PROCEEDING

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Universitas Muhammadiyah Yogyakarta, Indonesia

"Disruptive Innovation in Modern Business Era"

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Department of Management

FACULTY OF ECONOMICS AND BUSINESS
Universitas Muhammadiyah Yogyakarta

in collaboration with:
**Universiti Sains Islam, Malaysia
Tamkang University, Taiwan
Khon Kaen University, Thailand**

The 4ʳᵈ International Conference on Management Sciences 2018 (ICoMS 2018)

March 28 2018

Universitas Muhammadiyah Yogyakarta, Indonesia

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Preface IcoMS 2018

The 4rd International Conference on Management Sciences 2018 (ICoMS 2018)

March 28 2018

Universitas Muhammadiyah Yogyakarta, Indonesia

Dear Presenters and Delegates,

Department of Management, Economics Faculty, University of Muhammadiyah Yogyakarta, in collaboration with the Tamkang University Taiwan, Khon Kaen University Thailand, USIM Malaysia, organized an International Conference which will be held on March 28 2018.

We are proud to know that tehre is a thick manuscript submissions came to our table for this conference. In detail, there are 42 international academic manuscripts which we received from Indonesia, Malaysia, Thailand. And in this conference we choose **Disruptive Innovation in Modern Business Era** as the main theme.

Our international conference is a manifestation of the Government of Indonesia through the Directorate General of Higher Education, which has encouraged the internationalization of research and teaching in order to foster high-caliber academic institutions globally and increase competitiveness in International Higher Education.

We are very confident that our presenters and delegates will get a lot of ideas together and experience of this conference. In addition, our participants will enjoy additional insight from our plenary session keynote speakers, namely, Prof.Dr.Shu-Hsien Liao from Tamkang University Taiwan, Dr. Kawpong Polyorat from Khon Kaen University Thailand, Prof. Dr. Syadiyah Abdul Shukor from USIM Malaysia, and Punang Amaripuja, S.E., S.T., M.IT. from Universitas Muhammadiyah Yogyakarta.

Through this conference, we are committed to promote and improve our mission and academic culture synthesize global progress with local knowledge. Therefore, it is my great honour to welcome you to IcoMS 2018 in great cultural city of Yogyakarta, Indonesia. I look forward to seeing you soon in the conference.

Best wishes,

Dr. Indah Fatmawati

Chair of IcoMS 2018

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TABLE OF CONTENTS

The 4th International Conference on Management Sciences 2018 (ICoMS 2018)

Wednesday, March 28 2018

Universitas Muhammadiyah Yogyakarta, Indonesia

8	**PAPER ID 18.013**: Strategic Management Analysis Development of Cattle Agribusiness In NorthSulawesi With Concept Approach "Cooperative Farming" **Jolyanis Lainawa**	**56-66**
9	**PAPER ID 18.047**: Dispute Settlement on Violation of Business Ethics: A Legal Framework to Innovative Future **FE Fikran Alfurqon, Dinda Andriandita and Rima Ayu Andriana**	**67-71**
10	**PAPER ID 18.014**: Analysis of Sustainable Competitiveness of Tourism Sector In Ternate, North Maluku Province **Muharto**	**72-87**
11	**PAPER ID 18.020**: Analysis of University Entrance Decision Through Promotion, Student Purchasing and Awareness **Anik Tri Suwarni, Rorim Panday and Andrian**	**88-100**
12	**PAPER ID 18.034**: Development of Awqaf Products in the State of Negeri Sembilan Post-Wakaf Enactment (Negeri Sembilan) 2005: Effectiveness of Promotion Campaigns **Prof. Dato' Dr. Mohammad Haji Alias, Haji Azzerol Effendi Abdul Kadir, Nur Izzati Adnan, Nur Hidayah Mazlan and Nik Norsalina Raja Dollah**	**101-117**
13	**PAPER ID 18.056**: Small and Medium Enterprises (SMEs) Community Strategy to Increase Consumer Interest of Handycraft Products at Tanggulangin Sidoarjo **Dra. Lilik Indayani, MM and Dewi Andriani, SE., MM**	**118-121**
14	**PAPER ID 18.057**: Knowledge Sharing and Innovation Capability to Encourage CompetitiveAdvantage (Empirical Study on Small Medium Enterprises Giriloyo Art Batik, BantulIndonesia) **Ayu Candrawati and Ika Nurul Qamari**	**122-128**
	ROOM C **Chairs of Parallel Session:** Ika Nurul Qamari, S.E., M.Si.	
15	**PAPER ID 18.051**: Financial literacy For Family Welfare Within Financial Planning: Study Demographic of community in Tanjung Balai City, NortH	**129-140**

ICOMS 2018

Strategic Management Analysis Development of Cattle Agribusiness in North Sulawesi With Concept Approach "Cooperative Farming"

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ABSTRACT

Based on the concept of strategy management, this study examines the capabilities of the "cooperative farming" concept in the analysis of three stages of strategy formulation (analysis of the external environment (EFE) and internal environmental analysis (IFE), IE matrix analysis, SWOT analysis, and QSPM analysis) on the development planning of beef agribusiness in North Sulawesi. Further description of the situation and problems of cattle farming business conducted by farmers in North Sulawesi. The goal is to get the latest model about the concept of agribusiness development strategy of beef cattle in North Sulawesi.

The concept of "cooperative farming" is a model for empowering farmers by "social engineering", "economic engineering", "technological engineering" and "value-added engineering" and jointly implemented between farmers, the private sector and the government.

Primary data were obtained by conducting in-depth interviews of 50 cattle ranchers, 12 beef traders, 2 local government officials related to the research, and 2 professors of beef agribusiness researchers. While secondary data is collected and obtained from relevant articles or literature, internet and data Central Bureau of Statistics.

Research result; a serious concern in the industry competition is the entry of newcomers, although the intensity of competition is included in the medium category. The concept of "cooperative farming" is able to minimize the weakness factor, avoid the threat factor and increase the opportunity factor.

The recommended general strategies are product development, market penetration, market development, backward integration, forward integration, and horizontal integration. While the priority strategy is to improve the role of institutions supporting the agribusiness system.

Keywords: management strategy, cooperative farming, beef agribusiness.

1. Introduction

Cattle breeding farmed by farmers in North Sulawesi is still largely preserved by traditional means of free-livestock cattle or shepherded on agricultural lands and non-farmers' estates. As a result the population and productivity of cattle in North Sulawesi is relatively very low, and unable to meet the "high" needs of market demand. In addition, the habit factor that has been "rooted" among farmers that the purpose of raising livestock is to help the agricultural work, where livestock is only used as agricultural labor, later if not productive, new cattle are sold or exchanged with other cattle that are still productive for agricultural work.

To change the management system to the agribusiness system, there needs to be a management strategy model by considering the concept of farmer empowerment strategy in rural (cooperative farming). According to Nuryanti (2005) "cooperative farming" is a strategy management model that is very important for the empowerment of farmers by way of social engineering, economy, technology and added value.

Furthermore, stakeholders involved in "cooperative farming" are farmers, private, and government. The principle according to Andri (2016) is a simultaneous linkage between all stakeholders in a broad scale in the concept of Corporate Farming, Cooperative Farming, or Contract Farming Group which puts the farmers groups as the main actors of agribusiness activities. The strength of cooperative farming according to Prakash (2000) is to produce greater efficiency in the management of agricultural production, value added, environment and technology.

Furthermore, Shinta (2011) adds this is the concept of an efficient land management system by a group of farmers in a joint management. The problem is how to make this concept as a strategy in the stages of strategy management analysis.

The disadvantage in making strategy management analysis is that it has not considered much about commodities that have specific characteristics, such as agricultural commodities (cattle), which are highly dependent on biological conditions.

2. Literature

2.1 Model and Process Management Strategy

Hunger and Wheelen (2012:55), Strategic management is a set of managerial decisions and actions that determine the long-term performance of a company. These include environmental scanning (both external and internal), strategy formulation, implementation strategy, and evaluation and control. Fred R. David (2011: 31), strategic management focuses on integrated management, marketing, finance / accounting, production / operations, research and development, and information systems to achieve organizational success. Furthermore, the strategic management process consists of three stages: (1) strategy formulation, (2) strategy implementation, and (3) strategy evaluation.
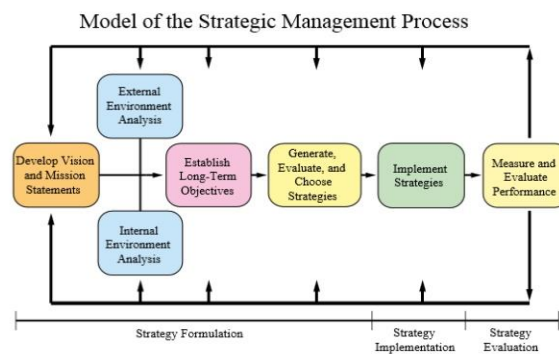
Source: Fred R. David and Forest R. David (2015: 52)

Hitt, et.al. (2009: 33) explains, the first step the company undertakes in the strategic management process is to analyze the external environment and the internal environment to determine the resources, capabilities, and core competencies of the sources of strategic inputs. Because according to Hitt, et.al. (2009: 31), strategic competitiveness is achieved when a company succeeds in formulating and implementing value-creating strategies.

Fred R. David and Forest R. David (2015: 192) explain that all organizations have strengths and weaknesses (internal) in the functional areas of business as well as opportunities and threats (external). Fred R. David and Forest R. David (2015: 194), the process of conducting internal audits is parallel to the external audit process. Internal auditing requires the collection and assimilation of information on management, marketing, finance and accounting operations, production and operations, R & D and MIS (enterprise management information systems).

Compared with external audits, the process of conducting internal audits provides more opportunities to understand how the work, department, and divisions fit the entire organization. Fred R. David (2011: 105), External Factor Evaluation Matrix (EFE) allows strategists to summarize and evaluate economic, social, cultural, demographic, environmental, political, governance, legal, technological, and competition information.

According to Fred R. David (2011: 147), the Internal Factor Evaluation Matrix (IFE), is a strategy tool for summarizing and evaluating the major strengths and weaknesses in the

functional areas of a business, and it also forms the basis for identifying and evaluating relationships between areas the. Intuitive assessment is required in developing IFE Matrices, so the emergence of a scientific approach should not be interpreted as a very powerful technique.

Fred R. David (2011: 106), Competitive Profile Matrix (CPM) identifies the main competitor of the company and its strengths and weaknesses particularly related to the position of the sample company strategy.

2.2 Agribusiness Concept

Agribusiness according to Chauhan (2014: 5), can be divided into three interdependent economic sectors, namely input sector, agricultural sector and product sector.

Concept of Agribusiness Chauhan Model

John Davis and Ray Goldberg (1957) in Chauhan (2014: 6), the agribusiness industry consists of only five basic forms of business organization: (1) Individual Ownership, (2) Partnerships, (3) Joint Stock Companies (capitalistic forms) 4) Cooperative and (5) Society / State Enterprise.

Chauhan (2014: 9), Type of Agribusiness Management / Specialization Field of Agribusiness Management for basic area; (1) Production and operation management, (2) Management & financial planning, (3) Marketing and sales management, (4) Personnel or human management. As for other areas (other areas); . (1) Material management, (2) Purchasing management, (3) Wholesale & retail management, (4) Management office, (5) Management of livestock, (6) Export and import management.

Hudson (1990) in Baga (2013) states that with increased business competition, the greater the demand to change the perspective of agribusiness.

According to him agribusiness should no longer be developed with a traditional approach that only focuses on production activities, but should move to an emerging approach and focus on the interests of consumers.

A Comparison between a Traditional and an Emerging Perspective of Competitiveness of the Food and Agribusiness Sector
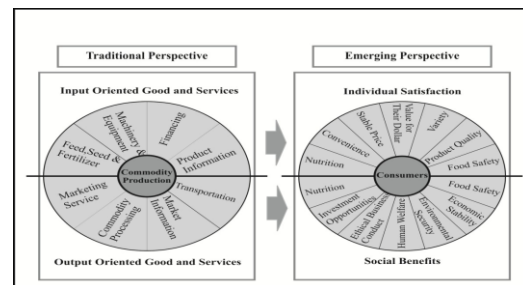
Source: Hudson, 1990 in Baga (2013)

3. The Conceptual Framework

North Sulawesi has potential for agribusiness development of beef cattle. This is in addition to being supported by the carrying capacity of resource factors of production, also has a market potential, where demand for beef commodities continues to increase.

The problem has been that cattle rearing by most of the farmers in North Sulawesi is still traditional with the main purpose only to support agriculture activities, to be used as agricultural laborers, where if it is not productive or if there is an urgent economic need from farmers, the cattle were sold. Whereas the market demand for beef continues to increase.

Therefore it is necessary to re-establish the system of cattle rearing done by farmers in the countryside towards the direction of the agribusiness system. This requires a strategic concept for the development of beef agribusiness in North Sulawesi can provide significant benefits.

This research uses "case study" approach, with descriptive analysis method, three stage analysis of strategy formulation and industry competition analysis. The goal is to illustrate, summarize the various conditions, situations, or various phenomena of reality and can formulate development strategies to the agribusiness system.

The selection of qualitative approach in this research is to answer deeply about why the cow breeding system that mostly farmers in North Sulawesi is still "traditional" oriented, whereas the potential of beef business is very good for improving the welfare of farmers' income.

Research Model
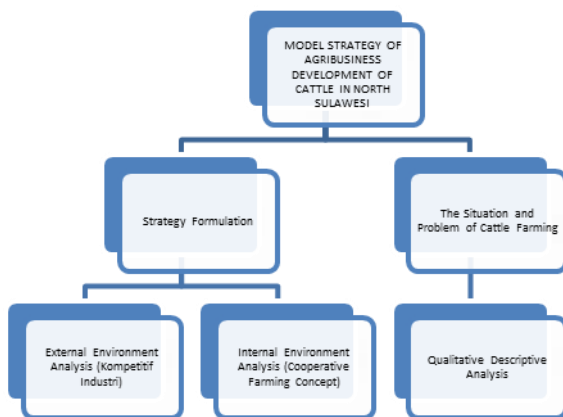
Formulation of   Proposition;

1. The concept of cooperative farming can serve as a strength which has the ability to minimize weakness, avoid threats and increase opportunity opportunities.
2. The main threat of business competition in beef cattle in North Sulawesi is the entry of newcomers.

4. Research Methods

4.1 Research Design

This research uses "qualitative" method with "case study" approach. According to Creswell (2014: 32), qualitative research is an approach to explore and understand the meaning of individuals or groups that are perceived as a social or human problem.

Bogdan and Taylor (1975) in Moleong (2011: 4), qualitative methods as a research procedure that produces descriptive data in the form of written or oral words of observable persons and behaviors. In addition Williams (1995), qualitative research is the collection of data in a natural setting using natural methods, and done by people or researchers who are interested in nature.

Meanwhile, for case study; according to Yin (2011) view, the case study is a research method in which the questions asked are related to "how" and "why". then case studies are subdivided into more specific methods; (1) descriptive, is a research method that focuses on deciphering the case under investigation. (2) exploratory, ie in-depth investigation. (3) explanatory, which provides detailed descriptions and explanations of the cases studied.

4.2 Data collection Technique

Data used in this research include primary data and secondary data. Primary data is data obtained directly by way of observation, in-depth interviews of the informants that have been prepared, While the secondary data is data obtained from sources that have been previously documented.

In this study, primary data were collected and obtained directly through observation, interviews with parties considered to understand the agribusiness problems of beef cattle in North Sulawesi which includes elements; 50 Beef cattle ranchers spread in Mongondow and Minahasa areas, 10 beef traders in traditional markets in Manado and Kotamobagu and 2 beef sellers at supermarkets in Manado, 1 staff officer at North Sulawesi Industry and Trade Office, 1 staff member employee at the Office of Agriculture and Animal Husbandry of North Sulawesi Province (the two selected staff members are the ones who understand exactly and actively deal with projects that are in agribusiness with beef cattle),   as well as head of Animal Cut House (RPH) of Manado ruminants. While secondary data is collected and obtained from relevant articles or literature, internet and data Central Bureau of Statistics.

There are four kinds of data collection techniques conducted in this research are; Interview, Observation, Focus Group Discussion (FGD), Questionnaire, Documentation and Combination / Triangulation.

4.3 Data Analysis

The process of data analysis in this study is to observe and study all data from various sources, then perform data reduction by making a summary of the core, then arrange in units categorized in the same group, then examination of data validity, formulation and interpretation subsequently concluded . The data analysis tools used for this data analysis process consist of descriptive approach, three stage analysis of formulation and analysis of industrial environment competition.

5.   Results And Discussion

5.1 Description of Results

The agricultural area in North Sulawesi is a tropical region with good natural resources potential for the development of beef cattle agribusiness. Currently, the maintenance (cultivation) of beef cattle in North Sulawesi is still done traditionally (extensification) with the model of "farming integration" so that the population and productivity are less good and not profitable in the business perspective.

Cultivation of beef cattle has been long enough and hereditary done by farmers-ranchers in North Sulawesi. Most informants (farmers) say the main purpose of raising cattle is for agricultural labor.   And if livestock is not productive anymore, or there is an urgent need for financial needs, new cattle are sold.

Based on the scale of the business as a whole and the income level of farmers, it can be classified the cattle breeding business in North Sulawesi into three groups, namely:
1.   Farming as a sideline, ie farmers cultivate agricultural commodities, especially food crops, while livestock is only as a sideline to meet the needs of the family (subsistence).
2.   Livestock as a business branch, ie farmers cultivate mixed farms with livestock
3.   Livestock as the main business, the farmers cultivate livestock as a staple business.

The increase of cattle population in North Sulawesi during the period of 2012 - 2016, an average of 3.77% per year.

This population is obtained from the maintenance effort done by the farmers with the traditional system (system integration), and obtained from the maintenance that has been using the system perkandangan (fattening) conducted by beef cattle company, in addition to the supply from the province of Gorontalo and Province Central Sulawesi. The main cause of the low level of population and productivity of cattle raised by farmers is that they still rely on traditional means, which is considered to be the safest and no risk of losses.

In addition, farmers have difficulty in obtaining access to capital, not knowing in depth about business management, has not mastered the technology and information and the lack of functioning of institutional system of agribusiness. Result of research Elly, et al (2008) traditional livestock cattle breeding with pattern of crop-livestock integration, mostly done by farmer in North Sulawesi.

Salendu (2011), supports Elly et al's research results, where the results of his research prove that in North Sulawesi local cattle rearing is done by modeling the integration system between coconut and maize. The results of Oley et al (2015) study supported Elly et al's research that in South Minahasa District most of the beef cattle raising is done by crop-livestock integration system, where cows are kept under coconut trees by consuming only grass feed, forage, and hijaun corn and rice plants that have been harvested.

The Agency for Agricultural Research and Development of North Sulawesi, once published a research conducted in 2013, that the model of beef cattle integration system managed to increase the population of beef cattle and increase the welfare of farmers in North Sulawesi.

5.2 The   State   of   Beef   Demand   and Consumption In North Sulawesi

The need of beef consumption for the

people of North Sulawesi is obtained from two sources, namely local and imported livestock production. A striking difference is that local cattle production is mostly sold in traditional markets, while imported meat is sold to supermarkets.

However, based on interviews with consumers, they prefer local beef because it is still fresh. While imported beef is less favored because it is sold in a frozen state. But because consumers are faced with the problem of the limitations and scarcity of local beef, imported beef becomes an alternative. According to information from RPH (slaughterhouses) Manado ruminants, the number of local cattle slaughter in RPH, an average of 15 tails per day.

The results of cutting 13 tails are distributed to traditional markets and 2 to supermarkets. Furthermore, according to the applicable provisions of the age of livestock slaughter is 1 to 4 years. But most of the cattle that are cut is aged 1-1.5 years (still a cattle status) with weight between 150-200 kg. This is because at the request of consumers who want to buy tender beef. Head of North Sulawesi Industry and Trade Agency, Jenny Karouw explained, in North Sulawesi there are cattle breeders but still very little, because it is imported from Australia and New Zealand and bring cows from the province of Gorontalo and Central Sulawesi.

5.3 Result of Internal-External Factor Analysis of Cattle Agribusiness in North Sulawesi

The result of IFE matrix analysis shows that the highest score of strength factor is "social engineering" (strengthening of farming institution, extension and human resource development) with weight value 0,130 with rating value 4 so as to produce score of 0,520. Furthermore, the same position is also on "technological engineering" (achievement of recommended technology agreements with farmers' habits), namely the value of weight of 0.130 with a rating of 4 to produce a score of 0.520.

The informants agreed that the two forces were a very important factor contributing to the development of beef agribusiness in North Sulawesi. Therefore, this factor becomes a major force factor which is the key to success that must be maximized.

Table 5.1. Results of Internal Factor Analysis (KAFI) / Strength

Strenght	Weight (%)	Rating	Score	Conclusion Priority / Ranking
Social engineering	0.130	4.000	0.520	1
Economic engineering	0.116	3.000	0.348	2
Technology engineering	0.130	4.000	0.520	1
Value-added engineering	0.102	2.000	0.204	3
Total	0.478	13.000	1.592	

Nuryanti (2005) describes social engineering is done by strengthening the institutional efforts of farming, extension and human resources development. Economic engineering is carried out by means of capital access development especially for the procurement of production facilities (saprodi) as well as market access. Technological engineering is done by achieving the recommended technology agreement with farmers' habits, then Value-added engineering is done through the development of vertically and horizontally coordinated off-farm enterprises.

Coordination vertically and horizontally involves stakeholders who are accommodated in a partnership. Stakeholders involved in the concept of cooperative farming are farmers, private, and government. Based on the result of internal factor analysis, the weakness factor that has the lowest score is "Lack of Cow Processing Products Industry" with weight of 0.072 and rating 1 to produce a score of 0.072.

This indicates that the beef cattle processing industry needs attention to be developed soon. Then followed by "Quality and quantity of Human Resources" with weight of 0.075 and rating 1 to produce a score of 0.075.

Based on the results of EFE analysis, the main opportunities that can be utilized for the development of beef cattle agribusiness in North Sulawesi is "Product Market and Potential Demand for National Beef" with weight of 0.186 and rating 4 so get the highest score of 0.744. The Second Opportunity is "Government Commitment Through Food Fulfillment Program of Livestock Origin and Agribusiness of Animal Husbandry", with weight of 0.181 and rating 4 so as to get the second highest score of 0.724.

While the main threat to watch out for in the development of beef cattle agribusiness in North Sulawesi is "The decline of labor force in the livestock sector", the informant gave weight of 0.080 and rating 1 to get the score of 0.080. The second threat to watch out for is "dependence on imported production facilities", where the informant gives weight of 0.175 and rating 2 to get a score of 0.350.

Based on IFE and EFE analysis results, the total score for IFE is 2,735 and EFE is 3,945. These two totals are then incorporated into the Internal-External Matrix (IE) analysis.

The result of the evaluation puts the position that the development of beef cattle agribusiness in North Sulawesi is in the second quadrant in the Grow and Build position, so the strategy is market penetration, market development, product development, backward integration, forward integration, and horizontal integration.

Table 5.2. IE matrix agribusiness beef cattle in North Sulawesi

Total value of IFE			
Total value EFE	Strong 3.0-4.0	Medium 2.0-2.99	Weak 1.0-1.99
High 3.0-4.0	I. (Grow and Build)	**II (Grow and Build)**	III (Keeping and Maintaining)
Medium 2.0-2.99	IV (Grow and Build)	V (Keeping and Maintaining)	VI (Harvest or Divestment)
Low 1.0-1.99	VII (Keeping and Maintaining)	VIII (Harvest or Divestment)	IX (Harvest or Divestment)

5.4 Results of Competition Analysis of Beef Industry in North Sulawesi

The results of the analysis of industrial competition carried out provide an overall picture that the beef marketing industry in North Sulawesi has the intensity of medium category competition with a score of 2186. This implies that although there is potential for economic returns or above-normal returns to investment, it does not mean that there is no competition in the cattle breeding industry in North Sulawesi, so there needs to be a strategy for dealing with competition by giving uniqueness to the production of cows produced of Japanese kobe beef / beef wagyu), also consider the quality factor and flavor of beef produced, and keep the resulting product can not be imitated by competitors. Here it is important to label the typical local cow "Minahasa Beef," Mongondow Beef ".

Table 5.8. Recapitulation of Beef Industry Competition Analysis Results.

Variables	Total Score	Intensity Competition	Ranking
The threat of newcomers	2.542	Medium	I
Intensity of competition between companies in industry	2.100	Medium	IV
Substitution product threat	1.292	Low	V
The bargaining power of the buyer	2.325	Medium	III
The power of bargaining suppliers	2.422	Medium	II
Total Average	**2.136**		
Intensity of competition in industry		Medium	

The most important strength affecting the intensity of competition in the cattle breeding industry in North Sulawesi is the "newcomer threat" which has a total score of 2,542 with the category of intensity of moderate competition. The second position is the "bargaining power of suppliers" with moderate competition intensity with a total score of 2,422, followed by "bargaining power of buyers" with moderate intensity and total score of 2,325, then "intensity of competition between firms in the industry" fair competition and a total score of 2,100.

While the least affect the intensity of this industry competition is the threat of substitution products with low competition intensity and total score of 1.292.

5.5 Results of SWOT Analysis

The formulation of agribusiness development strategy of beef cattle in North Sulawesi was obtained by using SWOT analysis. The strategic alternatives are divided into four, the S-O (strength-strength) strategy, the W-O (weaknesses-opportunities) strategy, the S-T strategy (weak-threats), and the W-T (weaknesses-threats) strategy.

Strategy formulation on SWOT matrix resulted 5 alternative strategies according to internal and external factors for the development of beef agribusiness in North Sulawesi. Based on the results of SWOT agribusiness matrix analysis of beef cattle in North Sulawesi,

1. SO strategy (aggressive) (Strategy using internal strength to benefit from opportunity)
   1) Increase population, production and productivity of livestock (S1, S2, S3, S4, O1, O2, O5).
   2) Stakeholder Partnership (Farmers, Private, Government) Cattle agribusiness (cooperative farming concepts) (S1, S2, S3, S4, O1, O2, O3, O4, O5)
2. Strategy ST (differentiation) (Strategy by harnessing the power possessed and trying to minimize the threat).
   1) Improve the quality and quantity of beef cattle commodities (S1, S2, S3, S4, T3, T5).
   2) Develop maintenance of system integration (S1, S2, S3, S4, T2, T4, T5)
   3) WO Strategy (diversification) (Strategy to benefit by minimizing weaknesses and exploit opportunities).
      1) Increasing the number and strengthening capacity (quality) of animal husbandry and animal health (W1, T2)
   4) WT Strategy (defensive) (Strategy with minimizing weaknesses and threats).
      1) Increasing the role of institutions supporting the agribusiness

system (government, financial institutions, marketing and distribution institutions, formal, informal and informal education institutions, extension agencies, research institutions, guarantee institutions and risk insurers) (W1, W2, W3, T1, T2 , T3)

5.6 Results of Analysis of Quantitative Strategic Planning Matrix (QSPM)

Quantitative Strategic Planning Matrix calculations are based on inputs from external internal matrix weights, as well as strategic tools at the matching stage. In the framework of formulating a comprehensive QSPM strategy using input from Phase 1 analysis and matching results from Phase 2 analysis to determine objectively among alternative strategies. That is, the EFE Matrix, IFE Matrix, which forms Phase 1, combined with the SWOT Matrix, IE matrix that forms in Phase 2, provides the information needed to create QSPM (Stage 3).

Table 5.10. Results of QSPM Matrix Analysis.

Priority	Alternate Strategy	Value of TAS
1	Increasing the role of institutions supporting the agribusiness system. (Government, Financing Institutions, Marketing and Distribution Institutions, Formal, Non Formal and Informal Education Institutions, Extension Institutions,Research Institutions, Insurance and Risk Insurance Institutions)	15.085
2	Partnership of Stakeholders (Farmers, Private,	14.968 8
	Government) Cattle agribusiness (cooperative farming concept)	
3	Increase population, production and productivity of livestock	14.107
4	Develop system maintenance integration	13.883
5	Improve the quality and quantity of beef cattle commodities	13.017
6	Increasing the number and strengthening capacity (quality) of animal husbandry and animal health	12.035

Based on the results of QSPM matrix analysis, the first priority strategy to beef agrobusiness development strategy in North Sulawesi is how to improve the role of supporting institutions of agribusiness system including the role of Government, Funding Institution, Marketing and Distribution Institution, Formal, Non Formal and Informal Education Institution Counseling, Research Institute, Guarantee Institution and Risk Insurance.

6. Conclusion

1. The development of beef cattle agribusiness in North Sulawesi is in a "Grow and Build" position, so the common strategy is to market penetration, market development, product development, backward integration, forward integration, and horizontal integration.
2. The main priority for the development of beef cattle agribusiness in North Sulawesi is to enhance the role of institutions supporting the agribusiness system which includes; Financial Institutions, Marketing and Distribution Institutions, Education, Training and Extension Institutions, Research Institutions, Insurance

Institutions and Risks. The second priority is the development of partnership system of Stakeholders (Farmers, Private, Government).

3. The main threat to competition in beef cattle agribusiness industry in North Sulawesi is the entry of newcomers, although the intensity of competition is still in the medium category, but it needs a prudent strategy.

4. Cooperative farming concept can be used as a strategy model for the development of beef cattle agribusiness in North Sulawesi, because it can minimize the weakness factor, avoid the threat factor and increase the opportunity factor.

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