ABSTRACT

Clay tile industry is a small industry that has the greatest role of economy in the Regency of Kebumen. However, in recent years, a lot of industrialist have gone out of business due to the rising prices of industrial raw materials. Empirically, almost all of clay tile industrialist in the Regency of Kebumen are a recipient of the price (price taker) in the input and output markets. It was seen from the industrialist who have no bargaining position is strong in the market. Therefore, the industrialist in the daily production activities tend to be oriented to the pursuit of efficiency for maximum productivity. The maximum production, in the same input, the benefits received will be the maximum. However, in the daily production activities, not all of industrialist are always able to achieve the maximum level of efficiency.

This study aims to analyze the effect of clay (X_1), firewood (X_2) and labor (X_3) to the total of roof tile production, as well as to analyze the efficiency of the use of factors of production in clay tile production activities in the Regency of Kebumen. Random sampling is used to determine the sampling amounted to 90 respondents. Methods of data analysis used were multiple linear regression analysis (Eviews 6) and test efficiency (Frontier 4.1 C) to analyze the data in this study.

The results of the analysis concluded that all variables clay (X_1), firewood (X_2) and labor (X_3) has positive and significant impact on the total of roof tile production, the value of each regression coefficient are 0.527; 0.311, and 0.250. The average value of technical efficiency of industrialist clay tile is 0.94. The value of technical efficiency is less than one, therefore there are still opportunities to improve tile production through increased efficiency. Clay tile industry business conditions showed that increasing returns to scale. Thus, the clay tile industry in the area of research is feasible to be developed or continued.

Keywords: Efficiency, Production, Small Industrial Roof Tile, Frontier, Cobb-Douglas