
DEVELOPMENT STRATEGY OF WRITTEN BATIK CRAFT AS REGIONAL SUPERIOR PRODUCT (RSP) IN BANTUL REGENCY

Henri Krismawan,

Student of Management Master Muhammadiyah University of Yogyakarta

Abstract

The determination of written batik as one of the Regional Superior Products (RSP) in Bantul Regency must be hand in hand with the development strategy that must be performed on each part, and it will have their roles. How the role of local governments perform their roles are, and their responsibilities which merely leads and nurture not determine (steering than rowing) are. The role of industrial sector batik craftsmen are able to create a broader market opportunity, are able to create a brand, and are able to provide a quality product, quantity, and continuity in line with market expectations.

The samples used were 51 craftsmen of written batik with raw materials of cloth, metal, wood, and leather which are spread across several districts in Bantul Regency.

The results of this study provides guidance need to optimize the role of government Bantul Regency in preserving batik and encouraging the development of batik craftsmen for batik of Bantul go-international, improving the quality of batik products in the face of competitiveness on global market and MEA, capacity building of human resources, use of technology, model and design innovation, ease of access to capital, and increasing the ability of written batik craftsmen in supporting distribution and marketing services batik products through information technology.

Keywords: *Written Batik, RSP, Quality of Batik Products, Government Role, Human Resource Development, Go-International.*

1. INTRODUCTION

According Sjafrizal (1997), each region has a potential that is different from each other. That's why to promote the economy of a region must be adjusted to the potential of each region. When the development priorities are not appropriate to the characteristics of each region, then its economic development will be relatively slow and unoptimal. It is caused there are differences in potential and pattern of economic structure of each region then in the process of regional development needs to recognize the character of the economic, social and physical impact of the region concerned.

Potential differences from one region to another cause differences in

development strategy of each region and nothing is the same strategy that can be applied to all areas. The success of the development of an area pointed from increased economic growth and narrower income gap distribution in a small scale or in a wider scale. The government in this case played a role in the development of an area with different policies. With regional autonomy, in which the central government authorizes local governments to manage their own regions. This policy is expected that local governments can regulate the area better because they already know the characteristics of the area.

Improved economic growth in the region will stimulate and spur development in order to increase incomes. Therefore, in the scope of local or regional use Gross Domestic Product (GDP) of the area as a measure of economic growth. Gross Regional Domestic Product (GRDP) is defined as the total value added generated by all business units within an area or the entire amount of the value of final goods and services produced by all economic units in the region.

Regional economic development in the era of regional autonomy face various challenges. In one side, the economic gap between regions which resulted in low income levels and even poverty, is the unresolved issues. On the other hand, the development effort is still oriented sectors and less attention to the characteristics and conditions of the resources of a region, whereas development resources are increasingly limited. Regional economic development challenges ahead are trying to manage regional economic development effectively and efficiently, by using the region potential optimally, including natural resources and human resources, as well as optimize all sources of funds to finance the economic development of the region.

Meanwhile, globalization requires that regions in the national territory to compete in the free trade competitive with countries from around the world. Regional economic development is expected to produce superior quality products that can compete in the competition, both domestically as well as overseas. Provincial and regency as the leading region of the national zoning in regional economic development is expected to implement the acceleration of regional economic development and to focus on featured products so it will not to fall behind in the competitive free market at least in its own territory. Thus the necessary efforts to accelerate the development of superior products market oriented that notice business and investment opportunities, which can significantly improve the competitiveness of products while providing added value for local economic development.

Regional Superior Product (RSP) describes the region's ability to produce products, create value, use resources in real time, provide employment, generate income for the community and the government, have prospects for improving productivity and investment. A product is said to be superior if it has the competitiveness to be able to ward off a competitor's product in the domestic market and/ or penetrate the export market.

The development of superior products is an effective strategy in the economic development region that produces innovative products based on local excellence.

Government of Bantul regency has a policy to encourage superior product through determination Written Batik as RSP of Bantul Regency. However, making the regional superior product as a world class product on the one hand there are still some constraints, such as; uniqueness of product are not developed, the economic actors have not done in operational more in managerial and quality global oriented; the condition of the low institutional and human resources, limited market access and the level of competition among the higher regions, thus, economic actors often fail to meet expectations of entering a wider market area.

The performance of the successful development of superior product is continuity of availability of products on the market; management, supply chain and value chain becomes an important part in the management of logistics industry, and the last a consistency of product quality, production volume and achievement of a consistent and timely manner, it all started with plan in production capability and market the product. On the other hand, due to the low economic scale, it is necessary to arrange cooperation between small and medium industries in achieving certain economies scale in order to achieve superior product which can succeed in competitiveness.

2. THEORITICAL REVIEW

2.1. Regional Superior Product Concept

2.1.1. Definition of Regional Superior Product

Regional Superior Product (RSP) is a good or service that is owned and controlled by a region, has economic value and high competitiveness as well as to absorb labor force in large numbers, produced based on the consideration of technical feasibility (raw materials and markets), talent of community and institutional (mastery of technology, human resources, infrastructure support, and local socio-cultural conditions) that develops in a particular location. Local economic development is a process of building dialogue and partnership actions of the parties include local governments, businessmen, organizations and local communities. The pillars principal strategy is to increase the attractiveness, durability and competitiveness of the local economy. The ultimate goal is to create high growth and sustainable development that will benefit all parties in the region in order to increase employment opportunities, the enhancement and poverty reduction significantly.

In order to regional economic development efforts, an inventory of potential areas/ communities/ regional is absolutely necessary in order to set policy development patterns both sectoral and multisectoral manner. One step inventory/ identify the economic potential of region is to identify potential products, mainstay and superior product in each sub-sector. Regional superior product illustrates the region's ability to produce products, create value, leveraging resources in real time, provide employment opportunities, generate income for the community and the government, have prospects for improving productivity and investment. A product is called to be superior if it has the competitiveness to be able to ward off a competitor's product in the domestic market and/ or penetrate the export market (Sudarsono, 2001).

The criteria of superior product according to *Unkris Satya Wacana Salatiga*, is a commodity that meet the requirements of local resource adequacy, relevance of commodities, the competitive position and potential to compete. Based on these criteria led to the grouping of the following commodities:

1. Potential commodity is a regional commodity that have potential to develop as a comparative excellence. Comparative excellence occurs for example because of the adequacy of available resources, such as local raw materials, skills of local resources, local production technology as well as other local infrastructure.
2. Commodities mainstay is seen as potential commodities that can be compared with similar products in other regions; besides having comparative excellence also has a high operating efficiency. Business efficiency is reflected in the efficiency of production, labor productivity, profitability and others.
3. Superior commodity is a commodity that has a competitive excellence because it has already won the competition with similar products in other areas. Competitive excellence can occur because of high production efficiency due to high bargaining power both to the supplier, the buyer, as well as high competitiveness against competitors, new entrants and substitutes.

Regional Superior Products then abbreviated as RSP, according to the Regulation of the Minister of Home Affairs No. 9 of 2014 is a product, either in the form of goods and services, produced by cooperatives, small and medium scale potential to be developed by utilizing all of the resources owned by region either natural resources, human resources and local culture, as well as bring in revenue for the community and the government which is expected to become the economic power to regional and local communities as potential product competitiveness, marketability, and thrust towards enabling it to penetrate the global market. Meanwhile, Development is the efforts made by the government, local governments and communities in developing a superior product through planning, organizing, financing, monitoring, control, and evaluation of activities.

2.1.2. Regional Economic Development Concepts and Products Approaches/ Regional Superior Commodities

Economic empowerment is an important element in creating a major and independent regional aspired through the decentralization policy. Regional economic development can be defined as a process by which local governments and communities to manage existing resources and form a pattern of partnership between local governments and the private sector to create a new jobs and stimulate the development of economic activities in the region.

Therefore, local government and community participation using existing resources to be able to assess the potential of the resources required to design and build the economy of the region. The principal issues in regional development is located in its

emphasis on development policies based on the uniqueness of the area by using the potential of human resources, natural resources, financial resources and even organizational resources.

This orientation leads us to take initiatives from the area in the development process to create new employment opportunities and stimulate increased economic activity. According to Sudarsono (2001), the dynamics of regional superior in the future is marked by ability or inability a regional seizes opportunities in the face of free-market competition both at regional and global level.

2.2. Regional autonomy and Superior Products

Identification of the products in the regions regarding the implementation of regional autonomy is not without problems. This primarily refers to the expectations of community development in the area and also optimizing the existing resources, either natural resources or human resources in the area.

Therefore, one of the top threats on development of regional superior products is exploration and exploitation of resources. It seems it is recognized to be a dilemma, and indirectly is a logical consequence of the demands of development in the era of regional autonomy that requires optimization of local revenue as a source of development funding in regional autonomy era (Elmi and Ika, 2002).

Political change from centralized authoritarian to democratic decentralization which is marked by the implementation of regional autonomy has brought increasingly sharp degradation of natural resources and ecosystems.

The change will encourage activities that lead to a race to build the region. The activity always aims to increase local revenue as a means towards the welfare of society. This situation will lead to the exploitation of the resources and ecosystems, which in turn will spur environmental conditions become hazardous to life.

On the other hand, this threat is real consequences behind the development superior products which should have minimized the event. Decreasing quality of the resource is an indication of an imbalance between human needs with the availability of natural resources (Hasan, 2002).

That a range of government regulations less emphasis on preserving natural resources and prioritize the revenue side alone, it could have an impact that is hard to avoid in the management of natural resources and ecosystems. Related to this case for example, could be an example for the case of an area rich timber from the forest that the rate of reduction of forest area in Sumatra 2% per year, in Jawa 0.4% per year, in Kalimantan 0.9% per year, in Sulawesi 1% per year, and in Irian Jaya reached 0.7% per year. The reduction of forest cover is due process of forest degradation and deforestation. Degradation and deforestation provides a broad and alarming implications for the future (Wardojo, 2001).

There are various problems that will occur on natural resources and ecosystems, if in the elaboration and implementation of regional autonomy, including development of superior products are not handled carefully. Problems will arise such as a degradation of

natural resources and ecosystems. For instance, the degradation of marine resources, the resources of the river and its flow, forest resources, and various impacts of pollution caused by the activity of economic development between regions, and others. Therefore, resources are initially capable of being the main source of increased local revenues through a commitment the development of superior product, if its utilization in the long period has no support policies that lead to improvement efforts and attention to the preservation of natural resources, then it would be a source of conflict between local governments in the future (Hasan, 2002).

It could also threaten the destruction of local culture related to aspects of local community resources in the area. In fact, if this continues, then the threat of urbanization will be stronger because of regional is no longer has a potential resource that could provide benefits to the local community and this concern should be wary (Karmadi, 2007).

Referring to threats that concern, that after the implementation of regional autonomy visible symptoms more quickly the degradation of natural resources and ecosystems. In many areas there has been a destruction of forests, either in protected forest, buffer zone, industrial tree plantations, and also a conservation area. The destruction of forests means there is a damage-extinction of biodiversity, both plants and animals. Also various kinds of destruction either at sea, watersheds, mining, soil, air and water. The case has occurred evenly across the various regions in Indonesia with consequences that will be felt by all society.

Therefore, it is natural if the demands are related to business ethics the development of superior products for a balance. Addressing the phenomenon of resource degradation in conjunction with demand aspects the development of superior products related to the implementation of regional autonomy now, it would require a collective consciousness at all levels of society, both government administrators, economists and the general public to support decentralization. However implementation of regional autonomy is a long-term process for improving the welfare of local communities (Sidik, 2002).

There is an interest in the balance of resources and related ecosystems in the implementation of regional autonomy and the development of regional superior products that present portrait of freedom in utilization of natural resources is likely to lead to the destruction and degradation of natural resources itself. Therefore, in the implementation of regional autonomy are required to explore the potential in order to organize its own internal affairs, but it does not mean that the freedom to explore the potential of this is damaging the existing resources. The implementation of regional autonomy is not fixated on the struggle to exploit natural resources and ecosystems, if later all the losses will be covered by local community.

Therefore, it needs empowerment of local communities. The point is that the conviction of the urgency of superior products can not be denied, even if the orientation to determine not an easy job, especially related to the priority aspects of its adoption (Pranadji, 2003).

3. RESEARCH METHODOLOGY

3.1. Methods and Procedures Implementation Study

Basically the method of research is used to formulate this study is descriptive qualitative method. Secondary data (official statistics of Bantul Government and literature) are provided serve as a starting point. Contextualization is compiled after conducting field visits observational. Contextualization basically formulates the nature of Bantul as a region that has a typical phenomena and dynamics.

1. Data collection in form of existing statistic data is done by collecting statistical data from different regions report given by the government, private and various reports of previous studies.
2. Data collection about the development and alternative policy strategies RSP based stakeholders perception is conducted by survey face to face interviews. Interview involved experts and businessmen parties. The number of respondents is 2 (two) to 3 (three) of the respondents for each of the criteria of respondents
3. The questionnaire used for the survey are formulated in a structured, systematic and selection of respondents which is representative and expert on the issue, thus allowing data to be filled is the data that already have a high value in accordance with the objectivity of knowledge/ understanding/ perception of people about the object attitude (cognitive) because of experience, long worked or studied in dealing with problems.

3.2. Analysis Technique

3.2.1. Descriptive statistics

Descriptive analysis is used to describe a variety of conditions and developments from time to time and the latest from indicator variety that will be needed. Description will be displayed either in the form of tables, images/ graphics, as well as a general explanation making it easier for the general reader in understanding of the data and/ or information provided in writing. Analysis can be performed for convergence statistical (among others, on average, a minimum value and a maximum value), distribution (in the form of a standard deviation, etc.), and the direction of development (trend either positive, negative, or constant).

3.2.2. SWOT Method

SWOT analysis framework that is multi-dimensional enables to use the method widely in the context of the study, particularly in the study of planning and formulation of policies and development strategies. In the context of development policy studies at the regency/ city, then the object of analysis is a regency as an organizational unit. Thus, the aspects associated with and influence on the policy and strategy of regional development into variable analysis. Because the SWOT method makes it possible to review comprehensively the aspects referred to, then in this study placed SWOT analysis as analysis terminal. In which, the results of quantitative and qualitative

analysis of other models then become input or material SWOT analysis.

Strategic decision making process is generally always associated with the problem of the mission, goals, strategies and policies of the company. Therefore, as a strategic planner in the analysis needs to consider various aspects related to the factors that influence it. These factors can be generally grouped into four categories known as Strength (S), Weakness (W), Opportunity (O) and Threat (T), also known as SWOT Analysis. Although it seems simple, the SWOT analysis can provide a complete identification of the factors of the company.

SWOT analysis as well as can be used to evaluate the internal and external factors at once, so it can find a solution. What the strengths and weaknesses of the company will be identified in the matrix IFAS (Internal Factor Analysis Summary), while the things that became opportunities and threats should be reflected in the matrix EFAS (External Factor Analysis Summary). A combination of both matrix through SWOT diagram will reflect the position of company known as Positioning. Furthermore, this position will be used to identify strategic business planning that is done using SWOT/TOWS, GE-Mc Kensey, Product Life Cycle etc.

3.2.3. Matrik SWOT

SWOT Matrix is sometimes called the TOWS matrix, the matrix is composed of four areas or quadrants as mentioned in the previous section. Of each field or quadrant has its own business strategy. The format is as follows:

Table 1. Format of SWOT Matrix

IFAS EFAS	STRENGTHS (S) Strenght factors	WEAKNESSES (W) Weaknes factors
OPPORTUNITIES (O) Oppurtunity factors	STRATEGI S-O Creating strategy uses strenghts to use oppurtunities	STRATEGI W-O Creating strategy to minimize weaknesses in order to use oppurtunities
THREATS (T) Threat factors	STRATEGI S-T Creating strategy uses strenghts to solve threats	STRATEGI W-T Creating strategy to minimize weaknesses and avoid threats

4. RESULT AND DISCUSSION

4.1. Result and Discussion

In this stage is not just activity collecting data, but also an activity of classification and pre-analysis. Generally, the data will be categorized as internal and external data.

Internal data include product quality, work environment, location, sales promotion, raw materials and production equipment. Meanwhile external data necessary is include an analysis of competitors, support facilities and infrastructure from central government, financial institutions, demand. External Data has a very close relationship with stakeholders.

Table 3. question list on questionnaire

NO	QUESTIONS
INTERNAL	1. Good quality of written batik products can ease sale
	2. Work environment provides comfort work for craftsmen of batik
	3. Batik products readily available in locations featured products of Batik
	4. The location of raw materials to the production process is close so it eases to sale the product
	5. Craftsmen in productive age easily available in the local area
	6. Training of workers and business development has always done
	7. Sales promotion is very effective because it is not only in Bantul Regency
	8. The supply of raw materials is very easy to support production
	9. Access to the place location is very easy to be reached by consumers
	10. The production equipment of batik processing is very complete
EXTERNAL	11. Potential sales outside of Bantul is highly prospective
	12. Product demand from year to year is greatly increased
	13. There are support infrastructure and information technology
	14. There are loyal customers
	15. SMEs Batik provides good service to customers
	16. Competition with similar business coming from outside Bantul
	17. There is support Capital Enterprises
	18. There are new products competitors to the area of Bantul
	19. Information to people outside Bantul related to batik products
	20. Promotion of batik competitors from other regions

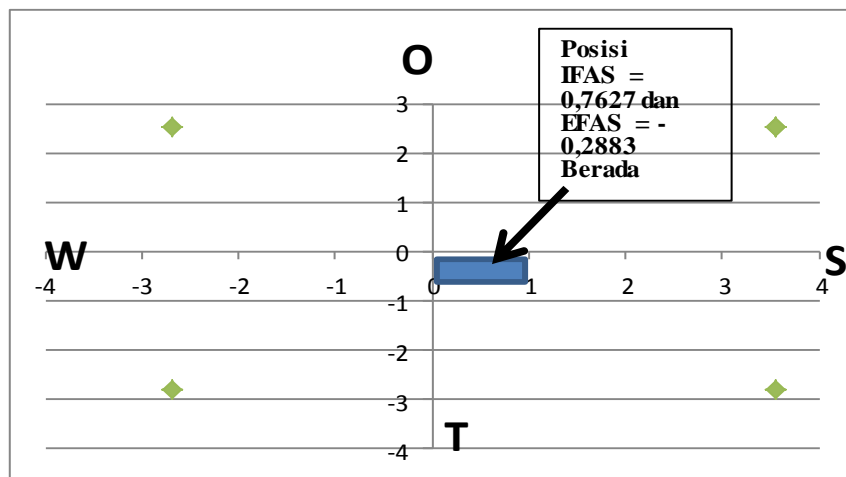
The last part of data collection phase is to create a competitive profile matrix. The purpose of making a competitive profile matrix is to determine the relative position of the company against competitors. Here are guidelines that can be used:

RATING	MEANS
1	When the condition of the company is very weak compared to competitors
2	When the condition of the company rather weak compared to competitors

3	when the company has approximately the same conditions with competitors
4	when the company has a somewhat better condition than competitors

Furthermore, each factor is weighted as has been explained when discussing the EFAS and IFAS, the number of weights is 1 (one), then it will be calculated the score of each factor by multiplying the weight by the rating. To give a clearer picture, the following will be presented format as well as a full description:



WEIGHT	RATING	SCORE	INFORMATION	RATING SWOT			
0.143	3.98	0.57	Strenghts	STRENGTHS	3.5385	IFAS	0.7627
0.143	3.59	0.51	Strenghts				
0.143	3.65	0.52	Strenghts				
0.143	3.55	0.51	Strenghts				
0.143	3.47	0.50	Strenghts				
0.143	3.24	0.46	Strenghts				
0.143	3.27	0.47	Strenghts				
0.33	-2.51	-0.83	Weaknesses	WEAKNESSES	2.7759	EFAS	-
0.33	-2.92	-0.96	Weaknesses				
0.33	-2.98	-0.98	Weaknesses				
0.25	3.37	0.84	Opportunities	OPPORTUNITIES	2.5245	IFAS	-
0.25	3.39	0.85	Opportunities				
0.25	3.33	0.83	Opportunities				
0.25	3.14	0.78	Opportunities				
0.167	-2.96	-0.49	Threats	THREATS	2.8128	EFAS	0.2883
0.167	-2.86	-0.48	Threats				
0.167	-2.22	-0.37	Threats				
0.167	-2.96	-0.49	Threats				
0.167	-2.96	-0.49	Threats				
0.167	-2.88	-0.48	Threats				



From the diagram above can be seen SWOT analysis calculations are in Sel IV

Sel IV	<p>Constrained by the positive X-axis and Y-axis negative. Business strategy available is <i>Competitive Strategic</i></p>	<p>Although the company faces the threat from external but on the other hand the company has strenghts. If management is able to optimize the strength and minimize internal weaknesses, the threats businesses would be overcome, so that the company can diversify its business and develop the market.</p>
---------------	---	---

To develop a regional superior product of Bantul Regency then is is used the strategy of S-T

		Internal Factors	
		<i>Strength</i> (S)	<i>Weakness</i> (W)
		 SWOT Analysis 	<ol style="list-style-type: none"> 1. The quality of batik products are good 2. Working environment is conducive 3. Location of raw materials to the production process is close 4. Craftsmen of productive age is easily obtained 5. Raw material supply is very easy 6. Access to location is very easy to reach
External Factors	<i>Opportunities</i> (O)	SCENARIO I (S developed to achieved oppurtunities O)	SCENARIO II (W developed to achieved opportunities O)
	<ol style="list-style-type: none"> 1. The potential sale is highly prospective 2. Product demand from year to year is greatly increased 3. The existence of loyal customers 		
	<i>Threats</i>	SCENARIO IV (S developed to decrease T)	SKENARIO III (W developed to decrease T)

<ol style="list-style-type: none"> 1. Minimum support facilities and infrastructure from government 2. Low good service to customers who come from outside the region 3. Lack of support banking capital 4. The existence of new products competitors into the area of Bantul 5. Low-related information with batik products 	<ol style="list-style-type: none"> 1. Improving the quality of batik products to increase competitiveness in the face of MEA. 2. Develop access to capital with the banks. 3. Increase human resources of Batik Craftsmen in supporting the services and product marketing through information technology. 4. Optimizing the government's role in preserving batik and batik craftsmen in order to encourage the development of Bantul batik - go international 	
---	---	--

4.2. Strategic Steps of Stakeholders

The steps that need to be done to develop a regional superior product of written batik by craftsmen and related institution are as follows:

4.2.1. Local Governments

To accelerate the development of regional superior product of written batik, local governments as development policy makers should always integrate all traffic offenders, including the various elements in local government, businesses, nonprofit organizations and other residents. Cross subjects must work together to create a framework formally and informally or institutions to encourage interaction and regulate the relationship among institutions. Flexibility should be the key of the framework, and institutions that should channel the concerns and interests are relevant in the process and the mobilization of community resources.

Accelerated development of local government may require the establishment of a special development organization, which is responsible to organize all subjects and serve as a spokesman for an action plan or platform as target. This organization should establish a network for regional development to increase the efficiency of resource

allocation as well as a wide range of knowledge and information. Operationalization and financing of these organizations should be supported by a cross-regional subjects. One of the main missions of the local government is to describe and implement all development strategies. This process should begin with the establishment of clear objectives and understand local conditions.

Entities should also consider sustainability in all stages of planning and implementation to ensure a healthy environment and a good quality of life. The strategy adopted should be developed with a division of labor among the subjects according to their strengths and resources. In line with the trend of decentralization, local government role has become increasingly important in development. Local government authorities should provide guidance and assistance to the effectiveness and efficiency of the implementation of the development strategy. Simplification and deregulation of bureaucratic procedures to be done to reduce business costs. The local government should build bridges between communities and government authorities higher.

4.2.2. Promotion of Innovation

An entrepreneur is generally able to take advantage of the opportunity for the development of economic capacity and allocate resources effectively. In line with the new trends in economic development, entrepreneurship should also be able to face competition and innovation, generate economic growth, technological renewal, job creation and improving the welfare of local communities.

Local resources should be used to encourage business development by facilitating the entrepreneurs access to information, knowledge, technology, capital, and human resources needed for business success. More importantly, the local authorities should be able to make effort to simplify administrative processes for businesses beginner (new business start-ups).

Local innovation system is a fundamental mechanism for strengthening the innovation capacity at the local level. The main actors in this system include local government, industry, research institutes and universities. To strengthen regional superior product of written batik, local governments need to develop collaboration between industry and universities by providing incentives for the development of joint ventures between local employers and colleges. Incubator development will increase the dissemination of knowledge in the innovation system.

4.2.3. Human Resources Development

Labor policy is closely linked with the development strategy of economic and social stability policy. And success on one side of a policy depends on the success of others. Elements of interaction affect the success of labor policy covers how well the policy is in line with the whole economic development strategy, which also must build a network with the service of social and economic organization, and how the social and economic conditions affecting the flexibility of implementation are.

Regional superior product of written batik and start up business become job creation at the local level. Growth of regional superior product of written batik for beginner has contributed significantly to the formulation of labor policies in various sub-districts in Bantul Regency. In order to the policy of Regional superior product of written batik goes well, local government authorities should involve them in any process of policy formulation and implementation.

The establishment of local training organizations need coordination between businessmen, experts and universities. Input from businessmen can help ensure the content of training may reflect the skills that suit the natural needs of the labor market. Local authorities could offer incentives to develop skills training, and encourage participation in training.

In this era of globalization, the skills needed by market are fast changing. Workers should be flexible to adapt to the changes. Therefore, it is essential to accelerate the capacity of workers to learn new skills, and transfer skills to other industries.

4.2.4. Financial Support

Regional superior product of written batik is usually accompanied by capital requirements. Regional superior product of written batik grows because of the growing business opportunity that can also be accessed. In these conditions, usually regional superior product of written batik can not expand its business even further, due to lack of funds. Hence the importance of capital lending institutions to play a role, as well as put through mentoring.

A number of mechanisms can be adapted to the diversity of conditions faced regional superior product of written batik related to financial access. For micro enterprises typically require the development of micro-finance institutions and credit availability accessible to them. Microfinance institutions may be either a bank or non-bank, including cooperatives. For start-up, the development of local networks of business angels can overcome some of their problems. Credit guarantee institutions, including at the local level is also sufficient for smaller local markets.

The development goal of credit guarantees institutional is to ensure the security of financing regional superior product of written batik, to help regional superior product of written batik overcome the limitations of the collateral, to increase the interest of financial institutions providing credit to regional superior product of written batik, and to support other organizations that have tried to help regional superior product of written batik because for these banks is not conducive in providing credit loans, because the credit that they drizzle always by 5 C, ie, *character, capacity, capital, condition of economic, and collateral*.

As a result, banks always require a variety of security assurance requirements for credit loans. Moreover, they also often do not distinguish between the credit requirements of micro or small businesses with big business. That's why the government supports the participation of other financial institutions such as venture capital

institutions as an alternative solution in the area of empowerment of regional superior products of written batik.

The advantages of venture capital, venture capital is a financing which is form equity capital, pattern of results, and convertible bonds to regional superior product of written batik within a certain period with the characteristic to have the level of risk or capital investment because it acts as an investor. Venture capital is active investment, ie if it is deemed necessary to engage in business management of regional superior product of written batik temporary investment and expect the yield on investment.

Compared with banks, venture capital institutions have some advantages in support of micro, small and medium enterprises, among others: First, venture capital institutions to provide capital as well as banking, but with more modest in terms of formal aspects and collateral because it prioritize feasibility. Second, in addition to capital, venture patterns also provide assistance as needed regional superior product of written batik, so it can work more effectively for both parties. The pattern of this assistance becomes terdemark venture. Assistance can take the form of coaching or training, consulting, management and expansion of the market for regional superior product of written batik. This causes a different pattern of venture capital to the banks. Another factor supporting an alternative venture capital institutions is the access network throughout Indonesia.

4.2.5. Marketing Strategy

In many areas, the problem of marketing strategies becomes major concern, especially for local cultural products. Local cultural industries which is traditional may still use expired marketing methods. It could make this industry has decreased.

However, efforts to develop local cultural industries with innovative and modern marketing can help regain market advantage. This policy can prevent the loss of cultural and historical value because of the impact of globalization. Regional superior product of written batik is an expression of culture and art, which are usually much interest to foreign buyers and have a high export potential. Although in general, some of the industry is the micro business that get marketing difficulties abroad.

The development of e-commerce is a strategy that can help market their products abroad at a low cost. Before that, reducing the digital divide needs to be done and at the same time internet infrastructure needs to be developed.

To overcome the limitations of size and resources, local culture businessmen can implement the development strategy of cooperation, such as marketing cooperation with local businessmen of regional superior products of written batik and other mutually beneficial business. The business partner can work together to build associations or networks to promote the product.

4.2.6. Building Partnerships

Regional development largely depends on a partnership between government, business and non-governmental institutions. These partnerships facilitate coordination and cooperation. Local couples from private sector can help to exploit region opportunity in developing policies and strategies appropriate to the needs around. The main key of this partnership is a mechanism to regulate and properly coordinate the resources and different efforts from different subjects. Planning and implementation are conducted in accordance with the capabilities and strengths of each. During this process, it is important to note that is forming networks and developing mutual trust. Due to the limitations of institutionalization, partnership for regional development is often not run stable. Therefore, local governments must lead the way in building a more stable mechanism and formal to help provide partnership as a base of institutionalization and the ability to design and implement a development plan.

Partnership concept for the development of regional superior product of written batik relates to corporate social responsibility. In line with the philosophy of CSR, the company wants to dedicate himself to: building local partnerships, strengthening local capacity, environmental protection, and contributing funds for the development of regional superior product of written batik. Awareness of the importance of CSR among the business becomes an important prerequisite to involve businesses in partnership of regional superior product of written batik. Building this awareness is an area that needs to be noted by local government.

5. CONCLUSION AND RECOMENDATION

5.1. Conclusion

1. Role of Bantul Regency in developing written batik as a regional superior product including:
 - a. Creating policies and acceleration in supporting the development of written batik as a regional superior product.
 - b. preserving written batik of Bantul and encouraging the development of craftsmen Batik in order to batik bantul goes to international.
 - c. Integrating all cross subjects, including the various elements within the government itself, batik businesses, nonprofit organizations, market access, and society.
 - d. Cooperating in access to capital and marketing of written batik with institutions or other local government, businesses, and investors.
 2. The role of craftsmen in developing written batik as a regional superior product including:
 - a. Improving the human resource development of batik craftsmen in Bantul regency in the utilization of information technology, models and designs of batik.
-

- b. Improving the ability of batik craftsmen in supporting distribution services and marketing of written batik products through social networks.
 - c. Increasing written batik products of Bantul both in quality and quantity of products to deal with competitiveness on the global market and the MEA.
3. The obstacles faced Bantul Regency in developing batik as a regional superior product including:
 - a. Lack of human resources at the government level to guide and assist the group of written batik craftsmen intensively.
 - b. Budget limitation of government in supporting the development of written batik as a regional superior product in Bantul.
4. The obstacles faced craftsmen in developing written batik as a regional superior product including:
 - a. Limited capital in some written batik craftsmen.
 - b. Long duration in process of making written batik, so for large scale manufacture takes a long time.
 - c. Limited craftsmen batik, mostly the craftsmen is old age.
5. Concept, strategy and program development of written batik as a regional superior product in Bantul can be done include:
 - a. Increasing budget allocation to support the development of written batik as a regional superior product in Bantul Regency.
 - b. Increasing the capacity of human resources for batik craftsmen in improving product quality, marketing and distribution network, strengthening capital, and the use of technology and information.
 - c. Utilization of natural dyes as raw material to dye batik as a characteristic of batik production Bantul Regency.
 - d. Creating design or batik pattern is more innovative and preferred the market, but it is inseparable from the concept design characteristics of written batik Bantul.
 - e. The need for regeneration of written batik craftsmen, as the senior craftsmen direct junior craftsmen.

5.2. Suggestion

To achieve a regional superior product of written batik in Bantul, there are some suggestion, namely:

1. The need for governments and banks to improve facilities and infrastructure to support the activities of written batik as well as assist and facilitate the access to capital for businesses of written batik in Bantul.
 2. Institutional development for businesses of written batik industry to be more properly managed with industrial management systems based on information technology.
-

3. Development of human resources through training and the development of innovations from the design, models, patterns, and the use of natural dyes in order to compete in national and international markets.

REFERENCES

- Asmara, Anjal Anie, 2004, *Pola Pemasaran Yang Efektif Untuk UKM. Makalah disampaikan pada Seminar UKM Strategi Pengembangan Usaha Kecil Menengah Dalam Rangka Menghadapi Persaingan Global*, Yogyakarta.
- Ayyagari, Ramakrishna, 2006, "Examination of Hedonism in TAM Research", Proceedings of Southern Association for Information Systems Conference.
- Darmawansyah. (2003). *Pengembangan Komoditi Unggulan Sebagai Basis*. Ekonomi Daerah. Bogor: Tesis S-2 Program Pasca Sarjana IPB.
- Desrochers P, Sautet F. 2004. *Clusters-Based Economic Strategy, Facilitation Policy and the Market Process*. Review of Austrian Economics, Jun: 17: 2-3.
- Elmi Bachrul dan Syahrir Ika, 2002, *Hutang Sebagai Salah Satu Sumber Pembiayaan Pembangunan Daerah Otonom*, Kajian Ekonomi dan Keuangan Volume 6 No. 1, Jakarta.
- Hasan, M. Iqbal, *Pokok-pokok Materi Metodologi Penelitian dan Aplikasinya*, Ghalia Indonesia, Bogor, 2002.
- Karmadi. 2003. *Analisa Efisiensi dan Produktivitas Home Industri Lendre (Studi Kasus Desa Padangan Kecamatan Padangan Kabupaten Bojonegoro)*. Universitas Muhammadiyah Malang, Malang.
- Munir, R. 2007. *Pengantar Pratikum pengolahan Citra*. Bandung: Penerbit ANDI.
- Porter, Michael E, (1996), *Strategi Bersaing : Teknik Menganalisis Industri dan Pesaing*, Erlangga, Jakarta
- Pranadji, T. 2003. *Otonomi Daerah dan Daya Saing Agribisnis: Pelajaran dari Propinsi Lampung*. Analisis Kebijakan Pertanian, Volume 1 No. 2, Juni 2003.
- Sidik, Machfud, 2002, *Optimalisasi Pajak Daerah dan Retribusi Daerah dalam Rangka Meningkatkan Kemampuan Keuangan Daerah*, Orasi Ilmiah Disampaikan pada Acara Wisuda XXI STIA LAN, Bandung, 10 April 2002.
- Sudarsono, 2001. *Konsep Ekonomi: Uang dan Bank*. Rineka Cipta: Jakarta.
- Syafrizal, 1997. *Pertumbuhan Ekonomi dan Ketimpangan Regional Wilayah Wilayah Indonesia Bagian Barat*. Prisma LP3ES, 3,27-38.
- Wardoyo, T.S., dan Lena. (2010). *Peran Auditor Internal Dalam Menunjang Pelaksanaan Good Corporate Governance*. Akurat Jurnal Ilmiah Akuntansi, 3 (1) september , hal. 9