CHALLENGES AND OPPORTUNITIES OF THE LEADING EDGE IN WORLD CLASS SUPPLY CHAIN MANAGEMENT
CHALLENGES AND OPPORTUNITIES OF THE LEADING EDGE IN WORLD CLASS SUPPLY CHAIN MANAGEMENT

Bali, March 16th, 2013

Department Of Management
Faculty of Business and Economics
Universitas Surbaya
Proceeding

The 10th UBAYA International Annual Symposium on Management

CHALLENGES AND OPPORTUNITIES OF THE LEADING EDGE IN WORLD CLASS SUPPLY CHAIN MANAGEMENT

Editors:
Werner R. Murhadi, Dr
Prita Ayu, MM

Reviewers:
Candra S. Chayadi, Ph.D. (School of Business, Eastern Illinois University)
Dudy Anandya, Dr (Universitas Surabaya)
Joniarto Parung, Ph.D, Prof. (Universitas Surabaya)
Ning Gao, Ph.D. (Manchester Business School)
Wahyu Soedarmono, Ph.D. (Research Analyst, The World Bank, Jakarta)
Yuanto Kusnadi, Ph.D. (City of Hongkong University)

Published by:
Department of Management, faculty of Business & Economics
Universitas Surabaya
Jl. Raya Kalirungkut
Surabaya, Indonesia 60293
Phone : +62-31-2981139
Fax : +62-31-2981239

ISBN: 978-979-99365-7-8

Copyright © 2013 Department of Management, faculty of Business & Economics, Universitas Surabaya
FOREWORD

This proceeding is a compilation of papers submitted for The 10th International Annual Symposium on Management (Insyama) conducted by the Department of Management, Faculty of Business and Economics, Universitas Surabaya. This year’s theme of the symposium is Challenges and Opportunities of the Leading Edge in World Class Supply Chain Management.

In this opportunity, we would like to share our grateful to the institutions (National and abroad) who send their lecturer or researcher to our symposium. This symposium is to provide a sharing forum for researcher, academics, and practitioners engaged in basic and applied research in Supply Chain Management. This theme represents an emerging and highly challenging and opportunities area of research and practice. One of the most significant paradigm shifts of modern business management is that individual business no longer compete as solely autonomous entities, but rather as supply chains. Business management has entered the era of internetwork competition. In this emerging competitive environment, the ultimate success of the single business will depend on management’s ability to integrate the company’s intricate network of business relationships. The supply chain is not a chain of businesses with one-to-one, business-to-business relationships, but a network of multiple business and relationships. SCM deals with total business process excellence and represents a new way of managing the business and relationships with other members of the supply chain. Successful supply chain Management requires cross-functional integration must play a critical role. The challenge is to determine how to successfully accomplish this integration.

This symposium aims to bring together different points of view from academics, business practitioners, government agencies, and international institutions with the ultimate goal to share and disseminate various ideas and practices in Supply Chain Management.

Finally, we hope that this compilation of papers, ranging from a conceptual work to an empirical research, can enrich our perspective in supply chain management and its application in creating higher level of competitiveness.

Bali, March 16th, 2013

ISBN: 978-979-99365-7-8
TABLE OF CONTENTS

FOREWORD.............................................................................................................
TABLE OF CONTENTS..............................................................................................

1. THE EFFECT OF FINANCIAL RATIOS TO STOCK PRICE IN SEVERAL COMPANIES LISTED IN SRIKEHATI GROUP IN INDONESIA STOCK EXCHANGE
   Rosemarie Sutjiati Njotoprajitno..............................................................

2. HIERARCHICAL INNOVATION MODEL DEVELOPMENT IN INDONESIAN PHARMACEUTICAL INDUSTRY
   Syuhada Sufian...........................................................................................

3. PLACEMENT EFFECTIVENESS OF AUTOMATIC TELLER MACHINE ON INDONESIAN PRIVATE BANKING
   Victor Wianto, Agus Zainul Arifin..............................................................

4. FACTORS INFLUENCING THE SUPPLY CHAIN PERFORMANCE (A STUDY OF MANUFACTURING FIRMS IN INDONESIA)
   Lina Anatan.................................................................................................

5. CONSUMER BEHAVIOR AND INDONESIAN VALUES SCALE: VALIDATION AND SHORT-FORM SCALE DEVELOPMENT
   Sabrina O. Sihombing...................................................................................

6. CONTRASTING REFLECTIVE AND FORMATIVE MODELS ON E-SERVICE QUALITY: AN EMPIRICAL STUDY
   Jessica Adelaide Gusti, Sabrina O. Sihombing...........................................

7. THE PREDICTIVE MODEL OF RELATIONSHIP BETWEEN ROLE STRESS, PERSONALITY, AND SALES PERFORMANCE IN SERVICES MARKETING
   Verina H. Secapraman...............................................................
8. EFFECT OF COMPETENCE, TRAINING, MOTIVATION EMPLOYEE PERFORMANCE AGAINST PT THIESS CONTRACTORS INDONESIA AT BALIKPAPAN
Didik Hadiyatno, Misna Ariani

9. POLICY INTEGRATION FOR HOUSEHOLD WASTE MANAGEMENT THROUGH ESTABLISHMENT OF WASTE BANK
Etty Soesilowati, Sri Utami

10. THE ROLE OF EVENT SPONSORSHIP IN PROMOTING TOURIST ENTHUSIASM (STUDIES IN SEMARANG GREAT SALE EVENT)
Yudi Pramudiana, Arinda Ilke Wardhani

11. DEVELOPING A CONCEPTUAL MODEL OF HOTEL’S NETWORK OF BUSINESS RELATIONSHIPS IN THE HOTEL INDUSTRY: THE CASE OF HOTELS IN BALI, INDONESIA
Nyoman Indah Kusuma Dewi

12. THE EXISTING MODEL IDENTIFICATION OF CUCURBITA SP (YELLOW PUMPKIN) AGRO INDUSTRY SUPPLY CHAIN MANAGEMENT IN GETASAN SUB-DISTRICT, SEMARANG REGENCY
Agustine Eva Maria Soekesi, Meniek Srinings Prapti, Inneke Hantoro, Alberta Rika Pratiwi

13. THE ANALYSIS OF INTERNAL AND EXTERNAL FACTORS IN FORMULATING COMPETITIVE STRATEGIES ON SKULL-CAP AND TAMBOURINE INDUSTRIES IN BUNGAH VILLAGE - GRESIK
Sri Setyo Iriani, Monika Triawati

14. MOTIVATIONAL FACTORS, ENTREPRENEURSHIP, ETHNICITY, AND PARENTAL BACKGROUND: EVIDENCE FROM THE BLOK M SQUARE ELECTRONIC CENTER, JAKARTA, INDONESIA
Agung Wahyu Handaru, Widya Parimita, Inna Hadza Sabila

15. THE INFLUENCE OF TOTAL QUALITY MANAGEMENT (TQM) APPLICATIONS TO SALES RAISING AT PT. KERETA API
INDONESIA (PERSERO) BANDUNG THE 2ND OPERATIONS AREA
R. Ait Novatiani, Pondang

16. INFLUENCE OF PARTNERSHIP STRATEGIC TO PERFORMANCE
OF PRIVATE COLLEGE IN BANDUNG
Dini Arwati, Dini Verdania

17. EFFECT OF RELATIONAL QUALITY AND ENTREPRENEUR
ORIENTATION TOWARD FRANCHISEE PERFORMANCE IN
INDONESIA
Lim Sanny

18. INFLUENCE OF TRUST IN SUPPLIER AND TRUST IN BRAND ON
THE PURCHASE AND ATTITUDINAL LOYALTY FOR RETAILER
AT PT SINAR SOSRO IN SURABAYA
Christina Esti Susanti

19. EFFECT CAPITAL ADEQUANCY RATIO (CAR) AND NON
PERFORMING LOAN (NPL) ON RETURN ON ASSET (ROA)
; BANKING IN INDONESIA (SURVEY ON INDONESIA STOCK
EXCHANGE/IDX)
Rina Rachmawati, Priska Amelia

20. CASE STUDY: A PROJECT OF IMPROVEMENT ON THE
DESIGN OF JOBS/WORKS FOR PROFESSIONAL WORKERS AT
PT. BUKIT BATUBARA TBK – THE YEAR OF 2011/2012 WITH
RECOMMENDATION: IMPLEMENTATION OF A CONTRIBUTOR
MODEL IN CAREER MANAGEMENT FOR PROFESSIONAL
WORKERS
T. Soemarmarman

21. IMPACT OF INTELLECTUAL CAPITAL ON THE FIRM'S
MARKET VALUE: THE MEDIATION ROLE OF FINANCIAL
PERFORMANCE (EMPIRICAL STUDY FROM THE INDONESIAN
BANKING COMPANIES SINCE 2007-2011)
Sri Harryani, Bagus Nurcahyo, Renny Nur'aini

ISBN: 978-979-99365-7-8
22. THE EFFECT OF ECONOMIC GROWTH ON THE NUMBER OF POOR PEOPLE IN INDONESIA, PERIOD 1994-2010
   Sugirtiningsih .................................................. 28

23. CLUSTER BUSINESS DEVELOPMENT AT THE MICRO, SMALL AND MEDIUM ENTERPRISES
   Wastfah Hanum .................................................. 29

24. PRODUCT QUALITY CONTROL PROFILE ON LASEM BATIK CENTRE
   Agustine Eva Maria Soekesi ...................................... 30

25. BETTER INVESTMENT Choice IN CRISIS AND AFTER CRISIS: STOCK VERSUS GOLD
   Eka Darmadi Lim, Liliana Inggrit Wijaya ....................... 32

26. CAN INNOVATION OF TIME DRIVEN ABC SYSTEM REPLACE CONVENTIONAL ABC SYSTEM?
   Tan Ming Kuang .................................................. 33

27. COST EFFECTIVENESS ANALYSIS OF DIURETICS THERAPY FOR ASCITES IN HEPATIC CIRRHOSIS PATIENTS AT ADI HUSADA UNDAAN WETAN HOSPITAL IN SURABAYA
   Doddy de Queljoe, Amelia Lorensia, Indri purnama Putri 34

28. EXAMINING VIRTUAL RECRUITING ENVIRONMENT FEATURES OF INDONESIA CORPORATE WEB SITE
   Yenny Purwati, Rosaly Franksiska, Eristia Lidia Paramita 36

29. THE EFFECTS OF INTERPERSONAL COMMUNICATION AND MOTIVATION TO PRODUCTIVITY OF EMPLOYEES AT HOTEL MULIA JAKARTA
   I Gede Adiputra .................................................. 38

30. THE SURVIVAL OF SMALL RESTAURANTS: MICRO ANALYSIS OF NON CLASSIFIED RESTAURANTS IN KUTA SELATAN, BALI
   Ida Bagus Made Wiyasha, Ni Luh Suastuti ...................... 39
31. SUPPLY CHAIN MANAGEMENT: STRATEGY IN INFORMATION TECHNOLOGY TO REDUCE COST
Meythi, Riki Martusa

32. EVALUATING THE FINANCIAL PERFORMANCE USING THE GROWTH OF EPS, CFO, AND EVA AND THEIR IMPACT TO THE STOCK RETURN OF LISTED TELECOMMUNICATION INDUSTRY IN BEI
Suskim Riantani, Harry Setyo Negoro, Alfiah Hasanah

33. EFFECT OF APPLICATION CORPORATE SOCIAL RESPONSIBILITY ON IMAGE PT. ANTAM UNIT PASCATAMBANG KIJANG
Sutama Wisnu D, Budi Astuti

34. LEADERSHIP AND FIVE STAGE MODEL OF ORGANIZATION GROWTH AT UD “RAMA JAYA”
May Eka Saputri, Liliana Inggrit Wijaya

35. VALUE CHAIN CONCEPT ON STRATEGIC CSR PROGRAM: A CASE STUDY OF MARTHA TILAAR GROUP
Dianne Frisco

36. DEFINE THE CRITERIA TO IDENTIFY CORE AND NON-CORE ACTIVITIES TO LEVERAGE THE COMPANY’S COMPETITIVENESS AND STRENGTHENING THE PARTNERSHIP WITH OTHERS
Alain Widjanarka

37. DETERMINANTS OF THE DECISION TO BUY AND SELL MUTUAL FUNDS IN INDONESIA
Irene Rini Demi Pangestuti

38. A COMPARATIVE STUDY ON RETURN STOCKS BETWEEN VALUE STOCKS AND GROWTH STOCKS IN THE GO PUBLIC COMPANIES AT THE INDONESIAN STOCK EXCHANGE (PERIOD OF 2006-2010)
Panji Aditya Evindo, Nadia Asandimitra Haryono
39. FOREIGN DIRECT INVESTMENT IN ASEAN, 1994-2010: DOES THE CHINA EFFECT EXIST?
Yulius Pratomo.................................................. 48

40. THE RELATIONSHIP BETWEEN THE LEVEL OF THE USE OF ERP SYSTEM, SCM, STRATEGIC ALIGNMENT, AND FIRM PERFORMANCE USING BALANCED SCORECARD APPROACH
Weli Imbri.......................................................... 49

41. INTERNAL AUDIT QUALITY ROLE IN IMPROVING EFFECTIVENESS OF QUALITY MANAGEMENT SYSTEM ISO 9001:2000 (Case Study PT INTI Bandung)
Christine Dwi K.S., Sondang M.R., Adriana Oktarina Sembiring 50

42. THE IMPACT OF RELATED PARTIES’ TRANSACTIONS TO MARKET VALUATION OF FIRMS
Niki Jayanti, Felizia Arni Rudiawarni......................... 52

43. TRANSITION OF IFRS IN INDONESIA: FINANCIAL POSITION, FINANCIAL PERFORMANCE AND KEY FINANCIAL INDICATORS EFFECTS
Stephanie Susilo, Felizia Arni Rudiawarni..................... 53

44. INFLUENCE OF JOB MOTIVATION AND JOB SATISFACTION ON EMPLOYEE PERFORMANCE IN ASURANSI JIWA BERSAMA (AJB) BUMIPUTERA 1912 SURABAYA REGIONAL OFFICE
Agus Frianto, Ayu Septirini...................................... 55

45. INNOVATION SUCCESS IN SMALL BUSINESS CONTEXT: AN EMPIRICAL EVIDENT FROM INDONESIA
Aluisius Hery Pratono, Suyanto................................. 56

46. FACTORS INFLUENCE INDONESIAN YOUNG CONSUMERS’ ONLINE PURCHASE INTENTION IN SOCIAL MEDIA WEBSITES
Levina Rolanda Tjiu, Christina R. Honantha..................... 57

47. CAREER DEVELOPMENT OF CREATIVITY REVIEWED, AND COURAGE IN BUSINESS INNOVATIVE MULTI-LEVEL

ISBN: 978-979-99365-7-8 ix
MARKETING (MLM) DISTRIBUTOR ORIFLAME DENPASAR
Luh Kadek Budi Martini

48. ANALYSIS OF THE MACRO ECONOMIC INFLUENCE FACTORS
FINANCIAL AND PERFORMANCE COMPANY TO BUILD A
MODEL PREDICTION BANKRUPTCY (STUDY AT LISTED
COMPANIES IN IDX FOR YEAR 1999-2010)
M. Sienly Veronica

49. EARNINGS MANAGEMENT TREND TOWARD COAL COMPANY
LISTED IN THE INDONESIA STOCK EXCHANGE WHICH
EXPECTED TO BANKRUPTCY BY USE THE ALTMAN Z-SCORE
MODEL, SPRINGATE MODEL AND ZMIWISKY MODEL IN
PERIOD 2009-2011
Suciaty Debora Ridwan, M. Sienly Veronica

50. FIRM CHARACTERISTICS, INTELLECTUAL CAPITAL, AND
ENVIRONMENTAL PERFORMANCE (EMPIRICAL EVIDENCE
FROM LISTED COMPANIES IN INDONESIA)
Ni Wayan Rustiarini

51. IMPROVING COMPANY’S COMPETITIVE ADVANTAGES BY
IDENTIFYING WASTE IN THE PRODUCTION PROCESS CASE
STUDY AT WATOETOELIS SUGAR MANUFACTURER IN
SIDOARJO
Tuwanku Aria Auliandri

52. GAUGING THE FINANCIAL PERFORMANCE OF BANKING
USING CAMEL MODEL: THE PROSPECT OF ISLAMIC BANK IN
INDONESIA ACCORDING TO PUBLIC TRUST COMPARED WITH
CONVENTIONAL BANK
Yohanna Handjaja, Deddy Marciano, Liliana Inggrit Wijaya

53. THE INFLUENCE OF MANAGEMENT PERFORMANCE AND
INTELLECTUAL CAPITAL TOWARD THE FIRM VALUE
Agus Wahyudi Salasa Gama, Ni Wayan Eka Mitariani

ISBN: 978-979-99365-7-8
54. THE ROLE OF POWER AND CONFLICT RESOLUTION IN SUPPLY CHAIN RELATIONSHIPS: SMALL AND MEDIUM-SIZED ENTERPRISES CONTEXT
   Amak Mohamad Yaqoub, Indri Apriani Rahma Pratama...

55. THE INFLUENCE OF PROSPECTOR AND DEFENDER STRATEGIES ON PERFORMANCE WITH DIMENSIONS OF SOCIAL CAPITAL AS MODERATING VARIABLES
   Bambang Suko Priyono........................................

56. ACTIVITY PERFORMANCE ANALYSIS OF SUPPLY CHAIN PERFORMANCE OF ACTIVITY MODEL APPROACH STUDY AT UKM KRIPIK BUAH KEBONSARI
   Choirum Rindah Istriqroh, Saraswati Budi Utami.....

57. THE INFLUENCE OF FINANCIAL PERFORMANCE (EPS (EARNING PER SHARE), PER (PRICE EQUITY) AND ROA (RETURN ON ASSETS)) TO SHARE PRICE INDEX EARNING RATIO, DPR (DEVIDENT PAYOUT RATIO), ROE (RETURN ON EQUITY) AND ROA (RETURN ON ASSETS)) TO SHARE PRICE INDEX
   Dheo Rimbano, Sardiyo, Maulana.........................

58. THE RELEVANCY OF USING WEBSITE FOR PROMOTING HEALTH CARE PRODUCT AND SERVICES
   Edo Sri Harsanto, Naafilah Lailatirrohmah..............

59. EMOTIONAL ATTACHMENT AS A MEDIATOR OF THE RELATIONSHIP BETWEEN SERVICE QUALITY AND EMOTIONAL BRAND
   Rendy May Fandi, Efendi..................................

60. MALMI AND BROWN'S MANAGEMENT CONTROL SYSTEM IN PRODUCTION AREA: A CASE STUDY IN PT DS SURABAYA
   Fandy San Kartawidjaja, Fidelis Arastyo Andono.....

61. THE EFFECT OF FINANCIAL CONDITION, THE FAILURE OF DEBT RATIO, FIRM SIZE AND PUBLIC ACCOUNTING

ISBN: 978-979-99365-7-8
REPUTATION ON ACCEPTANCE OF GOING CONCERN OPINION
Hendro Lukman, Stevanus Adree Cipto Setiawan

62. EFFECT OF INVESTMENT OPPORTUNITY SET ON CASH DIVIDEND POLICY WITH AVERAGE OF SALES GROWTH ON EVERY LIFE CYCLE AS A MODERATING VARIABLE (STUDIES ON MANUFACTURING COMPANIES IN INDONESIA STOCK EXCHANGE)
I Dewa Made Endiana

63. THE EFFECT OF AGE, LEVEL OF EDUCATION, AUDITORS WORK EXPERIENCE AND TYPE OF BUSINESS CLIENT ON THE AUDIT DELAY PUBLIC ACCOUNTANT IN BALI
I Gede Cahyadi Putra

64. GOOGLE SEARCH TRAFFIC AND IT’S INFLUENCE ON RETURN, LIQUIDITY AND VOLATILITY OF STOCK RETURN EMPIRICAL STUDY: MANUFACTURING FIRMS IN INDONESIA STOCK EXCHANGE
Berto Usman, Eduardus Tandelilin

65. PENETRATING INDONESIAN BANK ASSURANCE MARKET: STRATEGIC MANAGEMENT, PT. ASURANSI CIGNA – INDONESIA STYLE
Suresh Kumar, Randy Prasetyo

66. COLLABORATION STRATEGY ON INDUSTRIAL CLUSTER (THE NEW STRATEGY OF THE NEW ERA)
Noviayy Kresna Darmasetiawan

67. FISH DISTRIBUTION SYSTEM DESIGN (CASE STUDY: FISH AUCTION PLACE SIDOARJO)
Verani Hartati, Wiwik Sulistiyoawati

68. SELF-CONCEPT AND SELF-EFFICACY FOR BUILDING AN ACADEMIC PERFORMANCE: SISTEMATIC REVIEW APPROACH
Jun Surjanti, Dwiarko Nugrohoseno, Sanaji

ISBN: 978-979-99365-7-8
<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Author(s)</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>69.</td>
<td>TOTAL QUALITY MANAGEMENT IN EDUCATION (TQME): PROSPECTIVE STRATEGY FOR HIGHER EDUCATION INSTITUTION</td>
<td>Ratna Widiastuti</td>
<td>84</td>
</tr>
<tr>
<td>70.</td>
<td>THE ROLE OF ENVIRONMENTAL UNCERTAINTY AND IMPLEMENTATION SUPPLY CHAIN FOR INCREASING COMPETITIVE ADVANTAGE MANUFACTURING INDUSTRIES IN EAST JAVA</td>
<td>Sahnaz Ubud</td>
<td>85</td>
</tr>
<tr>
<td>71.</td>
<td>INCREASING WHOLESALE CENTERS ROLE AS PART OF SUPPLY CHAIN MANAGEMENT OF SMES</td>
<td>Kabul Wahyu Utomo, Ludwina Harahap, Lely Dahlia...</td>
<td>86</td>
</tr>
<tr>
<td>72.</td>
<td>COLLECTIVE ENTREPRENEURSHIP PARADIGM AS A PATTERNSFOR COOPERATIVE DEVELOPMENT IN KULONPROGO REGENCY, 2013</td>
<td>Lely Dahlia</td>
<td>87</td>
</tr>
<tr>
<td>73.</td>
<td>THE EVALUATION OF USING IMPORTANCE PERFORMANCE ANALYSIS (IPA) TO DESIGN SERVICE EXCELENCE PROGRAM</td>
<td>Mudi antono, Rizal Hari Magnadi</td>
<td>89</td>
</tr>
<tr>
<td>74.</td>
<td>IMPROVEMENT BANK CUSTOMER SATISFACTION WITH SERVICE QUALITY ABSTRACT</td>
<td>Yetty Dwi Lestari</td>
<td>90</td>
</tr>
<tr>
<td>75.</td>
<td>STRATEGIES TO IMPLEMENT THE CHANGES IN THE BASIS OF CASH TRANSFER FROM A HOUSEHOLD-BASE TO A FAMILY-BASE: THE CASE OF PKH IN INDONESIA</td>
<td>Muhammad Nashihin</td>
<td>91</td>
</tr>
<tr>
<td>76.</td>
<td>CORPORATE GOVERNANCE, SUSTAINABILITY, AND ISLAMIC BANKING PERFORMANCE</td>
<td>Rohmawati Kusumaningtias</td>
<td>92</td>
</tr>
</tbody>
</table>
77. THE ROLE OF INSURANCE AGREEMENT AS PART OF RISK MANAGEMENT IN INDONESIAN BUSINESS ACTIVITY
Aris Armuninggar......................................................... 93

78. THE IMPACT OF THE USE OF OUTSOURCING EMPLOYEE AGAINST PRODUCTIVITY COMPANIES IN PT.PINDAD BANDUNG
Sri Wiludjeng S. P., Muhammad Madyosa Ibrahim... 94

79. SUSTAINABLE BUSINESS INNOVATION TO WIN THE COMPETITION A CASE STUDY OF INNOVATION BY WAYAN IN BULLFROG FARMING IN BALI
Liliana Inggirt Widjaya, Dudi Anandya, Fitri Novika Wijaya 95

80. SYSTEMATIC RISK AS MODERATOR OR MEDIATOR OF THE INFLUENCE BETWEEN MACROECONOMIC FUNDAMENTAL FACTORS AND STOCK RETURN
Yeye Susilowati.......................................................... 96

81. MANAGING GLOBAL BUSINESS BY MINIMIZING THE EFFECTS OF RUPIAH’S VOLATILITY
Christina Yanita Setyawati................................. 97

82. THE PERCEPTION OF ADOPTING AN INFORMATION TECHNOLOGY INNOVATION ON THE RURAL BANKS
OWNED BY LOCAL GOVERNMENT
Ellen Puspitasari, Ceacilia Srimindarti...................... 98

83. MODEL APPLICATION SERVICE LEVEL WITH SERVICE UNITS PER DEMANDED TYPE ON GRESIK CEMENT AND TONASA CEMENT STOCKS IN UD "TJ" DALUNG-DENPASAR-BALI
Pertiwi Surya Negara, Juliani Dyah Tresnawati,
Budhiman Setyawan................................................. 99

84. THE EFFECTIVENESS OF INDEPENDENT COMMISSIONER IN IMPLEMENTING GOOD CORPORATE GOVERNANCE AT INDONESIAN STATE-OWNED ENTERPRISES
Synthia A. Sari....................................................... 100
85. INDONESIAN READERS' MOTIVATIONS AND ATTITUDE TOWARDS DIGITAL PRESS
   Christina Rahardja Honantha, Dudi Anandya, Indarini

86. MANAGEMENT STYLE OF CHINESE OVERSEAS COMPANIES AND INDONESIA COMPANIES
   Yie Ke Feliana

87. IMPLEMENTATION OF VALUE CHAIN ANALYSIS IN THE BROILER SUPPLY CHAIN AGRIBUSINESS
   Rini Oktavera, Erna Andjani

88. IMPACT OF DIVERGENCE BETWEEN VOTING AND CASH FLOW RIGHTS ON PERFORMANCE: ULTIMATE OWNERSHIP IN INDONESIA
   I Putu Sugiartha Sanjaya

89. ACTIVITY COMPLAINT HANDLING THE ENGINEERING DEPARTMENT NOVOTEL SURABAYA HOTEL & SUITES
   Anita Wongso, Fitr Novika Widjaja

90. IMPLEMENTATION OF FIVE FORCES ANALYSIS IN BUSINESS START UP: CASE STUDY OF HERI FARM
   Maria Assumpta Evi Martina

91. IMPACT OF ACQUISITION OF PT. INOSIAR KARYA MEDIA, TBK BY PT. ELANG MAHKOTA TEKNOLOGI, TBK
   Kazia Laturette

92. THE INFLUENCE OF MONETARY POLICY (BI RATE) ON PROFITABILITY OF COMMERCIAL BANKS IN INDONESIA
   Lia Amaliawati, Edi Winarso

93. OUTSOURCING OR INSOURCING? AN EMPIRICAL INVESTIGATION FOR CATERING OPERATION AT "NH AQIQAH" BUSINESS FIRM, SURABAYA
   H. Johny Rusdiyanto
94. FACTORS THAT INFLUENCED SYNDICATED LOANS DECISIONS IN THE ASEAN OVER THE PERIOD 2006-2010
Anthony Kevin Bandono, Deddy Marciano

95. THE APPLICATION OF FAMA AND FRENCH THREE FACTORS MODEL AND CAPITAL ASSET PRICING MODEL AT INDONESIAN STOCK EXCHANGE
Mudji Utami

96. THE EFFECTS OF LOGISTICS SERVICE QUALITY AND CUSTOMER SATISFACTION TO CUSTOMER LOYALTY OF DELIVERY ORDER SERVICE IN FAST FOOD RESTAURANTS IN SURABAYA
Juliani Dyah Trisnawati, Veny Megawati, Prita Ayu Kusumawardhani

97. THE STUDY OF DYNAMIC TRADE-OFF CAPITAL STRUCTURE EXISTENCE TO THE NONFINANCIAL BUSINESS ENTITIES LISTED ON INDONESIA STOCK EXCHANGE DURING PERIOD 2007-2011
Endang Ernawati, Werner R. Murhadi

98. SCALE DEVELOPMENT AND VALIDATION OF PROCEDURAL JUSTICE CLIMATE
Joseph L. Eko Nugroho

99. LOGISTIC SERVICE QUALITY IN PT MENTARI SEJATI PERKASA (MSP) SURABAYA
Siti Rahayu, Fitri Novika, Anthony Soenardi Sudartan

100. PERCEPTION OF ACCEPTANCE KOMMUTER TRAIN SIDOARJO-SURABAYA ROUTE TO WORK PLACE AS ALTERNATIVE CHOICE ON PUBLIC TRANSPORTATION WITH PLANNED BEHAVIOR THEORY
Moh. Rofik, Nindia Untarini, Yessy Artanti

101. THE FACTORS AFFECTING THE COMPANIES CAPITAL STRUCTURE IN THE SECTOR OF INFRASTRUCTURE.
10. UTILITIES, AND TRANSPORTATION LISTED ON INDONESIA STOCK EXCHANGE DURING PERIOD 2006-2010
Julius Irianto Gunawan, Endang Ernawati

102. ANALYSIS Effect OF INCENTIVE AND COMPETENCY TO THE WORKING PERFORMANCE OF EMPLOYEES AT SMART MANAGEMENT CONSULTANT PALEMBANG
Maulana, Sardiyo

103. ANALYSIS OF FACTORS THAT INFLUENCE CAPITAL STRUCTURE AND TEST DIFFERENT CAPITAL STRUCTURE IN FINANCIALLY CONSTRAINED (FC) AND NON FINANCIALLY CONSTRAINED (NFC) (CASE STUDY MANUFACTURING COMPANY IN THE STOCK EXCHANGE ON THE PERIOD FROM 2007 TO 2009)
Siti Purwandani, Dewi Mayasari

104. REVEALING THE PREFERENCES IN CONVEYING PRICE INFORMATION
Budhi Purwandaya, Eko Kusmurtanto

105. EFFECTIVENESS OF IT GOVERNANCE IN BANKING SECTOR
Samuel David Lee, Pandam Rukmi Wulandari, Aris Budi Setyawan

106. THE ROLE OF LEVERAGE IN THE EFFECT OF GOOD CORPORATE GOVERNANCE ON CORPORATE PERFORMANCE
Andrea Widianti Maris, Samuel David Lee, Renny Nur’ainy

107. COMPETITIVE BUSINESS ENVIRONMENT, MARKET ORIENTATION, STRATEGIC ORIENTATION AND PERFORMANCE OF SMES (EMPIRICAL STUDY ON SMALL AND MEDIUM INDUSTRIES PEKANBARU CITY)
Susi Hendriani, Machasin, Budi Trianto

108. THE EFFECT OF MACRO ECONOMIC TOWARD THE CHANGES OF STOCK PRICE INDEX IN JAKARTA ISLAMIC INDEX
Lely Fera Triani, Ety Puji Lestari
109. DETERMINANTS OF INVESTMENT IN INDONESI
(MACROECONOMIC ASSESSMENT WITH VAR MODEL)
Etty Puji Lestari, Lely Fera Tiani ....................... 131

110. COMMUNICATION EFFECTIVENESS IN PT. SALIM BROTHERS
PERKASA, SIDOARJO
Elsye Tandeliin, Christina ............................... 132
IMPLEMENTATION OF VALUE CHAIN ANALYSIS IN THE BROILER SUPPLY CHAIN AGRIBUSSINESS

Rini Oktavera, Erna Andajani
Industrial Engineering Department, WR Supratman University and Management Department Surabaya University

ABSTRACT

Animal protein has more competitive advantages compared with other vegetable protein due to higher essential amino acid content. Animal protein has good effect in developing human intellectual and growth. The average consumption portion of Indonesian people for animal food is very low, 81.9 gr/day from ideal standard 150 gr/day (WNPG, 2008). While the potential of population poultry (duck, layer, broiler, chicken free-range, quail) in East Java is very big, even this layer population is 30.74 % of national population which result 379,288. Animals commercial poultry feed production of East Java is the highest in Indonesia weighs 2,713,070 tons/year in 2007 or 34.78 % of the national product..

However, the market demand and poultry price of the product for both broiler and layer are fluctuating depending on availability of input and output supply. This is caused by lack of coordination, synergy and effectiveness of poultry agribusiness policy and the limit of information about performance of supply chain management. Broiler is one of animal protein sources that fulfills domestic and export demand. Broiler agribusiness has complete individual plants and facilities constituents from downstream to upstream that can absorb a lot of workers.

Therefore the purpose of this research can be divided into two categories as follows: the general purpose and specific purpose. The general purpose is to know the alternative scenarios which can be relevant to optimize supply chain performance of broiler and to help the government determine the policy of poultry. The specific purpose is to map broiler supply chain using value chain analysis and to understand the “current state” of the whole supply chain from animal production to purchase of meat products which is described in Big Picture Mapping. The next step is to analyze values added in each of the individual plants and facilities of this supply chain using Hayami Method.

Big Picture Mapping shows the result of value chain analysis consisting of six groups of small business. The result of the value added analysis of the individual plant and facilities shows that independent farmers, collectors, processing nuggets have obtained an optimal return.

Key Words: Supply chain management, Value chain analysis, Hayami Method, Broiler Agribusiness
INTRODUCTION

Today’s developments of various economic sectors and businesses have an impact on competition in the various agribusiness products. Broiler is one of animal protein sources that fulfills domestic and export demand. The broiler agribusiness has complete individual plants and facilities constituents from downstream to upstream that can absorb a lot of workers. As commodities in general, however, the supply chain actors are relatively independent among one another. As a result, every actor acts only based on the local information. It causes information distortion along the supply chain. This distortion makes the fulfilling of demand become less effective and it triggers a very high price fluctuation. Therefore, to improve the performance of broiler supply chain, an innovation it is needed through the value chain approach (value chain) among the doer of businesses by using the supply chain management approach.

For those reasons, the problems can be formulated as follows:
1. What causes the price fluctuation?
2. Does the broiler agribusiness have the added value?
3. How do the mapping of the broiler supply chain in the big picture mapping?
4. How do we know added value of each individual plant and facilities constituent?

The specific objectives of this study are as follows:
1. The supply chain of broiler agribusiness can be mapped by using the value chain analysis approach.
2. By understanding the value chain, it is expected to understand the supply chain conditions described in the Big Picture Mapping.
3. It can be analyzed the added value in the each value chain process by using the Hayami’s method.

REVIEW OF LITERATURE

Poultry

Poultry is a type of bird cattle used for the its meat and eggs.

Fowl (Gallus gallus domesticus) is a commonly poultry used for livestock. The cross-bred among chicken race has produced hundreds of superior or pure strains with various functions. The most common is a broiler (slaughtered chicken) and laying hens (for its eggs). The chicken can also be cross-bred with its close relatives. The green jungle chicken which produces sterile hybrids, its male is known as Ayam Bekisar. With a population of more than
24 billion in 2003, *firefly Bird Encyclopedia* states that there are more chickens in this world than the other birds. The chicken supply two sources of protein in food, chicken meat and eggs.

Broiler is a chicken strain as the result of engineered technology which has economic characteristics, characterized by rapid growth as a producer of meat, the short harvest and producing meat with soft fibers, piling the good meat, bigger breasts and smooth skin (North and Bell, 1990). According to Rasyaf (1999), the broiler is a chicken which has rapidly grown at the age of 1-5 weeks. He also explained 6-weeks old broiler has as big as 8-months old general adult chicken. The broiler excellence is supported by the genetic traits and environmental circumstances including food, environmental temperature and maintenance. In general, in Indonesia, the broilers are marketed at 5-6 weeks old weighing 1.3 to 1.6 kg although the growth rate has not been maximized yet, because the heavier broiler is difficult to sell (Rasyaf, 1999). According to Mountney (1983), the good broiler is a fast growing with white coat color, no dark colors on its carcass, having a uniform size. The broiler will grow optimally at the environmental temperatures of 19° C-21° C.

**Day Old Chicken (DOC)**

*Day Old Chicken* or often called as DOC is a 1-day-old chick. The DOC is crucial to the success of the farm business. A good condition of DOC is a first important asset and needed to be considered. Recognizing this, the government has issued the Indonesian National Standard (SNI) 01-4868.1-2005 for DOC of commercial broiler (broiler type). This is done to ensure the DOC quality in the circulation. The DOC must come from the broiler breeders which must be free from infectious animal diseases and comply with the regulations. The good DOC is marked with the following criteria:

1. Meet the ideal body weight: 35 grams or according to standard weight which is not less than 32 grams. The DOC weight positively correlates with the growth rate of chickens.
2. Behave nimble, agile and active foraging. If it is held, it will react, and its feces is not sticky on its rectum.
3. Its position in the group is always scattered.
4. Elastic abdominal cavity, dry navel covered by soft cotton feathers, smooth and shiny.
5. Her eyes are round and bright.

If, in this effort of selecting, the farmers are able to identify the above conditions, then at least this will reduce the risk of unexpected internal factors.
**Value Chain**

Womack, Jones et al, 1990 defines the Value Chain Analysis (VCA) as follows:

"...is a technique widely applied in the fields of operations management, process, engineering and supply chain process. management, for the analysis improvement of resource utilization and product flow within manufacturing process."

While Shank and Govindarajan, 1992: Porter, 2001, defines the VCA, as a tool to understand the value chain forming a product. This value chain is based on the done activities, from the raw materials to the consumers, as well as the after-sales service. Furthermore Porter (1985) describes the Value Chain Analysis as a strategic analysis tool which is used to better understand the competitive advantage, to identify where the customer value can be increased or decreased the cost, and to better understand the company's relationships with the suppliers, the customers and other companies in the industry. The value chain identifies and connects the variety of strategic activities in the firm (Hansen, Mowen, 2000). The trait of value chain depends on the industries’ traits and it is heterogeneous for manufacturing companies, service companies and organizations which are non profit-oriented.

**Supply Chain Management**

Supply Chain Management (SCM) is not really a new concept. According to Jebarus (2001) SCM is a further development of the product distribution management to meet the consumer needs. This concept emphasizes on the integrated pattern related to the product flow from suppliers, manufacturers, retailers to consumers. From here, the supplier activity to the end consumer is in a unity without a major barrier, so the mechanism of information among the various elements takes place in a transparent manner. The SCM is a concept related to the product distribution pattern which can replace the distribution patterns, production schedule and logistics.

The pattern of traditional logistics management relationship is still adversarial, meaning that the relationship pattern is still concerned the parties individually and do not refer to the overall performance of the parties forming a supply chain.

**Big Picture Mapping**
**Big Picture Mapping** is a tool adopted from the Toyota production system, it is a tool which can be used to describe a system as a whole and its flow (value stream) contained in the company. Thus later, it obtains a description of the information flow and physical flow of the system, identifies where the waste takes place, as well as describes the lead time required based on the each process characteristic activity.

**Value Added Analysis**

According to Hayami et al (1987) in Sudiyono (2002), there are two ways to calculate the added value, i.e. the value added for processing and the value-added for marketing. The factors affecting the value added for processing can be categorized into two, namely technical factors and market factors. The influential technical factors are the production capacity, the amount of raw materials, and the employees. While the influential market factors are the output price, the employee’s salary, the raw material and other input values.

According to Sudiyono (2002), the value added of processing is derived from the reduction of raw material costs and other inputs towards the produced product value, excluding employees. In other words, the added value describes the benefits for employees, asset and management which can be expressed mathematically as follows:

\[
\text{The Added Value} = f(K, B, T, U, H, h, L)
\]

Notes  
: K : Production Capacity (Kg)  
: B : Used raw materials (Kg)  
: T : Used employees (HOK)  
: U : Employee’s salary (Rp)  
: H : Output price (Rp/Kg)  
: h : Raw materials price (Rp)  
: L : Other input value

**RESEARCH METHODOLOGY**

The location and time of the research were conducted in Pandanarum, Mojokerto during June to July 2012. In this research, data processing and collection were performed by using secondary and primary data methods. The primary data were obtained from the interview result with the related people in the field. While the secondary data was obtained from literatures studies and previous studies related to this research and from statistical data related to this study.

From the result of interviews and literature studies, the data are figured out in the **Big Picture Mapping** to determine the actors involved in the supply chain and to know the scenario which occurs in the supply chain and its information flow. From the results of big
picture mapping, we can see its supply chain flow. Then, the added value will be analyzed on the each process member by using the Hayami’s method.

**ANALYSIS AND DISCUSSION**

From the result of interviews and direct survey to some farmers, information was obtained information about the value chain of broiler supply from the upstream industry to downstream. The data were then mapped in the flow structure of value chain contained in Figure.1 The flow structure of the value chain.

![Flow Structure of Value Chain](image)

**THE FLOW STRUCTURE OF VALUE CHAIN**

<table>
<thead>
<tr>
<th><strong>Chicken Producer</strong></th>
<th><strong>Processing</strong></th>
<th><strong>Distribution</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicken Breeding</td>
<td>Collectors</td>
<td>Distribution center place</td>
</tr>
<tr>
<td>Chicken Farm</td>
<td>Processing company</td>
<td>Storage</td>
</tr>
<tr>
<td><strong>Function:</strong></td>
<td><strong>Function:</strong></td>
<td><strong>Function:</strong></td>
</tr>
<tr>
<td>To produce DOC</td>
<td>To growth DOC</td>
<td>To distribute to several places</td>
</tr>
<tr>
<td>0 - 25 days</td>
<td>0 – 35 days</td>
<td><strong>Function:</strong></td>
</tr>
<tr>
<td><strong>Result:</strong></td>
<td><strong>Result:</strong></td>
<td><strong>Result:</strong></td>
</tr>
<tr>
<td>DOC</td>
<td>Chicken ready to harvest</td>
<td>Nugget in the packaging</td>
</tr>
</tbody>
</table>

Figure 1. The flow structure of the value chain.

From the flow structure of the value chain above, the supply of value chain will be mapped again in the *Big Picture Mapping* in the broiler supply flow which can be seen in Figure.2 The big picture mapping of the broiler supply chain.
Figure 2. Big Picture Mapping of the broiler supply chain
From the big picture mapping flow above, it is obtained 9 information flows from the upstream to the downstream. Also, it is noted that there are 2 types of farmers involved in this chain flow, namely the independent farmers and the partner farmers. Both are different. The independent farmers bear the entire cost of their own husbandry so that the independent farmers have considerable risks. On the other hand, the partner farmers only have land and employee as their asset because from DOC, feed until the vaccine are supplied by the partner company so farmers have small risks.

Table 1. Information flow from Big Picture Mapping

<table>
<thead>
<tr>
<th>No</th>
<th>Information</th>
<th>Processing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Purchasing of DOC and feed from suppliers</td>
<td>2-4 weeks (28 days)</td>
</tr>
<tr>
<td>2</td>
<td>Purchasing of vaccine and other drugs from suppliers</td>
<td>1-2 days</td>
</tr>
<tr>
<td>3</td>
<td>Information from farmers to collectors via phone about their harvest.</td>
<td>1 day</td>
</tr>
<tr>
<td></td>
<td>Growing DOC in growth farms (independent or partner farms)</td>
<td>32 days</td>
</tr>
<tr>
<td>4</td>
<td>Buying chickens from collectors</td>
<td>1 day</td>
</tr>
<tr>
<td>5</td>
<td>Buying chickens from collectors in the traditional market</td>
<td>1 day</td>
</tr>
<tr>
<td>6</td>
<td>The partner farmers give the information about harvest to the partner processors</td>
<td>1 day</td>
</tr>
<tr>
<td>7</td>
<td>Distributing of the processor of the chickens to partner distributors</td>
<td>1 week (1-7 days)</td>
</tr>
<tr>
<td>8</td>
<td>Distributing from distributor partners to retail such as supermarkets, restaurants, coffee bar etc.</td>
<td>1 week (1 – 7 days)</td>
</tr>
<tr>
<td>9</td>
<td>End consumers get the end product the chickens</td>
<td>1 day</td>
</tr>
</tbody>
</table>

All of the process of the broiler supply chain at independent farmers require 65 days to complete. The partners farmers necessitate 78 days to complete all of the process of supply chain.

These days, the partner farmers are more numerous than the independent farmers. Then, in the each process of broiler supply chain flow, the added value will be analyzed by using Hayami’s method as in Table 2. The analysis of added value.
Table 2. The analysis of added value by using Hayami’s method

<table>
<thead>
<tr>
<th>Variable</th>
<th>Value</th>
<th>Independent Farmers</th>
<th>Partner Farmers</th>
<th>Collectors</th>
<th>Nugget Processor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I. Output, Input and Price</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Output (pcs/kg)</td>
<td>1</td>
<td>15,548</td>
<td>5,920</td>
<td>1,600</td>
<td>2,560</td>
</tr>
<tr>
<td>2. Input (kg)</td>
<td>2</td>
<td>360</td>
<td>140</td>
<td>1,600</td>
<td>1,280</td>
</tr>
<tr>
<td>3. Employee (HOK)</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>4. Conversion factor</td>
<td>4= 1/2</td>
<td>43</td>
<td>42</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>5. Coefficient Employee (HOK)</td>
<td>5= 3/2</td>
<td>0.011</td>
<td>0.014</td>
<td>0.007</td>
<td>0.006</td>
</tr>
<tr>
<td>6. Output Price (Rp/Kg)</td>
<td>6</td>
<td>12,000</td>
<td>12,000</td>
<td>15,300</td>
<td>45,000</td>
</tr>
<tr>
<td>7. Direct Employee Salary</td>
<td>7</td>
<td>300</td>
<td>150</td>
<td>300</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>II. Income and Advantage</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Raw Material Price</td>
<td>8</td>
<td>62,500</td>
<td>19230</td>
<td>400</td>
<td>47,031</td>
</tr>
<tr>
<td>9. Other Input Donation</td>
<td>9</td>
<td>431,596</td>
<td>1225</td>
<td>500</td>
<td>8,000</td>
</tr>
<tr>
<td>10. Output Value</td>
<td>10=4 x 6</td>
<td>518,267</td>
<td>507,429</td>
<td>15,300</td>
<td>90,000</td>
</tr>
<tr>
<td>11.a. Added Value</td>
<td>11a = 10-9-8</td>
<td>24,171</td>
<td>486,974</td>
<td>10,800</td>
<td>34,969</td>
</tr>
<tr>
<td>11.b. Added Value Ratio</td>
<td>11b=11a/10 x 100%</td>
<td>5%</td>
<td>96%</td>
<td>71%</td>
<td>39%</td>
</tr>
<tr>
<td>12.a. Direct Employee Income</td>
<td>12a= 5 *7</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>12.b. Employee Segment</td>
<td>12b = 12a/11a x 100%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>13. a. Advantage</td>
<td>13a = 11 a-12a</td>
<td>24,167</td>
<td>486,971</td>
<td>10,798</td>
<td>34,963</td>
</tr>
<tr>
<td>13.b. Advantage Level</td>
<td>13b = 13a/11 a x 100%</td>
<td>100%</td>
<td>100.0%</td>
<td>99.98%</td>
<td>99.98%</td>
</tr>
<tr>
<td><strong>III. Services Reply of Production Factors Owner</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Margin</td>
<td>14= 10-8</td>
<td>455,767</td>
<td>488,199</td>
<td>11,300</td>
<td>42,969</td>
</tr>
<tr>
<td>14.a. Direct Employee Income</td>
<td>14a=12a/14 x 100%</td>
<td>0.001%</td>
<td>0%</td>
<td>0.018%</td>
<td>0.015%</td>
</tr>
<tr>
<td>14.b. Other input Donation</td>
<td>14b = 9/14 x 100 %</td>
<td>94.7%</td>
<td>0.25%</td>
<td>4.42%</td>
<td>18.62%</td>
</tr>
<tr>
<td>14.c. Company Owner Profit</td>
<td>14c= 13a/14 x 100%</td>
<td>5.3%</td>
<td>99.75%</td>
<td>95.56%</td>
<td>81.37%</td>
</tr>
</tbody>
</table>

From the calculations of the added value analysis above, it is known that the independent farmers have Rp. 24.167 per kg raw material of advantage and 100 % of advantage level. Partner farmers have Rp. 486,971 per kg raw material and 100 % of advantage level. The collectors have Rp. 10,798,00 per kg raw material and 99.98 % of advantage level. Nugget processors have Rp. 34,963, 00 per kg raw material and 99.98 % advantage level.
CONCLUSION

1. From the results of this study, it can map the supply chain of broiler agribusiness by using the value chain analysis approach proved by the figure of the Big Picture Mapping.

2. From the results of big picture mapping, it can be seen the member of the value chain. Among them, there are several industries as suppliers of raw materials (DOC, feed, medicines and vaccines, as well as livestock equipments), the farmers, the collectors, the partner processors, the retailers and the traders in the traditional markets.

3. From the analysis results of added value of each member of supply chain using the Hayami’s method, it is known that the independent farmers gain 100% of advantage percentage the advantage, the partner farmers gain 100%, the collectors gain a 99.98% and the processors of nuggets processing gain of 99.98%.

References

Bair J. And G. Gereffi, 2001, Local Clusters in Global Chains: The Causes and Consequences of Export Dynamism in Torreon’s Blue Jeans Industry, Yale University, New Haven, CT USA and Duke University, Durham, NC, USA.


Dirjen Peternakan. 2008.. Materi sambutan pada acara Penanda Tanganan Kesepakatan Bersama Pelaksanaan Program Percepatan pencapaian Swasembada Daging Sapi(P2SDS)
2010 dengan Gubernur Provinsi Jawa Timur


