

# Model of IPO Entrepreneurship Education in The **Kendang Craft Industry in Family Business Continuity**

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#### **ABSTRACT**

Research conducted using a qualitative approach. The type of research used is in the form of case studies. This study aims to reveal the IPO (Input Process Outcome) entrepreneurship education model in the continuity of a family business. The research focuses on the drum craft industry, Budi Luhur Drum, a family business in Blitar City. Research data collection was carried out by observation and interviews with 7 informants, including parents, two children, and three employees. The research was conducted for 2 months. This study describes the business learning process carried out by parents to their children as the next generation which is designed on the IPO entrepreneurship education model. At the input stage, the characteristics and personality of a child who is identical to an entrepreneur emerges and is formed from a young age. In addition, there is a strong commitment from parents to guide their children to continue the family business. While in the process stage, the owner as the previous generation passed on his business knowledge to children by introducing various handicraft products, inviting them to join in selling, and telling them about how to lead and manage a business. In addition to imparting business knowledge, parents involve their children in carrying out business practices such as producing handicrafts, marketing handicrafts and taking care of employees. Parents share their experiences while running a business and give advice to children. Then at the outcome stage, the entrepreneurial competence of children to manage the business, take care of employees, and manage sales has been achieved to continue the family business. Business actors, especially parents, are expected to be able to pass on business knowledge to their children so that they can continue the family business that has been running for decades.

Keywords: Educational Models, Entrepreneurship, Input-Process-Outcome, Family Business.

#### 1. INTRODUCTION

The family business is managed directly by family members with teachings that have been used to be carried out by previous family members. Family businesses provide a good example of an entrepreneurial attitude by imparting knowledge and guiding family members to manage the company [1]. Younger family members can develop their family business to keep up with increasingly modern times. In order to keep the family business growing, the owner as the older generation needs to educate and train potential successors to the next company so that the family business can continue. Successor training is one of the key factors for successful management in a family business [2].

This form of successor training is part of the entrepreneurship education model for children. Education is a summary of learning activities by instilling learning values so that a certain goal can be achieved [3]. Meanwhile, entrepreneurship is an innovative action and someone's creative thinking to create goods or services that are useful and worth selling [4]. Based on some of the definitions above, it can be concluded that entrepreneurship education is a process of developing a learning atmosphere by instilling entrepreneurial values so as to acquire creative and innovative knowledge and skills.

Successors began to be prepared to take over the family business in a professional manner. The previous generation introduced education in the family by providing training and motivation [5]. This strategy is carried out so that the family business can continue for the next generation. But not infrequently, family businesses fail due to a lack of planning in providing training for successors. Without a stronger business practice background, adequate education and training, the task of a mature family business successor becomes more difficult [1].

The facts show that many companies cannot survive until the next generation. Only about a third of all family businesses survive the transition from first to second generation ownership [2]. The transition from the previous generation to the younger generation is important and can cause various conflicts. Role conflicts and relationship conflicts between family members can occur as a result of unclear and unorganized planning, incompetent and unprepared successors, or even competition between family members [6].

In Indonesia, only 30 percent of family companies have successfully made the transition from one generation to the next [7]. Such as the case of the decline of the Jamu Cap Potret Nyonya Meneer family business which was not only the result of company bankruptcy, but also experienced inter-family conflicts starting in 1984. The death of the second generation core successor and the unpreparedness of leadership transfer in the third generation worsened the company's performance until it ended up closing.

Achmad Sobirin as the director of the Center for Indonesian Family Business Studies FE UII explained that the different business management mindsets in a generation and conflicts in decision making are the causes of the difficult problems of family business continuity. This can happen because parents are minimal in guiding children and do not prepare them as successors to the family business. Therefore, entrepreneurship education is something that needs to be given and trained to children from an early age. The first step in introducing entrepreneurship can be done by applying habits to children [8]. The process of channeling entrepreneurship education regarding family business planning and management needs to be done as early as possible properly, of course by involving family members [9].

The drum craft industry which is the object of research is Budi Luhur Drum in Blitar City. The entrepreneurship education model in this study is integrated into the Input-Process-Outcome framework. IPO is a flexible design for the delivery of the design of the educational process aimed at students, entrepreneurs, managers, and academics [10]. The input section relates to the characteristics and personality of individuals who are involved in the family business. Personality and individual characteristics as a support for achieving results at this final stage are called profile values. The input or input stage is characterized by various individual backgrounds, such as attitudes, intentions, and entrepreneurial spirit & orientation.

The owner of Budi Luhur Drum as the first generation and the two children as the next generation have the characteristics and personality of an entrepreneur. Parental leadership is reflected in a family business that is able to employ employees in its business. Djembe drums and other similar products are a form of creativity from parents as founders of family businesses. Parents earnestly guide employees to work well so that

products can be packaged, shipped, and marketed to customers.

Meanwhile, children as business successors innovate on Budi Luhur Drum products. Thanks to his creativity and market survey skills, now this family business has new products that are selling well in the market, such as the darbuka musical instrument as accompaniment to religious music. Since early 2020, the first child of the family business owner has been actively managing the business by taking part in leading and directing the employees working at Budi Luhur Drum.

Development activities for generation replacement readiness are included in the process section. The focus of the process stages is the distribution of entrepreneurial and managerial theory as well as practical teachings that are educational in nature, improve skills and creativity. Other activities in the process section include governance techniques, strategies, and business science teachings that are given to the next generation of family businesses [11]. This stage spurs a responsibility and capacity to manage the business so that individuals continue to hone themselves to gain competence.

The first process component, namely content focus, is an introduction to theory and practice from parents to children related to entrepreneurial orientation. The owner of Budi Luhur Drum introduces entrepreneurial knowledge to children from an early age. Children get an idea of how to produce djembe drums as the company's main product. In addition, children also know how parents market products to customers. When children grow up, parents begin to give responsibility for developing entrepreneurial ideas and skills. Skills in the creation of new products and product marketing are acquired since children actively manage businesses. Parents also invite children to interact with employees and customers so that business relations expand.

The second process component, namely the focus of teaching, is active learning from parents by providing entrepreneurship education to children to explore their skills. The owner of Budi Luhur Drum teaches business practices to children to market products offline and online, maintain a shop, and manage or direct employees. Entrepreneurial learning applied by parents improves children's ability to manage a business so that they can continue the family business. Learning about entrepreneurship is one of the things that must be understood by people who will or are doing business [12].

While the output or outcome has a focus on explaining the impact received after the individual has passed the educational process phase. The output stage relates to the strategic results of the input-process series, namely the formation of an entrepreneurial spirit to continue the family business, business planning skills, and the ability to build relationships with other people [10].

The output in the form of a visible impact from the learning process by parents is the entrepreneurial spirit and ability of the child from the owner of the Budi Luhur Drum. In 2023, the company will still be run by the founder with a business control percentage of 20% and will be run by the second generation with a business control percentage of 80%. After decades of running this family business, to be precise since its establishment in the 1990s, Budi Luhur Drum has experienced significant developments in production and marketing after being controlled by the second generation. Marketing can be done more broadly through online marketplaces that can reach consumers from a wide area.

Based on the IPO (Input-Process-Outcome) model that has been applied by family business owners to the next generation above, the researchers chose Budi Luhur Drum as the object of research. The research was conducted to find out how the entrepreneurship education model is applied by parents to children. In addition, this research is to find out how the application of entrepreneurial values in the generational transition process is revealed in a structured manner in the Input-Process-Outcome model.

# 2. RESEARCH METHODS

This study uses a qualitative approach and a case study type of research. The discovery of several important aspects in depth is carried out with the type of case study research, so that it is not limited to an overview of an event. The research location is aimed at a family business engaged in the drum craft industry in the Blitar City area. In this study, the selected informants as data sources were members of the owner's family consisting of parents and their two children as key informants and three employees from the family business as supporting informants. Overall data sources in this study amounted to 7 informants.

The research instrument used consisted of two instruments, namely the human instrument and the protocol instrument. Human instruments are the main tool in data collection, namely researchers collect data by visiting data sources. Meanwhile, protocol instruments or instruments that help researchers in research consist of hard equipment and soft equipment. Hardware equipment used in this study, namely writing instruments, notebooks, and smartphones as recording devices, photo cameras, and video cameras. While the software used by researchers is an interview guide and observation guide.

Data collection activities are carried out on a schedule and method that has been arranged in the research design. Data collection activities were carried out through observation, interviews, and documentation of research subjects in order to obtain data and information. Data analysis in qualitative research used by researchers is the analysis of the Miles & Huberman model. Miles & Hubermen's model analysis consists of three series of

activities, namely data reduction, presenting data, and drawing and testing conclusions. [13]. Then, checking the validity of the findings in this study was carried out by extending the observations, carrying out triangulation, and utilizing additional reference materials to obtain the appropriateness and completeness of the results of the analysis of the findings.

### 3. RESULTS AND DISCUSSION

Established in the 1990s, Budi Luhur Drum produces wooden crafts such as ashtrays, yoyos, and the like. Then over time, this family business focused on producing djembe drums as the main product. After the second generation joined in managing the business, Budi Luhur Drum's production expanded to other percussion products, such as tambourine, calti, hadroh bass, drum, and so on.

Budi Luhur Drum products have been marketed internationally, such as China. When controlled by the first generation, product marketing was carried out directly through distributors, friends of the owner's relations, and shops located in the Bung Karno Cemetery Tourism Area, Blitar City. Until 2023, the marketing system for this family business continues to develop because successors also market products online. The stages of change, growth, and development of a company's performance can be described through the Input-Process-Outcome framework model [11]. The three sets of components in the IPO model are designed to reveal the learning process aimed at entrepreneurs. In this study, the IPO model describes the process of entrepreneurship education by parents to children in continuing the family business.

# **Entrepreneurial Characteristics**

#### (R. Sari & Hasanah, 2019)

- Achievement motive (intention)
- Always perspective (take advantage of opportunities)
- Creative
- Innovative
- · Have a commitment to work
- Have a work ethic and responsibility
- Independent
- · Dare to face risks
- Always looking for opportunities
- Have a leadership spirit
- · Have managerial ability
- Have personal skills

**Entrepreneurial Competence** 

Decision making skills

· Time managerial skills

Managerial skills

· Contextual skills

• Human skills

(Isa, 2013)

### <u>INPUT</u> children:

#### Entrepreneurial characteristics in children:

 Creative and skilled, able to see opportunities, has leadership and discipline, and intends to continue the family business and open new businesses

#### Children's education level up to university Strong commitment from parents:

 In channeling business knowledge and skills to children and guiding them to continue doing business at the right time

#### PROCESS

#### Introduction of entrepreneurial orientation from parents to children:

- · Introducing the company's products to children
- Introduce children to everyday business activities
- Channeling knowledge to children to lead and manage a family business, such as:
  - a. knowledge of managing product stock,
  - b. tips on preparing raw materials, and others
- · Familiarize children to be creative and innovative

#### Active learning by parents to children:

- Advise children to be careful and serious
- · Involve children in production and marketing activities
- Teach children in the activities of taking care of employees
- Channel experiences from parents to solve problems
- · Assign different roles to children
- · Accustom children to interact with employees and customers

#### OUTCOME

#### Entrepreneurial spirit and competence of children to continue the business:

- · Thorough and painstaking
- · Able to lead and manage all family business activities
- · Able to direct employees and serve customers
- · Able to market products widely
- · Able to innovate on a product

#### Achievements in the process of entrepreneurship education (Hasan, 2020)

- Build innovative capabilities
- Fostering a spirit of leadership
- Train organizational skills
- Build the ability to set achievement targets
- Involved in the creation and management of the company
- Able to create value processes for customers by taking advantage of untapped opportunities
- Have a strong and positive orientation towards the growth of wealth, knowledge and employment
- Easily adapts to change, has the ability to take risks and turn ideas into action

Source: Managed by Researchers, 2023

Figure 1. Model of IPO Entrepreneurship Education in the Kendang Budi Luhur Drum Craft Industry.

# Input

#### <u>INPUT</u>

#### Entrepreneurial characteristics in children:

 Creative and skilled, able to see opportunities, has leadership and discipline, and intends to continue the family business and open new businesses

#### Children's education level up to university Strong commitment from parents:

 In channeling business knowledge and skills to children and guiding them to continue doing business at the right time

Source: Managed by Researchers, 2023

**Figure 2.** Entrepreneurship Education Model Input Section.

The input section relates to the characteristics and personality of the child as the successor to the family business. Entrepreneurial character in children often grows as they grow older. The involvement of children from a young age in daily business activities forms a business spirit. These repetitive activities form a child's personality which is synonymous with the behavior of an entrepreneur. The characteristics of an entrepreneur are at least creative, always taking advantage of opportunities, having a leadership spirit, having an interest in entrepreneurship, and being disciplined [4].

Since childhood, the son of the owner of Budi Luhur Drum has high creativity. Both are skilled at making toys to play with. While studying at junior high school, children like the activity of fixing, assembling, and making things they find in their surroundings. The influence of the family environment which is dominated by business activities in the creative industries also fosters the child's personality to think in something new and different, namely to develop creativity. This is supported by research which states that children's character can be formed from parenting patterns that are carried out from an early age [14].

Children are able to see opportunities that exist in their immediate environment. A family business that has been run by parents for decades is not left alone by children. At school age, they often help their parents in daily business activities so they know the types and forms of crafts. Indirectly, these activities form individual children to always take advantage of opportunities by finding out various crafts so that an intention to become an entrepreneur is formed.

Children's intention to become entrepreneurs is formed before they are involved in continuing their

parents' business. Precisely after completing higher education, the intention to continue the family business is increasingly unanimous. This was felt by the children because they found that their parents' business had stopped due to the Covid-19 pandemic. The child seeks to re-run the parent's business. His initiative to re-run the family business is to market products online and add new product types. After the business is running again and experiencing growth, children are increasingly confident to continue their parents' business and develop existing opportunities. The way children adapt to changes during the pandemic shows that children easily adapt to dealing with family business problems. In line with the achievement theory of the entrepreneurship education process which can be achieved through the ability to turn ideas into action and easily adapt to change [15]. But in the future, the son of the family business owner also has the intention to open another business. Being in the family environment of an entrepreneur spurs children to become entrepreneurs in a new field.

Another characteristic of an entrepreneur is the leadership spirit possessed by the next generation [4]. The first child of a family business owner is used to leading others while at the cottage during his college days, before getting involved in managing the family business. He often coordinates friends on activities at the cottage. In addition, he is involved in campus committee activities such as managing funds and finding sponsors. Starting from activities in this small environment that nurture children to become entrepreneurs with a disciplined attitude and have a leadership spirit.

The level of education a child takes is also an important input for the next stage, namely process and outcome. The two children of the family business owner completed their education up to college. Likewise research which states that one characteristic of the family business transition is the formal education of the successor which can be a provision. Successor formal influences education positively post-transfer performance and increases income [1]. In addition to acquiring business knowledge, various experiences that can form soft skills and technical skills can be obtained by children. For example, attending national seminars and joining committees that can hone communication skills, work with a team, and form a sense of leadership.

There is input from parents as a support so that the teaching process goes well. The strong commitment of the parents who own the family business spurred them to guide their children in continuing their business. Parents give a statement if the child's intention to continue the family business is in line with expectations. For this reason, the parents chose the right time so that all family business controls could run well. Parents are not in a hurry to involve their children in managing the company, but they wait for their children to mature and have completed their higher education. The readiness of children as adults and the provision of knowledge that has been obtained during college gives good results for

the continuation of the entrepreneurship education process.

Other supporting inputs include parental commitment in channeling all the business knowledge they have. Parents are not stingy with knowledge, they give all their knowledge to children. If the previous generation wants the next generation to continue the family business, then the knowledge possessed must be passed on to the next generation [16]. The entire parental knowledge of the business is shared with their offspring [17]. The two previous studies are in line with the statement of the informant's parents, that all business knowledge must be given to children so that it is distributed entirely. It is imperative and important for parents to impart their knowledge. Parents of family business owners share theories, processes, labor and social issues with their children. By sharing these matters, parents hope that their family business can continue to experience development.

#### **Process**

The process section is the activity of parents conveying entrepreneurship learning in theory and practice so that children acquire skills and competencies in continuing the family business. The process stages are divided into two parts, namely content focus and teaching focus. The focus of the content is an introduction by providing a thorough understanding of entrepreneurial orientation, such as innovation and idea creation. While the focus of teaching is active learning carried out by parents as educators in family business to children. All stages of the process are carried out by providing insight into understanding the 'what' and 'how' of entrepreneurship education [10].

### **Process: content focus**

#### PROCESS

# Introduction of entrepreneurial orientation from parents to children:

- Introducing the company's products to children
- Introduce children to everyday business activities
- Channeling knowledge to children to lead and manage a family business, such as:
  - a. knowledge of managing product stock,
  - b. tips on preparing raw materials, and others

• Familiarize children to be creative and innovative

Source: Managed by Researchers, 2023

Figure 3. Entrepreneurship Education Model Process

Section: content focus.

In the content focus section, parents provide an understanding to their children about the business knowledge they have. Parents, namely fathers as the main business actors channel their business knowledge since the child is studying at junior high school. Initially, parents introduced various craft products to children.

This is done so that children gain knowledge and ideas. Parents also introduce children to how to sell, serve buyers, and organize products in kiosks. The distribution of business knowledge at an early stage is carried out conventionally by parents to suit the abilities of young children. Of course the knowledge that is taught when children are young is simple entrepreneurship science. In line with research that supports the results of researchers in this aspect, namely the cultivation of entrepreneurial values by parents to children is one aspect of informal education in the family environment [18].

Parents indirectly channel business knowledge when inviting children to help complete work on the family business. Children are used to helping their parents look after the kiosk or participating in selling. Children are taught by parents how to respond to buyers when bidding on prices and what to do when product stock runs out. From these daily activities, children are trained and learn to apply the knowledge they get from their parents. This is in line with research I. P. Sari (2015) which states that families who run businesses encourage all family members, including children, to participate.

Regarding more modern business science, family business owners provide opportunities for children to learn it on their own. Parents provide facilities for children to pursue higher education. Parents believe that if children have the skills and competencies so that by studying in college, abilities such as leadership, teamwork, and communication can be achieved by children.

After children complete their education at university, parents intensively transfer knowledge to children to lead and manage the family business. Parents tell their first child how to manage product stock. Children learn about when is the right time to reprocess products that are running out. Parents also tell children how to prepare raw materials properly. The availability of raw materials is important to support smooth production so that children need knowledge from their parents so that raw materials are available in the right amount. In addition, parents introduce children to how to perfect product motifs so that they are perfect. This method is given to children to always maintain product quality. Craft products such as drums and tambourines are synonymous with various motifs. For this reason, parents tell the technique so that the motif is made nicely. Business knowledge as taught by parents is important so that children get ideas and can develop businesses. In line with research from Nuryanti et al. (2020) which states that knowledge is a factor that influences the process of changing business ownership. Knowledge is a support for an entrepreneur to take advantage of business opportunities and innovations.

Based on H. A. Hasan (2020), Building innovative capabilities is one of the competencies in the entrepreneurship education process. Parents of family business owners accustom their children to be creative

and innovate in craft products. Opportunities are given to children to explore knowledge in developing new products. For example, Islamic musical instrument products such as tambourines, calti, and the like, which have become superior products for family businesses for the past 3 years, are the result of product innovation from the child. Parents play a role as product controllers and supervisors of children's performance. Seeing the results of their children's work, parents do not forget to appreciate their children's creations, remind them in the process, and fully support their children's intentions in developing the family business.

# Process: teaching focus

#### PROCESS

#### Active learning by parents to children:

- Advise children to be careful and serious
- Involve children in production and marketing activities
- Teach children in the activities of taking care of employees
- Channel experiences from parents to solve problems
- Assign different roles to children
- Accustom children to interact with employees and customers

Source: Managed by Researchers, 2023

**Figure 4.** Entrepreneurship Education Model Process Section: teaching focus.

In the teaching focus section, parents teach business practices directly to children to hone skills. Before and while involved in family business activities, parents always advise children to be careful in their actions. Children are given advice by parents to be careful when making buying and selling transactions and managing raw material finances. In addition, it is also directed to manage the business properly, take into account business finances carefully, and expand the target market. Parents provide opportunities for children to communicate with each other if there are problems or things they want to ask. Parents realize that if the child is still in the learning process, he will continue to give advice to the child. Communication in the form of advice or directions created openly between parents and children is important. Based on research from Caputo et al. (2018), This has a positive impact on the continuity of the family business.

Business practices have been taught by parents long before children are involved in continuing the family business. In line with research from H. A. Hasan (2020), that one of the achievements in the entrepreneurship education process is involvement in the creation and management of companies. The achievements in the entrepreneurship education process have been implemented by the parents of the Budi Luhur Drum family business owner. For example in direct marketing activities involving children. After the children have acquired knowledge from their parents, they take part in guarding the Budi Luhur Drum kiosk

and then implement the knowledge to serve customers. As for production activities, initially children are trained to count drum skins (raw materials), calculate drums ready for sale, arrange drums, and paint (painting) drums. Children often help their parents by doing these activities since they are in junior high school. They are used to helping their parents when orders for drums increase and are ordered by their parents to help. It is this simple business practice that trains children's skills.

Children begin to join in managing their parents' business after they finish their education in college. In production activities, parents teach their children to prioritize product quality. For example, if there is a product that is not dry enough, the parents tell the child what action to solve the problem. The same is true in the process of craft production which prioritizes the perfection of motifs as a characteristic of a product. Not only teaching production activities, parents involve children to participate in marketing products to customers at the Budi Luhur Drum kiosk. Activities of arranging products to offer products to buyers are usually carried out by children with the provision of knowledge from their parents. In addition, parents give time for children to look for other learning resources. For example through books or the internet as marketing learning media for children. Likewise with modern marketing which is left to children, to be developed with the knowledge they have.

Active learning that parents do to other children is to be involved in taking care of employees. As the next generation, children must be able to control all aspects of the family business, including employees. Initially, the business practice given to children was in the form of distributing salaries to employees. The son sort of becomes an assistant to his father who can be ordered to direct things. The more often they are involved in taking care of employees, the more trained children will be. After 3 years of being involved, the first child has independently taken care of the production and marketing employees. But parents still play a supervisory role for the running of the family business. Parents teach children to be leaders who can protect, be responsible for each other, and uphold good manners. If employees experience difficulties, children as new leaders must be able to help and assist. Parents teach children to consider employees part of their own family so that they can place themselves in front of employees. In line with research which states that considering employees as part of the family is included in the positive characteristics of a family business [5].

Parents share their experiences while running the family business. Since childhood, children indirectly see how parents experience problems and overcome them. More or less the children know the various problems encountered in the production, marketing, and employee matters. For example, the problem of customer complaints that were initially resolved by parents by repairing the product. This method is imitated by children

when experiencing the same problem. Children are also given the opportunity to solve their own problems for learning. This is in line with research from Nugraha et al. (2015), that the opportunity to find solutions to problems becomes a method of training children to think. Currently, children are able to solve family business problems with the provision of parental experience and knowledge. Experience and knowledge that is passed between generations is a valuable potential in family businesses so that it has a positive influence on children in making a business decision [8].

The owner of Budi Luhur Drum has two children so their roles in the family business are placed in different positions. Parents give their first child a position in online production and marketing. The first child's business activities are in production houses and warehouses. Meanwhile, the second child is given a position by the parents to take care of offline marketing, especially at kiosks. Parents divide the role of children in different positions because they are adjusted to hobbies, areas of interest, and majors while studying in college. The roles of children are divided into different places so that all business activities can run equally, not only managed by one person for the entire business process. All roles are delegated by parents when the child has finished his studies, namely the first child in 2019 and the second child in early 2022.

Activities to educate children to be involved in other family business activities, namely getting children to interact with employees and customers. In production houses, parents accustom their children to interact with employees. Meanwhile, at the kiosk, parents invite their children to join in selling so that they have direct contact with buyers. Habituation to interact with other people initially carried out with simple activities. For example, there are business guests, parents give mandate to children to deal with guests while replacing the role of parents as the main owner. Another activity is when children receive money from transactions with buyers and distribute salaries to employees. In daily activities, children are also accustomed to meeting parents' employees and customers. Indirectly children interact with other people so that they can become learning materials and habituation for them. Children's skills in serving customers are formed as a result of their habit of meeting with buyers. Parents teach children to actively ask when buyers stop by, come to them by offering products so they don't just stay silent.

#### Outcome

#### OUTCOME

# Entrepreneurial spirit and competence of children to continue the business:

- Thorough and painstaking
- Able to lead and manage all family business activities
- Able to direct employees and serve customers
- Able to market products widely
- Able to innovate on a product

Source: Managed by Researchers, 2023

**Figure 5.** Entrepreneurship Education Model Outcome Section.

The outcome part is the impact of a process undertaken in the previous stage. The output will reveal the entrepreneurial spirit and competencies that are formed to continue the business or start a new business [10]. The competency that is formed is the result of a combination of the knowledge and skills of the child in carrying out his role at the previous stage [21]. An effective way to be able to consider the outcome section is to observe growth in sales, profitability, headcount, and innovation [11]. The results of this stage appear when entrepreneurship education has been given to children. Entrepreneurial education that children have received from their parents and their involvement in carrying out business activities has an impact on all aspects of the family business. Business knowledge given by parents can accelerate children's self-development. Children can learn to continue doing business effectively and efficiently through the knowledge and experience provided by their parents. Provision of knowledge and experience is useful for redeveloping the potential possessed through creativity and innovation.

There are several outputs as a result of the previous stages. The results of the previous stages form entrepreneurial competence in children. entrepreneurial competencies referred to include 1) the ability to manage a business, 2) the ability to manage human resources, and 3) the ability to manage sales [22]. The first output from the parent entrepreneurship education process is that the child's leadership spirit has been formed to continue the family business. This can be seen when parents travel and have to leave their children on business activities. Facts on the ground, all aspects of business activities such as those that occur in the production department, packaging warehouses and kiosks have been running in their entirety. Children carry out their responsibilities in their respective places of business. Children are able to work carefully and perfect something that is lacking from their work. Apart from that, with the patient attitude of the child, he can find the cause of his mistakes when processing the family business. For this reason, children are now independent so they can manage all activities in the family business.

Second, children can substitute for parents to take care of employees and serve customers. After about

3 years of getting used to taking care of employees, the first child has been able to add employees. Of course, employees are sought based on appropriate criteria and are indeed needed for a family business. Likewise with the second child who is almost 1 year old has replaced the role of parents to manage product marketing at the kiosk. Parents explain their statements if the affairs of employees and service to customers can be controlled by children.

Third, the expansion of the current target market is recognized by parents that exceeds their expectations. Even though business activities had stopped due to the Covid-19 pandemic, this did not last long because children were able to expand their marketing through online networks. The expanding target market, both domestically and internationally, is the result of children's involvement in opening shops in various market places.

Since the child was involved in managing the business, a variety of sholawat musical instrument products have emerged which have become superior products. The child's high willingness to work keeps him in the process so there is no free time. Parents give a statement if the child's work after participating in continuing the family business is good. However, parents still provide guidance and assistance when there are problems with children.

Parents as role models for children in carrying out business activities always support their children. He has a role to remind children to always be careful in carrying out their work. This is done by parents so that children can continue the family business well. In accordance with the results of research from birsyada & siswanta (2019), that one of the keys to success in business is prudence.

# CONCLUSIONS AND RECOMMENDATIONS

IPO (Input The Process Outcome) entrepreneurship education model in the Budi Luhur Drum drum craft industry describes the business learning process carried out by parents to their children as the next generation of family businesses. Characteristics and personality of children who are synonymous with an entrepreneur appear and form from a young age. Creative, able to see opportunities, have a leadership spirit, and have entrepreneurial intentions are characters that grow in children. This becomes a support when children are involved in managing the business to continue their parents' business.

The owner as the previous generation passed on his business knowledge to children by introducing various handicraft products, inviting children to join in selling, and telling children about how to lead and manage a business. Parents also accustom children to be creative and innovate in a product. In addition to channeling their business knowledge, parents involve their children in carrying out business practices such as producing crafts, marketing crafts, and taking care of employees. Parents as the first generation share their experiences in running a business, give advice, and divide the roles of children in different places of business. Various educational efforts are carried out by parents so that business control can be continued by children as successors to the family business.

The key to a child's success in continuing the family business is influenced by skills or abilities such as discipline, honesty, open communication, consistency, belief, and istiqamah (steadfast stance). These skills and abilities are important factors for children to run their daily business.

Based on the findings in this study, it is hoped that it can enrich knowledge regarding the IPO entrepreneurship education model for the continuation of the family business. Business actors can pass on business knowledge to the next generation for the continuation of their business. Parents as the previous generation can involve children in the creation and management of business. In addition, parents can train their children to work with a team, develop leadership skills, and build innovation and creativity. Parents' knowledge while running a family business can be passed on to children. It is hoped that the potential possessed by each family business can be developed by children in the future with the provision of knowledge and skills from parents.

## **AUTHORS' CONTRIBUTIONS**

A.M. Rina compiled a research design. A.M. Rina collected data through observation, interviews and documentation. A.M. Rina and R. Hidayat processed and analyzed data through data reduction activities, data presentation, and determining conclusions. A.M. Rina and R. Hidayat wrote an article.

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