# FIRING UP EXCELLENT ENTREPRENEUR EMBRYOS IN SEMARANG STATE UNIVERSITY, INDONESIA

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#### ABSTRACT

Semarang State University has received fund from Science and Technology Program for Entrepreneurship (Iptek bagi Kewirausahaan – IbK). The aim of this program is to facilitate students' talents, interests and desires at entrepreneurship, to improve students' technology and art-based entrepreneurial skills, to improve business management skills, and to create proper methods for Semarang State University' students to develop the business. The IbK program at Semarang State University is to educate 20 candidates for new entrepreneurs per year. As the result, every year 5 of 20 candidates will be new entrepreneurs who do the real business in the society.

This article describes the entrepreneurial mentoring activities at IBK program as "the fertilization container" for entrepreneurship embryos through entrepreneurial management, marketing, production, and technology consulting. The mentoring helps students to find alternative solutions of their problems when they run the business. The mentoring has been able to guide some of students' business products become the local superior products that successfully compete with existing products on the market, such as "Oxy CC" bottled drinking water, "Unsec"bakery, and "Djoeang Cloth" as a provider of T-Shirt "Jateng Gayeng," an official t-shirt for public institution in Central Java, Indonesia.

Key Words: Entrepreneurship Education, Entrepreneur, Excellent Entrepreneur

#### 1. Introduction

Entrepreneurship is an old idea which is continuously updated since the government of Indonesia understands that it needs entrepreneurs to accelerate the economic development in Indonesia. To be a prosperous country, it needed 2% employers of all total population of the country<sup>[1]</sup>. The data from the Ministry of Cooperatives and SMEs in March 2015 showed the total number of entrepreneurs was 1.65% employers of 253.61 million Indonesian populations. It means that Indonesia needs about 0.35% or 88.76 million new entrepreneurs to boost the economy of Indonesia.

One of strategies to increase the number of entrepreneurs in Indonesia is through education. One effort to improve the human resources quality was through education investments<sup>[2]</sup>. The government needed to foster entrepreneurship for young people by issuing some policies: (1) introducing the entrepreneurship education into all subjects; (2) developing the curriculum which delivers the entrepreneurship education so it can improve the understanding of entrepreneurship which will foster the entrepreneurship character and skill; (3) fostering the entrepreneurship culture in the school environment <sup>[3]</sup>.

Since 2009, Semarang State University has an active role in Ministry of Research and Higher Education for Enterprising Scholar Program (Program Mahasiswa Wirausaha- PMW). The aim of this program is to develop the new entrepreneurs which are well-educated, to support the model of entrepreneurship education, and to support the growth and development of scholar entrepreneurship manager institutions at Semarang State University<sup>[4]</sup>. The university's endorsement to PMW is proved in one of the rules by including entrepreneurship subject into an obligatory subject to all faculties. The effectivity of this rule is also proved by the number of students who had taken the subject won in competition programs in Scholar Creativity Program (Program Kreatifitas Mahasiswa- PKM) especially in entrepreneurship which organized by Ministry of Research and Higher Education.

With the enthusiasm of the students and being pushed by the need of internal and external stakeholders, Semarang State University is eager to increase the facility and concerns to the students who are related to competency developing and soft skill in enterprising as a way to increase the competitive ability of the students' products to be able to compete in domestic market or even global market. It sees that `the Entrepreneur Embryos` have been born by the proponent programs for the entrepreneurship activities such as PMW and PKM. To keep and grow those embryos to be the pioneer of excellent entrepreneurs, Semarang State University tries to facilitate it with various activities. One of the roles of Semarang State University to entrepreneurship subject is by building Semarang State University Student Entrepreneurship Center (Unsec) and it is as a center to the young entrepreneur embryos in Semarang State University. Semarang State University Student Entrepreneurship Center (Unsec) was launched on October 10, 2010. Unsec has four divisions: 1) Entrepreneurship Education and Training Division; 2) Entrepreneurship Incubator Division; 3) Partnership Division; and 4) Entrepreneurship Research and Developing Division. As a center of entrepreneurship with limited experiences, Unsec tries to run the roles and functions in each division and give services to the students entrepreneurs optimally.

Besides building internal performance of Unsec divisions, this organization cooperates with Ministry of Research and Higher Education in order to organize Science and Technology to Entrepreneurship Program (Program Iptek bagi Kewirausahaan- IbK) in 2013. This program gives chances to Unsec to do the missions: 1) Organize entrepreneurship service for academicians with professional conservation sense, knowledge based economy, independent and continuous; 2) Organize entrepreneurship research and developing for Semarang State University academicians; 3) Build networks with other institutions related to entrepreneurship developing.

### 2. IbK Program Semarang State University

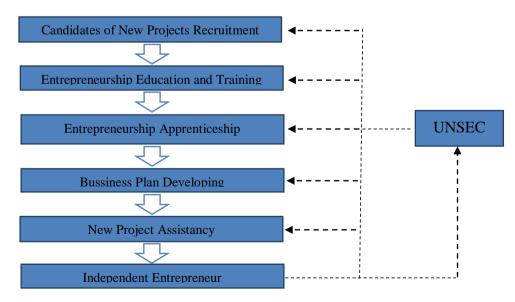
IbK program under Unsec facilitates students who have entrepreneurship interest and talent to start enterprising based on the science and technology they are studying. The facilities are: entrepreneurship education and training, apprenticeship, arranging bussiness plans, financial support, and project assistancy. This program is hoped to be able to support the government missions in creating people's independency by creating job vacancies and resourcing of Small and Medium Entreprises(SMEs).

IbK program involves students or alumna as tenants (tenant is a terms for the member of this program) who sellected through tenant candidates recruitment steps. IbK program in Semarang State University has an obligatory target to mentor minimum 20 people or groups of entrepreneur candidates every year. IbK in Semarang State University cooperates with Unsec in recruiting students for entrepreneurship candidates. Students who want to improve their entrepreneurship sense can join the IbK Program in Unsec by sellections with various criterias.

IbK in Semarang State University gives entrepreneursip training, places some students to do internship in some companies by visiting SMEs around Semarang and facilitates students to enterprise. The training is organized to give entrepreneurship knowledge to support the growth of motivation for enterprising, to increase management understanding (organization, production, financial, and marketing) and to make bussiness plans or study of project prosperous. Internship activity in SMEs is organized to give practical entrepreneurship experiences for the tenants by working daily in the companies. Marketing facilities are given to the tenants who already have products, whether they are goods or services, to sell or to promote in Unsec Gallery.

### 2.1. The Steps of IbK Assistancy.

There are six steps to realize the creation of excellent entrepreneurs through IbK program. These sixth steps is illustrated in the picture 1 below:



Picture 1 Unnes IbK Assistancy Diagram

The first activity of IbK assistancy steps is snaring tenant candidates or the new entrepreneurs who are unstable (still unstable because of some obstacles). This tenant candidates snaring is done with sellection to students as the new entrepreneurs, whether the students who are involved in university programs (PKM, PMW, etc) or the uninvolved students, and also to the alumna who are still doing new enterprises. Education and training or entrepreneurship study is held right after the sellections. In this step, tenants get entrepreneurship skills. They are also given chances to study outdoor in project places, visiting many firms and SMEs to complete the knowledge they have got in the training, also to develop tenant's creativities and inovations. Through this training, the students of the new entrepreneur candidates are expected to have understanding and entrepreneurship sense. They will be able to be future-minded entrepreneurs; know the mindset of enterprising, and enlarge management understanding in terms of organization, production, financial and marketing.

Entrepreneurship internship cooperates with SMEs partner especially the internal business entity around this university, for example, Mathematic Learning Media Production Unit (business entity in FMIPA-UNNES), Chemical Analysis Service Unit (business entity in FMIPA-UNNES), and Tools Production Unit (business entity in FT-UNNES) which are available in University and have relevancy to scholar projects. By entrepreneurship internship activity, the students can learn from practical-working project as a media for growing entrepreneurship sense. Besides, through the entrepreneurship apprenticeship activity, they are able to absorb every practical experiences. Through the internship activity, new entrepreneur candidates are able to understand the process of production and know the quality of the resultant products, understand the problems in SMEs and how to fix them and improve creative and innovative attitudes in entrepreneurship.

With the knowledges and experiences during participating in education and training also in internship program, students develop bussiness plan to run. Bussiness plan which being developed are the developing of bussiness plan proposals that have been arranged for the projects. The proposals can be different from the previous project plans. This may happen along with increasing understanding, skills, and entrepreneurship experiences that will be gotten in the previous step. With the mature bussiness plan developing, we hope the new projects will be the steady new projects without changing subjects or changing projects.

Tenants who have started up their new projects get assistancy facility. The assistancy includes management consultation, marketing, production, or technology to help opening access to the market, financial resources, and to help giving alternative solution to the problems. The consultant team for tenant entrepreneurship assistancy are Unsec lecturer teams and entrepreneurship assistancy lecturer teams at faculty. The assistancy is personally according to each tenant characteristic project. An online facility for assistancy can be reached on www.unsec.unnes.ac.id. Tenants can also ask or share opinios on the web, to tell what they feel, worry, or dissatisfied in running the project. On the subject which generally need individual assistancy, limited classically training is provided for around twenty participants.

The last steps is independent entrepreneur. This step is the output of these IbK program in Semarang State University. Independent entrepreneur is a well-prepared entrepreneur to compete in public. Independent entrepreneurs have developed business project based on the business plan. The new enterprise run by independent entrepreneur is no longer facing problem of changing project. It is now able to access financial support from any financial foundation with an obligation to settle it by credit system and to pay the investment fee such as interest or income sharing.

#### 3. Results and Discussions

#### **3.1.The Process of IbK Assistancy**

### **3.1.1.Candidates of New Projects Recruitment**

The first activity of IbK assistancy steps was snaring tenant candidates or the new entrepreneurs who are unstable (still unstable because of some obstacles). Before inviting students who have interest in enterprising, IbK program was socialized to the lecturers of entrepreneurship assistancy on each faculty. The need of twenty tenants was gained by recruiting IbK tenant candidates. The tenant candidates recruitment was done with sellection to the students as the new entrepreneurs, whether students who are involved in university's programs (PKM, PMW, etc) or the uninvolved students, and to the alumna who are still doing new enterprises. This recruitment consists of two steps that are, project plan sellection and identification of discipline, interest, and commitment as entrepreneur by interview.

### 3.1.2. Entrepreneurship Education and Training

Entrepreneurship education was given to IbK tenants by giving the motivation from the motivators, entrepreneurs, and lecturers. Entrepreneurship education generally gave knowledge to students who are interested in enterprising especially IbK tenants, and have strong faith in enterprising. Entrepreneurship class were conveyed mechanically by motivators with real examples. This was aimed to give motivation to the

tenants that a businessneeds believing in success, businessman is born to be wealthy and able to make family and his workers prosperous.



Picture 2 Entrepreneurship and Education Training for Students

In this step, tenants also got entrepreneurship skills. They were also given chances to study outdoor in project places, visiting many firms and SMEs to complete the knowledge they have got in the training, also to develop tenant's creativities and innovations. Through this training, the students of the new entrepreneur candidates are expected to have understanding and entrepreneurship sense, so that they will be able to be future-minded entrepreneurs; knowing the mindset of enterprising, also enlarging management understanding in terms of organization, production, financial and marketing.

#### **3.1.3.** Entrepreneurship Internship

Entrepreneurship internship cooperated with SMEs partner especially the internal business entity around this university, for example, Mathematic Learning Media Production Unit (business entity in FMIPA-UNNES); Chemical Analysis Service Unit (business entity in FMIPA-UNNES); and Tools Production Unit (business entity in FT-UNNES) which are available in University and have relevancy to scholar projects. Entrepreneurship internship also cooperated with another SMEs which are appropriate to tenants business.

By entrepreneurship internship program, tenants learned from practical working in SMEs as a way to grow their entrepreneurship sense. They were able to get various practical experiences. The new entrepreneur candidates were able to understand the process of producing products and also know the quality of the resultant products, understand the problems faced by SMEs and how to handle them, and stimulate creativity and innovative attitude in entrepreneurship subject.

Entrepreneurship internship equipped with field study activity, so that students have practical experiences in managing various products and learn to the related enterpreneur. They learned to the enterpreneurs who convey their experiences in managing their project of enterprising in many ways. They learned to understand that some projects, because of many obstacles were not running the way as they planned or bussiness plan that have been made. Obstacles were the direct learning for an entrepreneur. The lesson from the real entrepreneur was that whenever the project was in a financial loss. An entrepreneur should arise soon, work harder, and be persistent and patient. Besides, there were character learning from the entrepreneur to the scholar apprentice not to forget their God to get a successful enterprise.

Some SMEs that had been visited for IbK program located in many places of Central Java, such as candle craft business and paper waste craft business in Boyolali, convection business and yoghurt business in Ungaran, and so forth.



Picture 3 Training for t-shirt screen printing in convection business

With knowledge and experience during participating in internshipp program, students developed their bussiness plans. Bussiness plan which being developed were the developing of bussiness plan proposals that have been arranged on sellection, or the bussiness plan developing which were different from the previous bussiness plan. This happened along with increasing understanding, skills, and entrepreneurship experiences. With the mature bussiness plan developing, the new projects will be strong without changing subjects or changing projects.

### 3.1.4. Bussiness Plan Developing

With the knowledges and experiences during participating in education and training also in internship program, students develop bussiness plan to run. Bussiness plan which being developed are the developing of bussiness plan proposals that have been arranged for the projects. The proposals can be different from the previous project plans. This may happen along with increasing understanding, skills, and entrepreneurship experiences that will be gotten in the previous step. With the mature bussiness plan developing, we hope the new projects will be the steady new projects without changing subjects or changing projects.

Bussiness plan was practiced by the tenants to count the financial need especially for enlarging or adding omzet. Through financial loan without interest which was given by IbK team, tenants learned to manage their project finance. The income they got in every transaction was saved. After a month, it was used to pay the loan back gradually. The lesson of paying in installment was to teach tenants to keep the commitments and promises and to be loyal to the agreement. In this step, tenants had started up their new project with assistancy facility. The assistancy enveloped expert consultation in terms of management, marketing, production, or technology to help opening access to the market, financial resources, also to help giving alternative solution to the problems.



Picture 4 Classical Mentoring for Developing Tenants' Business Plan

### 3.1.5. New Project Assistancy

Tenants who have started up their new projects get assistancy facility. The assistancy includes management consultation, marketing, production, or technology to help opening access to the market, financial resources, also to help giving alternative solution to the problems. The consultant team for tenant entrepreneurship assistancy are Unsec lecturer teams and entrepreneurship assistancy lecturer teams on faculty. The assistancy is personally according to each tenant characteristic project. An online facility for assistancy can be reached on www.unsec.unnes.ac.id. Tenants can also ask or share opinios on the web, to tell what they feel, worry, or dissatisfied in running the project. On the subject which generally need individual assistancy, limited classically training is provided for around twenty participants.

The project of tenants which had no experts in Unnes made IbK team did any colaboration with the related project institution outside this campus. Such the tenant's project of bottled drinking water which was colaborated with the package supplier and Trade and Industry Official to get the authorization. One of the roles of lecturer as a project assistant was that loan given by IbK team must be paid. At the first loan, it was hard for the tenants to pay the money back. Assistancy was very useful to fire them up with various ways and approaching models.

### **3.1.6.** Independent Enterpreneur

This step is the output of IbK program. Independent entrepreneur is a well-prepared entrepreneur to compete in public. Independent entrepreneur have developed business project based on the bussiness plan. The new enterprise run by independent entrepreneur is no longer facing problem of changing project, it is now able

to access financial support from any financial foundation with an obligation to settle it by credit system and to pay the investment fee such as interest or income sharing.

### **3.2.Scholar Bussiness Projects as the Result of IbK Program**

IbK program has a representative place. It is in GSG no. 10 Semarang State University. It has three floors. The first floor is a display room of goods or services from students, alumna and lecturers products. The product display are clothes, accesories, crafts, foods and drinks. Service products with non-galery activity may put brochures or pamphletes.

The second floor is used for service projects like `Chiby Salon` and `Sporta Massage`. Students of IbK participants are working on their skills that have been learned in Semarang State University. Chiby Salon is a project from students' group of Production Service Technique of Beauty program. Sporta Massage is a massage service from student group of Sport and Training Study Program. The rooms are set for salon and massage activities. For fullfilling male customers requests, salon and massage services are open on Tuesday, and the rest of the days are for female customers, except on Saturday and Sunday when the days are off.



Picture 5 Unsec Gallery



Picture 6 "Chiby Salon" in Unsec's 2<sup>nd</sup> floor

Galery Unsec room in the third floor is used for education, training and assistancy programs. All of IbK assistancy program are centered in this floor with enough room for twenty tenants or more. Education and Training Room for enterprising is also provided with wi-fi and internet access. It is located in central parking area for scholars, lecturers and workers to ease the access to every faculty and working unit in UNNES. IbK program through the education activity educates scholar entrepreneurs to have basic knowledge and enterprising spirit. The training are conveyed classically according to the program IbK team has provided (arranging installment proposal training) or according to what tenants need when running the project, such as creating committee training.

Beside indoor business, many tenants run their businesses outdoor of Unsec building. Lately, even most of the tenants business is an outdoor business which are run at strategic locations around UNNES. In 2013, there were 7 of 20 tenants business run their business in outdoor concepts. In the second year this amount increased, 10 of 20 tenants business were outdoor businesses. In 2015, 13 of 20 tenants business were outdoor businesses. In 2015, 13 of 20 tenants business were outdoor businesses. Outdoor businesses has an advantage which is less capital because tenants do not need to rent a building to run their business. All they need are just a food vending cart and a location to settle which has low-cost rent rate.



Picture 7 Kyuubi Yoghurt chooses outdoor concept for their business

## 3.3.IbK Assistancy Sustainability

IbK program as a strengthening embryo for entrepreneurship activity bore at least 5 independent enterprises per year to compete with another enterprises in the society. Hopefully, this students' bussiness do not quit along with the end of IbK assistancy, but keep on going or develop in the society. By the end of IbK assistancy, tenants has been being independent and ready to work in the society.

Unsec had a solid team and entrepreneurship assistancy at faculties which supported IbK activities program by high integrity to support each other. They were also responsible. It was proved by all team who supported IbK program preparation which started from sellection, education, internship, and entrepreneurship assistancy for tenants. The program run well as planned because of the hard-woking team and leader who support facilities and funds.

In 2013, 20 tenants were sellected. IbK program gave entrepreneurship education, field study, and internship in SMEs around Semarang and facilitated students to enterprise. Bussiness motivation training had been given to open tenants mindset to be strong and faithful in their decision to start bussiness based on their passions. Education and training were needed by tenants especially in marketing management understanding which is related to the quality of the products and services.

Galery Unsec provided facilities for tenants who had products to sell and to promote, whether they were goods or services. The poject was an innovation from study program competency such as foods or cullinary, education services, computer, services, clothes, and merchandise. But, there was an evaluation for IbK program in 2013, that was gallery arrangement which was unefficient yet. So, in 2014 rearrangement of product display and trading service was held.

In 2013, there were 16 of 20 IbK tenants who were successful in starting new enterprises. In 2014, there were 5 tenants who passed IbK program and became independent new entrepreneurs based on science and technology and worked in the society. They were the tenants who run "Teh Aus" (tea/beverage), "Pizza Hatori" (pizza), "Sporta Massage" (massage service), "Diayu Creative Design" (design graphic service), "Stik Susu" (snack). They tried to continue their business after this program and completely compete with others small entreprises. Nevertheless, IbK team still oversees all these alumna and they are given the opportunity to consult at any time on their business even they have passed the program.

The most outstanding product in 2013 is CC-Oxy bottled drinking water. This product has been clinically proven to have zero Total Dissolved Solid (TDS) levels. TDS is the total amount of dissolved solids in water. The solids can be minerals such as iron, chloride, and others. WHO standard for drinking water purity is limited to the value of TDS 40 ppm. More than that the rest of the process can not be extracted from the body to remove it. The risk settles in vital organs that can cause various diseases. Therefore, drinking water with zero TDS is able to maintain and parse sediment in the vital organs. Now, CC-Oxy onlycan be found in Unsec gallery. But tenants has built a new marketing planning to explore the new market for this product.



Picture 8 CC-Oxy bottled drinking water with zero TDS

In 2014, second recruitment was held to gain those 20 tenants back. While the successful alumna shared their achievements to their junior who were still struggling on their projects by disscussions and colsultations with the experts. the chosen tenants for joining IbK were Bandeng Mobile Nirwana (food business), Djoeang Cloth (convection business), Raja Nasgor(food business), Rumah Boneka Edubori (educational props) and Unsec Snack and Bakery.

In the second year, the embryo of Indonesian Students Entrepreneurs Association (Himpunan Pengusaha Mahasiswa Indonesia-HIPMI) at Semarang State University was formed. Assistancy activities could be more intensive. Besides education and training classically which was held in the third floor of GSG about entrepreneurship to open enterprising mindset, subjects related to project founding technique, marketing

and financial management accountancy were conveyed. The tenants cooperated with another tenants to convey scholar or alumna tenants` success stories to motivate each other in enterprising.

There were two outstanding products in 2014, they were Djoeang Cloth and Unsec Bakery. Because of their good quality products and supported by an excellent marketing strategy, Djoeang Cloth successfully elected to become the provider of T-Shirt "Jateng Gayeng," an official t-shirt for public institution in Central Java, Indonesia. According to Governor regulations "Jateng Gayeng" T-Shirt must be worn by the workers at every event held by government institutions all around Central Java. This is a good opportunity for this product because the market has formed and will certainly continue to grow.

Unsec Bakery also has a rapid growth in terms of their products and marketing strategy. Unsec Bakery played an important role in Semarang State University 50th anniversary celebration by making a giant cake shaped Semarang State University emblem.Because of the event people acknowledged the existence of this bakery and gave a high appreciation for the creativity. Now the market for their products become larger and larger as their products have been highly variated.



Picture 9 Outlet of Djoeang Cloth



Picture 10 Unsec Bakery products

In the third year (2015) IbK program kept on doing education activities, training and internship or field study. The enterprises of the IbK tenant alumna which had been working in the society kept communicate with the juniors as Unsec partner. By communicating, it was known that some new entrepreneur tenants were facing some obstacles. The obstacles were the low ability and bussiness skills, unable to access the market and the low skill on managing finance. To fix those obstacles, the successful alumna gave alternative solutions and shared their bussiness experiences with success story concept to their still-struggling juniors through routine disscussions which were facilitated by Unsec.

The next plan in 2016 is to held education and training and apprenticeship with more various assistancy models, bussiness consultation and project monitoring. In 2016 IbK teams also have a plan to create a legal business unit for tenants who are enterprising in CC-Oxy bottled drinking water because the requirement for entering the larger market is to have the requisite authorization from the related comittee. Besides, in 2016 student-entrepreneur organization is targetted to be able to increase networks with another universities in Semarang and surrounding so that tenants have wider communication to be more independent.

#### 4. Conclusion

IbK program is run with high dedication of Unsec teams. Each team has jobs and responsibilities to educate and assist the tenants for their independency. IbK program has born many new students entrepreneurs at Semarang State University. However, they still had obstacles in running their businesses. Most of new tenants had some obstacles, for example, they were unable to access the market and they had low ability of managing finance and bussiness skills. Therefore, the plan of the next step is to activate assistancy models, to do monitoring and evaluation more effectively, and to improve bussiness consultations model for making tenants more independent. For achieving that goal, these things below are needed: 1) election of expert for project assistance based on the tenant's project and the background of the expert. Tenants may propose lecturer as the expert whom they want to be their project assistant; 2) bussiness consultations use communication and information technology to make the way of colsutations more intensive. The upcoming consultation may be provided with BBM, e-mail or other on line media; 3) each expert will assists two tenants in order to monitor

them effectively. Rewards will be given to the tenants who run the bussiness well. The tenants who managed their projects responsiblely with discipline, compactness, persistence, and hope.

The effort for succeeding IbK program needs strengthening motivation for the tenants regularly. Moreover, in making the interest of enterprising become steadier, these things below are needed; 1) increasing and developing promotion media for goods or services products of the tenants in Semarang State University IbK program; 2) increasing assistancy program through human resources project management system and the chosen institutions to make tenants readier in enterprising and become an excellent embryos in enterprising.

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