ABSTRACT


Until now, the development of micro-scale dairy cattle business in the District of Sagalaherang and Ciater of the Subang Regency not fully reached the desired level yet. This study intends to build a model of business development policy of the environmentally sound micro-scale dairy cattle in Subang Regency by using System Approach, Quantitative and Qualitative Analysis, Analytical Hierarchy Process (AHP), and Interpretative Structural Modeling (ISM) with 253 respondents during 6 months (January to June 2011). Statistical tests of this study show that factors significantly associated (p-value Alpha ≤ 0.05) with the development of environmentally sound micro-scale dairy cattle business (USPSMWL) are: (1) frequency of attending breeding extension, (2) farmers’ knowledge, (3) breeding management behaviour; (4) time length to run the business; and (5) time allocated to manage the business each day. Based on AHP, the main strategy of developing USPSMWL is “improving the readiness of the community/farmers”. Based on ISM, the key factor of developing USPSMWL is “harmonious team-work among farmers, bankers and government officials”.

The model simulation result can give a description of the real system behaviour. Of the three formulated scenarios (optimistic, moderate, and pessimistic), the implementation of the optimistic scenario is the most appropriate one.

This study concludes that the policy of USPSMWL development should be focused on: (a) strengthening harmonious cooperation among government institutions, (b) increasing community readiness, (c) designing spatial management for fodder availability, and (d) increasing the number of waste processed to produce bio-gas and organic fertilizer products, including the marketing of those products.

Keywords: Model, policy, development, dairy, cattle, business, micro-scale, environmentally sound.