ABSTRACT

The Strategy of The Agricultural Services in Developing Agribusiness for Primary Vegetables Commodity in The City of Medan

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The aims of this study are: (1) to specify the type of primary vegetables commodity to be developed, (2) to analyze the internal and external environmental factors as the basis for formulating alternative agribusiness development strategies for vegetables commodity, and (3) to determine the prioritized strategies of the Agricultural Services in developing agribusiness for primary vegetables commodity in the City of Medan.

Four kinds of vegetables were selected as primary vegetables to be developed in Medan. Those vegetables are mustard, snake bean, spinach, and kangkung.

Based on the analysis of internal environmental, strengths and weaknesses are discovered. The strengths are: (1) the top management motivation, (2) vegetables as inexpensive nutrition sources, (3) the possible increase of productivity, (4) the ability to cooperate with cross-sectoral Services, (5) the access to farmers/farm groups, (6) the trust of society/farmers to the Services as the extension institution, (7) the potential to increase PDRB. While the weaknesses are: (1) a limited extension facilities/infrastructures, (2) a limited capital for farm operations, (3) a lack of innovation, (4) an unprofessional agricultural management, (5) a priority on gema palagung, (6) an ineffective fund allocation, and (7) a not optimal worker empowerment.

From the analysis the external factors, there are several opportunities, namely: (1) the development of technology and information, (2) the awareness of society toward nutrition, (3) the regional government policy, (4) the geographic potential, (5) the increase of vegetables consumption, (6) the utilization of bare land, and (7) the increase of income per capita. While the threats are: (1) the productivity from overseas, (2) the switch function of land, (3) the attack of crop pests and diseases, (4) the availability and price of agricultural production facilities, (5) the stability of politic and security, (6) the perishable nature, and (7) the price fluctuation.

The internal and external factors are set up in form of SWOT matrix. Based on the SWOT matrix analysis, there are seven alternative strategies to develop in agribusiness for vegetables commodity. On the Strengths-Opportunities cell, there are two alternative strategies, namely: (1) to increase the production of vegetables commodity, and (2) to intensify the extension. On the Weaknesses-Opportunities cell, the alternatives are: (1) to improve the human resources, and (2) to carry out the training for farmers on agribusiness for vegetables commodity. On the Strengths-Threats cell, the alternative is: to develop effective technology. On the Weaknesses-Threats cell, the alternatives are: (1) to apply the production and marketing management, and (2) to develop the farmers’ self-sufficiency.

To determine the prioritized strategies from the seven alternative strategies, QSPM analysis is used. The order of priority is as follows: (1) to carry out the training for farmers on agribusiness for vegetables commodity, (2) to increase the production of vegetables commodity, (3) to improve the human resources, (4) to develop production and marketing management, (5) to develop the farmers’ self-sufficiency, (6) to intensify extension, and (7) to develop effective technology.