

# Rural Youth Entrepreneurship Training Based on Local Potential

Mustofa Kamil, Dadang Yunus Lutfiansyach, Cucu Sukmana

**Abstract:** Youth in millennial era has significant role, especially in overcoming social problems, such as unemployment which systematically dominated by the youth in their productive age. The economy wheel of the society will increase rapidly when the youth have the skills (both hard and soft skills) to utilize the resources and potential in the environment. Training could be a media to strengthen and sharpen the youth's skills. This research aimed to empower the youth through an entrepreneurship training based on local potential. This article identified the result and impact of the rural youth entrepreneurship training based on local potential. The research applied descriptive study method and qualitative approach. The techniques of collecting data were interview, literature study, and documentation study. There were five respondents in this research. The result showed that the youth condition from some aspects, such as cognitive, affective, and psychomotor after the entrepreneurship training. The training also was expected to increase the income of the community. In addition, the learners were expected to re-share the knowledge to others, active in social event so that the youth could be more empowered and able to open new job opportunities.

**Index terms**—training, entrepreneurship, youth and local potential.

## I. INTRODUCTION

Globalization is an era in which contains the challenges and competition globally so that high-quality human needs in the process. The development of globalization is actually not a new thing and has started since the era of empire in the 15th century and developed with the formation of nation state in the 17th century. Later, the findings of communication and transportation tools have accelerated the globalization process resulting in a social change resulting from technological developments that facilitate cultural exchange and international economic transactions. [1] [2]

Furthermore, James Petras and Henry Veltmeyer say globalization can be interpreted as a process of liberalizing national and global markets that lead to freedom of trade, capital and information flow with the belief that this situation will create human growth and prosperity [3]

Then the Central Bureau of Statistics (BPS) re-recorded, in February 2014 to February 2015 the number of unemployed in Indonesia increased 300 thousand people, from 7.24 million people to 7.45 million people. The number of unemployed is dominated by youth in productive age at age 15 to 24 years. In fact, youth must be the perpetrator or subject in moving the wheels of the economy of society. In addition to the unemployment problem, poverty dominated

by productive youth into issues and social problems that need to be overcome in the face of competition in today's globalization era. Poverty and global impoverishment are defined as poverty caused by globalization derived from free markets and or the effects of developed countries. [4]

The fact showed that the society was faced with various complicated problems, such as the low quality of human resources, the low level of society income, the high level of poverty, the increasing number of unemployed, the spread of slums, the process of urbanization, environmental problems, and other social problems. This situations affected the other aspects of society life. Therefore, it needed to be solved immediately through various development programs, including community economic development.

The solution for workers to live prosperously without relying on others was directing them to be micro entrepreneurs. The expected result was the availability of jobs for others. To be an entrepreneur, one should have sufficient skills and knowledge of entrepreneurship. In daily life, many people interpreted that entrepreneurship was identical with businessman. In fact, the entrepreneurial spirit and behavior are owned by every creative person who wants to do something innovative. Entrepreneurs are not only from the businessman but also the general public, such as farmers, employees, government employees, students, teachers, organization leaders, etc.[5]

Entrepreneurship is a creative and innovative skill as a basis, attempt, and source to find an opportunity to be successful. The heart of the entrepreneurship is to create new and different thing by creative thinking and innovative action to create opportunities.

Many people succeed because they have ability to think creatively and innovatively. Works and intentions are only found in the people who think creatively. Not a few people and companies have succeeded because they have creative and innovative abilities..[5]

Creative and innovative process are started from bringing up new ideas and thoughts to create something different. In organization or company, creative and innovative process are performed from research and development programs. All the ideas, thoughts, and other creative acts are to create something fresh and diverse. The innovative things will be a value-added of goods and services as a source of excellence to be used as opportunities. So, entrepreneurship is an ability in creating value-added in the market through resource management process with new and different techniques, as

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follows: (1) new technology development, (2) the discovery of new scientific knowledge, (3) repair of existing goods and services, and (4) the discovery of new ways to produce more goods with more efficient resources.[6]

Entrepreneurship is the start. No matter how small an entrepreneur is, if it is developed with economic principles and carried out professionally, it will foster the spirit of entrepreneurship. We can learn from the entrepreneurship experience, such as the way to organize and run a business well and the way to evaluate the business to develop it into a larger business. And entrepreneurship relates to fulfillment and well-being is of utmost importance.[7]

There were many inspiring stories that could be a model as long as individual has an intention and willingness to be an entrepreneur. Every person is able to be an entrepreneur whatever their background. A classic mistake that makes people not interested in entrepreneurship is external factor, such as over-calculating the profit and loss, unsupportive circumstances, limited financial condition, and the lack of knowledge in the interest area. Many people forgot that the most important factor to vanquish the obstacles was from inside. "Everything is possible as long as you have a strong determination". This internal factor would be the differentiator between the people who live with many experiences and the people with ordinary life.[8]

To be an entrepreneur is not easy. Individual should start everything from nothing and be fully responsible to the survival of the business. There are risks of loss and failure. It is different from typical employees who only perform predetermined tasks and get salaries. However, the perspective of the difficulty of being an entrepreneur is not always right. Many entrepreneurs enjoy their lives more than when they were employees as long as the business field was selected correctly. Entrepreneurship often energizes positive change in society providing breakthrough commercial or social innovations that contribute to social well-being. Entrepreneurship is also a potential source of personal development, growth, and well-being. [9] [10].

Generally, business activities carried out by the community, especially housewives, developed in groups with quite large quantities and spread in various regions with various types of businesses. One of the business activities targeted in this study was a culinary business located in West Bandung District. The development of the business could not be separated from the supportive environment, social facilities, the potential social economy and local culture, and the product marketing management. From the demographic map, Pagerwangi is one of the villages in the south of West Bandung District.

Based on the environment observation where products were stored, there was much potential to be explored and optimized, for instance conducive natural environment and socio-cultural environment (environmental input), various means of learning and business development (instrumental input), and other inputs: capital, market, and information around the sub-district named Lembang. All of the potential could be managed and utilized in order to increase the

knowledge, behavior, and skill of the group members in developing their entrepreneurial independence.

The conditions and potential of the local environment were actually the carrying capacity that should be utilized optimally. However, there were still obstacles in the target group especially the housewives. Culinary business group was faced with various obstacles in managing the business. Empirically, the problems confronted by the community especially the housewives as the doers were caused by the limited human resource capabilities in managing the business focused on the marketing. This condition was proved by the gap between the knowledge, behavior, and skill owned by learners and the knowledge, behavior, and skill required as the prerequisite of business improvement. They were dependent and felt the obstacles that could not be facilitated by their business activities. This was contradictive with the initial expectations of business development activities which was to develop the entrepreneurship in Indonesia and to function the business as the development of the populist economic system.

Therefore, to increase the productivity and to fulfil the learning needs for the youth business group in West Bandung District, it was necessary to facilitate them in overcoming the cognitive, affective, and psychomotor gaps for the smooth operation of youth business group in increasing the independence of their business productivity

## II. LITERATUR REVIEW

### a. Training Concept

Killatt, Murdick & Schuster definition training is a systematic way of altering behavior to prepare an employee for a job or to improve the employee's performance on the present job, and development is preparing an employee for improving the conceptual, decision making, and interpersonal skills in complex, in structured situation. The other opinion about training is from Smith he said training is a planned process to modify attitude knowledge or skill behavior through learning experience to achieve effective performance in an activity or a range of activities. [11]. [12].

All of the definitions had at least one area of focus, core element and dependent variable and some definitions had more than one area of focus and dependent variable. The major categories developed from the area of focus and dependent variable are:

- Develop or gain knowledge
- Develop or gain skills
- Improve performance
- Improve organizational efficiency.

### A. Empowerment Concept

The *empowerment* which is the result of thinking and study of the human mind and western culture (Europe) which began to appear around the 1970s and was disputed and developed continuously in the 80s, and the 90s to the end 20th century. Empowerment emerged as an important theme especially in the participatory, emancipator,



democratization movements including the women's movement and other oppressed movements in organizing society and the growth of new-populism and in progressive movements for peace and social justice (Kresberg in Ife, 1998) [13].

### B. Youth Concept

The 2015 United Nations reports hold that over 42% of the current global population is under the age of 25 (UN DESA, 2015) [14]. The majority lives in cities, with cities of the developing world accounting for over 90% of urban growth worldwide. An estimated 60% of all urban dwellers will be under 18 by 2030 (UN Habitat, 2012). Concerning youth, The Law Number 40 of 2009 1 defines that (1) "youths are Indonesian citizens entering important period of growth and development ranging from 16 (sixteen) year-old 30 (thirty) year old" [15] [16] [17].

### C .Entrepreneurship Concept

In his book Entrepreneurship, Robert Hisrich and Michael Peters (1995), as quoted by Buchari Alma (2000), said *the process of creating something different with value by devoting the necessary time and effort, assuming the accompanying financial, psychological, and social risks and receiving the resulting rewards of monetary and personal satisfaction.*[5].

Entrepreneurship can be viewed from three main elements, namely: motivation, organization and society (Durieux and Stebbins, 2010) [16].18

The other concept is about social enterprises, in recent years, have become prominence issue mainly because of their ability to address pressing global concerns. (Agarwal, Chakrabarti, Brem, & Bocken, 2018; Sakarya, Bodur, Yildirim-Öktem, & Selekler-Göksen, 2012; Stephan, Patterson, Kelly, & Mair, 2016; Viswanathan & Rosa, 2010) [13].19

## III. METHOD

This research applied case study method with qualitative approach. The suitability of using a qualitative approach was also based on the problems in this study with some considerations:1) easier to deal with the facts 2) directly presenting the nature of the relationship between the researcher and the respondents 3) more sensitive and more adaptable to the sharpening mutual influences on the value patterns faced[11].This research consisted of five informan. Two of them were graduates of life skill education program and three others were the administrator, the tutor, and the resource person. This research was conducted in Community Learning Center (in Indonesia call PKBM)PKBM in West Bandung District, West Java Province, Indonesia. The data collected through field note, documentation, observation, and interview.

## IV. FINDINGS AND DISCUSSION

The study about youth empowerment through entrepreneurship based on local potential was divided into two discussions:

### A. The Result of Youth Empowerment Training Program

The result of youth empowerment training program was designed to guide, train, and teach the learners (community as a provision to for a better future. This training was conducted by PKBM in West Bandung District, through life-skill education program (personal skills, social skills, and vocational skills). The result described that the community was categorized good in some aspects: cognitive, affective, and psychomotor. Quantitatively, the learners participated in this program had successfully passed. At the same time, in term of competence (qualitative), the learners succeeded in improving their knowledge about how to make cassava crackers, business management (cognitive), to have mental attitude (affective), tenacious, patient, discipline, visionary, entrepreneurial, easy-going and socializing, to have skills (psychomotor) in making cassava crackers, simple cash book, and so forth.[12].

The results of training achievement could also be seen in the evaluation stage. Evaluation was actualized in the beginning and in the end of the program. The initial evaluation aimed to know the entry behaviour level of the training participants. In addition, the evaluation facilitated the appropriate determination of the learning materials and methods as well as the classification of the participants to be placed proportionally. In the other hand, the final evaluation aimed to measure the level of material acceptance by participants and to find out material that needed to be deepened and improved.

The evaluation was conducted by the learning resource both in theory and in practice. The assessment or the evaluation was combined and monitored by the training organizer.

The thorough evaluation was held after the learners participated in the life-skill education training program by the organizer which was PKBM. The evaluation aspects were cognitive evaluation, affective evaluation, and psychomotor evaluation. The affective evaluation was done through observation during the learning process. The cognitive and psychomotor evaluation were actualized with pre-test and post-test. [13].

In cognitive aspect, the evaluation showed that there was an improvement in the learners' knowledge and comprehension about the steps in producing Sundanese food which was *kecimpring* (similar to cassava crackers).

The improvement of the affective aspects was showed from the participation of the learners in the learning and training process actively. In addition, because producing *kecimpring* was done in groups, the learners were trained to be able to work together with group members. The collaboration and familiarity fostered an attitude of sympathy among the participants.

The evaluation in psychomotor aspects indicated that there was enhancement of the learners' skills in producing Sundanese food which was *kecimpring*. Moreover, the learners were required to be able to design the products and promote it although the implementation had not run optimally due to some constraints.



### B. The Impacts of Youth Empowerment Training Program

The impact of this training described that there was an improvement in learner's knowledge and skills towards the learning material in managerial technical ability, mainly in utilizing the business opportunities to create job opportunities. With these knowledge and skills, the learners were able to develop a business that they had started from the beginning. Beside the changes in attitudes and behaviour, it was also found that there was an increase in learners' income after participating in the program.[14].

In addition, there was an enhancement of learners' activities in participating social event in their environment, such as attending *Majelis Taklim*, contributing in wedding party, and serving the food for the community service participants. This was in line with Sudjana that impacts include: (a) The changes in the standard of living of graduates characterized by job acquisition, or entrepreneurship, acquisition/increase in income, health and self-appearance; (b) Sharing the meaningful knowledge gained by the graduates; (c) The increase of participation in social activities and community development through thoughts, energy, property or funds.[12].[13].[14].

The supervision of the continuity and success of the life-skill education programs was carried out by the organizer regularly by monitoring and assistance. The training result could be used as side livelihood because the group business had not been profitable entirely. The roles of the organizer of life-skill education program were: (a) group management coaching, (b) Granting capital or group business funds (stimulant model), (c) administration/accountancy guidance, (d) partnership with market traders, companies or large shops to develop the marketing. The following lists were the supporting factors to be developed by learners after following the training:

- 1) The level of awareness of the group to do entrepreneurship
- 2) The intensity of people's interest in doing entrepreneurship
- 3) The support from local government and regional community leaders
- 4) Potential natural resources
- 5) The network of partnerships with market traders to accommodate the products
- 6) The integral and continuous assistance activities by the PKBM Ash-Shoddiq

Through this training activity, the youth of West Bandung became more productive. The interaction and social relations among youths were running better and more positive.[12].[13].

### V. CONCLUSION

The rural youth empowerment by utilizing the local potential became a significant solution in overcoming social problems. This youth empowerment was designed to improve knowledge, behaviour, and entrepreneurship skill especially for the youth in Pagerwangi and generally for the all the villagers in Pagerwangi. The training was applied by using management approach with participatory-andragogy approach during the process

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