SUMMARY

NINA SARI AN-NISA. Risk Analyze and Strategic Evaluation of Livestock Insurance Case Study: Pilot Project PT Asuransi Jasa Indonesia (Persero). Supervised by RIZAL SYARIEF and GENDUT SUPRAYITNO.

Livestock is one of the agricultural Sub Sector, which has strategic role in economic matters in Indonesia. However, livestock faces a lot of risk, which often gave loss for livestock subject, especially breeder. Consequently, the government issued the regulations (number 19, year 2013), it contains about farmer’s protection and empowerment, with one of the way to protect the farmer is by agricultural insurance. Agricultural insurance which is applied in Indonesia, it has been focused on strategic commodity, such as paddy and cow or cattle. On second quarter of 2013, Ministry of agriculture in conjunction with Bank of Indonesia launch cattle insurance, which is they practically collaborate with several insurance companies, then they make the cattle insurance consortium, it is named KATS. KATS elects one of the state-owned insurance companies, PT Asuransi Jasa Indonesia (Persero) as the consortium leader. Insurance companies as the executants of the pilot project are expected to determine appropriate strategy so that the implementation can run well. In this research, implementation strategy of livestock insurance PT Asuransi Jasa Indonesia (Persero) as the leader of the consortium is designed. In this study examined about risk analysis and evaluation of the implementation of cattle insurance. The study was needed to arrange development strategy of cattle insurance with the previous study conducted on cattle insurance scheme, both in Indonesia and overseas to get comprehensive description regarding cattle insurance.

The livestock insurance which the object of the insurance is cattle have some risk that cover by the insurance. Some risk that cover by the livestock insurance are risk of death cause by disease, death cause by accidents, and lost. Livestock insurance can be followed by farmers who have both beef cattle and dairy cow. The premium of the insurance is 2 percent from the price of face amount and the prevailing insurance is about 1 year. There is some risk that guaranteed on cattle insurance are risk of death due to disease, death resulting from an accident, and lost. Cattle insurance can be followed by the farmers as the insured person either having dairy cattle and beef cattle by making an agreement with the underwriters are insurance companies and obligation of paying a premium of 2% of the price account namely two hundred thousand rupias to beef cattle and three hundred thousand rupias for dairy cattle with the applicable insurance for 1 year. The evaluation of cattle implementation insurance for 1 year (2012-2013) based on aspects marketing, aspect underwriting, aspect insurance claims, cattle insurance have been going well. But there are still limited one of which is the number of participants insurance cattle that is still classified as a little when compared with a population of cattle. It was because the lack of Permentan, which regulate the insurance operations cattle, so that there has not been clear rules on the functions and the role of various the related agencies as local government, financial institutions, and insurance companies. Based on the analysis of the risks secured at the cattle insurance, known that the company can ensure risk of death due to disease, death resulting from an accident, and lost
This research aims to analyze external and internal strategic factor, which are take effect on cattle insurance pilot project implementation, and it also aims to analyze the company position, therefore the objectives of the company on cattle insurance pilot project implementation can be determined. Furthermore, this research also aims to design several alternative strategy and recommendation priority strategy on implementation of livestock insurance pilot project. The research method used in this research is case study qualitative descriptive with sampling method, it’s called purposive sampling method. Analytical tool has used in this research are Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) analysis. The purpose of EFE uses is to evaluate strategic factor, while the IFE is to know the company position. Several alternative strategies are obtained by using SWOT analysis, whereas the priority strategy determination is obtained by using QSP analysis. Strategy Implementation core plan will be compiled based on the strategy analysis.

The most influential internal and external strategic factor of the implementation of pilot project cattle insurance in the company can be known based on analytical tools, IFE and EFE. The most influential external strategy factor is regulations law, Number 19, year 2013 which is published by the government, and the implementation of good breeding practice, whereas the most influential internal strategy factor is the performance and the brand image of the company, and also the human resources. The position of PT Asuransi Jasa Indonesia in the implementation of cattle insurance pilot project is located on fifth quarter IE matrix, which is in the hold and maintain position, the recommended strategy is market penetration strategy and product development strategy.

The suitable alternative strategy for implementation livestock insurance pilot project is obtained based on strategy analysis. There are 8 alternative strategies, which are obtained by SWOT analysis are: 1) To do the product marketing, especially to the cattle centre region; 2) To cooperate with the Financial institutions which are focus on lending cattle distribution 3) To do the risk analyze on livestock industry in the centre product region 4) To do the collaboration with the ministry of agriculture for the purpose of cattle insurance socialization and the implementation of good breeding practice 5) Make the standard operational procedure cattle insurance in the company based on the regulations 6) Investing on human resources by recruit and train the professional breeders 7) Evaluating the livestock insurance premiums 8) Make the strategy plan of livestock insurance product. Priority strategy which is obtained in this research by QSPM analysis is the cooperation of the companies and the ministry of agriculture to socializing implementation of cattle insurance and good breeding practice. Strategy implementation on development livestock insurance, it contains of strategy recommendation, strategy policy, program, the person in charge, and the indicator. Implementation strategy is made for the purpose of being guide for the company to fulfill the strategy and also can be used on the strategy evaluation stage.

Keywords: strategy, development strategy, livestock insurance, risk analyze, pilot project, strategy implementation.