E-BUSINESS DEVELOPMENT SERVICES
FOR INDONESIAN ENTREPRENEURS

Prof. Vincent Didiek Wiet Aryanto, Ph.D
Professor of e-Marketing and International Marketing Graduate School of Business Management
Soegijapranata Catholic University Semarang, Indonesia
vincent-aryanto@unika.ac.id

Abstract - This research addresses the use of the Internet to provide business development services such as Training, consulting, counseling and networking. Using website content analysis of various entrepreneurship websites from around Indonesia, the possible uses of the Internet as well as criteria for successful implementation are presented. Three critical success factors for providing online services are explored such as the use of online resources requires that the inherent strengths of the Internet, the importance of personal contact in complementing online services and internet sites and program management. This research is basically investigating and carrying out on analyzing website content on various prominent entrepreneurship sites in Indonesia.

Keywords - Entrepreneurship, Online Services, Business Services, Consulting, Training

1. INTRODUCTION

In terms of population ratio, Indonesia has limited entrepreneurs who actually play an important role to spur the national economy. Accordingly, it dampens the national economic resilience and competitiveness. Economic conditions become less competitive vis-a-vis the threat of an economic crisis. The lack of entrepreneurs will adversely weaken to Indonesian economic competitiveness. When Indonesia plunged into economic crisis in 1998, the small and medium enterprises (SMEs) survived even more than large companies. The importance to encourage the development of SMEs in the promotion of economic growth is a familiar theme. Previous studies found out that SMEs carry out a substantial role both in job creation and business innovation both in developed and developing countries. Management training through e-business services is essential to encourage dynamic and effective small business sectors, all underscore the importance of training and mentoring for SMEs entrepreneurs (Leigh, 2006; Lans et al, 2004; Wyne & Lyne, 2003).

Based on data of the Indonesian Central Bureau of Statistics, the number of entrepreneurs per January 2012 reached 3.75 million or 1.56 percent of the total population of Indonesia. In 2010, there was still 0.24 percent. However, this figure is still far less than other Asian countries, such as China and Japan, which have a more entrepreneurial than 10 per cent of the population. In the Asia region, Indonesia is still less than Malaysia (5 percent) or Singapore (7 percent).

So far, businesses still lack of support and market access to adequate financing, until now SMEs to access finance 45-55 percent of new banks. Potential funding from banks hampered many actors who have not yet met as qualified bankable SMEs.

Basically the level of Indonesian entrepreneur’s education is inversely in terms of their interest to be an entrepreneur. High school graduates who are interested to be entrepreneurs are 22.63 per cent, while college graduates is only 6.14 percent, whereas entrepreneurs graduated from primary school and junior secondary schools actually reached 32.46 percent.

Entrepreneurship is basically a process of value creation whether by organizations or individuals, and this process includes the utilization of resources. In this regard,
resources denotes to all assets, intangible as well as tangible, whose service can be utilized effectively. The entrepreneurs who are able to use resources, opportunities, create the catalyst of wealth creation process (Evan & Volery, 2001). However, the obstacles facing entrepreneur will be the lack of resources.

The turbulent market environment spurs an increasing demand for business service support, especially those entrepreneurs nascent and in the start-up stage of their business development (Evan & Volery, 2001). There are a number of services that most entrepreneurs need in the pre start-up and post start-up stages of the business development. These services comprise, among others, information collection, networking, consulting in various areas (e.g. marketing, management, accounting, and legal aspects), counseling and education/training. The Internet represents a challenging medium to convey these business development services.

Previous results which suggested that computer mediated communication resources such as e-mail were among the principal driving forces of the net economy. Both asynchrononication (e.g. forums, e-mail) and synchronous computer-mediated communication (e.g. audio forums, chat) are powerful tools to consider for online services. The set of resources currently available on the Internet. Electronic mail (e-mail) and the WWW are the two Internet technologies that will be the major focus to support business services delivery (Evan & Volery, 2001).

Entrepreneurship education emerged in the 1980s within the further and Higher Education sectors. The rationale for entrepreneurship education is to encourage entrepreneurial growth via the development of business skills and knowledge. There is a positive steps to encourage and promote entrepreneurial qualities, however, Galloway and Brown (2002) study indicated that any obvious impact in higher education entrepreneurial education is likely to be long term rather than immediate. Research indicated that skills deficiencies exist in small and medium sized enterprises (SMEs) in areas such as strategy, planning, marketing and sales. Furthermore, There is a latent population of graduates interested in starting their own enterprises who require training to encourage and inform the process of business start-up. They suggested that such training programs should focus should focus on younger graduates and concentrate on reducing barriers such ideas generation, finance and expertise (Jones, et al., 2008). It is important that course providers identify the appropriate training to develop skills and knowledge to ensure initial and ongoing educational achievement for these nascent entrepreneurs (Robertson et al., 2003).

Kathuria and Maheshkumar (2007) focused their research on the likelihood of firms adopting corporate entrepreneurship in response to the challenges and opportunities presented by a change in their business environment shaped by the growth of the Internet. They further examined if firms are willing to modify their existing systems in response to such a change. They also investigated the paths or modes of entrepreneurship that firms would adopt when they perceive being entrepreneurial to be a viable response in light of a specific change in their business environment. Finally, they identified the impediments that firms may need to overcome when adopting corporate entrepreneurship.

2. METHODS

Three prominent e-Business services for Indonesian entrepreneurs are identified such as Entrepreneur university on www.entrepreneuruniversity.co.id, Ciputra entrepreneurship on www.ciputraentrepreneurship.com, and Indonesia Entrepreneur Society (IES) on www.komunitaswirausaha.net as online business services for entrepreneurs on various services. Content analysis was undertaken to these three websites content.

3. FINDINGS

Entrepreneur University is not an ordinary university, but a forum to promote
entrepreneurship in Indonesia. The website content is composed of jokes on entrepreneurship, success story to be an entrepreneur; articles on entrepreneurship, the profile of successful entrepreneur university alumni, photo gallery and schedule of entrepreneurship seminars.

Ciputra Entrepreneurship is the most complete website on entrepreneurship promotion in Indonesia. The website content is composed of the entrepreneurship ideas, micro business, small and medium enterprises, entrepreneurship mindset, interview with successful entrepreneurship, training, profile of successful entrepreneurship, funding agencies for start-up business, photo gallery, blog, discussion and even a television.

Indonesian Entrepreneurship Society (IES) is a website to promote forum for entrepreneurship gathering in Indonesia. Its content comprises selected articles on entrepreneurship, entrepreneurship video, profile of successful entrepreneurs, news, training, seminars, I.E.S membership. These three websites play an important role to enhance entrepreneurship development through their e-business services on various virtual forms of business services. They render service from training, personal contact, program management of start-up business, promoting paradigm shift on entrepreneurship development, role model for successful entrepreneurs and various information related to entrepreneurship development. Three critical success factors for providing online services are explored such as the use of online resources requires that the inherent strengths of the Internet, the importance of personal contact in complementing online services and internet sites and program management. However, the programs such as networking, business matchmaking, strategic alliance and business consultation should be promoted in the near future not only in Indonesia but also amongst international counterparts. Therefore, English version of the website should also be made to extend the scope of the website content and the aims of the programs.

4. CONCLUSION

The e-business services through website even though still few in Indonesia, however, these e-business services are very useful in enhancing entrepreneurship development in Indonesia. Amid its shortcomings, however, their services should be developed in form of extending the international scope of services.

REFERENCES