Peran Kelembagaan Perhimpunan Anggrek Indonesia Cabang Bandung Dalam Pengembangan Agribisnis Anggrek

The Institutional Roles of the Bandung Branch of Indonesian Orchid Association in Orchid Agribusiness Development

by

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Abstract

The purpose of this study was to determine the extent of the institutional role of the Indonesian Orchid Association in orchid agribusiness development in Bandung Regency. The research method used was survey. The number of respondents was taken using purposive sampling. Data were analyzed by using descriptive in the form of scores. The results of this study state that the Indonesian Orchid Association (PAI) as an institution plays a role in the development of orchid agribusiness in Bandung, especially in the procurement of production facilities, farming, marketing and supporting agribusiness. For the assessment score of the institutional role of the Indonesian Orchid Association (PAI) on the development of orchid agribusiness, two answers were given in a closed yes and no equipped with answers openly by the respondents. The results of this study state that the Bandung branch of Indonesian Orchid Association as an institution plays a role in development of orchid agribusiness in Bandung especially in procurement of production facilities, farming, marketing and supporting agribusiness. Suggestions to the Indonesian Orchid Association (PAI) to ease in carrying out the institutional roles of the Bandung branch of PAI; the Bandung branch of the PAI should divide into three parts, namely PAI of Bandung City, PAI Bandung Regency, and PAI West Bandung Regency.

Keywords: role, institutional, indonesian orchid association

Abstrak


Kata kunci : Peran, Kelembagaan, Perhimpunan Anggrek Indonesia
INTRODUCTION

Orchid is one of the original flowers originating from Indonesia which has a prospective to be cultivated and has high economic value. When looking at other countries such as Singapore, Thailand, and Taiwan which are currently the leading orchid producing countries, Indonesia actually has quite a number of species (Bey, Syafii and Sutrisna, 2006).

Orchid is a potential foreign exchange for a country, local revenue and able to be a source of livelihood for farmers. The progress of orchid farming sector in Indonesia encourages to increase the income of domestic farmers and environmental aesthetics, support tourism industry sector, make room decorations (housing, hotels and offices) more beautiful. The development in the agricultural sector of orchid industry in order is to be able to create employment opportunities and open up opportunities for industrial growth in the field of production facilities, secondary products and even transportation services.

Orchids have the opportunity to gain a large market share, both domestically and abroad. The richness and diversity of orchids in terms of shape, color, structure, size, and texture provide a broad market prospect. According to Triyono and Widodo (2004), consumers in purchasing orchids state that in determining consumer interest when buying orchids is the flower colors. In addition, the demand for orchids increases from year to year due to the influence of income and education, as well as public attention to the aesthetic function of orchids. The need for orchids will continue to increase along with the increasing demand for orchid collectors or hobbyists, florists and decorators, conference halls, offices, catering and hospitality, and tourism industry. Currently, the common orchids in domestic market include Dendrobium, Phalaenopsis, Vanda, and several other species (Widiastoety, Solvia and Soerdarjo, 2010).

Although the increment in orchid products toward market demand increases, on the other hand, orchid production process is still slow due to problems in orchid cultivation, inappropriate and inefficient postharvest handling, lack of availability of agricultural machinery technology innovation, inadequate human resources and capital, imported orchid seeds, nonoptimal role of institutions, and inconducive policies and regulations. The competitiveness of domestic orchid commodities is relatively weak due to various complex problems. The domestic
The orchid trade balance from 2010 to 2014 was still negative and continued to decline.

The base points that need to be considered in increasing competitiveness are the inability to produce orchids in compliance with the needs of consumer preferences, lack of efficiency in the production system, low productivity and relatively expensive product prices, and less guaranteed delivery time (Agricultural Research and Development Agency, 2007).

According to Andri, Willem and Tumbuan (2015), several factors that affect the selling price of orchids include packaging and product appearance, and the quality of flowers produced by farmers, some of these things indicate that orchids are potential to be cultivated. However, several cases in the field show that the quality of income of orchid farmers sold by farmers themselves is still low. Due to the low selling price of orchids, the production costs that have been incurred by farmers cannot be covered and farmers are still lagging behind on market information while the speed of access to market information is very useful in making efficient production schedules, increasing production and quality, guaranteeing continuity of supply, and professional business management. (Agricultural Research and Development Agency, 2007).

According to Nasrul (2012), for the sake of progressive capacity of farmers for agricultural development, institutions that can provide strength for farmers are needed (high bargaining position). Agricultural institutions in this regard are expected to be able to provide an appropriate answer to all problems. Strengthening a high bargaining position for farmers is a necessity that is absolutely necessary for farmers so that they can compete in farming activities and can improve their welfare through institutions and the problems that still exist in farmers and farmer institutions in this country are (1) the lack of farmer knowledge regarding the problems of production management and marketing network (2) the lack of full involvement of farmers in agribusiness activities, farmers' activities are still focused on production (on farm) (3) The roles and functions of farmers' institutions have not run optimally as a forum for organization. In overcoming the problems above, it is necessary to make efforts to develop, empower, and strengthen farmer institutions (such as farmer groups, labor institutions, input provider institutions, output institutions, extension institutions,
and capital institutions) and are expected to protect the bargaining position of farmers.

The protective measures for farmers are a form of taking sides with farmers, both as producers and those who enjoy the results of their farming efforts, especially in terms of selling prices that are reasonable and profitable for farmers. Thus, strengthening and empowering these institutions is also served to produce the achievement of sustainability of the carrying capacity of Natural Resources and various efforts to sustain and support agricultural development activities in rural areas. One of the existing institutions in Bandung area is the association of orchid farmers. Bandung area has a strategic location which is suitable for orchid cultivation and adequately a lot of orchid lovers in Bandung. Institution is one of the subsystems in agribusiness system. The development of orchid agribusiness certainly needs an institutional role. In this case, to find out the role of the orchid association which is one of the agribusiness institutions in the development of orchid agribusiness in Bandung, the researcher was interested in studying the role of the Indonesian orchid association in the development of orchid agribusiness in Bandung.

The identification problems in this study would be discussed in this study, precisely on how the institutional role of the Indonesian Orchid Association in the development of orchid agribusiness in Bandung. The study was aimed at determining the extent of the institutional role of the Indonesian Orchid Association in the development of orchid agribusiness in

**RESEARCH METHOD**

The research method applied was survey. The purpose of survey method was to facilitate the explanation of some of the variables studied and the relationship between some of the variables studied. According to Sugiono (2003), survey method is a research method that explains the position of several variables studied and the relationship between several variables studied. The unit of analysis of this study were members or administrators of the Indonesian Orchid Association. The data obtained were processed descriptively, the descriptive method is one of the research methods in order to create a systematic, accurate, and actual picture by going through several incoming sample data or the existing population.
RESULT AND DISCUSSION

Results

In measuring the institutional roles of the Indonesian Orchid Association (PAI) in the development of orchid agribusiness in Bandung area, the 30th survey was conducted by distributing 11 PAI Bandung branch administrators and 19 Bandung branch PAI members. In the survey, the management and members of the Bandung branch of PAI were asked to answer a questionnaire with yes and no answers and were asked to explain the reasons as a benchmark for these answers by 3 indicators of the institutional role of the Indonesian Orchid Association (PAI) into account. The 3 indicators in question are:

1. The Institutional role in the procurement of Production Facilities.
2. The Institutional Role in production farming.
3. The Institutional Role in Marketing.

Based on the results of the study, an assessment of the roles of PAI institution in agribusiness development are obtained as follows:

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<tr>
<th>No.</th>
<th>Statement</th>
<th>Choices of Answer</th>
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<tbody>
<tr>
<td>1</td>
<td>PAI plays a role in procuring qualified orchid seeds for administrators and members</td>
<td>Yes: 29, No: 1</td>
</tr>
<tr>
<td>2</td>
<td>PAI plays a role in procuring fertilizer for orchids for administrators and members</td>
<td>Yes: 29, No: 1</td>
</tr>
<tr>
<td>3</td>
<td>PAI plays a role in procuring pesticides for orchids for administrators and members</td>
<td>Yes: 28, No: 2</td>
</tr>
<tr>
<td>4</td>
<td>PAI plays a role in procuring orchid planting media for administrators and members</td>
<td>Yes: 30, No: 0</td>
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The roles of Bandung branch of PAI in procuring quality orchid seeds are by helping to provide orchid seeds to members of Bandung branch of PAI during training doorprize and sell orchid seeds to fellow members and public. Furthermore, the role of Bandung branch of PAI in the procurement of fertilizer for orchids is by helping provide liquid fertilizer to members of Bandung branch of PAI at training doorprize and sell liquid fertilizer to fellow members and public. Furthermore, the role of Bandung branch of PAI in procuring pesticides for orchids is by helping give pesticides to members of Bandung branch of PAI during doorprize and sell pesticides to fellow members and public.
training and sell pesticides to fellow members and public. Finally, the role of Bandung branch of PAI in procuring orchid planting media is by helping provide orchid planting media to members of PAI Bandung branch during doorprize training and sell orchid planting media to fellow members. The orchid planting media used by members of Bandung branch of PAI include wood charcoal, coconut fiber, moss, slate shards, but commonly, members of Bandung branch of PAI use fern wood as planting media.

Table 2. The Institutional Role in Production Farming

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<th>Statement</th>
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<td></td>
<td></td>
<td>Yes</td>
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<tr>
<td>1.</td>
<td>PAI creates a counseling or training program for orchid production</td>
<td>30</td>
</tr>
<tr>
<td>2.</td>
<td>PAI increases the competitiveness of orchid production</td>
<td>29</td>
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The role of Bandung branch of PAI in training program is in term of a coaching program for members of Bandung branch of PAI which is held every two months regularly in the form of direct/offline or indirect/online trainings due to pandemic factor, the training methods used are seminar and demonstration. The roles of Bandung branch of PAI for the strategy of increasing production competitiveness is by improving the quality of orchid products so that their quality continues to develop and improving the maintenance or care of orchids to maintain their quality.

Table 3. The Institutional Role in Marketing

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<th>Statement</th>
<th>Choices of Answer</th>
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<tr>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>1.</td>
<td>PAI provides orchid price information services</td>
<td>30</td>
</tr>
<tr>
<td>2.</td>
<td>PAI provides orchid market information services</td>
<td>30</td>
</tr>
<tr>
<td>3.</td>
<td>PAI regularly organizes an orchid contest or festival</td>
<td>29</td>
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The roles of Bandung branch of PAI in orchid price information services are by providing coaching to customers about knowledge of the quality and price of orchids which is conducted by administrators and members related to orchid price information in compliance with their needs and telling to access.
by registering an account to the PAI main office regarding general orchid price information. The roles of Bandung branch of PAI in providing orchid market information services are by providing counseling to orchid farmers by administrator and by accessing pai.or.id by registering an account to PAI main office regarding general orchid market information. The role of the Bandung branch of PAI in organizing orchid contests or festivals is carried out indoor, for instance, Bandung branch of PAI utilizes the hall facilities of Bandung Food Agriculture and Horticulture Office for contest activities called the Orchid Expo. Other than every orchid contest activity, and apart from being inside the Bandung branch of PAI, the institute is also expected to carry out contests or festivals in outdoor, for instance, in Lembang area because the climate is suitable for orchids.

The purpose of Bandung branch of PAI to hold an orchid contest or festival is to promote orchid products of Bandung branch of PAI members to general public, both orchid lovers and farmers, to open an orchid bazaar for tproducts of the members and administrators of Bandung branch of PAI, and to educate the public about orchid marketing in order to educate general public regarding orchid market opportunities and potentials.

Discussion

According to Soekanto and Soejono (2002), role is the dynamic aspect of the position, if a person carries out the rights and obligations according to his position, then he carries out a role. The Bandung branch of the Indonesian Orchid Association has a role as an institution in developing orchid agribusiness in Bandung area. PAI is professional and non-political in nature and continues to prioritize social and economic aspects and PAI serves as a forum for the gathering of the Indonesian civilizing community.

Institutional has a broad and deep meaning, various agricultural activities can be related to institutions that produce the concept of social institutions and financial institutions. According to Syahyuti (2006) institutions have a primary concern for patterned behavior and most of it comes from the norms or rules adopted. Agricultural institutions are basically formed to have several roles, namely: mediating between countries and communities as a task within the organization, the institutional role as a resource task by covering the mobilization of local resources and their management in
achieving community goals, service tasks that include requests for services that provide information by describing development goals or coordinating community requests, and inter-organizational tasks that require local requests for bureaucracies or organizations outside the community against interference from external agents (Garkovich, 1989).

The Bandung branch of the Indonesian Orchid Association has become a formal association and already has its Articles of Association/Bylaws. PAI in the task of resources is empowering orchid farmers ranging from lovers, enthusiasts, breeders, scientists, farmers, to entrepreneurs who are engaged in the field of orchids to develop orchid agribusiness in Bandung and open widely for those who want to become members of the Bandung branch of PAI. PAI in its service tasks provides education to public in the form of orchid exhibitions and provides guidance and training to the community or agencies that have been in collaborations.

Agricultural Commodity Association Institution as Farmer's institutional development aims at increasing bargaining position through developing a professional attitude in managing Farming by applying economic principles in a better way (Ministry of Agriculture, 2016). The institutional role in procuring production facilities is to provide services to all members to meet the needs of production facilities (fertilizers including subsidized fertilizers, certified seeds, pesticides, etc.) and agricultural machinery, both based on credit/farming capital for members of farmer groups in need or from farmers' self-financing/residual results and the institutional role in production farming is namely to produce commodities with the aim of meeting the needs of its members and market needs so as to ensure quantity, quality and continuity as well as price stability, and the role of institutions in marketing is namely to provide services and facilitate marketing of agricultural products for its members both in the terms of network development and partnerships with other parties as well as direct marketing which in its development Farmers’ Group Association (Gapoktan) can provide information services on commodity prices so that Gapoktan grows and develops into independent farming then it can increase income productivity and a better life for its members (Ministry of Agriculture, 2013).

The institutional role in procuring production facilities for PAI Bandung branch in procuring quality orchid seeds for PAI is by helping provide orchid seeds
to members of the Bandung branch of PAI at the doorprize for orchid training and by selling orchid seeds to fellow members and general public, then in procurement of fertilizer for PAI orchids in Bandung branch is an assistance in terms of providing fertilizer to members and Bandung branch of PAI at the doorprize for orchid training and selling fertilizer for orchids to orchid farmers or general public. The fertilizers used by PAI Bandung branch mostly use liquid inorganic fertilizers and a few use liquid organic fertilizers, then in the procurement of pesticides for Orchid, PAI Bandung branch helps provide pesticides to members at the doorprize for orchid training and sells pesticides to orchid farmers and general public. Furthermore, in the procurement of orchid planting media, the Bandung branch of PAI helps provide orchid planting media to members during the orchid doorprize training and sell the planting media to orchid farmers and general public. The orchid growing media used by members of Bandung branch of PAI are wood charcoal, coconut fiber, moss, slate shards, but on average, members of the Bandung branch of PAI mostly use fern wood as planting media. These matters are in accordance with Tedjaningsih et al. (2018)’s research related to the role of agribusiness institutions in facilitating members in accessing production facilities, technology, and encouraging fair farming competition, and in accordance with the Ministry of Agriculture (2016) that the task of associations is to facilitate members in accessing production facilities and technology.

The institutional role in the farming production of the Bandung branch of PAI is by creating counseling programs or training on orchid production farming in the form of direct or offline training using the seminar method followed by demonstrations and in the form of indirect or online by using webinar method as it adapts to the conditions of the subsequent covid-19 pandemic; then in increasing the competitiveness of orchid production, the Bandung branch of PAI’s strategy is to improve the quality of orchid products and maintain as well as caring for orchids properly. The role of PAI in farming is in accordance with the research of Kurnia, et al (2007) related to the role of institutions in empowering farmer groups in the development of agribusiness of gedong ginchu mango which is carried out based on a SWOT analysis that is utilizing all strengths to seize and take advantage of market opportunities, and also it is in accordance with research (Lubis, et al,
related to the role of institutions in development, namely advocating and supervising the implementation of farming partnerships in line with the Ministry of Agriculture (2016) by advocating and supervising the implementation of farming partnerships as well as helping to solve problems in farming.

The institutional roles in the marketing of the Bandung branch of PAI are providing information services on orchid prices in the form of counseling for administrators and members who can provide counseling to customers about knowledge of the quality and price of orchids, then by using a catalog, customers can see all varieties and prices of orchids in the orchid catalog provided by PAI Bandung branch or by using the website pai.or.id to access the price list of orchids by registering an account in advance to the PAI main office; thus, the Bandung branch of PAI in organizing orchid contests or festivals is carried out inside room (indoor), for instance, the Bandung branch of PAI uses the hall facilities of Bandung food agriculture and horticulture department for contest activities called the orchid expo. Besides that, the Bandung branch of PAI also borrows or rents other agency hall facilities for every orchid contest activity, and apart from that, the institution also conducts contests or festivals in the open air (outdoor), for instance, in the area of Lembang as the climate is suitable for orchids.

The purpose of the Bandung branch of PAI to hold an orchid contest or festival is promoting orchid products of the Bandung branch of PAI members to public, both orchid lovers and farmers, to open an orchid bazaar for the products of the members and administrators of the Bandung branch of PAI, and to educate the public about orchid marketing in order to educate the public in general regarding orchid market opportunities and potentials. The role of PAI in marketing is in accordance with the Ministry of Agriculture (2016) which is related to the role of marketing institutions, namely one of the tasks of agricultural commodity associations is to promote agricultural commodities produced by members both domestic and abroad.

According to Pasaribu (2012), agribusiness has the following concepts: Business activities that include all or one of the production chains, product processing, and broad marketing as well as activities that support agricultural and business activities. Agribusiness is a system of activities that includes three components: the farm input sector, the
farming sector, and the product marketing sector. Agribusiness covers all activities as a series of subsystems, consisting in (1) the procurement and distribution system of production facilities, technology and development of agricultural resources, (2) the agricultural production system or farming, (3) the agricultural or agro-industry product processing system, (4) the distribution and marketing system for agricultural products, (5) and the supporting service systems or agricultural institutions. Bandung branch of PAI related to the procurement of production facilities makes efforts to procure seeds including superior seeds, inorganic liquid fertilizers, pesticides for orchid care, various orchid growing media, and revitalization of conservation nurseries/gardens as for the distribution of production facilities such as seeds, fertilizers, pesticides, and orchid planting media at the time of holding exhibitions or training on orchids and for channeling nursery revitalization by opening visits and collaborations with related agencies. Furthermore, PAI Bandung branch related to farming is to increase competitiveness with efforts to organize education, training, and coaching in the field of agriculture that supports the demands of Human Resources competency.

Bandung branch of PAI related to agro-industry is to carry out a generative system and there are also efforts with a vegetative system. Furthermore, Bandung branch of PAI related to marketing is to provide optimal price and market services for orchids to customers, expand the network of orchid shops by collaborating with members, and work towards the establishment of a collective orchid cooperative. Finally, the Bandung branch of PAI related to supporting agricultural institutions is to make collaborative efforts with other institutions such as strengthening communication and coordination with the ministry of agriculture, BKSDA, and KADIN for the development of advanced agribusiness, conduct a feasibility study on orchid farming along with research institutes and cooperatives, and strive to hold nurseries in collaboration with local governments.

In developing orchid agribusiness, Bandung branch of PAI creates programs including helping, facilitating the increment in the need for learning vehicles, internships for vocational school children, polytechnics, and research activities for undergraduate, postgraduate, and doctoral students. Thus, the institution also participates in introducing early school children about orchid plants and the
economic potential of orchids. The Bandung branch of PAI also facilitates and coordinates efforts to procure national superior orchid seeds needed by the market along with related institutions. The institutions also carries out development efforts for orchid farmers and the orchid community, especially through transfer of screen and green houses technology, irrigation installations, precision measuring instruments, tissue culture cultivation and others that can increase the efficiency and the production as well as the cultivation of orchids.

CONCLUSION AND SUGGESTION

Conclusions

Based on the results and discussions described above, the Indonesian Orchid Association (PAI) as an institution plays several roles in the development of orchid agribusiness in Bandung as follows:

1) Procurement of production facilities: PAI helps provide seeds, fertilizers, pesticides, and orchid growing media to members of the Bandung branch of PAI and sell seeds, fertilizers, pesticides, and planting media to fellow members and public.

2) Farming/production: Bandung branch of PAI holds training on orchid production in the terms of direct or offline methods by seminars and demonstrations, also indirect or online by using webinars and demonstration methods due to the current pandemic conditions; thus, having strategies to increase the competitiveness of orchid production by improving product quality and maintenance or care of orchids.

3) Marketing: Bandung branch of PAI provides price and market information services for orchids to customers in the form of counseling, orchid catalogs, and website pai.or.id; also the Bandung branch of PAI organizes orchid festivals either indoors such as in halls or buildings or in outdoor in the area of Lembang, Bandung.

Suggestions

Based on the results of the study, several suggestions conveyed are as follows:

1. To ease in carrying out the institutional roles of the Bandung branch of PAI; the Bandung branch of the PAI should divide into three parts, namely PAI of Bandung
City, PAI Bandung Regency, and PAI West Bandung Regency.

2. In orchid training and coaching program, the institution is expected to maximize its role, it is better if the Bandung branch of PAI conducted an orchid training schedule once a month on a regular basis.

3. In supporting the development of orchid agribusiness, the Bandung branch of PAI has to realize and maintain cooperation programs with other institutions.

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