

# Entrepreneurship Development Pattern in College Based Business Incubator

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**Abstract:** *Entrepreneurship program among students directed to spread job opportunities and giving impact to increase of high quality of society in general. Business incubator as container coaching to get new entrepreneur especially students and alumni. It mean of our vision at Business Incubator of State Polytechnic of Sriwijaya that design as intermediary institution between education and Entrepreneurship. Based on function of State Polytechnic of Sriwijaya's Business Incubator are to incubated of students and alumni through treatment method and coaching program on entrepreneurship, marketing, production, capital seed, and training program or practical work. From our vision above, hope that tenants more energetic by new knowledge from business Incubator of Polsri, and get ready to be Entrepreneur. Since 2013 through practical work to society, Business Incubator of Polsri realize a lot of tenant as Entrepreneur and It show about our achievement that significant as winner on Entrepreneurship event not only in local but also national scale.*

**Keywords:** Business incubator, Entrepreneurship, New Entrepreneur, Coaching

## 1. Introduction

Education has a significant impact in terms of planting entrepreneurial spirit. (Yulina, 2012) College as the venue for the formal education that support entrepreneurship to encourage individuals being an entrepreneur. based on Vision of the Department / Ministry of National Education in 2025, has a development policy in the field of entrepreneurship education is, first, inculcate entrepreneurial education into all subjects, teaching materials, extracurricular, as well as personal development. Second, develop a curriculum that gives a charge of entrepreneurship education that can improve understanding of entrepreneurship, foster the character and skills of entrepreneurship. Third, foster a culture of entrepreneurship within the school or campus.

In State Polytechnic of Sriwijaya from 2009 to 2014 already created 246 students participating entrepreneurs become independent entrepreneurs in the start-up phase of business, but only by 26 people or 10 percent of students are self-employed (Student POLSRI: 2014), Entrepreneurship Program State Polytechnic of Sriwijaya has obtain financing Program of Science and Technology Enterprise in 2013 as one of skimmed Service to the public funding of Higher Education which has been realized with the formation of the container Business Incubator, although the age-long corn but real results can already be seen with the achievements of the tenant built on Business Incubator POLSRI as champion 2 Independent Young Entrepreneur (WMM) culinary field in 2015 and ranks in the top 5 Entrepreneurial Bank Indonesia (Wubi) 2014 field of agri-business and other business incubator. There are an achievement can increase the number of active students and alumni to become entrepreneurs reach as many as 52 people (data Business Incubator, 2015). Based on the above explanation, the formulation of the problem that can be drawn is How entrepreneurship Development in Higher Education Based Business Incubator.

## 2. Literature Review

### 2.1 The purpose and Role of Incubator

According to I Wayan Dipta (2003), some of the underlying reasons for the presence of the Incubator is very important because in general, small businesses are particularly vulnerable to bankruptcy, especially in the start-up phase. Some experts claim that the start-up phase of small businesses that are still described as premature babies. At this time usually need special treatment, for example through incubation so that they can live as normal infants and can avoid the risk of death. Incubation system is what proved to be adopted as part of the development strategy of small businesses in several countries.

According to the research of Dr. Laurence Hewick of Canadian Business Incubator (2006), that the establishment of incubators generally aims to:

- 1) Creating new jobs;
- 2) Reduce the failure of small businesses from 80% to 20%;
- 3) Development of the youth in the community;
- 4) Facilitate commercialization and export;
- 5) Facilitate entrepreneurship in transition economies;
- 6) Attracting foreign graduates to apply their knowledge

According to Hon. Peter Reith, MP (2000), Incubator is designed to assist new and emerging businesses that are well established and able to make a profit by providing information, consulting, services, and support others. Generally Incubator is managed by a staff with a highly efficient management, so that its presence can give the role of the so-called service "7S", namely: space, shared, services, support, skill development.

### 2.2 Principles of Incubation

There are two (2) Business Incubator principles in order to be effective, namely:

- 1) Business Incubator should have a positive impact on economic empowerment.
- 2) The Business Incubator is a dynamic model that is able to follow developments and operates efficiently to achieve independence.

To achieve success, each founder and incubator management team must carry out the following matters:

- a) Running two principles of management of Business Incubator.
- b) Has a mission and strategic planning and goals in order to develop the community.
- c) Able to achieve financial independence through the development and implementation of the business plan realistic.
- d) Recruiting qualified management team and appropriate compensation.
- e) Build commitment to the achievement of the mission of the founders of the Business Incubator and maximizing management role in developing a successful incubator.
- f) Prioritize consultancy services to tenants including proactive and make reference in achieving the success of the incubator.
- g) Develop facilities, resources, methods and tools of the incubator in order to provide services to tenants.
- h) Mengintegrasikan incubator program and activities to the community and contribute to the development of the wider economy.
- i) Garnering support of stakeholders including building a network that helps tenants to realize the mission and operation of the incubator.

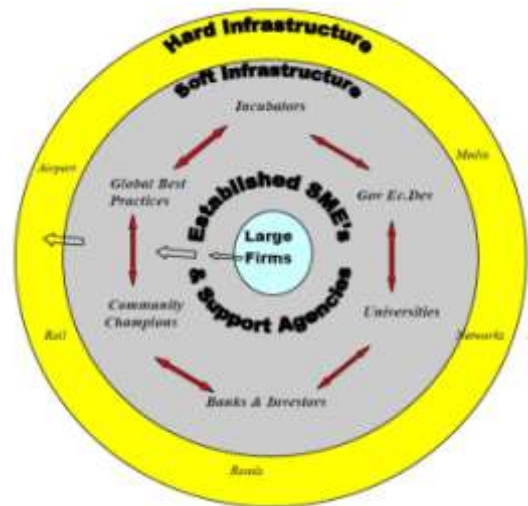
Maintaining management information systems, collecting statistical data and important information relevant in the framework of the implementation of the evaluation program. So it will be able to increase the effectiveness of the program and able to adjust to the needs of tenants' development, seed capital, and synergy.

### 2.3. Incubator Management Requirements

For the success of the management of Business Incubator takes 5 requirements, namely:

- 1) There are policies that stimulate small and medium enterprises (SMEs) and provide the necessary infrastructure business.
- 2) Establishment of a partnership between government and the private sector in providing assistance and marketing.
- 3) The availability of knowledge-based learning and research.
- 4) The establishment of professional networks at local, national and international facilitated by partnerships / associations.
- 5) Community involvement to promote entrepreneurship and cultural change

Meanwhile, to achieve success, the Business Incubator requires infrastructure support. The infrastructure in question can be classified into two types, namely soft infrastructure and hard infrastructure. Schematically described as follows



**Figure 1: Schematic Business Incubator Infrastructure Needs**

### 3. Research Method

The assessment method used is descriptive analytical method that compares the theoretical foundation with best practices Business Incubator Polytechnic Sriwijaya. Broadly speaking, the steps involved in the study are:

- 1) Data and information from various published sources;
- 2) The collection of information on the best practices on the implementation of the College of Business Incubator
- 3) Conduct a survey on the implementation of the Business Incubator in POLSRI
- 4) Conducting Focus Group Discussion to obtain input from experts and stakeholders with the implementation of the Business Incubator; and
- 5) Preparation of recommendations for the government on the implementation of POLSRI and Business Incubator.

This activity also includes experimental studies research is research investigation under controlled conditions, in which one or more variables can be manipulated to perform hypothesis (Kuncoro, 2003). This study illustrates the impact pembinaan entrepreneurs with business incubator models to increase entrepreneurship competency. The population in this study were students and alumni who are tenants in Business Incubator POLSRI as many as 52 people, the manager of the incubator as many as 9 people and also Head of Student Affairs. The sample is saturated sample as many as 52 people who will be subjected to treatment before and after being in Incubator Business.

Random Sampling purposive sampling technique chosen in this study because the students who are running a business Sriwijaya good. The necessary data is primary data taken directly from the students as tenants in Inbis. And also the information from Tim business incubator. Methods for gathering data using questionnaires.

## 4. Result and Discussion

### 4.1. Purpose and role of the Business Incubator POLSRI

Based on the data obtained that the Business Incubator POLSRI is in conformity with the purpose and role is supported by the data as follows:

- 1) Space: incubator provides a place to develop business in the early stages.
- 2) Shared: incubator provides office facilities that can be used together, for example, receptionist, conference rooms, telephone systems, fax, computer, and security.
- 3) Services include management consulting and market issues, financial and legal aspects, trade and information technology.
- 4) Support: incubator facilitate access to research, professional networking, technology, international, and investments.
- 5) Skill development: it can be done through training to prepare business plans, management, and other capabilities.
- 6) Seed capital: it can be done through an internal revolving fund or by helping small businesses access to sources of financing or existing financial institutions.
- 7) Synergy: cooperation or competition between the tenant and the tenant network (network) with the universities, research institutions, private businesses, professionals as well as with the international community.

4.2 Principles and Requirements Business Incubator principle applied POLSRI From Business Incubator POLSRI has conducted the following activities:

Recruitment patterns tenant

In order to implement the science and technology program for Entrepreneurship at the Polytechnic of Sriwijaya in which to generate 5 entrepreneur within 1 year, the manager held a tenant recruitment of participants in science and technology for entrepreneurship with the following pattern:

- 1) The pattern of recruitment of participants through PKMK program is running. Participants came from student tenants PKMK and PMW-funded.
- 2) The pattern of recruitment of participants through PMW program that the program has ended. Participants tenants do realization in order to meet the provisions of proposal yang proposed and funded.
- 3) The pattern of recruitment of participants through the alumni network .; can be done by communicating and coordinating with student affairs and career development unit POLSRI related to the existence and status of the alumni, especially alumni who have been or are being initiated business activities. Furthermore, through the approach carried several stages:
  - a) Inventory prospective Tenant  
In order to search for and facilitate the prospective tenant, it is necessary to inventory related to the prospective tenant. In this pattern the prospective tenant has to be identified through the existing pattern, the next will be an inventory of the number of tenants who will be recruited and the grouping classification types and areas of business carried on by the tenant.
  - b) Guidance Entrepreneurship; As a follow up of the prospective tenants that have been selected and

inventoried the selanjutnya stage is done guidance to prospective tenants who might be expected to produce entrepreneurs and independent professionals. Guidance to prospective tenants carried out by teams from the manager (Tim Science and Technology), which consists of representatives from faculty entrepreneurship and mentor entrepreneurship and also team partner companies who conduct training and guidance, coaching and bimbinganjuga provided by partners in these activities from among perbankan. Disini will be undertaken by the Bank as the bank that much cooperation and shade entrepreneurial activities especially among college students.

The guidance of entrepreneurial activity can be done by:

- a) Aspects of marketing; Guidance related to the marketing aspect here is given by the partner companies and also the manager of the relevant competent tips marketing of products produced by the tenant in the pioneering efforts as well as in the context of business competition.
- b) Financing aspects; guidance in aspects of the financing is done by the bank concerned. In this case the emphasis on financial management and accounting bookkeeping related to the field of business carried on by tenants. Besides, it will be given guidance related to the terms of the credit application process related to the field of business carried on by future tenants.
- c) Aspects of production; Patterns guidance for the aspects of production carried out by a partner company which is tailored to the type and business field pioneered by tenant. Dalam this guidance geared to optimize the results of the product of tenants who might be expected to improve the quality and quantity produced in order to increase production value of business tenants.
- d) Legality of business; Guidance relating to the status and legal aspects in the work done by the tenant, carried out by professors of entrepreneurship or lecturers who teach the same material, In this method, the tenant will be given insight and guidance associated with the choice of status badan effort nDo dpilih by the tenant, because it relating to the legal responsibility of a business entity whether incorporated or unincorporated.
- 4) Internship entrepreneurship in partner companies; For guidance and consultation activities of the business, then the tenant iprogramkan internship at the partner company by type and line of business run by tenants.
- 5) Business opportunity with partner companies; Program business opportunity, is a simple concept that is made by the management team with a combination of science and technology for Entrepreneurship cooperation between the company partners with the tenant with the concept of a foster father for a partner company, which company
- 6) Partner became the parent of a tenant that will be mutually beneficial business partner when the same or similar business activities. Concretely can be done with the concept of upstream and downstream enterprises, meaning that the tenant has the same type of business and the kind of partner companies and so on. With this concept, the parties involved can benefit and without any unfair competition.

7) Monitoring and evaluation of tenants; Monitoring and evaluation is done by the tenant notice of the various aspects, social aspects, production, marketing, finance and so on. Monitoring and evaluation methods related to business activities conducted tenandengan Schedule time based on the periodic reports can be created based on the monitoring on a weekly basis and bulanan. Program monitoring is passed by requiring the tenant to make a report. Will report this activity will be supervised by a partner company and the management team of science and technology for Entrepreneurship.

Graph Tenant Satisfaction Level Of Services Business Incubator

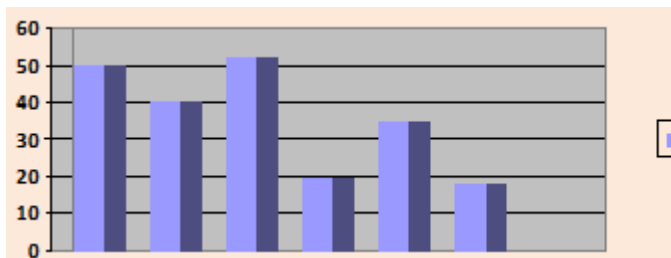


Figure 2: Graph Tenant Satisfaction Level Of Services Business Incubator

## 5. Conclusion

Sriwijaya State Polytechnic has implemented through the development of Entrepreneurship Business Incubator Model Incubator is a Business Incubator, formless Technopreneur, still need to cooperate with the other party financiers or business loans.

## APPENDIX

### Appendix 1 Tenant

Tenants are students or alumni of participants built a business incubator, which get guidance and assistance from the mentor.

### Appendix 2 Stages of Development Entrepreneurs

Creating Entrepreneurial stages through the stages of dissemination activities, recruit participants, prepare the business plan, debriefing involving training, apprenticeship, further seminars on start-up business implemtasi business that ultimately held businesses Assistance.

## 6. Future Scope

The article is structured as a form of appreciation we are doing in an effort to develop a business incubator based Entrepreneurship Program at the Polytechnic of Sriwijaya. Our business incubator management team as well as the author of this article was grateful and felt some satisfaction with the Business Incubator, due to the container to bring the impact of increased achievement in developing Entrepreneurship Program, both the increase in the number of entrepreneurs who create or improve the quality of the achievement. On this occasion, we would like to thank profusely to pihak Politeknik of Sriwijaya, Kemenristiek Dikti and The University of Pelita Harapan, which has provided assistance facility, financing activities and the

publication of the article in seminars and journals so that the activities it can be a forerunner in improving the number of entrepreneurs in the future. Attention would be given Bantuan which will get blessing for us all.

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