

Implementation Of Entrepreneurship Education In Family Business Sustainability: A Narrative Study Of Mojosari Klepon Traders

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Abstract

The family entrepreneurship education model is important to emphasize because it is the basic measure of the success or failure of the business sustainability process. The process of individuals acting as recipients of education from their families acts as motivators, teachers, and at the same time parents as it should be. All stages of the process are expected to create individual outputs that have the ability, knowledge and competence of entrepreneurship to prepare for the sustainability of the family business. This study aims to understand the effectiveness of the entrepreneurship education model and its implementation in the sustainability of the family business of Mojosari klepon traders. The approach used is descriptive qualitative which includes data reduction, data presentation and conclusion. The results showed that parents' involvement in providing entrepreneurship education to children has been carried out by providing motivation, support and encouragement in verbal form and involving children in the family business so that children understand business management, so that they understand the basics of how to manage a business when they will continue the leadership of the family business or establish an independent business.

Keywords: *Entrepreneurship Education, Family Business, Business Sustainability*

INTRODUCTION

Unemployment in Indonesia poses a significant challenge to the national economy, particularly among the youth (Yanindah, A, 2021). Based on data from the Central Statistics Agency (BPS) in August 2023, the open unemployment rate in Indonesia was recorded at 5.86%, meaning approximately 8.56 million people out of the total workforce of 146 million are without permanent employment. More concerningly, the unemployment rate among the 15-24 age group reached 17.72%, indicating that nearly one in five young people in Indonesia struggles to secure a job after completing their education. This exacerbates the reliance on the formal sector, while many new jobs needed remain uncreated, both in the industrial and government sectors. Therefore, it is crucial to develop long-term solutions to reduce unemployment, and entrepreneurship emerges as a promising alternative (Schmid¹, G, 2017).

One solution to tackle unemployment is by developing family businesses already present in communities (Lukiyanto, K., & Wijayaningtyas, M, 2020). Family businesses in Indonesia, especially in the culinary, handicrafts, and agricultural sectors, play a significant role in absorbing local labor and creating new job opportunities. Many businesses in Indonesia are family-run and have been passed

down through generations. Family businesses have the potential to grow and provide job opportunities not only for family members but also for the surrounding community (Aronoff, C., & Ward, J, 2016). One interesting example of a family business is the klepon business managed by the community in Mojosari, East Java. Klepon is a traditional Indonesian snack made from glutinous rice filled with palm sugar and coated with grated coconut, widely known and loved by many. In Mojosari, klepon is not just a popular snack but also part of the region's culinary identity. Many klepon sellers manage this business within the family, with recipes and production methods passed down through generations. One such example is my family's klepon business, which started in 1998. Initially, I assisted my sibling, and after mastering the production process and recipe, I eventually started my own business. The sales have reached approximately 150-200 packs, priced between IDR 6,000 and IDR 10,000 per pack. Six family members are involved in selling klepon in their respective areas. Although it has been running for a long time, this klepon business faces various challenges, especially with the increasing competition from modern foods that attract younger consumers and rapidly changing tastes.

In the face of these challenges, entrepreneurship education emerges as a vital solution to support the management and development of family businesses. Entrepreneurship education is a learning process aimed at building an entrepreneurial spirit among learners (Chahinez, T. S., & Meriem, G, 2023). It provides the knowledge and skills needed to design effective business strategies, including operational management, marketing, finance, and product innovation (Olanrewaju, M, 2024). For klepon traders in Mojosari, entrepreneurship education could introduce them to proactive ways of managing their businesses. This includes the ability to plan the future of their business carefully, understand market dynamics, and create products that resonate with consumers. This involves utilizing digital technology to market their products more widely (Kraus, K. et al., 2021), introducing more innovative klepon flavors, and improving production systems for greater efficiency and sustainability. This way, the klepon business can survive and grow despite the many new food options available in the market. Entrepreneurship education also equips them with knowledge about sound financial management, human resource management, and risk management (Gidado, S. D, 2020). In the context of the klepon business, the younger generation involved can use this knowledge to promote their products through social media, reach a broader market, and even explore international markets, ensuring the sustainability of the klepon business.

The sustainability of family businesses heavily depends on their ability to adapt to changing times (Löhde, A. S. K. et al., 2020). Family businesses that fail to innovate or manage their businesses efficiently often struggle to survive in the long term (Kraus, S. et al., 2020). Without proper planning and the ability to face

market challenges, family businesses risk going out of business. Therefore, entrepreneurship education is crucial in maintaining the sustainability of family businesses (Soares, G. G. et al., 2021). By equipping family members with entrepreneurial skills, they can more easily adapt to market dynamics, enhance product competitiveness, and improve business operational efficiency (Gaffar, V. et al., 2022). This ensures that family businesses can continue to grow and provide sustainable economic benefits. Similarly, the sustainability of the klepon business in Mojosari depends heavily on the ability of its managers to adapt to changing times. Increasing competition and shifting consumer preferences can pose threats to klepon businesses that cannot keep up with these changes. Therefore, by implementing entrepreneurship education, klepon traders in Mojosari can learn to be more creative in offering innovative products and utilizing technology to expand their market.

Thus, entrepreneurship education becomes a crucial element in ensuring the sustainability of family businesses, including the klepon business in Mojosari. Family businesses managed with good entrepreneurial knowledge and skills will be better able to withstand challenges and even thrive, even in a fluctuating market (Anggadwita, G. et al., 2024). Additionally, entrepreneurship opens opportunities to create new jobs, which ultimately helps reduce unemployment in Indonesia, especially among young people increasingly struggling to secure permanent jobs. With the right entrepreneurship education, family businesses can become essential pillars in the local and national economy (Ramadani, V. et al., 2020).

LITERATURE REVIEW

Entrepreneurship Education

Entrepreneurship education is a training process for students to face an uncertain future by equipping them with the ability to create businesses (Igwe, P. A. et al., 2021). It is a learning process aimed at shaping entrepreneurial character, understanding, and skills (Boldureanu, G. et al., 2020). Entrepreneurship education is a planned and practical effort to enhance learners' knowledge, intentions, and competencies to develop their potential, which is manifested in creative, innovative behavior and the courage to take and manage risks (Nuhu, H. U., 2023). It helps students develop these skills early, preparing them for success as entrepreneurs or professionals in various fields (Lotulung, C. F. et al., 2018). Additionally, entrepreneurship education fosters a positive and proactive mental attitude (Ou, Y., & Kim, K., 2024). The goal of entrepreneurship education is to assist individuals without entrepreneurial spirits in building self-confidence, developing creativity and innovation, and gaining the courage to take risks (Boldureanu, G. et al., 2020).

Business Sustainability

Business sustainability refers to a business that continues to operate over time across generations in the long term, maintaining consistent leadership to uphold product quality (Schaltegger, S., & Wagner, M., 2011). It is the condition where a business can survive in a dynamic competition and endure over generations (Bansal, P., & DesJardine, M. R., 2014). Business sustainability can also be defined as the entrepreneur's ability to make their business sustainable (Tur-Porcar, A. et al., 2018). The goal of business sustainability is to achieve profitability and long-term viability (Florez-Jimenez, M. P. et al., 2024). Sustainability in business refers to strategies and actions companies take to minimize adverse environmental and social impacts caused by their operations in a particular market (Baumgartner, R. J., & Rauter, R., 2017). Key factors influencing business sustainability include: Good leadership and management, A sustainable business model, The ability to innovate and adapt, Access to resources such as business capital, labor, raw materials, and infrastructure, and Networks and partnerships with suppliers, distributors, business partners, and financial institutions (Jayashree, P. et al., 2022).

Family Business

A family business is a business owned, operated, and managed by two or more family members connected by blood, marriage, or adoption (Neubauer, F., & Lank, A. G., 2016). It is a commercial organization where decision-making is influenced by multiple generations of family members who are connected by blood, marriage, or adoption, with the ability to shape the business vision and the willingness to use this ability to pursue unique objectives (Samara, G., 2021). According to Basco, R. (2017), the advantages of family businesses include:

1. Company decisions are made based on family consensus.
2. Effective leadership.
3. Clear forward-looking goals.

However, Schjoedt, L. et al. (2013) identify the following disadvantages of family businesses:

1. Social jealousy among family members.
2. Appointment of positions without considering competency.
3. Potential for conflicts of interest.
4. Challenges in providing opportunities to outsiders.

METHOD

This study employs a qualitative narrative approach. In narrative research design, the researcher describes individuals' lives, collects stories about their experiences, and writes accounts of their lived experiences (Clandinin, 2007). The subjects of this research are klepon traders in Sawahan Village, Mojosari District, Mojokerto Regency. The characteristics of the research subjects include running klepon businesses since the 1990s, with operations spread across various areas in Mojokerto Regency. The business was initiated by their parents, who sold klepon door-to-door. Through instilled entrepreneurial education, the family has managed to establish eight klepon stalls, each managed by one of the children.

Data Collection Techniques

The data collection techniques in this study include:

Interviews

Used to gather data about the model of entrepreneurial character development, focusing on how the parents' educational patterns were consistently passed down to their children. Semi-structured interviews were conducted in-depth, guided by a framework but largely open-ended. These interviews explored the traders' entrepreneurial experiences, the upbringing provided by their parents, and the dimensions of entrepreneurial character.

Observations

Observations involved monitoring the daily activities of the traders and their children at work, as well as interactions with employees, business partners, and customers. These observations focused on behavioral aspects and entrepreneurial skills, which were recorded in an observation checklist related to the study's focus. The approach enables a comprehensive understanding of entrepreneurial character formation and the sustainability of the klepon business across generations.

RESULT and DISCUSSION

Entrepreneurial Education for Children

Entrepreneurial education for children involves a process of habitual learning instilled in them as they grow and develop. The general goal of entrepreneurial education is to empower entrepreneurs with value-oriented goals for a sustainable society (Lindner, J., 2018). For instance, in the klepon-selling business in Mojosari, the enterprise has been successfully passed down to successors, including siblings. Based on interviews with Informant 1, it was revealed that the business was initially established by their parents selling klepon in Mojosari. The eldest sibling was then entrusted with the responsibility of

assisting with sales. Over time, Informant 1 was asked by their sibling to help with klepon production and sales due to increasing customer demand. Informant 1 was guided and taught the skills of selling by their sibling. These experiences motivated Informant 1 to establish their own klepon business in Mojokerto in 1988. Currently, the daily revenue from selling klepon reaches approximately IDR 2,000,000.

According to Informant 1's child, their parents were actively involved in providing entrepreneurial education by allowing their children to manage the family business. These findings highlight that families play a crucial role in shaping entrepreneurial character traits in children from an early age. Instilling habits that foster entrepreneurial traits, such as independence, initiative, and creativity, is essential. Parents must skillfully guide their children to become entrepreneurial successors for the family business. It is understood that developing entrepreneurial character does not happen overnight but requires time in alignment with the child's growth process. Children can also be directed towards forming an entrepreneurial mindset; however, this does not mean turning them into entrepreneurs immediately. In line with studies by Oktaviani, L., & Lastariwati, B. (2024), and Erna, W. (2019), the family environment significantly contributes to fostering entrepreneurial traits, particularly within the family setting.

The findings also revealed that Informant 2's klepon business originated from Informant 1. After achieving success, Informant 1 invited all their siblings to help with sales. Through the habits taught, all their siblings eventually established similar businesses across various areas in Mojokerto, including Mojoroto, Wates, Pandang, Ngoro, and Gondang. Meanwhile, Informant 1's elder sibling has also passed down the recipe and business to their children. Providing entrepreneurial education to children is vital for nurturing an entrepreneurial spirit, ensuring they are ready to take over the family business or assume leadership responsibilities. Entrepreneurial knowledge forms the foundation for understanding entrepreneurship, encompassing traits such as creativity, innovation, and positivity (Gibb, A., 2002). Families play an essential role in preparing their children's future by equipping them with education, including entrepreneurial education, which aims to prepare children to compete in the future and enable them to continue the family business or establish their own ventures (Nambiar, D., et al., 2019). Parental Involvement in Entrepreneurial Character Formation The research findings underscore that the family is the primary key in shaping children's entrepreneurial character. It was also found that parental involvement, such as directly demonstrating leadership and tasks related to the family business, is crucial in fostering entrepreneurial traits in children.

As noted by Kreider, H. (2002), parents must provide guidance by involving their children early in daily activities related to the family business so that they

become familiar with the roles and responsibilities within the business. Further research by Adililham, A. (2023) highlights the significant role parents play in shaping their children's character.

The study also observed that children actively participated in tasks within the family business. Parents' consistent teaching directly influences their children's interest in being involved in the family business. Studies by Sugianingrat, I. A. P. W., et al. (2020) and Purnamawati, N. K., et al. (2020) found that entrepreneurial education and family environment significantly affect entrepreneurial interest. The environment acts as a role model that inspires entrepreneurial aspirations, with family members or close individuals serving as role models for entrepreneurial success (Rahman, H., & Day, J., 2014). The findings show that children develop the desire and interest to take over the leadership of the family business due to parental encouragement and consistent entrepreneurial education. This ensures the sustainability of the family business for future generations.

CONCLUSION

Based on the results and discussion of the research that has been described, the researcher draws the conclusion that parents' involvement in providing entrepreneurship education to children has been carried out by providing motivation, support and encouragement in verbal form and involving children in the family business so that children understand business management, so that they understand the basics of how to manage a business when they will continue to lead the family business or establish an independent business. In addition, the closeness between parents and children is also a means for parents to provide direction or entrepreneurship education to their children. Parents provide entrepreneurial values to children as a provision for children to continue to manage and develop the family business or manage their own business. Parents have implemented entrepreneurial values in children such as self-confidence, risk-taking, creative and innovative, leadership, discipline, and future orientation. Parents also instill the value of patience and diligence in managing a business to achieve success in the business.

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