production capacity that is still available to increase sales, researchers believe that Bobo Bakery & Cafe can still increase sales levels. Researchers assume fixed costs are constant or unchanged, and an increase in sales will lead to an increase in variable costs as well. Taking into account the profits earned in 2022, the profit targets for 2023 are as follows:

Profit in 2022 = IDR1,966,033,588

$$\begin{aligned} \text{Expected Profit in 2023} &= \text{Prior Year Profit} - (\text{Expected Profit} \times \text{Prior Year Profit}) \\ &= \text{IDR}1.966.033.588 + (60\% \times \text{IDR}1.966.033.588) \\ &= \text{IDR}1.966.033.588 + \text{IDR}1.179.620.153 \\ &= \text{IDR}3.145.653.741 \end{aligned}$$

The results are obtained to determine the profit target to be achieved in 2023 of 60% of the profit obtained in 2022, which is IDR 1,966,033,588, then the profit expected to be achieved in 2023 is IDR 3,145,653,741. The following is a calculation of the sales target that must be achieved by Bobo Bakery & Café to get the expected profit.

$$\begin{aligned} \text{Sales Target (in Rupiah)} &= \frac{\text{Fixed Cost} + \text{Target Profit}}{\text{Contribution Margin Ratio}} \\ &= \frac{\text{IDR}823,436,167 + \text{IDR}3,145,653,741}{52,95\%} \\ &= \frac{\text{IDR}3,969,089,908}{52,95\%} \\ &= \text{IDR}7,495,314,365.95 \end{aligned}$$

Table 3.7 Profit Planning for Bobo Bakery & Cafe in 2023

Description	2023
Sales	IDR 7,495,314,365
Variabel Cost	IDR 3,526,224,458
Contribution Margin	IDR 3,969,089,908
Fixed Cost	IDR 823,436,167
Operation Profit	IDR 3,145,653,741

Source: Bobo Bakery & Cafe Income Statement

Based on table 3.7 above, it can be seen that sales in 2023 are IDR 7,495,314,365 and there is an increase in variable costs due to the planned increase in sales volume, while fixed costs are assumed to be constant or the same as the previous year. Analisis Cost Volume Profit

Based on the results of the previous profit target analysis at Bobo Bakery & Cafe, researchers will conduct an analysis using cost volume profit analysis tools to conduct profit planning. The basics of cost volume profit analysis are as follows:

1. Contribution Margin

Table 3.8 Bobo Bakery & Cafe Contribution Margin for 2021-2023

Description	2021	2022	2023
Sales	IDR 4.598.457.880	IDR 5.267.694.412	IDR 7.495.314.366
Variabel Cost	IDR 2.231.744.872	IDR 2.478.224.657	IDR 3.526.224.458
Contribution Margin	IDR 2.366.713.008	IDR 2.789.469.755	IDR 3.969.089.908
Fixed Cost	IDR 816.003.667	IDR 823.436.167	IDR 823.436.167
Operation Profit	IDR 1,550.709.341	IDR 1.966.033.588	IDR 3.145.653.741

Source: Bobo Bakery & Cafe Income Statement

Bobo Bakery & Cafe Contribution Margin Ratio Calculation for 2021-2023.

$$\text{CMR In 2021} = \frac{\text{IDR}2.366.713.008}{\text{IDR}4.598.457.880} \times 100\% = 51\%$$

$$\text{CMR In 2022} = \frac{\text{IDR}2.789.469.755}{\text{IDR}5.267.694.412} \times 100\% = 52,95\%$$

$$\text{CMR In 2023} = \frac{\text{IDR}3.969.089.908}{\text{IDR}7.495.314.366} \times 100\% = 53\%$$

2. Break Even Point

$$\text{BEP In 2021} = \frac{\text{IDR}816.003.667}{51\%} = \text{IDR}1.600.007.190$$

$$\text{BEP In 2022} = \frac{\text{IDR}823.436.167}{52,95\%} = \text{IDR}1.555.120.239$$

$$\text{BEP In 2023} = \frac{\text{IDR}823.436.167}{53\%} = \text{IDR}1.553.653.145$$

3. Margin of Safety

$$\text{Margin of Safety In 2021} = \text{IDR}4.598.457.880 - \text{IDR}1.600.007.190 = \text{IDR}2.998.450.690$$

$$\text{Margin of Safety Ratio In 2021} = \frac{\text{IDR}2.998.450.690}{\text{IDR}4.598.457.880} \times 100\% = 65,20\%$$

$$\text{Margin of Safety In 2022} = \text{IDR}5.267.694.412 - \text{IDR}1.555.120.239 = \text{IDR}3.712.574.173$$

$$\text{Margin of Safety Ratio In 2022} = \frac{\text{IDR}3.712.574.173}{\text{IDR}5.267.694.412} \times 100\% = 70,49\%$$

Margin of Safety In 2023 = $\text{IDR}7.495.314.365 - \text{IDR}1.553.653.145 = \text{IDR}5.941.661.220$

Margin of Safety Ratio In 2023 = $\frac{\text{IDR}5.941.661.220 \times 100\%}{\text{IDR}7.495.314.366} = 79,27\%$

4. Operating Leverage

Operating Leverage In 2021 = $\frac{\text{IDR}2.366.713.008}{\text{IDR}1.550.709.341} = 1,52$

Operating Leverage In 2022 = $\frac{\text{IDR}2.789.469.755}{\text{IDR}1.966.033.588} = 1,41$

Operating Leverage In 2023 = $\frac{\text{IDR}3.969.089.908}{\text{IDR}3.145.653.741} = 1,26$

5. Shut Down Point

Shut Down Point In 2021 = $\frac{\text{IDR}816.003.667}{\text{IDR}1.600.007.190} = 51\%$

Shut Down Point In 2022 = $\frac{\text{IDR}823.436.167}{\text{IDR}1.555.120.240} = 52,95\%$

Shut Down Point In 2023 = $\frac{\text{IDR}823.436.167}{\text{IDR}1.553.653.145} = 53\%$

DISCUSSION

The first step before calculating the cost volume profit analysis is the separation of costs based on the type of behavior, including fixed costs, variable costs, and semivariable costs. In semivariable costs, separation is carried out using the highest point and lowest point of cost methods. From the calculations made, it was found that, Bobo Bakery & Cafe in 2021 incurred fixed costs of IDR 816.003.667 and variable costs of IDR 2.231.744.872. In 2022, it is known that fixed costs are IDR 823,436,167 and variable costs of IDR 2.478.224.657.

An analysis of the profit target for the 2023 production year was carried out based on sales data in 2022. It is expected that in 2023 there will be an increase in profit by 60% from the profit in 2022. It is assumed that in 2023 fixed costs remain unchanged and variable costs adjust for increased sales. The calculation results found that fixed costs in 2023 amounted to IDR 823,436,167 and variable costs increased to IDR 3.526.224.458 due to an increase in sales volume of IDR 7.495.314.365.

After knowing the specified profit target, then a cost volume profit or CVP analysis is carried out. The calculations carried out include Contribution Margin, Break Even Point, Margin of Safety, Operating Leverage, and Shutdown Point. This calculation is carried out to determine the relationship between the cost of sales volume and the profit earned by the company in 2023.

1. Margin Contribution

The first analysis is to calculate the contribution margin or contribution margin. It is calculated in table 4.8, that the contribution margin ratio in 2021 is 51% or in nominal terms of IDR 2,366,713,008. From these results, it is known that with a profit of IDR 1.550.709.341, Bobo Bakery & Café is able to cover the fixed costs incurred, which is IDR 816.003.667. In 2022, it is known that the contribution margin ratio is 52.95% or IDR 2.789.469.755, so with a profit of IDR 1.996.033.588, Bobo Bakery & Café can cover fixed costs that issued amounted to IDR 823.436.167. Furthermore, in 2023, the calculation of the contribution margin ratio of 53% or IDR 3,969,089,908 was obtained with a profit of IDR 3.145.653.741. So it can be interpreted that Bobo Bakery & Café can cover fixed costs incurred in 2023, which is IDR 823.436.167.

From the results of the Contribution Margin Ratio at Bobo Bakery & Café shows that in 2021-2023 it shows a ratio value greater than fixed costs, it can be concluded that based on these results, Bobo Bakery & Café is definitely not at a loss and still benefits if it is able to increase sales volume by maximizing marketing strategies so that customers feel satisfied with the products and Cost provided. However, if the amount of Contribution Margin Ratio shows 0 (zero) or lower than fixed costs, the company will experience losses. Therefore, the manager of Bobo Bakery & Café needs to pay attention to the Contribution Margin Ratio analysis in conducting profit planning in order to know what steps must be taken to be able to achieve the expected profit target.

2. Break Even Point

Break Even Point analysis is a situation where total sales are equal to total costs, or in other words the company does not make a profit and also does not experience a loss. This analysis can be used to determine the amount of sales that must be achieved in order to cover the fixed costs and variable costs incurred by the company.

Based on the calculations in the previous discussion, it can be seen that the Break Even Point value in 2021 is IDR1.600.007.190 with sales of IDR4.598.457.880 This value shows the minimum sales that must be generated by Bobo Bakery & Café so as not to experience losses. In 2021 Bobo Bakery & Café is in a state of profit, because the sales generated are above the break-even point that has been determined. Furthermore, the value of the Break Even Point value in 2022 is IDR1,555,120,239 with sales of IDR 5,267,694,412 This value shows the minimum sales that must be generated by Bobo Bakery & Café so as not to experience losses. In 2022 Bobo Bakery & Café is in a state of profit, because the sales generated are above the break-even point that has been determined. Then for profit planning in 2023 Bobo Bakery & Café reaches its break-even point of IDR1,553,653,145 if it is able to achieve a sales volume of IDR7,495,314,365.

The results of the Break Even Point analysis are influenced by the company's Contribution Margin, because if the Contribution Margin is low it will result in a high Break Even Point, otherwise if the Contribution Margin is high it will result in a low Break Even Point. The high and low Break Even Point will affect the profit that will be received by the company until the safety limit. Based on these calculations, it is known that assuming costs remain constant, the Break Even Point targeted by Bobo Bakery & Café will also increase from the previous year. The increase in Break Even Point was influenced because in 2023 the amount of Contribution Margin also increased from the previous year.

3. Margin of Safety

The margin of safety aims to show the limit of the level of sales that can decrease before the company experiences a loss. So if the decline in sales is less than the Margin of Safety indicates that the company is in a safe condition or in a state of profit, otherwise if the Margin of Safety is close to zero, it indicates that the company is in an unsafe state..

Based on the results of the calculations in the previous discussion, it is known that the level of sales safety limit may decrease which does not cause Bobo Bakery & Café to experience losses in 2021 is IDR2,998,450,690 with a percentage ratio of 65.20%. in 2022 it is IDR3,712,574,173 with a percentage ratio of 70.49%. Meanwhile, Bobo Bakery & Café's margin of safety in planning profits in 2023 which did not cause losses was IDR5,941,661,220 or 79.27%.

From these results, it shows that the safety limit owned by Bobo Bakery & Café is high, so that these results indicate that the lower the risk of the company not breaking even or experiencing losses due to a decrease in sales volume. Therefore, in carrying out its business activities, the manager must pay attention to the margin of safety in 2023 which has been calculated to obtain the desired profit, so that there is no decrease in sales volume that exceeds the safety limit which causes losses for Bobo Bakery & Café.

4. Operating Leverage

Operating Leverage has a function to determine the amount of use of fixed costs incurred for company operations. The higher the Operating Leverage can affect the sensitivity of operating profit to changes in sales.

Based on the results in the discussion of the previous calculations, it is known that the amount of Operating Leverage Bobo Bakery & Cafe in 2021 is 1.52 and in 2022 it is 1.41. The Operating Leverage level is influenced by the higher level of sales and is also followed by an increase in variable costs. So Bobo Bakery & Cafe is required to reduce costs incurred in order to generate greater profits. While Operating Leverage in 2023 amounted to 1.26 where the decrease in value was due to the margin of safety in 2023 which was higher than the previous year.

Profit planning in 2023 resulted in an Operating Leverage value of 1.26 which will make Bobo Bakery & Cafe's contribution margin increase, although later the amount of costs incurred will also increase. However, the higher level of costs can be covered by generating an Operating Leverage of 1.26 by increasing the level of sales in 2023. If Bobo Bakery & Cafe is able to increase sales by 100%, the predicted profit will increase by 1.26 times. That means $1.26 \times 100\% = 126\%$. The results of these calculations can be concluded that Bobo Bakery & Cafe will get a profit of 126% if it is able to increase sales volume by 100%.

5. Shut Down Point

Shut Down Point can be used to provide information to management regarding sales revenue, the company's business can be said to be economically unviable to continue. A business is not economically viable to continue if its sales revenue is not enough to cover its operating costs.

Based on the results in the discussion of the previous calculations, it is known that the business closing point of Bobo Bakery & Cafe in 2021 is IDR 1.600.007.190 and in 2022 it is IDR 1.555.120.239. This means that if Bobo Bakery & Cafe generates sales revenue in 2021 and 2022 below this value, then Bobo Bakery & Cafe's business is economically not feasible to continue because sales below this amount can result in Bobo Bakery & Cafe not being able to pay its cash costs. But judging from the number of sales generated by Bobo Bakery & Cafe in 2021 and 2022 is above the Shut Down Point so that Bobo Bakery & Cafe's business is still said to be feasible to continue. Then for profit planning in 2023 Bobo Bakery & Cafe is at a closing point of IDR 1.553.653.145 which means that Bobo Bakery & Cafe must generate sales above this amount in order to finance its cash costs.

CONCLUSION

Based on the results of research conducted at Bobo Bakery & Café regarding Cost Volume Profit analysis as a short-term profit planning tool, the following conclusions can be drawn.

1. The results of the analysis of profit planning or profit targets at Bobo Bakery & Café for 2023 obtained that sales in 2023 amounted to IDR 7,495,314,365.95 and there was an increase in variable costs due to the addition of the planned sales volume of IDR 3,526,224,458 while for fixed costs it was assumed to be constant or the same as the previous year, namely IDR 823,436,167, then for operating profit was IDR 3,145,653,741.
2. The results of the Bobo Bakery & Café Contribution Margin analysis in 2021 amounted to IDR 2,366,713,008 or 51%. Then in 2022 it was IDR 2,789,469,755 or 52.95% and in 2023 it was IDR 3,969,089,908 or 53% which shows that Bobo Bakery & Café was able to cover the fixed costs it incurred by making a profit in that period.
3. The result of the Break Even Point analysis in 2021 is IDR 1,600,007,190 with sales of IDR 4,598,457,880. In 2022 it amounted to IDR 1,555,120,239 with sales of IDR 5,267,694,412. For profit planning in 2023 Bobo Bakery & Café reaches its break-even point of IDR 1,553,653,145 if it is able to achieve a sales volume of IDR 7,495,314,365. This shows that Bobo Bakery & Café is in a state of profit because the sales generated are above the Break Even Point value.
4. The results of the Margin of Safety analysis show that the level of security limit for sales can decrease which does not cause Bobo Bakery & Café to experience losses in 2021 is IDR 2,998,450,690 with a percentage ratio of 65.20%. Then in 2022 it amounted to IDR 3,712,574,173 or 70.49%. Furthermore, the profit planning in 2023 is IDR 5,941,661,220 or 79.27%. These results show that the lower the risk of the company not breaking even or experiencing losses.
5. The results of the Bobo Bakery & Café Operating Leverage analysis in 2021 are 1.52 and in 2022 it is 1.41. Then in 2023 it amounted to 1.26 where the decrease in value was due to the Margin of Safety in 2023 which was higher than the previous year. In 2022 Bobo Bakery & Café made higher sales than the previous year, but the increase was followed by an increase in variable costs.

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