ENTREPRENEURSHIP EDUCATION IN UNDERGRADUATE PROGRAM TO SUPPORT THE CREATION OF YOUNG WOMEN ENTREPRENEUR

Meidiahna Kusuma  
*International Business Management – Universitas Ciputra*  
Surabaya, Indonesia  
E-mail: meidiahna@ciputra.ac.id

Wirawan ED Radianto  
*International Business Accounting – Universitas Ciputra*  
Surabaya, Indonesia  
E-mail: wirawan@ciputra.ac.id

**ABSTRACT**

Women role in the society is increasing. More women entrepreneurs are existed in the market. However, the number of women entrepreneur is still below men entrepreneurs whereas number of productive women is higher than that of men. Past researches argue that it is due to women that tend to be risk averse while entrepreneurs are close related with risk taking behaviour. Past researches also argue that risk taking behaviour can be learned. Therefore, this study will analyse the risk taking behaviour of young women entrepreneurs and factors influencing that behaviour. The result shows that those young women entrepreneurs have anticipated every risk that might occur and able to see failure as part of their business journey. The reasons that let them keep moving are (1) the fact that they are still able to grab the benefits from the market, (2) their positive concept about failure, (3) and the role of facilitators in guiding them, and make them more confidence in running the business.

**Keywords:** young women entrepreneur, risk taking behaviour, entrepreneurship education

**I. INTRODUCTION**

Currently, women role in the society is increasing. At home, women not only decide the small item ticket, but also big item tickets, similar to men (Khasali, 1998). Women role is also not limited in household matter but also in economic and political sectors. More women become CEO, including own a company, or as entrepreneurs. However, the number of women entrepreneur is still low in comparison to men (Business Week, 2009 and 2010). This finding is supported by Haus et al. (2013) stating that though number of women entrepreneurs are increasing, but the number is still far below men.

McClelland (in Ciputra, 2009) states that in order to develop, a country needs to have minimum 2% of its population as entrepreneurs, just like Singapore (10%), the United Kingdom (18%) and Japan (18%). In Indonesia, there are only 1.56% of its 240 million populations that registered as entrepreneur (Muharram in Sutianto, 2012). Similar to the other countries, entrepreneurs in Indonesia is dominated by men (Gupta et al, 2009). However, number of women in a productive stage (between 20 to 39 years old) is higher than that of men (Data Statistik Indonesia, 2005).

**2.1 Risk**

Risk is defined as the possibility that something bad or unpleasant will happen (Merriam Webster). Knight (1921 in Brindley, 2005) stated risk is the possibility to suffer from loss after making a decision. However, from a positive point of view, a risky decision in business leads to high return (Blumen, 1971 in Brindley, 2005). Cunningham (1967 in Brindley 2005) also argues that perception toward risk is influenced by a person acceptance toward the uncertainty after making a decision. People see it as consequences from a decision. It leads to the way people anticipate in bearing the risks. Further, people readiness in facing risks will depend on their knowledge to avoid the uncertainty. As such people are dare enough to face the risk shall they experience the same thing over and over, and that experience can be grabbed through entrepreneurship education.

**2.2 Risk and Gender**

Past researches show that women are more risk averse compare to men, whereas starting up and running a business is closed related to risk (Chung, 1998 in Brindley, 2005; Graham et al., 2002; Haus et al., 2013; Buttner and Rosen 1988 in Brindley, 2005). Graham et al. (2002) support this argument by stating that women tend to be risk averse in investing their asset. It can be understood since more men become entrepreneurs than that of women, so capability to bear the risk is higher in men than that of women (Menzies & Tatroff, 2006; Haus et al. 2013; Gupta et al., 2009). Slovic (2000 in Brindley, 2005) also stated...
social and political factors are two main determinants of the differences.

Several researches about risk and gender, especially woman, have been done, but the number is still limited. One of them is research done by Riyanti (2007) that argues if fear of success among Balinese women entrepreneurs is considered to be low. However, Riyanti also concludes that Balinese women entrepreneurs living outside Bali have a higher fear of success compare to those who live in Bali.

There are factors influencing women decision in becoming entrepreneurs such as able to focus on detail, capability to anticipate bad things before it happens, as well as able to be in harmony and work together with others (Mardian, 2011). This finding is in line with past research conducted by Bob (2011) that concludes if women entrepreneurs have social network, intuition, fortitude, patience, and capability for hearing better than that of men. Tinker (1987) and Downing (1990) also found that men and women have different strategies in running their business; women are motivated with household survival rather than that of men.

Past researches showed that men tend to have a more develop business in comparison to women (Singh et al., 2001; Coleman, 2000; Chaganti, 1986; Olsen and Currie, 1992). Results from the past researches make the issue of entrepreneurship and gender becomes an interesting topic to be discussed. Moreover, Brush dan VanderWerf (1992) dan Singh et al. (2001) argue that researches about women entrepreneurship are limited and mostly done in develop countries - less in developing countries. Currently, research on young women entrepreneurs who still take their degree and relate it with risk taking behaviour is not yet available. Therefore, research about young women entrepreneurs and risk in Indonesia is interesting to be discussed.

III. RESEARCH METHODS

This research aims to explore about respondents (in this case is young women entrepreneurs) reaction toward risk as well as failure when running their businesses. This research is not trying to generalize a phenomenon; instead, it tries to see respondents’ reaction in facing the risk using case by case in the real context. Therefore, this research uses qualitative approach in order to have deeper information.

The research method being used is focus group discussion. Researcher gathered 6 undergraduate students that are also categorized as young women entrepreneur. They were interviewed and asked to discuss specific issues on risk. Those six respondents are undergraduate students that already on their, at least, 5th semester of undergraduate study; namely 1 from batch 2009, 2 from batch 2010, and 3 from batch 2011.

The focus group discussion was led by the researcher. Here, the researcher gave questions that have been designed beforehand. Each of the respondents got the questions and they needed to also discuss the questions with the other respondents. This method is suitable with the research objectives since it filtered general problems becoming more specific in which, at the end, result in comprehensive answers. The advantage of this approach is each of the respondents is able to complete their answers since they are also heard other respondents answer. As such, when they forget about several things, they can be reminded. The other advantage of focus group discussion is respondents are more confident to give their opinions since they have counterparty.

The respondents of this research are six undergraduate students who have their own business and have been running for at least one and a half year. They are selected based on their facilitator’s recommendation to ensure that they have a good business. For validity and reliability, this research is using documentation, interview and observation.

IV. RESULTS

4.1 Market Sensitivity as a major factor in starting up a business

Almost all of the respondents stated that they open their business based on opportunity in the market. It shows that they are sensitive enough toward the market. In opening a business, they are not following the current trend, but they are analysing opportunity that they can grab. There are two causes that led them have the business idea; those are (1) they are able to identify market wants and (2) they are able to produce products that can be accepted by the market.

Statements when the respondents discover people’s needs:

"Karena pasar di Indonesia itu banyak pengguna sepeda motor, mayoritas juga mobile di jalan dan iklim di Indonesia itu masih banyak musim hujan, jadi pasarnya terbuka luas. Sejauh ini masyarakat belum mengenal cover bag itu sendiri, biasanya mereka secara tradisional melindungi tas mereka dengan tas kresek saja" (read: because there are a lot of motorcycle riders in Indonesia, most of them are mobile and the raining intention is quite heavy, so the market is still big. Currently, not everyone knows cover bag; traditionally, they will just cover their bag using the usual plastic bag).

"Market pada saat itu, belum ada yang memproduksi produk sendiri" (read: there is no one in the market that producing their own clothe).

Another respondent stated that she produces their own product differently and try to create products that can be accepted by the market:

"Ingin menumbuhkan rasa tradisionalismenya, menciptakan maskot ayo ikon untuk Indonesia itu sendiri. Kebanyakan orang-orang hanya menciptakan kata-kata belum ada maskot sendiri. Mengambil peluang dari sebuah maskot dan mengambil culture Indonesia" (read: want to grow traditionalism among Indonesian, create mascot or icon for Indonesia. Most of the players are creating funny statements, and no one has the mascot. Hence, the company is taking the chance from a mascot and Indonesian culture).

"Awalnya menjual all produk, tetapi tas yang paling banyak, akhirnya menciptakan desain tas sendiri" (read: it started by selling various products, but bag has the highest demand. Thus finally, we designed our own bag).
Respondents’ sensitiveness toward the market can be seen when they predict that the industry where they are in has a bright future. Thus, all of the respondents stated that they will continue their current business and develop it after they graduate. All of the respondents said that they will become an entrepreneur. As such, they will run their business seriously.

4.2 Risk and Failure

This part will discuss the way those respondents facing the risk in running their business. All of the respondents said that they are aware that their current business has risk. Most of them argue that the risk is coming from external factors, namely customers. They believe that their products have a good quality and able to compete with other players. However, they said that the biggest risk that they face is competition that affects the customers. As an illustration, one of the risks that they face is when they are running an online business for supporting the sales as well as for building their business strategy. They are aware that their biggest risk is customer and supplier trusts. Next, when they are lacking of creativity, they will lose the competition.

However, majority of the respondents stated that they have anticipated risks that they might face. They tend to anticipate the external factors, such as customers. The examples are as follow: “Memberikan tempo untuk konfirmasi, jika lewat maka akan dijual ke orang lain” (read: give them lead time for confirmation; shall the date is passed, the product will be sold to other buyers). “Harus memberi DP, mengatur waktu lebih lam dibandingkan dari supplier kita. Menyempur peraturan yang jelas” (read: They need to give down payment, arrange a longer delivery lead time from supplier to us. Need to have a clear regulation).

Those examples show that they are able to calculate the risk that will be faced. From their arguments, it can be concluded that the anticipated solutions are worked since they testified that they faced the risks before. This fact shows that they respond the risks in positive ways since they have anticipated it before, such as most of them are ready when at the end the customers decide not to buy their products.

Those respondents describe risks in these various illustrations, such as: “Penyakit yang pasti ada dan harus disembuhkan” (read: a disease that will occur and should be cured) “Sesuatu yang pasti akan muncul” (read: something that will happen) “Sesuatu yang harus dihadapi” (read: something that should be faced) “Tembok penghalang; lihat hasil dari resiko tersebut, jika baik harus dihadapi resikonya” (read: barrier; see the risk, if good, we have to face it) “Resiko itu harga yang harus dibayar” (read: risk is price that should be paid).

There are several concepts of risks that can be concluded from those statements, which are: (1) risk is related to the future, (2) as entrepreneurs, they will face the risk, (3) and as entrepreneurs, they need to face the risk. The understanding of risk that will happen lets them be able to anticipate it, though they do not have the idea when it will come. As such, it can be concluded that (1) those young women entrepreneurs are aware if risk is existed when they are running a business and (2) calculating the risks is a must in running a business. This finding is supported by Mardian (2011) arguments that women have the capability to anticipate bad things before it happens.

4.3 Failure is a delayed success

All of the respondents argued that they ever failed in running their business. The failures let them change the business for several times or discontinue executing certain products under the same business. The respondents who changed the business for several times are those who coming from senior level (batch 2010 and above), whereas those who discontinue executing certain products under the same business are those who coming from lower batch (batch 2011). Several factors lead them to those failures are: (1) problem with suppliers, (2) financing their business (supported by Graham et al., 2002 saying that women tend to be risk averse in investing their asset), (3) team work that does not work well, (4) and being cheated by the customers.

The interesting part after they faced the failures is, they always evaluate it after it happened and they are able to draw a conclusion on factors contributing to the failures. Aside from that, they are also eager to keep moving. Factor that let them never give up are the fact that they already have buyers or market but they just have not found the perfect strategy, they want to earn the profit since they want to show to their parents if they are able to be success by themselves. These two factors inspire those respondents to never give up when they are facing failures. Another thing that makes them survive from the failure is found from the way they see the concept of failure. “Pengalaman dan pelajaran” (read: experience from failure) “Kegagalan merupakan motivasi” (read: failure is a motivation) “Jika gagal, kita akan menemukan kunci jawaban kesuksesan” (read: when we fail, we will find the key to success) “Tidak ada kata sukses kalau tidak pernah gagal” (read: there is no such thing as success when we never fail) “Kunci dari kesuksesan” (read: key to success) “Guru, karena dapat pelajaran baru” (read: teacher, since we got a new lesson). “Warna hidup, mengajari bersyukur” (read: coloring our live, teach us to be thankful).

From those concepts, it can be concluded that the respondents have no negative thinking about failure. They think positively about failure, hence they believe that failure is something that they will face and they need to have a good response when they face it. They believe that failure is success’s friend. Success cannot be achieved shall they never fail. From the researchers’ point of view, this concept of failure is created since they ever failed and they keep moving afterward.
Almost all of the respondents admit that one of the key drivers that let them never give up is the availability of the lecturers as facilitators that actively push them to keep moving using different approaches. This is in line with Brindley’s argument (2005) that women entrepreneurs tend to need support from people around.

Those respondents believe that the existence of facilitators in their business let them be experienced with everything that happened, something that they cannot get shall they are not studying in this university.

V. CONCLUSIONS

In running their business, students have anticipated every risk that might occur. They are also able to see failure as part of their business journey; hence they perceive that success does not exist without failure. The reasons that let them keep moving are (1) the fact that they are still able to grab the benefits from the market, (2) their positive concept about failure, (3) and the role of facilitators in guiding them and make them more confidence in running the business.

From the findings, several suggestions can be drawn, these are: (1) entrepreneurship based education institution is suggested to facilitating the students, especially women, with competence facilitators that are willing to support and encourage them during the business establishment process; (2) Future research can compare young women and young men entrepreneurs in facing the failure, and hence the education institutions will have the idea if female and male students need to be treated differently; (3) and lastly, the quantity of respondents can be add in order to provide a more comprehensive result.

REFERENCES


