

INCREASING INTEREST IN ENTREPRENEURSHIP IN THE MSME SECTOR

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ABSTRACT

Entrepreneurial interest, especially in the MSME sector, is very important to grow considering that the MSME sector is the driving force of the economy as well as a buffer for the country's economy. However, public interest in entering the world of entrepreneurship is still very limited. Therefore, a stimulus is needed to foster public interest in entrepreneurship. The government has made various efforts to increase public interest in entrepreneurship. This study aims to examine the factors that can foster entrepreneurial interest with the aim of knowing the factors that can foster entrepreneurial interest in the community. The research method used is a descriptive qualitative method with a literature study approach. The data used is data that comes from a literature study. The results of the study indicate that before determining programs and activities that can increase entrepreneurial interest, it is necessary to first know the factors that influence the increase in entrepreneurial interest. Factors that can have an influence in growing entrepreneurial interest are personality, knowledge or education, environment, and work experience as well as additional factors such as income expectations, perceptions of job opportunities, and motivation.

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1. INTRODUCTION

The demographic bonus that Indonesia will face in the next few years will make the ratio between job seekers and employment opportunities even higher. Indonesia is predicted to face a demographic bonus that began in 2010, will peak in 2020, and will reach its final stage in 2030 [1]. At that time the age of the workforce, which was booming, made the existing job opportunities unable to accommodate job seekers as a whole. This can increase the unemployment rate. High unemployment rates can have a negative impact on various things, both on social conditions or on conditions of economic growth and development of the country.

The demographic bonus is an opportunity as well as a challenge for the country. If the demographic bonus can be managed properly, it can generate economic acceleration, which of course will greatly impact the growth and development of the country's economy. On the other hand, if the demographic bonus fails to be managed and handled, it will result in economic degradation which will impact on the disruption of the country's economic growth and development. So, the demographic bonus must be overcome by developing creative, innovative and solutive solutions. If the demographic bonus is managed successfully, the contribution of the productive age to support the non-productive age will be very high [2].

One of the solutions in dealing with the demographic bonus era is to create new jobs. New jobs can be created through the birth of new businesses. The birth of a new business requires an entrepreneurial spirit. Therefore, it is necessary to foster entrepreneurial interest in youth, especially in the Micro, Small and Medium Enterprises (MSMEs) sector which is still relatively easy for new players to enter. Fostering entrepreneurial interest is carried out in young people, namely high school students and college students. At this age level, generally interest in entrepreneurship is still easier to grow than at the age above. An entrepreneur will appear when an individual dares to develop a business that comes from new ideas through entrepreneurial motivation [3]

Based on research conducted by [4] States that "The application of this entrepreneurial spirit for vocational students is still difficult, because the education they take is sometimes mentally not ready to enter the world of entrepreneurship. In addition, the environment and entrepreneurship education also have a significant influence on growing entrepreneurial interest where entrepreneurial education is a moderating component between entrepreneurial interest and the surrounding environment. [5]. Increasing interest in entrepreneurship can also be done by organizing entrepreneurship learning through

superior programs implemented to gain competitive advantage. Broadly speaking, the factors that influence entrepreneurial interest can be divided into internal, external and contextual factors[6]

In this research, research will be conducted on how to foster entrepreneurial interest in the MSME sector. In previous studies, not much or even no one has mentioned the entrepreneurial focus on the goal of growing entrepreneurial interest. This research will focus on how to increase entrepreneurial interest in the MSME sector. Therefore, this study will examine the efforts and strategies in fostering entrepreneurial interest in the MSME sector. The efforts and strategies examined in this study will be more focused on the government's efforts by not ignoring the efforts of other parties who have a significant impact such as the banking sector or the private sector. The purpose of this study is to find out what factors can encourage people's interest in working in the MSME sector.

2. LITERATURE REVIEWS

Entrepreneurship in terms of etymology is a hero who does something and a person can be said to have an entrepreneurial spirit if he can see opportunities, not give up easily, be creative and innovative.[4]. Reliable entrepreneurship has several characteristics including:

1. Confidence in own product
2. Get to know the product you have
3. No arguing with consumers
4. Communicative and friendly in negotiations
5. Polite, honest, and brave
6. Able to create a transaction

The factors that influence the growth of entrepreneurial interest are very diverse. In the agricultural sector, the growth of entrepreneurial interest is influenced by at least 5 things, namely capital, labor, skills, land, and entrepreneurial spirit[7]. This will be different in the MSME sector, but in general they will certainly have similarities in a number of ways.

Interest is a person's level of awareness of an object, person, problem and situation related to that individual person. Interest can also be defined as a feeling of being more inclined to like something or an activity even without coercion(Seba, 2020). Interest in entrepreneurship is basically an internal factor but the factor for growing or developing this interest is an external factor consisting of the surrounding environment and education or training and the like regarding entrepreneurship.

Interest in entrepreneurship in Indonesia itself is known to be still very low, namely only around 0.18 percent of the total population of Indonesia, while in other countries the average has reached 2 percent.[8] Providing entrepreneurship education is considered important because an entrepreneur is required to have the ability to solve problems in business and maintain the continuity of his business[5]. Therefore, various efforts to foster entrepreneurial interest must be conveyed because not everyone who owns a business is capable of having entrepreneurial skills. Especially in the MSME sector, the sector that most often has direct contact with entrepreneurs, entrepreneurial interest must be grown and developed so that the businesses that have been formed are not just digging holes to cover holes but can develop and be sustainable.

3. METHODS

This research was carried out using descriptive qualitative research methods. Descriptive qualitative is the most basic and simple qualitative research method as well as the most widely used and the most frequently used compared to qualitative methods at other levels. Qualitative research places more emphasis on the depth of meaning of the source compared to results that are measured numerically. In descriptive qualitative research, the results of the research will be explained coherently so that they can be understood. Descriptive qualitative methods will lead to research results that provide an overview of the facts and phenomena that occur. The research approach uses a literature review approach, namely by using scientific publication sources as research sources. This approach is also called the literature study technique. This technique considers primary and secondary sources in conducting data analysis. The data used in this study is secondary data obtained from various publications that can be accounted for.

4. RESULT AND DISCUSSION

The government began to realize the importance of entrepreneurship. Entrepreneurs, especially in the MSME sector, can help the country maintain economic stability. This can be proven by the stability of the MSME sector during various global disasters such as recessions, depreciation of foreign currencies, global crises, world wars, and so on. MSME is one of the sectors that is prioritized by the government. Based

on this, cultivating entrepreneurial interest in the MSME sector has become a necessity. Because people's interest in getting involved in the MSME sector, especially as entrepreneurs, is still very low. This has encouraged the government to carry out various strategies in an effort to foster entrepreneurial interest, especially in the MSME sector.

The Micro and Small Enterprises Sector (UMK) is currently still an active driver of the business world in Indonesia. The number of businesses in the MSME sector is 26 million businesses or around 98.68 percent of the total businesses in Indonesia. [9]. However, this figure is small when compared to the total population in Indonesia. If the population of Indonesia in the data year is 261.6 million people, a comparison can be obtained that 1:10 of Indonesia's population are entrepreneurs. This calculation ignores the existence of one person who owns several types of businesses. Even though the absorption of labor from the SME sector is quite large, namely around 75.33 percent of the total workforce outside the agricultural sector. If referring to the minimum standards a country is called developed when the entrepreneurship rate reaches 2 percent, then Indonesia still has to take half of the journey again.

The government's awareness of the importance of fostering entrepreneurial interest in the MSME sector can be seen from various government efforts such as providing training, providing technical guidance, incorporating entrepreneurship in subjects and courses, as well as various exhibitions and events that carry the theme of entrepreneurship. The government continues to encourage the community to foster entrepreneurial interest. The government has identified several things that can be done to improve the performance of MSEs, one of which is "analyzing potentials that can still be optimized to improve MSEs' performance." [9]. One of these points can be realized through an increase in the growth of entrepreneurial interest in the MSME sector.

On basically growing entrepreneurial interest in the MSME sector can be done if the factors that influence interest in entrepreneurship are known. Knowing the factors that foster entrepreneurial interest will make it easier to provide appropriate and targeted stimuli. Therefore, the identification of the factors that influence the growth of entrepreneurial interest must first be carried out before determining the program steps and activities in fostering entrepreneurial interest. It is known that the factors that can influence the interest in entrepreneurship are as follows:

1. Personality

Personality has an important role in determining one's entrepreneurial interest. Someone who basically already has an interest in the world of entrepreneurship will certainly find it easier to grow his interest than an individual who has absolutely no interest in entrepreneurship. An individual who has a good personality also has a significant influence on the growth of entrepreneurial interest [10]. A business can be realized based on the existence of an entrepreneurial spirit which is part of the personality of an entrepreneur who acts creatively, likes to try, is strong in facing challenges, has self-confidence, is tolerant of various choices, has high initiative and thirsts for appreciation, perfectionist, has a point of view knowledgeable, value time, and have strong motivation [11]

2. Entrepreneurship Education

Providing education about entrepreneurship is also known to be a factor that can foster interest in entering the world of entrepreneurship. Entrepreneurship education also covers all aspects related to increasing interest in entrepreneurship through the provision of knowledge about entrepreneurship. Entrepreneurial knowledge will trigger an individual to create entrepreneurial opportunities [12]. Entrepreneurship education is also included in the national lecture curriculum. The inclusion of entrepreneurship courses in the tertiary curriculum is a form of government awareness in boosting interest in entrepreneurship. Entrepreneurship courses are given a weight of 2 or 3 credits. Entrepreneurship courses have proven to have a positive effect on growing interest in entrepreneurship [13]. At the high school level, the provision of entrepreneurship subjects also has a significant influence on the growth of interest in entrepreneurship, especially for students who have good grades in entrepreneurship subjects. [14] [15].

3. Environment

The environment also has an important role in fostering entrepreneurial interest. An individual with a family environment who is engaged in entrepreneurship tends to find it easier to develop an interest in entrepreneurship. Likewise with other environments outside the family environment, such as friendship circles, home environments, schools, and so on. An individual who grows up in an environment with high entrepreneurial interest will indirectly also have higher interest in entrepreneurship than an individual

who is not in an environment with high entrepreneurial interest. Family or environmental culture is known to have a positive influence on the growth of interest in entrepreneurship[16]

4. Work experience

Work experience also has a correlation with growing interest in entrepreneurship. An individual who has had good work experience tends to have a higher interest in entrepreneurship than an individual with bad work experience. Someone who is good at his job is often more resilient in running a business when he decides to become an entrepreneur. This is due to the abilities possessed by these individuals are very supportive in the continuity of business and business management. In addition, work experience is also a non-monetary capital that can be used as a foundation when someone runs a business.

In addition to the factors that have been mentioned, other factors that can influence the growth of entrepreneurial interest are increased income expectations[17], perceptions of job opportunities[18], and motivation[19]. The results of this study are not exactly the same as the results of research from[7]but still have similarities.

5. CONCLUSION

Entrepreneurship is very basic for the growth of the business sector, especially in the MSME sector. There are several things that are known to foster entrepreneurial interest. There are internal factors as well as internal factors as well as external factors that influence the growth of entrepreneurial interest. It can be seen that among these factors are personal personality, knowledge or education on entrepreneurship, environment, and work experience. Several other related factors are income expectations, job opportunities and also entrepreneurial motivation.

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