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Potential Food Crop Production and Food Security in Kampar regency of Riau Province

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Abstract

Objectives of this study is to determine the economic and social benefits in building a regional scale of agricultural economy and influence over the land in relation to the development of food security and economic. This study was conducted through a survey method in Kampar District of Riau Province. The variables measured are determinants of crop production and food security. The results found that the area is faced with a decline in the production of rice and pulses which have an impact on rice shortage which was also caused by the potential not yet optimal management of land resources as a whole. The result showed that agricultural land, the number of seeds, fertilizers, insecticides and labor, both partialy and simultaneously, effect the food security in Kampar District.

Keywords: agriculture development, production economic, food security.

INTRODUCTION

Foreign food products are now flooding the domestic economy, although there is an increase in production but they have not been able to pursue required amount of food in the country. This is due to the relatively stagnant of productivity and land area which is not even increasing rapidly due to land conversion. In addition, the land conditions are not more fertile land due to dependence on chemical fertilizers, no less important government policy (regions) that have not sided with the farmers. Government policies (regional) make the agricultural products even worse. For example, during a shortage of food needs, government has always issued a policy of food imports. This shows that the government's impartiality on food producers is weak. As a result, there is no prosperous farmers. Theoretically, it can be concluded that imported food that lasts long is very dangerous for the life of the nation. In this world there are countries which rely foodstuffs on other nations, because life and death of nations depends on foodstuffs.

Basically, there are two main factors that cause many imported agricultural products flooding the market, the first increase in a population of 1.49 percent (in 2025 will be equal to 273.2 million), increasing residents would need food (accompanied by the growing middle income group); both democracy and reform positively impact the asset-economic decentralization; Besides economic growth above 5.5 percent of total income residents, causing lower income classes moved higher

income or increasing the number of middle class so that the demand for food also increased (CBS, 2013). Product is inadequate while the demand and purchasing power increases, food needs are supplied from abroad;

Related to the ecological disasters that often occurred in the last five years, the main objectives of national development to improve the welfare of the people through poverty reduction is paradox. Increasingly deteriorating environmental balance reflects the failure to achieve the main purpose of the Millennium Development Goals or MDGs (Isyandi, 2005). One of the eight millennium development goals is to integrate the principles of sustainable development into national development and rehabilitation of damaged natural resources. This cannot be realized due to the pressure of natural disasters such as floods, forest-land fires, smog, air pollution, pollution of rivers and the sea, the mountain erupted, and so on. This brought much concerns from most countries in the world to save the environment, especially in maintaining the availability of food.

Food security is the state achieved when food systems operate such as that all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life (FAO in CGIAR, 2009). Du Toit, et .al. (2011) states that the concept of food security is closely related and linked with the poverty in country. The two concepts are interrelated and to some extent have an influence on one another. In any food security discourse it also

essential to highlight a nutshell the plight of poverty in the country. Essex (2010) states that food security as the way explaining chronic hunger and more extreme famine events in the absence of food availability deficits, and highlighting the complexity of food outcomes in varied social, economic, political and environmental conditions.

Food security is the availability of food and one's ability to access it. A household is said to have food security if the occupants are not in starving conditions or threatened with starving. Food security is a measure of interest to the disorder in the future or lack of essential food supplies due to various factors such as drought, disruption of distribution, fuel shortages, economic instability, war, etc.

Food security assessment is divided into individual self-reliance and external dependency which divides the set of risk factors. Even though many countries wanted individual self-sufficiency to avoid the risk of failure of transport, it is difficult to achieve in developed countries. It is because the jobs that are very diverse and the high cost of food production if not industrialized. Conversely, high individual self-sufficiency without sufficient economy will create a society prone to production. Food availability related to the food supply includes production, distribution, and exchange.

Production of food is defined by a variety of factors, including land ownership and use; type and soil management; the selection, breeding, and management of agricultural crops. The production of agricultural crops can be affected by changes in temperature and precipitation. The use of land, water, and energy to grow food often compete with other needs. Use of land for agriculture can be turned into residential or lost due to desertification, salinization and soil erosion due to unsustainable agricultural practices.

Efforts to develop food security are not only related to the technical aspects of the adequacy of food supply but also to the aspects of purchasing power (household income community), holding development, especially to those related to health (build awareness for the consumption of energy and protein in sufficient and safety of food consumed), and conservation of natural resources associated with the ability of producing materials food locally in the area to fulfill part or all of the requirements.

Considering the important of food security development at various levels (ranging from family, village, district, provincial and national), government has already released and issued the Decree no. 4/1996 (*Undang-undang Nomor 7/1996*) relating and concerning of food. The law states that the government and the local government should strictly organize setting, guidance, control and supervision under food security. Meanwhile the community should also organize production processes and supply, trading and

distribution and as consumers who entitled to obtain adequate, safe, nutritious and affordable food to their purchasing power.

In order to build food security conditions much higher, a direction and framework are required. These can be the basis to manage various aspects of food security such as the development of systems of production, distribution and marketing, diversification, oversight of food safety and consumer sufficient condition to facilitate developing physical qualities of human resources. It means that building food security has many dimensions and involves many parties that there should be a policy that became the basis for synergistic interaction and coordination. As Illustration, spacious rice crop nationally, ranging from 13.5 million to 14 million hectares. National reserve of paddy's seed stocks reached 13,600 tons and can be planted in the area of 565,000 hectares, including seed stocks of corn and soybeans. Based on the data, the national of paddy's production plans in 2014, is targeted at 76 million tons of milled rice (GKG). Compared to the year 2013, it could reach 71.8 million tonnes of paddy. The target is indeed experiencing significant improvement. The development of agriculture is still the main focus of Indonesia's development to improve farm of productivity and value-added agricultural products to improve farm incomes (Mosher, 2000 in Isyandi, 2005).

The condition of food security in Riau province is currently facing the threat quite heavy (Gevisioner, 2014). Based on the analysis of food supply in 2013, it is concluded that the availability of food in the form of energy reaches 3,072 calories and consumption reached only 2,079 calories (Food Security Agency Riau, 2014). The increase of malnutrition prevalence and malnutrition among toddler indicate a decrease in household food security. In that year prevalence malnutrition reached 13.3 percent and 9% for severe malnutrition (Ministry of Health, 2013). This condition will cause a decline in the quality of human resources, due to malnutrition which causes failure of physical growth and intellectual development, reduces productivity, lowers resistance, and increases morbidity and mortality (Sukandar, in Gevisioner, 2014). In the future, the problem of food supply in the province of Riau will possibly be quite serious, because of the high population growth, poverty, the degradation of the environment, the exchange rate of the rupiah, drought and land use. These changes will affect the production of various agricultural commodity crops, especially rice. On the other hand, the availability of food will be determined by the food production in this area. Considering that food needs in the province of Riau still have to be imported from other regions, the imports will also affect to the food prices which can fluctuate at any time. On one side, demand for food is rising, while the other side the availability of food is still limited. This situation will increase the food prices.

In agricultural development, food crops help to

increase the income and standard of living of farmers. In additional, it also helps to increase agricultural production to meet food needs and improve the nutritional status of the population, through diversification of food items. Data is obtained through food consumption per capita rice consumption (divided by the population). The data showed that in 2012, rice consumption in Kampar regency has reached 91.10 kg per capita per year. Assuming the average growth of the population of Kampar regency of 4.86% per year, the estimated population of Kampar Regency in 2015 was as much as 882.861 people. The average requirement for commodities population is estimated at 67.352 tonnes of rice per year, or 76.3 kg per capita.

To increase the productivity and production, efficiency, added value and competitiveness, it needs to build a solid of food security. It first starts at the level of household which is based on the diversity of local resources. Therefore, the approach to strengthening food security is implemented by developing variety of food sources, institutional food, and food cultures in the communities in each region. In this case, it can be concluded that food security is the fulfillment of the conditions of food for every household that is reflected in the availability of adequate food, both in number and quality, safety, equitability, and affordability.

Master plan of Riau province in 2020, volume 1, shows that Kamper ranks at the high position based on the combined index food insecurity as well as the index of vulnerability to of starving. It means that the condition is not safe for food security. Other thing that matters is that if someone does not have enough cash, job, or low-wage earnings, then starving might be imminent. This condition affects the process of improvement of health status and nutritional status, particularly in the preparation of the future generation capacity because as much as 34.77% of the population is between the ages of 0-4 years old who depends on food security itself. Extracted from Kampar, there are three main characteristics of food-insecure communities; the poor, low education, and the main sources of income which is earned from agriculture.

Understanding the meaning and significance in the development of agriculture above, the authors make the formulation of the problem as followed:

- (1) How are the geographical conditions, which determine the potential for crop lands as a factor of production in relation to food security in Kampar, Riau.
- (2) How to determine land use agricultural production potential in crops in Kampar, Riau.
- (3) What are the chances of (local) government in building food security in Kampar, Riau.
- (4) How to educate the cropping pattern different types of crops, so that amount of production in Kampar, Riau increases.
- (5) How to use the opportunities of cropland in Kampar, Riau.

- (6) How are the conditions of the farm, the number of seeds, fertilizers, insecticides, and labor to food security in Kampar, Riau.

METHOD

A research activities conducted in Kampar regency, Riau province, Kampar district was chosen as the research object because the community in this area is mostly exploited the potential of land owned as crop production. There are various sources of data that can be collected by researchers. By viewing the original source, the data can be grouped and classified into two: primary and secondary data. Primary data is collected and done by the method of Rapid Rural Appraisal (RRA), which is a participatory approach to obtain data/ information and assessments in general in the field in a relatively short time. This method does not necessarily require a questionnaire. The questionnaire would only serve as a general guideline to remind researchers to not deviate from the purpose of research. Descriptive statistical analysis is used to describe or provide an overview the object to be studied through the data sample or population as they make and apply conclusions to the public (Sugiyono, 2009). Thus the descriptive statistical analysis in this study is used to provide an overview of related variables. The use of descriptive statistics in this study is to provide a description of the independent and dependent variables through the use of a frequency table. Inferential analysis is used for the quantitative data collected. In analyzing the data on all the information collected, the authors use the method of multiple linear regression analysis. The analytical method used is the analysis method of Cobb Douglas on production function, because this method is often solved by using multiple regression or simple regression. Cobb Douglas formed the formula of a multiple regression equation (Multiple linear regression) as followed:

$$\ln Y = \ln \beta_0 + \beta_1 \ln X_1 + \beta_2 \ln X_2 + \beta_3 \ln X_3 + \beta_4 \ln X_4 + \beta_5 \ln X_5 + e$$

Requirement:

- Y = Production per crop per year
- β_0 = Constant
- X_1 = Agricultural Land unit hectares (Ha)
- X_2 = Number of seedlings unit packs
- X_3 = Fertilizer natural and artificial fertilizers unit Kg
- X_4 = Insecticides liter unit
- X_5 = labor unit people
- e = Interference stochastic or measurement error;

Qualitative analysis is also conducted through primary and secondary data obtained from the interviews to policy makers (government bureaucracy) in the region and on the respondent. Based on quantitative and qualitative analysis above, it will then be formulated into

a map of the potential for crop production in relation to Food Security in Kampar regency, Riau province.

RESULT

The geography of Kampar Regency are viewed as potential land for agricultural development. Agricultural sector contribution to the GDP of Riau province reached 46.68% (Isyandi, 2007). Nonetheless, Kampar is still confronted by a decline in the production of paddy and pulses which have an impact on of shortage. This is caused by the potential which has not been optimal management of land resources as a whole. Therefore the agricultural development policy of both wet-land and dry-land must be adapted to the paradigm of agricultural development and revitalization functions supported synergistically to develop a network of agri-food crops and horticulture in Kampar Kiri Hilir, Central Kampar Kiri, Mount Sahilan, Tapung Hilir and Bangkinang. Seeing the comparison, wetlands has been utilized with various crops and also been used quite spacious, which is about 65 percent. Meanwhile, dry-land has not been utilized by 35 percent (CBS, 2013).

In addition to having the potential paddy field, Kampar District also has the potential of drylands, where most of them are larger extent than the potential of existing paddy field. In 2010, the area of dry land in Kampar regency was 197.346 ha (hectare) which can be used for crops covering an area of 63.615 hectares, while the rest of them is used for development of fruits. Potential dry land in Kampar regency is quite extensive, some of which are already used by communities to live their daily lives. Nonetheless, there are still many untapped dry land, mainly in District Tapung Hulu and Tapung Hilir. Seeing the percentage of untapped utilization and on dry land area, it is amounted to 48 percent of dry land utilized, while the remaining 52 percent has not been exploited. This condition would increase based on the amount of production of the commodities that were planted by the community (BPS 2013).

As an agricultural area which has the potential wetland and wide dryland, either already or untapped, Kampar continually strive to cover the various needs of the community. Along with the number of people who continues to increase each year, it is also followed by an increase in the number of food needs. It is not followed by an increase in the production of food crops and horticulture, therefore in 2010 Kampar had deficit of paddy.

With the addition of the total population in 2010, the demand for rice in Kampar regency also increased for approximately 75669.11 tons, while rice production is only 62535.51 42899.36 tons which is equal to tons of rice. This situation has caused a deficit of Kampar regency on rice needs as much as 32769.75 tons or 40.31%. However, compared to the previous year when

the deficit needs rice was by 50.22%, it showed that an increase in rice production is high enough therefore the production of rice is in the lower deficit. Otherwise, such food, like nuts, are in a deficit of about 5331.12 tons or 68.77%. Food productions which have exceeded demand are tubers, fruits, vegetables and maize (BPS 2013).

Efforts to increase the number of rice production is by expanding the area of a planting. These conditions are about to be done because there are many areas which have not been utilized, such as in Sub Mine, where the total area of untapped is about 1,015 Ha. However, some farmers do not want to make the effort to expand the planting area. In 2010, the field of paddy's a planting in Kampar regency is 16.487 ha comprising an area of 11.173 ha of paddy and upland rice area of 5314 ha. Harvested area of rice is 15.316 ha comprising of 10.088 ha of paddy rice with a productivity of 4.76 tonnes/ha and 5,228 ha of upland rice with a productivity of 2.78 tonnes / ha. From the planting area, not everything can be harvested, because some plants have failed / corrupted which is 30 ha which comprised of 2 ha of rice paddy and upland rice area of 28 ha. Although some vacant lands have already been planted by a wide variety of crop, but in reality not all of these plants can be harvested. This is due to some kind of crop damage / failure caused by a variety of factors, including pests, lack of fertilizer, or crops damage caused by flood.

Kampar regency is one of regencies in Riau Province which is famous for its fruits outcome. Ten years ago, Kampar District was the largest producer of citrus in the province of Riau. The production always continued regularly and citrus always dominated the trading in the province of Riau. However, it is a bit different right now. All have rapidly changed and it is a bit difficult for the production to produce it for local consumption. Therefore, citrus sold in fruit market is either always imported or from outside the province of Riau. There are many factors caused the production of citrus fruits decreased Kampar, including soil fertility.

Oranges are not the only fruit products produced by Kampar. There are types of fruits that can be used as leading commodities by Kampar, including durian and pineapple. In additional, there are also other fruits planted by the community, in the level of household. The fruits are rambutan, mango, mangosteen, guava, jackfruit and banana. Viewing from the not-too-high production of those fruits, these plants have been able to help the farmers to support the needs of their daily lives. The total production cannot be separated from the number of trees planted by each farmer. Pineapple crops in District Tambang are the highest number in planting, about 7,147,326 trees or 98.94 percent of the total number of pineapple plants in Kampar regency. Meanwhile, durian ranks the second, which is about 131.787 trees. District XIII Koto Kampar is the district where most of durian trees are planted. It is about 34.779

trees or 26.39 percent of the total (BPS, a few years of publication. Kampar in the figure

Pineapple plants is not only for sales in Pekanbaru (the capital of Riau Province), but also in other province, such as West Sumatera. The texture of soil in District Tambang are very suitable for pineapple plants. Pineapple grows very well in the peaty soil, as some land located in the District Tambang. Pineapples from the District Tambang (Rimbo Panjang) are sweet and have become the typical souvenirs of Kampar.

In effort to utilize pineapple in the District Tambang, Local Government in the last few years has conducted to coach society to make pineapple chips as the typical of Kampar because the production of pineapples District of Tambang is quite large. Although it is still in the scale of home-industry, the production is quite promising, especially for the local community. The chips are attractively packed and have been marketed in several shops selling traditional foods in Pekanbaru. Some guests from Jakarta or other cities in Indonesia, are keen to eat typical food of Kampar. Right now, Kampar chips are very well-known, both in Indonesia and other countries. To promote this traditional food of Kampar to a higher level, it needs the cooperation of various stakeholders.

Pineapple chips are not the only community of Kampar refined products. Kampar also have of jackfruit chips, which is promising in terms of sales. Although it is still in the scale of home industry, the condition has made people of Kampar, particularly located in District Tambang, to produce of jackfruit chips. We can see from the results of jackfruit chips products that already marketed. There are still plenty to be reinnovate. This might be a bit compelling, but in terms of the appearance, the chips is not quite interesting. Many of jackfruit chips are colored black which will reduce consumer tastes. They should find the way to make Jackfruit Chips more attractive and also can last longer in packs.

The agricultural sector is a sector which has an important role in overcoming the problem of poverty in Kampar. This is aligned with the statement of World Bank stating that food security, poverty reduction and economic development are inter-related and depend critically on improvements in agriculture. They require strategies that focus on increasing food productivity and incomes among small-scale farmers and access to income and employment for rural poor people who lack access to land (Mehra and Mary, 2008). Many activities can be done by the people of this sector, not only planting rice and other crops, fruits but also planting vegetables by utilizing a narrow area though. Seeing from the location of Kampar district, it is very close to the provincial capital. Farmers in Kampar basically have great opportunity to fill the demand for vegetables in the city of Pekanbaru. Even if there is a good marketing management to the production of

these vegetables, it is not impossible vegetables from Kampar to dominate Singapore, due to the fairly close geographic position.

There are various types of vegetables which are planted by farmers in Kampar, such as beans, large chilli, cayenne pepper, cucumber, eggplant, kale, spinach, and others. But nobody can deny that the vegetables are still unable to compete with the production from the neighbor province of West Sumatera. Most types of vegetables sold in Pekanbaru are from West Sumatra, such as chili, cabbage and others. Although the value of economic sale of vegetables is quite high, it is also extremely helpful for the economic community (Isyandi, et al., 2007).

There are several factors that cause this condition occurs. The first one is the limited farmers. The area used for planting vegetables is still on a small scale. This condition is worsening by planting vegetables instead of the main occupation of farmers, but it is a side job. Therefore, they are not fully focused to keep and care on the vegetables they planted, but for something else. Another problem is the existence of various types of vegetables that require special treatment, such as high soil humus, moist weather conditions to be able to produce to the maximum (Isyandi, et al., 2007).

Seen from the planted area of each vegetable in 2010 in Kampar, it was still very small compared to the existing average. As for beans, the average is about 576 ha, cayenne is 165 ha, 586 ha of cucumber, 473 Ha of eggplant, 457 Ha of kale, and 14 ha of cabbage. Compared to each districts with a population, the acreage of each type of vegetable is still very small. To plant beans, east district of Kampar has the most extensive acreage, which is 113 Ha. However, compared to the number of people in the township, an area of 113 Ha is certainly not possible for people to get the optimal results. Therefore, the area of planting is still relatively very small even though with a highest and greatest plant of chili. Although the need of chilli is immense, in 2010, the acreage of Chilli in Kampar Kiri Hulu was only 1 Ha. This situation illustrated that community Kampar Kiri Hulu not only plants chilies merely to domestic use only, but also economic purposes. Likewise, other vegetables are consumed only for their own. For that, we need the attention from the various parties to Kampar regency could be one of the producers of vegetables in Riau Province (BPS, a few years of publication, Kampar in the figure).

Food security is an important element from the national security in the economic field, relating to food availability, affordability, consumption, security, and sustainability of supply. On the production side, agricultural development policies are applied during this more oriented towards the production target in the short and medium term including through the intensification of monoculture farming with the input of fertilizers and synthetic pesticides which are high and the use of

seeds that have a high response to the input of water and fertilizer. Actual production issue cannot be separated from the human effort that aims to reach the requirement through actions and deeds. Thus, the production is not only an act of human to achieve the level of need, but the creation of objects or services that always direct services to meet the needs of human life.

Actually farming is not only confined to harvesting, but actually also the business of production. Here claims the ongoing utilization of land, capital, labor, and management / skill. Success in this utilization will then bring the results that can be retrieved. The quality and quantity will depend on the results of the processing, if the processing takes place from the beginning to capture the results that will be very satisfying producers. The production function outlines the ways how the inputs can be combined to generate number of products that have been planned, meaning that the technical relationship between the input alignment is in accordance with the product. Thus in the absence of inputs, the production is not going to take place and the planned production will not occur. In order to generate given level of output, it would be used comparison of the various mix of inputs which in this case will be determined by the most economic, effective, and efficient inputs (factors of production).

Changing the number of an input (factors of production), such as changes in labor, while other inputs unchanged or fixed, will bring effect on production, which may lead to an increase in the product. However, the increase in production will not always be guaranteed by the change in the amount of one of these inputs, eg labor with the law of diminishing returns (The Law of Diminishing Returns), which mean that reaching a certain level of increase in production will decline, eventually reaching the point negative. Such circumstances led to an increase in total production which has been slower. The results showed that agricultural land, the number of seeds, fertilizers, insecticides, and labor simultaneously affect the food security in Kampar regency. Statistic calculations obtained by the regression coefficients for the variables of agricultural land (X_1) of 0.333 with a significance level of 0.008. It means it is true that agricultural land variables have a significant effect on the food security at the 95% of confidence level. Likewise, for the regression coefficient variable number of seeds (X_2) is 0.368 with a significance level of 0.001; so it is true that a variable number of seeds have a significant impact on food security at the 95% of confidence level. Furthermore, the regression coefficients for the variables fertilizers (X_3) of 0.297 with a significance level of 0.003; it indicates that the fertilizer variables also have a significant influence on food security at the 95% of confidence level., and finally reaches the maximum level (optimum point) which also can further decrease.

Allotment of land in Kampar regency stated about regional spatial planning (RTRW). Comprehensive

land use is translated in a spacious function area that consists of spacious function on protected areas and cultivated area which are calculated digitally appropriate regional criteria. The extensive data indicates that the land are is used for social and customary rights which are recognized as collective rights of local communities (a.k.a communal rights) by the law state. It is often dominated by large employers, therefore it also always lead to social conflict that would hinder efforts to empower the community. It is a very strategic and needs to be revisited in the term of arrangement, surveying, mapping and land use through spatial planning. Through the correct land, stewardship will implement possession, use and utilization of land, therefore it produces a map of community of land ownership which is in accordance with the statement of Mozumdar (2012). Mozumdar (2012) stated that the government of food deficit developing countries should reform the traditional agricultural policies and formulate new appropriate policies emphasizing the non-conventional production factors that can promote them to increase the production capacity agriculture through productivity growth and thereby improving the food security.

The live and livelihood of people in Kampar depend on the agricultural sector. Land utilized for agriculture is a productive asset in the effort to improve the welfare of farmers. The difficulty of the land needs for agricultural areas is dominated by the company in which Cultivation Rights Title in Kampar causing land values should continue to rise. On the other hand, land administration system which is still weak will cause land frequent and disputes problems arise in the society. Total issuance of certificates of Freehold title of year-to-year was declined. In 2006, there were 5.172 issuance of Freehold Title. In 2009, there were 1,489. However, since 2006, there were no issuance for Cultivation Rights Title while in 2009 there were 12 issuance of the Cultivation Rights Title.

In an attempt to overcome various problems of poverty that exist in Kampar regency for 5 (five) years, Kampar District Government has made several breakthroughs in the form of programs / activities, both short term and long term. The agricultural sector which include food crops, horticulture, livestock, crops, fisheries and forestry play a major role in the provision of food to support food security in the region fulfill the right to food and earner of foreign exchange and GDP.

Kampar district's geography is a potential land for agricultural development. Nonetheless, Kampar still faced by a decline in the production of rice and pulses that affect the rice shortage. It's because the management of land resouces are not optimal yet. In related to the policy of agricultural development, wetlands, fields and dry land must be adapted to the paradigm of agricultural development and revitalization functions supported synergistically to develop a network of agri-food crops and horticulture.

CONCLUSION

- 1) The geographic condition of Kampar is a potential land for the development of food crops. Nevertheless, this region still faced by the decline in the production of rice and pulses that have an impact on rice shortage. It's because the management of land resources are not optimal yet. In addition, the land conditions located in the region of red organosol land and yellow podzolic which are less fertile cause an increased difficulty in improving productivity. Furthermore, the existence of climate change due to global warming causes frequent extreme weather impact on cropping patterns, damaging plants. It also relates to the agricultural development policies either wetlands, swamps and dry land which have not been adapted to the paradigm of agricultural development. The development itself is supported by synergistic and revitalization functions network to develop the agri-food crops and horticulture;
- 2) The potential dry lands in Kampar regency are quite extensive, which are already used by communities to live their daily lives. But there are still a lot of dry land that has not been utilized, especially in District Tapung Tapung Hulu and Hilir. Seen from the percentage of utilization, the dry land area has not been utilized and amounted to 48 percent of dry land utilized, while the rest of 52 percent not yet utilized. This condition would increase the amount of production of the commodity in the growing by the community. A touch of education is currently perceived less effective to encourage farmers to make improvements cultivation technology.
- 3) Due to the increasing number of people since 2010, demand for rice in Kampar has increased, ie 75669.11 tonnes, while rice production is only 62535.51 42899.36 tons, equal to tons of rice. This condition has caused the deficit need in that area as much as 32769.75 tons or 40.31% of rice. Likewise, other food such as nuts is also in a state of deficit as much as 5331.12 tons or 68.77%. An effort to boost the number of rice production is to increase the area of planting. These conditions should be further conducted, because there are many areas that have not been utilized, such as in District Tambang, where the vast untapped area is 1,015 hectares. Most farmers do not want to make the effort to expand the planting area because of low income. It causes less interest from farmers to make the use of cultivation technology innovation and improve productivity. Currently rice productivity are still in the state of 3.6 tons per ha; 2.2 tons per ha of corn and 1.1 tons per ha of soybeans;
- 4) Although some vacant lands have been planted with a wide variety of crop, but in reality not all of these plants can be harvested. This is due to some kind of crop damage / failure caused by a variety

of factors, ranging from pests, less fertilizer to the crop failure caused by flooding. If you have been discussing about the acreage and harvested area, the end result is certainly the amount of production. If in view of the number of crop production in this area over a span of five years, also fluctuated;

- 5) The life and livelihood for the majority of people in Kampar depend on the agricultural sector. Land utilized for agriculture is productive asset in the effort to improve the welfare of farmers. The difficulty of the land needs for agricultural areas and dominate by the company which Cultivation Rights Title in Kampar causing land values continue to rise. On the other hand, land administration system which is still weak cause land frequent and dispute problems arise in the society;
- 6) Farmland, the number of seeds, fertilizers, insecticides and labor significantly and simultaneously influence the food security. Farmland, the number of seeds and fertilizers partially have significant effect, but insecticides and labor have no significant effect on the resistance of Kampar regency, Riau. The difficulty of the land needs for agricultural areas will threaten food security in Kampar, Riau.

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Education and Training Program towards Work Achievement for Employees of Developer's Company

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Abstract

The purpose of this research is to know the influence of education and training programs towards work's achievement for employees in developer's company Kota Bunga, Puncak, Cianjur Regency. Education and training programs consist of hardware and software dimension; as well as work achievement with the dimension of quantity and quality. Education and training variables were both assessed in terms of respondents' responses. The results reflect that most employees would assume that training is a very important. Work achievement is the contribution of individuals or groups either in quantity or in quality against the purpose of the company. Based on the respondents' responses, employees' work achievement is considered as excellent. Hypothesis test shows that there is a significant and positive influence on the program of education and training towards work achievement of employees.

Keywords: education, training, education and training programs, employee work achievement

INTRODUCTION

Human resources is a very important factor in the current tight competition, because it is an operational company mover tool with all the facilities available in the achievement of the goals. Increasing achievements to the employees is essential in achieving organization goals. This is one of ways for granting the education and training towards the employees.

The employees are expected to accept the challenge and be able to solve problems in their job. In the end, it can also satisfactorily support work achievements which necessarily support the existence of education and training in advance. In this case, the leader will need to give the opportunities to subordinate so that they can bring themselves good and reasonable down in the company.

The training was implemented in hard-wired expected in carrying out the duties of an employee and can enhance its activities in a more optimal way. With good activity expected level of the planned achievement, company goals will further increase.

Heidjrachman Ranupandojo and Suad Husnan (2008:70) noted that education is an activity to improve the general knowledge of a person including an increased mastery of the theory and skills and decided against the question that concerns activities in achieving the objectives. Exercise is an activity to improve the ability of the person's work in relation to economic activity. Exercise assist employees in understanding a practical

and determinations, in order to improve the skills and attitudes required by the organization in an attempt to reach the goal.

Manullang (2008: 103) states that the utilities of the performance appraisal can be divided into several things. It is described as followed: repair work performance, adjustments of compensation, decisions of placement, needs of training and development, planning and career development, deviations process of staffing, lack of informational accuracy, error job design, job opportunities fair, challenge-hand external. Sutrisno, (2011: 151) states that the environmental factors that influence employee performance include physical condition, equipment, time, materials, education, supervision, organization design, training, and luck.

Those statements show that education and training is one of the efforts made by organizations in supporting the achievement of the desired objectives. As in this case, problem occurred in the company. It is decreasing (static) employee ability level which will automatically hamper the increasing of their career.

The training program was conducted for their needs and demands of the company to expand its efforts in facing the challenges and progress in the future in which education and training are basically the attempts to improve the activity of the employee in order to obtain optimal results. Therefore, the development, direction and motivation of human resources are the primary requirement.

The problems usually encountered in implementing education and training among other things are related to less good drafting program education and training. Therefore, the result is not as expected, which in the end will negatively impact the increase on employee's work achievement. The most important resources compared to various resources used in producing the production of goods and service also include humans.

T. Hani Handoko (2008:103) purposes of education and training programs were held as follows:

1. To close the "gap" between the competence or ability of the employees with position's request.
2. To improve the efficiency and effectiveness of employees' work in reaching the targets set by the company.

Manulang (2009:84) states that the purpose of education and training are as follows: to raise the complacency, to reduce waste, to reduce absenteeism and to turn the employee over, to improve the work sytem and method, to raise the level of income, to reduce overtime costs, to reduce engine maintenance, to reduce complaints officers, to improve communication, to reduce accidents, to improve knowledge of mixed-use employees, to improve employee morale, to lead to better cooperation.

Moekijat (2008: 137) states as follows: (1). Education and training enables new employees to acquire greater knowledge. It means that adding some skills would be really necessary for the purpose of transfer and promotion. (2) If the employee has been given a reasonable level, then accidents, damage of engines and othe equipments could be minimized. (3) In order to hire better employees who participate in education and training. It can also grow faster. Education and training both reduce satisfaction, reduce absenteeism and worker turnover, since education and training can help individual prowess use completely, both for the old employees and new employees.

Whereas the benefits of education and training according to Alex S. Nitisemito, (2009: 92-93) are as follows: reducing supervision, increasing self-esteem, increasing cooperation among employee, facilitating the implementation of promotions and transfers, facilitating the implementation of authority delegation.

From the definitions mentioned above, the programs have two benefits. First is a benefit for the company which acquires trained and equipped employee to handle certain occupation. And the second is a benefir for employee which will increase their knowledge and skills in the field of employment and is expected to improve the quality of the employee itself.

In line with the theory of human capital, higher average education levels are positively related to higher labour productivity. The incidence and duration based measures of training are both positively related to financial performance and labour productivity, although a more mixed pattern is evident for quality (Jones,

et.al., 2008). Highly educated workers tend to display greater creativity and to demonstrate more citizenship behaviours than do less educated workers. Moreover, highly educated workers appear to engage in fewer counter productive work behaviours like workplace aggression, workplace substance use, and absenteeism (Ng and Fieldman, 2013).

Training is positively and significantly associated to job satisfaction. Job satisfaction is also positively and significantly associated to the workplace performance on most measures of performance. The relationship between performance and training is more complicated, with the relationships depending on the features of training and measure of performance considered (Jones, et. al., 2008).

Training and development are continuous process in improving the calibre of employees. It is an attempt to improve their current and future performance but the organization should keep a track on their performance after imparting them training. It means training needs assessment which is a systematic process of altering the behaviour of employees in a direction to achieve the organization's goals (Anim, et.al., 2013).

There is importance of positive relationship related to the training and worker performance. Training is not beneficial for employee since it's ultimately beneficial for development of the organization. If the performance of employee is good, it is going to affect the entire organization in optimistic way (Shaheen, 2013).

Education and training programs will generate employees to higher ability, more creative, more productive and exhibit behaviour that ultimately increases employee performance. However, it should also be noted that the program features (such as time and type) are offered and will be used to measure employees' work achievement.

The influence of education and training programs on employee work achievement can be described as followed:

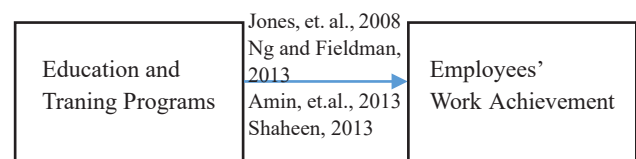


Figure 1. Research Paradigm

Hypothesis: Education and Training Program influence on Employees' Work Achievement.

METHOD

The method used in this research is descriptive and quantitative method. Descriptive method is used to describe the education and training programs and employee work achievement in Kota Bunga, Puncak. Quantitative method is used to determine the relationship and the influence of education and training programs on the work achievement of employees in

Kota Bunga Puncak. The data obtained are primary and secondary. Primary data is obtained from interviews with respondents, all employees, and the field survey through questionnaires. Secondary data is obtained from the company's data of Kota Bunga Puncak and literature.

Table 1. Operationalization Variable

Variable	Dimension	Indicator
Education and Training Program (X) Part of education process which aims to improve the ability or specific skills of a person or group of people.	Software	<ul style="list-style-type: none"> Instructor Training Methods
	Hardware	<ul style="list-style-type: none"> Training Material Place Tools
Employees' work achievement (Y) Employees' work achievement is the result of the quality and quantity of the work accomplished by an employee in performing their duties according to the responsibilities given to them.	Quantity	<ul style="list-style-type: none"> Attendance Achievement of the job targets Speed of completing the job
	Quality	<ul style="list-style-type: none"> Meticulous Involvement in the filling of self Full concentration

RESULTS

Characteristics of respondents who are employees of the population in Kota Bunga, Puncak in Cianjur. The characteristic of the respondents is based on age and identified as Table 2.

Table 2. Characteristic of Respondents by Age

Number	Age	Frequency	Percentage(%)
1	20 – 27	8	40
2	28 – 35	2	10
3	>36	10	50
Total		20	100

Source: Data Processing Questionnaire January 2016

Table 2 is based on the respondents' average age and is in a productive position. They are considered as people who can still work and perform better. The majority is over 36 years old, therefore it has an adequate maturity. Characteristic of respondents by gender is identified Table 3.

Table 3. Characteristics of Respondents by Gender

Number	Gender	Frequency	Percentage(%)
1	Female	8	30
2	Male	12	70
Total		20	100

Source: Data Processing Questionnaire January 2016

Based on Table 3, female employees are less than male. Moreover, characteristic of respondents which is based on education is identified in Table 4.

Table 4. Characteristics of Respondents by Education

Number	Education	Frequency	Percentage(%)
1	High School	10	70
2	Bachelor(S1)	6	20
3	Master (S2)	4	10
Total		20	100

Source: Data Processing Questionnaire January 2016

Based on Table 4, most of the employees are graduated from high school. Furthermore, characteristics of employees based on position is shown in Table 5.

Table 5. Characteristics of Respondents by Job's position

Number	Position	Frequency	Percentage(%)
1	Top	4	10
2	Middle	6	20
3	Lower	10	70
Total		20	100

Source: Data Processing Questionnaire January 2016

Based on Table 4 and 5, it appears that the higher positions is occupied by employees with higher education. This shows that developers in Kota Bunga Puncak in Cianjur has already put employees in accordance with their education. Employees with higher education earn higher positions compared to those who are in lesser education.

Training is a process which will change behavior in the form of upgrades including cognitive, affective, and psychomotor. Training needs to be given to employees to determine the response of respondents to the training, following the value of the respondents about the dimensions that must be observed in training.

Respondents to the variables training education program is considered good, in terms of respondents which reached to 75.12% with tabulation as Table 6.

Table 6. Score Education and Training Variables

Dimension	Percentage (%)
Software	69.29%
Hardware	80.95%
Average	75.12%

The developer's company of Kota Bunga Puncak in Cianjur still needs to improve the training of educational software aspects, which include instructors, methods, and training materials. It is because the employee response is below the average. The developer can maximize the benefits of training by paying attention to assessment needs and pertaining states of trainees (e.g., trainee motivation), training design and delivery (e.g., advantages of using error training), training evaluation (e.g., documenting training success differently depending

on the stakeholder in question) and transfer of training (i.e., the importance of interpersonal factors), Anam, et. al. (2013).

Work achievement shown by employees has greatly contributed to the achievement goals or targets that have been set by the company. This means any company that wants to develop must always strive to acquire employees who excel. In terms of attention to employees, especially employees who have accomplishments in the job. Because the work achievement is the success of a worker in running an arduous task and will give them contentment.

The results are in line to research Ng and Fieldman (2009) have done. They stated that the educational has influence to the employee work achievement. Similarly, Jones et.al. (2008) stated that the training positively and significantly affect the performance. Anim, et.al. (2013) stated that the training and development program will increase the competence of employees thus increasing work achievement. Shaheen (2013) stated that a training program is related to employee's performance.

The Developer's company of Kota Bunga Puncak in Cianjur must pay attention for training. It is because turnover is higher in workplaces where a higher proportion of workers is over-skilled. This probably shows that the workers are seeking suitable jobs to their capability. Similarly, the higher turnover rates in firms with higher average education levels might be due to the availability of opportunities for educated workers (Jones, 2008).

CONCLUSION

Conclusions proposed in this research are as followed:

1. Education and training programs in Kota Bunga Puncak in Cianjur should be further enhanced, particularly related to the software including instructor, methods, and training materials. It is also related to how to manage and schedule routine and to align with each employee career paths.
2. The work achievement of employees in Kota Bunga's company developer will be further increased by the education and training programs, especially if the program is used as a mandatory program that applies to all employees in accordance with the carrier path where it is expected to. It will also

create better performance of each employee to develop company's improvement.

3. Education and training programs have given influence on work achievement of employees at the company's developer in Kota Bunga Puncak in Cianjur. Education and better training, includes the software and hardware can improve work achievement of employees.

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Work Environment and Compensation on Nurse's Job Satisfaction and Its Implication on Extra Role Behavior in Efarina Etaham Hospital, Purwakarta

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Abstract

This study aims to obtain empirical evidence about the effect of work environment and the compensation on nurse's job satisfaction and its implications on extra role behavior in Efarina Etaham Hospital, Purwakarta. The method used was descriptive and verificative analysis. The data collection was an interview by using a questionnaire along with observation techniques. The population is 70 nurses. Field data collection was conducted in 2014. Data were analyzed by path analysis. The results showed that work environment, compensation, job satisfaction, and extra role behaviors generally are relatively good. Meanwhile, the work environment and compensation partially and simultaneously have a positive and significant effect on job satisfaction. Job Satisfaction has positive and significant effect on extra role behaviour of nurses.

Keywords : work environment, compensation, job satisfaction, extra role behaviour

INTRODUCTION

In such service company like hospitals, role of human resources is indispensable because it is directly related to the satisfaction that will be felt by the customers/patients of the hospital (Sujudi, 2011). Demands of rapid development of hospitals need to be supported by many factors, one of which professional human resources so as to answer the challenges of an increasingly competitive business in the future.

Public demand good quality health services resulted in nurses must be willing to perform "extra" in addition to the basic tasks that must be done. The "extra" tasks such as willing to cooperate and help and willing to use their time effectively. Prosocial behavior or "extra" action that exceeds the organization's description of the role assigned is called organizational citizenship behavior (Organ, et.al., 2006).

In connection with the phenomenon in the field, the organizational citizenship behavior (OCB) employees at the Purwakarta Etaham Hospital is relatively low, as seen from the behavior of helping others (altruism) that nurses are rarely willing to replace colleagues who do not get in. Nurses also rarely take the time to help other nurses related to problems in the work nor take the time to help patients or visitors who need assistance, related to the caution (courtesy). Nurses also sometimes get disrespectful treatment in serving patients, rarely follow

the changes in the organization, sometimes exaggerate the problem which took place in the organization, and is not open in admitting mistakes.

One of the main causes of nursing staff, nursing services and nursing shortage problems is the lack of job satisfaction. When there are many nurses who experience job dissatisfaction, it will impact on the poor hospital services. Gillies (1996) stated that job satisfaction is influenced by factors closely related to work environment such as organizational policies, relationships with superiors and co-workers, rewards, direct superior quality, and working conditions.

Positive environment in working in hospitals is able to influence, encourage and motivate someone to work optimally in accordance with the profession in order to reach satisfaction in work.

One indicator to indicate the level of satisfaction in hospitals is the level of turnover. The following data is on the number of nurses that resigned per year, the average number of nurses for one year, and the percentage of turnover of nurses in Efarina Etaham Purwakarta Hospital from 2008-2012.

The above data showed a high turnover of nurses who allegedly as a result of low job satisfaction. The high percentage of nurse turnover will cause damage to the hospital because obtaining new nurses require fees for the recruitment, selection, interviewing, and training and development of new nurses. To anticipate

the lack of job satisfaction, it is necessary to analyze factors that affect job satisfaction of nurses at Efarina Etaham Purwakarta Hospital.

By devoting effort, time, knowledge and skills in an organization, one expects different types of remuneration or compensation. Based on interviews with HR regarding compensation components, we obtained information that components in the current system of financial compensation are considered to be too much. The nurses assess many components but the nominal is small so it motivated less and asked the nominal to be improved, and in addition the payroll staff has difficulty to calculate and distribute. This is because there are too many components of compensation, manual counting and the increasing number of employees.

Preliminary survey results showed that nurses at the Efarina Etaham Purwakarta Hospital complain about the low compensation that have been received so far. Complaints are often submitted to their superiors. The result showed high turnover of staff, especially among paramedics.

Based on Table 1, it is known that there are 14 people (82.6%) who expressed dissatisfaction in payroll obscurity component, only 1 (5.8%) who expressed dissatisfaction in the discomfort component. Factors that cause dissatisfaction among other things in terms of compensation applied by the company management. Compensation management does not assess to give an effect on the welfare of employees. In turn, it decreases employee motivation and this will lead to their productivity or performance to be below the company's standards, or they decide to leave the company.

METHOD

This research was conducted on nurses at the Efarina Etaham Purwakarta Hospital. The study was conducted on Jalan Raya Cibeuning Bungursari, Bungursari Purwakarta, West Java. The population in this study were 70 nurses at the Efarina Etaham Purwakarta Hospital.

Testing the hypothesis in this study will use Path Analysis based on regression analysis with the help of SPSS version 2.0. Path analysis model was used to analyze the relationship between variables in order to determine the direct or indirect effect, of a set of independent variables (exogenous) to the dependent variable (endogenous). Simultaneous testing is used by the F-Snedecor distribution with the error rate or level of significance (α) by 0.5. To determine the influence of variable Y (job satisfaction) on variable Z (extra-role behavior), it uses the coefficient of determination.

RESULT

The working environment at the Etaham Purwakarta Hospital measured by the dimensions of the working

environment both physical and non-physical showed an average of 63.5%, which means that work environment in the Efarina Etaham Purwakarta Hospital could be interpreted in the category of quite good. Things that should get attention for improvement concerning physical work environment are air circulation, paint colors, temperatures, and unpleasant odors in the room. Things that should get attention for improvement concerning non-physical work environment are safety, and the opportunities provided by the hospital for a promotion at work.

Compensation in Efarina Etaham Purwakarta Hospital measured by the dimensions of financial and non-financial compensation showed that the average variable compensation amounted to 66.4%, which can be interpreted in the category of quite good. Things that should get attention for improvement concerning financial compensation are the implemented pension plan, the incentive system applied, and the system of allowances applied. Things that should get attention for improvement concerning non-financial compensation are communication with the leaders, the challenges of work, superiors and subordinates at the hospital supporting smooth working, the treatment of leaders toward employees, and are guaranteed a good career.

Job satisfaction of nurses in Efarina Etaham Purwakarta Hospital are measured by dimensions of employment, salary and promotion, working conditions, colleagues and superiors, as well as compatibility between work and personality. It showed the average variable by 73.4%, which means the job satisfaction of nurses in Etaham Purwakarta Hospital can be interpreted in the category of good. Things that still needs to be improved, namely salaries and promotions imposed by the current hospital, equipment that support the execution of the work, and the rewards given on the performance of nurse leaders.

Extra role behavior of the nurse in the Efarina Etaham Purwakarta Hospital with dimensions of behavior to help others (altruism), chariness (conscientiousness), awareness (civic virtue), sportsmanship, politeness (courtesy) showed the average variable by 82.2%, which means extra role behavior of nurses at the Efarina Etaham Purwakarta Hospital can be interpreted in the category of good. Things that still need improvement are participation in activities/ events held by the hospital, take a good care for the local community who may require assistance, optimization in creativity and initiative in carrying out the work, and the response when colleague suggested the problem and ask for suggestions to solve the problem.

The both hypothesis test results showed that the working environment and compensation effect on job satisfaction of nurses at the Hospital of Efarina Etaham Purwakarta is 68.23%. This means that the working environment and compensation have a significant positive influence on job satisfaction of nurses. This

illustrates that the level of the working environment and compensation perceived by nurse will determine the level of job satisfaction of nurses at Etaham Purwakarta Hospital.

Partial effect can be seen that the compensation with the value of 39.27% is the dominant influence of job satisfaction of nurses at the Efarina Etaham Purwakarta Hospital than work environment, and the effect of job satisfaction on the extra role behavior in Etaham Purwakarta Hospital is at 70.56%.

These findings concur with those of Herzberg who, stated about the factors that bring satisfaction are achievement, recognition, work itself, responsibility, leadership, and progress (Armstrong, 2004: 71). Job satisfaction is closely linked to the attitude factor. As stated by Tiffin (1964) in As'ad (2005:105), job satisfaction is closely linked to the attitude of employees toward work itself, the work situation, the cooperation between the leadership with fellow employees. Correspondingly, Martoyo (2000: 142) stated that job satisfaction is an emotional state of employees where happens or does not happen a meeting point between the remuneration of employees of the company or organization to the level of the value of remuneration benefits that are desired by the employee. Employee's remuneration, either in the form of financial or nonfinancial.

Handoko in Asa'd (2005: 36) stated that job satisfaction is an assessment or a mirror of feelings of workers to work. Job satisfaction is a feeling associated with work involving aspects such as wages or salary received, career development opportunities, relationships with other employees, job placement, type of work, organizational structure, the quality of supervision. While the feeling that they relate to, among others, age, state of health, ability, education.

Robbins (2006: 251) and Luthans (2006: 132) reported job satisfaction has a positive relationship with performance, meaning high job satisfaction will improve employee performance. The relationship will be stronger if the employee is not influenced by external factors, such as a job that is highly dependent on the machine. Levels of working also affects to the power of relationship between job satisfaction and productivity. This study shows a strong association seen in employees with higher level of working, for example for managerial positions. According to Timpe translated by Sofyan (2004: 9), a person's performance can be affected by internal factors and external factors. Internal factors are factors originating from within or the employees themselves, such as attitude, behavior, and functional ability of social workers can affect the daily work. External factors are factors originating from employees environment. These factors can affect the ability and motivation of functional social workers.

Extra role behavior or Organization Citizenship Behavior (OCB) is an individual behavior that is

“discretionary”. It is not directly recognized by the formal reward system, and together will encourage the organization function more effectively (Organ, 2006). There is evidence that individuals who demonstrate OCB has a better performance (Podsakoff and MacKenzie, 1996). Behavior that goes beyond their job duties commonly referred to as outside role behavior (extra-role behavior). This behavior is very much appreciated when it is done by employees, although not formally described because it will improve the effectiveness and performance,

Many factors can form OCB, one of which the most important is job satisfaction. It is very logical statement which assumes that job satisfaction is a key determinant of OCB employees (Robbins, 2006). Employees who are satisfied are more likely to speak positively about the organization, help colleagues, and make their performance exceeded normal estimation. More than that, employees who are satisfied are more obedient to the call of duty, because they want to repeat their positive experiences (Robbins, 2006). Bateman and Organ (1983: 591) stated that all dimensions of job satisfaction such as work, co-workers, supervision, promotions, pay and overall positively correlated with OCB.

The results of both hypothesis test contained two variables that are working environment and compensation effect on job satisfaction of nurses at the Efarina Etaham Purwakarta Hospital. The magnitude of the effect of job satisfaction on the extra role behavior analysis is using the coefficient of determination, ie 70.56%. Meanwhile the remaining 29.44% is explained by other variables not examined in this study.

The results of the verification analysis regarding the effect of work environment and compensation for job satisfaction are by 68.23%. This illustrates that the level of the working environment and compensation perceived nurse will determine the level of job satisfaction of nurses at the Etaham Purwakarta Hospital. Partial effect can be seen that the compensation with the value of 39.27% is the dominant influence on job satisfaction of nurses at the Efarina Etaham Purwakarta Hospital than work environment.

The results of this study are consistent with the results of Herzberg's research which stated that the factors that bring satisfaction are achievement, recognition, work itself, responsibility, leadership, and progress (Armstrong, 2004:71). Many factors can form the OCB, one of which the most important is job satisfaction. It is very logical statement which assumes that job satisfaction is a key determinant of OCB employees (Robbins, 2006). Evidence that job satisfaction affect OCB is Bolon's research (1999). Bolon found that job satisfaction affects the two types of OCB namely OCB-I and OCB-O.

Evidence that job satisfaction is closely linked or influence OCB is Bolon's research (1999). Bolon found

that job satisfaction affects the two types of OCB namely OCB-I and OCB-O. Wagner and Rush (2000), Yoon and Suh (2003), Begum (2005) and Fotee and Tang (2008) stated that this study found that job satisfaction is significantly influenced by OCB.

Nevertheless, there are still differences in the findings examining the relationship between job satisfaction and OCB, as research conducted by Williams and Anderson (1991), which states that there are different effects on intrinsic and extrinsic job satisfaction of the two types of OCBs. Research by Ackfeldt and Coote (2000), found that there was no relationship between job satisfaction and OCB employees. Alotaibi (2001), found that job satisfaction has no effect on OCB workers in Kuwait. Kim (2006) found that job satisfaction has no effect on Altruism and Compliance, the dimensions of organization citizenship behavior (OCB). Therefore, it is very much still needed further research to examine the relationship between job satisfaction and OCB.

CONCLUSION

Working conditions in Efarina Etaham Purwakarta Hospital both the physical work environment and non-physical work environment were relatively good. Aspects that still need to be improved, namely work environment includes air circulation, paint colors, temperatures, and unpleasant odors in the workspace; Non-physical work environment includes safety at work and promotion opportunities.

Compensation given by Efarina Etaham Purwakarta Hospital seen from financial compensation and non-financial compensation were relatively good. It still remains to be improved, namely financial compensation includes retirement programs, incentives, and allowances are applied; Non-financial compensation include communication with the leaders, the challenges of work, superiors and subordinates at the hospital supporting smooth working, the treatment led to subordinates, and guarantees a good career.

The condition of Efarina Etaham Purwakarta Hospital nurses' job satisfaction seen from the work itself, salary and promotion, working conditions, colleagues and superiors, as well as the suitability between work and personality were relatively satisfied. Things that still needs to be improved were the award by leaders for the achievements of employees, relationship between superiors and subordinates, and consideration of subordinates' proposal by the leaders.

Extra role behavior of nurses in Efarina Etaham Purwakarta Hospital seen from the behavior of helping others (altruism), chariness (conscientiousness), awareness (civic virtue), sportsmanship, politeness (courtesy) were relatively good. Things that still needs to be improved were the participation in the activities held by the Hospital, take a good care of the surrounding communities, optimization of creativit

and initiative in work, as well as response when a co-worker in trouble.

The influence of working environment and compensation simultaneously on job satisfaction of nurses at Efarina Etaham Purwakarta Hospital is 68.23% with the remaining of 31.77% is influenced by other factors and is not examined such as leadership style and organizational culture. However, seen in partially compensation is the more dominant influence on job satisfaction of nurses with the amount of 39.27% than work environment, amounting to 28.96%.

The influence of job satisfaction on extra-role behavior of nurses at Efarina Etaham Purwakarta Hospital is equal to 70.56% with a positive direction, where the better perceived job satisfaction, will result in increased on extra-role behavior of nurses.

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APPENDIX

Table 1. Data on Employee's Reasons Moving to Other Hospital or Other Places

No	Type of Employee	Reasons of Moving		
		Discomfort	Payroll Obscurity	Carrier Path
1	Medic	0 (0%)	1 (5,8%)	1 (5,8%)
2	Paramedic	1 (5,8%)	10 (58,9%)	1 (5,8%)
3	Non medic	0 (0%)	3 (17,9%)	0 (0%)
Total (%)		1 (5,8%)	14 (82,6%)	2 (11,6%)

Source : Pre Survey, (data processed by author, 2013)

Table 2. Percentage of Nurse Turnover in Efarina Etaham Purwakarta Hospital Year 2008 - 2012

Information	2008	2009	2010	2011	2012
The number of nurses resign per year (person)	15	14	16	13	15
The number of nurses per year (person)	80	85	78	75	70
Turnover Percentage (%)	18,75	16,47	20,51	17,33	21,43

Source : Etaham Purwakarta Hospital Nurse Data, 2013

Table 3. Variable Operationalization

Variable and Variable Concept	Dimension	Indicator	Measurement	Scale
Work Environment (X ₁) Work environment is the entire tools and materials encountered, the surrounding environment in which one is working, working methods, as well as the arrangement works both as individuals and as a group. Sedarmayati (2006:1)	Physical work environment	- Lighting	- Lighting level	Ordinal
		- Temperature	- Temperature level	Ordinal
		- Humidity	- Humidity level	Ordinal
		- Air circulation	- Air circulation level	Ordinal
		- Noise handling	- Noise handling level	Ordinal
		- Mechanical vibration	- Mechanical vibration level	Ordinal
		- Bad odor	- Bad odor level	Ordinal
		- Paint color in the workspace	- Paint color in the workspace level	Ordinal
		- Room setting	- Room setting level	Ordinal
		Non-physical work environment	- Nurse to nurse relationship	- Level of nurse to nurse relationship
- Employee to Superior relationship	- Level of employee to superior relationship		Ordinal	
- Promotion opportunities	- Promotion opportunities level		Ordinal	
- Work safety	- Work safety level		Ordinal	

<p>Compensation (X₂)</p> <p>Is the total remuneration received by the employee as a substitute for the services they have offer.</p> <p>(Mondy dan Noe, 2008:4)</p>	Financial compensation	- Salary	- Salary system level	Ordinal
		- Incentive	- Incentive system level	Ordinal
		- Overtime payment	- Overtime payment system level	Ordinal
		- Positional allowance	- Positional allowance system level	Ordinal
		- Health Allowance	- Health Allowance system level	Ordinal
		- Retirement	- Retirement program	Ordinal
	Non-financial compensation	- Interesting job	- Level of Interesting job	Ordinal
		- Challenge	- Work challenge level	Ordinal
		- Responsibility	- Work responsibility level	Ordinal
		- Profit	- Level of profit in career development	Ordinal
		- Feedback	- Level of feedback from superior	Ordinal
		- Management treatment	- Level of management treatment toward employee	Ordinal
		- Open communication	- Level of open communication between fellow employees	Ordinal
- Career guarantee	- Career guarantee obtained level	Ordinal		
- Organization support	- Work support level	Ordinal		
<p>Job Satisfaction (Y)</p> <p>Based on the perceptions, opinions or views of employees on work and its aspects, namely the advantages and benefits that can be provided by employment and the environment.</p> <p>(Robbins, 2006:184)</p>	Work itself	- Current work position	- Level of current work position in accordance with competence	Ordinal
	Salary and promotion	- Salary and promotion imposed	- Level of salary and promotion imposed	Ordinal
	Work condition	- Availability of equipment that support the implementation of the work	- Level of availability of adequate equipment	Ordinal
	Colleagues and superiors	- Consider the suggestion proposal of subordinates	- Level of always consider the suggestion proposal of subordinates	Ordinal
		- Familiarity between the superiors and subordinates	- Level of leaders and superiors relationship	Ordinal
		- Reward for co-worker for their job	- Reward for co-worker for their job	Ordinal
	Suitability between work and personality	- Fellow employees cooperate facing difficulties	- Cooperation and teamwork level	Ordinal
		- Appropriate work placement and in accordance with expertise	- Level of appropriate suitable work placement	Ordinal

Comprehensive individual behavior, not recognized directly or explicitly by the formal reward system, and it was jointly promote the effective functioning of the organization. Organ in et.al (Luthans, 2006:238)	Extra Role Behaviour (Z)	Altruisme (The behavior of helping others)	- Willingness to help when colleagues overwork - Responsiveness to help overcome the problems of co-workers - Cooperation with fellow employees - Trying to help resolve complaints	- Level of willingness to help when colleagues overwork - Level of responsiveness to help overcome the problems of co-workers - Level of cooperation with fellow employees - Level of trying to help resolve complaints	Ordinal Ordinal Ordinal Ordinal
		Conscientiousness. (Chariness)	- Carefulness at work - Accuracy in work - Adherence to work procedures - Adherence to working hours	- Level of carefulness at work - Level of accuracy in work - Level of adherence to work procedures - Level of adherence to working hours	Ordinal Ordinal Ordinal Ordinal
		Civic Virtue (Concern)	- Participation in activities / events held by the Hospital - Concern for the surrounding communities	- Level of participation in activities / events held by the Hospital - Level of concern for the surrounding communities	Ordinal Ordinal
		Sportsmanship	- Sense of responsibility towards the problem in the company - Efforts to optimize creativity and initiative to complete the work	- Level of sense of responsibility towards the problem in the company - Level of efforts to optimize creativity and initiative to complete the work	Ordinal Ordinal
		Courtesy (Politeness)	- Decency in behavior - Freindliness in communication Personal integrity	- Level of decency in behavior - Level of freindliness in communication - Personal integrity level	Ordinal Ordinal Ordinal

Table 4. Result of Regression Analysis of Work Environment and Compensation on Job Satisfaction

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(constant)	1.352	.459		2.944	.004
	X ₁	.295	.132	.386	9.727	.000
	X ₂	.301	.150	.502	5.907	.001

a. Dependent Variable: Y

Table 5. Result of Regression Analysis of Job Satisfaction on Extra Role Behavior

Coefficients(a)						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(constant)	.308	1.690		.182	.856
	X	.287	.088	.840	15.596	.002

a. Dependent Variable: Y

Table 6. Result of Coefficient of Determination of Job Satisfaction on Extra Role Behavior

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.840a	.705	.5422	2.3167

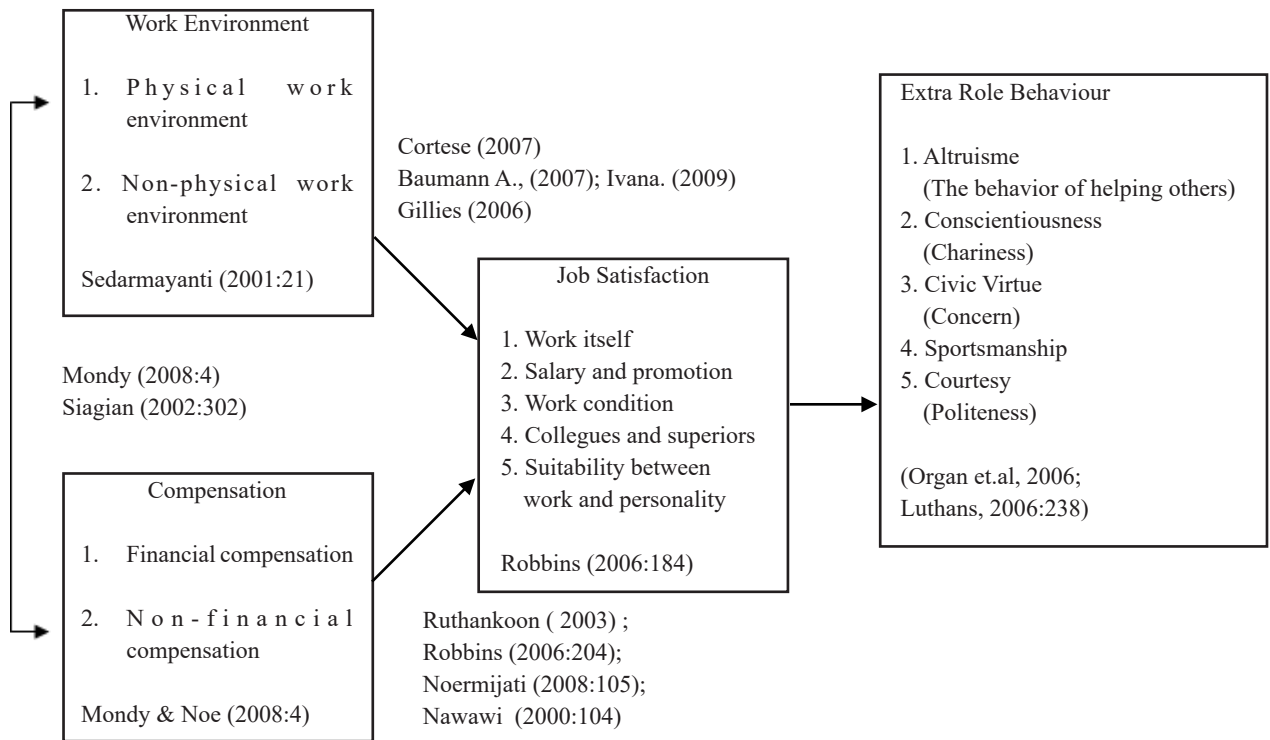


Figure. 1 Research Paradigm

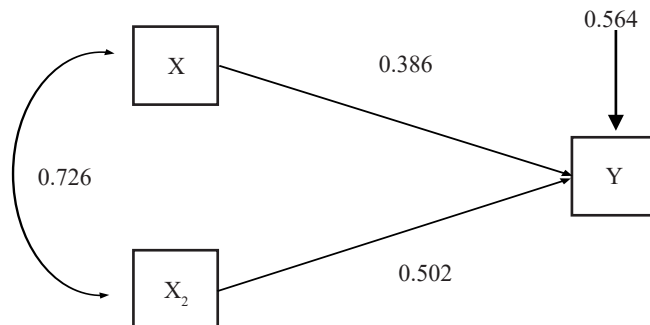


Figure 2. Path Diagram and Coefficient of the Effect of Work Environment (X_1) and Compensation (X_2) on Job Satisfaction (Y)

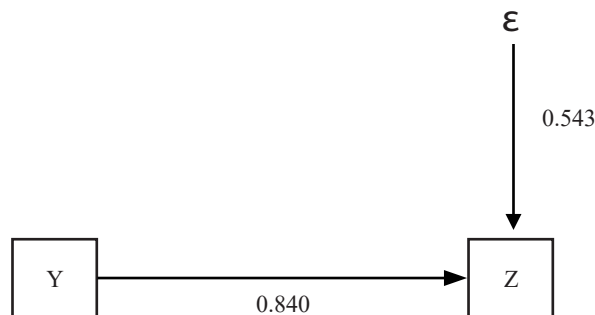


Figure 3. The Relationship between Job Satisfaction and Extra Role Behaviour Structure

Credit Risk, Market Risk, Operational Risk and Liquidity Risk on Profitability of Banks in Indonesia

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Abstract

This study examines the effect of credit risk, market risk, operational risk, and liquidity risk on profitability of banks listed on the Indonesia Stock Exchange in 2010-2014. The method used is descriptive and verification methods, with a sample of 30 banks and using multiple regression analysis. The results showed that credit risk does not partially affect profitability. Market risk, operational risk, and liquidity risk partially have positive effect on profitability. It simultaneously shows that credit risk, market risk, operational risk and liquidity risk have effect on the profitability of banks amounted to 67.1%. Improvement of Non-Performing Loan, Net Interest Margin, Operating Expenses to Operating Income Ratio, and Loan to Deposit Ratio will increase the Profitability.

Keyword: credit risk, market risk, operational risk, liquidity risk, profitability

INTRODUCTION

Bank is a sector strictly regulated by authorized institution, because it involves many parties, namely collecting funds from the public and distribute to the public in the form of credit. Bankrupt banks will lead to disruption of payment systems, mobilization of funds, distrust of people, and disruption of investment activities. Bank as a profit-oriented service company, should be able to maintain its financial performance, especially the level of profitability, i.e. the ability of the company to make profit in relation to total sales of assets or equity (Sartono, 2008:122). The bank's ability to generate profits is an important thing because basically interested parties, such as investors and creditors measure the bank's success based on the visible ability of the management performance in generating profits.

Return on Assets (ROA) measures the bank's ability to make an overall profit. The use of ROA as a proxy for profitability of the bank is in accordance with Bank Indonesia Circular Letter No. 6/23/DPNP May 31, 2004. The profitability of banks is assessed to be under pressure during the period of 2014 through 2015 and is expected to continue in 2016, as the impact of fierce and complex competition, and the rapidly changing business environment (Figure 1). The uncertainty in global financial markets that occurred during the first half of 2015 also influence the development of domestic financial markets, such as the slow growth

on economic and credit, weakness on exchange rate, yield increase on Government Securities (*SBN/ Surat Berharga Negara*), rise on international commodity prices, as well as the realization of fiscal that had yet go according to the plan.

The decline in banking performance was also followed by increased risk, namely the possibility of potentially negative events will occur and may cause adverse effects or inoptimal achievement of the goals and objectives of the company. Based on Bank Indonesia Regulation Number 11/25/PBI/2009, there were some risks in banking, such as credit risk, market risk, operational risk, liquidity risk, strategic risk, reputation risk, legal risk and compliance risk. This study discusses the risks affecting profitability, such as credit risk, market risk, operational risk, and liquidity risk (Darmawi, 2011: 16-18 in Attar, 2014; Meilania, 2014: 23; Hanafi: 2012).

Credit Risk (Bank Indonesia Regulation Number 11/25/PBI/ 2009) is a risk due to failure of the debtor and/or other parties to meet obligations to banks, measured by the ratio of Non-Performing Loan (NPL). Data for the second half of 2013 - 2015 is shown in Figure 2. The NPL increased due to (1) investment credit came from sub-sector coal exports and the trade in machinery and spare parts, (2) work on capital loans mainly from the trade sector of the fuel and the food retail trade, (3) consumer credit coming from mortgage types 11 to 70.

Market risk (Bank Indonesia Regulation Number 11/25/PBI/2009) is a risk on balance sheet and off-balance sheet/administrative account including derivative transactions, due to overall changes in market conditions, including the risk of changes in option prices. According to the Financial Services Authority (FSA), market risk component can be divided into three, namely price risk, foreign exchange risk and interest rate risk. Market risk can be proxied by the difference in total interest expense of funding for a total cost of interest on loans which is Net Interest Margin (NIM) (Mawardi, 2005). Based on Figure 3, bank lending rates declined, due to lower interest rates on deposits that cause the costs of intermediation become more affordable.

Operational risks (Bank Indonesia Regulation Number 11/25 /PBI/2009) is a risk due to insufficient and/or failed internal processes, human error, system failure, and/or the presence of external events affecting the operations of bank. Operational risk is different from other types of risk, because it is not directly related to the effort to produce a yield (return). To reflect the operational risk, we use OEOI ratio (Operating Expenses to Operating Income). Figure 4 shows the ratio OEOI increase across BUKU s, due to the rising cost of Allowance for Impairment Losses (CKPN/ Cadangan Kerugian Penurunan Nilai) in an effort to mitigate credit risk and interest cost of third-party funds.

Liquidity risk (Bank Indonesia Regulation Number 11/25/PBI/2009) is a risk due to the inability of bank to meet its maturing obligations of the funding sources of cash flow and/or liquid assets of high quality that can be pledged without disrupting the activities and financial condition of the bank. Loan to Deposit Ratio (LDR) is an indicator used for liquidity risk. Figure 5 shows a decline in liquidity in June 2015 which meant an increase in liquidity risk as it was reflected in banks' decreased liquidity buffer. The decrease of the buffer was marked by a decrease in the minimum of required primary and secondary clearing account (giro) compared to the previous semester and the same period the previous year. The decline occurred in both industrialized and per BUKU group.

Research on the effect of credit risk (proxied by Net-performing loans/NPL) to profitability (proxied by Return On Assets / ROA) conducted by Attar (2014), Kusuma (2013), Goddess (2014), Nawaz, et. al. (2012), and Mawardi (2005) showed that credit risk negatively affected profitability. The research of Smith (2013) and Ponttie (2007) showed that credit risk had a positive effect on profitability.

Research on the effect of market risk proxied by Net Interest Margin (NIM) on profitability proxied by Return on Assets (ROA) conducted by Mawardi (2005), Margaretha (2013), Widyastuti and Mandagie (2010), as well as Ponttie (2007) showed that credit risk had a positive effect on profitability. While the research

results by Rindhatmono (2005) showed that market risk negatively affected profitability.

Research on the effect of operational risk proxied by Operating Expenses to Operating Income (OEOI) ratio to profitability proxied by ROA conducted by Ponttie (2007) found results that operational risk had a positive effect on profitability while research by Attar (2014), Kusuma (2013), and Eka (2013), Sudiyatno and Fatmawati (2013) showed that market risk had a negative effect on ROA.

Research on the effect of liquidity risk proxied by the Loan to Deposit Ratio (LDR) to profitability proxied by ROA conducted by Attar (2014), Kusuma (2013), Smith (2013), Khoirul (2013), indicated that liquidity risk had a positive effect on profitability while research by Goddess (2014), Widyastuti and Mandagie (2010), and Ponttie (2007) showed that the liquidity risk had a negative effect on profitability.

Based on the slow growth in the domestic and global economy in the first half of 2015, and the conflicting results of previous studies, the research must be done to provide a more adequate and relevant data to current conditions.

The problems of this study are (1) What the condition of credit risk (NPL), market risk (NIM), operational risks (OEOI), liquidity risk (LDR), and profitability of banks listed on the Indonesia Stock Exchange Period 2010-2014 are, (2) How much the effect of credit risk, market risk, operational risk, liquidity risk simultaneously and partially on profitability of banks listed on the Indonesia Stock Exchange Period 2010-2014 is.

METHOD

Research results by Attar (2014), Mawardi (2005), Kusuma (2013) showed that the application of credit risk management had a negative effect on profitability. Research results by Mawardi (2005), Widyastuti and Mandagie in Margaretha (2013) showed that market risk had a positive effect on profitability.

Research results by Mawardi (2005), Ponttie (2007), Kusuma (2013), Sudiyatno and Fatmawati (2013), showed that operational risk had a negative effect on profitability. Research results by Kusuma (2013), Margaretha (2013), and Attar (2014) showed that liquidity risk had a positive effect on profitability, while Sudiyatno and Fatmawati (2013) showed that liquidity risk had no effect on profitability.

The effect of credit risk, market risk, operational risk and liquidity risk on profitability of banks according to Attar (2014: 17) and Mawardi (2005: 58) was that the simultaneous application of risk management (credit, liquidity and operational) affected profitability. Research paradigm can be described in Figure 6. The hypothesis showed that there are simultaneously and partially significant credit risk, market risk, liquidity risk, operational risk on profitability.

The method used is descriptive and verification with the bank analysis unit listed in Indonesia Stock Exchange 2010-2014. Sampling technique used is purposive method of 30 companies with secondary data. Operationalization of research variables and indicators can be seen in Table 1.

RESULT

Credit risk is the risk faced by banks for distributing the funds in the form of loans. Credit risk in 2010 to 2014 (Figure 7) appears to be fluctuative (3.22% - 3.27%) and under the maximum limit set by the central bank at 5% which means that banks successfully manage credit risk and are able to minimize the risk of bad credit. Credit risk is due to the business process, i.e. the bank is not ready to extend credit to MSMEs (Micro, Small and Medium Enterprises) as well as an increase in interest rates, and the slowing economic growth and the weakening of rupiah.

Lowest credit risk condition due to banks mostly give credit to the productive sectors as well done selectively so that the value of NPL is lower than credit growth. In, 2013 the condition of economic began to impact on credit growth but the condition of the banking risk remained low.

Market risk in 2010 to 2014 (Figure 8) tends to be stable. Market risk was highest in 2014 amounted to 3.27%, due to the political situation in Indonesia, which executed the 2014 general election and the presidential election, the weakening of foreign currencies against rupiah, as well as the increase of BI rate in the range of 1% - 5%. Market risk on the lowest occurred in 2011 amounted to 3.22%, due to the weakening of rupiah against foreign currencies and interest rate hikes. Rupiah stability can be measured by the value of rupiah against the goods at local and abroad. The stability of rupiah against the goods in the country has been reflected in the level of credit risk, while the stability of rupiah overseas has been reflected in the exchange rate against the currency of another country.

Operational risk is a risk that due to non-functioning of internal processes, human error, system failure, or external problems affecting the operations of the bank. The development of operational risk was proxied by OEOI in 2010 to 2014 tend to be fluctuative (Figure 9). Operational risk was highest in 2014 amounted to 63.81%, due to the bank upgrading the technology infrastructure in the banking financial system, which in the first half to test the information system 3 times, including carrying out operational activities of the BI-RTGS (Bank Indonesia-Real Time Gross Settlement), BI-SSSS (Bank Indonesia-Scriptless Securities Settlement System) and SKNBI by using information technology infrastructure at the location of Disaster Recovery Center (DRC) of Bank Indonesia.

Operational risk was at the lowest occurred in

2013 amounted to 63.61% influenced by the activity of intermediation collector and disbursement of funds both in terms of volume and interest rates. Operational risk is under the maximum limit set by Bank Indonesia at 94%, indicating that the bank has been managing the operational risk well, able to perform efficiency on operational costs.

Liquidity risk proxied by LDR is a risk due to the withdrawal of substantial funds by customers outside the bank calculations so it can lead to liquidity problems (Darmawi, 2011:17). The development of liquidity risk is fluctuating but from 2011 to 2014 has increased (Figure 10). Liquidity risk was highest in the year 2014 by 95% due to an increase in the expansion of government finances, which had an impact on improving the economy. This reflected the ability of banks to meet obligations in anticipation of a potential withdrawal of third party funds. Liquidity risk at the lowest occurred in 2011 amounted to 82%, because the conditions banks are still dependent on the collector of public funds, the share of third-party funds as a source of bank's funds fell.

The average liquidity risk is at a value of 90% which means that the bank is able to maintain its liquidity (pursuant to BI liquidity conditions by 78% - 100%). The main objective of liquidity risk management is to maintain the trust (Jenkinson, 2008). In modern financial markets, banks must manage their liquidity through money market operations that offer a variety of investment options available but still consider liquidity (Akhtar, 2014).

Profitability according Dendawijaya (2009:118) is the company's ability to generate profits for a certain period. Development of profitability in 2010 to 2014 in Figure 11 appears to fluctuate.

The lowest profitability was in 2010 amounted to 1.31%, while the highest was in 2012 amounted to 1.55%, with an average of 1.46%. Profitability increased from 2010 to 2012, then declined in 2012 to 2014. The increase in profitability was supported by growth in lending, banking efficiency performance increase, and the average growth of total banking assets. According to *Kajian Stabilitas Keuangan* (2014), a slowdown global economic and uncertainty over the European crisis resolution have the potential to increase the risk on banking sector. Meanwhile, the performance of the banking sector remains positive, as reflected in the pretty high capital and stable profitability supported by a decline in allowance for asset cost and the widening of Net Interest Margin of bank.

The decline in profitability in 2013 due to the percentage growth of the banking industry profit is less than the average growth percentage of total banking assets, then the increasing of operating costs is higher compared to operating income, the decreased efficiency of banks because of the increase in overhead cost components.

Classical assumption test results show that the normal distribution of data, multicollinearity does not occur, the absence of heteroscedasticity, and no auto correlation. The results of multiple regression analysis (Table 2) can be formed into equation:

$$Y = 319.158 - 0.308 \text{ Credit Risk} + 0.118 \text{ Market Risk} + 0.067 \text{ Operational Risk} + 0.247 \text{ Liquidity Risk}$$

Simultaneous hypothesis testing results (Table 3) show that credit risk, market risk, operational risk, liquidity risk have a significant effect on profitability. The amount of influence is 67.1%. The remaining 32.9% is due to other variables such as legal risk, strategic risk, reputation risk, compliance risk and capital (Table 4). The results of this study are relevant to the research results by Attar (2014: 17) and Mawardi (2005: 58) that stated the efficiency of operations, credit risk, market risk and capital together affect the bank's financial performance.

Partial hypothesis test results show credit risk negatively affect insignificant profitability. This result is contrary to research by Kusuma (2013) and Mawardi (2005) that showed that credit risk has a negative effect on the performance of commercial banks.

Partial hypothesis test results show that market risk has a positive effect on profitability. This indicates that an increase in interest rates in the banking system can increase profits for banks listed in the Indonesia Stock Exchange. One of the bank's revenue is derived from the difference between interest loans extended to customers. NIM demonstrated the ability of bank management to manage productive assets to generate greater net interest income. It will increase interest income on productive assets managed by the bank, therefore the greater the NIM indicates the more effective banks in the placement of assets in the form of credit, so that ROA increases.

The results are consistent with research by Widyastuti and Mandagi (2010), Margareta (2013) and Mawardi (2005) which stated that the quality of management seen from the ability to generate profits showed that high income derived from net interest profit of NIM led to the bank's management to reduce the risk of failure. According to Ponttie's opinion (2007), NIM is influenced by changes in interest rates and productive asset quality. Higher net interest income will result in increased earnings before taxes so that ROA is greatly increased.

Partial hypothesis test results show that operational risk has a positive and significant effect on profitability. The partial hypothesis test results show that liquidity risk has a positive and significant effect on profitability. This study is in line with the results of the research by Mawardi (2005), Pontti (2007), Kusuma (2013), Sudiyanto and Fatmawati (2013) which stated that when LDR increased, it means total outstanding loans increased, the revenue and profitability also increases.

Liquidity management is important for the survival

of the banking business. Liquidity will affect the level of trust of customers and shareholders. If the liquidity position indicated by LDR is too low, the investor will assume the bank does not have favorable prospects in the future therefore it became the loss of confidence to invest. Conversely, if the LDR is too high above the maximum provisions, banks will have difficulty in meeting their obligations.

CONCLUSION

The average credit risk in the banks listed on the Indonesia Stock Exchange period 2010-2014 was amounted to 1.89%. The average market risk was amounted to 3.24%. The average operational risk was amounted to 63.66%. The average liquidity risk was amounted to 90%. The average profitability was amounted to 1.46%.

Simultaneously, credit risk, market risk, operational risk and liquidity risk have an effect on the profitability of banks amounted to 67.1%. Partially, credit risk does not affect the profitability. Market risk, operational risk, liquidity risk have a positive effect on the profitability of banks listed on the Indonesia Stock Exchange in 2010-2014.

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APPENDIX

Table 1. Variable Operationalization

Variable	Operationalization Definition	Indicator	Scale
Profitability	Profitability is the ability of a company to generate profits for a certain period. Dendawijaya (2009:118)	$ROA = \frac{\text{Income Before Tax}}{\text{Total Asset}} \times 100\%$ Dendawijaya (2009:118)	Ratio
Operational Risk	Credit risk is giving credit to customers. Healthy crediting implicates on the smooth repayment of credit by customer for the loan principal or interest expense. The lack of smooth payment of loan principal and interest directly can degrade the performance of the bank. Darmawi (2011:16)	$NPL = \frac{\text{The Amount of Non performing loans}}{\text{Total Credit/Loan}}$ Darmawi (2011:125)	Ratio
Credit Risk	Market risk a the risk on the balance sheet and administrative accounts including derivative transactions, due to overall changes in market conditions, including the risk of changes in option prices. Market risks include, among others, interest rate risk, exchange rate risk, commodity risk and equity risk. (PBI 2009)	$NIM = \frac{\text{Net Interest Income}}{\text{Average Productive Assets}}$ (Bank Indonesia)	Ratio
Market Risk	Banks also face risks in its operations include a scarcity of funds, cost control and mismanagement. Darmawi (2011:17)	$OEOI = \frac{\text{Total Operation Expende}}{\text{Total Operation Income}}$ (Darmawi 2011:20)	Ratio
Liquidity Risk	This risk is due to the withdrawal of substantial funds by customers outside the bank calculations, which can lead to liquidity problems. Darmawi (2011:17)	$LDR = \frac{\text{Total Credit/Loan}}{\text{Total Third - Party Funds}}$ (Darmawi 2011:20)	Ratio

Table 2. Value Multiple Regression

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	sig.
1	(Constant)	319.158	31.779		10.043	.000
	Credir Risk	-.308	.018	.082	.452	.065
	Market Risk	.118	.087	-1.842	2.358	.019
	Operational Risk	.067	.047	.259	1.426	.017
	Liquidity Risk	.247	.144	2.356	1.719	.010

Source : Data processed

Table 3. Simultaneous Hypothesis Testing (F Test) ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	21.140	4	4.228	15.408	.000a
	Residual	57.859	145	.782		
	Total	79.000	149			

a. Predictors: (Constant), NPM, NIM, OEOI, LDR

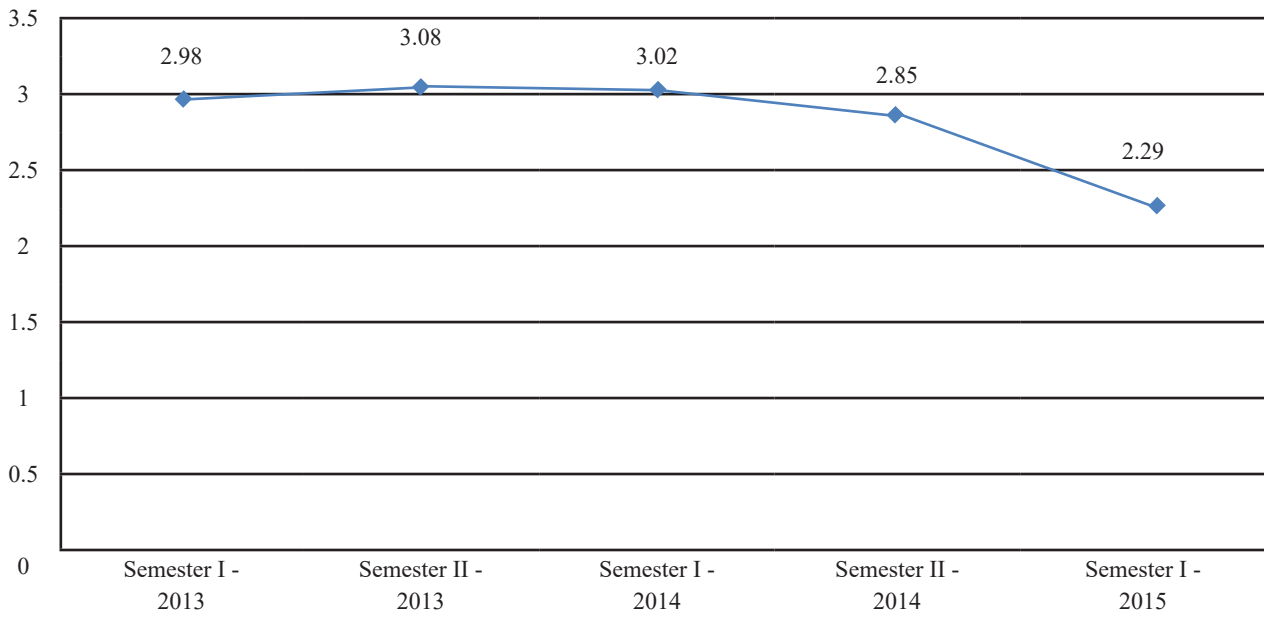
b. Dependent Variable: ROA

Table 4. Coefficient of Determination Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.819 ^a	.671	.602	4.95171	2.160

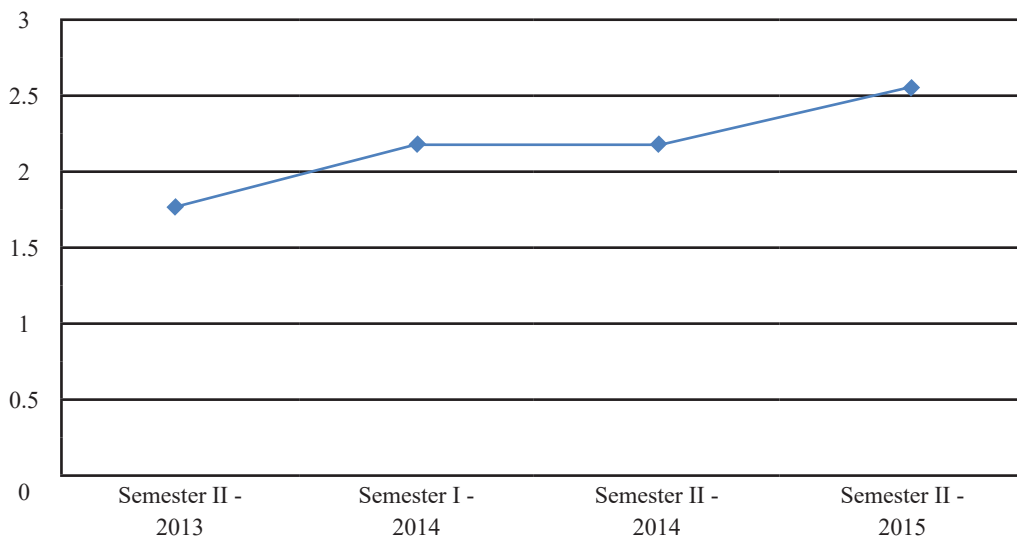
a. Predictors: (Constant), NPM,NIM,OEOI,LDR

b. Dependent Variable: ROA



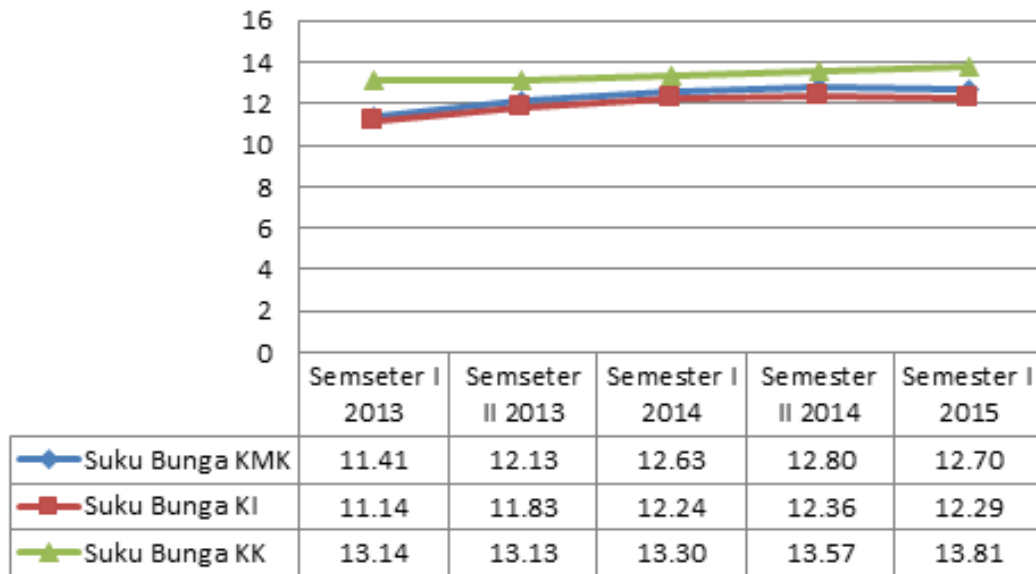
Source: www.bi.go.id

Figure 1. ROA of Bank per semester (%)



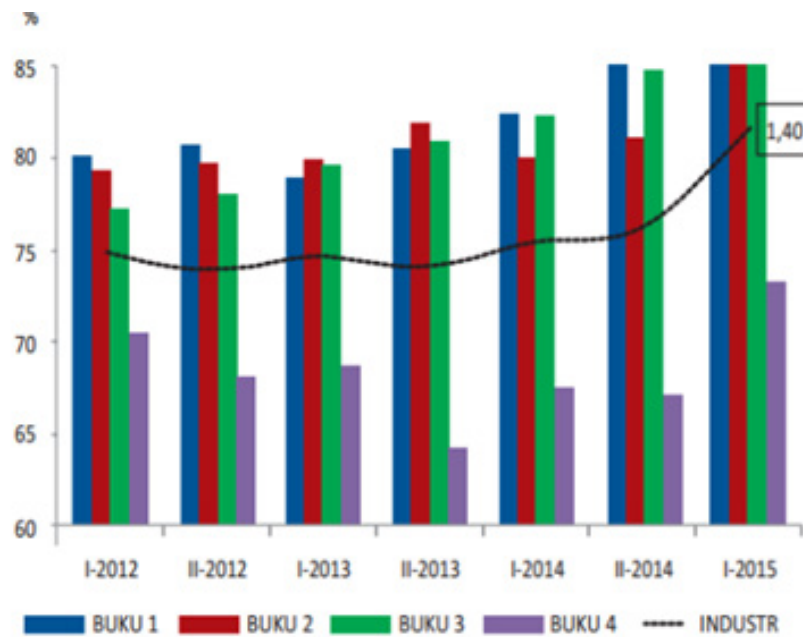
Source: www.bi.go.id

Figure 2. NPL Ratio of Bank (%)



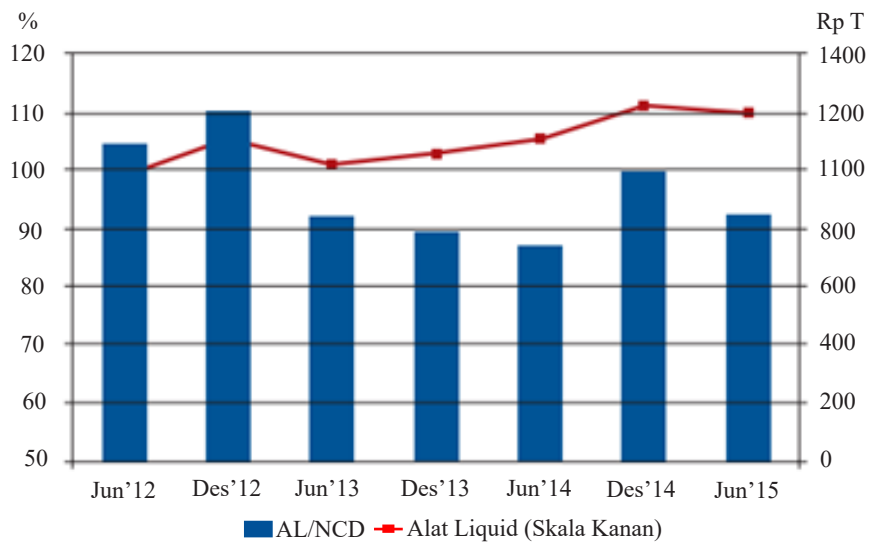
Source : Bank Indonesia

Figure 3. Credit Interest Rate



Source: www.bi.go.id

Figure 4. OEOI Ratio Per BUKU (%)



AL = Kas + Penempatan Pada BI + Excess Reserve GWM
 NCD = 30% Giro + 30% Tabungan + 10% Deposito

Source : Bank Indonesia

Figure 5. Liquid Assets of Bank

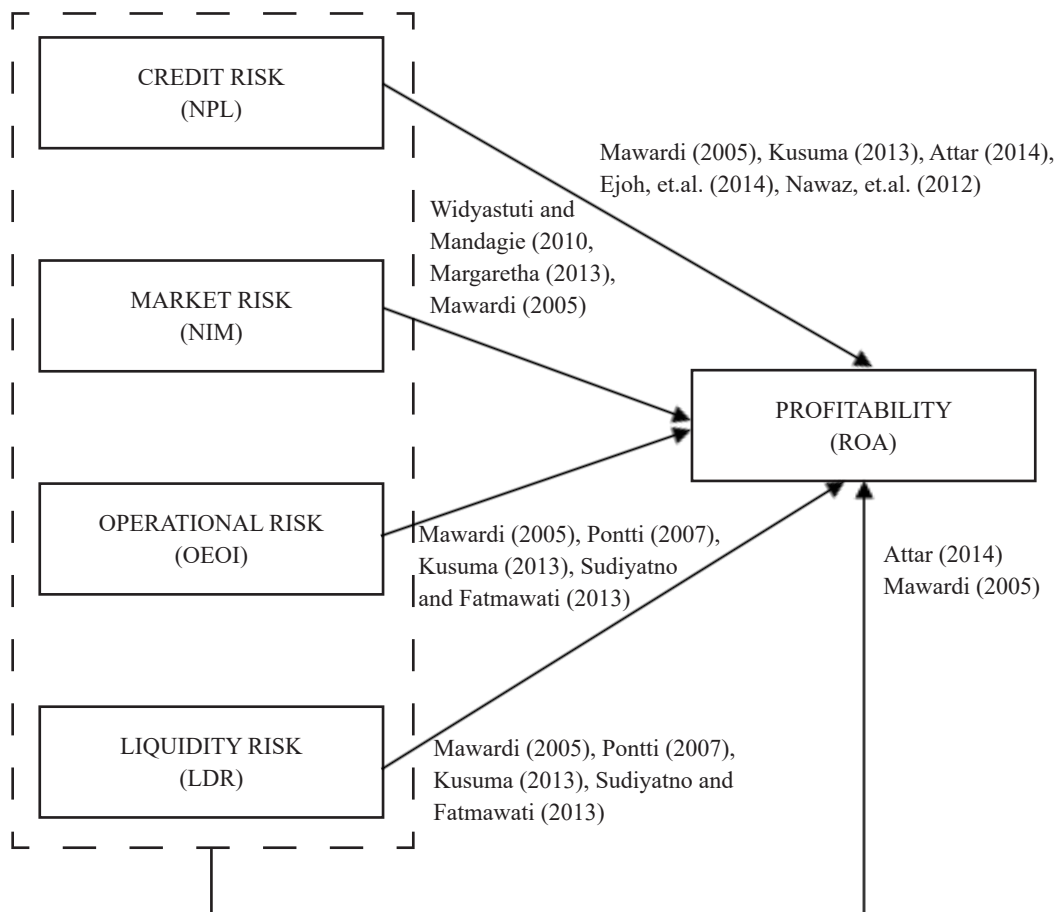
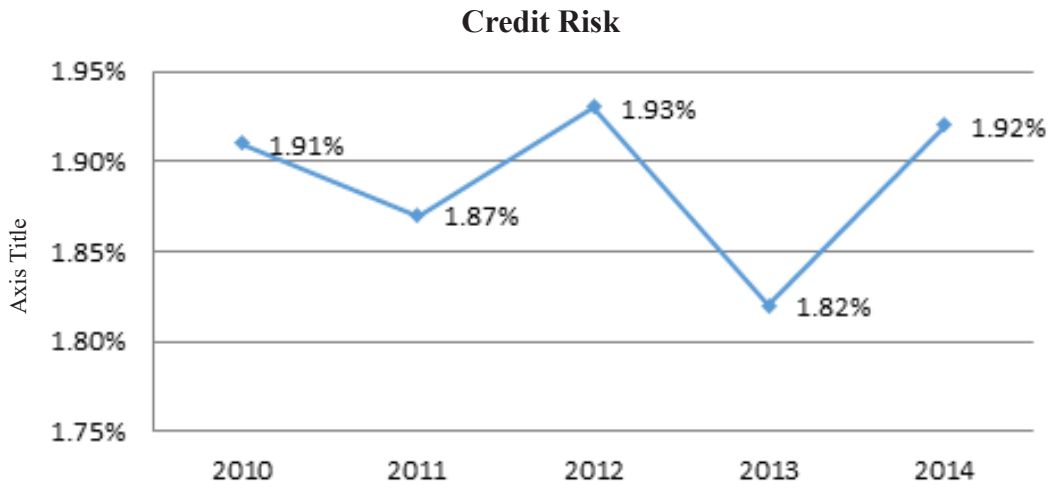


Figure 6. Research Paradigm



Source : Data processed

Figure 7. Graphic of Credit Risk Period 2010-2014



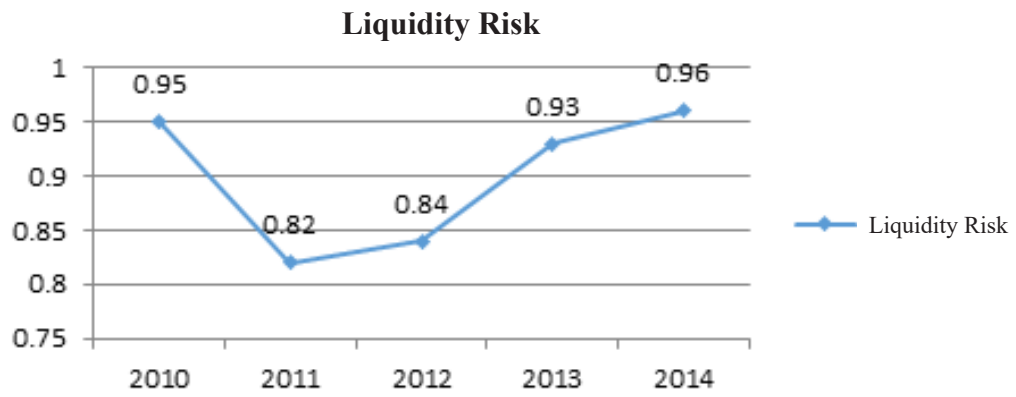
Source : Data processed

Figure 8. Graphic of Market Risk Period 2010-2014



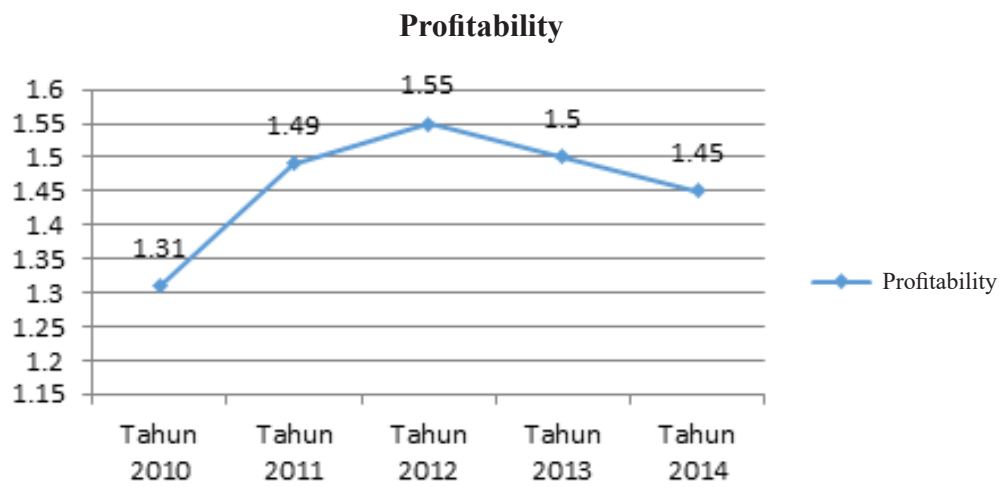
Source : Data processed

Figure 9. Graphic of Operational Risk Period 2010-2014



Source : Data processed

Figure 10. Graphic of Liquidity Risk Period 2010-2014



Source : Data processed

Figure 11 Graphic of Profitability Period 2010-2014

Marketing Strategy To Improve Students and Graduates Quality

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Abstract

Increasing competition among private school, vocational school and high school to get new students every year makes a lot of private school arrange strategies in meeting the needs. Purposes of this study are 1) To determine external and internal factors of Private Senior High School X in Bandung. 2) To know the marketing strategy of Private Senior High School X in Bandung to increase the number and quality of graduate students and to identify strengths, weaknesses, opportunities, threats that could face competition and market needs, 3) To know how marketing strategy of Private Senior High School X Bandung by segmenting, targeting, positioning and marketing mix to improve students and quality of graduates. The results showed that external environmental factors have high appeal while internal factors have power that is quite low on increasing the number of students and graduates quality. Private Senior High School X in Bandung must implement strategies to improve the schools' quality by improving the quality of learning process, human resources, facilities and the promotion of external and internal aided with featured extra. Therefore, we are able to expect an increasing number of students and graduates' quality year to year.

Key words: External factors, Internal factors, SWOT analysis, gap analysis, quality of graduates

INTRODUCTION

One of the functions of a Nation is the Nation's intellectual life. Pasal 31 UUD 1945 stated that every citizen is entitled to education. On that basis, government as the state official has a big task. Equal access must be provided to all citizens of Indonesia at every level of education. Qualified education (*Undang-Undang Nomor 20 Tahun 2003*) will be needed by today's society, especially by parents who understand the importance of education. Therefore every school strives to improve its quality in order to meet the demands of society.

With the improving climate and the public interest in the field of qualified education, it results that the level of competition among private school becomes increasingly stringent. The increasing fierce competition, especially between private high schools to get new students every year makes a lot of private school create strategies in meeting the needs and the urge of students and parents. Each private school must put students and parents' satisfaction orientation as the primary goal which is assured to be the primary key to win the competition in getting new students.

In addition to competing among private high schools, competing with vocational schools is also one of the factors causing reduction in the number of students every year. The government, either the Ministry of National Education vigorously promotes vocational schools through the slogan "*SMK Bisa!*".

As one of the private high schools, Private Senior High School X located in Bandung also decreased in number of students from year to year. Here is a table of the target and the actual number of new student acceptances (PPDB) in Private Senior High School Bandung.

Table 1. Target and Realization of Number of Students from PPDB Result

No	Year	Target	Realization	Difference
1	2007-2008	600	472	128
2	2008-2009	500	321	179
3	2009-2010	400	303	97
4	2010-2011	500	294	206
5	2011-2012	400	285	115
6	2012-2013	500	342	158

Source: Vice of Headmaster of Public Relations of Private Senior High School X in Bandung

The table above shows that the targets set by the school and the realization of the number of accepted students who enrolled has a big difference. There may be a continuous decline in number of students if such conditions is left unaccounted. Therefore, we need a good marketing strategy to solve this problem. On the other hand, school should also continuously improve its infrastructures such as additional classrooms, projector procurement, facilities improvement including toilets, laboratories, libraries and prayer room. The sports field is inadequate because it merged with other schools, as well as science laboratories which could not accommodate 40 students.

In addition to improving the infrastructures, improving the quality of graduates is also one of the marketing strategies of educational services. Marketing strategy needs to be further observed, both inside and outside school, including the environment. This is one of promotion strategies to get attention from any public or private junior high school which should also be done on each admission of new students. However, those strategies have not shown the increasing number of students and graduates' quality. This is seen in the data of new admissions and enrollment at public universities on previous year (Table 2).

Private Senior High School X in Bandung has taken a marketing strategy that aims to increase the number of new students. The aims are (1) to improve the quality of education including providing the opportunity for every teacher to continue their education to Master Degree in order to improve their knowledge and ability, (2) to increase the infrastructure procurement of projector in every classroom to facilitate learning activities for students, and (3) to improve human resources; both teachers and students with a learning process based on science and technology.

The marketing strategy both internally and externally is basically needed to promote the school to any public or private junior high school performing on each admission of new students. Promotion can be conducted among others by holding tryouts for grade 9 of Junior High School students held at Private Senior High School, performing the inclusion of extracurricular activities at every farewell party in Junior High School, spreading leaflets in the city transportation boarded by junior high school students, pasting posters and banners in the middle and on the strategic highway, as well as direct promotion to Junior High School class guardian and students. In additional. Improving the quality of graduates, human resources, infrastructure and learning process is importantly necessary on an ongoing basis. However, these strategies have not already shown either increasing number of students or graduates' quality.

METHOD

Marketing encompasses the entire process relating

to business activities aimed at planning, pricing, promoting and distributing goods or services that will satisfy the needs of both actual and potential buyers. SWOT (Strength, Weakness, Opportunity and Threat) Analysis (David, Fred R, translated by Dono Sunardi, 2009: 327) is necessary to determine the marketing strategy in Private Senior High School X in Bandung. The analysis of the chosen external environment determines market segmentation, target market and market placement, based on demographic, geographic, social, economic and government policy and analyzes the internal environment in the form of marketing mix consisting of product (quality of graduates), price, location, promotion, human resources, infrastructure and processes. Therefore, the program can be determined from each marketing mix, the result that was fully obtained, and the right marketing strategy. Based on the analysis, the expected result is to find the right marketing strategy and its effectiveness and to increase the number of students and graduates' quality.

Schematically, the framework describing the logic research process: including research background definition, analysis and conclusion of the study is thoroughly described in Figure 1 (David, translated by Dono Sunardi, 2009; Edward Sallis 2006, Fandy Tjiptono, 2000; Hitt, 2001; Kotler and Keller, 2010; Fine, 2009; Hashemi, et.al; Ommani, 2011). Research propositions expressed as followed: "Having obtained the right marketing strategy based on internal and external factors as well as marketing programs can be implemented in Private Senior High School X in Bandung, it is expected there will be an increase in the number of students and the quality of graduates."

The parameters of the research are school's internal factors of product, price, promotion, human resources, school infrastructure and learning process. School's external factors include market segmentation, target market, market placement, government policies, competitors and consumers. As a source of research data that initial informants were purposively selected. The procedure of collecting data is through observation, interviews, and documentation. Steps for data analysis technique starts from data reduction, data display, conclusion and verification. The qualitative research starts from pre field, the implementation phase of the study, member check activity.

RESULT

Gap analysis found some gaps between the results of interviews with the facts found in the field, which are the discrepancy between expected by principals, educators and also students in improving the quantity and quality of Private Senior High School X in Bandung. Weaknesses encountered in Private Senior High School X in Bandung related to the quantity and quality improvement of the school. The weaknesses

are as followed:

- a. The potential development in the field of non-academic students such as extracurricular is admirable but it is less in academic field.
- b. The improvement of graduates' quality is not all detected due to the lack of communication with alumni who have accepted at public or private universities or employed. Therefore, the data is not complete yet.
- c. The improvement of students' quality by conducting enrichment and remedial programs is not really effective. Students completed the assignments do not fit so well with the enrichment.
- d. Students who are enrolled in public or private universities are not the flagship product of X Private High School Bandung. There are few students enrolled in public or private universities to the total number of students. There are also less promotion for students who enrolled in public universities.
- e. In fact, the increase of human resources for teachers and employees is rare, especially in In-House Training (IHT) activities, seminars and upgrading activities. There are also problems with the teachers who continues their study to Master Degree. They are still given teaching and administrative duties, therefore it is a bit hard for them to spare some times.
- f. Although it is not really effective and maximal, there is an increase in improving the school infrastructure: especially science laboratory facilities, sports field, and classes which were inadequate, limited and narrow before.
- g. The learning process is quite effective including in the administration section. However, arranging lesson plan and syllabus are often not compatible for such conditions and times.

Strategy formulation starts from the analysis of external and internal factors. The total score gained from the evaluation of external factor is 3.02. This score is above the average of 2.5, therefore it can be concluded that Private Senior High School X in Bandung responded well to opportunities and threats in order to increase the number of students and the quality of graduates. The total score gained from the evaluation of internal factors is 2.35 which is below the average of 2.5. It means that marketing strategy in Private Senior High School X in Bandung does not really give significant influence to increase the number of students and graduates' quality.

On that basis, two alternative strategies are taken to match the result phase. First is to improve school's quality itself by improving the quality of learning process, human resources (principals, teachers, staff and students) and infrastructures. Second is to promote the school by creating excellent programs and extracurricular activities both internal (inside the school)

and external (outside the school). These strategies are considered relevant by some researchers.

Strategies to improve the quality of schools by improving the quality of the learning process, human resources (principals, teachers, staff and students), and infrastructure are taken as decisions. This is because the internal factors inside the school which includes marketing mix such as products (graduates), price, process learning, human resources, infrastructure, place and promotion is considered weak and requires improvement and enhancement in the internal quality of the school.

As strategy tools, policies and programs will be able to give direction to the achievement of objectives. As it aims to analyze the marketing strategy in order to increase the number of students and the quality of graduates, some programs are made based on the strategy set as the first strategy. It focuses on the improving quality of learning process, human resources (principals, teachers, staff and students), and infrastructures. It also refers to the marketing mix of services or school's internal factors, namely product program, place program, pricing program, promotional program, human resources program, infrastructures, and process and strategy program. Known as the second, there is also a strategy which focuses on promotion dealing with promoting excellent programs and extracurricular both external (outside school) and internal (inside school). There are also external factors, including market segmentation, target market and market placement. Program created can later be implemented and finally be evaluated after having been implemented by the school.

Those programs will succeed if there are conducive working environment, communicative and harmonious between each factor. However, improving the human resources must be done first since it is the dominant factor and determinant of the success of the program. Quality resources will have a strong commitment to try to achieve success, in this case primarily the principal as the top leadership and policy makers.

Furthermore, Yohana in Akdon (2009:249) states that the reciprocation of an organization is dependent on the ability of the leading people in managing and fostering its members to achieve organizational goals. The leaders who can create and implement strategies and programs well are supported by all existing human resources, such as teachers, employees, students and the school committee. For the implementation of the program, it is carried out in stages in accordance with the conditions and continuous. Therefore, the achievement of the strategy will initially be a provision to further strategy implementation.

CONCLUSION

External environmental factors (demographics, geography, government policies, market segmentation,

target market, positioning) have high attraction to the increasing number of students and the quality of graduates, while internal factors (product, price, people, process, physical evidence, promotion, place) have a power that is not too high to increase the number of students and the quality of graduates. Private Senior High School X in Bandung has yet to maximize in utilizing the strengths and fix the weaknesses existing in the high school environment that should be improved.

From gap analysis results, there are still gaps and mismatches between what has been expected by principals, educators, and students and reality facts in improving the quantity and quality of Private Senior High School X in Bandung. Student's potential development lacks in some ways, while the improvement of human resources for teachers and employees is in fact really rare. However, there is some improvements in improving the infrastructure, although it is not really maximum.

Private Senior High School X must implement strategies to improve the school's quality by improving learning process, human resources (principals, teachers, staff and students), infrastructure, and internal and external promotions. Therefore, it also helps to increase number of students and graduates' quality every year.

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APPENDIX

Table 2. Graduates of Private Senior High School X in Bandung

No	School year	Total Graduate (Student)	Students who applied for SNMPTN	Accepted in PU	Those who were not accepted	Percentage of the accepted
1	2011-2012	278	166	53	113	32%
2	2010-2011	320	160	42	118	26%
3	2009-2010	427	171	41	136	24%
4	2008-2009	352	141	27	114	19%

Source: Public Relation of Private Senior High School X in Bandung

Table 3 Operationalization of Parameter

Problem Formulation	Parameter and Concept	Dimension	Type of Data	Data Source
External Environment Factors	External factors are the conditions, situations, circumstances, events and influences beyond or around the organization that have an impact on the life of the organization. (Akdon, 2009; 111)	Demography	Document Research, Interview, Observation	Headmaster, Vice Headmaster of Public Relations, Students
		Geography	Interview, Observation	Vice Headmaster of Infrastructure, Students
		Economic Level	Document Research, Interview	Headmaster, Vice Headmaster of Public Relations, Students

		Competitor	Interview, Observations	Chairman of PPDB, Publication Division of PPDB
Internal Environment Factors	Internal Factors are the conditions, situations, circumstances, events and influences within the organization that have an impact on the life of the organization. (Akdon, 2009; 111)	Product (Quality of Graduates)	Document Research, Interview	Headmaster, Vice Headmaster of Curriculum, Coordinator of Quality Development
		Price	Document Research, Interview, Observation	Headmaster, Treasurer, Students
		Learning Process	Document Research, Interview, Observation	Vice Headmaster of Curriculum, Teaching Staffs, Coordinator of Quality Development Students
		Place	Interview, Observation	Headmaster, Vice Headmaster of Infrastructure, Students
		People (Human Resource)	Document research, Interview, Observation	Headmaster, Vice Headmaster of Curriculum, Vice Headmaster of Student Affairs, Teaching Staffs, Coordinator of Quality Development Students
		Physical Evidence (Infrastructure)	Interview, Observation	Headmaster, Vice Headmaster of Infrastructure, Students
		Promotion	Interview, Observation	Headmaster, Chairman of PPDB, Publication Division of PPDB
Internal Organization Factors	Strength is positive internal situation and capability that enable organizations to meet strategic advantage in achieving the vision and mission. (Akdon, 2009; 111)	Product - 100% passes NE - Accreditation A - Extracurricular - Accepted in PU	Document Research, Interview, Observation	Headmaster, Vice Headmaster of Curriculum, Vice Headmaster of Public Relations, Coordinator of Quality Development Students
		Internal and External Promotions	Document Research, Interview	Headmaster, Chairman of PPDB, Publication Division of PPDB
		Place - Strategic Place	Interview, Observation	Vice Headmaster of Infrastructure, Students
		Process - KTSP of Private Senior High School X	Document Research, Interview	Headmaster, Vice Headmaster of Curriculum, Students
		People - 99% of teachers are Bachelor Degree	Document Research, Interview	Vice Headmaster of Curriculum, Coordinator of Quality Development

		Physical evident - Procurement of Projector in every class	Interview, Observation	Vice Headmaster of Infrastructure, Students
	Weakness is a negative situation and factor in the organization that hinder the organization to achieve its vision and mission. (Akdon, 2009; 111)	Product - few SNMPTN participants	Document Research	Vice Headmaster of Public Relations
		Price - not transparent	Document Research, Interview, Observation	Headmaster, Treasurer, Teaching Staffs
		Process - remedial and enrichment is ineffective	Interview, Observation	Vice Headmaster of Curriculum, Teaching Staffs, Students
External Organization Factors	Opportunity is a positive external situation and capability that enable organizations to meet strategic advantage in achieving the vision and mission. (Akdon, 2009; 112)	People - Training	Interview, Document Research	Vice Headmaster of Curriculum, Teaching Staffs
		Government Policy - Teacher Certification	Interview	Teaching Staffs, Coordinator of Quality Development
		Social Economic	Interview, Observation	Headmaster, Vice Headmaster of Public Relations, Students
		Market Segmentation	Interview, Observation	Headmaster, Vice Headmaster, Students
	Threat is a negative external factor in the organization that hinder the organization to achieve its vision and mission (Akdon, 2009:112)	Government Policy - <i>SMK BISA</i>	Interview	Headmaster, Chairman of PPDB, Publication Division of PPDB
		Competitors - Public High School, Private High School, Vocational School	Interview, Observation	Headmaster, Chairman of PPDB, Publication Division of PPDB
Internal Marketing Factors	Marketing Mix is a critical internal elements that form the organization's marketing program (Buchori Alma, 2009:130)	Product (Quality of Graduates)	Document Research, Interview	Headmaster, Vice Headmaster of Curriculum, Coordinator of Quality Development
		Price	Document Research, Observation, Interview	Headmaster, Treasurer, Students
		Learning Process	Document Research, Interview, Observation	Vice Headmaster Curriculum, Teaching Staffs, Coordinator of Quality Development Students
		Place	Observation, Interview	Headmaster, Vice Headmaster of Infrastructure Students

		People (Human Resource)	Document Research, Interview, Observation	Headmaster, Vice Headmaster of Curriculum, Vice Headmaster of Students Affair, Coordinator of Quality Development Teaching Staffs, Students
		Physical Evidence (Infrastructure)	Interview, Observation	Headmaster, Vice Headmaster of Infrastructure Students
		Promotion	Interview, Observation	Principal
External Marketing Factors	Segmentation is the attempt of separating market in groups of buyers according to the specific type of product and the marketing mix (Herry Achmad B, 2009:94)	Age	Interview, Observation	Headmaster, Vice Headmaster, Students
		Geography	Interview, Observation	Headmaster, Vice Headmaster, Chairman of PPDB, Publication Team, Students
		Social Economic	Interview, Observation, Document Research	Headmaster, Vice Headmaster, Students
		National Exam Result	Document Research	Headmaster, Chairman of PPDB, Publication Division of PPDB
	Targeting is an activity of assessing and selecting one or more market segments to enter. (Herry Achmad B, 2009 : 94)	Age 12-17 year old	Interview, Document Research	Headmaster, Vice Headmaster
Primary and Secondary Junior High School that are close to X Private High School		Interview, Observation, Document Research	Headmaster, Chairman of PPDB, Publication Team	
Middle-Lower Economic Level		Interview, Observation, Document Research	Headmaster, Chairman of PPDB, Publication Team	
NU Result below Public Junior High School Cluster 3		Document Research	Chairman of PPDB, Publication Team	
	Positioning is an activity to formulate the product placement in the competition and put detailed marketing mix (Herry Achmad B, 2009:94)	Young Education Success	Interview	Headmaster, Vice Headmaster
Have Morale, Have Achievement, <i>Nyunda</i>		Interview	Headmaster, Vice Headmaster	
External Marketing Program		Interview, Observation	Headmaster, Vice Headmaster	
	Program is a design on the principle as well as businesses that will run for a particular purpose (<i>Kamus Bahasa Indonesia</i>)	Internal Marketing Program	Interview, Observation	Headmaster, Vice Headmaster

Table 4. External Factors Evaluation Matrix

No	Main External Factors	Weight	Rank	Score
Opportunities				
1	Government regulation of teacher certification that can increase human resources of both teachers and students indirectly.	0,05	1	0,05
2	Income levels rise.	0,04	1	0,04
3	Public awareness of the quality of education increases.	0,1	3	0,3
4	Heterogeneous market segment so that all students can be accepted at X Private High School.	0,3	3	0,9
Threats				
1	Ministry of National Education program on SMK BISA with Vocational School with the ratio of 70%:30% of High School.	0,2	4	0,8
2	The addition of classrooms at Public High Schools.	0,1	4	0,4
3	Competition between Public High School, Private High School and Vocational School to get new students.	0,07	4	0,28
4	Education costs paid by the public increases.	0,03	1	0,03
5	People's demand for increase in quality of educational services.	0,06	2	0,12
6	The decline in the number of Junior High School students because of the success of the family planning program.	0,05	2	0,10
TOTAL		1		3,02

Table 5. Internal Factors Evaluation Matrix

No	Main Internal Factors	Weight	Rank	Score
Strengths				
1	An increase in the percentage of students who are enrolled in public universities.	0,04	3	0,12
2	100% pass the national exam.	0,06	3	0,18
3	A-List Accredited (very good).	0,06	3	0,18
4	Featured extracurricular programs.	0,07	3	0,21
5	Promotion outside of and in school.	0,07	4	0,28
6	Strategic location, easy access.	0,08	4	0,32
7	The learning process in accordance with KTSP and all in the morning.	0,04	3	0,12
8	99% of teachers are Bachelor Degree.	0,05	3	0,15
9	Projector in every classroom.	0,06	3	0,18
Weaknesses				
1	Only a few students who applied for SNMPTN compared to the total number of students.	0,04	1	0,04
2	Financial policy is not transparent.	0,07	2	0,14
3	The learning process is not effective because it takes too long.	0,06	1	0,06
4	Remedial and enrichment is not running properly.	0,05	1	0,05
5	Socialization and training of teachers and employees is less.	0,07	1	0,07
6	Classrooms are not in accordance with the number of students.	0,07	2	0,14
7	Science laboratory facilities are inadequate.	0,05	1	0,05
8	Sports field is limited.	0,06	1	0,06
TOTAL		1		2,35

Table 6. SWOT Analysis Matrix

Strengths (S)		Weaknesses (W)	
1	An increase in the percentage of students who are enrolled in public universities.	1	Only a few students who applied for SNMPTN compared to the total number of students.
2	100% pass the national exam.	2	Financial policy is not transparent.

3	Accredited A (very good).	3	The learning process is not effective because it takes too long.
4	Featured extracurricular programs.	4	Remedial and enrichment is not running properly.
5	Promotion outside of and in school.	5	Socialization and training of teachers and employees is less.
6	Strategic location, easily accessible.	6	Classrooms are not in accordance with the number of students.
7	The learning process in accordance with KTSP and all in the morning.	7	Science laboratory facilities are inadequate.
8	99% of teachers are Bachelor Degree	8	Sports field is limited.
9	Projector in every classroom.		

Opportunities (O)		SO Strategies		WO Strategies	
1	Government regulation of teacher certification that can increase human resources of both teachers and students indirectly.	1	With the certification of teachers, it is required in professionally and responsible for improving the quality of students and teachers try to continue their education so that more and more is accepted in the PU. (S1, S8, O1)	1	More students who applied for SNMPTN because of the quality of human resource is better with professional teachers and students' parents' revenue increases. (W1, O1, O2)
2	Income levels rise.	2	Students who are located in remote places can get in X Private High School as a strategic place especially by private vehicle. (S6, O2)	2	Students whose parents have a high economic level could be a donor for the improvement of school facilities and cross-subsidies and financial policy to be transparent with the role of the school committee. (W2, W6, W7, W8, O2)
3	Public awareness of the quality of education increases.	3	Students' parents expect schools with good quality which 100% passed the NE and accredited, qualified human resources and teacher certification, complete facilities such as projector, so X Private High School should create programs to increase all of them. (S2, S3, S4, S6, S7, S8, S9, O1, O3)	3	The learning process redesigned with interesting distribution of hours of lessons and not dull like sports, and art on the hour to 8-10 or interesting learning methods are used. Training, IHT, MGMP, seminars for teachers so the human resources of teachers are qualified. Remedial and enrichment time must be programmed and students are given a time limit. (W3, W4, W5, O3)
4	Heterogeneous market segment so that all students can be accepted at Private Senior High School X.	4	Increasing the number of students who got accepted so it increases the output, with featured extra programs and promotions both external and internal. (S1, S4, S5, O4)	4	External promotion has a wider geography and more visit to junior high schools as well as internal promotion which mean there should be improvement of classrooms adapted to the number of students so it won't be too stuffy and uncomfortable, and also repairment and improvement of facilities. (W6, W7, W8, O4)

Threats	ST Strategies	WT Strategies
1 Ministry of National Education program on SMK BISA with Vocational School with the ratio of 70%:30% of High School.	1 Promotion of the featured extra programs, external and internal promotion by offering the same program with Vocational Schools. (S4, S5, T1, T2, T3)	1 Improving the quality of human resources by training, IHT, MGMP and seminars, also improvement of infrastructure. (W5, W7, W8, T1, T2, T3)
2 The addition of classrooms at Public High Schools.	2 Improving the quality of private high school that is equal with the public high school both in the NE results and accredited, PBM and human resources. (S2, S3, S7, S8, T1, T2)	2 Improving the quality of human resources and infrastructure. (W5, W7, W8, T1, T2)
3 Competition between Public High School, Private High School and Vocational School to get new students.	3 Promotion with featured extras and external and internal promotion as well as improving the quality of schools (human resources and facilities). (S4,S5,S7,S8,S9,T1, T2,T3)	3 Improving the quality of school (PBM, human resources and infrastructure) (W3, W5, W6, W7, W8, T1, T2, T3)
4 Education costs paid by the public increases.	4 Increase HR competencies and infrastructure to meet the quality demands. (S7, S8, S9, T4, T5)	4 Correcting financial policy with the help of the school committee (students' parents) and the improvement of human resources and facilities. (W2, W5, W6, W7, W8, T4)
5 People's demand for increase in quality of educational services.	5 Improving the quality of schools with a 100% passing of NE, accreditation, the availability of featured program, PBM, human resources, and facilities. (S2, S3, S7, S8, S9, T5)	5 Improvement of human resources and facilities. (W3, W5, W6, W7, W8, T5)
6 The decline in the number of Junior High School students because of the success of the family planning program.	6 Promotional featured extras program and external promotion in junior high schools by expanding the geography and the number of junior high schools. (S4, S5, T6)	6 Increase in PBM, human resources and infrastructure. (W3, W5, W7, W8, T6)

Table 7. Quantitative Strategic Planning Matrix (QSPM)

Alternative Strategies					
Main Factors	Weight	Strategy 1		Strategy 2	
		AS	TAS	AS	TAS
Opportunities					
Government regulation of teacher certification that can increase human resources of both teachers and students indirectly.	0,05	4	0,2	2	0,1
Income levels rise.	0,04	-	-	-	-
Public awareness of the quality of education increases.	0,1	4	0,4	1	0,1
Heterogeneous market segment so that all students can be accepted at Private Senior High School X.	0,3	1	0,3	4	0,12

Threats					
Ministry of National Education program on SMK BISA with Vocational School with the ratio of 70%:30% of High School.	0,2	3	0,6	4	0,8
The addition of classrooms at Public High Schools.	0,1	3	0,3	2	0,2
Competition between Public High School, Private High School and Vocational School to get new students.	0,07	3	0,21	4	0,28
Education costs paid by the public increases.	0,03	1	0,03	-	-
People's demand for increase in quality of educational services.	0,06	4	0,24	1	0,06
The decline in the number of Junior High School students because of the success of the family planning program.	0,05	-	-	1	0,05
TOTAL		1			
Strengths					
An increase in the percentage of students who are enrolled in public universities.	0,04	4	0,16	3	0,12
100% pass the national exam.	0,06	4	0,24	3	0,18
Accredited A (very good).	0,06	4	0,24	3	0,18
Featured extracurricular programs.	0,07	3	0,21	4	0,28
Promotion outside of and in school.	0,07	1	0,07	4	0,28
Strategic location, easily accessible.	0,08	1	0,08	4	0,32
The learning process in accordance with KTSP and all in the morning.	0,04	4	0,16	2	0,08
99% of teacher is Bachelor of Education.	0,05	4	0,2	2	0,1
Projector in every classroom.	0,06	4	0,24	2	0,12
Weaknesses					
Only a few students who applied for SNMPTN compared to the total number of students.	0,04	3	0,12	1	0,04
Financial policy is not transparent.	0,07	1	0,07	-	-
The learning process is not effective because it takes too long.	0,06	4	0,24	1	0,06
Remedial and enrichment is not running properly.	0,05	3	0,15	-	-
Socialization and training of teachers and employees is less.	0,07	4	0,28	1	0,07
Classrooms are not in accordance with the number of students.	0,07	4	0,28	2	0,14
Science laboratory facilities are inadequate.	0,05	4	0,2	2	0,1
Sports field is limited.	0,06	4	0,24	2	0,12
TOTAL		1	5,46		3,90

Explanation:

AS = Attractiveness Score

TAS = Total Attractiveness Score

Table 8. External Marketing Program

EXTERNAL MARKETING	STEPS TO ACHIEVE GOALS/OBJECTIVES	
	POLICY	PROGRAM
Market Segmentation	Demography	Placement of junior high school graduates age 12 to 17 years.
	Geography	Resided around Cihampelas, Setiabudhi, Gegerkalong, Sarijadi, Lembang, Tamansari, Cisitu, Dago, Padjadjaran, Padasuka.
	Social economic	Middle – Lower economic level.

Target Market	Junior High School Partners are divided into Primary and Secondary Junior High School based on the number of students entered in PPDB previous year.	The division of Coordinator and Publication Team to Junior High School Partners for banners installation, school presentations, meetings with students, parents and class guardian, help in holding art events and farewell party and assist in featured extracurricular and outstanding alumni, to: Primary Junior High School: SMP 29 Bandung, SMP 12 Bandung, SMP 15 Bandung, SMP 26 Bandung, SMP 40 Bandung, SMP 52 Bandung, SMP 35 Bandung, SMP 19 Bandung, SMP Pasundan 3 Bandung. Secondary Junior High School: SMP 1 Lembang, SMP3 Lembang, SMP 9 Bandung, SMP 1 Bandung, SMP 16 Bandung, SMP 6 Bandung, SMP 10 Bandung, SMP 23 Bandung, SMP KCK, SMP Pertiwi, SMP Lab School, SMP Bina Dharma, SMP dan Angkasa, SMP Pasundan 6, SMP Muhammadiyah.
	Selection of students with grades below the NEM standard of Junior High School.	Giving leaflet, PPDB requirements and acceptance letter to students who have been selected based on the NE and the nearest residence to the school.
	Selection of students based on strategic place to X Private High School.	SMS Center for students who had been selected.
Market Placement	Positioning based on quality.	Publishes YES (Young Education Success) slogan.
	Positioning based on vision and mission.	Publishes <i>BERAHLAK, BERPRESTASI, NYUNDA</i> slogan.

Table 9. Internal Marketing

MARKETING MIX (INTERNAL FACTORS)	STEPS TO ACHIEVE GOALS/OBJECTIVES	
	POLICY	PROGRAM
PRODUCT (Quality of Graduates)	Improving the quality of output (graduates).	Scholarships for junior high school students who excel in academic and non-academic track. Hold featured classes.
	Improving monitoring and evaluation of the graduates periodically.	Promoting partnerships with Public Universities, Private Universities, and alumni.
PRICE	Discounted Tuition fees and DPS .	Discounted Tuition fees and DPS for Junior High Students who excel either academic or non-academic. Discount for Junior High students who come from the same foundation (eg. SMP Pasundan) Discount for Junior High students who uses SKTM (<i>Surat Keterangan Tidak Mampu</i>)
	Increasing the role of alumni and stakeholders (students' parents and school committee).	Fundraising from stakeholder and alumni for scholarships and cross-subsidies.

PROMOTION	External promotion outside of school.	Publish banners, leaflets, stickers, to be installed in strategic places and Junior High School partners. Participation of featured extracurricular and student, outstanding alumni in activities at Junior High School partners.
	Internal promotion in schools.	Exposure to the success that has been achieved to students, parents and the community.
	Increasing cooperation with Junior High Schools and Public High Schools.	Participation of featured extracurricular and outstanding alumni in activities at Junior High School partners' and Public High Schools'.
	Positioning the role of alumni as partner in the publication.	Exposure of alumni who excel in Junior High School partners and other media.
	Increasing cooperation with other agencies and stakeholders.	Working closely with Persib Management for publication on television.
	Increasing dissemination of public information.	The use of information technology systems such as newspapers, radio, internet and television.
PHYSICAL EVIDENCE (Infrastructure)	Improvement of infrastructure.	Conducting repairmen at places of worship aided by school committees and parents.
	Provision of physical facilities as needed.	Adding lacking facilities from the school committee's fund.
	Display interesting buildings.	The appearance of the buildings and parks are clean, comfortable and beautiful.
PROCESS (Learning Process)	Improving the quality of teaching and learning process.	The development and refinement of KTSP of Private Senior High School X in Bandung. IT based learning. School full day (5 days PBM)
	Monitoring and evaluating activities and administrative processes of learning.	Increasing teachers' creativity in developing learning model.
PEOPLE (Human Resources)	Increased Headmasters' and teachers' competency.	Organizing MGMP, training, and IHT regularly. Career development programs and continuing education for teachers and employees.
	Improved performance, social and emotional skills, Headmasters' and teachers' skills.	Coaching discipline, performance, motivation and creativity of personnel and educators.
	Providing excellent service to students and parents.	Implement activities to increase students' motivation and creativity. Conducting religious activities, art performances and visit the elderly.
PLACE	Utilization of space for activities that support education.	Utilization of a strategic place for the external and internal promotion. Place and appearance of the buildings are comfortable, clean, and beautiful.
	Improvement and development of space and infrastructure.	Repairment of places (schools) and school infrastructure (roads) collaborating with the relevant agency.

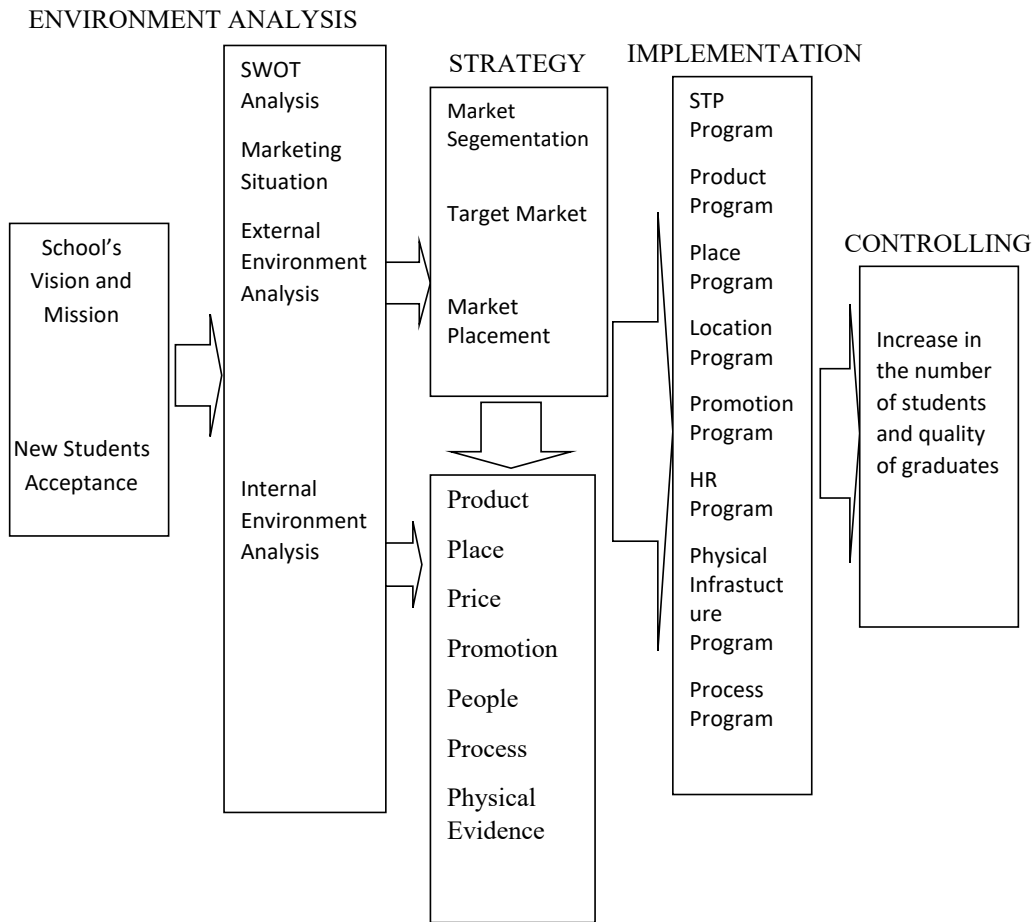


Figure 1. SWOT Framework