

EFFORTS TO INCREASE PUBLIC INTEREST IN ENTREPRENEURSHIP TO SUPPORT ECONOMIC DEVELOPMENT IN PURWOJATI DISTRICT

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Abstract

Issues related to local entrepreneurial interest have a significant impact on the economic development of a region, as is the case in Purwojati District. The potential for good economic development in this area indicates the need to increase entrepreneurial interest. The community is expected to be actively involved in various economic activities, such as starting their own business or becoming entrepreneurs. This study aims to explore ways to increase the entrepreneurial interest of the community to support economic growth in Purwojati District. The research method used is descriptive qualitative with a focus on literature studies. Data were collected through in-depth interviews with relevant parties, direct observations, and secondary data obtained from various relevant documents and literature. Research instruments include interview guides and observation sheets to ensure data collection consistency. Data analysis was performed using interactive analysis, consisting of four stages: data collection, data reduction, data presentation, and drawing conclusions or verification. The research findings highlight several strategies to increase entrepreneurial interest in Purwojati District, such as strategic management approaches, entrepreneurship socialization, entrepreneurship training, digital literacy for MSME development, providing rewards and incentives for entrepreneurs, cooperation among local entrepreneurs, digital marketing, and infrastructure development that supports entrepreneurship.

Keywords: Entrepreneurial Interest, Economic Development

Introduction

In the economic development of a region, the level of community participation in entrepreneurial activities plays an important role. However, in Indonesia, especially in Purwojati District, the interest in entrepreneurship remains low despite the abundant potential in natural and human resources. This situation presents a serious challenge in accelerating local economic development. The issue of low entrepreneurial interest has been examined in previous studies, showing that the lack of community participation in entrepreneurship can hinder local economic growth and increase dependence on the informal sector as well as unemployment rates.

One of the main problems faced by the community in Purwojati District is the high levels of poverty and unemployment. According to data from the Central Statistics Agency (BPS) of Purwojati District, in 2023, the poverty rate in Purwojati District reached 14.3%, indicating that more than 14% of the population lives below the poverty line. This percentage reflects significant inequality in the local economy, with most of the population relying on the informal sector and having limited access to decent employment opportunities.

In addition, the open unemployment rate in Purwojati District is also relatively high. According to BPS data released in 2023, the open unemployment rate in this district reached 6.5%. This is particularly high among the youth (15-24 years old), where the unemployment rate reaches 8.0%. This phenomenon shows a significant gap between the available workforce and the available job opportunities that can accommodate them.

The phenomenon of poverty and high unemployment rates in Purwojati District not only has an economic impact but also potentially creates various social problems. According to a study by Sari, Wahida, and Samsinar (2021), high unemployment rates can increase the risk of social problems such as crime, political instability, and rising poverty levels. Therefore, addressing unemployment and poverty should be the main focus of economic development efforts in Purwojati District.

This study aims to analyze various steps that can be taken to increase the entrepreneurial interest of the community in Purwojati District. The study will focus on identifying the factors affecting low entrepreneurial interest and finding concrete solutions that can be implemented by the local government, the community, and other relevant stakeholders to create a more conducive entrepreneurial environment.

The specific objectives are to explore effective approaches to improving entrepreneurial knowledge and skills, overcoming existing barriers, and providing the facilities and support necessary to start a business.

Furthermore, the importance of technology and digital literacy in the development of Micro, Small, and Medium Enterprises (MSMEs) will also be discussed as part of a strategy to enhance the competitiveness of local products in the global market. It is hoped that this research will contribute to the formulation of policies and entrepreneurship empowerment programs at the local level. With the findings, it is expected that the local government and relevant institutions can design more targeted policies to develop the entrepreneurship sector.

Through this research, it is hoped that the community of Purwojati District will gain a better understanding of the importance of entrepreneurship as a solution to improve welfare and reduce dependence on the formal sector. With these findings, it is expected that the community will become more confident in starting businesses and innovating in various economic sectors, from agriculture to trade and creative industries.

The literature review in this study refers to various literatures discussing entrepreneurship and local economic development. According to Ismah, Suhendri, and Kusdaryani (2020), entrepreneurs are individuals who have the skills to identify opportunities and problems in society, offering solutions through products or services that meet the community's needs. In Purwojati District, the community needs to be encouraged to recognize local potential and turn it into valuable business opportunities. Additionally, Mulyadi (2019) explains that entrepreneurship involves the spirit, skills, values, and attitudes necessary to manage a business for the benefit of customers, society, and the local economy.

This study is expected to find effective solutions to increase entrepreneurial interest in Purwojati District by considering the characteristics of the local community and the challenges faced. Suggested steps include entrepreneurship training, socialization about the importance of entrepreneurship, developing technology-based MSMEs, providing incentives to successful entrepreneurs, and improving access to business capital. Thus, it is hoped that an entrepreneurial environment supporting inclusive and sustainable economic growth will be formed in Purwojati District.

Research Method

This research applies a qualitative method. The primary data for this research were obtained from interviews and field observations, while secondary data were collected from document studies, journals, books, websites, and other published scientific works. According to Creswell (2014), qualitative research aims to identify the meaning given by individuals or groups to a particular phenomenon and to understand the social processes involved. In the context of this study, the researchers aim to understand the views of the community in Purwojati District regarding entrepreneurship, the factors influencing entrepreneurial interest, and how they utilize local potential to develop business opportunities.

1. Research Approach

This research adopts a phenomenological approach, focusing on understanding the experiences and perceptions of the community regarding entrepreneurship, as well as identifying the barriers they face in starting and developing businesses in Purwojati District. This approach allows the researchers to explore the meaning behind the observed phenomena in the community.

2. Data Collection Techniques

Three main data collection techniques will be used:

a. In-depth Interviews

Interviews will be conducted with key informants who are considered to have important and relevant information about the research topic, such as local entrepreneurs, community leaders, and relevant stakeholders. The purpose of these interviews is to explore the views, experiences, and challenges faced by the community in entrepreneurship.

b. Field Observation

The researchers will conduct direct observations in Purwojati District to observe the actual conditions in the field, including the community's economic activities, existing entrepreneurial patterns, and the use of technology in local businesses. This observation aims to gain a deeper understanding of the entrepreneurial phenomena occurring in the local community.

c. Document Study

In addition to interviews and observations, the researchers will examine related documents, such as local government policy reports, economic statistics data, and relevant literature or previous research on entrepreneurship. The purpose of document study is to strengthen the data obtained from interviews and observations.

3. Research Sample

In this study, the sample is not determined by quantity but by the selection of informants who are considered to have relevant and in-depth information on the issues being studied. The criteria for selecting informants include:

- a. Local entrepreneurs active in Purwojati District.
- b. Community leaders who have a good understanding of the economy and entrepreneurship in the area.
- c. Relevant stakeholders such as government or educational institutions involved in entrepreneurship empowerment efforts in Purwojati District.

The number of informants is not based on quantity but rather on data saturation. That is, once the researchers feel that sufficient information has been obtained and no new relevant information is emerging, the number of informants is considered adequate. In this context, two to three informants are sufficient to provide a broad perspective on the issue being studied.

4. Data Analysis Techniques

To ensure the validity and reliability of the data, the researchers will use triangulation techniques by combining data from interviews, observations, and document studies. Additionally, the findings will be verified with several different respondents. The researchers will also perform member checking by providing feedback to the informants on the interview results to ensure the consistency and accuracy of the data obtained.

With this approach, it is hoped that a deep understanding of the factors affecting low entrepreneurial interest in Purwojati District will be achieved, as well as the steps that can be taken to increase it to support local economic development.

Results and Discussion

Entrepreneurial interest is considered a key factor in the economic development of a region. Schumpeter (1934) stated that entrepreneurship plays a vital role in driving innovation that accelerates economic progress through the creation of new products or services that meet the needs of society. Therefore, to stimulate entrepreneurial interest, public understanding of the concept of entrepreneurship and its barriers is crucial. Additionally, the development economics theory presented by Todaro and Smith (2015) highlights that empowering communities through entrepreneurship can accelerate efforts to reduce unemployment, poverty, and dependence on the informal sector.

Research conducted by Ismah, Suhendri, and Kusdaryani (2020) highlights the significance of entrepreneurial education and training as a key factor in increasing interest in entrepreneurship. Their findings indicate that a lack of interest in entrepreneurship is often caused by a shortage of understanding and practical skills in managing businesses. A study by Sari, Wahida, and Samsinar (2021) also reinforces the vital role of entrepreneurship in reducing unemployment and other social issues. They noted that, in addition to skill aspects, limited access to capital and business networks also serve as major obstacles.

Research Findings

1. Research Findings

Previous studies indicated that a lack of interest in entrepreneurship is often caused by several key factors, such as insufficient understanding of entrepreneurship, limited access to capital, and inadequate entrepreneurship training tailored to local needs (Ismah, Suhendri, & Kusdaryani, 2020). Research in Purwojati District revealed similar gaps in understanding of entrepreneurship and limited training opportunities available to the local community. Additionally, obstacles related to access to capital and social support also exacerbated the situation.

2. Field Observation

Based on field observations, most entrepreneurs in Purwojati District still rely on conventional methods to manage their businesses, without utilizing digital technologies that could support marketing and business management activities. Several entrepreneurs also reported difficulties in accessing the capital needed to expand their businesses. This phenomenon suggests that one of the main barriers to entrepreneurial growth is the lack of access to resources and innovative knowledge.

3. Phenomena Found in the Field

In this study, the identified phenomenon was the lack of understanding among most of the community regarding opportunities and strategies for starting businesses professionally. The majority of people believed that large capital was required to start a business, whereas with the right knowledge and entrepreneurial skills, even small-scale businesses could grow rapidly. Furthermore, the limited

adoption of digital technologies also became one of the main factors making it difficult for local entrepreneurs to compete in larger markets.

Factors Affecting Entrepreneurial Interest

Several factors affecting the low entrepreneurial interest in Purwojati District include:

1. Lack of Knowledge About Entrepreneurship
Most of the community still lacks adequate understanding of the steps to start and run a business.
2. Limited Access to Capital
Many aspiring entrepreneurs want to start businesses but are hindered by limited access to capital that they can rely on to develop their businesses.
3. Lack of Training and Mentoring
Entrepreneurial training currently available is still inadequate due to a lack of emphasis on local needs and the absence of ongoing mentoring after training.

Discussion

Based on the findings above, the purpose of this study is to identify strategies that can increase entrepreneurial interest in Purwojati District and analyze the factors contributing to the low interest. In this analysis, the researcher will link the field findings with the objectives and issues outlined in the introduction.

1. Research Objectives
The main goal of this study is to understand the factors causing low entrepreneurial interest in Purwojati District and to find solutions that can increase public participation in entrepreneurial activities. One of the main barriers identified is the lack of public understanding of entrepreneurship and the limited access to relevant training.
2. Problems Found
The main problems found in this study are:
 - a. Limited Entrepreneurial Knowledge
Many people in Purwojati District still lack the necessary skills and knowledge to start and manage a business effectively.
 - b. Capital Limitations
Capital limitations are a problem often faced by aspiring entrepreneurs when starting or expanding their businesses. Adequate capital is needed for various purposes, from purchasing raw materials and equipment to operational costs and product marketing. However, many entrepreneurs struggle to obtain sufficient funding.
 - c. Lack of Support and Appropriate Training
The training provided is not always tailored to the local situation and often lacks practical mentoring to help entrepreneurs address the challenges they face.
3. Strategies to Improve Entrepreneurial Interest
Based on the findings, several strategic steps can be taken to increase entrepreneurial interest in Purwojati District, including:
 - a. Providing Relevant and Ongoing Entrepreneurial Training
More detailed and locally tailored entrepreneurship training can provide the knowledge and skills needed by the community to start and manage businesses more effectively.
 - b. Easier Access to Capital
Helping entrepreneurs expand their businesses can be facilitated by providing more affordable access to capital through microfinance institutions or small business lenders.
 - c. Utilizing Digital Technology
The community needs to be encouraged to optimize digital technology, especially in product marketing strategies and business management. This can help local products become more competitive not only in local markets but also in broader global markets.
 - d. Providing Success Examples
Bringing successful entrepreneurs from other regions or those who have succeeded in Purwojati District can inspire local residents to start their own businesses and provide a real example of how success can be achieved through entrepreneurship.
4. Role of Government and Educational Institutions
The government and educational institutions play a vital role in shaping a conducive entrepreneurial ecosystem. The government must implement policies that support the development of micro, small, and medium enterprises (MSMEs), such as providing incentives, offering

entrepreneurial training, and facilitating access to capital. On the other hand, educational institutions need to enrich entrepreneurship curricula based on local market needs and provide practical support to aspiring entrepreneurs.

Conclusion

This study highlights various factors that contribute to low entrepreneurial interest in Purwojati District, affecting the level of public participation in entrepreneurial development and local economic growth. Key factors identified include a lack of public understanding of entrepreneurship, limited access to capital, and a lack of training and mentoring tailored to the local context. There are also barriers in the limited use of digital technology, which hinders market expansion and increases competition for local products.

The steps that can be taken to increase entrepreneurial interest in Purwojati District include providing more relevant and ongoing entrepreneurship training, improving access to capital, utilizing digital technology in marketing and business management strategies, and providing examples of success from local entrepreneurs who have succeeded. Equally important, the active role of the government and educational institutions in creating policies that support MSMEs and providing real assistance to aspiring entrepreneurs is key to fostering the development of local entrepreneurship.

Recommendations

Based on the findings and conclusions of this study, here are several recommendations to increase entrepreneurial interest in Purwojati District:

1. Providing Targeted Entrepreneurial Training

The government and related institutions need to conduct entrepreneurial training that is better adapted to the local conditions and the needs of the community in Purwojati. This includes training in business management, marketing, and various other technical skills. It is essential that this training is continuous and supported by intensive mentoring to help entrepreneurs tackle real challenges in the field.

2. Facilitating Easier Access to Capital

To provide easier access to capital for aspiring entrepreneurs, it is important to have a micro-business credit program with low interest rates and provide incentives for entrepreneurs showing potential. Cooperation between local governments and microfinance institutions can be a solution to provide more affordable and practical financing.

3. Utilizing Digital Technology for Marketing and Management

The community in Purwojati needs to be encouraged to optimize digital technology in developing their businesses. Socialization and training on using digital platforms for marketing, inventory management, and improving operational efficiency can positively contribute to local entrepreneurs being able to compete more effectively in larger markets, both locally and globally.

4. Providing Success Examples

Bringing successful entrepreneurs from outside the region or those who have succeeded in Purwojati can inspire and motivate local residents. With these real examples, it is hoped that local people will gain confidence in entrepreneurship and realize that business success can be achieved even with limited capital.

5. Role of Government and Educational Institutions

Local governments need to enhance policies that support MSME development through providing incentives, facilitating market access, and providing facilities that can stimulate business growth. On the other hand, educational institutions should play a role by including entrepreneurship subjects in their curricula and providing opportunities for students to engage in entrepreneurship activities based on local potential.

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