

NEW ENTREPRENEUR PROGRAM TO THE YOUNG UNEMPLOYED IN EAST JAVA

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ABSTRACT

Until now the unemployment rate in Indonesia is still quite high. This reality, perhaps due to the lack of an adequate number of entrepreneurs. Whereas this is what the future entrepreneurs are expected to manage the factors of production in order to produce goods and services that benefit the community. "Efforts to encourage the creation of new entrepreneurs in Indonesia, especially in East Java still needs the effort of hard work together. Ideally, at least 2% of the population is entrepreneurship. Cooperative Ministry report said, in Indonesia until 2014 the number of new entrepreneurial 1.65% or approximately 4.1 million people. So they needed millions of entrepreneurs to reach at least 4% of the population are entrepreneurs to make Indonesia as a developed country, especially to face the Asean free market competition in 2015.

Keyword: entrepreneur, formal, non-formal, informal, unemployment

INTRODUCTION

Data released at BPS of East Java in February 2015, that the Unemployment Rate in East Java reached 4.31 percent, up from Unemployment Rate of August 2014 which reached 4.19 percent and Unemployment Rate per February 2014 reached 4.02 percent. Total labor force in East Java in February 2015 to reach 20.692 per million people, were reduced by 25 thousand people in the period throughout the year than the labor force in February 2014. While the number of working people reached 19.80 million, while the balance of 892.02 thousand people or 4:31 percent is still be unemployed.

BPS of East Java per February 2015 also showed that working as formal workers as much as 36.68 percent or smaller than informal workers in the amount of 63 327%. In general, it seems over the past three years, the number of workers in the informal sector declined and shifted to the formal sector. The condition shows the economy in East Java experienced a good development because the market share of employment for employment in the formal sector has increased. While working in the informal sector, especially that seeks its own data as of February 2015, the increase number 115.48 thousand compared to February 2014. This means that the number of entrepreneurs in East Java, there is increasing from year to year.

The development of the labor sector in East Java shows the dynamic trend, but the challenge in dealing with employment issues, especially the young unemployed and competence, clearly still

needs work harder. BPS data per February 2015 report that the number of people working rose as much as 493.88 (2:55 percent) compared to 2014. The population that works most elementary and junior high school education (67.59 percent), senior high school 13.83 percent, SMK 9.76 percent and Diploma as much as 8.8 percent. Being the number of unemployed young people is highest in junior high school and vocational education as much as 15:06 percent, Diploma as much as 6:17 percent and unemployed educated of Bachelor as 4:23 percent.

See above data, necessary to find the right solutions and quick to prepare labor-power medium and high educated young who are not accommodated in the formal sector to be able to work independently in the informal sector. The development of the informal sector to become entrepreneurs should be a promising career choice, worthy of sustained productivity and income aspects.

Based on a variety of scientific literature, social-psychological aspects that can explain the condition of unemployed job seekers or young, particularly for the young labor force (15 to 34 years) that causes difficulty in finding a job or get a job or open independently, contributed most by internal factors such as dreams, hopes and desires are unrealistic (Hurlock, 2002). Addition of external factors eg: economic conditions, social and cultural as well as guidance (training / coaching) is less than optimal and unsustainable (Irianto, 2001). Being from the aspect of employment, most obstacles in getting a job there is the problem of qualification or mismatch, the information is not up or miss link and picky job

An entrepreneur in addition must have an interest and talent must also be willing to hone skills in reading opportunities with the risk that has been taken into account. Even David McClland in As'ad (2000) call that encourages the entrepreneurial spirit in a professional business management and become a benchmark the progress of a nation. A successful entrepreneur should at least have the view that there is a correlation between ability, effort and success, while failure is the result of an immature plan (Warga, 1983).

The concept of entrepreneurship development, is also one of the functions and duties of the Department of Labor which belong to the creation of employment or employment creation. The effort is one of the strategic wisdom in coaching the nation's resources and assets. Ministry of Cooperatives in the plan in the year 2014-2015 has targeted the creation of a successful entrepreneur as much as 1:25 million new entrepreneurs 0.5 percent per year which is engaged in various types of businesses in each year. To support the establishment of self-employment support programs include ease of licensing and capital. The program is intended to support RPJMN 2015-2019 in the framework of poverty reduction, improvement of business and investment climate in Indonesia. However, in practice, efforts to develop entrepreneurship for young unemployed who have an impact on the employment sector, need to be directed at empowering youth and facilitating their entry into the business world and the gradual transformation of the informal economy to formal sector activities. Finally target is to create more jobs with quality, productive and decent.

Efforts to encourage the creation of new entrepreneurs in Indonesia, especially in East Java are still requires hard work effort. It is based on the fact that the number of entrepreneurs in Indonesia is still very small, ideally, at least 2% of the population is entrepreneurship. Menkop RI report mentions, in Indonesia until 2014 the number of new entrepreneurial 1.65 percent. So they needed millions of entrepreneurs to reach at least 4% of the population who become businessmen to make Indonesia as developed countries, especially in order to face the free market Asean (Asean Economic Community). For comparison in the United States the number of entrepreneurs who have reached 12 percent of the total population in Singapore sum

entrepreneurship 7 percent and 5 percent in Malaysia amount. While in East Java when assign it to the amount of data Diskop SMEs and MSMEs Prov. Java, the number of micro entrepreneurs reached 92 percent or more than seven million entrepreneurs. Capital is still limited as business assets beyond land around IDR 50 million with a turnover of USD 100 million per year. For small businesses the ground outside the business assets of approximately USD 100 million with a turnover of USD 1 billion per year. While the middle class which possess assets of IDR 1 billion to IDR 10 billion turnover per year. Meanwhile, if the data pointed BPS (2015) works including informal status by category on their own as much as 3,143 million people and which seeks assisted by temporary workers as much as 3,509 million people. Medium businesses that have entered the formal status with the category of permanent workers trying to help as much as 797. 150 peoples.

LITERATURE REVIEW

Definition of Entrepreneurial.

Entrepreneurship from several different senses literature there, but most contain a definition of entrepreneurship or have some common characteristics, as described in the book Organizational Behavior (Robinson, 1989), the characteristics of entrepreneurs has a meaning through a process that is ongoing activity. There are innovations such as the introduction of marketplace of a product, as well as servicing new process. The creation of welfare in the form of profitability and risk-taking in the form of risk-taking time, financial resources and psychological satisfaction. Robinson also explained that the characteristics of the process, the entrepreneurial world contains as a process or ongoing activities are focused on the results of innovation. While innovation is the introduction of new products, new services or new processes to marketplace. Technology innovation is a type of innovation that is focused on results, the introduction of a product, a service or a new process towards a new technology based marketing.

According to Kuratko in Alma (1998) is "to the undertaker" in organizing, managing and face a risk Thus entrepreneurship is a basic ability to be possessed by an entrepreneur, because faced with the challenge of a very severe form of the condition is likely to face an uncertain and risky. Such behavior is defined in an ability to act based on taking the initiative, organizing the situation and risk preparedness (Dubrin, Ireland & Williams, 1996).

Entrepreneurship as defined above, is an explanation of the meaning and activities undertaken. While the people who perform and execute entrepreneurial activity is also called the entrepreneur (Dubrin, Ireland & Williams, 1996). Economists tend to define an entrepreneur as a person who gives another meaning of joint production in other clothes. Some experts claim that the entrepreneur is a person who is able to see, capture and exploit opportunities by creating innovative products on the market (Payaman,1988). Understanding the broader entrepreneurial delivered by Joseph Schumpeter, an entrepreneur is a person who broke the existing economic system by introducing new goods and services, by creating new organizational forms or managing new raw materials. For Schumpeter, an entrepreneur in Alma (1999). is not always a merchant (businessman) or a manager; he is a unique person who innately risk takers and are introducing innovative products and new technologies into the economy.

Entrepreneurial Program to Reduce Young Unemployment in East Java

For the solving of unemployment problem, especially youth unemployment is not only done through employment in the formal sector but need to be done with through coaching and facilitation of the expansion of employment opportunities. The informal sector can be a strategic

program in addition as a safety valve extra surge of new labor force also factually informal sector in East Java is still absorbing the largest labor. Some of the reasons and considerations necessary coaching youth labor force in the informal sector in the form of program expansion of employment opportunities, among others:

1. The number of working-age population at least 15 years old continued to grow. BPS data per February 2015 report amounted 29.74 million people, or 69.55 percent including the remaining 30.45 percent of the labor force entered the category instead of the workforce. The large number of workforce is not in it that are still in school, if passed could potentially increase the number of the existing labor force.
2. The number of young labor force based education (SLTA-S1) continues to grow, per February 2015 BPS Data reported total youth labor force in East Java, rose as much as 493 880 people (2.5 percent) compared to August 2014. Being unemployed increased based education is a graduate elementary, junior high, high school, and Diploma.
3. The formal sector has not been able to absorb the labor force that is the result of education. From the results Sakernas per February 2015 shows that formal workers by 36.68 percent or smaller than informal workers in the amount of 63.32 percent. From this data can be suspected of some workers in the informal sector partially move into the formal sector workers.
4. Not to optimized utilization of natural resources and human resources to encourage the active participation of society in the context of the expansion of employment and reduction of unemployment.
5. Work Force and unemployed youth have the potential, ability and social impact for the community, but her interest to pursue as a career option is still small.

Direction of policy development and expansion of employment opportunities in East Java is intended for cultivation of entrepreneurship through coaching and facilitation training, business guidance and assistance stimulant. Besides the expansion of employment policy through implementation of self-employment programs, labor intensive and appropriate technology as well as undergraduate assistant labor that is expected to encourage the participation of community participation. The final goal of expansion and development program is divided into two sections employment opportunities, namely in the short term; the form of the acquisition of a fixed job, fixed income, pioneering development efforts and pioneering effort still exist. Long-term program is intended to allow the business to exist and thrive, increased revenue, improved welfare / family and social impact / employment.

RESEARH METHODS

Formal Education.

According to Mesmudi (1998) said entrepreneurship as a profession, because of the interaction between the knowledge gained from education and art that can only be extracted from a given series of work in practice. Then fostering an entrepreneurial attitude can be improved through education (Alma, 2000: 5-6). It is very rational, because in theory put forward an attitude like Morgan and King (1975: 384) in a critical period, there are three factors that can affect the attitude of the influence of peers, media information from the past.

Formation program as Labor

The establishment of independent labor encourage young productive workforce, well educated (bachelor) and non Diploma, so interested to pursue entrepreneurship as a career option so that it grows into a cadre employment or self-employment companion through Labor Bachelor program independent , productive and professional. Workforce development programs are also run independently in order to encourage the youth labor force to become creators of jobs, instead of just being a job seeker (job seeker). While labor-based technology program and the appropriate technology was held in order to empower local potential or human resources, poverty reduction, and prevention of pockets of unemployed that are directed through the introduction of technology appropriate and productive labor-intensive. From the above data, it can be said potential activities in the informal sector through fostering entrepreneurship, especially for educated young work force contribution big enough and very strategic.

Non-Formal and Informal Education

In addition to the schooling education, non-formal and informal education turns (education outside the formal education obtained from family and society), also provide significant contributions in improving the entrepreneurial attitude of a person.

Family education as a personal experience in shaping the business of parents, is a major potential to make someone as a successful entrepreneur (Alma, 2006: 6). Furthermore, according to McClelland, social factors such as the involvement of parents can determine the need of achievement of children, especially in the field of entrepreneurship. Parental involvement can be entrepreneurial guidance to their children. Therefore, the cultural factor that develops within the family and society, immense role in developing one's achievement. Furthermore, said Irawan and Suparmoko (1979: 113). That the success of innovation in countries of the developing, including Indonesia, will work well we want to learn more on the culture system in which the changes occur.

The basic concept in the implementation of entrepreneurial training is to develop the attitudes of the young labor force that is still underestimated or alternative work before being accepted in the job formal. The problem is the influence of culture and public recognition of the entrepreneurial sector is still small and still regarded as second-class jobs (Payaman, 1988). Many entrepreneurial training conducted by the Department or agency with the same goal of building and empowering entrepreneurs in Indonesia.

CONCLUSION.

According to Alma (1999) entrepreneurship can be taught primarily by instilling attitudes of behavior for opening a business which then makes them into an entrepreneur talented. Thus the teacher can teach in school was the impetus for daring to open a business. The experience opened a small business owned by a person can be major potential to become a successful entrepreneur, as an expression of Hisrich dan Peter (1995) that "entrepreneurs are not born-they develop" (Alma,1999).

The development of the agribusiness sector can be a major pillar of entrepreneurship development based on sector. It is based on the sector distribution, the amount of labor in East Java were absorbed on per February 2015 is still dominated by the agricultural sector amounted to 7212 million people (36.42 percent). Efforts to develop the informal sector is also directed at the development of trade and services sector, especially the creative industries in accordance with the dynamic development of the economy of the province of East Java as well

as the agro-based services industry anticipate the impact of demographic bonus in East Java, where the number of productive age population more high.

Efforts to develop the expansion of employment opportunities through the creation of self-employment in the future will be included as an important element of workforce planning. Kemenakertrans RI rules would socialize Government Regulation No. 33 of 2013 on Expansion of Employment Opportunities to all stakeholders so that the potential synergy between institutions, private education and more integrated. Thus the domain of employment, coaching can be more focused on guidance efforts of mental attitude, learning the business and help beginners business facilities for job seekers or unemployed. Being in a crisis situation, urgent and development domain in productive labor-intensive activities is also to increase the business productivity.

The employment strategy will be implemented well, in the end back on the support and commitment of all elements (government, public and business) to address as a matter of urgency together to be addressed. Borrowing the term marketing, can not invite to all elements to contribute as a joint problem that needs to be resolved with the principle of mutuality. In addition to think about the possibility of development issues (growth factor problem) eg: educated young unemployment as a result of migration from the village or from the success of compulsory education, labor force dropouts due to low incomes (the poor), the growing number of women entering the labor force labor market impact of rising access to education as well as the number of underemployed rural areas, need to be planned in an integrated manner and depth so that option is prevention strategies (urgency and crisis) or reactive that slides into a strategy that is both anticipatory and proactive.

Finally, we are aware of people in desperate need of employment effort, which not only many, quality, productive but also decent in terms of welfare. Through coaching young entrepreneurs (job creator), at least we want to build the characters of young people who have a leadership spirit, independent, entrepreneurial, disciplined and skilled. (bdr / jun / 2015)

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