

# Management of the Speckled Shrimp Auction (*Metapenaeus monoceros*) at the Minasari Fish Auction Market (TPI), Pangandaran, Indonesia

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## ABSTRACT

*Governance and managerial will determine the level of work effectiveness in a business group. Good governance and management are also needed by every work business unit as in the fishery business. Auction Place (TPI) is a form of business that acts as an intermediary between fishermen and various potential buyers in marketing their catch. Good governance and management in a TPI will increase the effectiveness of the flow of money which has a positive impact on the capture fisheries business flow. This study was conducted to analyze the managerial and governance systems contained in TPI Minasari, Pangandaran Regency. The TPI is one of the largest auction sites in Pangandaran Regency which has successfully marketed various fishermen's catches and contributed a fairly large retribution for Pangandaran Regency. The research was conducted using direct observation method to find out managerial and governance at TPI Minasari. In addition, interviews were also conducted with several respondents who were divided into groups of fishermen as sellers and several potential buyers. The interview was conducted to determine the perspective of fishermen and prospective buyers' assessment of managerial and governance that has taken place at TPI Minasari. The results of observations and interviews show that managerial and governance at TPI Minasari has gone well and is considered quite effective as a liaison for sales activities between fishermen and various prospective buyers. However, there are several notes given by fishermen and potential buyers regarding the facilities and infrastructure that are still inadequate at TPI Minasari. The facilities in question are containers for placing the catch used during the auction process, as well as ice making facilities needed to maintain the quality of the speckled shrimp catch so that it does not rot quickly before the auction process begins until the handover is carried out between the fishermen and the buyer.*

**Keyword :** *Auction place, Business flow, Fisheries, Managerial, Speckled shrimp.*

## 1. INTRODUCTION

The development of port infrastructure including fish auctions has been regulated and mandated in Law no. 31 of 2004 which has been updated in Law no. 45 of 2009 concerning Fisheries [1,2]. The construction of port facilities such as fish auctions is intended to provide support in increasing the optimization of the port function in achieving the success of the fishery business [3]. The construction of the fish auction in question is not only limited to physical development. Development in the broadest sense of the fish auction place includes strengthening the prevailing governance and managerial systems [4].

Governance and/or managerial system is a form of rules in use used by an institution, organization, or business group in carrying out their activities. The managerial and governance system determines the efficiency and effectiveness of the work of a business group [5]. In the context of work in fish auctions, the governance system will determine the level of effectiveness in sales and cash flow that occurs between fishermen as producers and buyers as consumers. Good governance and managerial systems will be the main link between fishermen and buyers in forming a sales agreement agreed by both parties[6]. The level of satisfaction possessed by fishermen and buyers is a measure of the success of the governance system at fish auctions. A good governance system will increase the sense of satisfaction for fishermen as main business persons and for buyers as consumers and users of goods [7].

Pangandaran Regency has a high potential for capturing marine products. Various marine catch commodities of economic value are obtained by fishermen in Pangandaran Regency [8]. The Minasari Fish Auction (TPI) is present as a connector in marketing various catches of fishermen in Pangandaran Regency. TPI Minasari is one of the auction places that market various fishermen's catches and contribute a large levy to the income of Pangandaran Regency [9]. The catch that became the flagship auction product at Minasari TPI was speckled shrimp (*Metapenaeus monoceros*). Based on this, this study aims to analyze the managerial system and governance of the auction of speckled shrimp (*Metapenaeus monoceros*) at TPI Minasari, Pangandaran Regency, as well as to describe the various forms of problems that are owned in the managerial system and management of the auction that has been running.

## 2. RESEARCH METHODS

The study was conducted at TPI Minasari, Pangandaran Regency from November to December 2020. Direct observations were carried out for 15 visits to obtain primary data in the form of management of the speckled shrimp auction starting from unloading, weighing, recording, giving tickets, auction process, transportation of auction results, to the recording of auction revenue results. Observations were also carried out to determine the organizational structure of the Minasari Village Cooperative Unit (KUD) involved in the managerial auction activities at Minasari TPI. Direct observation is the best method for assessing, reviewing, and collecting various information about the managerial and governance systems of a business[10].

In addition, the interview process was carried out with fishermen and buyers to determine the level of satisfaction and subjective opinions of each actor involved as a player of the game in the auction management process carried out by KUD Minasari. Further interviews were conducted to find out the various problems felt by fishermen and buyers regarding the work system that had been running at TPI Minasari. Various inputs and opinions were collected to determine the direction of the desires of both parties (fishermen and buyers) in developing managerial and governance systems at TPI Minasari. Collecting the perceptions of each actor involved can form a positive direction of improvement in increasing managerial effectiveness and business governance [11,12].

## 3. RESULTS AND DISCUSSION

TPI Minasari is one of the business units under the Village Cooperative Unit (KUD) Minasari and its implementation is directly supervised by the Department of Marine Fisheries and Food Security (DKPKP) of Pangandaran Regency. The main organizational structure in the Minasari TPI managerial team consists of Mr. Ujang as the field manager who oversees the auction process, Mr. Darso as the weigher, Mr. Prayoga as the clerk, Mr. Agus as the auctioneer, Mr. Afgan who helps organize the catch to be auctioned, as well as Mr. Iwan and Mr. Ari who served as cashiers and distributed auction tickets. There are several other officers who assist in every field of work. At least, there are 16 employees who are permanent workers at TPI Minasari.

Tickets are used to register fishermen as owners of the catch they want to buy. Tickets are also given to potential buyers involved in the auction process. After the auction activity is completed, where the buyer has been decided based on the highest bargaining price, the buyer will exchange his auction ticket along with an agreed amount of money with the auctioned catch. The fishermen will exchange their tickets with the amount of income from the

auction which has been deducted by the agreed amount of administrative costs. This system is a general system that is also used by most of the auction business units in various regions [13,14].

Fishermen who auction their catch at Minasari TPI are permanent members who have been previously registered. Fishermen who have become members have agreed to an administrative fee that is incurred for each auction income they receive. The details of the administrative costs consist of 1% mandatory savings funds, 2% arbitrary savings, 0.4% famine funds, 0.5% death funds, 0.4% fishermen savings, 0.3% Eid packages, 0.2% Annual Members Meeting (RAT) funds, 0.5 social funds. %, 0.3% old age fund, 0.2% sea wish fund, and 1.2% auction fee. The total administrative costs are 7% of the auction revenue. However, 3.3% represents costs incurred as funds that will return, namely costs that can be returned because they are savings and packages for purchasing basic goods (Eid packages). The amount of administrative costs for auction activities in Indonesia generally ranges from 3-5%.

Speckled shrimp auction activities at Minasari TPI are carried out every day, except on Thursdays. On Thursday, local traditions prohibit fishermen from going to sea so that sales and auction activities are also not carried out. Auction activities generally start at 18.30 WIB until they are finished. Auction activities will begin after all preparations are in the form of ticket distribution, laying and preparation of the catch to be auctioned, and several prospective buyers have gathered. The auction activity was carried out in a simple manner, where the speckled shrimp which became the object of the auction were placed on the floor in the auction room (Fig-1).



**Fig -1** Speckled shrimp auction activities at Minasari TPI

The results of interviews with fishermen and several prospective buyers that have been carried out have identified at least 2 main managerial and governance complaints carried out at TPI Minasari. As for the complaints that fishermen and some potential buyers have, the emphasis is on the lack of supporting facilities and infrastructure at TPI Minasari. There is no proper place for placing auction products, especially speckled shrimp at fish auctions. This is the main complaint from the buyer's perspective. Some potential buyers think that speckled shrimp that is only placed on the floor creates a negative impression, especially regarding the hygiene of the auction product. The fishermen complained that there were no ice making facilities which were needed to maintain the freshness of the speckled shrimp before the auction process started. Fishermen stated that the quality of speckled shrimp often decreased due to the long wait for the auction process to start. This long lag time is not supported by the ice facility provided by TPI Minasari. Fulfillment of facilities and infrastructure in TPI is a form of responsibility that is imposed on the management and business managers in making the auction activities more efficient [15].

The provision of a container for placing speckled shrimp in the TPI can maintain a clean and hygienic impression felt by every potential buyer. This clean and hygienic impression can also increase the bargaining value of potential buyers. The provision of these containers is part of an effort to maintain sanitation and cleanliness of colonized

fishery commodities [16]. Containers for placing the caught fish can be in the form of baskets that have several small holes. Containers like this can make it easier for the fish cleaning process [17].

In addition to the container for placing fish, the level of slope of the TPI floor also needs to be considered. The slope of the TPI floor is required to ensure that there are no puddles of water left over from cleaning the fish caught at auction. The slope of the TPI floor is at least 2-3° and leads to the drain. In addition, the floor of the TPI should be water-resistant which is easy to clean. This aims to maintain the level of dryness of the floor from TPI [18].

The provision of ice in the distribution chain and marketing of fishery products is the most important part that needs attention. Ice can be used to maintain the temperature in a certain range which can inhibit the growth of microbes, so that the quality of the product does not decrease drastically. The provision of ice as a temperature control instrument is widely known in the cold chain process. Sufficient ice supply at the TPI will maintain the quality of fish, so that prospective buyers will not decrease their willingness to pay [19,20].

#### 4. CONCLUSIONS

The governance and management at TPI Minasari, Pangandaran Regency for the speckled shrimp auction activity has been going well. Auction activities have helped fishermen to market and sell their catch easily. However, there are still some notes given by prospective buyers and fishermen to Minasari TPI. The input is more emphasized on the infrastructure facilities needed to support fish auction activities. The intended facilities are a place to place the catch to be auctioned and ice supplies to maintain the quality of shrimp before the auction process begins.

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