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## AN ANALYTIC STUDY OF INSTITUTIONAL DEVELOPMENT MODEL OF SHALLOT AGRIBUSINESS FARMERS IN RUMBIA DISTRICT, JENEPONTO REGENCY

*Kajian Analisis Model Pengembangan Kelembagaan Agribisnis Petani  
Bawang Merah Di Kecamatan Rumbia Kabupaten Jeneponto*

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### ABSTRACT

The objectives of this study were to identify the various types of farmer agribusiness institutions and to investigate the factors that influenced shallot farmers' group institutional growth in Rumbia District, Jeneponto Regency. Simple random sampling was defined as a sampling technique of every item in the population. The study was conducted out by utilizing a field interview technique with onion commodity questionnaires from farmers, collectors, suppliers, and merchants. The study's findings demonstrated that the diversity of marketing forums used by farmers participating in distribution had two channels: first (producers, collectors, traders, consumers) and second (producers, collectors, traders and consumers) (producers, collectors, inter-district wholesalers, district traders and consumers). The farmer group (X1) had a very significant effect on the growth of farmer institutions as a farmer's economic institution using a significant effect coefficient of 0.331 ( $p < 0.001$ ), then the beta coefficient was significant and the direction was positive. This a coefficient was influence of 0.205 ( $p > 0.005$ ), so that the association of farmer groups (X2) had no effect.

**Keyword:** agribusiness, institutional development, shallot

### ABSTRAK

Penelitian ini bertujuan mengidentifikasi berbagai jenis kelembagaan agribisnis petani dan mengetahui faktor-faktor yang mempengaruhi pertumbuhan kelembagaan kelompok tani bawang merah di Kecamatan Rumbia Kabupaten Jeneponto. Simple

*random sampling* didefinisikan sebagai teknik pengambilan sampel dimana setiap item dari populasi. Penelitian dilakukan dengan teknik wawancara lapangan dengan kuesioner komoditas bawang merah dari petani, pengumpul, pemasok, dan pedagang. Temuan studi menunjukkan bahwa keragaman forum pemasaran yang digunakan oleh petani peserta distribusi memiliki dua saluran: pertama (produsen, pengumpul, pedagang, konsumen) dan kedua (produsen, pengumpul, pedagang, dan konsumen) (produsen, pengumpul, antar kabupaten). grosir, pedagang kabupaten dan konsumen). Kelompok tani (X1) berpengaruh sangat signifikan terhadap pertumbuhan kelembagaan tani sebagai lembaga ekonomi tani dengan menggunakan koefisien pengaruh signifikan sebesar 0,331 ( $p < 0,001$ ), kemudian koefisien beta adalah signifikan dan arahnya positif. Sedangkan dengan koefisien pengaruh sebesar 0,205 ( $p > 0,005$ ), sehingga asosiasi kelompok tani (X2) tidak berpengaruh.

**Kata Kunci:** *agribisnis, pengembangan kelembagaan, bawang merah*

## INTRODUCTION

Shallots are included in the genus *Allium* which are the most popular and have high economic value, besides garlic and onions. Until now, the spread of shallots has extended to almost every country, so that shallots have different names. In Indonesia, there are various names in several regions, such as beureum in Sunda, brambang in Java, suluh onion in Lampung, jasun mirah in Bali, and so on. (Wibowo, 2009). One of the areas in Jeneponto Regency which includes having to run an onion seed development program is Jeneponto Regency. As a district that is better known as a red onion center, farmers in Jeneponto Regency are considered to be able to adapt more quickly in developing shallot seeds to meet the basic needs of onion seeds for farmers and other shallot farmers. This is evidenced by the production of shallots in 2019, in which the production was 6,436 quintals or 643.6 tons, in 2020 it rose to 17,494 quintals or 1,749.4 tons. Productions in Jeneponto is quite big.

Farmer institutions, such as farmer organizations, farmer groups, and cooperatives, are part of social institutions that promote social interaction in driving the agricultural system in rural regions, according to theoretical underpinning (Suradisatra, 2008). In moving the agribusiness system in rural areas, institutional farmers have a strategic position (entry point). As a result, all available resources in rural regions must be directed and prioritized in order to improve farmer professionalism (farmer groups). In Indonesia, the picture of farmers and farmer institutions is still not what one would expect. Institutions in Indonesia, he believes, must would expect. Institutions in Indonesia, according to him, must work to build, empower, and strengthen farmer institutions, such as: farmer groups, labor energy forums, input provider forums, output forums, extension forums and capital forums (Sesbany, 2010). Institutional capacity is one of the most essential variables in the growth of agriculture. Institutional

capacity farmer groups are affected by direct factors such as participation and the level of group dynamics as well as indirect factors such as capacity and characteristics of members as well as the role of the group leader, extension workers, and external support (Ruhimat, 2017).

The results of the study indicate that Agribusiness Institutions for the expansion of shallot agribusiness in Bimorejo Village include the Rukun Tani farm shop, Bimalestari Farmers Association, Middlemen, Agricultural Extension Agency (BPP), Bimatirta HIPPA, public works irrigation services, and Bimorejo Village officials. The support from Institutional Agribusiness can be classified in three forms: Instrumental Support, Emotional Support and Information Support (Lestari & Puspaningrum, 2019). The institution that has a main role and a strong driving force in the development of onion farming in Pinrang Regency is the Department of Food Crops and Horticulture. This institution has a strong driving force with a score of eight and the dependent on other institution is weak with a value of 2. This means that this institution has the most important role in the development of onion agribusiness. The department of food crops and horticulture is considered capable to overcome several problems in the farmer level through programs and the assistance of production facilities the strategy of supports and efforts made by institutions that have a strong driver power for the development of onion farming are institutions that are in the independent sector, namely the improvement of production facilities (Rukhsan, 2021). The effectiveness of the business stakeholder system in vegetable commodities in production centers has not shown optimal work efforts, due to weak commitment to buy between parties involved in cooperation, lack of open management, no market guarantees, prices according to all parties, vegetable commodities, and lack of collateral for suppliers or important corporate stakeholders. The policy implication according to the above conditions is the need to create a system of vegetable business stakeholders that need, strengthen and benefit each other (Saptana et al., 2007)

The research by Hindarti (2014), Entitled the model of post-harvest institutional development, product processing and shallot business partnerships in production centers through training and mentoring (a case study in onion production centers in Nganjuk Regency). The results showed that only 20% of shallot farmers in Sukomoro District, Nganjuk Regency applied post-harvest practices, namely cleaning, binding, drying, grading, packaging, storing, administering chemicals (calcium) and transportation. With the application of post-harvest practices, it can increase the efficiency of onion farming from 1.52 to 2.08, meaning that farming profits increase by 36.84%. So far, shallot farmers have not organized post-harvest activities in farmer groups, but the activities are still running on their own. Therefore, a post-harvest institutional model yields processing and group approach-based business partnership (Gapoktan) that has

been developed in order to overcome technical, economic and social problems of farmers in developing post-harvest practices and product processing.

Institutional analysis in agriculture is an investigation that aims to obtain an image of the socio-economic reality in the related agricultural sector using the interaction between two or more actors in socio-economic relations, including the dynamics of the prevailing farmer group, agreed with the actors, and inspection of the final output. obtained according to the relationship of what happened. The existence of farmer institutions exists in the agricultural development of a country. This institution is needed in order to increase the competitiveness of farmers in spreading the agribusiness system in Indonesia. Strong farmer institutions are increasingly needed in the era of globalization and free trade. Farmer institutions are a vehicle for expanding the capacity of farmers towards self-reliance (Anantanyu, 2011). Institution is a complex thing because many factors affect the sustainability of the institution. Institution cannot only be seen from the internal aspect of the institution but also from the external aspect of the institution that affects the activities of the institution. Therefore, institutional analysis is very necessary so that the actual conditions can be known in depth and can determine corrective steps if there are still weaknesses in the institution for the progress of agribusiness being carried out. In line with the ideal of institutional analysis, the goal of this study is to determine the performance of farmers' marketing institutions in Rumbia District, Jeneponto Regency, as well as the model of shallot marketing institutions and factors that greatly affect the institutional growth of shallot farmers.

## RESEARCH METHOD

### Method for Identifying the Respondent and the Location

The sampling was done on purpose (deliberately) to determine the study's site. Given that this area was one of the centers of shallot production in South Sulawesi Province. This study took place in Rumbia District, Jeneponto Regency, from July 14 to August 11, 2021.

The determination of the sample area was carried out intentionally by considering the criteria for the district based on the harvested area and the largest shallot production level in the Rumbia District, Jeneponto Regency. In that study, the respondents were shallot farmers in Rumbia District. The total populations and the two villages were 80 farmers, were consisting of 40 farmers in Loka Village and 40 farmers in Bontomanai Village. The sample was determined by using the Slovin formula using a population of 80 people. Those were obtained by using the formula for the sample range that could be taken based on the Solvin technique between 10-20 percents of the research population, as a calculation of the sample of respondents in the study, namely 66 people. The technique of simple random sampling was used to determine the sample size. The study was

conducted by handling field interviews with onion producers, including farmers, collectors, suppliers, and retailers in relation to the shollot agribusiness's institutional growth approach.

### **Data Analysis Techniques**

A combination of quantitative and qualitative methods was used in the investigation (mixed research methods). According to Creswell et al. (2012) the quantitative-qualitative combination research method was a method that focused on data collection and analysis with combination of quantitative and qualitative data. The method was used to handle different levels in one system. Findings from each level were combined to formulate a comprehensive interpretation. To analyze the results of the study, the researchers used several research methods as follows:

Using the implementation of statistical product and service solutions (SPSS) version 20, narrative statistical analysis and regression analysis could be carried out. Narrative statistical analysis aims to characterize or describe the performance of farmer institutions (farmer groups and farmer groups combined). Meanwhile, multiple linear regression analysis was used to determine the characteristics that had influenced the evolution of farmer institutions into economic institutions. To simplify the analysis, the data collected was first tabulated according to the respective variables and indicators. The formula for the equation of the multiple linear regression line was as follows:

$$Y = a + b_1X_1 + b_2X_2$$

Where:

Y = Farmers' Economic Institutions

a = Constant

b = Coefficient

X1 = Farmer Group Development (X1)

X2 = Farmers' Group Association Development. (X2)

The model of descriptive analysis was used for both qualitative and quantitative assessments. Qualitative methods were used to obtain and develop language, so that it could describe samples that were later very important for quantitative analysis. While, the quantitative method was used as the sensory character of a product by providing an assessment to describe the samples in an interval scale (Meilgaard et al., 2004).

The study looked at the extent of the agribusiness institutional model in cooperation and coordination of upstream-downstream stakeholders in agribusiness. The research method included items of specific time and place of research, describing the types and sources of data and information collection techniques, as well as research variables under the study and data analysis methods.

## RESULTS AND DISCUSSION

### Diversity of Marketing Institutions

The subsystem of marketing institutions is the processing and marketing subsystem (trading) of agricultural and processed products. In this subsystem there is a link or a series of activities ranging from collecting farm products, processing, storage to distribution of agricultural products to consumers (Firdaus, 2008). A marketing agency or trader is someone who is involved in the distribution of shallot marketing, namely collectors and retailers (intermediaries). In this marketing agency carrying out the distribution of goods from producers to consumers there are intermediary traders or also called marketing institutions. This institution has an important role in every marketing activity. If a lot of goods are produced, it will be in vain if the marketing is slow. This marketing agency buys directly from farmers and distributes it directly to consumers or traders outside and within the city.



Figure 1.  
First Shallot Marketing Channel Model

Figure 1 above describes farmers selling shallots to collectors in Rumbia District. Then the collectors sell to retailers in the Jeneponto Regency Market. The selling price is IDR. 8.000 - 10.000/kg depending on the availability of stock produced (farmers). Collectors in the first channel take around 300-1,000 kg for two to six days each week, of how to buy onions directly in cash. Shallots by retailers are sold to consumers, both local consumers and those from outside the region.

The results of the study explain that the marketing channels in South Tonsewer Village, West Tompasso District consist of 4 (1) farmers - Kawangkoan market retailers - consumers, (2) farmers - Langowan market retailers - consumers, (3) farmers - collector villages - Tomohon market - consumer traders, and (4) farmers - village wholesalers - Bitung port wholesalers - consumers (Marbun et al., 2018).



Figure 2.  
Second Shallots Marketing Channel Model

Figure 2 above explains that farmers sell shallots to collectors in Rumbia District. Then from the collectors, they sell to wholesalers between regencies such as Barru Regency, Pinrang Regency, Kalimantan and Pare-Pare City. The selling price is IDR. 8.000 - 10.000/kg depending on the availability of stock produced (farmers). Shallot collection in Barru Regency is about 5 sacks per night, Pinrang Regency is around 1,000 kg, Kalimantan is about 2,000 kg (2 times per week) and Pare-Pare City is about 1,000 kg (1 time per week). System for buying from collectors are in cash. The sale of shallots by inter-district retailers is only sold to regional consumers. According to the findings of the study, shallot marketing actors in Rumbia District, Jeneponto Regency, have the following responsibilities and functions: make sales and purchases. The sales function is an important factor that determines how much marketing profit is earned. While the purchasing function is carried out by collectors, wholesalers, and retailers. Meanwhile, at the farmer (producer) level, stock availability sometimes cannot be fulfilled or distributed to each of these regencies.

The results of this study recommend the need for government intervention to see the marketing chain to the wholesale market. The government needs to organize the distribution of production centers, distribution of harvests between regions, monitor and evaluate the price policy of shallots. The policy aims to demand sufficiency in the smooth distribution of shallots (Utari & Azijah, 2019). One of the efforts that can be done to meet marketing needs is to strengthen farmer institutions (Tsurayya & Kartika, 2015). Institutions can increase attention and motivation for farming because it involves norms, behavior and conditions of social relations among farmers (Suradisastra, 2008).

### Factors Affecting Shallot Institutional Development

In determining the factors that influence the development of shallots, filling out this questionnaire requires a consensus or agreement among several shallot respondents. Respondents can state the measurement scale is low,

medium, and high on the factors related to the development of shallots. The research data collected came from 66 respondents. The study used a Likert scale above in groups in the range of scores using the Sudjana formula (2007). The growth of farmer groups (X1) and farmer's group associations (X2) on farmers' economic institutions are research factors that determine the development of shallot institutions (Y).

### *Farmer Group Indicators*

In Indonesia, the picture of farmers and farmer institutions is still not what one would expect. Institutions in Indonesia, he believes, must work to establish, empower, and strengthen farmer institutions, such as: farmer groups, labor institutions, input supply agencies, output institutions, extension institutions, and capital institutions (Sesbany, 2010). The goal of farmer group development is to improve each farmer group's ability to carry out its functions, increase members' ability to develop agribusiness, and strengthen farmer groups into strong and autonomous farmer organizations. A farmer group is a horizontally organized organization of farmers that can be formed in multiple divisions within a community depending on commodities, agricultural planting area, and gender (Syahyuti, 2003). Farmer institutions, such as farmer organizations, farmer groups, and cooperatives, are part of social institutions that promote social interaction in driving the agricultural system in rural regions, according to theoretical underpinning (Suradisastra, 2008).

Farmer groups will help farmers who are members of the membership to facilitate all needs from purchasing production facilities to post-harvest handling and marketing. Thus, to know the movement of agricultural development, attention is needed to farmer groups in the village (Hariadi, 2011). The data description of the research output criteria is presented in Table 1.

Table 1 shows that farmer groups in developing shallot farming as production units are all in the highest category, namely, where extension activities improve the ability to analyze regional potential with an average score of 2.36 (high category), extension activities improve the ability to manage businesses. commercial farming with an average score of 2.45 (high category), the activity of preparing work plans in onion farming activities with an average score of 2.54 (high category) and seeing the role of the group as a production unit with an average score of 2.72 (high category) and the of thers are a bility to identify the needs of onion farming groups with an average score of 1.83 (medium category), a bility to form onion farming groups with an average score of 2.13 (medium category), extension and training on the application of technology (materials, tools, method) shallot farming with an average score of 2.04 (medium category),



and counseling in improving the ability to analyze markets and business opportunities with an average score of 2.21 (medium category). Meanwhile, the least number of activities is facilitate business cooperation with other farmer groups with an average score of 1.60 (low category).

Table 1. Indicators of Development of Shallot Farmers Groups

No.	Question	Average Score	Category
Farmers Group Development (X1)			
1.	Facilitating business cooperation with other farmers groups	1.60	Low Value
2.	Ability to identify the needs of onion farmers groups	1.83	Medium Value
3.	Ability do formi shallot farming groups	2.13	Medium Value
4.	Extension and training on the application of technology (materials, tools, methods) for onion farming	2.04	Medium Value
5.	Counseling in improving the ability to analyze the market and business opportunities	2.21	Medium Value
6.	Counseling in improving the ability to analyze the potential of the region	2.36	High Value
7.	Counseling to improve the ability to manage commercial farming	2.45	High Value
8.	Activities for preparing work plans in onion farming activities	2.54	High Value
9.	The group's function as a production unit (shallot farming)	2.72	High Value
Total		19.85	
Average		2.20	Medium Value

Source: Primary Data After Processing, 2021.

Farmers at the research location in onion farming are caused by a lack of cooperation between fellow farmers in farmer groups, between farmer groups and other parties, according to the findings of the observations. Low farmer groups are characterized, among others, by technology farmer groups that are still lacking, very less participation in activities carried out by extension services. According to Hubeis (2000), the group's success is measured by the achievement of situations or changes (physical or non-physical) that please group members farmers. As a result, the efficacy of farmer groups must be measured in terms of: (1) productivity, or the achievement of group goals; (2) morals, or the spirit and attitude of its members; and (3) satisfaction, or the achievement of personal goals by members. (Slamet, 1978).

The results of the study indicate that the process of forming farmer groups (KTH) is a response based on partnership events as a result, farmers do not fully know the direction and purpose of establishing KTH. The implementation of regulations in the form of AD/ART has not been fully carried out because neither the management nor the members are involved in the formulation of AD/ART. Farmers believe that KTH administrators are able to help agricultural development to improve people's welfare. Capacity building needs to be done through counseling and training for farmers' groups to become more powerful and independent (Elva, et al., 2017).

### *Farmers' Group Association Indicator*

Farmers' lack of access to various business service organizations, such as financial institutions, marketing institutions, institutions that provide agricultural production facilities, and information sources, has prompted farmers' group association development. The farmers' group association institution is primarily intended to serve as an economic institution, but it is also supposed to serve other purposes. The farmers' group association is expected to be able to carry out its partnership function with farmers and agricultural product traders in a fair and mutually advantageous manner (Syahyuti, 2007).

The existence of farmers' group association in rural areas makes it easier for farmers to obtain accurate information about everything that is beneficial for the progress of their farming, from planting preparation to cultivation, planting and even product marketing. Agricultural extension is related to the effort to convey information and with the frequent discussion of new information makes the information easy to remember. The formation of farmers' group association can have a positive impact such as increasing the bargaining position of farmers so as to increase the income and welfare of farmers (Adriyani et al., 2011). The data description of the research output criteria is presented in Table 2.

Table 2. show that farming farmers' group association in developing shallot farming includes as assistance in building a production unit (shallot farming) in the highest category with an observation value of 2.95 (high category), mentoring in order to improve the ability to manage microfinance with an average of 2.84 (high category), facilitation cooperation related to shallot capital with an average of 2.81 (high category), cooperation and capacity growth in the field of marketing are facilitated with an average of 2.72 (high category), cooperation and capacity building in the processing of agricultural products to be facilitated with an average an average of 2.70 (high category), and also in the sphere of agricultural agriculture, facilitating cooperation and capacity building

with an average of 2.53 (high category), Cooperation and capacity building in the field of agricultural infrastructure facilitation with an average of 2.40 (high category), and facilitation preparation of planning and implementation of joint group activities with an average of 2.03 (medium category).

Table 2. Development of Shallot Farming Farmers' Group Association

No.	Question	Average Score	Category
Integrated Farmers Group Development Indicator (X2)			
1.	Facilitating the preparation of planning and implementation of joint group activities	2.03	Medium Value
2.	Cooperation and capacity building in the field of agricultural infrastructure facilitation	2.40	High Value
3.	In the sphere of agricultural agriculture, facilitating cooperation and capacity building	2.53	High Value
4.	Cooperation and capacity building in the processing of agricultural products will be facilitated.	2.70	High Value
5.	Cooperation and capacity growth in the field of marketing are facilitated.	2.72	High Value
6.	Facilitating cooperation related to shallot capital	2.81	High Value
7.	Assistance in order to improve the ability to manage microfinance	2.84	High Value
8.	Assistance in building production units (shallot farming)	2.95	High Value
Total		20.98	
Average		2.62	High Value

Source: Primary Data After Processing, 2021

Along with the reform agents who play an effective role in developing leadership and critical awareness in society of the importance of the role of groups, one of the objectives of extension activities is to increase the capacity of institutions, farmer groups, so that they become more effective. (Sumardjo, 2003). Effective farmer institutions are that (a) farmer institutions can meet the needs of members; (b) farmer institutions can utilize local resources efficiently, (c) farmer institutions can develop structures, leadership, norms, (d) farmer institutions can develop a network of solidarity and cooperation (effective farmer institutions: (a)

farmer institutions can meet the needs of members; (b) Farmer institutions can utilize local resources efficiently, (c) farmer institutions can develop structures, leadership and norms, (d) farmer institutions can develop a network of solidarity and cooperation) (Esman, 1986; Jiri Nehnevajsa *dalam* Eaton, 1986; Sumardjo, 2003; and Wileden, 1970).

The results from this study are that the functions of Farmers' Group Association in Pojokkulon village are (a) to provide credit to Gapoktan members, through seasonal and monthly loans and savings; (b) help market their agricultural products through a system of sale and purchases in the form of grain and rice, systems of postponing the sale of rice and sell rice at a low price; (c) helping farmers in agricultural equipment leasing; and (d) eradicate the pest in groups (Indrawati, 2016). The results show the same performance based on two different farmers' group association. The Beringin Jaya farmers' group association has a good institutional situation, the organizational structure works well, the behavior of good members is always active in every activity. The results in the performance of Banyan Hill are very good. Meanwhile, in the Sinar Mulya farmers' group association, the organizational structure has not worked well and the lack of activity in this farmers' group association so that it turns out that the performance of the farmers' group association, has not been satisfactory. The level of effectiveness in the Beringin Jaya farmers' group association forms a scale score of 556 which indicates that the Beringin Jaya farmers' group association has been effective (Aminah, et al., 2017).

Next, data processing of multiple regression analysis had been carried out. The determinants of group dynamics and farmers' group association also enrich information and complement the factors that need to be considered in improving group and Gapoktan performance that affect the development of shallot farming. To determine the effect of farmer groups (X1) and farmer group association (X2) on farmers' economic institutions (Y) is shown in Table 3.

The results of the analysis in Table 3 explain that the influence of farmer groups and farmer groups associations on farmers' economic institutions is:

$$Y = (9,518) + (0.331)X1 + (0.205)X2,$$

which means that the farmer group (X1) contributes an influence of 0.331 and a combination of farmer group of 0.205. These results indicate that if the farmer group (X1) and the combined farmer group (X2) are zero (0), then the farmer's economic institution (Y) will be positive (9.518).

Table 3. Multiple Regression Analysis

Source: SPSS data after processing, 2021

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1. (Constant)	9.518	3.045		3.125	0.003
Farmer Groups (X1)	0.331	0.077	0.468	4.304	0.000
Farmer Group Association (X2)	0.205	0.131	0.170	1.563	0.123

a. Dependent Variable: farmers' economic institutions

The R2 test is used to determine how well the model can explain the dependent variable based on the findings of the respondents' interviews. The description of the research data is presented in Table 4 as follows:

Table 4. Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.511 <sup>a</sup>	.261	.238	1.493

a. Predictors: (constant); farmer group association (X2), farmer groups(X1)

Source: SPSS data after processing, 2021

Table 4 above discusses the research on the R2 test, the Adjusted R2 value with is 0.238 or 23.8%. This shows that the performance of farmers' economic institutions can be explained with 23.8% the independent variables, namely farmer groups and farmer group association, the strong relationship that occurs between each independent and dependent variable. Meanwhile, 76.2% of the variation in the performance of farmers' economic institutions is explained by variables other than the independent variables of this study.

The farmer group variable has a considerable influence in this observation, supported by the fact that in the field most of the shallot farming activities are still focused on farmer groups. If the number of farmer groups is expanded with farmer group association help, this coefficient value can have an impact on the evolution of farmer organizations into economic institutions. Farmer group association institutions need to be institutions of economic interest, fulfillment of capital, market needs, and information that carry out representative

functions for the community, especially farmers in their farmer group membership and other institutions with the principles of togetherness and partnership. Agricultural institutions include extension institutions (BPP), farmer groups, farmer group association, farmer cooperatives (Koptan), seed breeders, seed entrepreneurs, other seed institutions, kiosks, village unit cooperative (KUD), village markets, traders, farmer associations, processed industry associations, seed associations, P3A , UPJA, and others. In line with previous research, the output of the analysis shows that the factors that influence the development of institutions as farmers' economic institutions are farmer group factors, which consist of membership, function of farmer groups and farmer group classes. Designing farmer group development tactics as a farmer's economic institution begins with increasing function, increasing member characteristics and increasing farmer group class (Effendy, 2020). This study recommends that institutional forums participate in the planning, application and monitoring of cooperative activities. Partnerships must be carried out by the three forums, both in the preparation of the blue map as well as on the operational map to overcome the factors that weaken the cooperative. (Ekowanti, et al., 2017).

Farmer institutions are frequently viewed solely as a vehicle for implementing projects, rather than as a more fundamental empowerment initiative. The formation and development of farmer group association that will be formed in each village must use the basis of local social capital with the principles of regional autonomy, empowerment and local independence. The formation of farmer group associations is placed in a very broad context, namely the context of economic development, people's independence towards sustainable development (Sustainable Rural Development). Farmer group associations is only a tool and is an option, not a requirement. Farmer group associations need to build social networks with other parties, increasing their role outside of production or agricultural activities (Pujiharto, 2010).

## CONCLUSION AND SUGGESTION

### Conclusion

The following conclusions can be drawn based on the findings of the mentioned research:

1. Farmers involved in the marketing distribution of shallots have two marketing channels: (a) farmers, collectors, retailers, and consumers and (b) farmers, inter-district wholesalers, district retailers and consumers, depending on the availability of stock generated, the selling price ranges from IDR. 8.000 to 10.000/kg (farmers).

2. Influence of farmer organizations (X1) and farmers' group association (X2) on shallot growers' economic institutions in Rumbia District, Jeneponto Regency (Y). With an influence coefficient of 0.331 ( $p < 0.001$ ), the farmer group component (X1) has a significant impact on the transformation of farmer institutions into farmer economic institutions. Meanwhile, with an influence coefficient of 0.205 ( $p > 0.005$ ), farmers' group association (X2) have a negligible effect. The independent variables, namely farmer groups and farmers' group associations, are responsible for 23.8 percent of the variance in the strength of the association between each independent variable and the dependent variable. Meanwhile, 76.2% of the variation in the performance of farmers' economic institutions is explained by dependent variables other than the independent variables of this study.

### **Suggestion**

Institutional farmers of Shallots must have access to information, and there must be a synergy among farmer institutions in order for agriculture institutions' planned activities to work well. As a result, there must be support from the government, the corporate sector, and examples connected to developing farmer institutional capacity to combine.

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