

**EFFICIENCY ON PRODUCTION FACTORS
IN LAMINATING BOARD INDUSTRY
(Case Study at CV. Rimba Karya Pratama Wood Working Industry,
Tempuran, Magelang, Jawa Tengah)**

ABSTRACT

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CV. Rimba Karya Pratama as production laminating board assumed to have low technical and economic efficiency level. This is caused by: a) labor factor, b) technology factor, and c) quality of sengon's wood (*Albazia falcataria L. Fosberg*).

This study aimed to discover level of technical and economic efficiency in laminating board industry. The method used in this study is the production function from Cobb-Douglas.

Secondary data for five years monthly data between 1997 to 2001 show these following parameters : a) estimation of production function $Y = 2,6 \cdot 10^{-9} X_1^{0,286} X_{2,1}^{9,222} X_{2,2}^{-7,509} X_3^{-0,315} X_4^{-0,038} X_5^{-0,089}$, b) efficiency level is in **Increasing return to scale** condition with the index efficiency is 1,557.

From this analysis can make some conclusion that fuel of industry (X_1) show efficient and the others like technical labor ($X_{2,1}$), staff labor ($X_{2,2}$), electric power (X_3), spare part (X_4), and glue material (X_5) are inefficient.

Which industry work at 65% capacity, this study suggest that: a) technical labor should be added 2,1% from normally or at level 4.068 days of people work, b) staff labor should be reduced 0,75%, c) electric power should be reduced 33,3% from normally, and d) glue material must be reduced 9,4% or at level 1.730,39 kg/month.

Key words : laminating board, technical efficiency, economical efficiency, index efficiency.

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