The Competition Role of Higher Education in Entrepreneurship Empowerment within Global Market

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Abstract. This article aims to describe the actual conditions faced by small entrepreneurs today and seeks to contribute ideas towards entrepreneurship development efforts. If look at current conditions, many small entrepreneurs who survive with businesses that they manage in conventional and yet there appears to be enterprise development. It makes small entrepreneurs difficult to adapt in a competitive global environment. Low motivation to develop the business due to the difficulty factor of capital that can be overcome with entrepreneurship empowerment program. Entrepreneurship empowerment program carried out by providing facility is not only capital loan but also the ease of getting access to capital. Ease of access is what makes the big problem for small entrepreneurs. Solution to overcome these problems, the universities act as a non-financial support institutions that ensure ease of access to capital. Through the fabric of cooperation between university and banks as sources of capital will facilitate the role of universities in mediating the access to capital.

1. Introduction

The impact that can be felt from the rapid pace of triple T development (technology, trade and transportation) is a phenomenon of globalization that is getting more and more intense unavoidable. It certainly brings changes in various areas of life both economic, social, political and cultural. The influence of this change makes the world competition becomes increasingly tight. Countries will be involved in a competition and put themselves in the best position in the very tight competition structure. In other words, business is in a "top-tier" position in the competition. But we need to realize no matter how strong the desire to put yourself on the "top", which needs to be considered for our country is the development. For example, the development of developed regions with underdeveloped areas or the development of community groups belonging to the category of underdeveloped economies with the general public and the upper economy. That means we will be able to compete in this global environment we also support. This is necessary because globalization on the one hand not only creates many opportunities, but also creates many challenges that will not be a threat [1].

So far entrepreneurship is seen as a viable solution helping the economy of the country where indicators of economic development success one of them is the free state of the problem of poverty and unemployment. Increased economic growth is likely to increase employment...
opportunities. Therefore, the appeal from the government to intensify entrepreneurial activities is increasingly tighter day.

But unfortunately in reality people interest in entrepreneurship is still low. The low interest of the community in entrepreneurship is emerging from the wrong paradigm in the understanding of society, where entrepreneurship is needed big capital and must be done on a large scale also [2]. Even if entrepreneurship has been done, there is a reluctance from the entrepreneurs, especially small-scale entrepreneurs to develop their business. They tend to stick with the conventional business model they manage so far [3]. Why do these entrepreneurs tend to stick with their small businesses? The main factor causing their lack of motivation to develop the business is the capital factor.

Looking at the facts above, the issue must be addressed and responded by various parties, both the banking as a source of capital and non-financial institutions as a supporter of capital resources that serves to strengthen the position of entrepreneurs. College is one of the non-financial institutions that not only serves as a place to gain knowledge and produce knowledgeable knowledge, but also an asset that can provide benefits for the benefit of the community for example for economic activism or empowerment of entrepreneurship (entrepreneurship) especially the development of Small Micro Enterprises (SMEs). Through the role of universities in the empowerment of entrepreneurship, especially entrepreneurs who have small-scale enterprises are expected to compete in global competition.

The role of universities in this empowerment as described in the Government Regulation No. 60 of 1999 article 3 paragraph 1 which states that universities organize higher education and research and community service. Therefore, the involvement of universities in the entrepreneurship empowerment program is a manifestation of duties of service to the community that must be carried by the universities. This paper seeks to describe the actual problems experienced by entrepreneurs small current for the next can be used as a rationale in an effort to develop small entrepreneurs face global competition.

2. Methodology
The method used in writing this article is a qualitative description method, where we try to do the analysis or analysis of the actual phenomenon that is happening by basing it on the literature review.

3. Results and Discussion
a. Small Entrepreneurs Problem
Nowadays entrepreneurship is increasingly widespread because of its orientation on business and profit oriented to be gained. An entrepreneur is a person who changes the value of resources, labor, materials and other factors of production to be greater than ever before and also people who make changes, innovations and new ways. Therefore entrepreneurs are required to have the courage to take risks to open and develop business in various opportunities. Dare to take risks means mentally independent and dare to start a business, without fear or fear even in uncertain conditions [4].

Successful entrepreneurs [5][6]has a standard of entrepreneurial potential that can be seen in the following characteristics:
1. Innovative capabilities
2. Tolerance to ambiguity
3. The desire to excel
4. Realistic planning skills
5. Leadership is goal-oriented
6. Objectivity
7. Personal responsibility
8. Ability to adapt (Flexibility)
9. Ability as organizer and administrator
j. Level of high commitment (survival)

When considered the characteristics of successful entrepreneurs as mentioned above, actually returns to the individual person of an entrepreneur himself whether he has interest and motivation or not to develop their business. Other factors besides personal entrepreneurs are factors that serve as supporters that can be
either environmental factors or regulatory factors of the stakeholders. Environmental factors refer to the potential that exists in the environment around the business, such as community environment and natural environment that can be utilized by entrepreneurs. While regulatory factors of stakeholders refer to both financial and non-financial support from the local government.

Of the several factors mentioned above, which causes the entrepreneurs are less motivated to develop business especially small entrepreneurs is due to lack of effective supporting factors in the form of financial support from the government regulation. So far, the government through the package of economic policies in 2002 has opened access to banking services for SMEs (Micro Small Business). Through the package, small entrepreneurs get capital loan facilities from banks, but are less effective in their implementation. The lack of effective access to banking services is due to the requirement of a guarantee (angunan) that is not easily met by these small entrepreneurs. Therefore it is true what is said by [7] in his article that the model of entrepreneurship development that is appropriate for the condition of Indonesian society is to encourage increased entrepreneurship enthusiasm among the prospective entrepreneurs and facilitators who are done simultaneously with the provision of facilities and infrastructure to facilitate entrepreneurial candidates in starting, running and raising business.

Provision of facilities and infrastructure is what then led to what called the entrepreneurship facilitation program or called entrepreneurship empowerment. The empowerment of entrepreneurship is directed not only to the provision of business capital which is done by financial institutions and banks, but also to the ease of access to obtain business capital without the complicated requirements that must be provided by the small entrepreneur.

b. Entrepreneurship Empowerment

Entrepreneurship empowerment becomes very strategic because of its potential great in moving the economic activities of the community and at the same time become the source of income of most people in improving their welfare. As said by [8] in his article on UMKM stated that entrepreneurship empowerment especially seen in Small and Medium Enterprises Unit (UMKM) is the best solution to optimize the potential of national resources, as mandated in article (4) and article (5) of Law Number 20 Year 2008. Nevertheless make UMKM as the basis of regional development which also supports the success of national development is still faced with many problems, among others: 1) low productivity of UMKM which impact on the emergence of gap between SMEs with big business; 2) limited access of MSMEs to productive resources such as capital, technology, information and markets; 3) not conducive business climate faced by UMKM, so that happened marginalization of this group.

For that according to [9] it is necessary to intensify entrepreneurship in the form of institutional strengthening on Micro Small Medium Enterprises (MSMEs). These efforts can be implemented by strategy 1) expanding access to capital sources, especially banking, 2) improving the business environment and licensing procedures, and 3) expanding and improving the quality of non-financial support institutions. What Kumoro says shows that not only financial institutions and banks should be involved in empowerment as a source of capital, but other institutions or institutions as non-financial supporters should also be involved in strengthening MSME institutions.

Another reason why UMKM institutions need to be strengthened through entrepreneurial engagement, not least because the MSME sector has proven resilient to the economic crisis. During 1997-2006, the number of SME-scale companies reached 99% of the total business units in Indonesia. The contribution of SMEs to gross domestic product reached 54% -57%. The contribution of SMEs to employment is about 96%. As many as 91% of SMEs are exporting through third party exporters / intermediate traders, and only 88% are directly related to overseas buyers / importers [10].

c. The Role of Universities in Entrepreneurship Empowerment

Colleges are the institutions that most feel the demands of global change because of the task of developing science and technology. Businesses, governments and communities that need science-based information technology and other multidisciplinary sciences will require universities to meet
their need for higher science and technology. [11] stated that the community now entrust to universities as institutions of higher education that still have the moral strength to be a role model of society in the transformation toward the global community.

In connection with the above statement, cannot be denied that the role of college high strategic is also required in the empowerment of entrepreneurship. As stated by [12] in his research that recommends the need for SME empowerment activities by universities assisted by the government and other related parties in order to realize SMEs as a motor of populist economy. Universities are expected to become mediators of SMEs to governments and financial institutions in order to increase SME productivity through inter firm linkage efforts. Through this linkage model is expected to occur collaboration between SMEs with related institutions that can government, financial institutions and banks and other non-financial institutions including universities. This model helps provide solutions to SME problems both financial issues, marketing, management development and product and technology development.

We all know that at this time many colleges have already established partnership with banks as one of the facilities that facilitate educational activities in universities, especially for the smooth process of financial administration. Partnerships that are interwoven between the college with the banking make the trust between partners, so that trust can be used as a basic capital to get involved in entrepreneurship empowerment. In this case, small entrepreneurs who have problems with access to capital can use the services of universities as the guarantor of the ease of access. Of course, it is universities that will set the criteria and requirements for the feasibility of the entrepreneur to get the capital.

Based on such conditions it is fitting for universities to play a role in entrepreneurship empowerment, because the role of universities as mediators access to capital will have an effective impact for small entrepreneurs. This at once dismissed the notion of society that has been assumed that the college only as a place to gain knowledge only, but more than the college was also able to contribute to the needs of entrepreneurs.

4. Conclusion

From the above explanation, it can be drawn red thread that college should have an active role in entrepreneurship empowerment. This is in line with the duty of Tri Dharma which must be carried out by universities, especially the task of dedication to the community in order to make the society (in this case is the small entrepreneurs) capable of competitiveness in this global era. Through the role of universities that act as mediators of access to capital in financial institutions and banking, small entrepreneurs can overcome the problems so they will be motivated to expand their business.

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