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Strategies to Improve Welfare: Independent Oil Palm Smallholders in Muaro Jambi Regency, Indonesia

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ABSTRACT: The present study aim to formulating a model strategy to improve the welfare of independent oil palm smallholders in Muaro Jambi Regency. Research materials was sourced from primary and secondary data. Data collection techniques include observation, in-person interviews, and in-depth interviews. The object of this research is the owner farmers who directly cultivate oil palm commodities and have harvested at the time the research was conducted. The location of the research was carried out in Muaro Jambi Regency. The selection of this location was carried out deliberately (*purposive*), taking into account that the district is known to have a fairly large production and area of oil palm land compared to other districts. Data analyses was followed in a descriptive method and SWOT analyses. The results showed that the strategic position of oil palm farming in Muaro Jambi Regency is in quadrant I (0.74; 0.52) so that it is included in the aggressive strategy (S-O). The strategy that must be applied to quadrant I is to support aggressive growth policies (*growth oriented strategy*). Local governments need to consider policies in order to improve the welfare of independent oil palm farmers.

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KEYWORDS: Strategy, Wellbeing, Smallholders, Matrix SWOT, Aggressive.

1. INTRODUCTION

The agricultural sector is closely related to other sectors. The development of other sectors also depends on the products of the agricultural sector, not only as a continuation of food supply that follows population growth but also as a provision of raw materials used by the industrial sector. The agricultural sector is also a source of capital for regional economic investment through the transfer of surplus capital from the agricultural sector to other economic sectors, and has economic value, including a considerable role, namely in the oil palm commodity plantation sub-sector which is one of the leading commodities of Jambi province (Disbun Provinsi Jambi, 2019).

Palm oil commodities have been developed and cultivated by communities spread across 25 provinces out of 37 provinces in Indonesia. One of the provinces that cultivates oil palm on the island of Sumatra is Jambi Province. Oil palm cultivation was first carried out in Jambi Province in 1980, through the government's idea with a PIR pattern in a transmigration program known as PIR-Trans (Ditjenbun, 2014). The development of oil palm plantations in Jambi Province is expected to be able to increase added value, expand employment, increase income, alleviate poverty and increase foreign exchange that supports development and economic growth in Jambi Province.

The area of oil palm plantations in Jambi Province reaches 1,099,192 hectares or 6.81% of the total land area of Indonesian oil palm plantations. Where the total area of oil palm plantations in Jambi Province consists of smallholder, state-owned and private plantations. The proportion of oil palm plantation area in Jambi Province can be seen in figure 1 below.

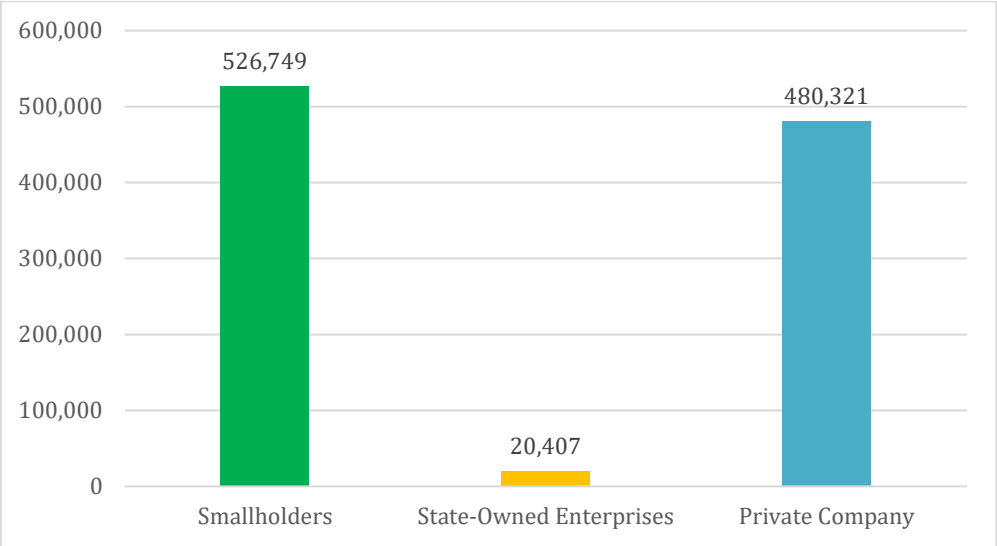

Figure 1. Jambi Province Palm Oil Land Area (Ha) in 2021
Source: Jambi Provincial Agriculture Office, Year 2022

Based on the proportion of the status of oil palm land, people-owned plantations reach 630,332 Ha or 57 % of the total area of oil palm plantations in Jambi Province, then the proportion of privately owned land area reaches 448,771 Ha or 41% of the total land area of Jambi Province, and plantations owned by SOEs cover an area of 20,407 Ha or 2% of the total land area of Jambi Province (Disbun Provinsi Jambi, 2021). Based on data on the area of oil palm plantations in Jambi Province, it can be seen that the development of this commodity continues to increase, so that the commodity is a subsector that has a strategic role in Jambi Province. The development of the area of independent palm oil commodities in Jambi Province in the last 5 years (2017-2021) has seen an increase, in line with the global demand for CPO. The development of land area and oil palm production in Jambi Province in 2017 – 2021 can be seen in figure 2 below.

Figure 2. Development of Land Area and Oil Palm Production in Jambi Province in 2017 - 2021
Source: Jambi Provincial Plantation Office in 2022

Based on the land area above, it is known that oil palm plants in Jambi Province are a leading commodity, and this plant can be found in almost all districts in Jambi Province (Dinas Perkebunan Provinsi Jambi, 2021). The distribution of palm oil commodities can be seen in the following table 1.

Table 1. Land Area, Production and Productivity of People's Palm Oil by District in Jambi Province in 2021.

Regency	Land (Ha)				Production	Productivity
	Immature	Mature	Damaged	Amount	(Ton)	(Kg/Ha)
Batanghari	11.478	92.704	6.473	110.655	277.262	3.913
Muaro Jambi	15.908	89.964	30.533	136.405	232.725	2.587
Bungo	25.779	28.986	15.007	69.772	112.792	3.891
Tebo	14.936	43.212	10.035	68.183	121.532	2.812
Merangin	12.818	33.201	22.803	68.822	138.631	4.176
Sarolangun	10.981	38.392	4.199	53.572	99.750	2.598
Tanjabbar	22.172	55.043	7.771	84.986	124.460	2.261
Tanjabtim	0	31.541	6.312	37.853	76.378	2.422
Kerinci	65	19	0	84	14	737
Amount	114.137	413.062	103.133	630.332	1.183.544	2.822

Source: Jambi Provincial Plantation Office, Year 2022

Based on table 1 above, it is known that Muaro Jambi Regency is the district that has the largest area of people's oil palm land out of all districts/cities in Jambi Province. The area of oil palm in Muaro Jambi Regency reaches 136,405 hectares or 22% of the total area of people's oil palm land in Jambi Province, with a production value of 232,725 tons or 20% of the total oil palm production in Jambi Province. The development of the area and production of smallholder palm oil in Muaro Jambi Regency in 2017 – 2021 is seen to have increased the area and increased independent palm oil production (Badan Pusat Statistik Muaro Jambi, 2021). The data on the development of the area and production can be seen in the following table 2.

Table 2. Development of Land Area, Production, Productivity and Number of Farmers Muaro Jambi Regency People's Palm Oil Commodity in 2017 – 2021.

Years	Land (Ha)				Production	Productivity	Farmers
	Immature	Mature	Damaged	Amount	(Ton)	(Kg/Ha)	(KK)
2017	12.000	73.665	12.084	97.749	189.663	2.575	44.794
2018	12.375	73.665	11.791	97.831	189.663	2.575	44.851
2019	13.561	89.964	31.754	135.279	232.725	2.587	61.842
2020	15.278	89.964	30.161	135.403	232.725	2.587	61.905
2021	15.908	89.964	30.533	136.405	232.725	2.587	61.906

Source: Jambi Provincial Plantation Office, 2022

The trend of development of oil palm area in Muaro Jambi Regency has increased in the last 5 years. In 2019 there was a fairly high increase in area, which was 38.2% or 37,448 Ha. Then in 2020 it continued to experience an increase in the area of this commodity farming land, and it is expected that in the following year it will continue to increase. The existence of oil palm plantations in Muaro Jambi Regency has provided many changes or shifts in the lives of farmers around the plantation. Most of the people have changed their livelihoods from farmers who cultivate food, horticulture and other plantation commodities to oil palm commodities (Kubitza, 2018). Along with the improvement in the price of fresh fruit bunches at the farmer level, it also affects the level of change in people's livelihoods.

II. MATERIAL AND METHODS

The object of this research is the owner farmers who directly cultivate oil palm commodities and have harvested at the time the research was conducted. The location of the research was carried out in Muaro Jambi Regency. The selection of this location was carried out deliberately (*purposive*), with the consideration that the district is known to have a fairly large production and area of oil palm land compared to other districts.

The research data is sourced from primary data and secondary data. Primary data was taken by observation, direct and in-depth *interviews*. The method of data collection through interviews was collected in a structured manner from selected research

samples (respondents) using instruments or questionnaires. This primary data is used to collect information on factors that affect the welfare of oil palm farmers. Then in sampling the SWOT analysis, it was determined deliberately on the assumption that the respondents (key factors) knew and understood about oil palm farming, the respondents consisted of academics, bureaucrats, farmers and oil palm associations.

Answering the objectives of this study, a development strategy method is used through SWOT analysis. According to (Rangkuti, 2013) is the systematic identification of various factors to formulate a development strategy. This analysis is based on logic that can maximize *strengths and opportunities, but at the same time minimize weaknesses* and threats. The strategic decision-making process is always related to the development of the company's mission, strategic objectives, and policies. Thus strategic planning must analyze the company's strategic factors (strengths, weaknesses, opportunities and threats) in the current conditions this is called situation analysis. The most popular model for situation analysis is SWOT analysis.

In determining the position in the SWOT matrix, the IFAS (*internal strategic factors analysis summary*) table can be used to formulate the internal strategic factors in terms of the strengths and weaknesses of a company and the EFAS (*External strategic factors analysis summary*) table to formulate the external strategic factors in terms of threats and opportunities that a company has.

According to (Hery, 2018), (Effran et al., 2023) The SWOT matrix can clearly describe various opportunities, opportunities and threats that come from outside the company environment with the strengths and weaknesses that come from the company. The SWOT matrix will yield four sets of possible strategic alternatives.

Table 3. SWOT Matrix

IFAS **EFAS**	***Strength* (S)** Internal strength	***Weakness* (W)** Internal weaknesses
***Oportunities* (O)** External opportunity factors	**Strategi SO** Using The power to capitalize on opportunities	**Strategi WO** Minimizing drawbacks to take advantage of opportunities
***Threats* (T)** External threat factors	**Strategi ST** Using force to overcome threats	**Stategi WT** Minimize weaknesses and avoid threats

Source: Rangkuti (2013)

Keterangan:

1. IFAS; Internal Factor Analysis Strtategic
2. EFAS; Eksternal Factor Analysis Strtategic
3. SO strategy, this strategy is carried out by utilizing what is the company's strength and what is an opportunity for the company
4. ST strategy, this strategy makes companies have to utilize their strengths to avoid threats that will come from outside the company's environment.
5. WO strategy, in this strategy, the company will minimize the company's weaknesses by taking advantage of opportunities.
6. WT strategy, this strategy is a situation where the company must be able to overcome its weaknesses in order to avoid threats that will come from outside.

III. RESULTS AND DISCUSSION

In this study, strategies to improve the welfare of oil palm farmers were obtained through SWOT analysis. The first thing done in the SWOT analysis is to identify internal and external factors that affect the welfare of independent palm oil. Once these factors are identified, the next step is to distribute the questionnaire to get the weight and rating values. The weight value in this study was obtained from 40 respondents, while the rating value was obtained from parties who are considered as key *experts* in oil palm welfare. The calculation of the IFAS and EFAS matrices is carried out using the average weight value and rating value of each strategic factor used to generate the score.

1. Internal Factors

The internal factors of the SWOT analysis include strengths and weaknesses which are analyzed through the IFAS (*Strategic Intenal Factor Analysis*) matrix. The following is presented the IFAS matrix of oil palm farming in Muaro Jambi Regency.

Table. 4. IFAS Matrix of Oil Palm Farming in Muaro Jambi Regency in 2024

Strategic Factors of Strength		**Weight**	**Rating**	**Score**
A	Favorable climate and soil	0.12	4.0	0.487
B	Global demand	0.12	4.2	0.509

C	Product efficiency	0.11	3.8	0.436
D	Product diversification	0.11	3.5	0.398
E	Contribution to the national economy	0.10	3.8	0.382
Total Strength		**0.57**		**2.212**
Strategic Factors of Strength				
F	Land legality	0.07	3.5	0.255
G	Low selling price	0.09	3.5	0.317
H	Poor infrastructure	0.08	3.7	0.286
I	Limited capital	0.10	3.7	0.374
J	Lack of counseling and government support	0.09	2.8	0.242
Total Weaknesses		**0.43**		**1.474**
Total Strength + Weakness		**1**		**3.685**

Source: Primary Data, processed (2024)

Based on the table above, it can be seen that the IFAS matrix of oil palm farming produces a total strength weight value of 0.57, which is greater than the weakness of 0.43. Therefore, the strategic factor of strength is more important than the strategic factor of weakness. Then in this study, a total score of 3,685 was obtained with a strength value of 2,212 and a weakness value of 1,474. This shows that the strategic factor of the strength of oil palm farming in Muaro Jambi Regency is more dominant than the strategic factor of weakness.

The main strength of oil palm farming based on the IFAS matrix is global demand, which is 0.325. Global demand has a significant influence on the income of oil palm farmers in Muaro Jambi Regency. When the demand for palm oil in the international market increases, the price of this commodity tends to rise and has a direct impact on increasing farmers' income. Conversely, if global demand declines due to factors such as protectionist trade policies, environmental campaigns, or a global economic downturn, palm oil prices could fall, resulting in a decrease in income for farmers. In addition, fluctuations in international prices can also lead to income instability, making smallholders more vulnerable to changes in global market conditions (Wu et al., 2017). Therefore, dependence on global demand makes the income of oil palm farmers in Indonesia greatly influenced by international market dynamics.

Supportive climate and soil are other strategic factors of the force which has a score value of 0.487. Climate and soil conditions have a great influence on the income of oil palm farmers in Muaro Jambi Regency. Oil palm needs a tropical climate with sufficient rainfall and plenty of sunlight to grow optimally. A suitable climate can increase crop productivity, produce more abundant and quality fruit, which ultimately increases farmers' income. Conversely, extreme climate change, such as long droughts or excessive rainfall, can damage crops and reduce crop yields, thus lowering incomes. In addition, soil quality is also very important, fertile soil with good nutrient content will support healthy and productive oil palm growth. Infertile or polluted soils can reduce crop productivity and increase maintenance costs, ultimately depressing farmers' incomes. Therefore, a stable climate and fertile soil are essential to ensure the sustainability and welfare of oil palm farmers in Muaro Jambi Regency.

In terms of strategic weakness, limited capital is the biggest weakness, which is 0.374. Limited capital can affect the income of oil palm farmers. With minimal capital, farmers are often unable to invest in modern agricultural technology, high-quality fertilizers, or optimal crop care, all of which are essential for increasing the productivity of oil palm plantations. The inability to access capital can also limit farmers from expanding land, replanting crops, or addressing other challenges that require initial investment. As a result, crop yields and product quality tend to be lower, which leads to less revenue. In addition, capital constraints also make farmers more vulnerable to market price fluctuations and other external conditions, as they do not have the resources to survive in difficult situations. Therefore, limited access to capital is one of the main obstacles to increasing the income and welfare of oil palm farmers in Muaro Jambi Regency

The low selling price is one of the weaknesses in palm oil farming in Muaro Jambi Regency with a score of 0.317. Low sales yield has a direct impact on the income of oil palm farmers in Muaro Jambi Regency. When the selling price of palm oil in the market falls, the income received by farmers also decreases, although the amount of their production remains fixed or even increases. The low selling price is caused by various factors, such as a decline in global demand, competition from other vegetable oils, or unfavorable trade policies. This condition can make it difficult for farmers to cover production costs, such as fertilizer purchases, labor, and garden maintenance. For smallholder farmers, this can be even more difficult, as they often do not have financial reserves to deal with difficult times. As a result, low incomes can reduce the quality of life of farmers, reduce their ability to reinvest in their plantations, and ultimately threaten the sustainability and welfare of smallholder oil palm farming in Muaro Jambi District.

2. External Factors

External factors of SWOT analysis include opportunities and threats which are analyzed through the EFAS (*Ekatenal Factor Analysis Strategic*) matrix. Opportunities in oil palm farming are opportunities for farmers to increase profits. On the contrary, threats are challenges that can result in a decrease in profits or losses for oil palm companies. The following is presented the IFAS matrix of oil palm farming in Muaro Jambi Regency.

Table 5. EFAS Matrix for Oil Palm Farming in Muaro Jambi Regency in 2024

Strategic Factors of Opportunity		**Weight**	**Rating**	**Score**
A	Partnerships with industry	0.10	4.0	0.400
B	Sustainability certification	0.09	4.2	0.396
C	Export opportunities	0.11	3.7	0.419
D	Product innovation	0.10	4.2	0.430
E	Empowerment of local communities	0.10	4.0	0.411
Total Opportunities		**0.51**		**2.056**
Strategic Threat Factors				
F	Price fluctuations	0.11	3.0	0.325
G	Long supply chain	0.11	2.7	0.286
H	Environmental impact	0.09	3.00	0.280
I	Competitors from other regions	0.07	3.2	0.235
J	Low productivity	0.11	3.8	0.411
Total Threats		**0.49**		**1.536**
Total Opportunities + Threats		**1**		**3.592**

Source: Primary Data, processed (2024)

Based on the results of the identification of external factors in the table above, it can be seen that the EFAS matrix of oil palm farming in Muaro Jambi Regency produces a total opportunity weight value of 0.51, which is greater than the threat of 0.49. Furthermore, the total EFAS matrix score value is 3,592 with an opportunity value of 2,056 and a threat value of 1,536. This shows that the strategic factor of opportunity for oil palm production in Muaro Jambi Regency has a higher value than the strategic factor of threats, so that it can take advantage of the opportunity factor to overcome external threats.

The value of the greatest opportunity is in the strategic factor of product innovation, which is 0.430. Product innovation can play an important role in improving the welfare of oil palm farmers in Muaro Jambi Regency. By implementing innovations, such as processing palm oil into value-added derivative products such as refined palm oil, biodiesel, or cosmetic products. Farmers can increase the selling value of their crops. Innovation can also involve the application of more efficient agricultural technologies, such as the use of superior seeds, precision farming techniques, or environmentally friendly management systems, which can improve productivity and crop quality. In addition, product diversification through innovation can open access to a wider range of markets, both local and international, which has the potential to significantly increase farmers' incomes. Muaro Jambi Regency, where palm oil is an important commodity, product innovation can be the key to improving the welfare of farmers and encouraging overall regional economic development (Dauvergne, 2018).

Export opportunities are one of the opportunities in oil palm farming in Muaro Jambi Regency which has a score of 0.419. Export opportunities can have a significant positive impact on the welfare of oil palm farmers in Muaro Jambi Regency. With access to international markets, farmers can sell their products at more competitive prices, which are often higher than domestic market prices. This can substantially increase farmers' incomes, especially if the palm oil products meet global quality standards. Additionally, exports can create opportunities for market diversification, reducing dependence on local markets that may experience fluctuations in price or demand. Increased income from exports also allows farmers to reinvest in their gardens, increase productivity, and adopt more sustainable farming practices (Pacheco et al., 2017). Thus, export opportunities not only help improve the economic welfare of oil palm farmers in Muaro Jambi Regency, but also encourage more advanced and highly competitive agricultural development.

The strategic factor of low productivity has the greatest threat value, which is 0.411. Low productivity has a negative impact on the welfare of oil palm farmers in Muaro Jambi Regency. When the productivity of oil palm plantations is low, for example, due to less fertile plants, suboptimal agricultural techniques, or the use of less superior seeds, the number of crops produced is limited. This has a direct impact on farmers' incomes, as they have fewer products to sell, both in local and international markets. This low income can make it difficult for farmers to meet basic needs, invest in garden upgrades, or even pay for the necessary production

costs for the next season. In addition, low productivity can reduce farmers' ability to adapt to market price fluctuations or face difficult economic conditions. Therefore, increasing productivity through better agricultural practices, the use of technology, and government support is essential to improve the welfare of oil palm farmers in Muaro Jambi Regency.

Price fluctuations are one of the threats that have a score value of 0.325. Price fluctuations can have an impact on the welfare of oil palm farmers in Muaro Jambi Regency. When the price of palm oil in the market fluctuates, farmers' income becomes unstable, making it vulnerable to a decline in selling prices. A drastic price drop can significantly reduce farmers' incomes, making it difficult for them to cover production costs, such as fertilizer, crop care, and labor. It can also affect their ability to meet their daily needs and invest in future garden improvements. Conversely, when prices soar, even though incomes are increasing, farmers are often unable to fully take advantage of these conditions due to limited production capacity or delays in responding to price changes. As a result, volatile price fluctuations can create great economic uncertainty for farmers, threaten the stability of their welfare, and pose challenges in long-term financial planning and farming.

Oil Palm Farming Strategy in Muaro Jambi Regency

After identifying internal and external factors and obtaining score values from the IFAS and EFAS matrices, the next step is to use the score to determine the strategic position of oil palm farming in Muaro Jambi Regency. Quadrant coordinate points are obtained through the recapitulation of the results of weighting and assessment that results in score values. The total score value of the strength factor is subtracted by the total score value of the weakness factor, as well as the total score value of the opportunity and threat factors. The difference obtained is then used as a coordinate point in the SWOT cartesian diagram.

As stated by (Rangkuti, 2016), The tool used to compile strategic factors is the SWOT matrix. This matrix is able to explain how opportunities and threats from companies can match their strengths and weaknesses. The SWOT matrix produces 4 sets of possible strategic alternatives: *S-O strategies*, *W-O strategies*, *S-T strategies*, and *W-T strategies*. This can be seen in the following explanation.

Strength Score Value (S)	2.21
Weakness Score Value (W)	1.47
Difference (S-W)	**0.74**
Opportunity Score (O)	2.06
Threat Score (T)	1.54
Difference (O-T)	**0.52**

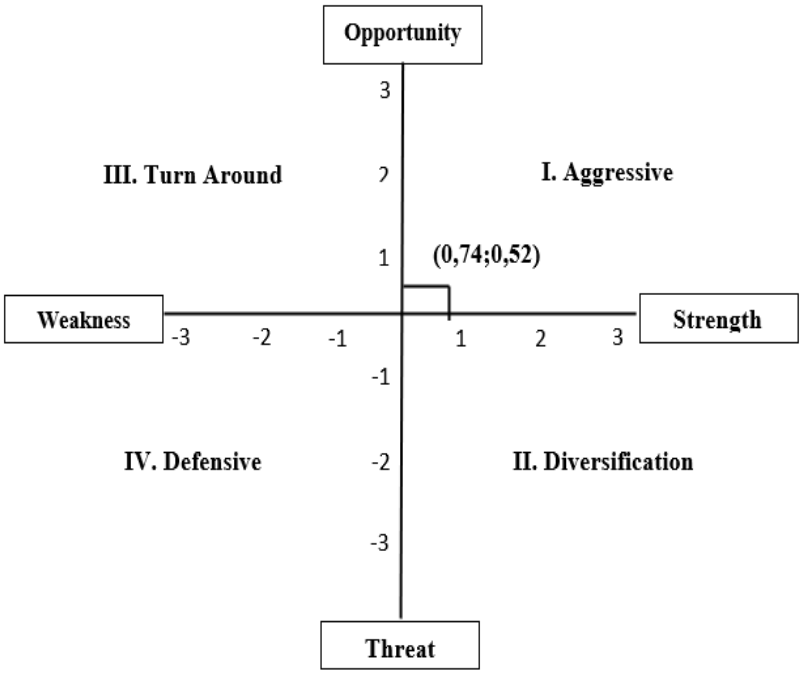

Figure. SWOT Diagram of Oil Palm Farming in Muaro Jambi Regency

Based on the figure above, it can be seen that the value of the internal strategic factor of strength is higher than the value of the strategic factor score of weakness is 0.74 compared to the score value of the strategic factor of weakness, as well as the score

value of the external strategic factor of opportunity is 0.54 higher than the strategic factor of threat. The results of the weighted value of the **S-W** difference and the weighted value generated from **the O-T** difference show that the performance of oil palm farmers in Muaro Jambi Regency is more strongly influenced by internal factors than external factors. This shows that the situation of internal factors that can be controlled by farmers can be used to anticipate or minimize external factors that are difficult to control because of their flexible nature.

The score value of strategic factors of strength is greater than weaknesses and threats, indicating that oil palm farming in Muaro Jambi Regency has the ability and advantages to overcome weaknesses and minimize these threats. The strategic factor of opportunity also has a greater score value than weaknesses and threats so that opportunities can maximize strengths, overcome weaknesses and minimize the threat of oil palm farming in Muaro Jambi Regency.

Based on the results obtained from the figure above, it shows that the strategic position of oil palm farming in Muaro Jambi Regency is in quadrant I (0.74; 0.52) so that it is included in SO's aggressive strategy. (Rangkuti, 2016) states that quadrant I is a very favorable situation for business stakeholders or organizations, where the organization has strengths and opportunities that can be used as best as possible to increase the overall and expand the target market. The strategy that must be applied to quadrant I is to support aggressive growth policies (*growth oriented strategy*). The alternative strategies are as follows:

Table 6. SWOT Matrix for Oil Palm Farming in Muaro Jambi Regency in 2024

Internal Factors **External Factors**	**Strength (S)** 1. Favorable climate and soil 2. Global demand 3. Product efficiency 4. Product diversification 1. Contribution to the region	**Weakness (W)** 1. Land legality 2. Low selling price 3. Poor infrastructure 4. Limited capital 1. Lack of counseling and government support
Opportunities (O) 1. Partnerships with industry 2. Sustainability certification 3. Export opportunities 4. Product innovation 1. Empowerment of local communities	**Strategi (S-O)** 1. The existence of high global demand can be an opportunity to expand marketing, one of which is through exports (S2,O3) 2. Establishing cooperation with industry in order to increase contribution to the economy (S5,O1) 3. Improving the quality of human resources through coaching, training and consulting so that human resources can master technology and improve product efficiency (S3,O5) 1. Developing businesses by creating new types of products that can be developed in new markets in order to increase marketing (S4,O4)	**Strategi (P-O)** 1. Land legality can meet the criteria for sustainable certification to improve farmers' welfare (W1.02) 2. Lack of government counseling and support leads to limited farmers' income potential and slows down the economic progress of local communities (W5,O5) 1. Limited capital hinders farmers from adopting innovation (W4.04)
Threats (T) 1. Price fluctuations 2. Long supply chain 3. Environmental impact 4. Competitors from other regions 1. Low productivity	**Strategi (S-T)** 1. Developing products and innovating products, this can make products superior to other competitor products (S4,T4) 1. Improve product efficiency by making better use of resources, saving time and reducing waste. This can increase productivity(S3,T5)	**Strategi (P-T)** 1. The need for government support to hold counseling in order to provide training to the community on environmental impacts, how to deal with price fluctuations and increase productivity (W5,T1,T3,T5) 1. Make the supply chain shorter so that the selling price increases and can reduce capital (W2,W4,T2)

An alternative strategy that can be applied in oil palm farming in Muaro Jambi Regency is the opportunity-opportunity (S-O) strategy. This strategy is used by maximizing all opportunities by utilizing the maximum strength. The alternative SO strategies are:

1. The existence of high global demand for palm oil products can be an opportunity to expand marketing, especially through exports. Strong international demand creates a broad market for palm oil products, allowing producers to reach consumers in different countries. By taking advantage of this opportunity, smallholders and palm oil companies can increase sales volume and obtain more competitive prices compared to the domestic market. Exports can also open access to more stable

markets and reduce dependence on local price fluctuations (Yanita et al., 2024). In addition, expanding marketing through exports encourages the application of higher quality standards and product innovation, which in turn can improve the reputation and competitiveness of products in the global market. Thus, high global demand not only increases revenue potential, but also supports the development of a more sustainable and market-oriented palm oil industry (S2,O3).

2. Establishing cooperation with industry can increase its contribution to the economy by creating mutually beneficial synergies between farmers and the industrial sector. Through these partnerships, oil palm farmers can gain access to the latest technologies, training, and resources needed to improve the productivity and quality of their crops. Industries, on the other hand, get a more secure and quality supply of raw materials, and can help create more efficient supply chains. This collaboration can expand the market for palm oil products and increase added value through product processing and innovation. In addition, this cooperation has the potential to create new jobs and encourage infrastructure development, which in turn can increase the income and well-being of local communities (Hidayat et al., 2018), (Euler, 2017). Thus, the strong relationship between farmers and industry contributes significantly to local and national economic growth (S5,O1).
3. Improving the quality of human resources (HR) through coaching, training, and consulting is the key to mastering the latest technology and improving product efficiency. With an effective training program, workers and farmers can gain the skills and knowledge necessary to adopt advanced technologies and best practices in production (Kadarusman & Herabadi, 2018). Coaching and consulting provide ongoing support, helping them overcome challenges and capitalize on existing opportunities (Napitupulu, 2021). This skill improvement not only improves productivity and product quality, but also encourages innovation in the production process. With more skilled and knowledgeable human resources, organizations can achieve higher operational efficiency, reduce production costs, and produce better quality products, ultimately increasing competitiveness and contribution to the economy. (S3,O5)
4. Developing a business by creating new types of products that can be developed in new markets is an effective strategy to increase marketing and expand market reach. By presenting product innovations, the company not only meets the evolving needs and preferences of consumers, but also opens up opportunities to enter untapped market segments. New product development can include diversification of core products, such as creating new variants of palm oil, or launching derivative products with higher added value (Yasin et al., 2017). Entering new markets with innovative products allows companies to reduce dependence on existing markets and increase competitiveness at the global level (Hambali & Rivai, 2017). In addition, new products that are relevant to market trends or specific consumer needs can attract the attention of new customers and increase existing customer loyalty, thereby boosting sales and overall business growth. (S4,O4).

IV. CONCLUSION

Based on the results, the strategy to improve the welfare of independent oil palm farmers lies in the Hold and Maintain position. Hold and Maintain can be seen from the strength and opportunity factors owned. The strength factor is a factor that must be maintained while the opportunity factor is a factor that must be maintained. Based on internal and external factors obtained. Expanding marketing through exports encourages the application of higher quality standards and product innovation, which in turn can improve the reputation and competitiveness of products in the global market. Thus, high global demand not only increases revenue potential, but also supports the development of a more sustainable and market-oriented palm oil industry. The Muaro Jambi Regency Government is expected to focus on improving the quality of human resources through coaching and training as well as establishing corporate cooperation with the industrial world in order to increase productivity, and improve quality.

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VI. DISCLOSURE

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