

ENTREPRENEURSHIP OF STREET VENDORS (CASE STUDY: SENTRA PKL SURABAYA)

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ABSTRACT

Mayor of Surabaya continues to provide a place in the ever-growing street vendors. So that the beauty of the city is maintained, then the Surabaya City Government's commitment to carry out the construction for street vendor relocation. In its development, not all went smoothly. The objectives of this research is to determine the Entrepreneurial Spirit of street vendors (PKL) who sell in Sentra PKL. Samples were taken randomly from 263 vendors of active traders on Sentra PKL. Furthermore, the data obtained by questionnaire. The results showed that the entrepreneurial spirit of street vendors in the productive age, senior education level, married and male, having a high entrepreneurial spirit backed up with the answer categories agree and strongly agree as: always be honest in selling, risk-taking, confidence and low self-esteem, willing to work hard to achieve excellence in the business, have a passion to serve buyers, agile, do not complain and always come to a place to the market. Motivation are necessary needed from the manager both the chairman and the Department of Cooperatives and SMEs as a builder so that traders will innovate, adapt to the needs of consumers and be able to realize local regulation No: 17/2003 on Planning and Empowerment street vendors.

Keywords: Street vendors, Sentra PKL, Entrepreneurial Spirit

INTRODUCTION

Small and medium enterprises (SMEs) in Indonesia has been growing rapidly. These conditions have an impact to expand employment and provide economic services to the wider community and can play a role in the process of equalization and improvement of people's income, stimulate economic growth, and realizing national stability. In addition SMEs is one of the main pillars of the national economy should gain a major opportunity, support, protection and development of the widest possible as a form of alignments to a group of business people's without ignoring the role of the business and the State Owned Enterprises (UU No.20 2008 in Sukirman, 2014), in which one part of the Micro, Small and Medium Enterprises are street vendors (PKL). The existence of street vendors do not always require a formal education, high skills and a large capital. Street vendors are people with relatively little capital who sought in the production and sale of goods (services) to serve the needs of certain groups in

society, the business carried out in places that are considered strategic in an informal atmosphere (Winardi in Endang Hariningsih , et al, 2008).

In general, Street vendors are self-employed, meaning that comprise the majority of the workforce. The capital is relatively not too large, and divided into fixed capital such as equipment, and working capital. Capital rarely met from official financial institutions, typically derived from sources of illegal funds or from suppliers who supply the needs. While the source of funds from their own savings are very little. This means that only a few of them are able to set aside the results of his efforts, due to the low level of profits and how to manage money, it is likely to hold a capital investment and business expansion is very small. The difficulties faced by the street vendors ranging from government regulations regarding the arrangement of PKL, lack of capital, lack of marketing facilities, and the lack of credit support (Hidayat in Human Auliya Yunus, 2011).

Street vendors in the city of Surabaya, is one important element in the empowerment of SMEs, this condition to the attention of the Minister of Cooperatives and SMEs Syarif Hassan. In general SMEs in East Java are increasing, particularly in Surabaya. "This proves that Surabaya became one of the centers of SMEs in Indonesia" He also reminded that even street vendors are not always evicted, but the right synergy "" (beritanusa.com, senin 26-5-2012). This is similar to the speech of President of the Republic Indonesia on the Anniversary of the National Entrepreneurship and Empowerment Movement of PKL, that he hopes vendors can conduct its business in accordance with the governed and regulated by local governments. (www.setneg.go.id, Thursday, March, 8 2013).

Ikhwan Asrin, Deputy of Marketing and Business Network, Ministry of Cooperatives and SMEs stating PKL in the agency's vision is to be cherished tough businessman. (ginting-munthebisnis.co.id www.depkop.go.id). "If PKL directed and nurtured and empowered, the impact on the local and national economy is enormous". Street vendors as a result of the economic difficulties experienced by the community. Uncertain economic conditions, increasing of basic needs prices, families income tend not to rise, will lead to disruption of the family economy. Mayor of Surabaya continues to provide space at street vendors, as well as informed that the quantity of street vendors in Surabaya constantly increasing. So that street vendors are more organized and beauty of the city is maintained, then since 2008, the Government Surabaya build Sentra PKL. Sentra PKL was able to create new jobs for 2400 people. (surabaya.tribunnews.com, Sunday, May, 27, 2012). Up to 2014 there were 24 sentra PKL expressed active with 844 merchants.

The research is related to how the characteristics possessed Entrepreneurship of PKL. This will be used by Surabaya Government through the Department of Cooperatives and SMEs in realizing relocation for street vendors which was originally located on the edge of the road and can disrupt the beauty of the Surabaya.

Theoretical Review

1. Street Vendors

Informal sector was introduced by Keith Hart of the University of Manchester in 1973 (Sri Utami Setyowati,2004). First popularized the concept of the informal sector in the ILO report. The concept of the determination of the characteristics in detail according to Soetjipto Wirosardjono (Sri Utami Setyowati, 2004):

1. Irregular patterns of activity both in terms of time, capital and revenues
2. They are not touched by the rules or conditions set by the government
3. Capital, equipment and supplies as well as a small turnover and daily basis
4. Do not have a fixed place and or attachment to other businesses
5. In general, it is carried out by and serve low-income segments of society

6. Does not require expertise and special skills that can widely absorb varying degrees of labor
7. The existing business units only employ a few employment and of the environment of family relationships, acquaintances or originating from the same area.
8. Not familiar with the banking system, bookkeeping, credit

Noting the characteristics described above, one part of these efforts are living as street vendors (PKL). Street vendors (PKL) is the small traders who generally acts as a distributor of goods and services of the city. The existence of street vendors can be found, both in developed and developing countries (Schneider, 2002). The term is derived from the sidewalk pavement formerly width of 5 feet or equal to approximately 1.5 meters, so in this sense PKL are traders who sell on the street, and usually took place or location in the public crowd like sidewalk in front of shops or region trade, markets, schools and theaters (Widodo, 2000). Mc. Gee and Yeung (1977) gives the same sense of street vendors with a hawker, which is defined as a group of people who offer goods and services for sale to the public space, especially on the side of the road and sidewalk.

As a business unit, PKL is informal business activities due to lack of business legality. The relationships is an informal relationship which means it does not use a written agreement between them (Nurul, 2009). Activity of Street Vendors can be categorized by:

- a. Types of goods and services
- b. Type Commercial Space
- c. Type of Enterprises and Its space Size

Activity of Street Vendors can be grouped by type of business and size of the room:

1. The wagon / stroller
2. yoke
3. Semi Permanent /Warung
4. Jongko or desk
5. Newsstand /kios

2. Sentra PKL in Surabaya

Surabaya is one of the major cities in Indonesia. As a big city, it can not be separated by the urbanization of society from rural to urban areas to earn a better livelihood. With low education and skills, there are so many people who fail to get employment in the formal sector. They will be looking for business opportunities in accordance with their abilities. The community is opening a business improvised by becoming street vendors. Their presence increasingly irregular, especially in strategic places even in urban places where they assume it could serve their life necessities.

Responding to the conditions above, the Surabaya City Government continues to provide guidance and continuous improvement to improve quality in terms of both institutions, the arrangement of the place of business and capital as the embodiment of Regulation No : 17/2003 on the arrangement and the empowerment of street vendors. As a government agency, the Department of Cooperatives and SMEs has the task of implementing part of government affairs are areas of cooperatives and small and medium enterprises, community empowerment, decentralization, public administration, financial administration area, the region, staffing and supplies.

The basic tasks set out in Regulation 8 of 2008 concerning the details of the tasks and functions of the Office of Surabaya. Street Vendors is part of the responsibility of the department of Cooperatives and SMEs. Based on the development of street vendors in Surabaya divided into two categories: 1) PKL Tersentra where vendors in implementing

employment / daily trading occupies a location that has been provided by the municipality in this case the Department of Cooperatives and SMEs 2) targeted PKL is vendor who are occupy the site in accordance with the provisions and use the tents as their place to sell. In 2009, the Surabaya officials take over management of street vendors who accommodated in a place that is localized and is located at a strategic point. Such as the Sentra PKL in Urip Sumoharjo. The region makes interated PKL with the concept of urban travel with culinary travel segment. This Sentra PKL are expected to create the atmosphere becomes more clean, orderly, comfortable and does not interfere with traffic or road users.(Wispandono,Moch, 2011).

Department of Cooperatives and SMEs are given the authority to inventory and provide coaching to all vendors who are in the Sentra PKL. Traders are given the freedom of the levy and for an extension of merchants selling but nevertheless must maintain the Sentra PKL such as cleanliness, keeping the facilities provided as well as other public facilities provided by the Department of Cooperatives and SMEs. Besides, traders also get coaching facilities (Bimtek) periodically as a way to sell, health, nutrition, hygiene, cooperatives and others. In the daily activity, the traders under the coordination of the Chairman who are selected based trader deals each sentra to coordinate the merchant in maintaining security, convenience in selling, and some have already established the Cooperative.

Until 2015, 29 sentra PKL has built in the Surabaya on selling food and beverages include Taman Bungkul, Urip Sumoharjo, Dharmawangsa, Penjaringansari, Terminal Manukan, Ketabang,Wiyung, Sukomanunggal, Putro Agung, Indrapura, Taman Prestasi, Gayungan, Karah, Sememi, Kandangan, Babat Jerawat, Lidah Wetan, Lidah Kulon, Sumber Rejo, Pondok Maritim, Food Street (Unitomo), Dukuh Menanggal, Jambangan, RMI Kebon Bibit, Pegirikan, Sawah Pulo, Deles Merr, Semolowaru and Gunung Anyar. From sentra PKL that have been built can accommodate approximately 1,000 booths, now, there 844 people as active traders (Department of Cooperatives and SMEs Surabaya, May 2, 2014).

3. Entrepreneurship

Entrepreneurship is the ability to create something new in a creative / innovative and capabilities mind to take a risk on the decision of his creation as well as implement the best so that added value can be achieved. An entrepreneur has the ability to think of something that has never been thought by others (the principle of creative and innovative). In addition to creative ability / innovative, an entrepreneur also has the ability mind indicated by: (1) growth of action on their own and not because of the other; (2) progressive and resilient (3) initiative (4) self control and (5) self stability. (Kemendiknas, 2010).

Entrepreneurship is a creative and innovative abilities in creating something new and different that basis and tips effort or improvement of life Suryana (2002). Definition of entrepreneurship in the opinion of Thomas W. Zimmerer cited by Suryana (2002) is a process of applying creativity and innovation in solving problems and find opportunities to improve the lives of (business). Although a person has entrepreneurial qualities, but not necessarily he succeeded in his efforts. Things that lead to a successful entrepreneur is (1) discipline (2) High Commitment (3) To be honest, (4) Creative and Innovative (5) Self and (6) Realistic.

Joseph Schumpeter (Kim Piew Lai et al, 2010) defines entrepreneurship as the person who discovered new innovations include: new products, new production methods, new markets and new organizational forms. More and more demand for these new discoveries will eventually create prosperity and bring benefits to the community. We call self-employment or entrepreneur is a pioneer new business or a manager who tries to repair an organizational unit by initiating changes. (www.ut.ac.id downloaded on 7 April 2013)

Management Systems International defines personal characteristics of entrepreneurs (personal entrepreneurial characteristics) as follows: (1) Seek opportunities (2) Tenacity (3) Responsibility for employment (4) The demands on the quality and efficiency (5) Taking risks (6) Setting targets (7) looking for information (8) systematic planning and supervision (9) Persuasion and networking / connection (10) Confidence (Buchori Alma, 2004).

Carson, MC (Ernani Hadiyati, 2009) stating that the entrepreneurship learning about the values, skills and behavior to create and innovate. Likewise Carson, David and Cromie.S (Ernani Hadiyati, 2009) states that entrepreneurship is a combination of creativity, innovation, and the truth face the risk undertaken by way of hard work to establish and maintain a new business. Creativity is thinking something new, whereas innovation is acting to do something new. In efitimologis, entrepreneurship is essentially an ability to think creatively and innovative behavior that basis, resources, propulsion, objectives, tactics, tips on facing the challenges of life.

RESEARCH METHODS

This research was conducted to provide an explanation characteristic entrepreneurial spirit vendors include honesty, taking risks, confident, hard work, passion and responsibility. The research was carried on street vendors who sell food and beverages at Sentra PKL Surabaya. samples was determined from a population from 844 merchants. Data obtained using a questionnaire with Likert Scale and interval assessment for each answer is 1 to 5 were then analyzed with descriptive analysis.

Results and Discussion

1. Characteristics of Street Vendors

To determine the general description of the data analysis, descriptive analysis of entrepreneurial spirit of street vendor will be analyzed. Table 1 shows that the number of male street vendors (PKL) with education level Bachelor (S1) amounted to 15 people or 5.7%, high school education level 75 people or 28.5%, secondary scholl level amounted to 24 people (9.1%) and elementary education level amounted to 31 (11.8%). As for the street vendors (PKL) were female with Bachelor education level (S1) amounted to 12 people (4.6%), high school education level 55 people or 20.9%, junior high school level 28 people (10.6%) and elementary education levels were 23 (8.7%). The street vendors who sell in the sentra PKL are mostly educated under the Bachelor, with the largest percentage of the male 28.5% (SMA / SMK) and for women 20 , 9% also educated SMA / SMK. The conditions shown in the table below:

Table 1. Cross tabulation between Gender and Education

Sex	Education				Total
	SD	SMP	SMA / SMK	Sarjana	
Man	31 (11,8%)	24 (9,1%)	75 (28,5%)	15 (5,7%)	145 (55,1%)
Woman	23 (8,7%)	28 (10,6%)	55 (20,9%)	12 (4,6%)	118 (44,9%)
Total	54 (20,5%)	52 (19,8%)	130 (49,4%)	27 (10,3%)	263 (100%)

Figure 1 shown that the male respondents amounted to 55.13% and amounted to 44.87% of women.

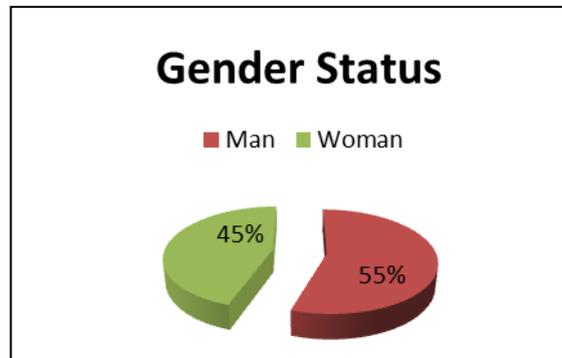


Figure 1: Pie Chart of Gender Status

Here are the characteristics of respondents of street vendor in Surabaya based on marital status. There are 214 (81.37%) have married, widower / widow amounted to 32 people (12.17%) and unmarried amounted to 17 people (6.46%)

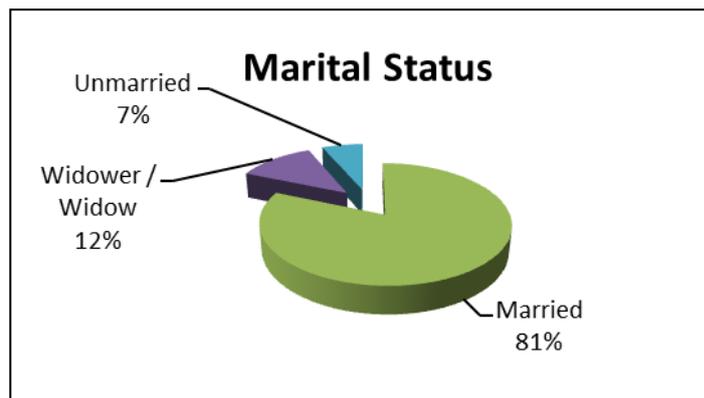


Figure 2. Pie Chart of Marital Status

2. Entrepreneurship

Entrepreneurial spirit of street vendors include honesty, courage to take risks, self confident, hard work, passion / high energy and responsibility. Through questionnaires, the entrepreneurial spirit of street vendors merchant conditions can be illustrated from the perception of the vendors answer that have been obtained as follows:

1. Honesty

Street vendors strongly agree and agree if the scales in selling should not be reduced. For the suitability of the goods sold in accordance with their quality, they have the perception agree and strongly agree are in the most categories. As an illustration shown in the figure below:

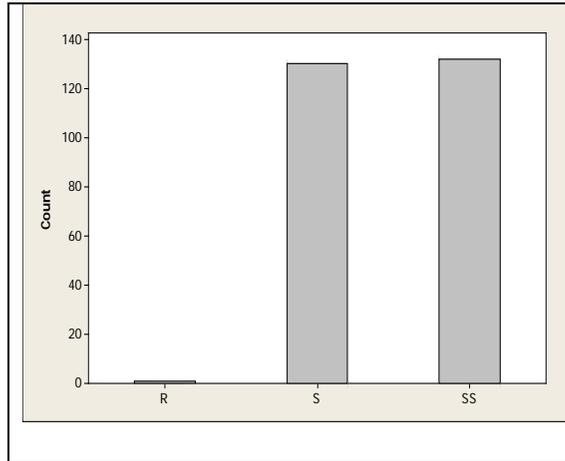


Figure 3. Considerations in selling

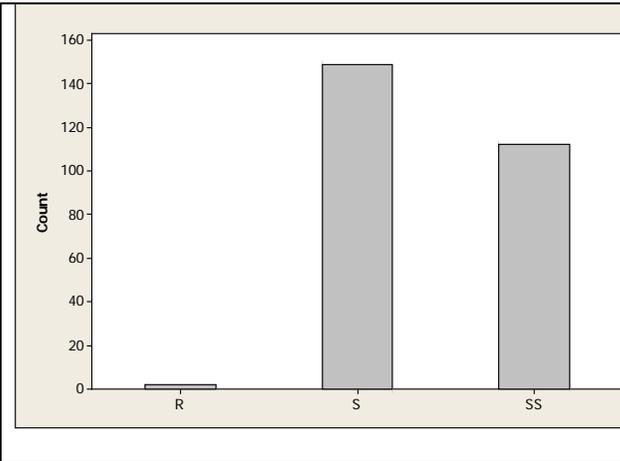


Figure 4. Quality of Goods

2. **Courage to take risks**

Merchant readiness in the face of risk in selling, objectives risk are not achieved and constantly on guard in case of the possibility of unwanted vendors who made respondents expressed readiness to accept the agreed position more than any other position, as shown in the figure below:

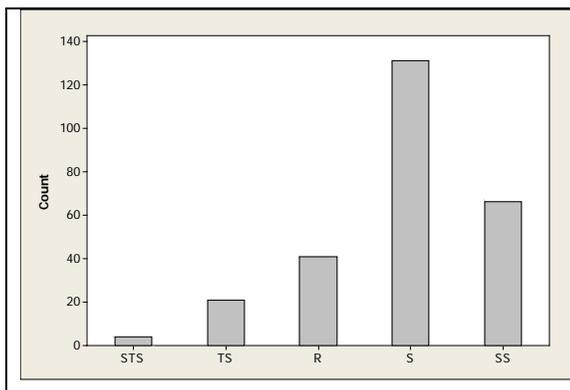


Figure 5. Effort to the Risk selling

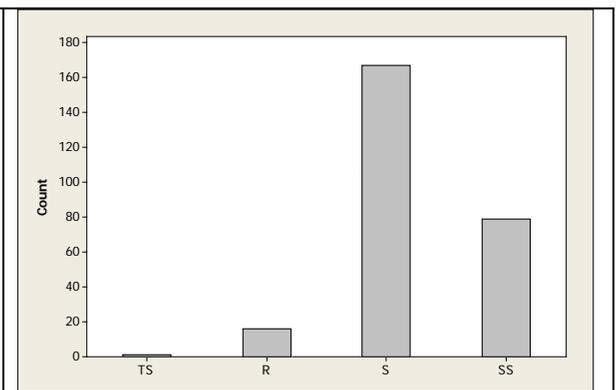


Figure 6. The possibility of

3. **Confident**

Perception of respondents feel superior to another friend, confident of success and not feel inferior obtained greatest statement on the position agreed. Street vendors agrees to face all possibilities that will happen and they do not feel inferior in the trade. Illustrations of their opinion as shown below:

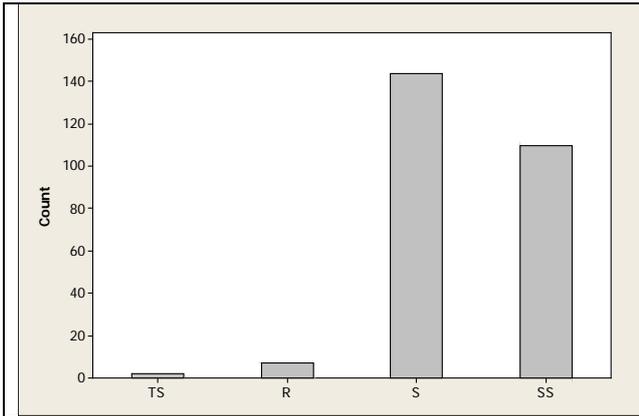


Figure 7. Low self-esteem

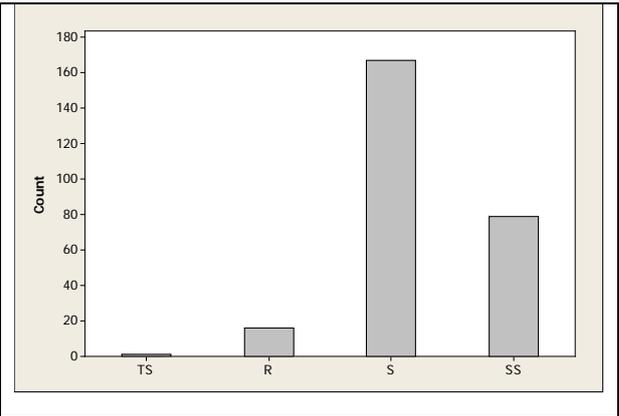


Figure 8. Ready to face the risks

4. Hard Work

To be successful in terms of selling confidence they strongly agree and they are also motivated to achieve excellence in the attempt. Most respondents stated strongly agree that they will not give up, and have the confidence to continue selling.

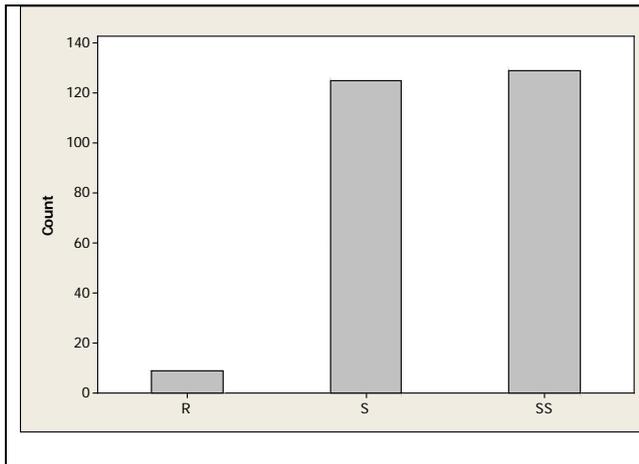


Figure 9. confidence in selling

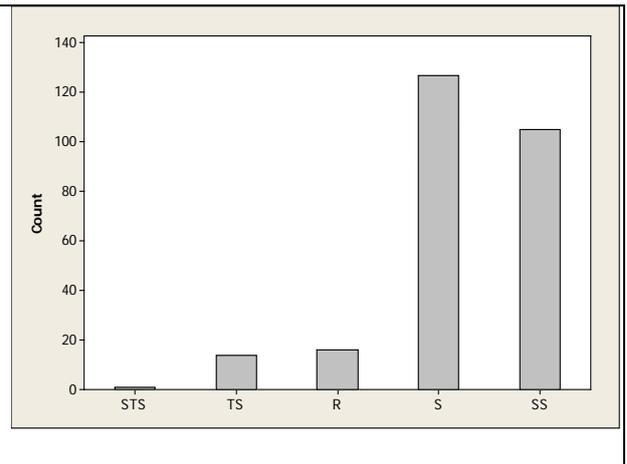


Figure 10. Excellence in sales

5. Spirit / high energy

Relating to the passion for selling, street vendors sell agree with their routines, so they serve buyers earnestly, agile and do not complain and always come to a place to sell. The above conditions can be illustrated as shown below:

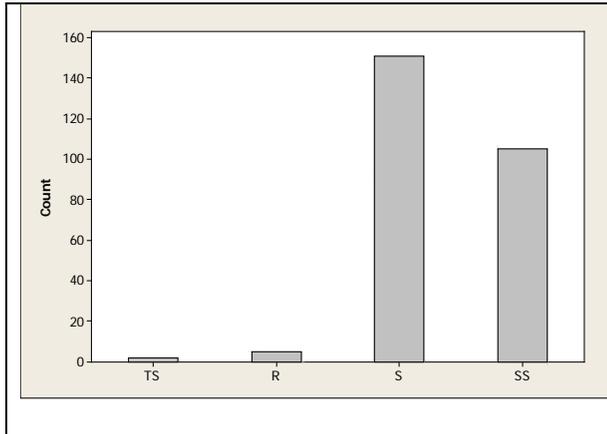


Figure 11. Complain Condition

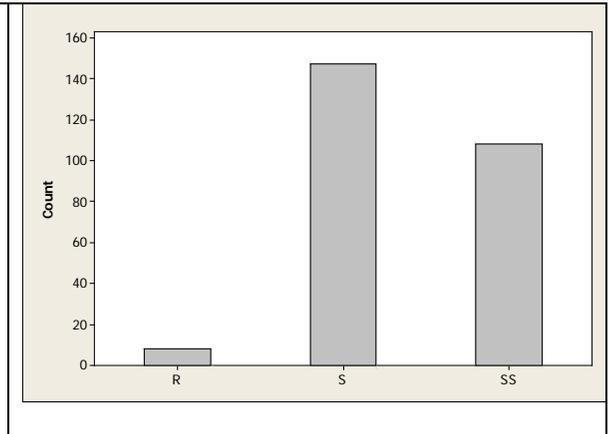


Figure 12. Agile Condition

6. Responsibility

Street vendors who sell at the sentra PKL has a big responsibility so that the perception will always come to the sentra and serve buyers earnestly in the category agree and strongly agree. The perception illustration as shown below:

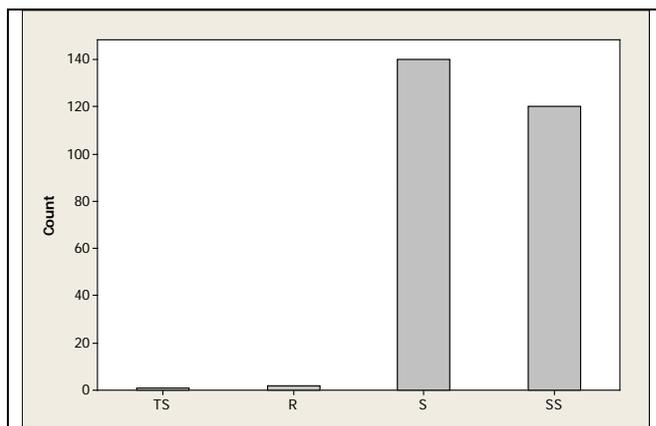


Figure 13. Arrival In The Sentra PKL

CONCLUSION

The objectives of this research is to determine the characteristics of the entrepreneurial spirit of street vendors who sell food and beverages at the sentra PKL. The conclusion can be summarized as follows:

1. The survey results revealed that the trader at the Sentra PKL Food and Drink Surabaya are in the productive age, senior high school level, married status and male. Thus it can be said that the street vendors are a major source of family income, because men are backbone of family.
2. Entrepreneurial spirit of merchant is high, this is evidenced by the perception of traders in the category of answers to agree and strongly agree as: always be honest in selling, willing to take risks, confidence and low self-esteem, willing to work hard to achieve excellence in the business, have a passion to serve buyers, agile and do not complain and always come to a place to sell.

Suggestion

Based on the conclusion of the research, here are some suggestions:

- a. High entrepreneurial spirit of street vendors in Sentra PKL needed motivation from the manager, both the chairman and the Department of Cooperatives and SMEs as a coach.
- b. Technical guidance are needed so that traders will innovate, adapt to the needs of consumers in the food and beverage.

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