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The 4th International Conference on Entrepreneurship

Empowerment of Young Entrepreneurs Through Informal Education In Cikoleang Bogor

Sung Suk Kim¹, Golrida Karyawati², Juniarty³, Cynthia Wijayanti⁴, Sylvia Samuel⁵

ABSTRACT

The community empowerment team from Universitas Pelita Harapan (UPH) has held 4 workshops to develop business plans of the Tunas Cikoleang group which consists of young people from Cikoleang Bogor in Indonesia. Problems faced by young people in the local community include a lack of knowledge and skills as entrepreneurs as well as a lack of funds to start and/or run their businesses. At the first meeting, the community service team from UPH focused on the importance of entrepreneurship spirit and the knowledge through informal education as a success factor. Through the 2 times following workshops, in accordance with the needs of the Tunas Cikoreang group, namely their lack of appearance and knowledge as entrepreneurs and funding, the UPH Team disseminated the necessary knowledge such as the importance of marketing, record keeping, black-even points, and the use of various online applications and helped them create a business plan to increase access to funding other than capital. In the fourth community service workshop, three teams from Tunas Cikoreang group presented their business plans.

Keywords: *Entrepreneurship, Informal Education, Alternative Funding for Entrepreneur, Business Plan*

INTRODUCTION

Cikoleang village, Sindur district, Bogor regency in province Banten is located on the border area between Bogor Regency and South Tangerang. One of the characteristics of Cikoleang village is its religious tolerance. The standard of living in the village still belongs to the middle to lower and most of the residents work in the informal sector. Another problem in Cikoleang village is the low level of education of the village residents. The average education level of the residents is lower than high school and some of them are still illiterate, even if their educational level significantly influences economic developments [1], [2]. This makes it difficult to develop this village.

Tunas Cikoleang, which is a partner of the community service team of Universitas Pelita Harapan Team (Team UPH), is an association of young men and women living in Cikoleang village and its surroundings who have a vision to improve their standard of living by fighting together. This association has members who are united by similar backgrounds from families who are economically disadvantaged. The aim of forming this association is to fight together to eradicate poverty and achieve success. Tunas Cikoleang members are a generation of productive ages who are restless and want to fight to raise their standard of living. Tunas Cikoleang members generally work in the informal sector or are lower level employees in small businesses.

¹ Magister Management, Faculty of Business and Economy, Universitas Pelita Harapan
sungsuk.kim@uph.edu

² Doctoral Research Management, Faculty of Business and Economy, Universitas Pelita Harapan
golrida.karyawati@uph.edu

³ Management Department, Faculty of Business and Economy, Universitas Pelita Harapan
juniarty.fe@uph.edu

⁴ Management Department, Faculty of Business and Economy, Universitas Pelita Harapan
cynthia.wijayanti@uph.edu

⁵ Management Department, Faculty of Business and Economy, Universitas Pelita Harapan
sylvia.samuel@uph.edu

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In this situation running their own business is the most plausible way to improve their standard of living [3], [4]. Some Tunas Cikoleang members have tried to run small-scale businesses, but they have faced clear obstacles. First, they do not have entrepreneurial competencies to run their business professionally (Astuti et al., 2020; [7], especially marketing and financial management skills which include bookkeeping. Second, they do not have sufficient capital to run their business-like other villages [8]. Some Tunas Cikoleang members have strong desires to run their own business but are hampered by capital problems. They cannot access banking funds due to the lack of collateral problems.

The Universitas Pelita Harapan Community Empowerment Team held gradual training so that Tunas Cikoleang members were enthusiastic to develop their own business as an entrepreneur, and able to make them competent to run their businesses. To increase accessibility to capital, at least to several angel investors, Team UPH helps them so they can develop business plans which include business development strategies, marketing, and financial plans.

METHODS

The Team UPH held four participatory series of training to enhance their entrepreneurial spirits and needed skills [9], [10] until each participant produced a business plan for the business they are planning or have already started.

The first participatory training series was held on 8 December 2023 with the theme 'Growing community entrepreneurship through education.' Four speakers shared several things. First of all, the case of South Korea's development shows the important role of education in development at the country and individual level. The team underlined that entrepreneurs must never give up and continue to learn and improve their entrepreneurial abilities even if their business experiences ups and downs. The team also motivated the participants by providing examples of creativity that could be turned into entrepreneurial products. The team also explained the importance of marketing in entrepreneurship, the differences between marketing [11] and sales and ways to carry out marketing via online platforms such as Instagram and Facebook. Then the team also emphasized the importance of cooperation among group members for business to strengthen each other and synergize each other for mutual success [6]. At the end of the first training session, the UPH Team also shared plans for subsequent training and mentoring activities as needed and plans such as business plan competitions so that participants could further develop their business plans more clearly and/or increase accessibility to funds other than their own capital. Then the UPH team discussed looking for some kind of angel investors for those who already develop their business plans.

The second training series was held on January 27, 2024, with the theme 'Young Entrepreneurs with an Established Financial Strategy.' Four speakers of Team UPH shared several things related to entrepreneurial development. Firstly, the development of e-commerce domestically was explained. The team also explained the development of on-line business and effective ways to utilize it, and the importance of financial literacy in running a business. The team gave a presentation about Canva, a tool for creating flyers, content, videos that can be shared directly on Instagram, Tiktok and many other social media [5]. The team shared presentations on entrepreneurial concepts, marketing strategies, target selection, and retail concepts. One of the participants shared the challenges of running an informal business, a vegetable seller or provider of restaurants. The main challenges he faces include a lack of working capital and effective ways to access potential markets.

The 3rd training series was continued on 2 March 2024 with the theme 'Business Plan Development' in the same place. Three speakers from the UPH team shared what needs to be filled in a business plan, namely business development strategies, marketing plans, and performance financial report plans based on business strategies. For this reason, a simple accounting method is explained based on each

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transaction, and how to make simple financial reports. Then, based on accounting records, how to calculate BEP (black-even points) per product and business in total. Then at least 4 youth groups shared their future business plans, and they just started businesses. The main problem they face is a lack of funds and limited access to funds.

The 4th training series was held on 20 April 2024 filled with a kind of business plan competition from Tunas Cikoleang members. 4 groups submitted the business plans at least 2 weeks prior to the meeting. Each proposal was reviewed by the UPH team and got feedback to improve the business ideas, strategies, dan pro-forma financial statements. One of the members of Tunas Cikoleang presented her business plan to improve her current duck husbandry business. She has an unclouded vision to develop her business and concerns to the environment and other stakeholders. However, she still has a weakness in measuring financial performance. The most challenging obstacle to developing her business is the shortage of funding.

RESULT AND DISCUSSION

The first session of training involved 29 members of Tunas Cikoleang. Among them the ratio of men and women is more or less the same. The majority were aged between 17-30 (45%), and 62 percent of participants had a high school education level. The majority with a bachelor's degree works as permanent employees, but many of the participants with a high school education, as many as 44 percent, are still unemployed. They are aware of the importance of education to become entrepreneurs, so 72% of participants answered 4 out of 5 on a Likert scale and 18 percent of participants answered 5 out of 5 on a Likert scale. Even though 28 percent of participants had no intention and were pessimistic about entrepreneurship themselves since they are full-time workers. While the majority, namely 82 percent of participants, showed high enthusiasm for running entrepreneurship. When asked to what extent they are aware of the importance of entrepreneurship and education as success factors through this first training session, 14 percent of participants answered that they were slightly aware of it, but 86 percent of participants admitted that they were very aware of the importance of education and entrepreneurship.



Participants in the second training session held in January 2024 fell to 19 members of Tunas Cikoleang. This decline is natural since those who belong to the Tunas Cikoreang group but are still less interested in entrepreneurship were not present. The survey results after the second training session showed that most of them enjoyed the material and discussions during their activities. The limitation they felt was that when they explained Canva, one of the interfaces that could be used for marketing, they did not have time to practice it on site.

It was announced at the end of the training that if their business plan is good enough and plausible to execute, several teams' business plans will provide some interest-free loan funds. This announcement made the majority of participants enthusiastic since fund providing may reduce their shortage of

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funding. Interest-free loans are proposed to support the number of participants who still lack funds to develop their business and at the same time avoid potential moral hazard problems.

Table 1. List Members of Tunas Cikoleang that Attend Trainings Consistently

No	Name	Age	Address
1	Denny Agustinus	31	Kp. Sarimulya RT.04 RW.01 Desa Setu Kec. Setu Kota Tangerang Selatan 15314
2	Steve Vey Anderson	19	Griya Serpong asri Blok BC 5 No.3 Cisauk
3	Ferih	37	Kp. Cikoleang RT.01 RW.02 Desa Pabuaran Kec. Gunung Sindur Kab. Bogor 16340
4	Maiya	35	Kp. Cikoleang RT.01 RW.02 Desa Pabuaran Kec. Gunung Sindur Kab. Bogor 16340
5	Calvin Christian	23	Jl. Platina III Rt.004/007 Curug Kec. Gunung sindur Kab. Bogor Jawa Barat
6	Yanah	39	Kp. Sarimulya RT.04 RW.01 Desa Setu Kec. Setu Kota Tangerang Selatan 15314
7	Mario Wijaya	33	Kp. Cikoleang RT.01 RW.02 Desa Pabuaran Kec. Gunung Sindur Kab. Bogor 16340
8	Dewi Budi Wijaya	31	Kp. Prumpung RT.02 RW.03 Desa Gunung Sindur Kec. Gunung Sindur Kab. Bogor 16340
9	David Saputra	40	Perumahan Mulia Residence One Pengasinan, blok E4 no 8, desa pengasinan kec. Gunung sindur
10	Lita Arista	39	Perumahan Mulia Residence One Pengasinan, blok E4 no 8, desa pengasinan kec. Gunung sindur

In the 3rd series of Team activities on 2 March 2024 the number of participants is approximately the same as in the 2nd series. The participants remained enthusiastic during presentations and discussions regarding the material. Then the team succeeded in inviting one potential angel investor who wanted to fund them based on their business plan proposal. In this session, four groups of members of Tunas Cikoleang are planning and started their business and share the difficulties and challenges they face. There are those who lack funds, and whose records are not clearly recorded so that it is still unclear whether the profits or losses of businesses that have just started and so on. But they all show tenacity and enthusiasm for business. Prospective angel investors also agree on the development potential of their business ideas. While waiting for the business plan presentation at the next meeting, the angel investor who participated in the third training session visited one of the business fields to see the plausibility of the business.

The fourth meeting with the members of Tunas Cikoleang was held on 20 April 2024. As scheduled and coordinated, four groups of members of Tunas Cikoleang presented their business plan that was already consulted with each UPH team member as facilitators. The business plans presented are business selling Chouppang, duck husbandry, supplier of various farming products, and vegetable supplier. Among them duck husbandry got the highest score from the reviewers. Duck husbandry business plan got the highest score and became the winner among them, since the presenter, Dewi, shows innovative plans for welfare of the neighbors and protecting environments from livestock waste.

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CONCLUSION AND RECOMMENDATION

4.1 Conclusion

The UPH empowering team gave 4 consecutive training sessions for members of Tunas Cikoleang who consist of local youth for empowering them to develop their own business as an instrument to improve their standard of living. In accordance with the needs of the Tunas Cikoreang group, namely the lack of skills and knowledge as entrepreneurs, the UPH team disseminated the necessary knowledge and skills such as the importance of marketing, record keeping, black-even points, and the use of various online applications. The UPH team found an angel investor who was ready to provide funding to them in the form of an interest-free loan. The members of Tunas Cikoleang produced four business plans and through competition among them at least one team got the interest-free funding.

4.2 Recommendation

However, the participants who succeeded in bringing up their business plans were still not stable and needed further assistance until they became professional entrepreneurs. Funding in the form of interest-free loans to the members of Tunas Cikoleang was a kind of grant and donation for the Tunas Cikoleang. Thus, it is needed to develop how to utilize the repaid loans from the members of Tunas Cikoleang to be the sources for more entrepreneurs among them such as cooperation.

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