

Entrepreneurship Training: Encouraging MSME Growth in the Startup Ecosystem

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Abstract

The startup ecosystem starts from parties that encourage MSMEs in entrepreneurship training. because entrepreneurship training can help MSMEs develop business networks, motivate MSMEs and gain wider access to business assistance. Pamulang Estate is one of the MSME communities in South Tangerang, specifically in Pamulang Timur Village. Pamulang Estate UMKM is a community of several businesses owned by residents who live in the Pamulang Estate Complex. UMKM Pamulang Estate has 68 business actors who are its members. Some of them are food and beverage businesses and handicrafts. Pamulang Estate UMKM members are dominated by housewives whose business is limited to trading and who have not yet focused on developing their business. This PKM aims to provide (1) Pamulang Estate MSMEs with an understanding of the concept of entrepreneurship training. (2) Pamulang Estate MSMEs gain a wider business network in the startup ecosystem environment. (3) Pamulang Estate MSMEs understand the importance of business incubators. Participants understand the importance of promotion and joint marketing. As a result of this PKM, Pamulang Estate MSMEs can understand the importance of entrepreneurship training and participating in business incubators to develop their business.

Keywords: MSME's Pamulang Estate, Entrepreneurship Training, Startup Ecosystem

Abstrak

Ekosistem start-up dimulai dari pihak-pihak yang mendorong UMKM dalam pelatihan kewirausahaan. Karena pelatihan kewirausahaan dapat membantu UMKM mengembangkan jaringan bisnis, memotivasi UMKM, dan mendapatkan akses yang lebih luas terhadap bantuan bisnis. Pamulang Estate adalah salah satu komunitas UMKM di Tangerang Selatan, khususnya di Desa Pamulang Timur. UMKM Pamulang Estate adalah komunitas dari beberapa usaha yang dimiliki oleh warga yang tinggal di Kompleks Pamulang Estate. UMKM Pamulang Estate memiliki 68 pelaku usaha yang menjadi anggotanya. Beberapa di antaranya adalah usaha makanan dan minuman serta kerajinan tangan. Anggota UMKM Pamulang Estate didominasi oleh ibu rumah tangga yang usaha mereka terbatas pada perdagangan dan belum fokus pada pengembangan usaha. Tujuan dari PKM ini adalah untuk memberikan (1) pemahaman kepada UMKM Pamulang Estate tentang konsep pelatihan kewirausahaan. (2) UMKM Pamulang Estate mendapatkan jaringan bisnis yang lebih luas dalam lingkungan ekosistem start-up. (3) UMKM Pamulang Estate memahami pentingnya inkubator bisnis. Peserta memahami pentingnya promosi dan pemasaran bersama. Sebagai hasil dari PKM ini, UMKM Pamulang Estate dapat memahami pentingnya pelatihan kewirausahaan dan pentingnya berpartisipasi dalam inkubator bisnis untuk mengembangkan

usaha mereka.

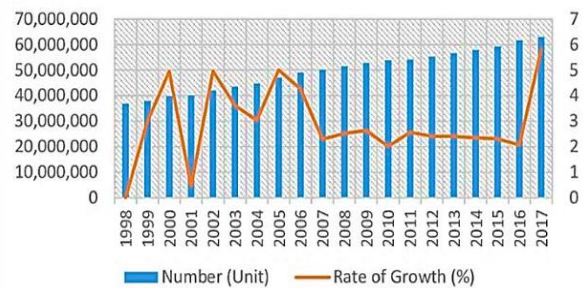
Kata kunci: *UMKM Pamulang Estate, Pelatihan Kewirausahaan, Ekosistem Start-Up.*

INTRODUCTION

The potential possessed by Micro, Small and Medium Enterprises (MSMEs) is statistically recorded to be very large for a country with a Gross Domestic Product (GDP) that continues to grow. Data released by the ASEAN Investment Report in 2022 states that “Indonesia and Malaysia are two countries in Southeast Asia with a high number of MSMEs,” in fact MSMEs in Indonesia can contribute to 60% of Indonesia's total GDP in that year, (Azzahra & Wibawa, 2021).

The total contribution of MSMEs to National GDP is the accumulation of all MSME economic sectors with the following details, according to current prices in 2011 it was IDR 4,321.8 trillion or 58.05%, while in 2012 it was IDR 4,869.5 trillion or 59.05%. 08%. The classification of types of economic activity follows the concept of ISIC (International Standard Classification of All Economic Activities) which was revised in 1968. This sector classification aims to facilitate comparisons of levels of economic activity between various types of activities. (BI.go.id). The growth in the number of MSMEs has also consistently increased over the last 10 years.

Number and Rate of Growth SMEs in Indonesia (1998-2017)



(Source: Ministry of Cooperatives and SMEs)

Figure 1 The Number and Rate of Growth of SMEs in Indonesia

The development of MSMEs in Malaysia is the government's main priority so its commitment looks very strong. Attention to MSMEs has existed since the 1970s through the policy New Economy (New Economic Policy) in 1971 which essentially builds for people's prosperity and encourages an ethnically balanced economic structure. Commitment to MSMEs can also be seen from the contents of the Industrial Master Plan (IMP2) and Industrial Mater Plan (IMP3) 2006-2020. In the 2020 vision, the development of MSMEs also has an important place.

The government is trying to build competitive and resilient MSMEs as part of building equitable economic prosperity and building national competitiveness. This determination is clearly visible in the IXth Malaysian Development Plan and the

formation of the MSME Development Council (NSDC). NSDC is an important and strategic part of the development of Malaysian MSMEs because the strategic and operational plans for developing MSMEs must be approved by NSDC (Mongid, 2011).

The NSDC was founded in 2004. The council is chaired by the Prime Minister and consists of 15 ministers and heads of the four main economic institutions directly involved in the development of MSMEs. Bank Negara Malaysia serves as the secretary and premises of the Council's secretariat. NSDC's scope of work includes: (1) Formulation of general policies and strategies to facilitate development all MSMEs in all sectors. (2) Review of the roles and responsibilities of the Government and Departments and Institutions responsible for the development of MSMEs. (3) Increase cooperation and coordination to ensure effective implementation of MSME development, policies and action plans. (4) Encourage and strengthen the role of the private sector in supporting the overall development of MSMEs. (5) Give priority to the development of Bumiputera MSMEs in all economic sectors. (Mongid, 2011).

Malaysian MSMEs are dominated by economic activities related to the

manufacturing industry, (Salim et al., 2022). In the general policy of developing MSMEs is how to invest MSMEs as part of the manufacturing industry development value chain. According to Aziz (2009) over the last five years, the contribution of MSMEs to Malaysia's economic growth has increased, namely the contribution of MSMEs to economic growth in the manufacturing sector has increased from 6% of real gross domestic product in 2001 to 8.4% in 2005. Contribution MSMEs overall gross domestic product increased to 32% while 19% of total exports were by MSMEs. Experience shows in several developed countries that MSMEs contribute at least half of domestic product gross. Referring to this, it is clear that there is significant potential for MSMEs in Malaysia to increase their contribution to the economy. (Mongid, 2011).

South Tangerang Cooperatives and MSMEs Service, during 2020 the number of MSMEs in South Tangerang City was 90,128. This number is spread across seven sub-districts in South Tangerang City, including Pamulang District, Ciputat District, East Ciputat District, Pondok Aren District, Serpong District, North Serpong District and Setu District. However, currently the rapidly growing economic development in South Tangerang City has

not been fully enjoyed by the world of micro, small and medium enterprises as well as the cooperative movement in this region, including in the form of employment, especially unemployment. Micro, Small and Medium Enterprises are also intensive in using local natural resources. Moreover, because many of them are located around the community, the growth of MSMEs will have a positive impact on increasing the number of workers, reducing poverty, equal distribution of income and economic development in the region. It can be said that MSMEs also function as a survival strategy in the midst of an economic crisis such as the one that occurred in 1998-1999 (LAKIP South Tangerang City Service; 2019).

During this time, MSME players also have various problems, including weaknesses in reading and capturing market opportunities and increasing market share, capital structure and limitations in obtaining access to sources of capital, limited business networks for collaboration between small entrepreneurs (marketing information systems). The guidance that has been carried out is still not integrated enough and there is a lack of public trust and concern for small businesses, (Pirson et al., 2019). As well as weaknesses in the areas of

organization and human resource management, especially the preparation of financial reports that comply with applicable MSME accounting standards, MSME's Pamulang Estate is no exception.

A startup ecosystem is a group of people, startups, and related organizations that work as a system to create and scale new startups. Startup ecosystems often form in relatively limited areas such as universities or technology companies. This ecosystem brings together key actors and stakeholders interested in startups. Including new entrepreneurs, mentors, incubators, investors, and support services such as legal and accounting institutions that understand startups. The startup ecosystem supports all entrepreneurs. Some startups move to new locations simply because the ecosystem there is better. The startup ecosystem can of course support MSMEs. With capital from investors and other entities that provide funds if you are able to create something that is interesting to them. The ecosystem must also support the failure of the entrepreneur. Even though the first try may fail, that doesn't mean that you will make the same mistake again.

Business incubators are considered important for the local economy as a result of value creation. Business incubators are seen as entrepreneurial centers that can

channel entrepreneurs and enable them to release their ideas and business ventures into the market. (Ramkissoon-babwah & Mc David, 2014; Oliveira & Vieira, 2016) Business incubators have been created to support viable business ideas and to help entrepreneurs to successfully pass through critical stages in the life of any company and grow in the market (Moraru & Rusei, 2012).

Business incubation is one of the most important mechanisms to help support startup companies for their survival and growth in a competitive business environment. A successful incubation process can produce stronger startups and SMEs which in turn will create more jobs and strengthen the country's economic growth. (Munkongsujarit, 2016).

The startup ecosystem starts from parties who encourage MSMEs in entrepreneurship training. because entrepreneurship training can help MSMEs develop business networks, motivate MSMEs and gain wider access to business assistance. According to Kenneth Robinson (1981), in Sudirman (2001) stated that: *"Training, therefore we are seeking by any instructional or experiential means to develop a person's behavior patterns in the areas of knowledge, skill or attitude in order to achieve certain standards"*.

One way to increase a person's

knowledge and motivation is through entrepreneurship training. As a scientific discipline, entrepreneurship can be studied and taught, so that every individual has the opportunity to perform as an entrepreneur (entrepreneur). Even to become a successful entrepreneur, having talent alone is not enough, but you also have to have knowledge of all aspects of the business you are going to pursue. (Purnomo, 2017)

Statement Problem

Based on the analysis of the problem situation above, the statement problem in this Community Service activity is:

1. How to increase knowledge regarding Pamulang Estate MSME entrepreneurship training in the Startup Ecosystem?
2. How to help Pamulang Estate MSMEs enter the startup ecosystem environment?
3. How can Pamulang Estate MSMEs understand the importance of business incubators in running their business?

Objective of Community Service

This community service activity is expected to be able to provide adequate knowledge to MSMEs, especially regarding the use of training Entrepreneurship. Community service participants can discuss

together to discuss the problems they face and find solutions to overcome these problems. The expected benefits of community service are as follows:

1. Pamulang Estate UMKM understands the concept of entrepreneurship training.
2. Pamulang Estate MSMEs gain a wider business network in the startup ecosystem environment.
3. Pamulang Estate UMKM understands the importance of business incubators. Participants understand the importance of promotion and co marketing

PROCEDURE

There are many problems that exist in Pamulang estate MSMEs, especially regarding ignorance about the importance of Entrepreneurship Training, the importance of business Incubators and the lack of extensive startup ecosystem network. For this reason, the community service team consisting of lecturers from Pamulang University, University of Malaysia Trengganu, STIE Sutaatmaja, STIE Ekuitas, Pakuan University, Bumi Gora University, STIE Pembangunan Tanjung Pinang, and Esa Unggul University feel responsible for jointly addressing the issue of entrepreneurship training.

participant startup ecosystem by trying to answer problems, especially those related to their products and business networks.

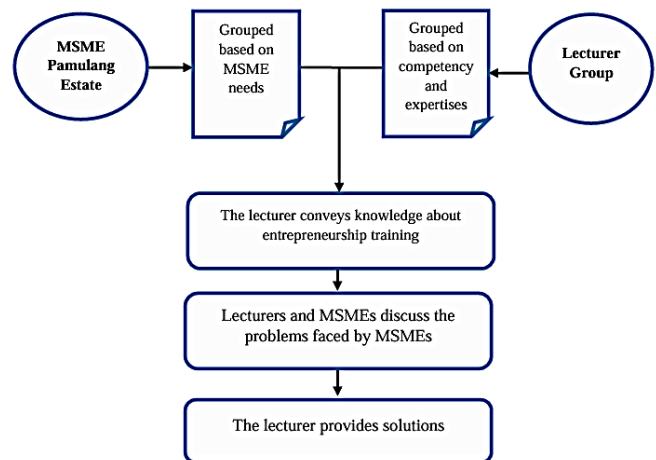


Figure 2 Troubleshooting Framework

Above is a diagram of the realization of problem solving in the community service model. The number of Pamulang Estate UMKM participants was grouped based on needs, then the data was collected and adjusted to the needs and abilities of the service staff group (lecturers from various universities). Then the service activities were opened on May 2 2024 together at an International Seminar in the Teleconference Room. At the final stage of the event, UKM participants who had been grouped based on business needs met in the room provided together with service staff.

3.2 Realization of Problem Solving.

Based on the problems that existed before the activity was carried out, the

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<http://openjournal.unpam.ac.id/index.php/ABMS>

following preparations were made:

1. Conduct a survey of the needs and problems faced by Pamulang Estate MSMEs.
2. Prepare supplies and equipment as needed.
3. Determine the implementation time and duration of training.
4. Determine and prepare training materials to be delivered.
5. Carry out Community Service activities by providing counseling on Entrepreneurship training.
6. Lecturers provide solutions to problems faced by MSME participants.

Target Audience

The implementation of PKM is aimed at MSMEs in Pamulang Estate. Setting this target is an effort to improve the capabilities of Pamulang Estate MSMEs so that they can improve the businesses of these MSME actors. Furthermore, it is hoped that the training participants can pass on the knowledge they have gained to other MSMEs in their surroundings.

Place and Time

Activity took place in the Teleconference Room, Campus 3 Viktor, Pamulang University, on Thursday, May 2, 2024, at 9:00 AM WIB and continued in

classroom 02 for discussion.

Activity Methods

Carry out activities using the presentation method accompanied by direct interactive discussions between the group of lecturers implementing PKM and the participants. Material is given at the beginning of the meeting during implementation. The systematic implementation of service activities is as follows:

a. Lecture method

The lecture method was chosen to provide insight into marketing mix strategies and how to increase visibility and market access for MSMEs in the startup ecosystem.

b. Discussion Method

The discussion method is very important for Community Service participants. The variety of businesses engaged in by participants and different business scales certainly means that the problems faced by participants are different. Participants are given the opportunity to discuss the problems they face, especially related to their business problems.

c. Approach method (Problem Solving)

Lecturers provide solutions to Pamulang estate MSME problems. The

approach taken is to provide solutions to every complaint submitted by MSMEs.

RESULTS AND DISCUSSION

Pamulang University's Undergraduate Accounting Study Program has successfully held an International Community Service Activity with the theme "Enhancing Society Through Startup Ecosystem". The event was a Sharing Session for the UNPAM Accounting Undergraduate Study Program in collaboration with MSME's Pamulang Estate. MSME's Pamulang Estate which is a community of MSME actors in the South Tangerang area. The event also invited Prof. Madya. Dr. Roshaliza Taha from Malaysia Terengganu University as resource person, and other universities as invited guests.

This International PKM was held in a hybrid manner on Zoom for the Bachelor of Accounting study program and in the Teleconference room. The event was attended by more than 100 people consisting of lecturers from the Undergraduate Accounting Study Program, lecturers from other universities Pamulang Estate MSMEs and Pamulang University students. There were 130 participants who also watched the Bachelor of Accounting

study program on YouTube together during the live streaming of PKM International, namely at 09.00-10.30 WIB.

This International PKM is a form of concern for the Bachelor of Accounting study program in assisting Pamulang Estate MSMEs. Hopefully this activity will provide benefits to MSMEs so that the business they run will be successful for MSMEs and will also provide benefits to lecturers in the Bachelor of Accounting study program in carrying out the Tri Darma of Higher Education. This International PKM began with remarks by the Chair of the Sasmita Jaya Foundation, Dr. Pranoto, S.E., M.M., Then opened by Deputy Chancellor 1 Mr. Dr. Nurzaman. Final remarks by the Dean of the Faculty of Economics, Pamulang University, Mr. Dr. H. Endang Ruhayat, S.E., MM., CSRA., CMA. Pamulang University continues to support the development of MSMEs in the South Tangerang area, especially Pamulang Estate MSMEs.

This International Community Service event is even more valuable because resource person 1, namely Prof. Intermediate. Dr. Roshaliza Taha and mother Listiya Sugiarty. S.E., M.M as Resource Person 2. The presentation of this material was guided directly by the permanent lecturer at the S1 Accounting

Study Program, Pamulang University, Mrs. Dr. Dian Widiaty S.E., M.Ak as Moderator. At the end of this International Community Service Event session, the two speakers gave a message to all participants about the core of successful business in the Startup Ecosystem, including maximizing participation in entrepreneurship training held by business stakeholders. Then it was also conveyed about maximizing marketing by utilizing online media in marketing products, creating products that have more value among existing products.

This community service activity was held on Thursday 2 May 2024 in the Teleconference Room at Viktor Campus 3, Pamulang University. Participants in this community service activity are MSMEs from Pamulang Estate. UMKM Pamulang Estate is located on Jl. Cempedak 1 Block G8 No. 30 RT/RW 06/013 Pamulang, South Tangerang. MSME actors are MSMEs which consist of businesses owned by individual residents who are domiciled in the Pamulang housing area.

Mrs. Yani as an entrepreneur with Tofu Bakso products has challenges in developing her business, there are:

1. The meatball tofu product does not have a BPOM business permit and is Halal,
2. Mrs. Yani does not yet have a business establishment

3. Business networks are still limited to local areas
4. Business financial management is still a mess

At the implementation stage, the PKM team consisting of Mrs. Susinah Kuntandi, ST., MM from STIE Ekuitas and Mr. Asep Kurniawan SE., MM., M.Sc. from STIE Sutaatmaja who was present in the room provided solutions including:

1. Understanding the importance of entrepreneurship training in the startup ecosystem,
2. Understanding the importance of business incubators for business development to Mrs. Yani,
3. Understanding of managing business finances mixed with personal finances.





**Figure 3,4 Community Service Activities
Documentation**

In carrying out community service, participants are asked to be active in discussion and asking questions. In this activity, discussions were also held between participants and the PKM team regarding the obstacles faced by participants in running their businesses. Several factors that support the success of this activity are the participants' interest in increasing the scale of their business through entrepreneurship training and their intention to take part in the business incubator held by the South Tangerang City Department. The factor that was felt to be an obstacle was the limited time for implementing PKM because each business undertaken by the participants had its own problems which of course were not enough to be discussed in the session.

CONCLUSIONS

This service activity resulted in the conclusion that it is not easy to develop a

startup business, it requires special treatment with approaches that suit the needs of SMEs, one of which is the need for entrepreneurship training and a business incubator. Pamulang Estate UMKM has been running its business well, because it has been going on for years. However, special assistance is still needed so that MSME businesses can develop and advance. Participants were very enthusiastic about participating in this PKM event until the end of the event and understood the importance of entrepreneurship training and participating in business incubators.

The advice given by the participants to the PKM implementing lecturers was that activities like this could be carried out sustainably. Especially for ongoing assistance regarding entrepreneurship training and business incubators in order to introduce an ecosystem for startup businesses. It is hoped that similar activities can increase the business growth of PKM participants so that these MSMEs Pamulang Estate can scale up.

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