

The Ability of Social Entrepreneurs to Solve Issues During Covid-19 at Okiagaru Farm, Indonesia

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ABSTRACT

Covid-19 is a recent global crisis in which economic issues are becoming increasingly unpredictable and the number of unemployed people is rising. The negative impact of the Covid-19 pandemic may complicate the settlement of Indonesia's primary development economic concerns. Need-based entrepreneurship drives individuals and businesses into types of innovation that help them earn revenues to support their livelihoods as a way of survival. However, in these times of crisis, a sense of community must also be vital to the success of entrepreneurs, because it is not enough for them to generate income for themselves, but they must also contribute to the larger community where efforts to build wealth are being made. This study aims to analyse how social entrepreneurs are able to solve issues and survive during Covid-19 at Okiagaru Farm Indonesia. This study used a descriptive qualitative approach. This approach also provides an opportunity for researchers to develop research models in accordance with the empirical conditions faced. As a result, describe the actual conditions based on the evidence in the field. This paper will examine how social entrepreneurs can continue to work as a process of obtaining opportunities in the middle of today's challenges by establishing partnerships or networks among each other. Okiagaru Farm is a social entrepreneur in Cianjur, West Java that is able to make a positive impact by providing that Covid-19 does not have a negative impact on human capital, but rather offers an opportunity for them to quickly adapt to changing demands throughout Covid-19. The results of this study show that social entrepreneurship, especially Okiagaru Farm, can contribute to resolving the effect of the economic crisis, particularly in the case of the Covid-19. Collaborative management that is implemented by Okiagaru Farms also values human capital as key factors. There are trust, motivation, solidarity and respect that are established as pillars. Furthermore, their capabilities are growing in terms of the need for them to adapt quickly.

Keywords: *Covid-19, Community, Human Capital, Social Entrepreneurs.*

1. INTRODUCTION

The ratio of entrepreneurship in Indonesia in 2021 is 3.47 percent, relatively low compared to Thailand at 4.26 percent, Malaysia at 4.74 percent and Singapore at 8.76 percent [1]. The Covid-19 pandemic presents many impacts and challenges are no exception for entrepreneurs. The condition of Covid-19 that has hit for

almost 2 years has a negative impact on the Indonesian economy, namely the number of unemployed continues to increase because many sectors are affected by the pandemic. The fact in the field where the need for new jobs for the community is crucial, so the role of self-employment is needed.

Entrepreneurship can be a strategic choice for millennials as an effort towards high independence and millennials are also very dynamic. This is in line with where Indonesia will face a demographic bonus in 2025. Projections in 2024 total Millennial Genes, Gen Z, and Post Gen Z as much as 65% or 174.79 million people. This amount can be a target for entrepreneurial development. Based on data, 35.5% of Indonesian youth have a great desire to become an entrepreneur. It shows that Indonesia has strong human resource capital to prepare the next generation of creativity and technology-based in this era [2].

Agricultural development is currently focusing on sustainable agriculture. Sustainable agriculture can realize equitable and sustainable agriculture so as to ensure food needs in the current generation without reducing the fulfilment of the food needs of future generations. Second, the regeneration of agricultural actors is important for the realization of food security. The current focus of agricultural development is also on food security.

The condition of how the level of urgency towards increasing the interest of easy generations related to entrepreneurship and also the issue of food security becomes a driving factor in the formation of Okiagaru Farm, a social entrepreneurship that has a mission vision to overcome the conditions and problems faced by social and community in Cianjur, West Java. This paper aims to describe the effort of Okiagaru Farm as social entrepreneurs give an impact for the community based on actual evidence and analyse how there can be resistance, agile, stable and highly adapted in recent situations.

1.1. Social Entrepreneurship and Social Enterprises

The development of social entrepreneurship is developing almost all over the world, ranging from developed countries to developing countries. This business model is considered an evolution of at least two dichotomous sectors, namely commercial business and social institutions. Both found new combinations to provide greater benefits. According to Schumpeter [3], economic development is a process that brings new combinations to the production process, and entrepreneurs are the ones who have a role in implementing these new combinations. Tauber (2019) has explained how social entrepreneurship contributes to the objective of sustainable development by solving society's problems and increase the impacts [4].

Social Entrepreneurship is a way or approach to solving social problems through business strategies. People who run a social business are called social entrepreneurs or social entrepreneurs. Entrepreneurship

or social business combines the application of conventional business and social institutions. Conventional businesses buy and sell goods or services to consumers for profit, while social institutions deal with social problems on humanitarian grounds. Social business combines the goal of both of which is to make a profit while addressing social issues.

Social entrepreneurship appears as an integral part of the third sector all over the world, and as [3] mentioned, it presents a "new entrepreneurial spirit focused on social aims". The discourse on social entrepreneurship refers to classical theories on the third or non-profit sector covering all types of organizations or institutions "established by people on voluntary foundations with social or community-led purposes" [5].

One of the primary drivers of the third sector is on the "demand-side", while social enterprises often deal on the "supply-side". Social entrepreneurs play the role of active creators motivated by a social or another purpose to establish new organizations, as they seek to establish a change, and in doing so, create value. In the classic economic approach, an entrepreneur is an innovator who takes advantage of change, including the introduction of a new method of production, which opens a new market, and exploits new sources of supply or re-engineers' organization or business management process [6].

A social entrepreneur is an innovative, opportunity-oriented, resourceful, value-creating change agent [7] who instead of creating a monetary value, or economic value for the firm, creates social value pursuing the specific social mission. He/she recognizes and relentlessly seeks new opportunities to serve the social purpose [8]. Social enterprise then acts as an essential criterion for economic engagement [9].

1.1.1. Social entrepreneurship and social enterprises in Indonesia

The development of social entrepreneurship in Indonesia itself has only become a trend in recent years where the younger generation dominates. This type of entrepreneur becomes a momentum where more and more elements are showing concern for this business model. The birth of young sociopreneur is closely related to the character of the millennial generation who are very close to digital media. This group of people called digital natives has the ability to utilize technology that was unimaginable by previous generations.

Okiagaru Farm is one example of social entrepreneurship in Cianjur, West Java. Okiagaru Farm which was established in 2010 is an agricultural-based

business aimed at improving the welfare of farmers in the surrounding area. Okiagaru itself has the meaning of rising and awakening. Okiagaru Farm was founded by three Japanese apprentice alumni, Mr. Agus Ali Nurdin as one of the founders and owner.

After completing his internship program in Japan, Agus began cultivating two hectares of land and growing Japanese vegetables. He saw an opportunity to raise the spirit of farmers and young people to join the Okiagaru community. Agus wants to change the view that farming if done professionally is able to get a good profit seeing from the conditions where he interns, namely Japan. Until now he was able to manage 17 hectares (ha) in Cianjur, Cisarua and Depok.

After successfully developing land managed by Okiagaru farm and community, he figured out how to foster Okiagaru Mart, which became one of the providers of vegetable items to Japanese eateries in Indonesia. The types of cultivated plants are organic vegetables as well as types of japanese vegetables such as *kyuri* (Japanese cucumber), *horenso* (Japanese spinach), *kabocha* (Japanese pumpkin), *satsumaimo*, *zucchini*, and *negi*. While the rest are local vegetables but consumed in Japanese restaurants.

Okiagaru Farm also has a Training Center named P4S (Pusat Pelatihan Pertanian Swadaya Pedesaan) Agrofarm Cianjur, which is a training center for farmers and community. P4S is a training center that has been certified by the Ministry of Agriculture in 2019. Okiagaru Farm's vision is to become an independent, innovative and professional agribusiness institution with an international standard, sharia-based and environmentally friendly. The mission of Okiagaru Farm is to produce agricultural products that healthy and continuously with high quality; improving the competitiveness of farmers as the main actors in the agribusiness system; foster the entrepreneurial spirit and leadership of young Indonesian farmers; creating appropriate technology and added value of agribusiness-oriented agricultural products; implementing a working system that refers to SKKNI/SNI; and implement an agribusiness system based on sharia rules.

2. METHODS

The paper used a descriptive qualitative approach. This qualitative approach is built on a deeper understanding of empirical inquiry of farmers at Okiagaru Farm. This approach also provides an opportunity for researchers to develop research models in accordance with the empirical conditions faced. The descriptive method was selected based on the purpose of the study to describe the actual conditions based on the evidence in the field. This inquiry is based on semi-structured and in-depth interviews that were conducted

with owners and employees at Okiagaru Farm. The author also used secondary data from various library references that support argumentation according to the ongoing objective reality. Figure 1 depicts the research operational framework:

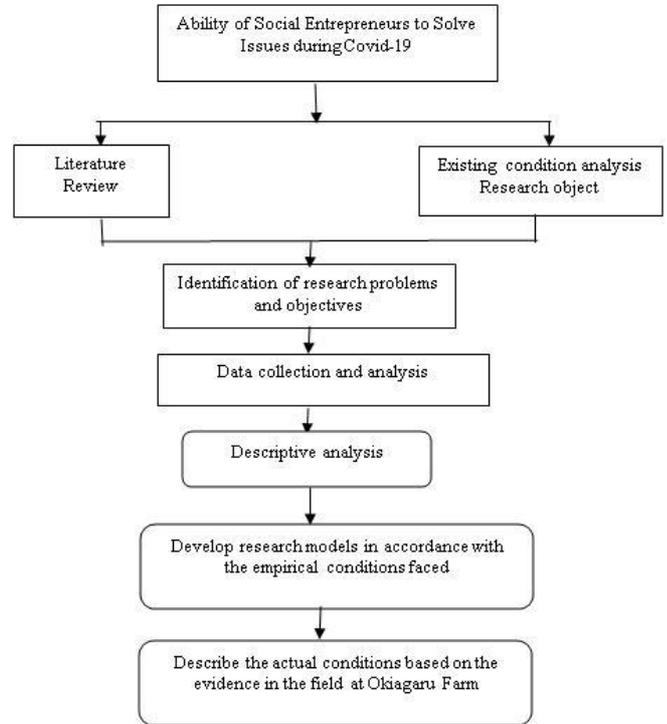


Figure 1 Research operational framework

3. RESULTS AND DISCUSSION

3.1. Business Activities of Okiagaru Farm

Okiagaru Farm is a social entrepreneurship focused on agriculture where the owner of Okiagaru Farm founded this business as an effort to solve social issues, namely the view that farming is not able to provide good social welfare. Other social problems that want to be solved are how to motivate and provide opportunities and facilities for the younger generation to develop a farming passion and have a support system. In addition, the environmental issue of how agricultural cultivation is carried out by Okiagaru Farm is organic cultivation that is environmentally friendly and sustainable.

In addition to focusing on agricultural cultivation, and community development, Okiagaru farm through Okiagaru Mart seeks to sell cultivated agricultural products in the hope of being able to generate profits. This is proof that Okiagaru Farm as a social entrepreneurship is able to combine the goals of business and social goals, namely seeking profit while resolving social problems and providing social impact.



Figure 2 Agus Ali Nurdin (Owner of Okiagaru Farm) gives explanations during training to participants.

P4S Agrofarm Cianjur as a certified training center that is part of Okiagaru Farm, as a training center for marginalized groups who do not have access so they have farming skills. This training is an unpaid activity where trainers are alumni and participants can come from the surrounding community or who are interested and have high commitment. The output of the training is being able to produce young farmers who have standard farming and certified skills. So that in each final session of training, Okiagaru Farm always holds a certification program with the relevant Institution.



Figure 3 Trainer gives assistance during their practice in the field

Okiagaru Mart is a part of Okiagaru Farm, which conducts the marketing of products from products that have been cultivated and products that have been processed. Okiagaru Mart was able to create opportunities for the Group which was named KWT Miori Farm. KWT Miori Farm is located around the Okiagaru Farm area. KWT Miori Farm is a group whose members are farmers wife; they try to add value to products that are harvested by them. The profit is earned in the reinvestment for Okiagaru Farm so that it can

expand social impacts such as adding land and supporting the financing of training programs.



Figure 4 Trainer explains how to cultivate and educate them on the benefits of products.

Based on the results of interviews with owners, product sales and product demand during pandemics decreased. This is the result of the implementation of government policies related to travel restrictions. Most of the partners are Japanese restaurants, supermarkets as well as outlets around the Puncak area. In addition, Okiagaru farm experienced obstacles in the delivery of products related to vehicle restrictions and other things.

3.2. Community-Based and Social Business

Despite six main activities of Okiagaru Farm, supported by 6 employees, the community is the backbone or main support. Okiagaru community who live nearby, highly concerned and involved with activities that are conducted at Okiagaru Farm. Based on interviews there are three communities that have been organized namely Komunitas Petani Muda Indonesia (KPMI), Okiagaru Indonesia Agricoop, and Ikatan Magang Jepang (IKAMAJA).

Based on the results of the interview, the established community was able to accommodate a group of young people who had pursued business in agriculture. The community becomes a forum for sharing and knowledge transfer and strengthens members who join to continue to be motivated and grow into the younger generation. It is expected that the community will sustainably develop the interest of the younger generation in entrepreneurship in the agricultural sector and focus on solving social problems around them.

According to [10], collaborative management is characterized by a stronger interactivity of the actors and requires more motivation and interpersonal trust. The relevant values of human capital

(trust, motivation, solidarity, respect, etc.) are pillars of the deployment and success of this management mode. This statement is related to management that has been developed at Okiagaru Farm. This management has a strong impact towards the relationship between owner, employees and communities [10].



Figure 5 Agus Ali Nurdin (Owner of Okiagaru Farm) with team



Figure 6 Trainer explains daily schedule to community and training participants

Social entrepreneurship which is community based is concerned with orientation of community needs. Members will have active and full support to run business. The role of various parties, both governments, universities, non-governmental institutions, banking, and media in creating an ecosystem for social business by providing moral and material support means a lot for business growth and social impact. It is also related to research by [11], the important role of social entrepreneurship factor's contribution to encouraging entrepreneurial business opportunities is dominant, positive and significant. However, the role of entrepreneurial business opportunities is, despite positive, insignificant in entrepreneurial business competitiveness, thus the role of social entrepreneurship

factor's contribution, despite positive and significant, directly, indirectly and totally, is also still small [11].



Figure 7 Assessment at the end of training program

4. CONCLUSION

The number of entrepreneurs in Indonesia continues to grow along with the condition and impact of Covid-19. Entrepreneurs who focus on social issues also increased because of the awareness that this business is able to encourage a better Indonesian economy. Social entrepreneurship involves all elements of society. Indonesia is a very representative country where many social issues need to be solved. The dynamic and caring young generation is a very representative character to be a social entrepreneur. In addition, social entrepreneurs will focus on social change and better well-being.

Okiagaru Farm has six activities, namely, Agricultural Cultivation, Agricultural Product Marketing, and Agricultural Training Center. Agricultural Products Processing Implementation of Agribisnis Certification and Consultation. The long-term goal of Okiagaru Farm is to become the youngest and leading agribusiness institution at the international level. This is supported by cooperation with related institutions as well as certification programs for trainees. Business characteristics of Okiagaru Farm is a business focused on empowering marginalized groups and reinvesting social missions.

This research also has limitations. First, the results of our research are based on information provided by the owner and employees. Due to the covid-19 pandemic, communities couldn't gather because of regulations. Compared to several other studies conducted on entrepreneurial survival or resilience that focus on social entrepreneurship, our study produces fairly similar results, namely that the relationship between business and communities has a positive impact. Future research could look at the social business model that was implemented by Okiagaru Farm. Finally, future study is

required to acquire a better knowledge of the business model of social entrepreneurship. There will be a key difference compared to other business models.

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