## **SUMMARY**

FILIA PRIMAGISTA. 105040100111047. Analysis of Income Level along with Obedience and Satisfaction Level in Partnership Program of Sugarcane Farming (Case Study on Mitra Mandiri-GMP and PT. Gunung Madu Plantation, Terusan Nunyai District, Lampung Tengah regency). Supervised by Prof.Dr.Ir Djoko Koestiono, SU and Silvana Maulidah SP., MP.

Sugar production is one of the strategic agroindustry to affecting the condition of the Indonesian economy. The development of sugarcane crop is aimed to increase the supply of raw materials in the sugar agroindustry and expected to improve the welfare of cane farmers by way of active participation the sugarcane farmers. Cane farmers is small businesses are very weak in terms of management and professionalism, as well as limited access to capital, technology, and marketing network. The large employers role is indispensable as a provider of capital in order to help small businesses, that sugarcane farmers can participate actively in national development and its effort to support the widening of the business, as well as to improve the welfare and income. One form of cooperative efforts that can be done is through the implementation of sugarcane farming partnership program between farmers and company or sugar factory, which is expected to spur regional economic growth while encouraging equitable distribution of welfare, employment, and increase incomes.

The purpose of this research is to analyze income level along with obedience and satisfaction level of Mitra Mandiri group and PT. Gunung Madu Plantation in partnership program of sugarcane farming. This study uses quantitative analysis method to calculate the cost of production and sugarcane farm receipts, so that it can be seen how much the level of income of Mitra Mandiri group. The method used to determine the level of obedience and satisfaction Mitra Mandiri group and PT. Gunung Madu Plantation is qualitative analysis with the help of Likert Scale. The level of obedience will be measured by the extent to which Mitra Mandiri group and PT. Gunung Madu Plantation has fulfilled its obligations in the implementation of sugarcane farming partnership program. While the level of satisfaction measured by the response Mitra Mandiri group and PT. Gunung Madu Plantation in obtaining rights for partnership program of sugarcane farming. The study was conducted at PT. Gunung Madu Plantation which partnership program of sugarcane farming with Mitra Mandiri group in 2012/2013 sugarcane growing season. Mitra Mandiri is a group of sugarcane farmers and communities around companies that participate in the partnership program of sugarcane farming with PT. Gunung Madu Plantation.

The analysis showed that the average operating costs incurred by the Mitra Mandiri group is Rp 21,649,502.02/ha with an average reception is Rp 33.931.698,34/ha. Based on the analysis of farm operating costs and proceeds from sugarcane, the obtained average income level of Mitra Mandiri group on sugarcane growing season 2012/2013 year is Rp 12.282.196,32/ha. The level of income can be affected by various factors, namely the yield of sugarcane, sugar prices prevailing, and productivity of sugarcane. The quality of sugarcane

production will be influenced by management system of sugarcane farm from Mitra Mandiri group based the guidance by PT. Gunung Madu Plantation.

Results of the analysis showed that obedience level of Mitra Mandiri group has been obedient to perform its obligations in the implementation of sugarcane farming partnership program. This is indicated by the acquisition total score of obedience level Mitra Mandiri group that is equal to 24.22 or 89.70 percent which included in the category obedient. While the results of the analysis showed that satisfaction level of Mitra Mandiri group has satisfied to obtain their rights in sugarcane farming partnership program. This is indicated by the acquisition total score of satisfaction level Mitra Mandiri group that is equal to 22.56 or 94 percent which included in the category satisfied. The evaluation results of partnership show that Mitra Mandiri with a highest total score of obedience and satisfaction has the highest revenue of Rp 26,050,157.52/ha. While Mitra Mandiri with a lowest total score of obedience and satisfaction has the lowest income of Rp 5,347,024.02/ha.

Results of the analysis showed that obedience level of PT. GMP has been obedient to perform its obligations in the implementation of sugarcane farming partnership program. The total score of obedience level from PT. GMP at 22 or 91.67 percent which included in the category obedient. While the results of the analysis showed that satisfaction level of PT. GMP has satisfied to obtain its rights in sugarcane farming partnership program. This is indicated by the acquisition total score of satisfaction level from PT. GMP at 22 or 81.48 percent which included in the category satisfied.

Based on the research results suggested for PT. Gunung Madu Plantation to improve the quality and quantity of supervisors, as well as increasing empathy better relationship with the Mitra Mandiri group. Meanwhile, to maintain the attitude of the Mitra Mandiri group to perform its obligations in accordance with the contents of the agreement, can be done by increasing motivation through the increased role of the supervisor in providing motivation to Mitra Mandiri for continue the partner and work to improve the results of sugarcane with green sugarcane quality.