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INCOME ANALYSIS AND SATISFACTION LEVEL OF OIL PALM SMALLHOLDERS WITH THE SMALLHOLDER OIL PALM REPLANTING PROGRAM IN OKU DISTRICT

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ABSTRACT
Oil palm (*Elaeis guinensis jack*) is one type of plantation crop that occupies the most important position in the agricultural sector, this research was conducted in Markisa Village, Lubuk Batang District, OKU Regency. Determination of the location was carried out intentionally (Purposive), the research method used in this research is the case study method considering that in Markisa Village the only area in OKU Regency that has implemented the PSR program from the government, the sampling method used in this research is purposive sampling method. Data analysis processed in the research is primary and secondary data. Primary data was used to analyze income and satisfaction level. Secondary data is used to see the data from KUD Perkasa Jaya, while to answer the first problem of the study used income analysis and to answer the second problem formulation in using IPA analysis (*Importance Performance Analysis)*. Based on the results of the study, the average income of oil palm farmers after participating in the PSR Program with KUD Perkasa Jaya is Rp 67,549,610 / year / farmer or Rp 19,248,007 / ha / year. Based on the analysis of the level of satisfaction using the IPA method, it is concluded that the attributes of administrative services and technical services that have met the level of satisfaction of oil palm farmers. While the attributes that have not met the level of satisfaction of farmers are attributes Production facilities. Based on the results of the level of satisfaction between the level of importance and the level of performance has a score of 4.8 the lowest is included in the interval value with the category of performance attributes production facilities are not high. That is, it has not been able to meet the level of satisfaction of oil palm farmers.

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1. INTRODUCTION

Oil palm (*Elaeis guinensis jack*) is one type of plantation crop that occupies the most important position in the agricultural sector, this is because oil palm is able to produce the greatest economic value per hectare when compared to other oil or fat producing plants. South Sumatra Province is a tropical region that is very suitable for agricultural crops, especially oil palm plants. Oil palm plants are plantation commodities that receive great attention in Indonesia both on large plantations and smallholder oil palm plantations. Oil palm has an important meaning for national plantation development, in addition to being able to create employment opportunities that lead to community welfare, as well as a source of foreign exchange earnings (Fauzi, 2012). While Ogan Komering Ulu Regency with an area of 43,796 Ha. Plantation crops in South Sumatra Province are dominated by oil palm plantations. The total area of oil palm plantations, both state plantations, private plantations and smallholder plantations in 2020 amounted to 1,137,643 Ha and in 2021 amounted to 1,178,104 Ha. The area of smallholder oil palm plantations in 2022 amounted to 637,676 Ha and in 2019 amounted to 667,483 Ha (Directorate General of Plantations, 2023). According to BPS data, South Sumatra's oil palm production in 2022 reached 3,449,202 tons per year. Ogan Komering Ulu Regency produced 113749

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tons in 2022. The most prominent smallholder plantation production in Ogan Komering Ulu Regency includes rubber and oil palm. In 2018, palm oil produced as much as 10 510.00, in 2021 until 2022 there was a very significant decrease in income of 50% of the total income in 2018. The average age of oil palm cultivated by farmers is 15-20 years. When based on the age of the plant, the oil palm of independent smallholders is in the mature plant group. During the fruiting period, oil palm requires maintenance such as fertilization and control of plant disrupting organisms (OPT).

Lubuk Batang Sub-district production of 3,180 tons is one of the areas that contribute significantly to Ogan Komering Ulu District in oil palm production. With a land area of more than 690 ha with a production of 31800 tons in 2022. From the data above, it can be seen that the low productivity of oil palm in Lubuk Batang Subdistrict has resulted in a decrease in the income of oil palm farmers. The decline in productivity is due to the age of oil palms that are over 25 years old and no longer productive, therefore it is necessary to replant oil palms that are no longer productive. The Indonesian government through the Ministry of Agriculture encourages an increase in palm oil production by implementing the People's Palm Oil Replanting Program (PSR).

The People's Palm Oil Replanting Program (PSR) is one of the National Strategic Programs as an effort by the Government to increase the productivity of oil palm plantations, by maintaining land area, so that oil palm plantations can be utilized optimally, as well as to resolve land legality issues (Haryo Limanseto, 2021). The People's Palm Oil Rejuvenation Program in Ogan Komering Ulu District is implemented in Lubuk Batang Sub-district as a place to implement the PSR program. The PSR program is carried out through KUD Perkasa Jaya with 201 farmers participating in the program. Palm oil and rubber plants are the main producers of income for the surrounding community. The decline in oil palm productivity has an impact on the income and welfare of the community. In order to increase income, it is necessary to fix and rejuvenate oil palm plants that are no longer productive by planting superior and certified seeds. The main obstacles are limited capital and scarcity of subsidized fertilizers for smallholders. PSR helps farmers obtain the capital and fertilizer needed to replant oil palm. Based on the above background, the author is interested in analyzing the income and satisfaction level of oil palm farmers towards the smallholder oil palm replanting program in Ogan Komering Ulu District.

2. RESEARCH METHOD

The research method used case study method conducted on palm oil farmers' research conducted in Markisa Village, Lubuk Batang Subdistrict, Ogan Komering Ulu Regency. Where Markisa Village is one of the villages that received the People's Palm Oil Replanting Program from the Government. The case study research method is research that describes a thorough explanation of the aspects of an individual, a group, an organization (interview) so that in this research the researcher must process as much data as possible about the subject under study (Mulyana, 2018). The sampling method used in this research is purposive sampling method with 47 farmers as the samples. Data analysis processed in the research is primary and secondary data. Primary data was used to analyze income and satisfaction level. Secondary data is used to see the data from KUD Perkasa Jaya, while to answer the first problem of the study used income analysis and to answer the second problem formulation in using IPA analysis (*Importance Performance Analysis)*.

3. RESULTS AND ANALYSIS

The data analysis processed in the research is primary and secondary data. Primary data is used for income analysis and satisfaction level. Secondary data was used to see data on oil palm farmers who participated in the PSR program in Lubuk Batang Subdistrict while to answer the first problem of the study used income analysis and to answer the second problem formulation used IPA (*Importance Performance Analysis)* analysis as follows:

Revenue

To answer the formulation of the problem in the first part of this study, which is to analyze how much the income of oil palm farmers in Markisa Village, Lubuk Batang Subdistrict, Ogan Komering Ulu Regency. By calculating the income received by oil palm farmers by doing the following calculations (Soekartawi, 1995):

$Y = TR - TC$
$TR = P \times Q$
$TC = TFC + TVC$

Where:
Y: Income (IDR/year)
TR: Total Revenue (IDR/year)
TC: Total Cost (Rp/year)
Q: Quantity P: Price
TFC: Total Fixed Cost (Rp/Thn)

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TVC: Total Variable Cost (Rp/Thn)

Satisfaction Level

To answer the second problem regarding the level of satisfaction with the People's Palm Oil Replanting program, the analytical tool used is the IPA (*Importance Performance Analysis*) method. This method is an application technique to measure the attributes of the level of *importance (importance)* and the level of *performance (performance)*. The level of importance is how important a service attribute is assessed by oil palm farmers, the level of performance is used to assess how much performance attributes that have been perceived by farmers. Determination of the attributes assessed in this study is based on the provisions regarding the rights and obligations contained in the partnership contract, preliminary interviews with KUD Perkasa Jaya, and literature studies, each attribute statement is given a scale of 1 to 4.

Table 1. Attributes and Questions of Importance and Performance.

No.	Attributes	Question
1	Administrative Service Attributes (A)	Building relationships with potential partners (A)1
		Criteria for becoming a partner farmer and there is a clear and written agreement (A)2
		Understand the partner's business conditions (A)3
		Developing a Strategy (A)4
2	Service Attributes (B)	Production Facilities provided by KUD Perkasa Jaya (B)1
		Price agreement that has been mutually agreed between the farmers and KUD (B)2
3	Technical Service Attributes (C)	The role of mentoring (C)1
		Routine timing of mentoring or supervision of oil palm smallholders (C)2
		KUD Perkasa Jaya must be quick to respond to complaints felt by agarwood farmers (C)3
		Harvest and post-harvest assistance (C)4

The results showed that farm income is the difference between total revenue and total production costs incurred. The income obtained is the amount of oil palm production multiplied by the price then minus the total costs incurred during the production process. The amount of oil palm farming income in the research area can be seen in Table 2 below

Table 2. Analysis of Average Oil Palm Farming Income Per Hectare/Year in OKU Regency in 2024

Description	Each Farmer	Each Ha
A. Reception		
Land Area (Ha)	3,51	1,00
Number of Plants (Stems)	459	130
Production (Kg)	55.154	15.713
Price (Rp)	2.100	1.662
Amount of Revenue	**91.942.913**	**26.198.787**
B. Fixed Cost		
Tool Depreciation Cost (Rp)	495.982	141.328
Amount of Fixed Cost (Rp)	**495.982**	**141.328**
C. Variable Cost		
Fertilizer (Rp)	7.907.132	2.253.107
Medicine (Rp)	1.819.716	518.521
Labor (Rp)	14.170.471	4.037.822
Amount of Variable Cost (Rp)	**23.897.319**	**6.809.450**
D. Amount of Cost	**24.393.301**	**6.950.778**

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Revenue	**67.549.610**	**19.248.007**

Source: Primary Data (processed), 2024

Table 2 shows that the average income of oil palm farms in OKU District with an average selling price in 2024 of 2,100/kg is Rp 67,549,610/year/farmer or Rp 19,248,007/Ha/year. With an average production per hectare of 15,713 kg/year/ha. With total revenue of Rp. 26,198,787 / ha / year with total costs of Rp. 6,950,778 / ha / year. The results of the analysis of oil palm farming income conducted by Rizki Pratama (2020) regarding "Analysis of Oil Palm Farming Income Partner and Self-Help Patterns in Maro Sebo Ilir District, Batang Hari Regency". Obtained a self-help pattern farming income of IDR 22,456,318 / ha / year. Based on the results of the calculation of the importance level score and the performance level score, the satisfaction analysis can be seen in the table 3 below:

Table 3. Satisfaction Level Between Importance Score and Performance Score of Oil Palm Farmers against KUD Perkasa Jaya in OKU District Year 2024.

No.	Attributes	Importance Score	Performance Score	%Satisfaction Level	Criteria
1	Build relationships with potential partners, making introductions as the beginning of the process of building further partnerships, to gather complete information.	211	213	101	Meet
2	Criteria for becoming a partner farmer and a clear and written agreement.	220	225	102	Meet
3	Understand the partner's business conditions, such as management, market control, technology, capital and human resources.	205	216	105	Meet
4	Develop strategies and assess business details. Strategies were developed based on the strengths and weaknesses of the sawiit farmers.	195	230	118	Meet
5	Production Facilities (SAPRODI) provided KUD Perkasa Jaya	225	68	30	Not yet Meet
6	The role of assistance from KUD Perkasa Jaya in monitoring and evaluating the course of business starting from the cultivation of oil palm plants, processing in producing palm oil, technical guidance in the production process to the harvest and post-harvest process.	210	220	105	Meet
7	Regular time of mentoring or supervision of agarwood farmers (ex: once every 3 weeks)	200	234	117	Meet
8	KUD Perkasa Jaya must be responsive to complaints felt by oil palm farmers, easy to contact if at any time needed by the oil palm farmers.	200	230	115	Meet
9	The price agreement that has been mutually agreed between the farmers and KUD Perkasa Jaya	155	220	142	Meet
10	Harvest and post-harvest assistance up to the transportation of harvested products and the production of agarwood products	210	225	107	Meet

Description:
Tki < 100%: attribute performance has not met farmer satisfaction Tki> 100%: attribute performance has met farmer satisfaction

Based on Table 3, it is known that the attribute that has the smallest suitability value is attribute No. 5, namely production facilities. The suitability value of attribute No. 5 is 30% which means Tki < 100%, meaning that the suitability of the attribute has not met the satisfaction of oil palm farmers and is still far from the expectations of oil palm farmers, oil palm farmers are dissatisfied with the means of production because oil palm farmers partner with the party KUD Perkasa Jaya when the condition of the tree is ready to harvest so that the saprodi in oil palm cultivation is borne by

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the oil palm farmers themselves. This condition is the reason oil palm farmers expressed dissatisfaction with the service attributes of inputs.

IPA analysis is a method used in application techniques to measure the attributes of the level of *importance (importance)* and the level of performance *(performance)*. IPA analysis was conducted to obtain information about the assessment of oil palm farmers on the performance of KUD Perkasa Jaya. The results of this study are expected to be useful for KUD Perkasa Jaya to know what needs to be done in an effort to increase the satisfaction of oil palm farmers.

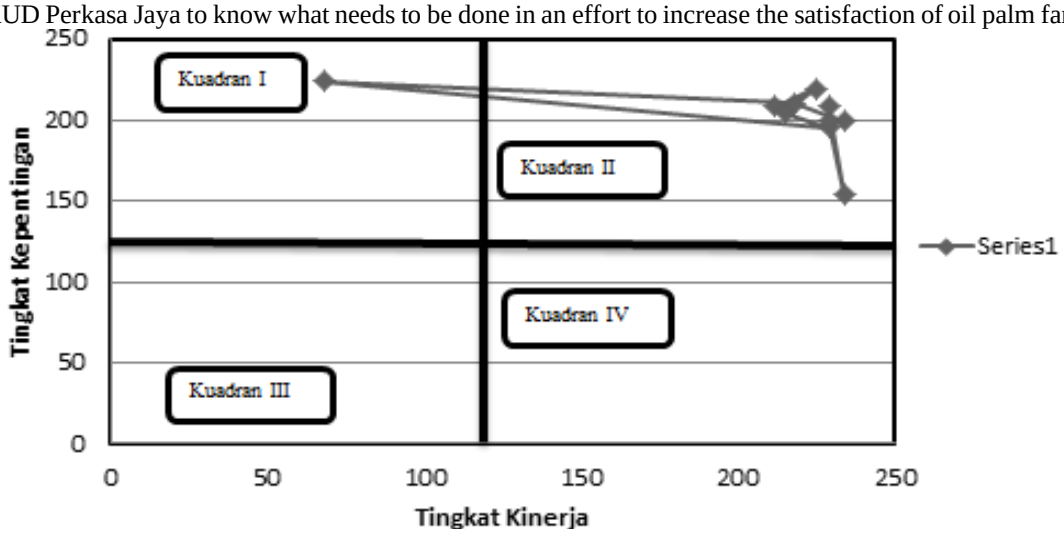

Figure 1. Plot of Importance and Performance Scores

In the IPA analysis, a Cartesian diagram is used which consists of four quadrants, namely quadrant I (top priority), quadrant II (maintain achievement), quadrant III (low priority), quadrant IV (excessive). Based on the results of the IPA analysis using a Cartesian diagram, it can be seen that the attributes in quadrant I are attributes that are considered important by oil palm farmers, but the level of performance is still low. Therefore, the Perkasa Jaya KUD must be able to make improvements so that the performance of the attributes in quadrant I can be improved, the attributes that are in quadrant I are Production facilities, oil palm farmers are dissatisfied with the performance of the attributes of production facilities because oil palm farmers partner with the Perkasa Jaya KUD when the condition of the tree is ready to harvest so that the saprodi in oil palm cultivation is borne by the oil palm farmers themselves. This condition is the reason why oil palm farmers expressed dissatisfaction with the attributes of production input services, farmers hope that KUD Perkasa Jaya continues to provide production input assistance such as fertilizer, even though they partner in a state of palm trees ready to harvest, because palm trees still need fertilizer in their survival.

Attributes included in quadrant II are attributes of the partnership that are considered important by oil palm farmers, and the KUD Perkasa Jaya has provided services in accordance with the wishes of farmers. According to oil palm farmers performance on the attributes in this quadrant is considered to be very good. So, the performance of the partnership attributes in this quadrant must be maintained by KUD Perkasa Jaya, the attributes are building relationships with prospective partners, the criteria for becoming a partner farmer, understanding the partner's business conditions, developing strategies and assessing business details, price agreements, the role of mentoring, routine time mentoring or supervision, KUD Perkasa Jaya must be responsive to complaints felt by oil palm farmers, harvest and post assistance.

Building relationships with potential partners, according to the oil palm growers KUD Perkasa Jaya has done an introduction as the beginning of the process of building the next partnership, to gather complete information. In addition, the criteria for becoming a partner smallholder are not so difficult to fulfill and there is a clear and written agreement, the Perkasa Jaya cooperative also provides an understanding of their business conditions, such as in management, market control, technology, capital and human resources.

For oil palm farmers developing strategies and assessing business details, strategies have been prepared based on the strengths and weaknesses of the oil palm farmers. Based on the experience of oil palm growers, in general, assistance from the KUD Perkasa Jaya in monitoring and evaluating the course of business ranging from cultivation of agarwood plants, processing in producing palm oil, technical guidance in the production process to the harvest and post-harvest process, KUD Perkasa Jaya must be responsive to complaints felt by oil palm growers, easy to contact if at any time in need of the oil palm growers, they feel their complaints are always responded well in a relatively fast

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time, the KUD Perkasa Jaya always try to serve the oil palm growers well, the form of service to complaints through routine time mentoring or supervision of oil palm growers (3 weeks once).

The price agreement that has been mutually agreed between the farmers and KUD Perkasa Jaya, the farmers have agreed to the price agreement that has been set, because the price used is the market price. Harvest and post-harvest assistance up to the transportation of harvest and production of agarwood products is considered by farmers to be very good, such as the distribution of results, the Perkasa Jaya KUD within 1 to 2 weeks from the time of transportation, this distribution time is relatively fast when compared to other partner companies. This attribute is an attribute that must be maintained to increase the loyalty of oil palm farmers to the partnership that is run with oil palm farmers.

Quadrants III and IV have no attributes in them, meaning that there are no attributes that are considered less important by palm oil farmers, all attributes are considered important for palm oil farmers to meet the satisfaction of palm oil farmers.

4. CONCLUSION

Based on the analysis of the results of the research that has been done, conclusions can be drawn:

1. Based on the results of the research, the average income of oil palm farmers after participating in the PSR Program with KUD Perkasa Jaya is IDR 67,549,610 / year / farmer or IDR 19,248,007 / ha / year.
2. Based on the analysis of the level of satisfaction using the IPA method, it is concluded that the attributes of administrative services and technical services that have met the level of satisfaction of oil palm farmers. While the attributes that have not met the level of satisfaction of farmers are attributes Production facilities (SAPRODI). Based on the results of the level of satisfaction between the level of importance and the level of performance has a score of 4.8 the lowest is included in the interval value with the category of performance attributes production facilities are not high. That is, it has not been able to meet the level of satisfaction of oil palm farmers.

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