

The Role of Entrepreneurship in Driving Sustainable Development

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ABSTRACT

Sustainable development is the main focus of the global agenda to overcome increasingly complex environmental, social and economic challenges. Entrepreneurship is considered as one of the driving forces in efforts to achieve sustainable development, because it has the potential to create innovation, economic growth and solutions to social and environmental problems. This research aims to examine the role of entrepreneurship in encouraging sustainable development. This research uses a qualitative approach by analyzing related literature as well as case studies of entrepreneurship that contribute to sustainable development. The results of this research confirm that entrepreneurship has a major role in encouraging sustainable development. Entrepreneurs not only create jobs and sustainable economic growth, but also become a source of innovation to address complex environmental and social problems. They integrate sustainable principles in their business, provide concrete solutions to social problems, and are actively involved in their communities. Thus, entrepreneurship is not just about business, but also about being an agent of change that helps achieve broader sustainable development goals.

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1. INTRODUCTION

In recent years, the world has witnessed increasing recognition of the urgent need to address global challenges such as poverty, inequality, climate change and environmental degradation. (Arifin & Satiadharna, 2023) In response, the United Nations (UN) adopted the Sustainable Development Goals (SDG) as a comprehensive framework to guide countries in achieving sustainable development by 2030. The SDGs include 17 interconnected goals, each with specific targets to address pressing social, economic and environmental problems and create a more just and sustainable future for all (Susiana, 2015).

In the context of increasingly complex economic, social and environmental developments, the international community faces major challenges to achieve harmony between sustainable economic growth, eradicating poverty and protecting the natural environment (Fahrizi et al, 2023). Sustainable development refers to efforts to meet the needs of current generations without compromising the ability of future generations to meet their own needs (Nur & Husen, 2022). In an effort to achieve this goal, it is important to understand and explore the role of various sectors, including the entrepreneurial sector (Sarwoko & Nurfarida, 2021; Achmad et al., 2023).

Entrepreneurship, as an activity involving the creation, development and management of new businesses, has emerged as an important factor in efforts to achieve sustainable development (Dewi, 2017). Entrepreneurship not only plays a key role in driving economic growth, but also has great potential to overcome social and environmental problems related to sustainable development (Sari, 2022). The creativity and innovation found in the world of entrepreneurship can be a solution to global challenges such as climate change, social inequality and economic instability (Barlian et al, 2014; Hermawan et al., 2022).

Entrepreneurship is considered to play an important role in encouraging poverty alleviation and contributing to achieving sustainable development goals (SDGs). This is because the approach used by these entrepreneurs is considered practical, innovative and sustainable in strengthening the economy by targeting marginalized and poor community groups (Arifin, 2020). According to Kristianto (2020), many world entrepreneurs have succeeded in contributing to the achievement of the SDGs. He gave the example of what Muhammad Yunus did through the Grameen Bank which he

founded to provide microcredit loans to people who needed loans to develop their businesses (Yunus, 1999; Achmad, 2022). Then, there is Blake Mycoskie through TOMS, a business that donates a pair of shoes to those in need for every pair of shoes purchased by consumers (Mycoskie, 2011). He also gave the example of Scoot Harrison through Charity Water, providing clean drinking water to more than one million people in 17 countries around the world (Harrison, 2021).

According to this view, entrepreneurial activities have succeeded in realizing significant social transformation in various fields, such as education, health, environment and business development (Tenrinippi, 2019). This success lies in the ability of entrepreneurial activities to overcome conventional social problem alleviation practices, with its ability to cross the boundaries of rigid practice disciplines (Tubagus, 2023). With a more open and cross-disciplinary approach, entrepreneurship is able to create innovative and comprehensive solutions to various social challenges (Suryadharma et al, 2023). The positive impact of this entrepreneurial activity is not only felt at the local level, but also contributes substantially to achieving broader sustainable development goals (Utomo et al, 2022).

However, despite the great potential of entrepreneurship in sustainable development, there are still many questions that need to be answered and challenges that need to be overcome. How exactly can entrepreneurship contribute to sustainable development? What is the role of entrepreneurship in this context? This research aims to answer these questions by examining in depth the role of entrepreneurship in encouraging sustainable development. By better understanding the contribution of entrepreneurship and the factors that influence its role, we can direct more effective policies and development efforts to achieve sustainable development goals. Furthermore, this research is expected to provide valuable insights for decision makers, academics, and practitioners interested in promoting sustainable development through entrepreneurship.

2. METHOD

In this research, a qualitative methodology approach is used which aims to understand and reveal the meaning of events and their relationship with individuals in certain situations, as explained by Moleong (2014). The main aim of this qualitative research is to explore the meaning of human behavior in the context of social work technology, specifically the use of e-counseling in assessment services. To collect data, this research uses observation, in-depth interviews and documentation. The collected data was then analyzed descriptively using a qualitative approach. The data obtained will be described in precise and clear sentences to describe the observed phenomena. The data analysis steps in this research follow the model proposed by Miles & Huberman (1984) and Yulianah (2022), which consists of several stages, namely data collection, data reduction, data presentation, and drawing conclusions. All of these stages are interrelated and form a comprehensive analysis process .

3. RESULTS AND DISCUSSION

Indonesia, as a country with a population of more than 270 million people and a rich and diverse culture, faces various challenges on its journey towards sustainable development. Indonesia's unique geographic diversity, with thousands of islands stretching across the archipelago, contributes to complex socio-economic disparities and environmental issues. Although Indonesia has achieved considerable progress in various sectors, significant disparities in income distribution, access to basic services, and environmental degradation still continue (Mauleny, 2016)

Entrepreneurship as a concept and practice, has gained traction globally as a means of addressing social challenges through innovative and sustainable business approaches. entrepreneurship places equal emphasis on generating positive social and environmental impact alongside financial sustainability. Entrepreneurs driven by a strong sense of purpose and empathy, aim to create scalable and replicable solutions that contribute to sustainable development (Pomare, 2018). The following is the role of entrepreneurship in encouraging sustainable development:

a) Job Creation

Entrepreneurship has a crucial role in creating employment opportunities for local communities, and this is an important factor in improving economic prosperity in an area. By establishing new businesses or expanding existing businesses, entrepreneurs create much-needed jobs. This helps reduce unemployment rates, which are a serious challenge in many communities. With

employment opportunities available, individuals have access to a stable source of income, which in turn helps reduce poverty levels in an area.

More than just reducing poverty, the creation of job opportunities by entrepreneurship also has a positive impact on sustainable social development. When people have access to decent work, they have the ability to meet basic needs such as food, housing, and education. This improves the quality of life and general well-being in the community. Apart from that, available jobs can also provide opportunities for career development, training and skills improvement, which in the end can help people to participate actively in sustainable social development.

b) Encourage innovation

Entrepreneurship plays a crucial role in presenting innovations that contribute to solving environmental and social problems. Entrepreneurs are often agents of change who create new solutions to increasingly pressing challenges in the environment and society. They are able to think creatively and create products, services and technology that have a positive impact on nature and humans. Concrete examples include the development of renewable energy technologies, the use of environmentally friendly materials in production, and services that facilitate access to education and health services for marginalized communities.

These innovations help reduce negative impacts on nature, such as increased carbon emissions, excessive use of resources and environmental pollution. Apart from that, social solutions created by entrepreneurs also help overcome problems of inequality, inequality and social injustice. By integrating sustainable principles into their business practices, entrepreneurship becomes a driving force for creating sustainable positive change in society.

c) Sustainable Economic Development

Entrepreneurship has an important role in triggering sustainable economic growth. By focusing on creating new business opportunities, entrepreneurs help develop economic sectors that have the potential for sustainable growth. They drive innovation, investment, and the development of products and services that meet the needs of evolving markets. In the process, entrepreneurship creates added value for the economy by creating jobs, increasing productivity, and stimulating broader economic activity.

Sustainable economic growth triggered by entrepreneurship not only has a positive impact in the short term, but also has a significant contribution in the long term. New business opportunities continually created by entrepreneurs create the basis for continued economic growth. This can help increase per capita income, reduce poverty, and create the economic stability necessary to achieve sustainable development goals. In other words, entrepreneurship is one of the main engines that drives sustainable economic growth in order to achieve greater economic prosperity for society.

d) Support for local communities

Entrepreneurs often demonstrate extraordinary involvement in their communities. This involvement is not just limited to business aspects, but also involves a commitment to improving the quality of life and welfare of local communities. They understand that the success of their business can have a much greater positive impact than just personal financial achievements. Therefore, entrepreneurs often choose to provide support and resources to their communities.

One form of support often provided by entrepreneurs is in the field of education. They understand that education is the foundation for individual and community progress. Therefore, they establish educational, scholarship, or training programs that help increase access to education and skills in their communities. This contributes to increasing people's ability to compete in an increasingly complex world of work. Additionally, entrepreneurs are also often involved in providing health services or social support in their communities. They realize the importance of community health and welfare in achieving sustainable social development. By providing better access to health services, medical care, or social support, they help improve the quality of life and general well-being in the community.

Entrepreneurs' involvement in the community is not just about providing financial support, but also about sharing their knowledge, experiences and connections. They often act as mentors or leaders who inspire the next generation to take an active role in community development. Thus, the involvement of entrepreneurs not only supports sustainable economic development, but also creates a strong foundation for sustainable social development throughout the world.

e) Solutions to Social Problems

Entrepreneurship has an important role in offering concrete solutions to social problems that are often complex and difficult to overcome. One clear example is the role of entrepreneurship in fighting poverty. Entrepreneurs often set up social businesses or projects that focus on providing jobs and training to disadvantaged communities. By creating employment opportunities and additional income, entrepreneurship helps improve the economic well-being of individuals and families who would otherwise be trapped in a cycle of poverty.

Entrepreneurship can also help reduce inequality by creating better access to basic services. For example, some entrepreneurs have developed innovations in education by providing access to affordable online learning or by establishing affordable schools in remote areas. By providing more equitable access to education, entrepreneurship contributes to reducing disparities in access to opportunities and knowledge. Apart from that, entrepreneurship can also provide a solution to the problem of limited access to basic services such as health. Entrepreneurs in this field often develop business models that enable affordable, high-quality health services to be accessed by disadvantaged communities. Thus, entrepreneurship helps bridge the gap in access to essential healthcare.

f) Sustainable business development

Many entrepreneurs have demonstrated their strong commitment to sustainable principles by integrating them into their business operations. They consider social and environmental responsibility an inseparable part of their business vision and mission. In practice, this means adopting business practices that are more responsible for society and the environment around them. For example, they can invest in the use of renewable energy, reduce production waste, or adopt more sustainable supply chains. In addition, entrepreneurs are also actively promoting environmentally friendly products and services, helping to change consumer behavior towards more sustainable consumption patterns.

In their efforts to integrate sustainable principles, entrepreneurs also play a role in advancing sustainable business development. They are a business model that proves that business success can be achieved without destroying the environment or sacrificing social responsibility. This motivates other companies to follow their lead and adopt more sustainable business practices. In this way, entrepreneurship is not only an agent of change in business, but also in establishing a business paradigm that is more environmentally friendly and socially responsible. Thus, sustainability-oriented entrepreneurship has great potential to bring positive changes in the way the world does business.

4. CONCLUSION

The conclusion of this research is that entrepreneurship has a very important role in encouraging sustainable development. Entrepreneurship is not only a supporter, but is also the main motor that can drive various aspects of sustainable development, such as economic, environmental and social. The entrepreneurial ability to create innovation, trigger sustainable economic growth, and provide solutions to complex social and environmental problems is an invaluable asset. Entrepreneurs not only create profitable business opportunities, but also contribute significantly to solving complex social, environmental and economic problems. They can create jobs, generate sustainable innovation, support sustainable economic development, provide solutions to social problems, integrate sustainable principles in their business, and promote a change in the business paradigm to a more responsible business. Sustainability-focused entrepreneurship is not just about seeking financial gain, but also about bringing about positive change in society and the environment. In an era where challenges such as climate change, inequality and poverty are increasingly pressing, the role of entrepreneurship becomes increasingly important. By integrating sustainable principles in business and taking actions that have a positive impact, entrepreneurship has great potential to become one of the main drivers in achieving the sustainable development goals we hope for the future.

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