

The Business Plan Training and Mentoring for Budisatrya Vocational High School in Medan, North Sumatera, Indonesia

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ABSTRACT

This community service program aims to support the implementation of entrepreneurial learning in Budisatrya Vocational High School (SMK) in Medan Tembung Subdistrict, North Sumatera, Indonesia. Improving the implementation of entrepreneurial education is needed to obtain entrepreneurial graduates. One way to boost entrepreneurial knowledge and spirit is providing entrepreneurial knowledge for the students. This should be a serious concern considering that the entrepreneurial and business sectors play an important role in improving the economy and nation welfare. The partner in this program is Budisatrya Vocational High School (SMK) in Medan Tembung Subdistrict. The object of the training is the students of class XII. Based on the initial observations, most of the students' entrepreneurial interests are low. Besides, they are a fear of failure. Another problem is the students have a low entrepreneurial knowledge effect to the low entrepreneur motivated. Therefore, the students need to get the training and mentoring to enable them to develop their entrepreneurial knowledge. To solve the problems, the program planned are; 1) Provide training to create the entrepreneurial spirit; 2) Provide training to draw up a Business Plan; 3) Mentoring the students in drawing up a Business Plan; 4) Business Plan Evaluation.

Keywords: *Training, Mentoring, Business Plan, Vocational High School*

1. INTRODUCTION

Low entrepreneurship interest and motivation of Indonesian youth should be seriously concerned by various parties such as the government, educational institutions, the industrial, and the community. Entrepreneurship has a significant role in economic growth [1] and for the progress of a nation. The business or entrepreneurial sector help to increase per capita income, through labor absorption. The labor absorption will increase the number of unemployment. Today, the business sector plays a crucial role in Indonesia, characterized by the emergence of startups, such as Bukalapak, Traveloka, Tokopedia, Gojek, etc. The giant E-Commerce company is also called Unicorn.

The total number of entrepreneurs in Indonesia is only 0.18% of the current population. In general, this performance is relatively low compared to the United States at 11.5% and Singapore at 7.2% of the population [2]. That opinion obtained by consideration

Indonesia is the world's fourth most populous nation. The results of the study [3] found that the cause of low interest in entrepreneurship is due to prestige, not being confident, feeling unable to attract buyers, laziness, lack of capital, difficulty dividing time, fear of failing to see from the experience of others. The sample in the study was the student of Padang State University (UNP). In addition, the research by [4] on Students of Class IX Texmaco Pematang showed that the cause of low entrepreneurship interest is personality factors, family factors, and environmental factors. Based on this, it is crucial to revamp the mental attitude and entrepreneurial spirit by entrepreneurship training. The improvement of entrepreneurship interest can be one of the efforts in reducing unemployment.

Education plays a significant role improve the young generation's mental attitude. One of the educational institutions besides the university, which organizes entrepreneurship learning is Vocational High School. Vocational is an educational model

aimed at preparing graduates to work, able to choose a career, compete and develop themselves, fill the needs of business and industry competition, able to be productive, adaptive, and creative [2]. Entrepreneurship is the ability to see and take advantage of opportunities and create value for an item. Entrepreneurship can be learned by anyone who has the intention and motivation to entrepreneurship.

Vocational should be able to produce independent entrepreneurs and not as a job seeker. Vocational graduates are expected to be an entrepreneur, in addition to the option to study and work in companies. Based on the situation analysis in Budisatrya Vocational High School (SMK), student's entrepreneurship interests are low, even though they have learned entrepreneurship subjects taught by teachers. Based on the interview with the students of class XII at Budi Satria Vocational School, entrepreneurship interest is low because of lack of confidence, no interest, no support from family who prefers to find work after graduation.

2. METHODS

The methods implemented in this community service program are :

a) Planning

There are several steps taken at the planning stage:

- The establishment of the community service program team.
- Discuss to determine the patterns and work programs.
- Preparation of tools and materials for the implementation of activities.

b) Situation Analysis

At this stage, the community service team conducts a survey or situation analysis regarding the condition of partners, Budisatrya Vocational High School by direct surveys and interviews with students. Situation analysis is the stage of collecting data or problems before carrying out activities. Then, the community service team consults with the school regarding the schedule and place of the activities.

c) Problems Identification

After analyzing the situation, the community service team concluded that some of the school's problems were:

- Students' entrepreneurship interest and motivation are low;
- Most students don't dare to be entrepreneurial.
- Students' entrepreneurial knowledge is low.
- Students don't know how to write a business plan.

d) Focus Group Discussion (FGD)

After knowing some problems in school, the community service team conducted a Focus Group Discussion (FGD) to discuss several things:

- What do schools need to improve.
- The preparation of the training material grid.
- Technical implementation of activities, time allocation, and design of activity schedule.

e) Preparation of Training Materials

At this stage, each community service team makes training materials. The preparation of material is crucial because it is the key success of this program. Delivering material well will highly contribute to the students. In this stage, each team member also coordinates and gives each other feedback.

f) The Implementation of Program

After all the planning and preparation are done, then the activities can be carried out which consists of Training and Mentoring. The activity was held at SMK Budisatrya which became the partner in this activity (Open Class).

g) Evaluation

Evaluation is the last stage after all stages are carried out. At this stage, the community service team will evaluate and measure the success rate of the activities.

3. RESULT AND DISCUSSION

This Community Service Program activity was conducted on Thursday & Friday, July 22nd-23th, 2021. Before doing the activity, the community service team visited the school to discuss the technical implementation of the activity and the date. The visit to the school was on Tuesday, June 15th, 2021, in the Headmaster room. Based on discussions, the implementation of community services was on Thursday & Friday, July 22nd-23rd, 2021. The date is to adjust the school entrance schedule on the academic calendar, then the community service program are held after the semester holiday is completed.

We provided the topics to write the business plan on the day I (Thursday, 22nd July 2021), and the second day (Friday, 23rd July 2021) is the mentoring of writing a business plan. The program was participated by the Head Master, Head of Academic Departement, teacher of Entrepreneurship Subjects, team of Community Service Program, and the student's grade of XII totaling 30 people. Participants in this community service are students of class XII who have just entered new teaching. In a sense, they are class XI students who have just moved up to class XII. The essential topics related to the selection of participants since they have studied Entrepreneurship subjects before, so it will be easier to join in the training. The students come from different majors, including accounting major, office administration, and business. The community service event began following the rundown of the event, followed by a speech from the community service chair, the Head Master and was officially opened by the Head Master.

3.1. Business Plan Training

Business Plan training topics consist of 1) Entrepreneurship Theory; 2) Business Selection Strategy; 3) Business Plan. The techniques and methods used are lectures and discussions.

3.1.1. Entrepreneurship Theory

The first topic is Entrepreneurship Theory which includes cultivating interest, ideas, talents, creativity, motivation, and entrepreneurial innovation. In this topic, students asked, are students interested in entrepreneurship. Then, it was found that the student's entrepreneurial interest is low. After graduating from high school, most students aim to find a job, some students also want to go to work while in college. Most of the students are not interested in entrepreneurship. The most common reason for the low entrepreneur's interest is because they do not have the entrepreneurship knowledge and are afraid of loss. Unfortunately, they are supposed to be creative graduates and ready to compete in the business world.

In this session, the community service team explained the successful entrepreneurs in Indonesia and also in the world, such as the Hartono brothers, Budi Hartono and Michael Hartono. They are the owners of a giant cigarette company in Indonesia, Djarum. His total wealth reached US\$ 20.5 billion. The same thing with the richest man in the world, Jeff Bezos, the owner of the Amazon company whose total wealth reaches US \$ 177 billion. They are all entrepreneurs. Even if traced further the background of the richest people in the world, they are all entrepreneurs.

In this session also, the community service team explained the story of successful entrepreneurs who all started from 0 and, no one immediately succeeded. They found many failures first. An example is the story of world success entrepreneur Colonel Harland Sanders, the inventor of today's favorite fried chicken product, Kentucky Fried Chicken (KFC). Colonel Harland Sanders started KFC at the age of 60. This session also explained that entrepreneurship plays an influential role in economic growth, improving the quality of welfare through increasing incomes, the opening of jobs, etc. After this session, participants were increasingly interested in entrepreneurship.

3.1.2. Business Selection Strategy

Next is about business selection strategy. In this session, the community service team explained entrepreneurial activities classification. There are state-owned companies and privately-owned companies. Firma (Fa), Commanditaire Vennootschap or CV, and a company limited (PT) are privately-owned companies. Besides that, there is individual business. Individual business means that entrepreneurs have their capital, money, and the abilities to manage their business. In addition, the type of business can be commercial and social or both. In other words, it is profit or non-profit (social). Thus any company will have its advantages and disadvantages, it depends on the ability, ability, and business motives of the entrepreneur, whether to choose an individual business or not.

3.1.3. Business Plan

The next topic is the business plan. A business plan is a document that contains business objectives, data, projections, and plans to achieve them. The form and contents of a business plan are very widely but, usually, there are nine elements in a standard business plan: Executive Summary, Company Description, Services and Products, Market Analysis, Competitors & Benchmarks (Competitor Analysis), Marketing Plan & Strategy, Organization and Management, Financial, Closing Statements [5]. With good planning, everything will be more coordinated. The business plan is the first step in entrepreneurship to anticipate things that cause failure [6]. Because in reality, many people fail to create a business plan when going to do business [7]. This business plan is also a tool to raise funds from the investor or financial institutions. Thus, a business plan must be able to represent the entire business plan that will be carried out so that those in need can be interested and trust our business plan.

Executive Summary is the opening of a business plan that provides an overview, brief, and clear about the business. This section contains what company or business will be run, the products or services offered, the benefits of products/services for the community/consumers, who the target consumer is, and the uniqueness of the product. This section is important because this section is the beginning or opening part of the business plan, which is often a determinant of investor interest to read more about the business plan.

Meanwhile, Company Description aims to provide a complete picture and information about the business. This section consists of:

- a. Mission and values : the vision and mission of the company.
- b. Location, contains the location of office, warehouse, and resources. The business location must be effective and affordable with the resources, otherwise, it will increase the production or distribution cost. In addition, the selection of locations must also be close and following the target consumer.
- c. Legal Structure, which contains the legality structure of the company. A business must have a clear legality aspect. If the business is individual, then it does not need a license from the authorities. But if the business carried out is CV, firm, or even a company, then the business must have documents or licenses from the competent authorities. Thus, it is necessary to determine the type of business first, to determine and prepare of the required documents.
- d. Achievements, achievements that have been achieved by owners.

Services and Products is the section that contains an overview of what goods/services will be produced, the reason the goods/services are produced, and the benefits that can be obtained by customers for the goods/services. This section also contains the unique value of the products /services offered. It is common for many existing products to be the same as what we will offer. In this section, it is necessary to find what is unique to our products compared to other similar products. The selection of goods or services to be sold must be based on the interests or hobbies of the entrepreneur also.

In addition, the consideration thing in goods production is the function of goods. Companies must be sure they are offering the benefits customers seek.

If the goods do not meet the consumer's problems, the product should not be produced. The selection of products or services to be sold can also be done by considering certain situations that require consumers to need the product.

Market Analysis is the part that provides the description and analysis of the target market, industry, competition in similar markets. In this section, marketing research is very necessary. Research can be done manually or using certain technologies to obtain data. Through market analysis can be known about business opportunities and their prospects, how big the market field will be entered. In the analysis section of market aspects, it is also necessary to determine the target audience, the selection of consumer targets based on market segmentation. Market segmentation is divided into four elements: Geographic, Demographic, Psychographic and Behavioral [8]. Target consumer selection is very important, in order to determine the location of the business as well. In this market analysis, it is necessary to do a competitive analysis, to find out the competitors. It is important to prepare the strategies to compete with competitors so that our product is able to compete in the market.

The next topic is Competitors & Benchmarks. This section explains in more detail who is a business competitor, why, and how to deal with competitors. In this section, it is also necessary to explain about the competitors' products, what are the advantages and disadvantages of competitors' products, and what are the advantages and disadvantages of our products. In addition, the important thing in this section is benchmarking, which is the process of comparing the products offered with other similar products.

Marketing Plan & Strategy (Marketing Strategy) describes all strategies, action plans, and sales plans of products and services that will be offered consisting of (5P) [9] :

- a. Positioning, refers to the place that a brand occupies in the minds of the customers and how it is distinguished from the products of the competitor .
- b. Pricing, the selling price of the product. Selling product pricing also has several strategies, such as skimming pricing. This strategy is applied by setting a high price for a new product during the introduction stage, then lowering the price when competition begins to be tight. In addition, there is also a penetrating pricing strategy. This method is set the price at a low price at the beginning, to get a large sales volume in a relatively short time. And there are many other pricing strategies.

- c. Product, re-explain more details about the products offered.
- d. Place, describes the location of product marketing.
- e. Promotion, which is the description of the promotional strategy that will be implemented to market the product. Promotional strategies can be done in several ways: Advertising, Sales Promotion, Events and Experiences, and Experience, Public Relations and Publicity, Sales, Direct Marketing, Interactive Marketing, and Word-of-mouth Marketing.

The next topic is Organization and Management. This section describes everyone involved in the business and organization, which consists of the founder, the team, and the organizational structure of the company. In this section, it is very important to choose and put the competent people and must be in the right position as well. Because the competent and responsible human resources are one of the key factors to the success of a business.

Financial Aspects are an explanation of projections (forecasting or forecasting) income and expenses, return on capital (Break-Even Point), return on investment, calculation of leverage, and others [10]. This financial aspect consists of calculating the need for funds to finance a business plan, be it fixed costs or variable costs. This section also discusses the sources of funds to finance the business plan, with several options, for example: debt, can be short-term debt and long-term debt; or with their capital. In this section, it is also necessary to calculate the Break-Even Point (BEP) which is the break-even point between a large amount of profit and cost of a company in an equal or balanced position, so that in the process it does not get profits and losses.

The last part is closing statements which is an additional section as a cover that contains conclusions, bids, or attachments, along with contact details. This is the part that must be conclude in the business plan document to be submitted to investors, banks, or other parties in need.

Explanation of training topics is using several methods, including lecture methods and games. The topics provided include entrepreneurial theory, business choice strategies, and business planning, which is delivered for approximately 40 minutes. Discussion and Q & A as many as 2 sessions for 30 minutes. The games is used to refresh the students. Discussion and Q & A methods are used to see the extent of students' level of understanding of the topics that have been delivered by the community service team.

3.2. Business Plan Mentoring

The activity on the second day was assisting the student writing a Business Plan. All participants were divided into 6 groups, one group consisting of 5 (five) students to make it easier for them to draw up the Business Plan. Each participant in the group will share tasks by the points in the business plan. After the students having a group, each group discusses a business that they will build together, then make a business plan. Previously, students have been given a Business Plan Template to facilitate students in preparing business plans. Community service teams provide direction and assistance to each group. In this activity, the soft skills students are trained because they engage in group discussions, give opinions to each other, respect each other's opinions. Students are trained to think creatively and innovatively in preparing a business plan with the right entrepreneurial strategy to suit their interests and abilities.

After the Business Plan document is completed, the students take turns presenting the business plan that has been prepared. In this session, there are also question and answer sessions from the team and also from participants to other groups. This session is also accompanied by monitoring and evaluation activities to find out the student's ability to understand training materials, obstacles and problems faced and find solutions to these problems so that students can solve the problem independently.

3.3. Evaluation

During the program, the students are very responsive and active. In general, students already understand how to write a business plan. The students were greatly helped by this training. At first, they have difficulty in understanding how to prepare a Business Plan, because this is the first time they learn how to write a Business Plan document. But after training, students understand how to write a Business Plan. After participating in this training, all participants are expected to be able to independently arrange professional business design in opening their own business in the future by step by step business design.

All participants are also expected to be interested in becoming entrepreneurs, developing creative and innovative businesses so that they can improve their quality of life, open jobs, reduce the level of employment, improve the quality of life, and support the progress of the economic level.

The Community Service team, in general, is expected to hold activities as a continuation of this

training that directly guides students who have the motivation and spirit to open their own business, both for personal business and also school business units. In a sense, further training is needed on the application of their business plan proposals in the future. The evaluation of this activity is the motivation and responsibility of participants in working the tasks. However, this can be overcome by the team. In general, the rundown of events carried out by the committee has been going well, thus the implementation of this activity has been running effectively.

4. CONCLUSIONS

The conclusions that can be obtained from this program are as follows:

- a) The method consists of several stages, Planning, Situation Analysis, Problem Identification, Discussion Group Forum, Preparation of Training Materials, Implementation of Activities (Training and Mentoring), and Evaluation.
- b) The material at the program consists of 3 points, Entrepreneurship Theory, Business Selection Strategy, and Business Plan.
- c) This activity was attended by 30 participants, students of class XII SMK Budisatrya, Medan.
- d) Training and mentoring activities for the preparation of this business plan are very useful and provide understanding for students in preparing business plans that are the first step to starting a business, and providing entrepreneurial knowledge for students, and increasing students' entrepreneurship interest.

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