Online ISSN: 2548-3919

INVOICE MANAJEMEN

WORLD TO SOME TO SOME THE PROPERTY OF COMMENTS OF COMMENTS

SUPPLY CHAIN ANALYSIS OF SOYBEAN RAW MATERIALS ON TOFU BUSINESS GROUP AT MEROBOK CENTRAL LOMBOK

Zainal Abidin

Faculty of Economics and Business, Mataram University

Email: abidin260860@gmail.com

ARTICLE INFO

Keywords:

Supply Chain, Tofu Business Group, Soybean Raw Materials, Mapping, and Supplier

How to cite:

Abidin, Zainal., (2021). Supply Chain Analysis Of Soybean Raw Materials On Tofu Business Group At Merobok Central Lombok. JMM UNRAM, 10(1), 41 - 55

DOI:

http://dx.doi.org/10.29303/jmm.v10i1.647

Collected: 19 Maret 2021 Revised: 23 Maret 2021 Published: 25 Maret 2021

ABSTRACT

This research is motivated by the problem of raw material shortages that experienced by Tofu business group at Merobok. The research aims are to find out the mapping and to identifiy supply chain problem of soybean raw materials on Tofu business group at Merobok Central Lombok. Type of this research is descriptive study with qualitative approach. Data collecting technique was used in-depth interview. direct observation, documentation. Then performed qualitative analysis by using Triangulation procedure. As for the results of this research concluded that Tofu business group apply Few Supplier strategy that is choose three supplier consisting of Ingin Maju farmers (ten persons of farmers), H. Abidi as a merchant, and Mr. Sahlan as a collector at Gemel village. However, Tofu business group more intensive to purchase raw materials from Mr. Sahlan (collector). Tofu business group including of weak buyers of soybean raw materials because unable to dominate supplier and Tofu business group has less purchasing power than other buyers and unable to search other suppliers because they have less available capital

Copyright © 2021. Zainal Abidin. All rights reserved.

1. INTRODUCTION

In 2014 the Ministry of Agriculture targeted 1 million tons of soybeans, considering the national soybean needs reached 2.1 million tons per year (Subbag Law and Public Relations Setditjen Food Crops). One of the steps taken by the government is to procure seeds at the center. The seeds are distributed to several regions in Indonesia that have potential in

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

the soybean farming industry, one of which is the west Nusa Tenggara region (NTB). In ntb region the seeds are distributed to Bima, Dompu, Sumbawa, East Lombok and Central Lombok. It is also to realize the creation of soybean self-sufficiency.

Soybean farmers in NTB were able to achieve production of 1.2 tons / ha, exceeding the national average production of only 1.1 tons / ha. To increase production, farmers are advised to use superior seeds such as Burangrang, Cuba, and Anjasmoro that are able to achieve production of 1.8 tons / ha. This prompted NTB as the third soybean production contributor after East Java and Central Java in 2013, in 2014 NTB became the second soybean contributor after East Java, and in 2015 the government targeted NTB as a contributor center for national soybean production.

One of the largest soybean production centers in NTB is Central Lombok. During the last five years the realization of soybean crop area in Central Lombok tends to increase by 22,227 ha, harvest area of 23.94 ha, productivity of 12.88 kw / dry seed. This indicates that Central Lombok is very potential in the soybean farming industry. In addition, Central Lombok is also a source of soybean seeds. Of the 34 blooms, 11 of them are soybean seeding.

The potential supply of soybeans from farmers as raw materials for tofu making, becomes a potential for the establishment of a Tofu Business Group. And one of the Tofu Business Groups that produce in Central Lombok is the Tofu Business Group in Merobok.

This Tofu Business Group has not been able to increase its production due to the difficulty of obtaining raw materials. So that in a day only able to process 27 kg of soybeans to be processed into tofu. Based on initial information from retailers know, that the amount of tofu produced by the Group of Tofu Businesses is still small to meet the needs of consumers in the market. Considering the marketing area of retailers is different and this should be an opportunity to expand *the market share* of tofu products from the Tofu Business Group in Merobok Central Lombok.

The process of picking agricultural products and post-harvest soybeans from farmers to merchants and to collectors undergo special treatment such as drying process, sorting process, packaging process, and sales process to consumers, so as to provide *added value* to soybean products.

The Tofu Business Group cannot fully buy soybeans from farmers, because farmers sell soybean crops to merchants who have given them money loans and fertilizers during soybean planting. It closes the opportunity for the Tofu Business Group to get soybeans at a low price. So, inevitably to keep producing Tofu Business Group buy soybeans from merchants and collectors at higher prices.

This illustrates that there is a supply chain of soybeans from farmers who sell their crops to merchants and a small portion to the Tofu Business Group. Hasil harvest from farmers sold to merchants, then merchants sell soybeans to the Tofu Business Group. Hasil harvest from farmers sold to merchants, then merchants sell soybeans to collectors, and collectors sell them to the Tofu Business Group and exported to several regions in Indonesia such as Java and Bali. In management this is called the supply *chain*. Based on this phenomenon, researchers are interested in conducting research on The Analysis of Soybean Raw Material *Supply Chain* in Tofu Business Group in Merobok Central Lombok.

1.1. Problem Formulation

- 1. How to map *the supply chain* of soybean raw materials from farmers to the Tofu Business Group in Merobok?.
- 2. How to identify the problem of soybean raw material *supply chain* in Tofu Business Group in Merobok?

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

1.2. Research Objectives

The objectives of this study are:

- 1. To know the mapping of soybean raw material *supply chain* from farmers to Tofu Business Group in Merobok
- **2**. To identify the problem of soybean raw material supply *chain* in Tofu Business Group in Merobok.

2. LITERATURE REVIEW

Porter in JR. Robinson and Pearce II excerpts from the *Harvaard Business Review* article say that there are five forces that affect competition in an industry consisting of: the threat of new entrants, the bargaining power of suppliers, the bargaining power of buyers (customers), the threat of subsite products and services (if any), and the fight among industry members..

- 1. Incoming threats
 - New entrants to an industry bring in new capacity, a desire to seize a share of the market, and often considerable resources.
- 2. Strong suppliers
 - *Suppliers* can leverage their bargaining power over industry members by raising prices or lowering the quality of the goods and services they sell.
- 3. Strong buyers
 - Porter in JR. Robinson and Pearce II excerpt from Harvaard Business Review article says... "Buyersor customers can depress prices, according to higher quality or more service, and pitting fellow industries so as to lower industry profits".
- 4. Subsite products
 - By setting the highest price limit (ceiling price), subsite products or services limit the potential of an industry.
- 5. Competition among industry members
 - Competition among industries occurs because they create positions using techniques such as price competition, product indicators, and ad wars.

Supply Chain dan Supply Chain Management

According to Indrajit and Djokopranoto (2002), *supply chain* is a system where the organization distributes its production goods and services to customers. According to Heizer and Render (2010), *supply chain management* is the integration of materials and service procurement activities, conversion of semi-finished goods and final products, and delivery to customers. All of these activities include purchasing and outsourcing activities, plus other functions that are important to supplier relationships with distributors.

Supply Chain Management Strategy

According to Pujawan (2005) there are several strategies, among others:

- 1. Many Suppliers
 - This strategy plays out between one *supplier* and another *supplier* and charges the *supplier* to meet the buyer's demand. Suppliers compete aggressively with each other.
- 2. FewSuppliers
 - In this strategy, the company establishes long-term relationships with committed *suppliers*.
- 3. Vertical Integration

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

This means the development of the ability to produce goods or services previously purchased, or by actually buying *suppliers* or distributors. 4) *Kairetsu Network*.

Most companies take the middle ground between buying from fewer *suppliers* and vertical integration by means such as financially supporting *suppliers* through ownership or loans.

4. VirtualCompany

Companies that rely on a variety of *supplier* relationships to provide services on demand. Also known as hollow corporations or network companies.

Supply Chain Management Process

Indrajit and Djokopranoto (2002) argue that the process of links that occur between the main players is as follows:

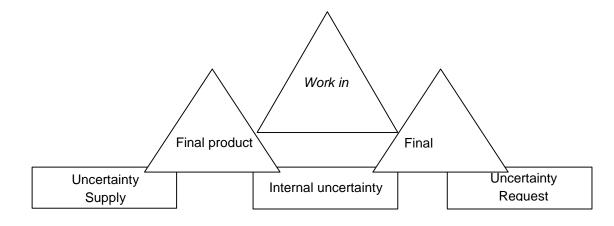
- 1) Chain 1: Supplier
 - The network starts here, which is the source that provides the first material, where the chain of goods distribution will begin.
- 2) Chain 1 2: Supplier Manufacturer

 The first chain is connected with the second chain, namely manufacturers or plants or assemblers or fabricators or other forms that do the work of making, fabricating, assembling, converting, or finishing goods(finishing). forexample, such savings can be obtained.
- 3) Chain 1 2 3: Supplier Manufactures Distributor
 Finished goods produced by manufacturers have begun to be distributed to customers.
 Although there are many ways to deliver goods to customers, the common one is through distributors and this is usually pursued by most *supply chains* or retailers.
- 4) Chain 1 2 3 4: Supplier Manufacturer Distributor Retail Outlet
 Large traders usually have their own building facilities or can also rent from other parties.
 This warehouse is used to stockpile goods before being distributed to retailers.
 retailers (retail outlets).
- 5) Chain 1 2 3 4 5: Supplier Manufacturer Distributor Retail Outlet Customer The retailers or retailers of these shelves, offered the goods directly to customers, buyers or users of the goods. Which includes *outlets* are shops, stalls, convenience stores, swayalan markets, or cooperatives where consumers make purchases.

Challenges in Managing Supply Chain Management

Pujawan (2005), there are challenges that must be faced in managing *suppy chain*,namely:

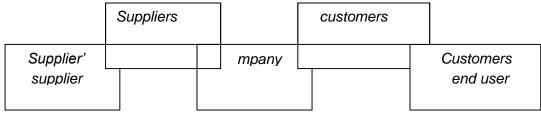
1. Complexity of supply chain structure. Figure 1. Uncertainty in supply chain



NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

Source: I Nyoman Pujawan (2005)

Figure 2. Supply Chain Management Model



Source: Indirit and Djokopranoto (2002)

2. Measuring Supply Chain Manajement Performance

Schroeder (2007) said that measuring *supply chain* performance is the first step towards improvement.

- 1) Delivery
- 2) Quality
- 3) Time
- 4) Flexibility
- 5) Cost

A. Supply Chain Integration

There are three issues related to efficiency development, *supply chain* integration, namely:

- 1. Local Optimization
- 2. Incentives
- 3. *Large lots*

B. Value Added Theory

The concept *of value added* is a value added that starts from the time of purchase of raw materials to finished products. The concept *of value added* emphasizes on adding product value during the process in the company (Shank and Govindarajan, 1992).

2.1. Qualitative Data Analysis

According to Seiddel in Burhan Bungin said that qualitative data analysis process as follows:

- 1) The process of recording results in field records, with it being coded to keep the data source searchable.
- 2) Collect, sort, classify, synthesize, create overviews and create indexes.
- 3) Thinking, by making the data category has meaning, searching and finding patterns and relationships.
- 4) Make general findings.

The purpose of qualitative data analysis is to find the meaning behind the data through the recognition of the subject of the culprit. Qualitative analysis has three data analysis procedures, namely data reduction, data presentation, and conclusion or verification.

Suppliers:

Farmers

Merchant

Steamer

Suppliers Evaluation

Figure 3. Research Thought Design

3. RESEARCH METHODS

The type of research used in this study is descriptive with qualitative approach. According to Sugiono (2005) states that descriptive method is a method used to describe or analyze a research result but not used to make broader conclusions. Researchers describe or descriptive the phenomenon of soybean raw material *supply chain* up to the Group of Tofu Merobok Central Lombok.

3.1. Data Analysis Procedure

This study used qualitative data analysis from Miles and Huberman (1992) in Sugiyono (2013) with triangulation procedure as follows:

1. Data Reduction

The data obtained at the research location (field data) is outlined in a complete and detailed description or report.

2. Data Presentation

The presentation of the data is intended to make it easier for researchers to see the overall picture or certain parts of the research focus.

3. Verification

Verification of data in qualitative research is carried out continuously during the study.

4. RESULTS AND DISCUSSION

The data analysis procedure in this study uses triangulation. Data analysis in this study was obtained from the results of *in-depth* interviews, observations, and documentation by organizing data, conducting synthesis, selecting important ones and making conclusions about "Analysis of Soybean Raw Material *Supply Chain* In Tofu Business Group In Merobok Central Lombok".

4.1. Validity Testing

To obtain the validity of the data in this study, testing was conducted. The test is with credibility test that includes extension of observations conducted by researchers, triangulation, *member check*, use of reverence.

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

4.2. Extension of Observation

Observations made take a long time, which is from July to December 2019.

4.3. Triangulation

Triangulation is done by checking the data to the same source with different techniques.

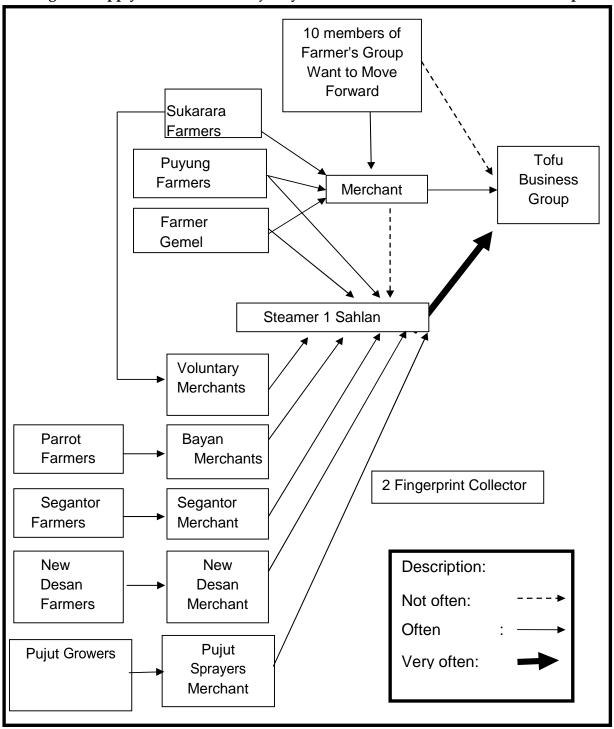
4.4. Member Check

Member check is a recheck of data obtained by researchers to the data source. The data that has been collected is reduced and becomes a temporary conclusion.

4.5. Use of Reference Materials

Researchers equip themselves with field notes and supported by references in the form of recordings, photos, and documentation of results *in depth interviews* and observations, as well as references in the form of literature books on supplychains.

Figure 4. Flow Supply Chain Supply Chain Soybean Raw Materials Tofu Business Group Image Of Supply Chain Network Of Soybean Raw Materials Tofu Business Group



NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

Based on the picture can be explained that: The Tofu Business Group applies a strategy of few suppliers (*Few Supplier*) by buying raw materials to three suppliers, namely 10 members of the Farmer Group Want to Advance, Mr. H.Abidi (merchant), Mr. Sahlan (collector) . although farmers are producers of soybeans, but farmers do not contribute large soybean raw materials compared to merchants and collectors. Whereas the chairman of the group Tani Want to Advance is the chairman of the Tofu Business Group as well. This is actually an opportunity to obtain soybean raw materials in large quantities and at low prices. Because farmers who are members of the Farmer Group Want to Advance need money immediately, then farmers distribute their crops to merchants and collectors who have a lot of capital to accommodate soybeans. If soybean raw materials are no longer available in farmers, then the Tofu Business Group orders soybean raw materials to merchants.

4.6. Data Presentation

There are several important variables to map as well as solve the problem of soybean raw material *supply chain* flow in Tofu Business Group. The explanation of these variables is: **Buyer power**

To measure the strength of buyers there are several things that need to be noticed, namely:

1. Concentration of buyers

Tofu Business Group has three permanent *suppliers*, namely: 10 farmers who are members of the farmer group, a merchant (mr. H. Abidi), a collector (Mr. Sahlan) this shows that the Tofu Business Group Implements a strategy of few suppliers (Few *Supplier*). Tofu Business Group has not too much capital to buy soybean raw materials, the capital owned today is Rp.1 million is only enough to buy 200 kg / week of soybeans from farmers, or the equivalent of 150 kg / week of soybeans if buying soybeans from merchants, or the equivalent of 100 kg / week of soybeans, if bought from collectors.

Product standardization

Soybean raw material products are standard, meaning the quality is the same as offered by other *suppliers*. However, The Tofu Business Group does not have many *suppliers*. This means that the Tofu Business Group implements *a few supplier* strategy that only relies on 10 farmers who only contribute 10% of the yield, a merchant who is only able to meet the demand of 150 kg / week, and a collector who is able to meet the demand of 100 kg of soybeans per week.

Buyer's interests

Tofu Business Group buys soybean raw materials with the aim of producing tofu effectively. So that the production process of tofu is not hampered and always distributed to customers in the market renteng and retailers (Mrs. Sur). Tofu Business Group wants to obtain cheap soybean raw materials from farmers (Rp.5.000-Rp.5.800), but it is hindered by the high purchasing power of soybean raw materials from merchants and collectors. So to continue producing tofu Tofu Business Group must buy raw materials to merchants (Rp.6.000-Rp.6.800) and collectors (Rp.7.000-Rp.7.800) with a higher price than from farmers.

2. Income level

As for the processing of soybean raw materials to know the Tofu Business Group earns a gross income of Rp.1 million / week if obtaining soybean raw materials from farmers, if buying soybean raw materials from merchants then the gross income per week reaches Rp.800.000, and if obtaining soybean raw materials from collectors, The Tofu Business Group earns a gross income of Rp. 600,000/week.

3. Product quality

The quality of soybean raw materials offered by the suppliers is in accordance with

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

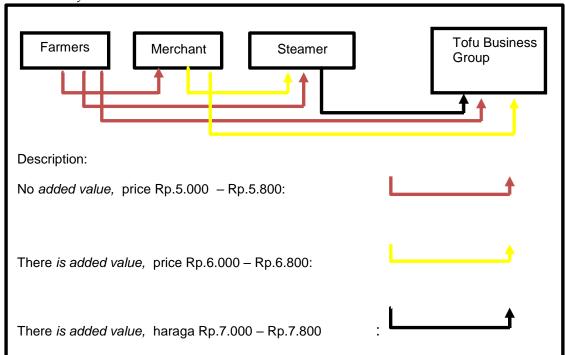
the price.

4. Access information

Tofu Business Group has access to sufficient information in obtaining soybean raw materials.

Pictures 5. Wedenterprising Added Value Supply Chain Soy

Source: Informants



Description:

From the picture it can be explained that:

- a. Soybean raw materials from farmers to merchants no *added value*, from farmers to collectors no added *value*, and from farmers to Tofu Business Groups no *added value*. The selling price offered is Rp.5.000 Rp.5.800.
- b. Soybean raw materials from merchants to collectors and to the Tofu Business Group there added *value*. In the form of soybean bookkeeping costs using sacks and storage costs. The selling price offered is Rp.6000 Rp.6.800.
- c. Soybean raw materials from collectors to the Tofu Business Group there *is added value and* sold at a price of Rp.7.000 Rp.7.800. added value carried out in the form of cleaning soybean raw materials from leaves, stems, sand and gravel, wrapping with sacks, and storage. The process of cleaning up to storage is carried out by 7 workers.

5. Supplier Strength

To measure the strength *of suppliers* there are several things that need to be noticed, namely:

a. Market concentration

From the observations and *in-depth interviews* in Gemel Village there are *suppliers* of soybean raw materials, namely: 10 farmers (members of farmer groups), a merchant, and a collector who distributes soybean raw materials to the Tofu Business Group.

b. Unique products

To survive, *suppliers* form unique product sutu through the procurement and sale of raw materials. To conduct procurement, *suppliers* borrow fertilizer and money to farmers when planting soybean raw materials.

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

c. Diversification

The *suppliers* provide differentiation on the soybean raw materials offered. If from farmers and merchants soybean raw materials directly put in sacks without being cleaned of leaf droppings, stems, and gravel, differentif from steamers, soybeans are cleaned.

4.7. Demand for raw materials needs

The demand for soybean raw materials is not only done by the Tofu Business Group, but also by merchants and collectors.

• Tofu Business Group as buyers

If the supplier of Tofu Business Group adalah farmers andmerchants, the quality of soybeans produced is good but still must be separated from leaves, stems, and gravel before being soaked and processed more lanjut into tofu. However, if the *supplier* is a collector in addition togood quality, soybeans can be directly soaked without cleaning.

• Merchants As Buyers

Merchants buy soybeans from farmers according to the price, if the quality is good at rp.5.800 and if the soybeans are mushy valued at Rp.5.000. Soybeans are collected, accommodated and directly sold without *any added value*.

• Collectors as buyers

Collectors buy soybeans from farmers and merchants in accordance with the price, if the quality of soybeans from farmers *is* good at Rp.5,800 and if the soybeans are mushy is priced at Rp.5,000. If the quality of soybeans from merchants is good at Rp. 6,800 and if the soybeans are mushy is priced at Rp.6,000.

4.8. Delivery of soybean raw materials

• Tofu Business Group Bookers

Because the *location of the supplier* is not so far from the production site of the Tofu Business Group, the delivery of raw materials is very easy and fast because it is still in the same location, namely Gemel village. Orders are made through a handheld telephone media or by visiting the supplier's warehouse *directly*. If the negotiated price matches the soybean raw materials are directly delivered to the tofu manufacturing site.

Merchant booker

Merchants order soybeans by giving fertilizer in advance to farmers, so that soybeans produced by farmers are not sold to other suppliers. If the price is suitable, the merchant takes the soybeans directly in the rice fields by truck and is stored in the shelter warehouse. So farmers do not make deliveries, but merchants who stabilize the goods at the site of soybean farming.

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

• Steamer Booker

Collectors place soybean orders by connecting their regular merchants (in Sukarare, Bayan, Segantor, Desan Baru, and pengembur pujut) and sukarara, Puyung, and Gemel farmers use mobile phones to negotiate purchases. If the merchant orders goods from the merchant, soybeans are delivered to the location of the soybean shelter warehouse of Mr. Sahlan.

Business Group Request Know

If the *supplier* is a farmer, then the time of acquisition of soybean raw materials only 2 times a year, that is, when the soybean harvest season arrives, July and November. If the soybean raw materials from farmers are exhausted, then the Tofu Business Group obtains soybean raw materials from merchants with a purchase time once a week. When the raw materials in the merchants run out, then the business group knows to buy raw materials to the collector, with the time of purchase once a week. What distinguishes between collectors and merchants is the amount of acquisition and price. If the merchant 150 / week with a price of Rp.6.000 - Rp.6.200/kg, while the collector 100 / kg with a price of Rp.7.000 - Rp.7.800 / kg his.

Merchant request

Merchants only get raw materials from farmers. The acquisition of soybean raw materials from farmers is only 2 times as far as it is known, that is, when the soybean harvest season arrives, in July and November.

• Steamer request

Collectors obtain raw materials from farmers and merchants. If obtained from farmers then the demand for raw materials havan once every two years. But if the collector obtains raw materials from merchants then the collector can obtain raw materials according to his order. Usually once a month, if there is an order from a regular customer.

• Tofu Business Group Buyers

If the Tofu Business Group obtains raw materials from farmers, the Tofu Business Group can order according to its needs, this only applies during the harvest season. But if the Tofu Business Group obtains raw materials from merchants the change in demand volume will be quickly responded, but this only lasts for one month after harvest, because the merchant (mr. H.Abidi) runs out of soybean raw materials. However, if ordering raw materials from collectors (Mr. Sahlan), raw materials are still available but it is difficult to change the volume of demand. Because soybean raw materials usually have been ordered by other customers in larger quantities.

Merchant buyers

Merchants only make two purchases of raw materials a year from farmers. All crops from sukarara farmers, Gemel, puyung, and Merobok villagers who are subscribed are collected and accommodated in warehouses.

Collector buvers

Collectors obtain raw materials from farmers and merchants. If from farmers, collectors make twice the purchase of raw materials in a year from farmers that is during the soybean harvest season. All crops from sukarara, Gemel, and puyung farmers became his subscription. If the collector obtains raw materials from merchants in Sukarara, Bayan, Segantor, Desan Baru, and Pengembur Pujut then *the supplier* can order at any time and anything while the soybean supply is still there.

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

4.9. Cost of obtaining raw materials

• Tofu Business Group Costs

The cost of obtaining from suppliers (farmers, merchants, and collectors) is the same. If the raw materials are delivered to the production site in 100 / kg at a cost of Rp.2000.

Merchant Fees

To obtain raw materials from farmers, *suppliers* disburse vehicle costs of Rp.600,000 for 6 tons of soybeans.

Steaming costs

To obtain raw materials from farmers and merchants, steamers distribute vehicle fuel costs as much as Rp.800.000 for 25 tons of soybeans.

4.10. Supply Chain Challenge

To understand the *challenges of supply* chain there are several things to note:

1. Structure *supply chain*

The flow of soybean raw material *supply chain* to The Tofu Business Group can be seen that the structure of the supply *chain* is very long, and of course each chain has different interests. *The* first chain, namely farmers. Farmers want their crops to sell quickly at a price of Rp.5,000 - Rp.5,800, while Mr. H.Abidi collects soybean crops from farmers to be sold at a higher price than the acquisition (Rp.6,000 - Rp.6,200), and vice versa with Mr. Sahlan as a collector. Mr. Sahlan wants to get a profit of Rp.1.000 - Rp.2.000 /kg from soybean raw materials collected from farmers and merchants.

2. Uncertainty

Uncertainty here is supply uncertainty and demand uncertainty. Supply uncertainty is often experienced by *suppliers*. Soybean farmers sometimes fail to harvest.

4.11. Verify Data

The results of mapping and identiffikasi problems can be concluded, that:

- 1. Tofu Business Group is a weak buyer of soybean raw materials
 - a. Tofu Business Group implements a strategy of few suppliers (*Few Supplier*) and is the purchase of soybeanraw materials concentrated in three suppliers, namely farmers, merchants, and collectors.
 - b. Standardization of soybean products is the same in all *suppliers*. However, The Tofu Business Group cannot afford to buy soybeans at other *suppliers*.
 - **c.** In order to remain effective in producing Tofu Business Group buy soybeans at low prices from farmers.
 - **d.** Tofu Business Group is satisfied with the quality of soybean products offered by *suppliers* because it is in accordance with the price.
 - **e.** Access to soybean raw material information from *suppliers* to Tofu Business Group is very easy and fast because it is in the same location
- 2. *Suppliers* are a strong group of buyers. Because:
 - **a.** *Suppliers* (collectors) in the *supply chain* form a *chain* based on a sense of trust and honesty.
 - b. Collectors do *added value* to increase the value of soybean raw materials. In addition, *added value* becomes a diversification strategy.
 - **c.** *Suppliers* are not affected by similar industries when it comes to distributing raw materials. soybeans because it has controlled the market in the region as well as outside the region.
 - d. Suppier (collector) no longer think of product competition because it already has a

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

- market in the sale of soybean raw materials.
- **e.** Many *suppliers* are involved in the supply *chain* so the structure of the supply *chain* is very long and gives rise to different interests different between *suppliers*.

5. CONCLUSIONS AND SUGGESTIONS

5.1. Conclusion

- 1. The business group knows to implement *the few Supplier* strategy by having three *suppliers* consisting of: Farmer Group.
- 2. Tofu Business Group is classified as a weak buyer because it is unable to control *suppliers*. The Tofu Business Group has weak purchasing power, due to the lack of capital they have.
- 3. Tofu Business Group more intensively buy soybean raw materials from collectors than to farmers and merchants.
- 4. *Suppliers*, especially collectors have great power because it has mastered the market.

5.2. Suggestions

- 1. Dependence with the three *suppliers* of soybean raw materials, namely Farmer Group Want to Advance, Mr. H.Abidi, Mr. Sahlan should be reduced by looking for other *suppliers* who sell cheaper soybean raw materials with good quality.
- 2. Strengthen the management structure well, so that each member works according to his obligations.
- 3. Better Tofu Business Group produce tofu in one production place. In order to maximize the activity and production together. If separated, it looks like it's not the unity of the Tofu Business Group but rather a business.

NATIONALLY ACCREDITED JOURNAL - DECREE NO. 21/E/KPT/2018

REFERENCES

- Anatan, L. & Ellitan, L. 2008. Supply Chain Management, Teori dan Aplikasi. Bandung: Alfabeta.
- Anggraeni. W . 2009. Pengukuran Kinerja Pengelolaan Rantai Pasokan Pada Pt. Crown Closures Indonesia.[Skripsi] Jakarta : Fakultas Teknologi Industri Universitas Gunadarma.
- Emhar. A. 2013. Analisis Rantai Pasokan (Supply Chain) Daging Sapi Di Kabupaten Jember. (Skripsi). Jember: Fakultas Pertanian Universitas Jember.
- Hayami Y, Kawagoe, Morooka, and Siregar. 1987. *Agrucultural Marketing and Processing in Upland Java*: A Perspective from A Sunda Village. CGPRT Bogor. Ch. 6.
- Heizer, J. dan B. Render. 2010. Manajemen Operasi. Salemba Empat, Jakarta.
- Indrajit, R.E, Djokopranoto R. 2002. *Konsep Manajemen Supply Chain*. PT Gramedia Widiasarana Indonesia, Jakarta.
- Indriantoro dan Supomo.1999. Metodologi Penelitian Bisnis untuk Akuntansi & Manajemen. BPFE-YOGYAKARTA, Yogyakarta.
- Irmawati. M. 2015. Penerapan Supply Chain Dalam Pembuatan Produk Garden Furniture pada Di PT. Indo Veneer Utama Karangayer. [Skripsi]. Surakarta: Fakultas Ekonomi dan Bisnis Universitas Sebelas Maret .
- Lexy J. Moleong. 1999. Metodologi Penelitian Kualitatif. PT. Remaja Rosdakarya, Bandung.
- Pujawan, I Nyoman. 2005. Supply Chain Management. Guna Widya. Surabaya. Robinson JR & Pearce J. 1997. Manajemen Strategik (Terjemahan). Binarupa
- Aksara, Jakarta.
- Saaty, T. L. 1991. Proses Hirarki Analitik untuk Pengambilan Keputusan dalam Situasi yang Kompleks (Terjemahan). PT Pustaka Binaman Pressindo. Jakarta.
- Shank, Jhon K., Govindarajan, Vijay: Strategic Cost Management and the Value
- Siahaya.W.2013.Sukses Supply Chain Management Akses Demand Chain Management. In Media, Jakarta.
- Sugiyono.2013. Metode Penelitian Bisnis (Pendekatan Kuantitatif, Kualitatif dan R&D). Alfabeta, Bandung.