

THE MODEL AND PERFORMANCE OF PARTNERSHIP BETWEEN SEED COMPANY AND FARMERS

Dian Widi Prasetyo^{*)1}, Idqan Fahmi^{}), and Yossi Wibisono^{***})**

^{*)} Graduate Program of Management and Business, Bogor Agricultural University
Jl. Raya Pajajaran, Bogor 16151

^{**}) Department of Economics, Faculty of Economics and Management, Bogor Agricultural University
Jl. Kamper, Wing 4 Level 5 Kampus IPB Darmaga, Bogor 16680

^{***}) Study Program of Food Science and Technology, Politeknik Negeri Jember
Jl. Mastrip PO BOX 164 Jember 68101

ABSTRACT

The partnership concept is expected to be one of the ways to improve agricultural sector in Indonesia, so that it will become a mutually beneficial partnership. One of the business entities in seed and supplier for horticultural crops is CV Rahmat Tani. However, the research has found some problems in the partnership system between CV Rahmat Tani and its farmers. Some of them are the products' qualities which have no standard and the low price. The aims of this study were 1) to describe and evaluate the partnership that has been used by CV Rahmat Tani and partner farmers, 2) to analyze the farmers' perception on the partnership's implementation partnership, 3) to analyze CV Rahmat Tani's perception on the partnership's implementation and 4) to formulate strategies to improve the partnership's performance. The tools of analysis used were gap analysis, EPA, and Mann Whitney Test. The result of the study showed that the pattern that tied the CV and its farmers was informal model. According to partner farmers' perception, the priorities were 1) the delivery of seeds, pesticides, and fertilizers, 2) seeds selling price 3) cultivation and seeds management training and 4) post-harvest payment. The main priority that would be improved based on the owner's opinion was the field supervisors' inputs and recommendation. The recommendation strategies to improve the partnership are: 1) CV Rahmat Tani and its farmers together need to optimize planning; 2) the CV needs to provide trainings about cultivation and postharvest, and to oversee the quality of seed; 3) the CV needs to socialize the postharvest payment deadline; and 4) both parties should synchronize their perception and set some rules.

Keywords: EPA, gap analysis, partnerships, seed

ABSTRAK

Konsep kemitraan diharapkan menjadi salah satu cara untuk meningkatkan sektor pertanian di Indonesia sehingga ini akan menjadi sebuah hubungan yang menguntungkan. Salah satu badan usaha yang bergerak dibidang pembenihan dan supplier untuk tanaman hortikultura adalah CV Rahmat Tani. Namun, kerja sama tersebut dikhawatirkan akan menimbulkan sesuatu yang tidak diinginkan, misalnya kualitas barang tidak standar dan harga yang rendah. Tujuan dari penelitian ini adalah 1) mendeskripsikan dan mengevaluasi kemitraan yang telah terjalin antara CV Rahmat Tani dan petani mitra, 2) menganalisis persepsi petani terhadap pelaksanaan kemitraan, 3) menganalisis persepsi CV Rahmat Tani terhadap pelaksanaan kemitraan, dan 4) merumuskan strategi untuk meningkatkan kinerja kemitraan. Alat analisa yang digunakan adalah Servqual, EPA, dan Mann Whitney Test. Hasil penelitian menunjukkan bahwa pola kemitraan yang terjalin antara CV dan petani mitra adalah unit usaha bersama dengan sistem kontrak lisan. Menurut persepsi petani mitra, prioritas perbaikan kemitraan adalah 1) pengiriman benih, obat-obatan dan pupuk, 2) harga jual benih, 3) pelatihan dan manajemen budi daya benih, dan 4) pembayaran pascapanen. Prioritas utama yang akan ditingkatkan menurut pemilik adalah rekomendasi dan saran dari pengawas lapang. Kelima prioritas utama ini perlu diperbaiki guna mengoptimalkan kemitraan.

Keywords: EPA, gap analysis, kemitraan, benih

¹ Corresponding author:
Email: dian.widi.prasetyo.polije@gmail.com

INTRODUCTION

The role of seed as the horticultural agribusiness primary means cannot be replaced by any other means. Whether a horticultural agribusiness grows or not is determined by the development of its seeding which can guarantee the availability of good quality seeds. Therefore, the use of good quality seeds is a must and an even more special attention is required in the implementation of the seeding process. One of the factors that decide the potential in resulting yielding varieties is the used seeds' quality. The availability of our national vegetable grain seeds is 63% of our needs (Ministry of Agriculture, 2011).

Seeding is closely related to the partnership concept. In this partnership, the seed company acts as the supplier of seeds and the provider of infrastructure, supervision, while the farmers act as the seed multipliers. One of the factors that incur partnership is the company's inadequacy of field in meeting the production potentials. Forming partnership with farmers is one of the ways to maximize the company's production. For farmers, this partnership concept has become one of the steps in empowering them (Sulistiyani, 2004). A partnership can increase their profits by 15% (Horne, 2009). Jember produced 363,320 tons of fruit and vegetable in 2013 (BPS Jember, 2014). On the other hand, Indonesian 2011 horticulture consumption per capita, especially fruits and vegetables was 72 kg/year (Ministry of Agriculture, 2012). The increasing production and consumption of fruit has attracted companies to enter the seeding business. Currently, there are 22 state and private entities which run in Jember horticultural seeding business, as listed in Jember Seed Supervision and Certification Office.

One of those business entities which are engaged in the Jember horticultural seeding and breeder business is CV Rahmat Tani. This business entity was established as a CV in 2011 with a planting area of Jember and surrounding areas. In 2000, Mr. Damai As'anin started the assembly of a seed breeder group which would later on become CV Rahmat Tani. He had led this group since the beginning until it was legalized into a business entity or CV in 2011. This business entity has cooperated with 3 seed companies i.e. PT. Bisi International, Tbk, PT. Bernas Seed and PT. Agri Jaya Makmur Pertiwi. Currently, CV Rahmat Tani has 613 seed growers with more than 30 farmer groups spreading across the region.

A partnership attracts farmers because they can get higher prices per kilo and also get direct transfers of production innovations which would affect their productivity (Dileep et al, 2002). In addition to providing guaranteed supplies for the company, the farmers think this partnership brings benefits in the form of revenue, price stability and market certainty that will later absorb their products (Sriboonchitta and Wiboonpongse, 2005). But in its practice, some problems have arisen. Some of the problems encountered in the partnership between CV Rahmat Tani and its partner farmers are the lack of hospitality visits or group meetings between the farmers and the CV owner, no transfer of knowledge about cultivation and seeding management received by farmers, the increasing number of emerging competitors/seed companies, the farmers' seed selling price which is deemed to be less competitive, the dismissal of some farmer groups from the partnership due to their provocation on others to get out of the partnership, etc. The delay in the post-harvest payment and the low product prices have become the partnership prohibitive factors (Cahyono, 2007).

Based on the previous stated background, the formulated research problems are: 1) how the pattern and implementation of the partnership exist between CV Rahmat Tani and its farmer partners; 2) how the farmers' perception to the partnership implementation is; 3) how CV Rahmat Tani's perception of the implementation of the partnership is; and 4) How the implementation of the partnership can be improved. The purposes of this study are to describe and evaluate the partnership that has existed between CV Rahmat Tani and its partner farmers, to analyze the partner farmers' perceptions of the partnership's performance, to analyze CV Rahmat Tani's perception on the partnership's performance and to formulate strategies to increase the partnership's performance.

METHODS

The research was conducted in the town of Jember, East Java, with the CV. Rahmat Tani as the object of the research. The study was conducted for more than eight months, starting in November 2013 and finished in June 2014. This research's sampling method was the stratified proportional convenience sampling, a technique that is used on a population which is not homogeneous. The method grouped them and proportionally took samples

from each group (Suliyanto, 2006). The population in this study was all 613 CV. Rahmat Tani's partner farmers in Jember district. 93 partner farmers or 15% of the total population were used as this research samples (Arikunto, 2006). The population was classified based on its members' income, specifically which was derived from the cooperation, and divided into 4 classes. The numbers of the research samples which were based on their level of income can be seen in Table 1.

Table 1. The number of samples on the CV Rahmat Tani partnership research

Income	Population	Samples
Rp0 – Rp15.000.000	580	87
Rp15.000.001 – Rp30.000.000	31	4
Rp30.000.001 – Rp45.000.000	1	1
Rp45.000.001 – Rp60.000.000	1	1
Total	613	93

This study used 3 analyses i.e. the gap analysis, EPA (Expectation Performance Analysis), and Mann Whitney test. Gap analysis aims to determine the gap between the performance and its expectations before mapping those attributes into the matrix. Servqual or service quality is an analytical tool that can be used by the management to determine the customers' perceptions and expectations toward the performance related to business or private companies, and public institutions (Haryanto, 2010). Servqual has five dimensions to measure the customers' satisfaction (Daniel and Berinyuy (2010); Naik et al. (2010); Mosahab et al. (2010)), namely tangibles, responsiveness, reliability, assurance and empathy. All five dimensions can measure the observed company's

service user's satisfaction and portray which dimensions are lacking, so improvement can be done on these dimensions. Unfortunately in its application, servqual with its five dimensions cannot be applied in several studies (Chakraborty and Majumdar, 2011). Dimension misapplication is the main problem in studies using this analysis, making their results unable to answer the purposes of the studies. Therefore, it is necessary to find the appropriate measurement dimensions which can answer the research objectives. Sugiyono (2013) described the four dimensions of measurement used to measure or evaluate a program namely context, input, process and product. This statement is supported by Sulistiyani (2004).

Both sides' assessments are used to compare both sides' performance and expectations by the other sides to determine which attributes' implementations that they believe are not optimal yet. Expectation Performance Analysis is done by combining the measurements of performance and expectations of each attribute to the EP grid, then both dimensions are plotted in it. The expectation values are plotted as the vertical axis, while the performance values were plotted as the horizontal axis using the average value in both dimensions as where the lines cut. EPA can describe the positions of the attributes in the Cartesian diagram and is able to show which attribute that should be the top priority or which should be improved (Danandjojo (2005); Sunarto (2006); Nurrajjid (2008); Aryantono (2008)). The research framework can be seen in Figure 1.

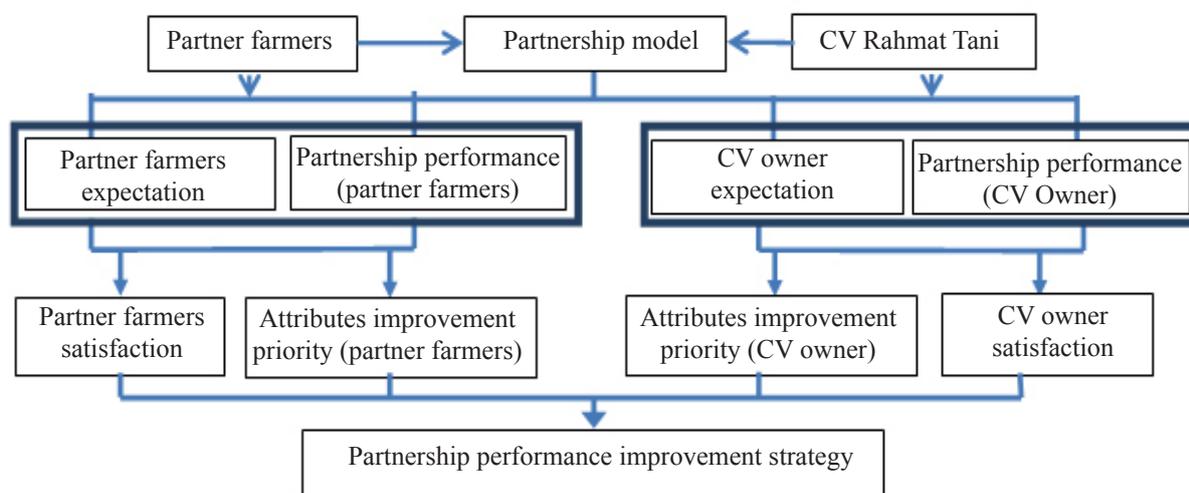


Figure 1. Research framework

The next stage of the data analysis is to examine whether there are differences in the assessment of performances and expectations of the partnership's attributes which are perceived by both partner farmers and CV owners. The hypothesis was tested using a non-parametric statistic analysis, namely the Mann Whitney test at 95% confidence level ($\alpha = 0,05$). The test was performed by comparing the assessment of performances and expectations by both partner farmers and CV owners. Each research variable research is defined as follows:

1. Gap analysis, which covers:
 - a. Context, matters that are related to the purpose of the partnership program and the initial step in forming a partnership program. This dimension is measured using the 8 partnership attributes, namely 1) the pre-planting planning; 2) cultivation and seed management training; 3) planting contract; 4) legal guarantees; 5) sustainability guarantee; 6) production target limitation; 7) determining the seed selling price; and 8) gifts.
 - b. Input, the various inputs used to meet the partnership process. This dimension is measured using the 6 partnership attributes, namely 1) the funding loans; 2) the fertilizer and pharmaceutical loans; 3) communication; 4) trust; 5) seeds, pesticides, and fertilizers delivery; and 6) farming equipment.
 - c. Process, the partnership work plan implementation based on the provided inputs. This dimension is measured using the 4 partnership attributes, namely 1) cultivation and pest control techniques; 2) the number of field supervisors; 3) field monitoring; and 4) input and suggestions.
 - d. Product, the results achieved in the partnership. This dimension is measured using the 6 partnership attributes, namely 1) the seeds' quality; 2) the seeds production; 3) the post-harvest payment; 4) the supporting infrastructure; 5) the report transparency; and 6) mutual benefit.

These five dimensions are measured using the 1-5 measurement scale scores: a score of 1 = strongly disagree, a score of 2 = disagree, a score of 3 = neutral, a score of 4 = agree, and a score of 5 = strongly agree. This measurement scale was used to answer the statements on the questionnaire, while percentage measurement scale (%) was used in weighing the dimensions.

2. Expectation-performance analysis covers:
 - a. The parties' expectations, what both parties wish on the established partnership's implementation, and

- b. The parties' performances, what implemented/real events experienced by both parties on the established partnership's implementation.

RESULTS

The Partnership Pattern between CV. Rahmat Tani and Partner Farmers

Since its establishment, Famai As'anin has never enforced any kind of written contract between the CV. he represents and the partner farmers. The deals are done by words only and based on each other's trust regarding the price, investment plan, the amount of the loan, fertilizer and pharmaceutical, monitoring plan and how the amount of production targets is discussed with the farmer groups. The loans for funding, drugs and fertilizer make it easy for the farmers to cultivate the land. The amount of loan is Rp2.000.000 with no interest at all. As for drug-fertilizers loan, farmers are given the options to get it in the form of goods or money. The later option's flexibility, especially because it doesn't have to be used right away, makes it more favorable. The partnership's mechanism and seed production process scheme can be seen in Figure 2.

Partner companies, as the seed certificate holder, require partners to produce their open polinated or hybrid seeds. Partner companies are only to provide seeds which are to be reproduced under their supervision. The agreement between partners is in a written form which is equipped with legal guarantees for both parties. The contract is signed by both parties agreeing the types of varieties which will be grown, the seeds' price, the seeds' delivery, and the number of seed to be planted. After getting contracts with partner companies on the varieties, quotas, numbers and their targets, the CV will gather farming groups to discuss further plans with regard to the planting season timeline, the soil hectareage that's going to be used, and their partner farmers. Next, the chosen farmer groups will assess the partner farmers that will participate in the partnership.

With these partner farmers that they harbor, the farmer groups will discuss the plans when the planting season starts, when they harvest, and when they deposit to the CV. After all of those have been recorded, the plans are made and agreed by the farmers. The record will later be submitted to the CV to be recapitulated with other farmer groups' records and will be informed to the

partner companies, regarding the number they order and the time of delivery.

The CV will distribute the seeds to the farmer groups as soon as possible after it receives and recapitalizes the seeds they receive from partner companies. The farmer groups will then divide the seeds required by each farmer. The farmers will receive the seeds within 15 days before the planting season starts, so they can prepare the land. During the planting season, the farmers will get loans in the forms of funding, fertilizer, drugs and others. Field supervisors represent the CV owner in monitoring the farmers' crops and providing brief trainings if required.

Field supervisors coordinate with farmer groups in monitoring the planting to make sure it goes well until the results can be deposited to the CV. It usually takes approximately 3 months before the plants can be harvested and naturally dried using direct sunlight for 4–5 days until the water level is $\pm 14\%$. After this stage, the farmer will separate the good seeds from the bad ones. The seeds are then sent to CV Rahmat Tani to be sent later to the partner companies after it reaches the delivery quota of 7 ton per delivery. The payment

will be made after the partner companies finish their sorting.

The previous explanation gives an idea about a model of partnership that's established between CV Rahmat Tani and its partner farmers, which is an informal model. The partner farmers produce products at the request of CV Rahmat Tani (as the representative/business partner of PT. Bisi International, PT. Bernas Seed and Agri PT. Makmur Pertiwi) to meet the industry needs managed by partner companies.

CV Rahmat Tani provides production means and technical guidance so that the partner groups are able to meet the required product standards. The CV also helps with the seed, funding, training, supervision and others. Since its establishment, the CV has been using oral contract system and it has never been an obstacle to the partnership's implementation, and it's been maintained until today. This annual oral contracts show that this partnership is informal with no written agreement that binds both parties. It is emotional bonding and trust that bind both sides, making this cooperation last up to now.

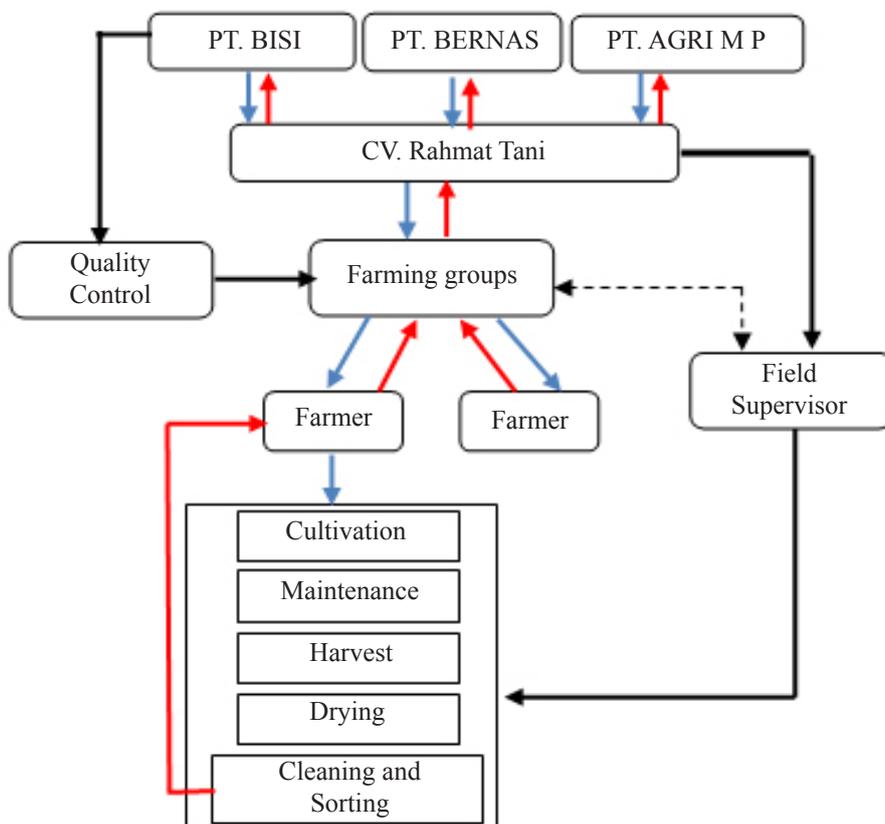


Figure 2. The partnership's mechanism and seed production process scheme

The Perceptions of Partner Farmers and CV Rahmat Tani on the Partnership Implementation

Table 2 shows that most of the studied attributes on the context dimension gave negative gaps between their expectations and performance, with the exception of assurance sustainability and gifts attributes which farmers considered satisfying. There were only 4 attributes that provided significant values under 0,05 i.e. pre-planting planning, cultivation and seed management training, legal security and the seed selling price. The cultivation training has become the focus of attention because it is the highest value compared to the other gaps. The farmers complained about the lack of this kind of training. They thought it could be the partnership's added value considering that the agricultural development required an improvement of

farmers' ability in farming and post-harvest processing. It is necessary for farmers to be introduced to new varieties of crops that they're cultivating, the ways they cultivate them appropriately, the methods of attacking pest, and the optimal production of these crops.

In the input dimension, there were 4 positive attributes that provided positive gap values i.e. attributes 9, 10, 11 and 12, while the two other attributes (attributes 13 and 14) gave negative values. The seed delivery attribute as well as the medicine and fertilizer attribute gave the biggest negative gap values which caused the farmers' dissatisfaction. This dissatisfaction was caused by the late seed delivery in the 2013 planting season which eventually led to that season's planting and harvesting setbacks.

Table 2. CIPP gap indicators on partner farmers and the CV owner

Indicator	Partner farmer			CV owner		
	Performance	Expectation	Gap	Performance	Expectation	Gap
Context						
Pre-planting planning	4,15	4,33	-0,18*	5	5	0
Cultivation and seed management training	3,22	4,14	-0,92*	2	2	0
Planting contract	4,10	4,11	-0,01	4	4	0
Legal guarantee	2,59	2,89	-0,30*	2	2	0
Sustainability guarantee	4,40	4,40	0,00	5	5	0
Production Target	2,63	2,73	-0,10	2	2	0
Seed selling price	3,66	4,20	-0,54*	2	2	0
Gifts	3,97	3,90	0,07	4	4	0
Input						
Funding loan	4,65	4,62	0,02	5	5	0
Fertilizer and pharmaceutical loans	4,60	4,55	0,05	5	5	0
Communication	4,25	4,22	0,03	5	5	0
Trust	4,42	4,25	0,17*	5	5	0
Seeds, pesticides, and fertilizers delivery	3,44	4,24	-0,80*	5	5	0
Farming equipment	3,41	4,02	-0,61*	5	5	0
Process						
Cultivation and pest control techniques	3,97	4,03	-0,06	3	3	0
The number of field supervisors	3,36	3,54	-0,18*	4	4	0
Field monitoring	3,33	3,57	-0,24*	4	4	0
Input and suggestions	3,83	3,87	-0,04	3	5	-2
Product						
The seeds' quality	3,79	4,31	-0,52*	4	4	0
The seeds production	3,58	4,01	-0,43*	4	4	0
The post-harvest payment	3,73	4,55	-0,82*	5	4	1
The supporting infrastructure	3,87	3,77	0,10	5	5	0
The report transparency	3,13	3,71	-0,58*	4	4	0
Mutual benefit	4,54	4,61	-0,07	5	5	0
Average	3,78	4,02	-0,25	4,04	4,08	-0,04

*) at the 95% significance level (t-test)

In the process dimension, all attributes gave negative gap values and the ones that were significantly different were the number of field supervisors and field monitor schedule. Most farmers illustrated the monitoring schedule as not being clearly compiled, making them rather difficult to assess their crops, and they asked for suggestions about what they should do if their crops were attacked by pests and diseases. This attribute needs to be improved to satisfy the farmers.

Finally, in the dimension product there was only one attribute that indicated a positive gap value which was CV Rahmat Tani's supporting infrastructure. The other 5 attributes gave negative gap values, four of which were known to have significant differences between expectation and performance, namely attributes 19, 20, 21, and 23. Special attention is required in the postharvest payment attribute for providing the highest negative gap value. According to most farmers, the postharvest payment was considered too distant from the farmers' expectation to get paid right after the goods were delivered. The rules state that the payment would be paid no later than 15 days after the products are received by CV. If financially capable, the company would as soon as possible fulfill the farmers' rights for 50% of the total of what they're entitled.

The CV owner's part of the research gave 0 gap values in the context and input dimensions. In the dimension process, the field counselor's input and suggestions were the attribute with the negative gap value of -2. It was described by the CV owner that according to him most farmers understood the technology and crop assessing better; thus some of the field counselor's inputs and suggestions were not directly absorbed by the farmers.

On the product dimension, there were no negative valued attributes. There was one attribute that indicated a positive gap value, namely the postharvest payment. The CV owner stated that the CV would immediately pay the farmers right after the CV got payment from the seeds selling by the partner companies as seed licenses during the specified time period of 15 days. The reasons for deciding 15 days period given by CV. Rahmat Tani in withdrawing money from the sale are the time required to sort the good seeds done by the CV and the distance between the CV Rahmat Tani and partner companies such as PT. Bisi International, which is located in the town of Kediri, not to mention the sorting process done by PT. Bisi International that

could result more delay in the payment. Therefore, the 15 days period is ideal for CV Rahmat Tani in settling the farmers' rights. In general, this partnership could be considered as satisfying for both parties, although improvements are still needed. This conclusion is supported by Heviandri (2009) who found that 79,35% of the total customers were satisfied with the services. Table 2 illustrates the CIPP attribute gap on farmers and CV owner.

The Partnership Indicators Improvements Priorities

The average on each attribute shows that the partner farmers thought that the improvement priorities on attributes 2, 7, 13 and 21 were included in quadrant 1. These four attributes are the main priorities that need to be improved by the CV and the farmers, because these attributes' expectation values are above the average in satisfying the partner farmers, while the actual satisfactory level perceived was due to the performance attributes that were still below average. This conclusion is supported by a research by Yola and Budianto (2013) and Puspitasari et al. (2010) who state that there are several service factors of the studied company that should be given more attention and their performance enhanced because they belong to quadrant I.

In quadrant-II, there are 10 attributes i.e. 1, 3, 5, 9, 10, 11, 12, 15, 19, and 24. The performance of the attributes that belong to this quadrant should be maintained because what is expected by the farmers about this partnership matches the perception or the level of satisfaction felt by them, so they become added-values in this partnership.

Attributes 4, 6, 14, 16, 17, 20, and 23 belong to the quadrant-III. This shows that these seven attributes do not need to be prioritized in their improvements because the farmers assess these attributes' expectation level which is below average, and their implementation is even less special compared to other attributes. As for the quadrant-IV, there are 3 attributes namely 8, 18 and 22.

As shown in Figure 3, the improvement priority according to the owner using the average value on each attribute indicates that there is one attribute that belongs to quadrant I, a quadrant where its attributes' improvement is a top priority, which is attribute 18 (field supervisor's input and suggestions). This

attribute's performance needs to be optimized in order to give a sense of satisfaction at the partnership which will later impact the seed production. The inputs and the suggestions depend on the farmers themselves as they're the ones who know the crops' condition. Yusuf (2006) shows that the need in an immediate improvement of the assessed services belongs to the first quadrant (main priority). 10 attributes that go the quadrant II are attributes 1, 5, 9, 10, 11, 12, 13, 14, 22 and 24. These ten attributes should be maintained because they could satisfy CV owner, so they become added-values in this partnership.

In the third quadrant there are 12 attributes that are considered to have low priorities i.e. 2, 3, 4, 6, 7, 8, 15, 16, 17, 19, 20, and 23. This indicates that these 12 attributes do not need to be prioritized in their improvement because the CV owner assess that their level of expectations is below average and their implementation is not even as special as other attributes'.

There are 21 attributes that belong to quadrant IV. The companies had better allocate their resources on other attributes because these attributes are considered redundant since it is lower than average expectation level. The EP Cartesian diagram on partner farmers and the CV owner can be seen in Figure 3.

The Comparison of Hopes, Performances and Dimension Weights of the CV Owner and The Farmers

The Mann Whitney test analysis showed that there was no significant difference between the farmers' and the CV owner's assessment on the 24 partnership attributes on the significancy level of 95% toward the initial notion. Based on the analysis, there are 4 attributes that have significant differences between the partner farmers and the CV owner's assessment; they are the cultivation and seed management, the seed selling price, farming equipment, and the cultivation and pest control techniques owned by the farmers, while the other 20 attributes did not give any significant differences. The analysis on their performance indicates that there is one attribute that has a significancy value under the 0,05 i.e. farmers' cultivation and pest control techniques that are owned, while the others do not give any significant differences.

This study also measured the dimension weights which were measured by each party. The dimensional weight measurement was used as supporting data in the analysis and the solutions suggested for the improvement of the partnership dimension. The dimensions' weighings on each side were different. The product dimension was considered by partner farmers as the dimension with the largest weight (0,29), followed by the input dimension (0,28), context dimension (0,23), and process (0,20). The product dimension was also considered by the CV owner as the dimension with the largest weight of 0,35, followed by the process dimension (0,25) and the context and input dimensions which had the same dimension weight (0,20).

Partnership Performance Improvemet Strategies

The results of the research and the assessment of partner farmer-CV Rahmat Tani owner were intended to provide solution strategies to improve the partnership's performance on both sides. A harmonization between the two parties is required so that the partnership can generate benefits. The application of the principles of partnership, cooperation and the presence of the partnership's usefulness will make the partnership implementation run accordingly to reach its goals and benefit both parties (Fadi, 2011). The followings are some of the harmonization enhancement strategies for their main priorities:

1. CV Rahmat Tanis and partner farmers need to hand in hand optimize the planting planning and implementation in the field.

The late delivery of seeds that would be planted in the 2013 spring planting season 2013 was in accordance with the farmers prioritized attribute improvements of the seeds, pesticides, and fertilizers delivery attribute (13). Seed delivery delays by the partner company were also the factors why these things happened. This is supported by Sudibyo (2006) who found that an unfavorable partnership is not expected to be sustainable. The problem is the improvement of those attributes is prioritized by the farmers, while the owner attribute put them in quadrant II or simply maintain them. If the improvements are still going to be done, the CV would lose their resources in terms of time, funding, and personnel. However, the benefits obtained would be at least as great because these attributes are included in the main priority. Therefore, CV. Rahmat Tani and the farmers should cooperate in optimizing the

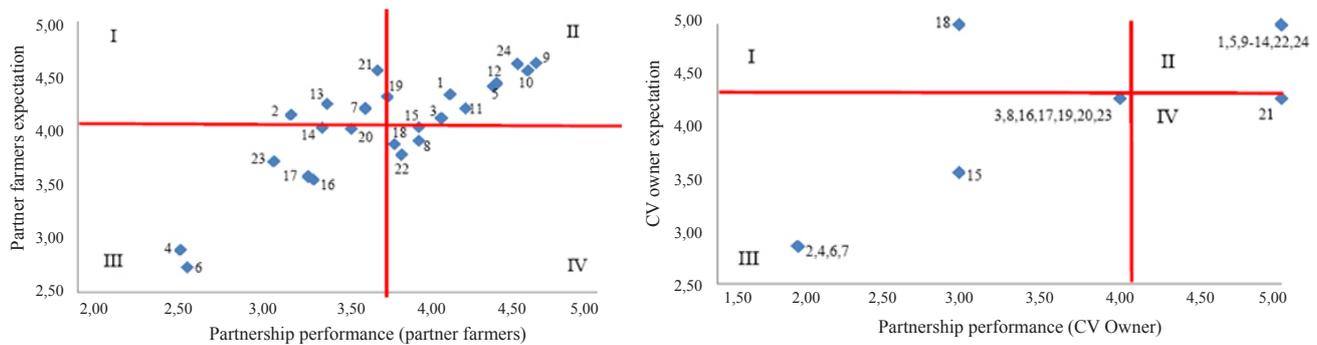


Figure 3. EP Cartesian diagram on the partner farmers and the CV owner

planting planning and its implementation in the field to address the problem of seed, pesticides and fertilizers delivery delay.

- CV Rahmat Tani needs to provide cultivation and post-harvest training as well as coordinating seed supervising with farmer groups and field supervisors.

Repairing associated trainings which are dedicated to farmers is needed, so their cultivation and pest control techniques will get better. This solution is given to make better the partnership attributes which are based on the farmers' assessment, namely cultivation and seed management training (2) and the CV owner regarding the field supervisor's input and advice (18). The problem is the owner puts attribute 2 in quadrant II, and the CV would need to expend resources to provide training. However, it is worth considering, so the farmers' cultivation and management techniques would be better. These trainings will increase the farmers' benefits in cultivation, post-harvest, harvest, and improving the products' quality (Purnaningsih, 2006). CV should also further optimize the field supervisors who frequently interact with farmers and find out the problems as well as providing brief trainings to the farmers. Partner farmers should also apply appropriate cultivation methods, proper post-harvest, seed packing and seed storing in the warehouse, or at least not in the same room with grain/rice.

- CV Rahmat Tanis should socialize the postharvest payment deadline.

The next solution focus is the postharvest payment which is paid by the CV, in accordance with the improvement priority on the farmers EPA attribute 21. As described earlier, many post-harvest payments were delayed by many things, one of which was the product's poor quality. The problem rose due to the inequality opinions because the CV owner put this

attribute in quadrant IV (redundant). Although it is considered as redundant, if it isn't addressed by the CV, this attribute will cause a domino effect to many things especially the quality issue. The CV should be able to socialize this sort of thing to the farmers so that they can maintain the quality of the seed so as to save the sorting time. Hopefully, it will not take much time for the CV to obtain payment for the seed from the partner companies, so the CV can transfer the farmers' payment on time.

- The CV and farmers should meet to synchronize their views, ratings, and set the attributes' priority as well as other rules that must be obeyed.

There should be a way out in sorting out the difference in their perception by sitting together to discuss the attributes' priority and rank so that they can determine which attributes require larger attention and improvement. The determinations were performed to synchronize their perceptions and avoid subjectivity in the measurements so that it does not harm any party. This happens on attribute 7 (seeds selling price) which farmers considered as a quadrant I attribute, and it needs to be fixed while the CV owner put it in quadrant III or as a low priority attribute. The attribute review focus is feared to threaten the cooperation. The seeds selling price is one of the rules/collective agreements that must be set at the initial part of the partnership of each planting season. If the farmers do not have objections, then they can deliver them at the beginning of cooperation or at each meeting. This attribute measurement is feared to be compromised by the farmers' subjectivity that always wants price to increase every year. The discussions should also discuss other rules that must be obeyed by both parties. A third party (from academic or related agencies) who fully understand about partnership cooperation and can be objective without favoring one party can bridge both parties in joint discussions.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

This study concludes that the partnership model used by CV Tahmat Tani and its partner farmers is an informal model. There are 12 partnership attributes that haven't been able to satisfy the partner farmers, while the CV owner considers almost all attributes to be positive or satisfying, except the field supervisors' inputs and suggestions attribute. Meanwhile, the EPA analysis on the partner farmers' perceptions of the partnership implementation of shows that the main priorities for the partnership's improvements are 1) the delivery of seeds, pesticides and fertilizers; 2) the seeds selling price determination; 3) the cultivation and seed management training; and 4) the post-harvest payment, while the CV owner's priorities are the field supervisors' inputs and suggestions. Some of the improvement recommendations for CV Rahmat Tani's partnership are: 1) the CV and the farmers need to optimize planting planning and its implementation in the field; 2) the CV needs to provide cultivation and post harvest trainings and coordinate the seed supervisory with the farmer groups and the field supervisors; 3) the CV needs to socialize the postharvest payment deadline; and 4) both parties have to sit together to synchronize their perceptions and set some rules that must be obeyed.

Recommendations

CV Rahmat Tani and the farmers must be objective and apply the same standards in assessing the studied partnerships attributes and are committed to comply with the agreement that has initially been mutually agreed. Further researches on the comparison between CV Rahmat Tani's partnership with other partnerships needs to be conducted.

REFERENCE

- Arikunto S. 2006. *Prosedur Penelitian Suatu Pendekatan Praktik (Edisi Revisi-VI)*. Jakarta: Rineka Cipta.
- Aryantono N. 2008. Kajian tentang penetapan kriteria fasilitas di pelabuhan dalam rangka mendukung angkutan antar moda. *Warta Penelitian Perhubungan* 20(6): 880–896.
- [BPS] Badan Pusat Statistika Kabupaten Jember. 2014. Kabupaten jember dalam angka. [Http://Jemberkab.Bps.Go.Id/](http://Jemberkab.Bps.Go.Id/) [22 Agustus 2014]
- Cahyono B. 2007. Kajian program kemitraan usaha: kasus PT Aqua Farm Nusantara dengan kelompok tani ikan di Kecamatan Kalasan, Kabupaten Sleman, Daerah Istimewa Yogyakarta. *Buletin Ekonomi Perikanan* 7(2): 38–50.
- Danandjojo I. 2005. Kajian kualitas pelayanan angkutan laut penumpang jarak dekat di Pelabuhan Tenau Kupang. *Warta Penelitian Perhubungan* (7): 4–20.
- Dileep Bk, Grover Rk, Rai Kn. 2002. Contract farming in tomato: an economic analysis. *Agricultural Economic* 57(2): 197–210.
- Fadilah R. 2011. Analisis kemitraan antara pabrik gula jatitujuh dengan petani tebu rakyat di Majalengka Jawa Barat. *Journal Transdisiplin, Komunikasi, Dan Ekologi Manusia* 5(2): 159–172.
- Haryanto A. 2010. improving service quality of district education offices (DEO) in Indonesian decentralized education system [disertasi]. Australia: Universitas Rmit.
- Heviandri R *et al.* 2009. Analisis kepuasan konsumen terhadap layanan di Bandara Soekarno-Hatta, serta implikasinya terhadap strategi pemasaran city check-in terminal di Jakarta. *Jurnal Manajemen & Agribisnis* 6(2): 124–139.
- Horne S. 2009. Contract Farming Profits Rise 15%. *Crops. Proquest*: 48.
- [Kementan] Kementerian Pertanian. 2011. *Pedoman Teknis Pelaksanaan Pengembangan Hortikultura Tahun 2012*. Jakarta: Kementerian Pertanian.
- [Kementan] Kementerian Pertanian. 2012. *Laporan Kinerja Kementrian Pertanian Tahun 2011*. Jakarta: Kementerian Pertanian.
- Nurrasjid Mn. 2008. Kajian tingkat pelayanan terhadap penumpang di Bandara Hang Nadim-Batam. *Warta Penelitian Perhubungan* 20(8): 1327–1341.
- Purnaningsih N. 2006. Adopsi inovasi pola kemitraan agribisnis sayuran di Propinsi Jawa Barat [disertasi]. Bogor: Institut Pertanian Bogor.
- Puspitasari Nb, Suliantoro H, Kusumawardhani L. 2010. Analisis kualitas pelayanan dengan menggunakan integrasi IPA dan model kano (Studi Kasus di PT Perusahaan Air Minum Lyonnaise Java Jakarta. *Jurnal Teknik Industri* 5(3): 185–198.
- Sriboonchitta S, Wiboonpongse A. 2005. Analysis of contract farming in Thailand. *CMU Journal* 4(3): 361–381.
- Sudibyo S. 2006. Pelayanan air bersih melalui kemitraan pemerintah-swasta (studi kasus:

- PDAM Kabupaten Semarang dan PT Sarana Tirta Ungaran) [tesis]. Semarang: Universitas Diponegoro.
- Sugiyono. 2010. *Metode Penelitian Administrasi*. Bandung: Alfabeta.
- Sugiyono. 2013. *Metode Penelitian Manajemen*. Bandung: Alfabeta.
- Sulistiyani at el. 2004. *Kemitraan Dan Model-Model Pemberdayaannya*. Jogjakarta: Gava Media.
- Sunarto. 2006. Kajian Pelayanan Kapal Penumpang Di Pelabuhan Kendari. *Warta Penelitian Perhubungan* 18(12): 785–801.
- Yola M, Budiarto D. 2013. Analisis kepuasan konsumen terhadap kualitas pelayanan dan harga produk pada supermarket dengan menggunakan metode importance performance analysis (IPA). *Jurnal Optimasi Sistem Industri* 12(12): 301–309.
- Yusuf M. 2006. Kajian kepuasan pelayanan bagi PT Jasa Angkasa Semesta terhadap penumpang PT Lion Air di Bandara Soekarno-Hatta. *Warta Penelitian Perhubungan* 18(12): 766–784.