SUMMARY

AHMAD IRFAN NURMAHDY. Analisis of Rice Supply Chain Performance in Karawang District. Supervised by MACHFUD and M FAIZ SYUAIB.

During 2018, Indonesia’s rice productions estimated as big as 78.81 million tons of paddy or rose up 1.45 million tons (1.88%) prior 2017 productions (Ministry of Agriculture 2019). Farmer success rate during the paddy production is not adequate with the farmer welfare itself, whom mostly caused by the costs, thus including supply chain cost. Rachman (2013) stated, the performance of supply chain is determined by reliability, responsivity, and flexibility in term of fulfilling consumer needs with minimizing the operational costs. With respect to performance measurements, hence the supply chain actor will possibly able to determine their direction of improvement. Furthermore, since Karawang Regency is one of the major rice productions in the regions, the Writer appointed this area as a research object in this supply chain study.

Paddy supply chain stakeholders consists of farmer, trader, and rice mill. This scheme already running for a long term period. Most of the farmers felt helped within the help of rice trader due to their capability of penetrating farmer’s product towards the rice mill. In addition, the trader mostly only distributes the grain itself. While the rice mill does most of grain extraction into white rice and directly selling the products into the market.

The paddy supply chain actors in Karawang Regency, as mentioned before; farmers, traders, and rice millers has some certain working metrics that not perfectly suitable with their expectation. The metrics values that not suited with stakeholder’s expectations are; perfect order fulfillment metrics, perfect condition, production cost, day sales outstanding dan days payable outstanding. Performance value of traders that still not able to fulfill the expectations are; metric of % of orders delivery in full, order fulfillment cycle times, thus also upside make and deliver flexibility and order management costs. On the other hand, the value that still could not fulfilled rice millers are; metrics of % of orders delivery in full order, source cycle times, upside make and upside deliver flexibilities, production costs, and lastly delivery cost itself.

Factors that influenced the farmer performance into less effective and efficient are the high costs of agricultural business and long time range of account receivable could be tackled with upgrading the usage of agricultural machinery and increasing the efficiency of agricultural input. Moreover, the Improvement of procurement and delivery flexibility into trader would be done with capital strengthen in group manner. On the other hand, more enhancement in procurement and delivery service in paddy mill could be completed with modernizing rice extraction machinery and tools. Later, the improvement should also be done in the transportation medium on rice delivery from the mill into the market.

Keywords: rice, supply chain, performance measurement, effort to improve the performance