

# The Characteristic of Business Incubator Tenant

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**Abstract**—The purpose of this study is to determine the characteristics and similarities of characters possessed by beginner entrepreneurs who are tenants of Incubator Business STIKI Indonesia. The characteristics possessed by beginning entrepreneurs who are tenants of Incubator Business STIKI Indonesia need to be known so that they can be used as a reference in fostering an entrepreneurial climate in STMIK STIKOM Indonesia. The method in this study was used qualitative descriptive. Respondents from this study were entrepreneurs who became tenants of Incubator Business STIKI Indonesia in 2018. The data of this study are presented in the form of descriptions by displaying and concluding respondents answers in sequence, complete and clearly accompanied by interview quotations so that the research findings are presented objectively. The results of the research are presented in table form to analyze the data and draw conclusions from the results of the study.

**Keywords**—*entrepreneurship; business incubator; entrepreneur characteristic*

## I. INTRODUCTION

Unemployment is a major problem for every developing country. Statistical data for 2018 show that the number of workforces in February 2018 was 133.94 million people. This figure has increased by 2.39 million people compared to February 2017 (Republic of Indonesia Central Bureau of Statistics, 2018). This increase in the workforce must be supported by an increase in the availability of jobs to prevent the high rate of unemployment in society.

One effective way to reduce the level of unemployment is by increasing the public's interest in entrepreneurship. Entrepreneurship is a way of thinking, studying, and acting that is based on business opportunities, holistic approaches, and balanced leadership [1]. The entrepreneurial process requires the willingness to take calculated risks so that they can overcome obstacles to achieve expected successes [2]. Entrepreneurship is identical to the risks that must be faced in carrying out a business. Lack of knowledge about how to deal with risk or how to run a business effectively and efficiently can lead to failure in entrepreneurship. Entrepreneurial character must be applied early. If an understanding of the importance of entrepreneurship as well as the courage to take risks has been instilled from the start and has the support of both the family and education environment, it is hoped that it will increase the interest of the younger generation in entrepreneurship.

The entrepreneurship interest in Indonesia is still very low compared to neighboring countries in Southeast Asia. The number of entrepreneurs in Indonesia is 3.1 percent of the population, far below Malaysia which reaches 5 percent, Singapore 7 percent, China 10%, Japan 11%, and America 12% (www.mediaindonesia.com). Development of an entrepreneurial spirit is important to be done early. Planting the concept of entrepreneurship needs to be done from an early age to foster the spirit of entrepreneurship. The younger generation needs to be given an understanding that the ideals of the profession are not only limited to working for companies both government and private.

Successful entrepreneurs, one of the keys has a superior personality [2]. Personality is an innate character that distinguishes individuals from one another. Many factors can affect personality. Entrepreneurs are people who, in any event, are still able to stand on their own ability to help themselves out of the difficulties they face, including overcoming poverty without anyone's help [3]. It is important for the younger generation to have the ability to help them get out of the difficulties they face and then help others by opening up employment opportunities for themselves and the wider community.

Colleges has the opportunity to cultivate entrepreneurial spirit in the younger generation before they begin to enter the working environment. STMIK STIKOM Indonesia is an information technology-based high school that encourages students to become entrepreneurs. One way that is implemented is by holding entrepreneurial courses that will open up students' insight into the world of entrepreneurship. To support the climate of entrepreneurship in the campus environment, STMIK STIKOM Indonesia has a Business Incubator institution, namely STIKI Indonesia Business Incubator (INBIS STIKI). INBIS STIKI as a forum for STMIK STIKOM Indonesia academics who have an interest in entrepreneurship. According to the State Minister for Cooperatives and SMEs No. 81.3 / Kep / M.KUKM / VIII / 2002: (a). Incubation is the process of fostering Small Businesses and / or new product development carried out by Business Incubators in terms of providing business facilities and infrastructure, business development and management support and technology. (b). Incubator is an institution engaged in the provision of facilities and business development, both management and technology for Small and Medium Enterprises to improve and develop their business activities and or develop new products so that they can develop into strong

entrepreneurs and / or new products that are competitive in the period of certain time. The Business Incubator is expected to be able to assist in fostering the spirit of entrepreneurship for students who are interested in entrepreneurship and helping in business development for students who have become entrepreneurs.

INBIS STIKI Indonesia was established in December 2016 and has facilitated the academic community of STMIK STIKOM Indonesia in entrepreneurship. The INBIS STIKI Indonesia tenants consist of students, alumni, and outsiders who passed the selection as tenants of INBIS STIKI Indonesia. The characteristics possessed by beginning entrepreneurs who are tenants of INBIS STIKI Indonesia need to be known so that they can be used as a reference in fostering an entrepreneurial climate in STMIK STIKOM Indonesia.

## II. RESEARCH METHOD

The method in this study was used qualitative descriptive. The purpose of descriptive research is to present a complete picture of social settings or intended for exploration and clarity of a phenomenon or social reality by describing a number of variables relating to the problem and the unit under study between the phenomena being tested. Data analysis method that used in this study is content analysis. Content analysis / content analysis is a method to study and analyse communication systematically, objectively, and quantitatively towards the message that appears [4]. Content analysis / content analysis is an investigation technique that describes objectively, systematically, and qualitatively with analysis to understand the text. An important component of this analysis is the presence of a problems that are consulted through theory. Data collection of this research was conducted through in-depth interview method. The method of in-depth interviewing is a method of collecting data in which researchers conduct continuous interviews to gather information from respondents. Respondents from this study were all novice entrepreneurs who became tenants of INBIS STIKI Indonesia in 2018, totaling 8 tenants. These respondents consist of budding entrepreneurs who have just started and have run their businesses. The data collected is primary data, namely data obtained directly from respondents through in-depth interviews. The collected data is processed by documenting the results of in-depth interviews by making transcripts of the interview results of the research subjects. Next, adjust the answers to the research questions and show the meaning inherent in the text. The data of this study are presented in the form of descriptions by displaying and concluding respondents' answers in sequence, complete and clearly accompanied by quotations from the interview so that the research findings data are presented objectively.

## III. RESULTS AND DISCUSSION

### A. Concept of Entrepreneurship

Entrepreneurship has long been considered a significant factor for socioeconomic growth and development because it provides job opportunities, offers a variety of consumer goods and services, and generally increases national prosperity and competitiveness [5]. Entrepreneurs are typically described as individuals who perceive a vision, commit themselves to that

vision, and almost single handedly carry the vision to its successful implementation [6]. Entrepreneurs often have to make decisions with little or no historical trends, no previous levels of performance, and little if any specific market information surrounding whether new products or services will be accepted. However, entrepreneurs can gain new insights from interpreting new combinations of information via unique heuristic-based logic. Simplifying heuristics may have a great deal of utility in enabling entrepreneurs to make decisions that exploit brief windows of opportunity [7]. The entrepreneur is shorthand for uncertainty, imperfect information, and the unknown [8].

Studies on the psychology of entrepreneurs look at what distinguishing psychological characteristics entrepreneurs have. These characteristics have been correlated with entrepreneurial performance in an attempt to predict who will become successful entrepreneurs. These psychological theories take a broad view of psychology. The three factors most often studied in relation to entrepreneurs are: 1. Psychological influences; 2. Personal characteristics; 3. Effects of previous experience on, the individual [9].

The five "macro traits" cover a distinct set of characteristics, as described in John et al. [10]:

- Openness to experience: describes the breadth, depth, originality, and complexity of an individual's mental and experimental life.
- Conscientiousness: describes socially prescribed impulse control that facilitates task- and goal-orientated behavior.
- Extraversion: implies an energetic approach toward the social and material world and includes traits such as sociability, activity, assertiveness, and positive emotionality.
- Agreeableness: contrasts a prosocial and communal orientation toward others with antagonism and includes traits such as altruism, tendermindedness, trust, and modesty.
- Neuroticism: contrasts emotional stability and even-temperedness.

The traits most significantly correlated with business success include the need for achievement, innovativeness, proactive personality, generalized self-efficacy, stress tolerance, need for autonomy, locus of control, and risk-taking [11]. Innovativeness and initiative as mediators of achievement orientation, which in this case is a composite measure of self-efficacy, higher-order need strength, need achievement, and internal locus of control [12]. An important trait in the entrepreneurship literature is locus of control (LOC). A person with an internal LOC conceptualizes that their own decisions control their lives, while those with an external LOC believe the true controlling factors are chance, fate, or environmental features that they cannot influence [13]. The prospector strategic orientation mediates proactive personality and three types of innovations: innovative targeting processes, innovative organizational systems, and innovative boundary supports. They likewise find that those with proactive personalities are

more likely to both take on a prospector strategy orientation and innovate in their work, which is to be expected [14].

**B. Statistic Descriptive**

The samples are all the tenant of INBIS STIKI Indonesia which consist of eight tenants. The respondent are the founder of each business.

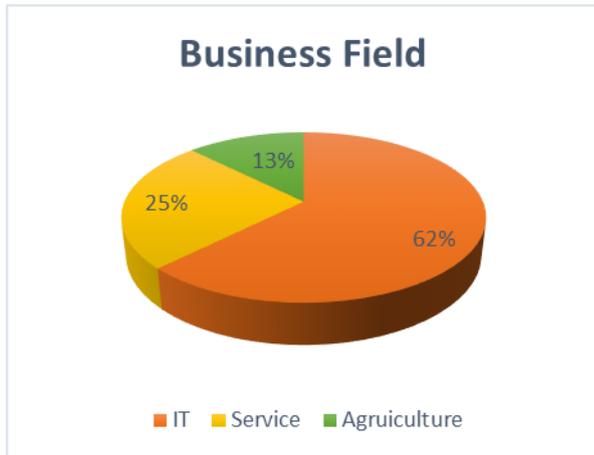


Fig. 1. Business field of INBIS STIKI’s tenant.

Figure 1 describe there are 62% of INBIS STIKI’s tenant which business are held in information technology area such as software and internet of things. There are 25% of INBIS STIKI’s tenant which business are held in service area such as photography and design, and digital printing. The rest is a tenant which business field is held in agriculture area.

**C. Data Analysis Results**

Based on the results of the questionnaire obtained the following results:

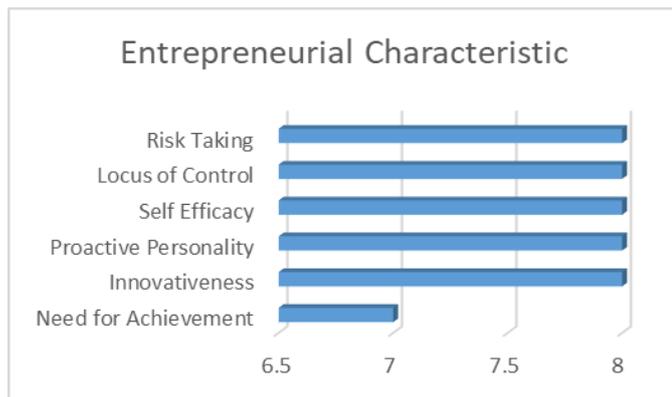


Fig. 2. Entrepreneurial characteristic.

Figure 2 describe that eight tenants have risk taking character, locus of control, self-efficacy, proactive personality, and innovativeness. Seven tenants have need for achievement character. This study found that each of INBIS STIKI’s tenant has six of entrepreneur characters based on Rauch and Frese research [11].

Risk taking is one of the entrepreneur character which all of INBIS STIKI’s tenants have. The world of business is incredibly risky. There are always about one sentence, “high risk, high return”. An entrepreneur have to deal with any risk in their business. Risk attitudes are described in the literature as risk preferences, risk tolerance, risk aversion, and risk propensity. All usages of the concept attempt to answer the question of whether something in an individual’s personality predisposes them to take on the risky conditions of entrepreneurship and the impact of this personality trait on outcomes [13]. A very popular theory model which predicts that the most risk-averse people will become employees while those with low risk aversion will become entrepreneurs [15].

Locus of Control is an individual’s control of their work and their belief in self-success. Locus of control is divided into two, namely the internal locus of control and external locus of control. Internal locus of control is that characterizes a person having confidence that they are responsible for their work behavior in the organization. External locus of control is that characterizes individuals who believe that work behavior and the success of their tasks are more due to outside factors, namely the organization. An entrepreneur has to have locus of control to become a successful entrepreneur. They have to be sure responsible for their business to obtain a positive return. An internal LOC has a significant correlation with business creation and eventual business success [11].

Self-efficacy describes a person’s “belief that he/she can perform tasks and fulfill roles, and is directly related to expectations, goals and motivation” [16]. This means, an entrepreneur who has high self-efficacy will has a high determination on their business goals which will get them to be a successful entrepreneur. High self-efficacy correlates with work-related performance [17]. High self-efficacy has a correlation to small business growth [18].

Proactive personality and innovative means an entrepreneur has to be aware of any changing which can influence their business. This will for the entrepreneur to gain each information related o their business and finding any new idea for their business sustainability.

The need for achievement refers to an individual’s desire for significant accomplishment, mastering of skills, and attaining challenging goals [13]. If a person has a high desire to complete a challenging goals, then they will not being satisfied by only working for other person or a company. They will set some goals for themselves to be achieve in order to feel successful. There are the need for achievement selects individuals for entry into entrepreneurship [19]. The need for achievement, along with other personality factors, is much less relevant than environmental resources and many “process configurations” (such as the set of management functions including planning, organization, and human resource practices) in explaining entrepreneurial performance [19].

**IV. CONCLUSION**

This study has conducted the characteristic of INBIS STIKI Indonesia’s tenant, namely risk taking, locus of control, self-efficacy, proactive personality, innovative, and need for achievement. Each of the founder INBIS STIKI Indonesia

tenant has these characters. Considering this finding, it is necessary to develop these characters to STMIK STIKOM Indonesia's student in order to create more young entrepreneurs in Indonesia. STMIK STIKOM Indonesia has to figure it out how to these characters on its student.

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