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ENTREPRENEURSHIP ORIENTATION OF JAMU GENDONGS ENTREPRENEUR IN THE VILLAGE OF NGUTER SUKOHARJO DISTRICT CENTRAL JAVA INDONESIA

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ABSTRACT

Sukoharjo districts, especially the village of Nguter often referred to as jamu village, is one of the districts in Central Java which has a big potential in the development of jamu. Jamu traditional is a herbal medicine made from natural materials, such as from plants which have special properties, then blended into a powder of Jamu and an herbal (Jamu) drinks. The skills to make Jamu Gendong became the livelihood of the people in the area. The business of Jamu Gendong is included in the category of small-scale businesses. Jamu is one of the products of cultural heritage that is priceless, so the existence of herbal medicine cannot be separated from the culture of the local community whether to create or to concoct it. The challenge in Jamu business is the safety, quality and benefits which can be justified scientifically, another challenge is the lack of pride and confidence level of the Indonesian people to consume Jamu. Based on the existing potential, a support from the instigators of Jamu or local governments which have the entrepreneurial orientation is needed. Jamu Gendong entrepreneurs with high entrepreneurial orientation is expected to face a dynamic environment. The purpose of this study is to identify the entrepreneurial orientation of Jamu Gendong entrepreneurs in Sukoharjo district Nguter village in a dynamic environment, with dimensions of risk taking ability, innovativeness and proactiveness which is able to drive the entrepreneur to remain optimistic in facing the challenges and exploit new opportunities. This study is based on empirical exploratory research results of the Jamu Gendong entrepreneurs in the village of Nguter Sukoharjo district, Central Java Indonesia. The results showed that the orientation of the entrepreneur that include innovativeness, personal proactive, and risk taking of entrepreneurs is still in a moderate. Support from local government and other parties are necessary to assist in the management of Jamu business in relation to product hygiene, expiration period and business development.

Key word: entrepreneurial orientation, innovativeness, personal proactive, risk-taking, Jamu Gendong businesses, products of cultural heritage, the village of Nguter

INTRODUCTION

Jamu industry became one of the potential products that need to be developed, because it has a promising market potential in both the local and global markets. However, it is necessary to find a joint solution with regard to the constraints of industrial development of Jamu industry, jamu so far include the development based on safety, quality, and efficacy that can be justified scientifically, in addition, the lack of pride and confidence level of Indonesian people in consuming jamu and traditional medicines, although awareness of the use of natural products / herbal with minimal side effects is also a chance of its own as a counterweight to chemical drugs that are more able to be accepted in society. (<http://www.republika.co.id/berita/nasional/umum/13/07/11>).

The business actors of jamu industry in Indonesia currently reaches 1,247 traditional medicine industry which include 129 traditional medicine industry, while the rest are small businesses of traditional medicine and micro-enterprises of traditional medicine (<http://www.suara-merdeka.online/berita/21/04/14>). Seeing this potential, it is not wrong if the necessary activists in this jamu

industry with high ability in entrepreneurship orientation. Jamu entrepreneurs with high entrepreneurial orientation are expected to have high-performance levels for adequate capability, dynamic environment.

Sukoharjo district, especially Nguter village, often referred to as the village of jamu, is one of regencies in Central Java which has the big enough potential for the development of traditional jamu medicine. Traditional jamu is a jamu made from natural materials, such as from plants which have special merit, then blended into a powder of jamu and jamu drinks. The skills of making Jamu Gendong become their livelihood. Jamu Gendong enterprises is included in the category of small-scale businesses. Jamu is one of the products of cultural heritage that is priceless so the existence of jamu cannot be separated from the culture of the local community whether to make or to concoct it, it is necessary to identify the entrepreneur orientation of Jamu Gendong business, so that they are able to deal with the growing and dynamic business environment.

LITERATURE REVIEW

The concept of entrepreneur orientation refers to the ability of creative and innovative, in which there are dimensions; the ability of taking the risk (risk taking), the ability to innovate (innovativeness) and the proactive nature (proactiveness) which will help the company to put events and activities to acquire and exploit new opportunities (Abebe, 2014). In addition to the dimensions of entrepreneurial orientation which has been mentioned, there is an additional dimension of the researchers who present variations of the constituent construct. Knight (2000) added two dimensions of autonomy and aggressive competition. Some of the research literature about entrepreneurial orientation construct, all of it did not filed the opposition to these three dimensions namely innovative attitude, the attitude of looking for opportunities, and the attitudes to take the risks.

Risk Taking Ability

An entrepreneur is expected to have the courage to take risks in business activities, but still put forward a realistic calculation. The courage to take the risk of which associated with a trend to launch new products, restructure the company, or the courage to enter new market segments (Morris et al., 2007). In general, an entrepreneur is a risk taker. The courage to take risks is marked with a choice to make efforts which is more challenging in achieving objectives, compared with the choice of risks that are too high or too low. Although the selection of the risks taken was moderate, the businesses have a tendency to look at the elements of risk more optimistic by making entrepreneur efforts.

In a hypercompetitive business environment today, the company is expected to have a breakthrough in the effort of decision-making more aggressively and risky, as part of efforts to maintain the position in the industry by beating another competitor. The courage to take risks focuses on efforts to face environmental change and seek to exploit the opportunities created by the changing business environment that are very volatile and needs to be followed up (Morris et al., 2007).

The ability to find opportunities (proactive person)

The act of looking for opportunities looked at the potential opportunities to subsequently show initiative, take action and strive to achieve the results that can affect the process of environmental change (Jintong et al., 2007). This attitude contrasts with the reactive pattern which is waiting for the changes occur and then react to it. The ability to seek opportunities aggressively sought to take the initiative, to compete and push the company ahead of their competitors and enable the company to address ever-changing environment changes.

With the ability to search for these opportunities, the company is expected to move and become The 'first mover' in response to the desires and needs of the future, by working to stay ahead of the hypercompetitive business competition. The tendency to look for opportunities could potentially be an important factor in improving corporate performance. The more vigorous and

persevering entrepreneurs in looking for opportunities in the face of environmental challenges, the better the performance of the company (Knight, 2000).

The ability to explore innovative ideas (innovativeness)

The tendency to always be actively involved in the exploration of new ideas, doing the creative processes which may be different from the existing standard, this attitude reflects the strength in exploring innovative ideas. A Creative and innovative process which is supported with fresh ideas, a willingness to do the experimentation, which result could be new products, new processes, new services, new markets, new segments targets or the new techniques (Knight, 2000). Companies tend to implement marketing strategies that are responsive and anticipatory (Covin and Miller, 2014).

Varying forms of innovation, these results are an important factor in organizational innovation. The entrepreneur regarded as the main catalyst for growth and change to the natural progress of the company. The main characteristics of an entrepreneur with a willingness and ability to seek creative and innovative ideas has a personal characteristic that is open to the experience, have the ability to work with full imaginative, competent and have confidence in the assessment of him/herself and steadfast attitude, have the duty and responsibility to have more achievement, as well as energetic and intelligent (smart) (Morris et al., 2007).

METHODOLOGY

Respondents in this study are 7 micro and small businesses in the village Nguter, Sukoharjo regency, Central Java. The type of data in this research is the primary data on entrepreneurial orientation in terms of the ability of risk taking (risk taking), the ability to innovate (innovativeness) and the proactive nature (proactiveness). Data is collected by in-depth interviews and the analysis techniques used are descriptive.

RESULTS AND DISCUSSIONS

The General Picture of Small and Micro-Scale Jamu Enterprises in Nguter.

Seven respondents were small micro enterprises 'carrying medicinal' in Nguter, 4 respondents were female and 3 were male. They've long had this business, 5 respondents own a business over 30 years, while two respondents only about 6 months. Respondents who have a business more than 30 years inherited the business from their parents and the 6 months ones, they are interested in jamu business run by their relatives. The jamu that are made is beras kencur, kunir asem, kunci suruh, cabe puyang dan paitan. In one day the respondents approximately made 10-15 bottles jamu, which are then sold in the Nguter market and the area around their home. At the present time they are no longer carrying bottles of jamu as before but already using a large basket and using bicycles and 3 respondents use a motorcycle, however they're still called jamu gendong. Each respondent states that the advantage on each of the products is almost the same, namely beras kencur and kunir asem. Respondents self-producing herbs that they will sell, the number of personnel which help them on average 2-3 people which still their relatives such as husband/ wife, brother and nephew. They get the raw materials from the Nguter market and plants that exist around them such as lime, betel leaves.

The ability to take risk (risk-taking)

As described above that an entrepreneur is expected to have the courage to take risks in business. In terms of risk-taking the respondents stated that they are ready to face the risks in the business. 2 Respondents who have the business for 6 months is ready to take risks with the life choices to become jamu gendong seller, they previously worked in a factory outside the Nguter village. They chose to become jamu seller as because they see that their brothers, and sisters live better as a jamu seller.

Another thing is, two respondents tried to create a new concoction that did not previously exist such as making herbal medicine with the basic ingredients of mangosteen peel and soursop leaves. They make these herbs based on information from both printed and television media, so that the product could be sold they told the customers. Initially, the product was only sold a little, over time there is a person who always looking for it even though not many. Another breakthrough is done is to find new markets, there are 3 respondents who tried to find new markets by entering into the housing is in the vicinity of the Nguter village, at the beginning of their product sold only a little, but now their sales is increased, there is a tendency of customers to buy jamu at the traders who they already know.

The ability to find opportunities (proactive person)

The act of looking for opportunities looked at the potential opportunities to subsequently show initiative, take action and strive to achieve the results that can affect the process of environmental change (Jintong et al., 2007). The more vigorous and persevering entrepreneurs in looking for opportunities in the face of environmental challenges, the better the performance of the company (Knight, 2000). In search of opportunities, 3 respondents did a good relationship with the customer, the product beraskencur and kunirasem which is respondents' flagship had been presented at the event organized by the Sukoharjo local government and even beyond Sukoharjo. While one other respondents seeking opportunities through communication with customers and try to make jamu in accordance with the wishes of the customer. Other respondents only conduct their activities on a regular basis.

The ability to explore innovative ideas (innovativeness)

The tendency to always be actively involved in the exploration of new ideas, doing the creative processes which may be different from the existing standard, this attitude reflects the strength in exploring innovative ideas. A Creative and innovative process which is supported with fresh ideas, a willingness to do the experimentation, which result could be new products, new processes, new services, new markets, new segments targets or the new techniques (Knight, 2000). The main characteristics of an entrepreneur with a willingness and ability to seek creative and innovative ideas has a personal characteristic that is open to the experience, have the ability to work with full imaginative, competent and have confidence in the assessment of him/herself and steadfast attitude, have the duty and responsibility to have more achievement, as well as energetic and intelligent (smart) (Morris et al., 2007).

Respondents who already have a business more than 30 years stated that they are always looking for new ideas. Two female respondents tried to make herbal medicine for colds or the flatulence with traditional ingredients, respondents got the idea from a customer complaint which is they feel bloating or the colds, by concocting from an existing traditional materials. This attempt makes the respondent get more order. Similarly, another respondent which seeks to make a concoction of the soursop leaves and the mangosteen leaves based on the information they get from the media. Another innovation made in service to customers, respondents received orders of jamu desired by customers and deliver it, even on new customer they ask the customers to taste the jamu that they do not buy. The hope is that they were impressed and will buy it at some point.

CONCLUSION

Based on the above analysis it can be known that the entrepreneurial orientation in micro and small enterprises is not yet maximum (is still medium) either from the risk taking ability (risk taking), the ability to innovate (innovativeness) and the proactive nature (proactiveness). This is because information is limited, the making process of jamu is still hereditary based. It is also in accordance with the will of consumers who still want a taste of typical jamu which they tasted. Product development is still a habit that has been patterned from a long time ago, although there are some respondents which willing to make products according to customer orders for the medicinal purposes

such as stomach ulcers and colds, as well as the manufacture of jamu which raw material are sour sop leaves and the mangosteen peel. The weakness which often appears on micro and small scale jamu business is the ability in product innovation, sanitation, expiration, and the use of safe materials that are not-contaminated to ensure hygiene products for a jamu which save life and not contaminated. Limitation of Nguter herbal medicine businesses is the level of education, creativity, innovation is low, the ability to find opportunities, so that they have more entrepreneurial orientation, guidance needs to be done by the local government to the micro and small entrepreneurs by providing insight into the development of products, hygienic and knowledge.

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ISBN 978-967-13383-3-9



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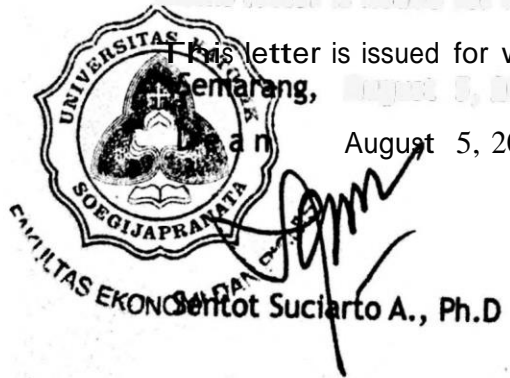
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- Activity : Presenting Article : *Entrepreneurship Orientation of Jamu Gendorgs Entrepreneur in the Village of Nguter Sokoharjo District, Central Java, Indonesia* in The International Conference and Field Study of Rural Research and Planning Group (RRPG)
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This letter is issued for whatever it might deem useful to her.

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