ABSTRACT

HENDRASTUTI. The Design of Empowerment of Rural Communities in Agroindustry Cluster of Essential Oils (Case Study: Patchouli Oil). Under supervision of ERIYATNO, MEIKA SYAHBANA RUSLI, JOHNY WAHYUADI SOEDARSONO

Patchouli oil is an essential oil commodity in Indonesia. A research on design of empowerment on rural communities in agroindustry cluster of essential oils has been conducted using system approach which aim was to establish its Decision Support System (DSS). The research produced DSS model of comprehensive essential oil agroindustry from farming and small refinement industry that harmoniously accommodate the needs of stakeholders and should be effectively used by the decision makers facing dynamic changes and information updating. Analytical tools such as cost analysis, Fibonacci technique, OPTSYS programme, IPMS (Integrated Performance Measurement System), FGD (Focus Group Discussion), AHP (Analytical Hierarchy Process), pairwise comparison and ISM (Interpretive Modelling System) were applied.

The DSS software called PAP-Klaster that consist of several modules, namely the feasibility analysis of farming and post harvesting with a result of being feasible (Farming IRR= 14.6%, B/C ratio= 1.35; Small refinement industry IRR= 47.99%, B/C ratio= 1.69), selling price equilibrium of patchouli and patchouli oil which provide a proportionate profit margin (selling price equilibrium of patchouli: Rp 1 483/kg, selling price equilibrium of patchouli oil: Rp 396 770/kg ), performance measurement of farming and post harvesting in agroindustry cluster system resulting to the identification of 16 Key Performance Indicator (KPI) from 56 Performance Indicator (PI). Conceptual model of agroindustry cluster of essential oils that end result could arrange institutional engineering and found key elements such as sector of society, needs, constraints, goals, possible changes, benchmarks, activities needed for action planning and institution involved. Institutional engineering resulting Jejaring Usaha PAP-Klaster and Forum Lintas Pelaku Klaster Agroindustri Minyak Atsiri. This model was verified through case study on patchouli oil agroindustry in Kuningan and Brebes regency.

Empowerment of rural communities in essential oil agroindustry not only improves the welfare of agroindustry entrepreneurs but also will improve the welfare of patchouli plant growers.

Keywords: Empowerment of rural communities, patchouli oil, selling price equilibrium, institutional engineering