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# STUDENT AWARENESS TOWARDS SOCIAL ENTREPRENEURSHIP: A QUALITATIVE STUDY

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# **ABSTRACT**

The idea of entrepreneurship that was firstly stated in 1755 needs the support of social capital in the form of social networking and supporting infrastructure Entrepreneurship has important role as the backbone of the national economy. Social entrepreneurship is a derivative theory of entrepreneurship that can be called as social change through innovative ideas, which uphold morale and social awareness. Entrepreneurship is not only measured by the financial aspect but also measured by the social benefits of feeling by society. This study assumes that one has taken out social entrepreneurship if it has been sincere capital and attitude to help social change. Thus, preparing social entrepreneurship early among students is needed to foster the degree of youth involvement in the development of national economy.

**Key words:** Entrepreneurship, Social Entrepreneurship, Young Awareness.

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# 1. INTRODUCTION

Social entrepreneurship was conceived by Bill Drayton, the founder of the Ashoka Foundation. It arguably is new theme than the theory of CSR (Corporate Social Responsibility), the most widely adopted concept by enterprise to get closer to the surrounding environment including the business environment and consumer. Furthermore, social entrepreneurship is not so popular. Social entrepreneurship is different from corporate social responsibility (CSR) activities. Misinterpretations are often focused on entrepreneurship social which is regarded only to provide service regardless of profit (Cornwall, 1998).

The French Revolution of July 14, 1789, which prompted the poor conditions of the French Empire has driven the revolution in the field of entrepreneurship. In this period, Ricard Calton in 1755 raised thoughts about entrepreneurship to boost the national economy.

Social entrepreneurship is important for wealth and competitiveness of a nation (Smelser and Swedberg, 2010), as part of the value creation process related to the financial risk and social psychology (Dees, 1998).

Hayton et al. (2002) stated that entrepreneurship is a special stimuli associated with the economic institutions that will adopt the principle of causability effect (Widiyanto, 2014). Entrepreneurship requires both knowledge and art to run (Jack and Anderson, 1999). Likewise, Putta (2014) is more directed towards the state's role in the development of entrepreneurship which has a vital role as the backbone of economic development of a country. So, it should be more attention from that given to large enterprises.

Currently, there is a tendency of developed countries to try and assemble studying industrial policy (Rodrik, 2004), whereas, developing countries like Indonesia are very serious to implement industrial policies by increasing the growth of entrepreneurship. This has been started since the decade of 1990s. For example, Presidential Decree No. 4 of 1995 on June 30, 1995, expressed the need for an effort to raise awareness and orientation of a strong entrepreneurial society, increase the number of entrepreneurs who are qualified, reliable, resilient and superior, leverage the power and steadiness employers to be able to make progress and the welfare of society at large and small enterprises and cooperatives in particular, and cultivate the spirit, attitude, behavior and entrepreneurial abilities in the community, especially to the younger generation capable of being an superior entrepreneurs. Njoroge and Gatungu (2013) defines the entrepreneur is one who seeks initiative and takes the risk and failure in business. Entrepreneurship is the ability to manage information to adjust to the environment due to the uncertainty (Douglas and Shepherd, 2002; McCaffrey and Salerno, 2011).

Montanari and Bracker (1986) expressed that entrepreneurial business life needs the support of social capital in the form of the social network that can facilitate and support the business. For entrepreneurial instigators, the necessary touch and social support will lead to an innovative performance (Zhu et al., 2012). It should be understood that, innovation is an effort of establishing new competencies. Hence, innovation is not always synonymous with new products. Innovation can be in terms of resources both internally and externally to improve firm operations (Kogut and Zander, 1992). Innovation is to create and acquire new knowledge in order to produce new ideas that can be accepted by the market (Berry et al., 2014). Kirzner (1982) stated that uncertainty is something that can not be separated from human life. Thus, there are needs to accelerate in creating value through the encouragement of courage in taking risks in order to obtain the result faster anyway (Obsorne, 1987). In this context, social capital is a resource that interact in a network management in order to generate much needed business performance (Bourdieu and Wacquant, 1992). Thus, it is clear that the purpose of this study, is to know the preparation of the younger generation in order to increase social entrepreneurs among young Indonesians.

# 2. LITERATURE REVIEW

# 2.1. Entrepreneurship

Wilson (2012) explained that the Neo Classicaleconomic theories, employees or individuals owned by company only know the costs and revenues. The company is regarded as the only technical place to achieve optimal production value. As a result, there is no attempt to turn employees into a fulcrum to generate new ideas for the company. At that time, there was no theory of entrepreneur, although many experts believe that at this time emerging various theories related to entrepreneurs.

In his book, The Entrepreneur: An Economic Theory , Casson (1982) explains that entrepreneurial is a way capable of being utilized for the production of the incorporation of a

variety of resources to generate new products or services that became trademark potential. Therefore, there is a fundamental thing to be entrepreneurship. Liargovas and Skandalis (2012) state entrepreneurial motivation lies in the four factors namely, family, community, personality and state of the market. Entrepreneurs need to make market detection to see the right opportunity, motivation to pursue opportunities, and facilities that affect the outcome.

# 2.2. Social Entrepreneurship

Hoffer (1975) states that social issues are a challenge for those who have a social life to fight for social value as the potential to give birth to the idea of thinking to create a social change. Specialists in the field of social entrepreneurship, Dees (1998) states that social entrepreneurship is a combination of a great spirit in the social mission with discipline, innovation, and determination as those which would be in the business world. Social entrepreneurial activity is an activity that do not aim merely for profit, but doing business for social purpose.

Social entrepreneurship can be referred to as bring about social change through innovative ideas, which upholds the moral and social conscience, in the case of action and motivation individuals (Young and Grinsfelder 2011; Haynes, 2012). The concept of social entrepreneurship of Sullivan Mort et al. (2003), focusing on properties and individual abilities which emphasize on taking risk, proactive, innovative, and sensitive to opportunities. With a variety of existing social problems, social entrepreneurship is believed to be capable of dealing with social problems such as poverty and unemployment. The birth of the social enterprise is expected to be social change agents that have contributinto solve the social problems (Dahles et al., 2010). Dal Forno and Merlone (2009) believes there must be a formula or a concept that describes a type of social entrepreneurial excellence and character. The presence of business-based entrepreneur enables a significant number of social entrepreneurs. Social entrepreneurship is considered a prominent role in community participation and commitment in the economic development of the nation (El Ebrashi, 2013).

# 3. RESEARCH METHOD

This study is a qualitative research, conducted with a survey of young Indonesians in Semarang, Central Java. A total of 150 students participated in this study, providing answers on social entrepreneurs.

Gender	amount
Man	90 (60%)
Women	60 (40%)
Total	150 (100%)

**Table 1**. Profile of Respondents by gender

The table prescents that respondent are predominantly 60% of men and 40% of women. Meanwhile, respondents are more dominated by the age of 20 years old

 Table 2. Profile of Respondents by Age

Age	Amount
16-18	55 (37%)
19-22	70 (47%)
23-25	25 (16%)
Total	150 (100%)

Education	Amount
High School	40 (27%)
Bachelor degree	95 (63%)
Master degree	15 (10%)
Total	150

**Table 3**. Profile of Respondents by Education

From the educational profile ,the response shows that 63% of respondents are undergraduate, followed by high school (27%) and master (10%).

# 4. RESULTS

The research question proposes in this study is very simple just to know the understanding among Indonesian students about social entrepreneur. The question form is, "do you understand about social entrepreneur?" The empirical evidence proves that only 33% of students understand what social entrepreneurs mean. While the rest states do not understand.

Answer	amount
Understand	50 (33%)
Do not understand	100 (67%)
Total	150 (100%)

Table 4. Respondents answer

# 5. DISCUSSION

Oosterbeek et al.(2010) showed that there is a positive relationship between personal actuality with the level of skill that can be developed. Thus, people who are motivated to be open to new ideas lead them to innovative and creative to differentiate values with others (Aidis and Van Praag, 2007). Thus, is is inevitable that business performance run by different individualist more related to the different values and motivations (Georgellis and Wall, 2005; Wilsonet al., 2007)

The motivation to undertake certain activities in order to achieve alignment of strategy can be implemented using the network to evolve (Insinga and Werle, 2000). Similarly, motivation for the company plays an extremely important effect on the company's progress (Hackman and Oldham, 1976). Another role is the motivation of the company can be developed into a large and successful attempt in taking advantage of opportunities. Entrepreneurship is a superior personality with the ability to self-employed management (Argote and Ingram, 2000), motivated not only by an entrepreneurial spirit, but also is associated with competitiveness (Stalk, 1988)

Entrepreneurs has a vital role as the backbone of the nation's economy, especially those who had received education and training (Nilsson, 2012). Entrepreneurship that is based on the people's economy was able to survive in a difficult situation. Thus, it is important to teaching entrepreneurship at all educational level (Ondracek et al., 2011). The college is expected to also be able to create a reliable entrepreneurs (Jones and Hegarty, 2011).

Lans et al. (2008),Hitt et al.(2012) state that the stakeholder task is not only to create a business entrepreneur but also using their presence in the business as a learning environment that focuses on business planning, business skills and the managerial ability in internal and external environment. External environment is an environment where extreme changes are not

adherent to the wishes of the company, among others, economic conditions, and political policies. Internal scope is associated with the management and employees as well as social organizations, management and business ethics, and business locations (Kean et al., 1998; Hollis and Yakhou (2008; Meyer, 1982; Kim, 2006; Anggraeni, 2014; Fatimah, et al., 2017). Baron and Markman (2000) reveal that entrepreneurs hipcan not be separated from the search for profit maximization, but still have to pay attention to the environment and surrounding communities (Venkataraman, 1997; Thoumrungroje 2004; Herman & Anggraeni, 2015).

Social entrepreneurship is an opportunity to form a new business model that is useful for the empowerment of surrounding communities, especially economic empowerment. (Caldwell et al., 2012; Duvnas et al., 2012; Alvord et al., 2004; Jiao 2011; Swanzen and Rowe, 2013). The result expected to be achieved is not merely to gain any material or customer satisfaction, but how ideas delivered in community development provides a good impact for the community in the long run (Bull and Urban 2008). Turkina and Thi Thanh Thai (2013) states that the social entrepreneurship has tosucceed in creating organizational mix. by using the methods of business organization to createsocial value (Auerswald 2009; Baker and Sinkula, 2009; Yunus, 2006).

# 6. CONCLUSION

Social entrepreneurship is a derivative of entrepreneurship that was originally intended to make social change. As previously mentioned, social entrepreneurship is very different from general entrepreneurship that focuses on creating new value and gaining profit. Social entrepreneurship has been gracious in all areas of human life such as art, culture, technology and much more on the principle of work for social advancement. Social entrepreneurship is an idea that is sensitive to social problems that have an influence on the entrepreneurial environment affecting the economic progress of the nation. A key of social entrepreneurship is understanding social issues and undertaking social changes.

The result of this study reveals that only about 33 percent of students know about social entrepreneurship. This encourages stakeholders to continually educate and socialize social entrepreneurship in the younger generation. As stated by Zainol et al. (2014) that it should be an effort to be more public social entrepreneurship education in addition to those conducted must obtain the support of all parties to realize the people's welfare.

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