

Improvement of PRIMKOPTI Resilience Business with The Method of Interpretive Structural Modelling (ISM)

Etty Susilowati^{1*} Rina Oktaviani² Bustanul Arifin³ Yandra Arkenan⁴

1. Doctor Program of Management and Business of Bogor Agricultural University

2. Professor of Economics of Faculty of Economic Management of Bogor Agricultural University

3. Professor of Lampung University and Postgraduate School of Bogor Agricultural University

4. Postgraduate School of Bogor Agricultural University

*Email: ettysslwt@gmail.com

Abstract

PRIMKOPTI is having difficulty in channelling the soybean for its members after the government policy about the elimination of soybean import by Bulog is issued. The magnitude of the competition and pressure of new entrants/private sector become greater mainly as the soybean importer company also become the hampered factor of development of PRIMKOPTI. It is indicated that PRIMKOPTI has serious problem, even tend to be crisis so that there is necessary to have the attempts to restore the continuity of their business. The aims of this research are 1) To analyze what factors influencing the business continuance and its resilience, and 2) To make the institutional development model of "Resilience Business" in fulfilling the requirement of vegetable for PRIMKOPTI. This research uses the methodology of system approach with the descriptive analysis and the institutional analysis with ISM. The institutional analysis used is the interpretative structural modeling (ISM). The result of research showed that the performance of PRIMKOPTI as a whole is still not optimal so that it was necessary to conduct the increase of performance and the revamping. Political issues, regulatory and economic stability of the nation are the dominant factors which can influence the continuity and the resilience of PRIMKOPTI. Institutionally, the role of PRIMKOPTI should get strong support and protection from Government, mainly from Coordinating Minister of Economy and State Ministry of Cooperative and UKM as the driver power. Then getting support from Ministry of Technique related and other institutions. For the implementation of the real business, it is necessary to have support and direct relation with the financial institution and importer so that its operational can run well.

Keywords: PRIMKOPTI, resilience business, interpretive structural modelling (ISM), tempeh-tofu

1. Introduction

Koperasi Primer Tempe Tahu Indonesia/Primary Cooperative of Tempeh Tofu in Indonesia (PRIMKOPTI) was the cooperative consisting of tempeh and tofu producers formed to handle the weakness of the procurement of raw material, and the capitalization. PRIMKOPTI had the existence in soybean distribution for its members. However, after the issuance of Government Policy dated 1 November 1997 about the elimination of soybean import by Perum Bulog (Logistic Agency of Indonesia), made PRIMKOPTI experience the constraint and difficulty in the service delivery. On the other side, the magnitude of competition and pressure of new entrant of business/private sector was becoming bigger mainly as the soybean importer company. The development of PRIMKOPTI in general for some last years showed that the number of member, the number of administrator and supervisor, and the number of business unit carried did not experience the development even tended to decrease. In 2009 the number of members of PRIMKOPTI DKI Jakarta was of 745 people. The number decreased in 2010 to 2011. In 2010 the number of members became 736 people and in 2011 it became 735 people. Then the administration in 2004-2007 were 5 people becoming 3 people in the administration in 2010-2015. Next the number of supervisor, in 2004-2007 are 3 people becoming 2 people.

In the business side, the amount of self-capital experienced the decrease but the external capital experienced the increase. Meaning that in this condition, there was an indication that PRIMKOPTI had a serious problem, even it tended to be crisis mainly on the aspect of institutional so that it was necessary to have the attempts to restore its business continuity. Thus it was expected that PRIMKOPTI could later become the organization having the high resilience. This was becoming the base and main reason of why this research was needed to be done.

Recalling the need of tempeh and tofu was the staple food of the Indonesian people, by using a lot of number of members of PRIMKOPTI the tempeh and tofu products would continue to produce. This could mean that the demand of tempeh and tofu would keep increasing, so that PRIMKOPTI could continue to survive as the cooperative producing tempeh and tofu in Indonesia. The thing that needed to be paid attention by the administrator of PRIMKOPTI was the improvement of Human Resources in the administrators, members, and supervisors of PRIMKOPTI.

Another problem experienced by PRIMKOPTI was the availability of the raw material for producing tofu and tempeh, i.e. soybean. The demand of soybean in Indonesia would become higher. However the

availability of soybean itself was not fulfilling the existing need. From the total of soybean supplies existed in Indonesia both imported and local, 70 % was for tofu and tempeh while 30 % for the other food need. This can be meant that the role of PRIMKOPTI was quite significant in this business. For that, it was necessary to have the good system and management of business in order that the business continuity and the certainty of supply of the vegetable protein could be guaranteed. Therefore, it was necessary to make a model about the institutional development i.e. PRIMKOPTI for fulfilling the vegetable food need in Indonesia so that it could give the recommendation of strategy and the alternative policy in order PRIMKOPTI could be the institution having the high resilience. Other objectives were 1) To analyze what factors influencing the business continuity and the resilience business, and 2) To make the institutional development model of “Resilience Business” in fulfilling the need of vegetables for PRIMKOPTI

2. Literature Review

2.1 PRIMKOPTI

According the Hanel (1989), referred in Manzilatusifa (2009), there are two groups in defining the meaning of cooperative i.e essentialist group and nominalist group. The essentialist group defines that the meaning of cooperative is the organization registered as the organization of cooperative according to the cooperative law in various countries (the meaning of cooperative according to the law). Cooperative Acts from various countries can use the different criteria to formulate the definition of cooperative according to the law as the requirements for registration of an organization of cooperative. Meanwhile, according to the nominalist group, the cooperative is based on the modern economic scientific method, so that in the cooperative it appears the principle of identity, i.e. the members as the owners as well as the costumers. So, the cooperative is related to the attempt of individual groups which are meant to realize the general objectives or the concrete targets through the economic activities carried out together for the joint utilization.

The type of cooperative is based on the similarity of the economic activity of its members (Cooperative Law No. 25 in the year of 1992). The base for determining the type of cooperative is the similarity of activity, the interest and the economic need of its members. PRIMKOPTI is one of the type of producer cooperative with the basic of interest similarity i.e. the soybean purchasing as the raw material. Its main business is to distribute the soybean, the members are the producers of tempeh and tofu (Departement of Cooperative 1993).

The procedurs of tofu and tempeh have the characteristics amongst all are the small industry and the home industry with the form of individual business, the technology used are relative simple by using own capital and family labor. The business scale of small business and home business according to the criteria of Central Bureau of Statistics (BPS) is the business unit having the number of labors of 1 to 19 people and own capital (Wulandari and Syamtyas 1998).

2.2 Soybean Import Trade Policy

Rosegrant et al. (1987) has opinion that the government policy in the economic activities can be in form of price policy, subsidy, trade (import and export), exchange value, and interest rate. The main source of the government policy comes from the output protection and the subsidy of input price. The forms of projection often found are tariffs or duties, restrictions or import quotas, and subsidy. The protection with the import tariff is meant to protect the domestic producers, while the subsidy is for protecting the consumers.

Trade policy is irrespective from the policy of domestic production and marketing. Besides that, the trade policy is also closely related to the price policy (Simatupang 2003). The aims of the trade policy of agricultural commodities can be different depending on its commodity. For example, the policy of imported tariff or non-tariff constraints aims to protect the commodity of imported substitution. Otherwise, the tax policy or the limitation toward the exported goods aims in order the domestic need can be fulfilled or prevent the domestic price increase of the commodity. The domestic trade policy usually aims to smoothen or hamper the marketing of the commodity among regions (Simatupang 1989).

2.3 Interpretive Structure Modelling (ISM)

One of modelling techniques developed to plan the strategic policy is the Interpretive Structure Modeling (ISM). According to Eriyatno (1996), the methodology and technique of ISM can be divided into two parts, i.e. composition of hierarchy and classification of sub-element. The composition of hierarchy is needed to explain the understanding about the things to be analyzed. Every element from the program analyzed is clarified into a number of sub-elements. After that, it is stated the contextual relation. The contextual relation on the technique of ISM is always stated in the terminology of sub-ordinates heading to the pairwise comparison between sub-elements containing a direction to the relation.

According to Eriyatno (2003), the contextual relation can be qualitative or quantitative in nature. Based on the contextual relation, it is composed the Structural Self Interaction Matrix by using the symbols:

V if $e_{ij} = 1$ and $e_{ji} = 0$

A if $e_{ij} = 0$ and $e_{ji} = 1$

X if $e_{ij} = 1$ and $e_{ji} = 1$

O if $e_{ij} = 0$ and $e_{ji} = 0$

The value of $e_{ij} = 1$ means the contextual relation between i element and j element, while $e_{ij} = 0$ is that there is no contextual relation between i element and j element. The result of research is then made in the Structural Self Interaction Matrix formed the Table of Reachability Matrix (RM) by replacing V, A, X, and O to be the numbers of 1 and 0. Matrix of RM then is corrected to become the closed matrix fulfilling the transitivity rule.

The sub-element classification refers to the processed result from RUM which has fulfilled the transitivity rule. Based on the processed result, it gains the value of Driver-Power (DP) and Dependence (D) to find out the sub-element classification. In a broad outline, the sub-element classification is characterized into four sectors i.e. (Eriyatno 2003)

- Sector I: *Weak driver - weak dependent variables (Autonomous)*. The sub-element entering in this sector generally is not related to the system, and it may have a small relation, although the relation can be strong.
- Sector II: *Weak driver - strongly dependent variable (Dependent)*. Generally the sub-element entering this sector is the sub-element which is not free.
- Sector III: *Strong driver - strongly dependent variable (Linkage)*. The sub-element entering this sector should be analyzed carefully, because the relation among sub-element is not stable. Every action in the sub-element will give the impact toward the other sub-element and the influence of feedback can enlarge the impact.
- Sector IV: *Strong driver - weak dependent variables (Independent)*. The sub-element entering this sector is the left part from the system and it is called the free variable.

Saxena et al. (1992) states that the use of ISM in the analysis of program can be divided into nine main elements i.e.: 1) the influenced community sector, 2) the need of program, 3) the main constraint of program, 4) the change desired, 5) the objective of program, 6) the measuring rod to achieve each objective, 7) the activity needed for planning the action, 8) the measurement of activity to evaluate the achieved result for the activity, and 9) the institutiona involved in the program implementation.

The same research method has also been used by Ananto (2012) about the institutional design of integration of the livestock development planning. In the implementation phase, the institutions having the most role and influence are Coordinating Ministry of Economy, Ministry of Agriculture, and Ministry of Trade. The research of Basuki (2009) mentioned that the strategy of agribusiness for beef cattle in Kuantan Singingi District, Riau Province also uses ISM. The result of analysis is the institutions under sector 3 Strong driver-strongly dependent variables (Linkage).

On the other side, Maflahah (2010) about the model of the institutional system of developing the taro industry. To realize a strong institutional, it is necessary to have a full support from the government and the key actor i.e. trader, and the forming of the autonomous farm group can become the measuring rod with the increase of taro product diversification. Indrawanto (2009) conducts the development analysis of the fragrant grass industry using the method of ISM. The constrain faced is yet the presence of the fragrant grass variety with the productivity and the high oil content and the main constraint that should be handled i.e. the lack of founding toward farmer. The next research by Antuli (2007) about the design of the decision support system of the agroindustry development bases on the superior commodity. The development strategy of agroindustry based on the superior commodity in Gorontalo is to create the business climate supporting the development of new agroindustry, by prioritizing the provision of facilities through the development of pioneered projects.

3. Research Method

3.1 Data Collection

This research is focused to be done in PRIMKOPTI in the area Jakarta and the survey, interview and direct observation of some PRIMKOPTI in Surabaya, Denpasar, Salatiga, Cianjur, Malang and Pekalongan. The time of research is conducted for one year, counted since September 2012 to August 2013. The data needed in this research cover the primary data and the secondary data. The primary data like the condition of PRIMKOPTI, problems faced, constraints, policy, management and institutional and solution forward in order the business of PRIMKOPTI can move forward and have high resilience collected through the depth interview toward the related administrators and practitioners, the result of discussion with the expert and the result of discussion through Focus Group Discussion (FGD). The secondary data are obtained from PRIMKOPTI Central Jakarta, from Ministry of Cooperative and UKM, and BPS. This research uses the methodology of case study as well as action research. The sample selection is conducted by the purposive sampling, i.e. Expert Survey method by involving at least 15 key persons.

3.2 Processing and Data Analysis

The research analysis technique is done by using the descriptive analysis of qualitative and quantitative, the institutional analysis with Interpretive Structure Modelling (ISM). The descriptive analysis is used for describing the result of interview and questionnaire about the core competence and potential owned by the company. ISM analyzes the elements of system and solves them in the form of the graphs from the direct relation between element and hierarchy level. In this research, the verification and validation use the face validity.

In broad outline, the model development of ISM covers three steps i.e.: (1) to determine the important element which should be analyzed in accord with vision and mission, (2) to analyze the chosen elements into more detailed sub-elements, and (3) to conduct the matrix processing and it is continued with the grouping of sub-elements based on *Driver Power (DP)* and *Dependence (D)*. The analysis framework uses the ISM approach as in Figure 1 on the following.

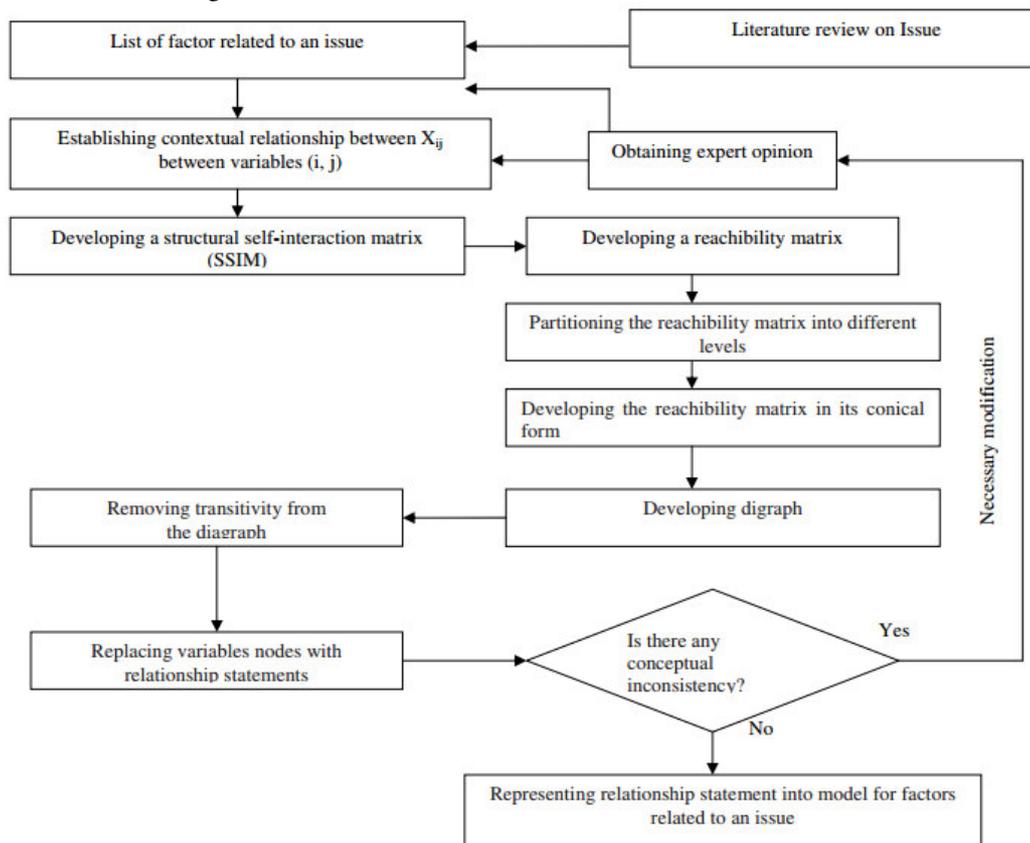


Figure 1. Analysis Framework Using ISM Approach.

4. Result and Discussion

4.1 Institutional Model of PRIMKOPTI forward

The problems of PRIMKOPTI from the institutional side and the business management can be handled by firstly analyzing the institutional relation related to the government's regulation and policy. Because the root of the problem of PRIMKOPTI is begun with the occurrence of a significance change in government policy, mainly related to the trade system and the soybean import in Indonesia. Besides that, the soybean problem is closely related with the political issue and the economic stability of nation, i.e. PRIMKOPTI experiences the service constraint and difficulty after the government policy of 1 November 1997 removing the monopoly of soybean import of Perum Bulog. Therefore, in this analysis, the elements are seen, whoever the involved stakeholder, whoever the influenced stakeholder, in policy and relation among institutional to handle the problem of PRIMKOPTI in order to have the long term resilience.

- Elements of stakeholders involved in the strengthening of institutional of PRIMKOPTI

Based on the need analysis of system and the analysis of Intrepretative Structural Modelling (ISM) of the result of expert opinion, the stakeholders involved in the optimization policy and the institutional strengthening of PRIMKOPTI are 1) Ministry of Cooperative & UKM, 2) Ministry of Finance, 3) Ministry of Agriculture, 4) Ministry of Trade, 5) PRIMKOPTI, 6) Coordinating Ministry of Economy, 7) Community, 8) University/Research Institution, 9) Financial Institution, 10) Department of Foreign Affairs, 11) Importer, and 12) Perum Bulog.

Stakeholders are the elements of stakeholder groups involved in the model of the resilience business of the institutional of PRIMKOPTI. The result of analysis with the system of ISM can be seen in Figure 2.

Output in Figure 2 shows that the Coordinating Ministry of Economics(6) and Ministry of Cooperative and UKM (1) are the driver power and the key factor in strengthening of institutional of PRIMKOPTI (sector IV). Meaning that Ministry of Cooperative and UKM needs to be supported by Coordinating Ministry of Economy in the attempt to push the growth and to re-develop PRIMKOPTI to become the institution having the good resilience business.

The stakeholder groups of Ministry of Finance (2), Ministry of Agriculture (3), Ministry of Trade Affairs(4), Universities/ Research Institutes (8), Department of Foreign Affairs (10) and PerumBulog (12) are included in the sub-elements on the sector III i.e having the great driving force toward the success of development of PRIMKOPTI and the great dependence, this sector is the linkage.

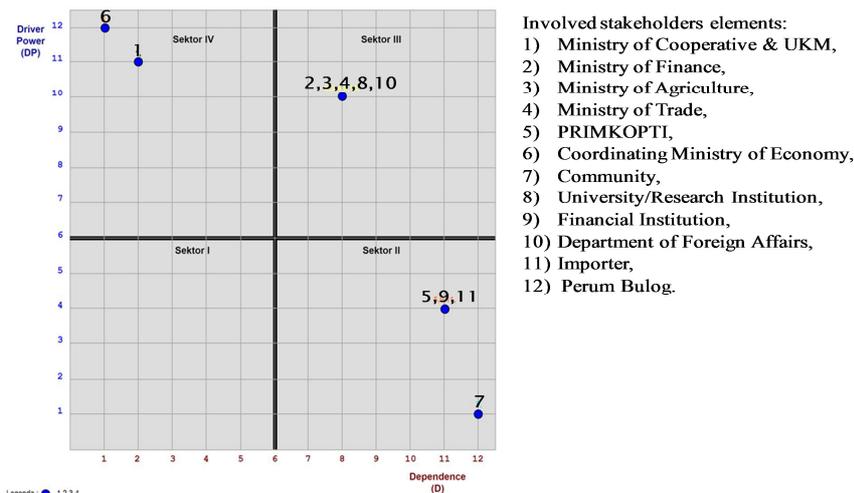


Figure 2. Sub-element Matrix of Driver Power-Dependence on the Involved Stakeholders Element

Sub-elements of PRIMKOPTI (5), Financial Institution (9), Importer (11), and common public (7) are on the dependence axis (sector II) with the lower driver power and having the strong dependence. The result of this research is obtained five hierarchy levels where the sub-element of community (7) occupies the first level, while Coordinating Ministry of Economy (6) is in the fourth level, and Ministry of Cooperative and UKM (1) occupies the 5th level (Figure 3).

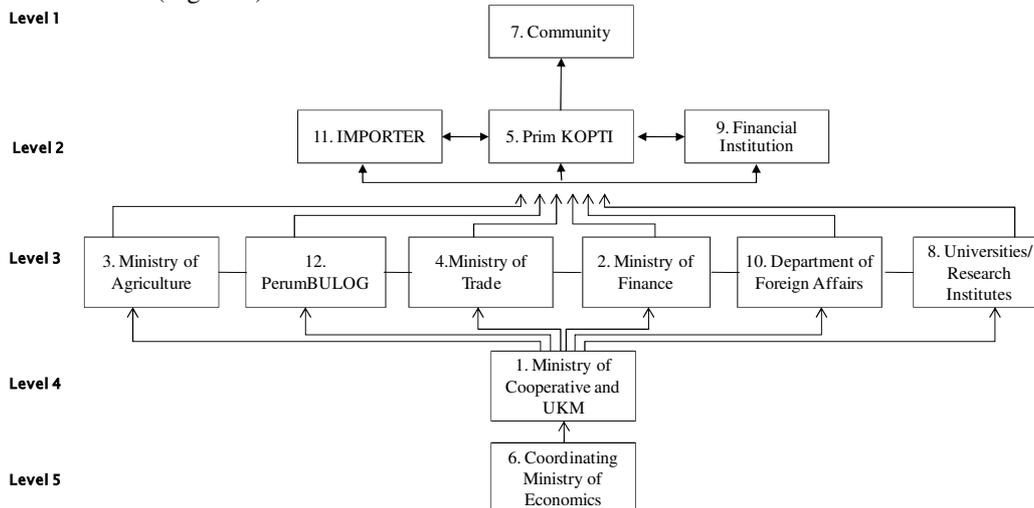


Figure 3. Structure of The Element System of the Involved Stakeholder Group.

Based on Figure 3 in the improvement of the role and function of institutional of PRIMKOPTI so that it can become the institution having the good resilience business, it really needs to be supported by the Government with strong and firm policy/regulation mainly by Coordinating Ministry of Economy as the main driver and Ministry of Cooperative and UKM of direct responsible person of PRIMKOPTI. In order the role and existence of PRIMKOPTI are becoming stronger in running its business, so it is supported, pushed and protected by Ministry of other Techniques, especially Ministry of Agriculture, Ministry of Trade, Ministry of Finance, Ministry of Foreign Affairs, and Perum Bulog (logistic agency) and Research Institution/University. The thing which is no less important in running its business of PRIMKOPTI is the necessary of support and the direct

relation of the Importers and Financial Institution for the capitalization access so that the problem of soybean shortcoming and the capitalization access can be soon handled. Then, if PRIMKOPTI in business is managed well and has a good performance, the stakeholders which will be influenced are discussed as follows.

Element of stakeholder influenced in the Resilience Business of PRIMKOPTI

Based on the result of analysis with ISM involving the expert, to the future if PRIMKOPTI is managed well and professional, the sector of community and farmer which is the most influenced (Sector III) and the key factor are the Administrator of PRIMKOPTI and the Producer of tofu-tempeh (Sector IV) (Figure 4 and Figure 5 of the result of ISM).

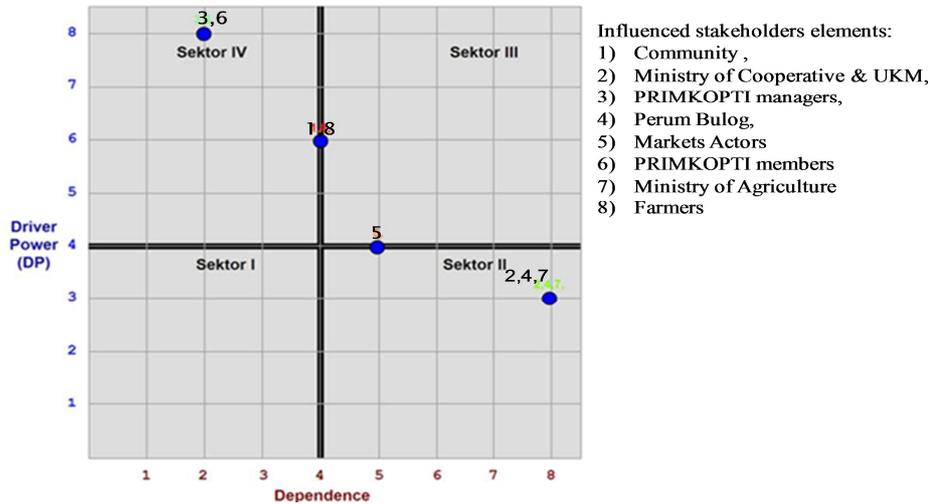


Figure 4. Sub-element Matrix of Driver Power-Dependence on the Influenced Stakeholder Element.

The result of data analysis by using the method of ISM producing the diagram of most influenced stakeholders is explained in detail in Figure 5. In the figure, it shows that if PRIMKOPTI has been managed professionally, the administrator and members of PRIMKOPTI will get the biggest impact and influence, then the community and farmer also like this. It is expected the community will not experience the occurrence of tempeh crisis and the farmer can enjoy the competitive price of soybean. Meanwhile, the market actors, Ministry of Agriculture, Perum Bulog (logistic agency of Indonesia) and Ministry of Cooperative and UKM can accept positively as the realization of performance in developing the economy of Indonesia.

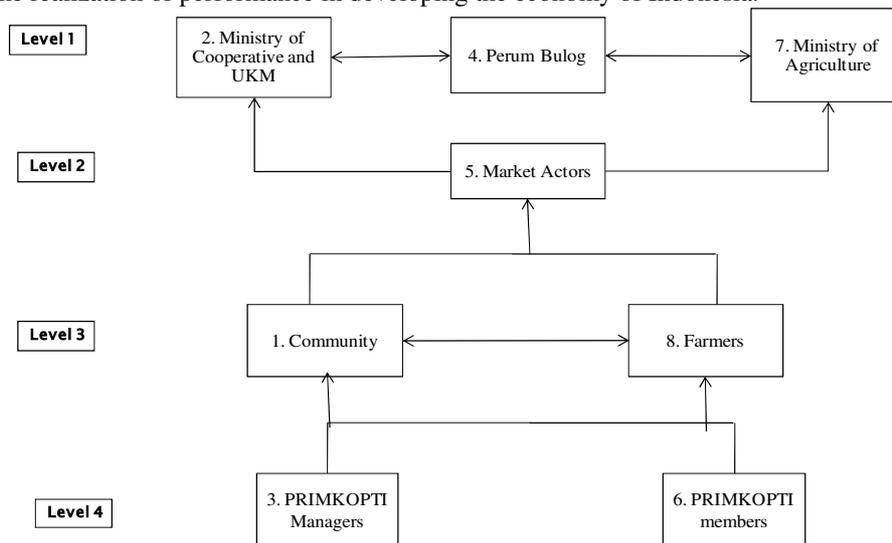


Figure 5. Model of Influenced Stakeholder in the Resilience Business of PRIMKOPTI Based on the ISM Method.

Constraint Element to Develop PRIMKOPTI in reaching the Resilience

The development of PRIMKOPTI for the institution having a good resilience business certainly finds some constraints or obstacles. Based on the result of deep interview and observation in the field, the constraint elements occurred as follows.

1. Availability of raw material is minimum.

2. Awareness for cooperative is low.
3. There is no synchronization of government institutional with cooperative administrator.
4. There is a conflict of interest.
5. The thinking pattern of business is still traditional (lack of competence).
6. There is no training toward member, administrator, supervisor, and employee (lack of knowledge).
7. There is no trust between member and administrator.

Based on the result of analysis with ISM of the result of expert opinion (Figure5), the constraints which become the key elements are there is no synchronization of government institutional with the cooperative administrator (3) and there is a conflict of interest (4) because having the biggest driver power with the level of dependence toward the constraint sub-element of other program which is very low. Thus, it can be said that the biggest constraint in the development of PRIMKOPTI in reaching the resilience is there is no synchronization of the government institutional with the cooperative administrator and there is a conflict of interest between stakeholders involved and influenced. Next in the second rank, it is the thinking pattern of business which is still traditional (lack of competence) (5), there is no training for member, administrator, and lack of knowledge (6) and there is no “trust” between member and administrator of PRIMKOPTI (7). In the third rank, the sub-element including in it is that the awareness for cooperative is low (2) so that the resilience in development of PRIMKOPTI is difficult to achieve. In the fourth rank, it is the sub-element of the availability of raw material is minimum for the production of tempeh and tofu (1).

In Figure5it is seen that in the sector II there is the sub-element of the availability of raw material which is minimum (1) and the awareness for cooperation is low (2). Both sub-elements have the lower driver power so they tend to be dependent in nature, meaning that both sub-elements are very much depending on the other sub-elements in the development of PRIMKOPTI to reach the resilience. In the sector III, the sub-element including in it is the thinking pattern of business which is still traditional (lack of competence) (5), there is no training for member, administrator, &employee (lack of knowledge) (6) and there is no “trust” between member and administrator of PRIMKOPTI (7). The three sub-elements have the interrelatedness between one to another (linkages) so that the management needs to pay attention to every action/solution taken on the three sub-elements.

In the sector IV, the sub-element including in it is that there is no synchronization of the government institutional with the cooperative administrator (3) and there is a conflict of interest (4) like seen in Figure 8. Both sub-elements have the driver power which are very strong or can act as the driving force toward other sub-elements. Besides that, both sub-elements also have the level of dependence which are very low or independent.

Output of the structural model of the program constraint with the technique of ISM in Figure 7 shows that for the model of the program constraint there are four levels of hierarchy. Sub-element of the availability of raw material minimally(1) occupies the first level. Then there is the lack of synchronization of the government institutional with the administrator of KOPTI (3) and there is the conflict of interest (4) occupying the fourth level.

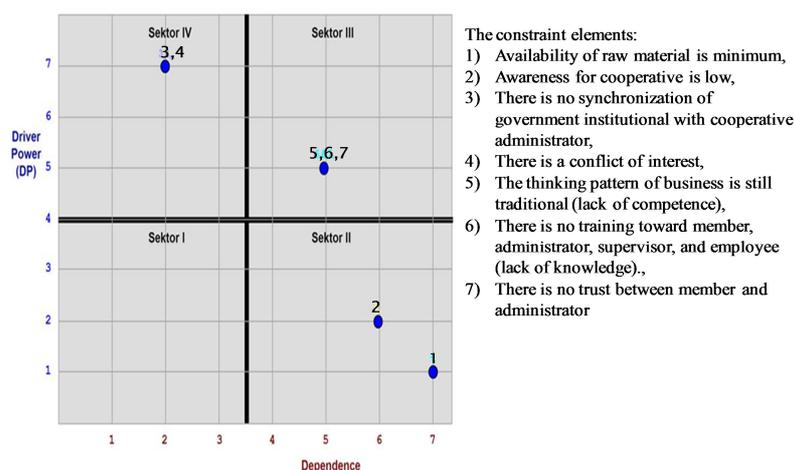


Figure 6. Sub-element Matrix of Driver Power-Dependence on the Faced Constraint/Problem Element.

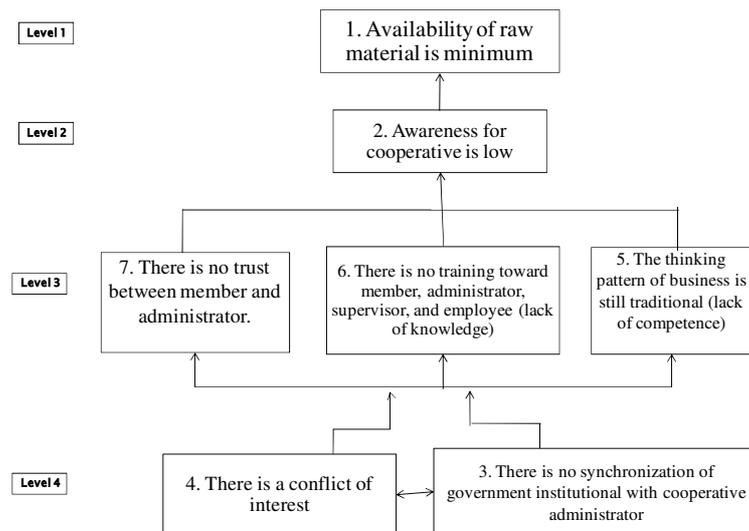


Figure 7. Structure of Program Constraint Element.

Element of Change that needs to be done in reaching the Resilience Business of PRIMKOPTI

The element of change that needs to be done in reaching the resilience business of PRIMKOPTI consists of six sub-elements, i.e. (1) Performing the revamping of organization by prioritizing the humanity elements (parents-children), (2) the supply chain should be changed, (3) performing the business alliance, (4) educating the administrator and members in order to have the professional entrepreneur soul, (5) changing the mindset, motive and loyalty of administrator/member in organization, and (6) changing the culture to owe and NPL of the administrator and member.

In the development model of PRIMKOPTI in reaching the resilience business, what becomes the key element of change is conducting the revamping of the organization with prioritizing the humanity element (parents-children) (1) because having the biggest drive power with the level of dependence toward the sub-element of other change which is very low. Next, the sub-element in one level below is the change of supply chain (2). In the third rank, the sub-element including it is that to conduct the business alliance (3), and in the fourth rank it is to change the mindset, motive and loyalty of administrator/member in the organization (5). Meanwhile, the sub-element educates the administrator and members in order to have the professional entrepreneur soul (4) and change the culture to owe and NPL of the administrator and members (6) is in the 5th ranks.

In Figure 10 it seems that in the sector II, the sub-element including in it is that to educate the administrator and member in order to have the professional entrepreneur soul (4) and to change the culture to owe & NPL of administrator and member (6). Both sub-elements have the low driving power and be dependent in nature so that the existence of sub-elements is very much depending on the other sub-element in reaching the resilience business of PRIMKOPTI. Besides that the sub-element changes the mindset, motive and loyalty of administrator/member in organization (5) which tends to enter to the sector II, although it has approached the sector III. Meaning that this sub-element supports the other sub-element to educate the administrator and the member in order to have the professional entrepreneur soil and to change the culture to owe & NPL of administrator and member. In the sector III, the sub-element including it is to conduct the business alliance (3). This sub-element needs to be analyzed comprehensively, recalling every action taken in the variable will give the impact/feedback to other variables. In the sector IV, the sub-element including it is the changing of supply chain (2) and the revamping of organization by prioritizing the humanity element (parents-children) (1). Both sub-elements have a very strong drive power or they can act as the driving force toward the other sub-elements. Besides that, this sub-element also have the level of dependence which is very low or independent.

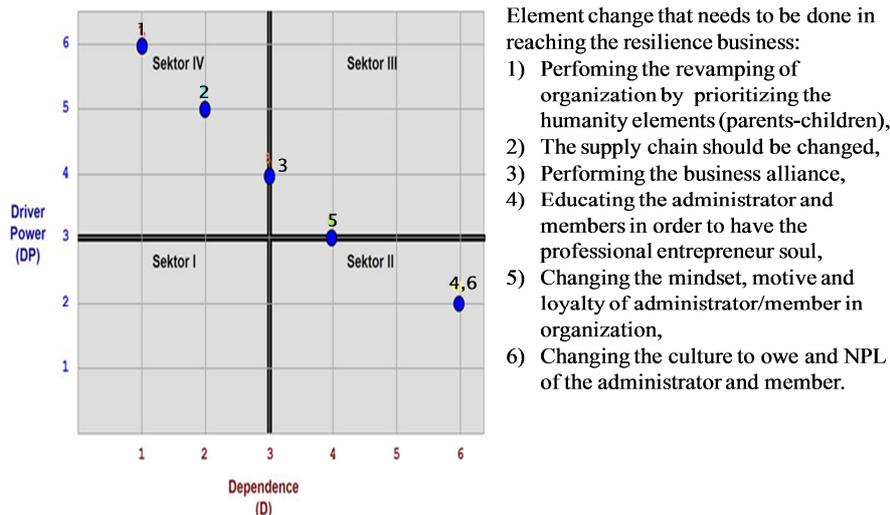


Figure 8 Sub-element Matrix of Driver Power-Dependence on the Change Element Needed to be Done in Reaching the Resilience Business of PRIMKOPTI

The output of structural model of the change element needed to be done with the ISM technique produces five levels of hierarchy (Figure 9). Sub-element changes the culture (custom) owing to the administrator/member (6) and educates the administrator and the members in order to have the professional entrepreneur soul (4) in the level one and sub-element conducts the revamping of the organization by prioritizing the humanity elements (1) in the level five.

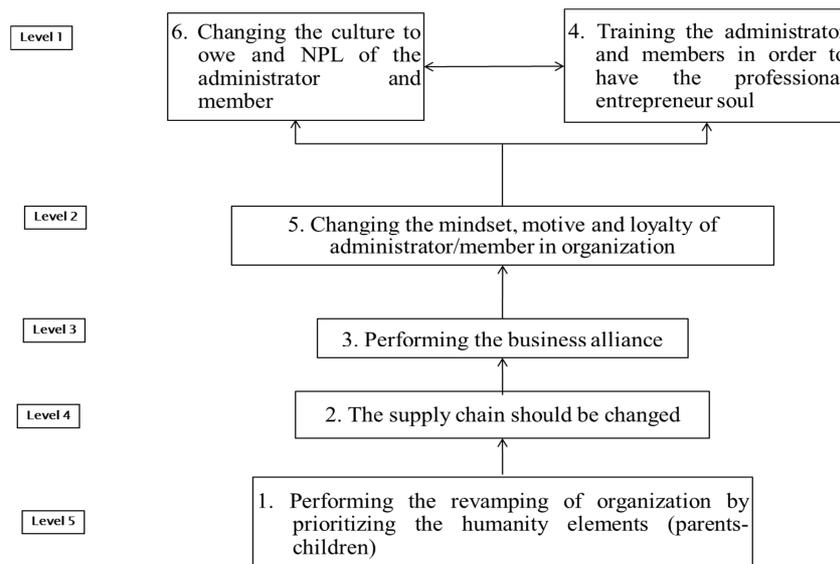


Figure 9. Structure of Change Element System Needed to be Done in Reaching the Resilience Business of PRIMKOPTI

4.2 Institutional Model of Resilience Business of PRIMKOPTI

Based on the analysis of ISM element toward the stakeholders involved and the stakeholders influenced, the constraint/problem faced in the development of PRIMKOPTI and the change that should be done, so the institutional model of the resilience business of PRIMKOPTI can be seen in Figure 10.

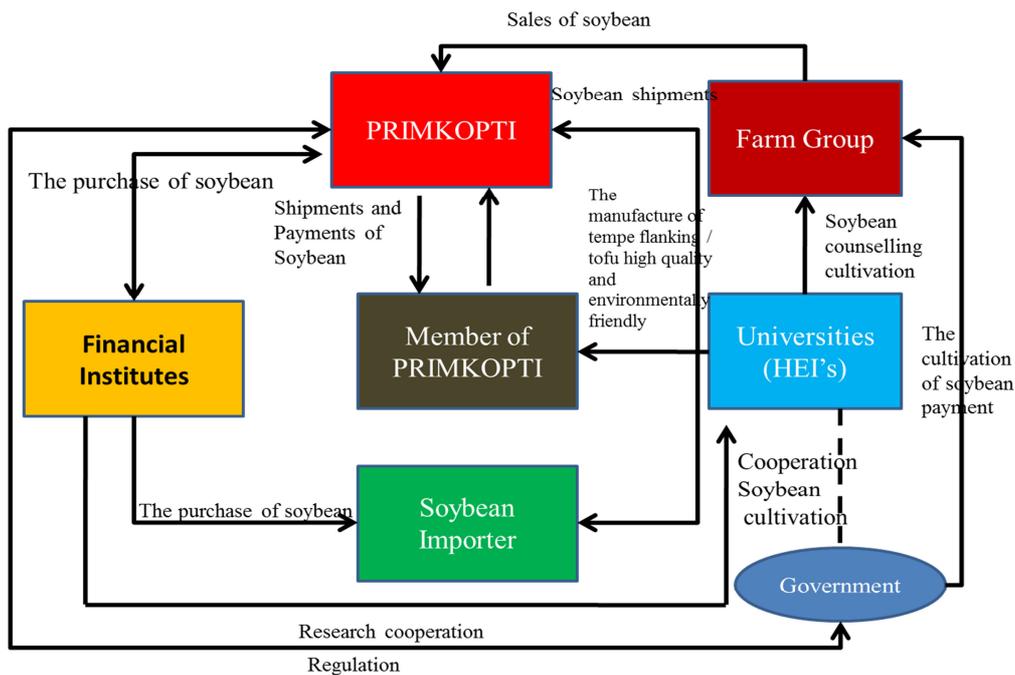


Figure 10. Institutional Model of Resilience Business of PRIMKOPTI

Institutional model of the development policy of PRIMKOPTI in reaching the resilience business needs the role of various stakeholders like financial institution, government, university, farm group, PRIMKOPTI and member of KOPTI/ tempeh/tofu producer which should support one to another. Then it also needs the cooperation with the soybean importer in the attempt to procure the raw material of tempeh/tofu to be processed. The university/research institution establishes the cooperation of soybean cultivation to the government and then the government conducts the payment of soybean cultivation to the farmer group in order that the reduction of soybean supply as the raw material can be handled. Besides that, the university/research institution also accompanies a group of farmers in soybean cultivation and accompanies the making of tempeh and tofu which is qualified and friendly-environment to the members of KOPTI/producer of tempeh and tofu so that tempeh and tofu produced has the good quality. The farmer group conducts the selling of soybean to PRIMKOPTI, and PRIMKOPTI conducts the delivery and payment of soybean to the members of KOPTI/producer of tempeh and tofu. In reaching the resilience business, PRIMKOPTI and the financial institution conduct the cooperation in the business financing like soybean purchasing and so on. Then the financial institution also conducts the soybean purchasing to the soybean importer which next to the importer and PRIMKOPTI that conduct the transaction of soybean delivery. The financial institution also gives the fund of community development/research cooperation to the university/research institution. Thus, the development of PRIMKOPTI in reaching the resilience business will be achieved.

The important thing in the institutional model of the resilience business of PRIMKOPTI is the government policy which is clear, firm, strong, and supporting and protecting PRIMKOPTI in nature professionally. It is suggested to be made the Government Rules that can guarantee the certainty of soybean both through import and self-sufficiency with the clear target and milestone so that there will be clear target of how long Indonesia should import, the target of productivity domestically should be how big. There should be the increase of productivity per year and the reduction of import, so that the adequacy of domestic demand can be fulfilled and slowly Indonesia will not have the big dependence toward the import.

5. Conclusion

5.1 Conclusion

- In increasing the role and function of institutional of PRIMKOPTI to because the institution having institution having the good business resilience, so it is necessary to be supported by the Government with the strong and firm policy/regulation mainly by Coordinating Ministry for Economy as the prime mover and Ministry of Cooperative and UKM as the direct person in charge of PRIMKOPTI.
- In the Resilience Business of PRIMKOPTI, if PRIMKOPTI is managed well and professionally the sectors of public and farmer who are the most effective and the key factor is the Administrator of PRIMKOPTI and the Producer of tofu-tempeh.

- The constraint which becomes the key element in the Development of PRIMKOPTI to reach the Resilience is there is no synchronization of the government institutional with the administrator of cooperative and there is a conflict of interest.
- The change that needs to be done in reaching the resilience business of PRIMKOPTI is conducting the revamping of organization by prioritizing the human element (parents-child) and the change of supply chains as the key element of change.
- In the institutional model of the resilience business of PRIMKOPTI, the government policy which is firm, clear, strong, and supporting and protecting PRIMKOPTI in nature professionally. Then it is also needed the cooperation between the soybean in the attempt for procuring the raw material of tempeh/tofu which will be processed.

5.2 Recommendation

- To prepare PRIMKOPTI to become more resilience in facing the free trade by increasing the function of institutional of the cooperative which is no longer only becoming as the object, but becoming the one which conducts the procurement of soybean for its members both domestic and from overseas. Thus, the cooperative institutional should be able to act as the direct importer and as the exporter on the tempeh and tofu production from its members.
- Because the model produced is still general in nature in designing the policy model of development of PRIMKOPTI, so it is necessary to be the deeper analysis and to focus to analyze about the role of stakeholders involved and the change needed to be done to reach the resilience business. To reach the success of development of PRIMKOPTI it is necessary to form the right, effective, and synchronized institutional and there is no overlapping of policy/program.
- It is necessary to conduct the next research about the optimal distribution lane toward the soybean procurement for the members of PRIMKOPTI.

References

- Australian National Audit Office. (2000). *Business Continuity Management*. Canberra.
- Boyd, H.W., Walker, O.C., Larreche, J.C. (2000). *Manajemen Pemasaran. Suatu Pendekatan Strategis dengan Orientasi Global* (2nd ed). Jakarta: Erlangga
- Business Continuity Institute. (2009). *Good Practice Guidelines*. Business Continuity Institute. Caversham.
- Departemen Koperasi. (1993). *Koperasi Indonesia Tinjauan dan Prospek*. Jakarta: Departemen Koperasi
- [Ditjen P2HP] Direktorat Jenderal Pengolahan dan Pemasaran Hasil Pertanian. (2004). *Situasi Perdagangan Internasional Kedelai*. Jakarta: Ditjen P2HP
- [Ditjen P2HP] Direktorat Jenderal Pengolahan dan Pemasaran Hasil Pertanian. (2005). *Kebijakan Tata niaga Perdagangan Komoditas Kedelai*. Jakarta: Ditjen P2HP
- Djohanputro, B. (2008). *Manajemen Risiko Korporat Terintegrasi (Risk Management Intergrated Corporate)*. Jakarta: PPM
- Hadi, P., U., & Wiryono, B. (2005). "Dampak Kebijakan Proteksi terhadap Ekonomi Beras di Indonesia", *Jurnal Agro Ekonomi*, 23(2), 159-175.
- Hadiguna, R.A. (2010). "Decision Support System Design of Supply Chain and Quality Risk Assesment in Crude Palm Oil Agroindustry", *Dissertation*, Postgraduate School of IPB, Bogor.
- Indrajit, R.E., Djokopranoto, R. (2002). *Konsep Manajemen Supply Chain Cara Baru Memandang Mata Rantai Penyediaan Barang*. Jakarta: Grasindo
- Muslich, M. (2007). *Manajemen Risiko Operasional Teori dan Praktek*. Jakarta: PT. Bumi Aksara
- Seow, K. (2012). "BCM Workshop Series for Financial Institutions. Business Continuity Management: A Strategic Approach to Managing Business Interruption Risk", Jakarta: Contingency Solutions
- Simatupang, P. (2003). Policy Analysis: Basic Concept and Procedures, *Journal of Agricultural Analysis* 1(1), 46-64
- Wulandari, & Syamtyas, R. (1998). *Analisis Usaha KUD sebagai Organisasi Ekonomi Pedesaan*. Bogor:: Faculty of Economics of IPB.

The IISTE is a pioneer in the Open-Access hosting service and academic event management. The aim of the firm is Accelerating Global Knowledge Sharing.

More information about the firm can be found on the homepage:

<http://www.iiste.org>

CALL FOR JOURNAL PAPERS

There are more than 30 peer-reviewed academic journals hosted under the hosting platform.

Prospective authors of journals can find the submission instruction on the following page: <http://www.iiste.org/journals/> All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Paper version of the journals is also available upon request of readers and authors.

MORE RESOURCES

Book publication information: <http://www.iiste.org/book/>

Academic conference: <http://www.iiste.org/conference/upcoming-conferences-call-for-paper/>

IISTE Knowledge Sharing Partners

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digital Library, NewJour, Google Scholar

