

Analysis of Financial Feasibility and Income Level of Broiler Chicken Farming Business in Muwi Village, Dompu District

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ABSTRACT

Broiler chicken farming offers economic opportunities due to its short production cycle and high demand for chicken meat. However, business income is influenced by production costs, revenue, management efficiency, and production risks. This study aims to analyze the financial feasibility and income of broiler chicken farming in Muwi Village, Dompu District, and explore farmers' experiences in managing costs, revenue, risks, and business sustainability. Using a qualitative descriptive approach with a case study design, data were collected through semi-structured interviews, direct observation, and documentation involving one business owner and two workers. Data were analyzed through data reduction, presentation, thematic analysis, and conclusion drawing, with cost and revenue data used as supporting information. The findings show that revenue in one production cycle exceeded recorded costs, indicating positive economic conditions. Interviews further revealed that operational cost management, chicken health, input and selling price fluctuations, and risk management influence business income and sustainability. The study provides practical insights for improving cost efficiency, business management, and risk anticipation. However, the findings are limited to one business unit and one production cycle and therefore cannot be generalized to all broiler farmers in Muwi Village.

Keywords: Financial Viability; Income; Broiler Chickens; Case Studies; Farming Ventures



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INTRODUCTION

Broiler chicken farming is one of the agribusiness activities that plays an important role in providing food and income for the community. The characteristics of broiler chickens that have relatively fast growth and short maintenance periods make this business have the opportunity to generate revenue in a relatively short time. However, these opportunities are inseparable from various economic and production challenges that can affect farmers' incomes. This condition makes it important to analyse costs, revenue, efficiency, and business risks better to understand the economic conditions of the broiler business. High production costs and market fluctuations primarily drive the economic problems faced in the broiler business. The costs of feed, energy, labour, medicine, and other operational needs can determine the amount farmers must bear. On the other hand, revenue is influenced by the number of chickens successfully harvested and the selling price at harvest. Changes in input and output prices can cause changes in revenue from one production period to

another. Recent research shows that the analysis of costs, revenues, and revenue-to-cost ratios remains an important component in assessing the financial condition of a broiler chicken business. Several previous studies have provided empirical evidence regarding the financial condition of broiler chicken businesses in various regions. Abadi et al. (2024), for example, analysed the financial feasibility of broiler chicken businesses based on income, R/C Ratio, and B/C Ratio over a single production period and found that the business studied was financially viable. "Several previous studies have provided empirical evidence regarding the financial condition of broiler chicken businesses in various regions. Abadi et al. (2024), for example, analysed the financial feasibility of a broiler chicken business based on income, the R/C Ratio, and the B/C Ratio over a single production period and found the business to be financially viable. Furthermore, Pebrianda et al. (2025) demonstrate that feasibility analysis of broiler businesses can be conducted by considering investment indicators and business economic conditions in the context of case studies.

Furthermore, Pebrianda et al. (2025) demonstrate that feasibility analysis of broiler businesses can be conducted by considering investment indicators and business economic conditions in the context of case studies. More recent research also shows that the study of broiler businesses is not only related to profits in a period, but also to the ability of businesses to maintain their economic conditions. Febrinadia et al. (2025) not only analyse costs, revenue, and financial feasibility but also relate them to the stages of the business life cycle. Putri et al. (2026) show that broiler chicken business management requires support from production management skills, finance, human resources, and marketing. The study compares the production costs and broiler business income under partnership and non-partnership arrangements in Gu District, Central Buton Regency. These results show that the characteristics and patterns of business management can be related to the economic results obtained. These findings show that the interaction among cost management, production output, price, and business risk influences the business's financial condition. Although previous research has provided ample information on the feasibility and profitability of a broiler business, most studies still focus on financial calculations. Information about costs, receipts, profits, R/C Ratio, B/C Ratio, or investment indicators is indeed important to describe the economic condition of a business. Still, these figures do not fully capture the experiences of business actors in carrying out production activities, controlling costs, managing risks, and assessing business sustainability. Thus, there is room to expand understanding of the broiler business through an approach that not only examines financial results but also the experiences and perceptions of business actors.

This gap is becoming increasingly important because the conditions of livestock businesses can vary by region, business scale, production system, market access, input prices, and management practices. Previous studies have also shown that the characteristics of business units can lead to varying levels of cost, revenue, and feasibility. For example, studies on broiler businesses with partnership systems show that business relationship patterns can be related to risk and product marketing. In contrast, studies on other business units show variations in R/C values and revenue levels. Therefore, research results from one region cannot be used directly to describe the condition of each business unit in another region. In the context of Muwi Village, Dompu District, empirical information is not available that specifically describes the economic conditions of broiler chicken business units, as well as the experiences of business actors in managing costs, income, risks, and business sustainability. These conditions are framed as contextual or empirical gaps, not as the research's sole novelty. This means that this study does not claim that the research location is entirely novel; rather, it uses the local context as a space to test and understand how the concepts of economic feasibility and business management are reflected in observed broiler business practices. Based on these gaps, this study introduces a novel qualitative case study approach that combines financial information with the experiences and perceptions of business actors. Cost, receipt, revenue, and efficiency data are used as supporting economic information. In contrast, interviews and observations are used to understand how businesses manage production activities, control costs, face risk, and maintain revenue. With this approach, the research not only answers whether revenue exceeds costs but also provides insight into the management factors underlying the economic conditions of the business units studied.

The use of thematic analysis in qualitative research enables the identification of informants' experiences and perceptions as themes related to cost management, revenue, risk, and business sustainability. Thematic analysis is an approach for identifying and interpreting patterns or themes in qualitative data, making it appropriate for complementing financial information with the experiences of business actors (Braun & Clarke, 2021). Thus, financial and qualitative data are presented as complementary information for understanding the research case. Based on this description, this study aims to: (1) analyze the financial feasibility conditions of broiler chicken farming business in the business unit studied in Muwi Village, Dompu District; (2) analyze the level of revenue earned in a single production cycle based on available cost and revenue data; and (3) understand the experience and perception of business actors regarding the management of costs, revenue, risks, and business sustainability. This research is expected to make a practical contribution to business actors by providing information to evaluate cost structures, improve management efficiency, and identify risks that can affect revenue. Academically, this study provides contextual empirical evidence on the broiler chicken business by combining financial information with the experiences of business actors in a single case study. The findings of the study are limited to the observed business unit and production period and are not intended to be generalised to all broiler chicken farmers in Muwi Village.

LITERATURE REVIEW

Financial feasibility is an important aspect in assessing whether a business is viable to run and develop. According to Nuralina et al. (2019), financial feasibility analysis aims to assess a business's ability to generate profits by comparing costs incurred and revenues obtained. In the context of broiler chicken farming, financial feasibility analysis generally includes identifying the production cost structure, revenue, and net profit or income generated over a production period (Saptana & Ilham, 2020). Production costs in the broiler chicken business consist of fixed costs, such as cages and equipment, and variable costs, such as feed, chicken seeds (DOC), medicines, and labour (Susanti et al., 2022). Financial feasibility indicators, according to Nuralita et al (2019), are business production costs, business revenue, business profits, and business efficiency. Broiler chicken farm business income is defined as the difference between total revenue and total production costs in a business cycle. Farmers' income levels reflect businesses' ability to provide decent and sustainable economic returns (Fitriani et al., 2022). Stable and adequate income is an important factor in improving farmers' welfare and promoting the sustainability of livestock businesses in rural areas. However, broiler chicken business income is very vulnerable to fluctuations in feed prices and live selling prices, so adaptive and efficient business management is needed (Yusdja & Sayaka, 2020). According to Nuralita et al (2019), the indicators of business income are net business income, income contribution to household needs, income continuity, and farmers' perception of income levels. Broiler chicken farming business is defined as rearing activities that aim to produce meat in a relatively short time using an intensive or semi-intensive management system. Broiler chickens have the characteristics of fast growth and high feed conversion efficiency, so that they are theoretically able to provide attractive economic benefits for farmers if managed properly (Soeharsono, 2019). The success of the broiler chicken farming business is greatly influenced by production management, feed management, disease control, and farmers' ability to manage business finances (North & Bell, 2020).

Concept Thinking

Financial Feasibility of the Business

Financial feasibility is a concept used to assess a business activity's ability to generate economic benefits relative to the resources spent. In a broiler chicken farming business, financial feasibility is not only related to revenue but also to the business's ability to manage production costs and generate income efficiently. Thus, the financial feasibility assessment in this study is presented as a process for understanding the economic condition of business units based on costs and efficiency. Production costs are economic resources that are spent to carry out business activities. In a broiler chicken business, costs can come from production and operational needs, including feed, seeds, medicines,

energy, labour, and cage needs. The cost will affect the income that can be earned. Therefore, cost control is an important aspect of business management. Revenue is the economic value obtained from the sale of chickens in a certain production period. The number of chickens influences both revenue and the selling price received. Thus, changes in production, mortality, and selling prices can cause changes in revenue from one period to another. Operating income is the difference between revenue and costs incurred in the production period.

Conceptually, such relationships can be described as:

Revenue = Total Revenue – Total Cost

Revenue is an important indicator because it reflects the economic results remaining after operating costs are accounted for. However, in this study, income is not only seen as a number but is also examined through the experiences of business actors regarding whether it is considered adequate, stable, and capable of supporting the sustainability of business activities.

Business Efficiency

Business efficiency describes the ability of a business to generate revenue compared to the costs incurred. One indicator used to assess efficiency is the Revenue Cost Ratio (R/C Ratio), which compares total revenue to total costs.

$R/C \text{ Ratio} = \text{Total Receipts} / \text{Total Expenses}$

An R/C value greater than one indicates that the receipts are greater than the expenses incurred in the period analysed. Conversely, an R/C value of less than 1 indicates that revenue has not covered the costs incurred. In this study, the R/C Ratio was used as supporting financial information, not as a hypothesis testing tool. These values are then interpreted alongside the results of interviews and observations to better understand the economic condition of the business unit.

Business Risk and Revenue Sustainability

Broiler chicken farming businesses face various risks that can affect costs, production, revenue, and profitability. Risks can arise from changes in input prices, selling prices, diseases, mortality, environmental conditions, and operational constraints. The risk is that positive financial conditions in one period do not automatically imply stable earnings in the next period. Therefore, business sustainability is related to the ability of business actors to control costs, maintain productivity, manage chicken health, deal with price changes, and adjust business strategies to market conditions. The perspective of business actors is important to understand the process. Business owners know decision-making and business finances, while workers have direct experience with cage operations. Information from both groups of informants can be used to understand how production factors and risks are managed in practice.

Business Actors' Perspectives in Business Management

The qualitative approach in this study is used to understand the experiences and perceptions of business actors that cannot be fully explained through financial figures. Information about costs and receipts shows the economic conditions that occur, while interviews and observations help explain how these conditions are formed. The experiences of business actors regarding cost control, production management, chicken health maintenance, price changes, and business risks are important for understanding business sustainability. Thus, this study positions the perspective of business actors as a complement to financial information

Conceptual Relationships Between Research Elements

Based on these concepts, the relationship between elements in the research can be explained as follows.

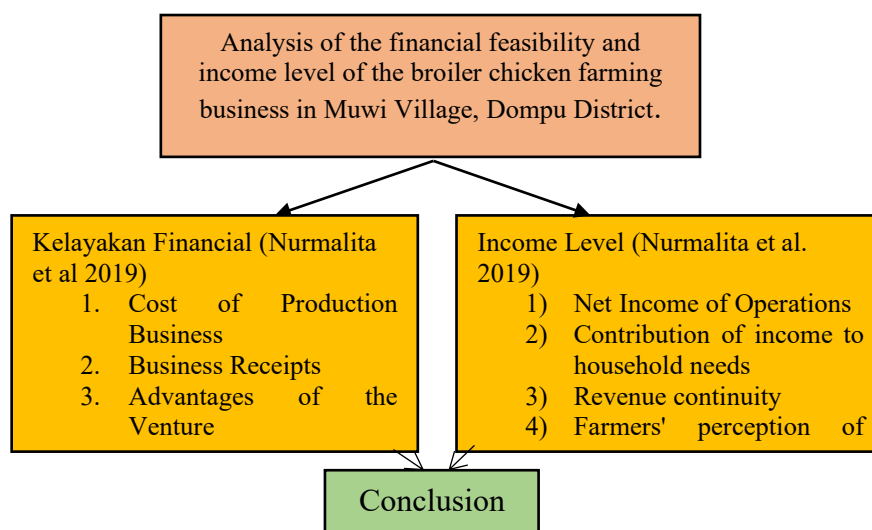


Figure 1. Framework for Analyzing Financial Feasibility and Income Level of Broiler Chicken Farming

Various factors, including chicken health, mortality, changes in input and selling prices, and business management strategies, influence the relationship. In this framework, costs and receipts are the elements that make up revenue, while comparing receipts and costs provides an indication of efficiency. Furthermore, the financial results are understood alongside the experience of business actors in business management, risk, and sustainability. Because this study uses a qualitative descriptive approach and does not conduct statistical relationship testing, this study does not formulate a hypothesis. The theoretical framework serves as a basis for directing the collection and interpretation of data on the financial condition and experiences of business actors.

METHODS

This study uses a qualitative descriptive approach with a case study design to understand the business conditions of broiler chicken farming in Muwi Village, Dompu District. Financial data, including costs, revenue, and efficiency, are used as supporting data. In contrast, qualitative data is used to understand the experience of business actors in managing production, costs, risks, revenue, and business sustainability. The research was conducted at a broiler chicken farm in Muwi Village, Dompu District. Informants were purposively selected for direct involvement in business activities: one owner and two cage workers. The owner is the primary informant on business management, costs, revenue, and risk, while the worker provides information on operational activities and the cage's condition. The adequacy of informants is determined by the relevance and quality of information obtained during data collection. The research period, the number of chickens per cycle, the cage capacity, and the production characteristics were adjusted to reflect the actual conditions of the business unit under study. Data were collected through semi-structured interviews, direct observations, and documentation of business records. Interviews were used to explore the experiences and perceptions of business actors regarding costs, revenues, risks, and business sustainability. In contrast, observation and documentation were used to complement and check the suitability of the information obtained. Financial data were analysed descriptively by calculating revenue as $\text{Revenue} = \text{Total Revenue} - \text{Total Cost}$ and business efficiency as $\text{R/C Ratio} = \text{Total Revenue} / \text{Total Cost}$. Qualitative data were analysed thematically through data reduction, coding, theme grouping, interpretation, and concluding. The validity of the data is assessed through triangulation of sources and methods by comparing information from owners and workers with the results of interviews, observations, and documentation. Because the research focuses on one

business unit and three informants, the study's results are presented as a contextual picture of the case. They are not intended to be generalised to all broiler chicken farmers in Muwi Village.

INTERVIEW RESULTS

Based on the results of interviews with three informants, namely Mrs Une Watania as a business owner, Mr Sukrin as a cage worker, and Opik as a cage worker, information was obtained regarding cost management, operational activities, chicken maintenance, as well as the condition of receipt and income of the broiler chicken farming business in Muwi Village, Dompu District.

Business Cost Management

Mrs Une Watania explained that in one cycle of broiler chicken maintenance, which lasts about one month until harvest, several operational costs must be incurred. The costs include the purchase of husks of IDR 3,500,000, cleaning of husks of IDR 1,500,000, transportation of husks of IDR 1,000,000, electricity credit/tokens of IDR 5,500,000, diesel of IDR 5,000,000, salary of cage employees of IDR 3,500,000, food and cigarettes of IDR 2,000,000, and antibiotics of IDR 1,000,000. Based on this information, the total operational costs incurred during one maintenance cycle amounted to IDR 23,500,000. The cost structure shows that the operational activities of the cage require expenditure on energy, labour, hygiene, and maintenance of chicken health.

Cage Operational Activities

Mr Sukrin explained that cage operations are carried out every day. These activities include feeding, controlling the cage temperature, and maintaining the cage's cleanliness. These routine activities are an important part of maintaining the condition of chickens during maintenance. Meanwhile, Opik explained that chicken health care is important in maintenance activities. According to the information, broiler chickens have a relatively short maintenance period of about 30 days, so cage management needs to be carried out optimally to ensure chickens are harvested on time and in good condition.

Revenue and Revenue

Based on Mrs Une Watania's statement, the business's revenue from the sale of broiler chickens in a single harvest was approximately IDR 40,000,000. The amount of this revenue depends on market conditions and the number of chickens that are successfully harvested. Based on cost and revenue data, business income is calculated as the difference between revenue and production costs. With revenue of IDR 40,000,000 and costs of IDR 23,500,000, the income from one production cycle is IDR 16,500,000.

Risks in Business Management

The results of the interviews show that business activities are inseparable from production and market conditions. Mrs Une Watania explained that the receipt of sales proceeds is influenced by market conditions and the number of chickens successfully harvested. Meanwhile, Mr Sukrin and Opik provided information on the importance of cage management and chicken health in production. The findings of the interviews show that business management is not only about recording costs and receipts but also about implementing daily operational activities. Feeding, temperature control, cage cleanliness, and maintaining chicken health are part of the activities carried out to support the production process.

Summary of the Interview Findings

Overall, the interview results showed that Mrs Une Watania played a role in business management and provided information on costs and receipts. In contrast, Mr Sukrin and Opik provided information on cage operations and chicken maintenance. The interview data showed that business economic conditions were related to cost management, operational activities, chicken health, the number of chickens successfully harvested, and market conditions. The findings of the interviews are then used as a basis for completing the financial analysis of the business for one studied production cycle.

Table 1. Cost Components of Broiler Chicken Farming

Cost Component	Amount (Rp)
Buy husks	3.500.000
Clean the husk	1.500.000
Transport husks	1.000.000
Pulse Token Electricity	5.500.000
Solar	5.000.000
Cage employee salary	3.500.000
Eating and smoking	2.000.000
Antibiotic drugs	1.000.000
Total Cost	23.500.000

Based on the cost details above, the total production cost is approximately IDR 23,500,000 per cycle. Revenue from the sale of broiler chickens in a single harvest is approximately IDR 40,000,000, depending on market conditions and the number of chickens successfully harvested.

The Financial Feasibility of a Broiler Chicken Farm Business

The results of the study show that the broiler chicken farming business in the unit studied is in a positive financial position over one production cycle. The total recorded cost was IDR 23,500,000, while revenue from chicken sales was around IDR 40,000,000. The difference between revenue and costs is IDR 16,500,000 per production cycle. Based on the comparison of revenue and costs, an R/C Ratio value of 1.70 was obtained. The value indicates that revenue exceeds the cost recorded during the analysed production period. This condition indicates that business activities during the research period generate an economic surplus. However, the R/C Ratio of 1.70 needs to be understood in context. It describes the conditions of a single production cycle, so it cannot be used to directly state that the same level of efficiency will occur throughout the next cycle. Changes in the selling price of chickens, the number of chickens successfully harvested, energy, labour, and maintenance costs can affect revenue and business costs.

This finding is in line with Abadi et al. (2024), who used revenue, R/C Ratio, and B/C Ratio to analyse the financial feasibility of the broiler chicken business. The study obtained an R/C Ratio value of 1.40 and concluded that the business studied was financially viable. This similarity shows that comparing revenue and costs can provide an initial picture of the financial condition of the broiler business. However, the R/C values of the two studies cannot be compared as a measure of one business's superiority over another because the business units differ in characteristics, production scale, management systems, and market conditions. The results of this study are also consistent with Firnanda et al. (2023), who reported an R/C Ratio of 1.20 in the broiler chicken business studied. The study not only analyses economic feasibility, but also identifies business risks, including risks related to pests and diseases. These similarities show that financial feasibility analysis should not be separated from risk analysis, as production conditions and risks can affect the business's economic results. Thus, the findings of the research in Mbawi Village show that financial feasibility is not only a function of high revenue but also of business actors' ability to manage the various costs required to generate that revenue. This is important because the IDR 40,000,000 in revenue cannot be considered a profit, as the business must spend IDR 23,500,000 to generate it. The separation between revenue, costs, and income is important so that the economic condition of the business is not assessed solely on the amount of sales.

Cost Structure and Management of Business Expenses

Based on the study results, the cost structure shows that electricity expenses of IDR 5,500,000 and diesel expenses of IDR 5,000,000 are the two largest cost components. Furthermore, there are salary costs for cage workers of IDR 3,500,000, husk purchases of IDR 3,500,000, food and cigarettes of IDR 2,000,000, husk cleaning of IDR 1,500,000, antibiotic drugs of IDR 1,000,000, and husk transportation of IDR 1,000,000. Overall, the recorded costs reach IDR 23,500,000 in one production cycle. The composition shows that business costs arise not only from the core needs of

chicken rearing but also from the operational needs that support cage activities. Electricity and diesel costs, for example, are expenses related to the operational needs of business units, while labour costs are related to the implementation of maintenance activities. Therefore, cost management needs to be carried out by considering the function of each component in production activities. The results of the interview with Mrs Une Watania confirmed the findings. As a business owner, Mrs Une Watania provides information about the expenses that must be provided during a production cycle. This information shows that business management requires the ability to provide various operational needs on an ongoing basis during the maintenance process. These findings show that the cost figures contained in the study have an operational context. This means that the cost is not just a number used to calculate income, but a resource used to carry out production activities. This understanding is one of the advantages of the case study approach, as financial information can be linked to the perpetrator's business management practices.

Research by Febrinadia et al. (2025) also highlights the importance of considering costs, revenue, and feasibility together to understand the conditions of broiler businesses. The research even linked financial conditions to the stage of the business life cycle, so that financial conditions are not seen as stand-alone information. In the context of this study, the findings imply that business evaluations should not only assess whether revenue exceeds costs, but also identify which cost components are largest and how those costs are used in production activities. Thus, business owners can use the results of cost recording as a basis for evaluation to improve efficiency in the next production cycle.

The Role of Operational Management on Business Results

The interview results show that operational management is an important part of business activities. Mr Sukrin explained that cage activities are carried out daily and include feeding, temperature control, and maintaining cage cleanliness. This information shows that the production process depends not only on the owner's decision but also on the implementation of routine operational activities. Meanwhile, Opik explained that chicken health care is important because the maintenance period is relatively short, which is about 30 days. The information indicates that chicken conditions must be monitored during the production period, as health problems can interfere with maintenance and potentially affect crop yields. When considered alongside financial results, these operational activities are important because the costs incurred during maintenance ultimately support the production of chickens that can be harvested and sold. Thus, business efficiency does not mean reducing all expenses, but ensuring that expenses are used appropriately to support the production process. These findings explain the relationship between financial data and interview data. Financial data show that businesses have an R/C Ratio of 1.70, while interviews reveal the activities undertaken to generate these revenues. In other words, the financial numbers show the economic results, while the interviews explain the operational processes behind them.

This strengthens the reason for using the qualitative case study approach in this study. Pebrianda et al. (2025) also conducted a case study of broiler businesses, using information from owners and workers, as well as financial analysis, to assess business feasibility. This similarity shows that information from business actors can complement financial calculations by providing more contextually rich descriptions of business conditions.

Risks of Chicken Production and Health

Production risk is an important part of the broiler chicken business because economic results depend on the success of the maintenance process through to harvest. In this study, chicken health is one of the themes that emerged from the interview. Opik explained that health care needs to be considered during a relatively short maintenance period. In addition, there is a cost of IDR 1,000,000 for antibiotic drugs in the business fee structure. This information shows that chicken health has an economic dimension. When the health of chickens is compromised, the rearing process can encounter obstacles, and the number of chickens successfully harvested can be affected. Therefore, the costs incurred for health maintenance can be understood as part of efforts to maintain the production process, not solely as additional expenses.

These findings are in line with Firnanda et al. (2023), who place pests and diseases as one of the sources of risk in the broiler chicken business. The research shows that production risks should be considered, as they can affect the sustainability of business processes and economic outcomes.

In the case studied, risk management is carried out through operational activities such as maintaining cage cleanliness, controlling temperature, providing feed, and providing health care. Thus, the results of the interviews show that risk management is carried out not only through spending on medicines but also through routine activities performed by workers.

Revenue and Business Efficiency

Revenue of IDR 16,500,000 was obtained from the difference between revenue of IDR 40,000,000 and expenses of IDR 23,500,000. These results show that in the one cycle analysed, there was a surplus between revenue and costs. The R/C Ratio of 1.70 reinforces the picture that revenue exceeds recorded costs. However, income cannot be understood as a mathematical result alone. The amount of income is the final result of a series of production activities, from expenses and chicken maintenance to cage condition control and the harvesting and sales process. Therefore, the interview results are needed to provide context for the income figure. Mrs Une Watania explained that revenue from chicken sales is influenced by market conditions and the number of chickens successfully harvested. This information shows that revenue can change if there is a change on the revenue side, even though costs are relatively fixed. Thus, market risk and production risk need to be considered in evaluating business income. Research by Febrinadia et al. (2025) shows that the financial condition of broiler businesses should be assessed in the context of business development, rather than relying on a single financial measure. These findings support the interpretation that the R/C Ratio value of 1.70 in this study describes conditions in the period analysed, not a measure that can be used to predict with certainty economic conditions in the coming period.

Owner and Employee Experience in Business Management

One of the important findings of this study is the difference in roles between owners and workers in business activities. Mrs Une Watania provided information about business expenses and revenues, while Mr Sukrin and Opik provided information about operational activities and chicken maintenance. The difference in information does not indicate any contradiction, but rather provides a complementary perspective. Owners have an economic and resource management perspective, while workers have first-hand experience of production activities. The combination of these two perspectives helps explain how business decisions and expenses are applied in daily activities. In qualitative research, informant experiences are an important resource for understanding phenomena that cannot be fully explained through numerical data. Therefore, interviews are not treated as an administrative complement but as a source of data for identifying themes in cost management, operations, chicken health, and risk. To analyse this information, a thematic analysis approach is used to identify patterns and themes in the interview data. Braun and Clarke (2021) explain that *reflexive thematic analysis* can be used to identify and interpret patterns or themes in qualitative data. With this approach, the information from the three informants can be systematically organised around themes relevant to the research purpose.

Business Sustainability Based on the Perspective of Actors

The results of the study do not demonstrate that the business is sustainable in the long term. The available data describe only one production cycle and the informants' experience in the business unit studied. Therefore, the term sustainability in this study is more appropriately understood as the ability of businesses to continue producing under observed conditions and experiences, rather than as evidence of long-term sustainability. From a management perspective, the sustainability of business activities depends on the ability to meet operational needs, maintain chicken health, control costs, and generate revenue from harvests. Mrs Une Watania's statement regarding costs and receipts, as well as Mr Sukrin and Opik's statement regarding operational activities, show that the sustainability of production activities requires a link between resource management and operational implementation. Thus, positive financial results in one cycle can be preliminary evidence of business conditions, but they are not enough to conclude about long-term sustainability. Observations across

several production cycles are needed to determine whether these patterns in revenue, cost, and efficiency can be sustained.

Comparison with Previous Research

Compared with previous research, this study uses financial indicators such as costs, revenue, and the R/C Ratio. Abadi et al. (2024) and Firnanda et al. (2023) both found an R/C value greater than one in the broiler business studied. The research by Pebrianda et al. (2025) is similar to this research in its use of case studies and the integration of information from business actors with financial analysis. Meanwhile, Febrinadia et al. (2025) expand financial analysis by linking it to the stages of the business life cycle. The main difference in this study lies in its focus on understanding the financial condition and the experiences of business actors in managing costs, operational activities, chicken health, and risks in the business unit under study. Thus, the contribution of the research lies not in the R/C Ratio value itself, but in the contextual understanding of how business management practices shape financial results.

Practical Implications

The study's findings have implications for business owners to evaluate the relatively large cost components, especially electricity and diesel. Evaluating energy usage each cycle can help identify possible cost controls without disrupting operational needs. In addition, maintenance activities carried out by workers need to be maintained consistently. Feeding, temperature control, cage cleanliness, and health maintenance are activities that directly support the production process. Owners also need to maintain regular records of fees and receipts. Recording each cycle will allow for comparisons of costs, receipts, revenue, and R/C Ratios over time. In this way, the owner not only knows whether the business is generating a surplus, but can also identify changes in the cost component and factors that affect revenue.

Discussion Synthesis

Overall, the study showed that the broiler chicken business unit had a positive financial position in one production cycle, with revenue of IDR 40,000,000, cost of IDR 23,500,000, revenue of IDR 16,500,000, and an R/C Ratio of 1.70. This condition is consistent with previous research showing that broiler businesses can be financially viable when revenue exceeds costs. However, the study's results show that these financial conditions are related to management practices employed by business actors. The information from Mrs Une Watania shows the owner's perspective on costs and revenue, while the information from Mr Sukrin and Opik shows the operational and maintenance practices of chickens. Thus, financial data shows economic results, while interview data explains the management context behind these results. These findings are an important contribution to the research because they provide an overview that is not only oriented toward financial feasibility figures but also shows the experiences of business actors in carrying out production activities. However, because the research focuses only on one business unit and one production cycle, the results are contextual and not intended to be generalised to all broiler chicken farmers in Mbawi Village.

CONCLUSION

Based on the interview results and analysis, the broiler chicken farming business in Mbawi Village is financially feasible. It can provide a relatively high level of income in a short time. This is evident from the large difference between revenue and production costs in a single maintenance cycle, indicating that this business can generate significant profits. In addition, the relatively short production cycle, which is about one month until harvest, provides an advantage in faster capital turnover compared to other livestock businesses, so it has the potential to increase the frequency of income in one year. However, the sustainability of this business is inseparable from the various challenges faced by farmers, especially the high dependence on variable operational costs, such as feed, energy (electricity and diesel), and labour. Fluctuations in production input prices that tend to

rise over time can directly increase production costs, ultimately reducing profits. On the other hand, the selling price of broiler chickens at the breeder level is also unstable and highly influenced by market conditions, thereby increasing uncertainty in this business. This condition shows that although the broiler chicken farming business has promising prospects, it still requires strong managerial skills from farmers, especially in cost management, production planning, and sound decision-making amid changing market conditions. Therefore, it is necessary to implement more efficient business management strategies, such as controlling production costs, optimising resource use, and increasing farmers' knowledge of business financial management.

In addition, careful financial planning is an important factor in maintaining business sustainability, including anticipating the risk of losses from price fluctuations and production disruptions. With good management and strategic planning, the broiler chicken farming business in Mbawi Village is not only able to survive in the long term but also has the potential to expand and contribute more to improving the economic welfare of farmers and the surrounding community. Based on the study's results, the broiler chicken farming business in the unit studied showed positive economic conditions during the observed production period. This condition is supported by the ability of business actors to manage costs, carry out operational activities, maintain chicken health, and manage the production process to marketing. The interview results show that the owner plays a role in managing costs and business revenue. At the same time, workers play a role in implementing operational activities and chicken maintenance. The study's findings also show that cost management, chicken health, operational activities, and market conditions are aspects to consider in maintaining business operations. Thus, an approach that combines financial information with the experience of business actors provides a more contextual understanding of the business conditions of broiler chickens in the unit studied. However, because the study focused on a single business unit and a limited production period, the research findings were context-specific. They could not be generalised to all broiler chicken farmers in Muwi Village.

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