

Lecturer’s Response to Establishment Plan of Business Incubators at Faculty of Agriculture UPN “Veteran” Yogyakarta

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Abstract

This study aimed to examine the responses and the insight of lecturers to the establishment plan of a business incubator at the Faculty of Agriculture, UPN "Veteran" Yogyakarta. This research is a descriptive study using a qualitative approach. The technique for determining informants is purposive sampling, namely lecturers who teach entrepreneurship courses at the Faculty of Agriculture and students who study in the Agriculture Faculty, especially students from the Agribusiness Department. The data source used is primary data. Data collection techniques are using observation. Interviews using electronic questionnaires and focus group discussions. Data analysis techniques by collecting data, reducing data, presenting data, and making a conclusion. The results of this research showed that the lecturers gave a positive response to the plan of the business incubator and knew broadly about the business incubator. Therefore, it needs to realized immediately at the Faculty level because the availability of human resources (lecturer's knowledge) with improvements in management that supported by the institution funding from the institution (Faculty or University)

Keywords: lectures, business, incubator, response



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I. INTRODUCTION

A business incubator is an institution that functions to provide facilities, namely management and technology, that aims to improve small and medium enterprises in making their products. The main goals of business incubators are creating a job, stimulation entrepreneurship, technological innovation, and economic development (Caiazza, 2014). In China, the business incubator has been adopted as an instrument of economic and technological development. Now the number of business incubators in China has reached more than 500 units, which are the second rank after the United States and including as the most successful business incubators in Asia (Chandra and Chao, 2011).

Business incubator plays an important role for the University in encouraging student creativity and innovation in entrepreneurship. It can perform the University in developing start-ups related to Tridharma as an example of community service (Lutfiani et al., 2020). In addition, a business incubator can support lecturers in realizing Tridharma duties of the University, one of which is to give service providers according to the expertise of each lecturer.

The development of business incubators in higher education requires the role of many parties, especially lecturers and students who have to be more proactive (Stal, Andreassi, and Fujino, 2016). The support of entrepreneurship courses taught by lecturers to their students can encourage the growth of students' entrepreneurial spirit. The dimensions of entrepreneurial learning simultaneously and partially contribute to students' entrepreneurial intentions (Yamockul et al., 2019). Business incubators are able to increase entrepreneurial intentions and increase the competitive advantage of young entrepreneurs (Patton and Marlow, 2011). Student entrepreneurship can be used as one of the tenants or partners who contribute to business incubator activities.

The benefit for universities of having an incubator is that universities can announce their ability to develop students for entrepreneurship education (Gozali et al., 2015). The role of lecturers as educators is very important in providing education, encouragement, and assistance in entrepreneurial activities. In addition, in the external environment, lecturers are known as service providers of expertise to partners in community service activities.

The plan to form a business incubator will be successful when the lecturer gives a positive response to the program. It seems that the knowledge related to business incubators is not known by all the teaching staff at the Faculty of Agriculture, UPN "Veteran" Yogyakarta. The concept of a business incubator is only known in general terms; however, details such as the purpose, objectives, and participation required in a business incubator are not fully understood by lecturers. This will lead to the acceptance of different responses by lecturers in responding to this plan, which will affect the realization of the business incubator plan. Based on the description, this study aims to examine the responses and insight of entrepreneurship lecturers on the establishment of a business incubator plan in the Agricultural Faculty.

II. LITERATURE REVIEW

In Indonesia, the existence of a business incubator began in 2013, at which time the government required universities to have a technology business incubator called the Technology Business Incubator (IBT). The main goals of business incubators are creating a job, stimulation entrepreneurship, technological innovation, and economic development (Caiazza, 2014). Many research showed that by having an incubator business in the universities, they could announce their ability to develop students for entrepreneurship education (Gozali et al., 2015). The development of business incubators will involve many parties, such as lecturers and students who have to be more proactive (Stal, Andreassi, and Fujino, 2016). Implementation of a business incubator in University that creativity and innovation of students in entrepreneurship can be build by developing start-ups (Lutfiani et al., 2020). In this term, the support of entrepreneurship courses taught by lecturers to their students can encourage the growth of students' entrepreneurial spirit. The dimensions of entrepreneurial learning simultaneously and partially contribute to students' entrepreneurial intentions (Yamockul et al., 2019). Business incubators are able to increase entrepreneurial intentions and increase the competitive advantage of young entrepreneurs (Patton and Marlow, 2011).

III. RESEARCH METHODOLOGY

The basic method of research is a descriptive-analytical method using a qualitative approach. The research location is at the Faculty of Agriculture, UPN "Veteran" Yogyakarta, which has high potential in developing business incubators. This can be seen from the number of entrepreneurial activities and already have an Agribusiness Study Center (Pusat Kajian Agribisnis/PKA). The research was conducted from July to August 2020. The type of research used was qualitative research. The technique of determining informants is carried out by purposive sampling, which is a sampling

technique for data sources with certain considerations. For example, a person is considered to know best about what we expect (Sugiyono, 2012). Research subjects in this study are the sources of information or people who know well the required data (Suroso, 2014), namely 11 people consisting of 10 agribusiness study program lecturers and one agrotechnology study program lecturer who teaches entrepreneurship courses.

The data collection techniques used in qualitative research are observation, interviews using an electronic questionnaire, and focus group discussions. In this study, to test the validity of the data, using source triangulation to test the credibility of the data was done by checking the data from several sources (Sugiyono, 2012). Miles and A.M. (1984) argued that activities in qualitative data analysis were carried out interactively and took place continuously until completion so that the data was saturated. Data analysis was done by doing some steps. There are data reduction, data display, and drawing/verification.

IV. FINDING AND DISCUSSION

Insight of Business Incubator

Insight or knowledge of a business incubator is needed when planning the formation of a business incubator. Lecturers as service providers of their expertise, and they are a team in the management of a Business Incubator in the University, although they are working part-time (Hasbullah et al., 2015). Therefore, it needs to equalize perceptions of business incubators to facilitate the formation and management of the next business incubator. In Figure 1, it can be seen that all respondents already know the business incubator with the most understanding level at level 3 from level 1-5, which can be seen in Figure 2.

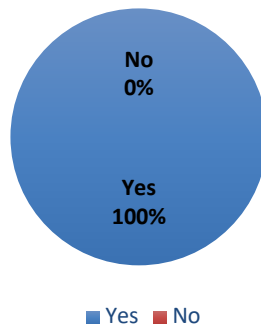


Figure 1. Distribution of Lecturer on business incubator
Source: Primary data analysis (2020)

The level of knowledge of the business incubator by most respondents was at level 3 (54.5%). This showed that the level of the respondent's knowledge was at an intermediate level. Respondents do not know fully about the concept of a business incubator in-depth but only know general knowledge regarding its definition and purpose. Not many lecturers knew about the technical implementation and management of business incubators because there has never been any previous socialization or training.

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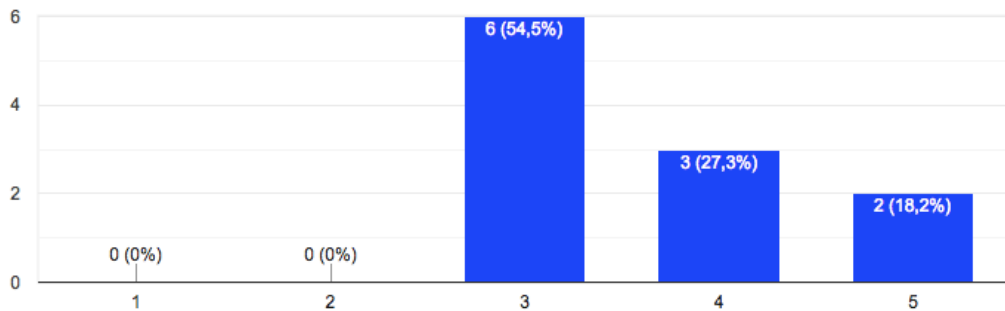


Figure 2. Level knowledge of business incubator
Source: Primary data analysis (2020)

The decision of a business incubator establishment must involve many people, namely stakeholders, lecturers, students, and partners within the Faculty of Agriculture. The distribution of the tendency of lecturers in developing business incubators illustrates in Figure 3. All respondents stated that there was a need to establish a business incubator in the Faculty of Agriculture. It can be seen from many universities that have succeeded in developing business incubators, and they can cover the tenants of SMEs that assisted by the universities by playing a role in increasing the added value of the business (Mian, 1996).

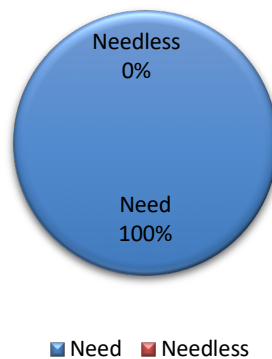


Figure 3. Distribution about the tendency of developing a business incubator
Source: Primary data analysis (2020)

University-related incubators have direct support from the universities and other stakeholders. Lecturer participation is needed to support the realization of a business incubator. So, it can be estimated that human resources are willing and able to be in the organizational structure and business management of the business incubator that will be formed. As many as 81.8% of respondents stated their willingness to actively participate in a business incubator (see Figure 4). The remaining 18.2% chose to 'maybe' participate or participate passively in the formation of a business incubator.

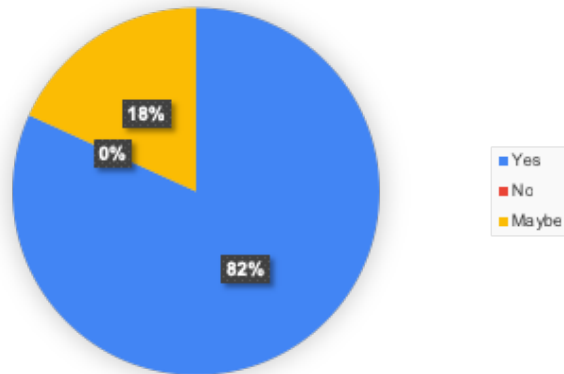


Figure 4. Distribution of lecturer's participation in the establishment of business incubator

Source: Primary data analysis (2020)

The level of lecturers' understanding of the business incubator concept described in Figure 2 can influence the desire of the lecturer to determine their actions, active or passive participation in it. The distribution of participants that showed the answer "maybe" was 18.2% due to the level of understanding of the respondents who were still in the middle category. Respondents felt they did not know their role and what kind of role participation that was given when the business incubator was formed.

The response to the establishment of a business incubator in the Faculty of Agriculture

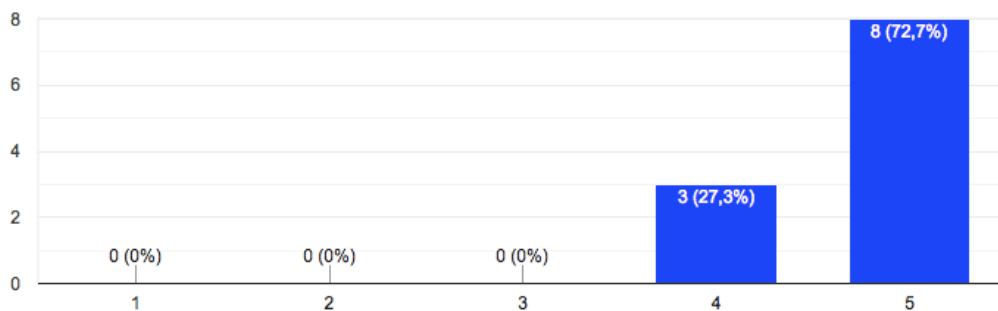


Figure 5. Distribution of 'needed' on the establishment of a business incubator in a university

Source: Primary data analysis (2020)

The lecturer's response to the establishment of a business incubator in a university is the need for a business incubator in a university is about 72.7% (see Figure 5). Business incubators are not a new thing in Indonesia, especially in business incubators in universities. The creation of business incubators in universities is a synergy of the functions and roles of University as a forum to perform intellectual and professional human resources (Agustina, 2011).

The legality aspect of a business incubator greatly determines the performance of a business incubator. This legality is not only given clarity on the status and role of a business incubator in a university but also related to the sustainability of the incubator (Suwandi, 2007). In the opinion of the lecturers regarding the position of business incubators in the university statutes, it can be concluded that most of them want the legality aspect of the business incubators that will be formed under the Faculty (72.7%) (see Figure 6).

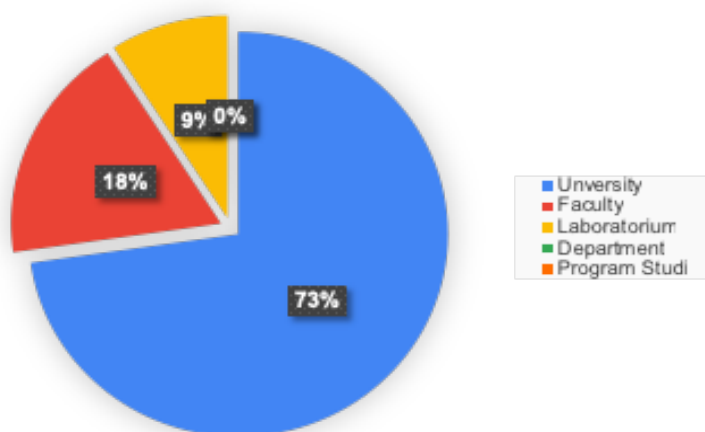


Figure 6. Distribution of legality aspect of business incubator position
Source: Primary data analysis (2020)

The incubator is a mentoring and service institution that provides 7 (seven) S, namely Space, Shared, Service, Support, Skill development, Seed capital, and Synergy. The 7 S includes (1) Space/place, namely an incubator providing a place to develop a business at an early stage; (2) Shared / public facilities such as pilot plants, equipment, and laboratories; (3) Services / various kinds of consultations, namely providing guidance and management consulting such as marketing, finance, production, technology and so on; (4) Support and access, namely supporting business development and access to technology; (5) Skill development / technical guidance, namely training to make business plan and other management training; (6) Seed capital/funding, namely providing business start-up funding as well as efforts to gain capital access for financial institutions; and (7) Synergy, namely creating local and long-distance business networks (Dipta, 2003; Soba, Hasbullah and Nuryartono, 2018)

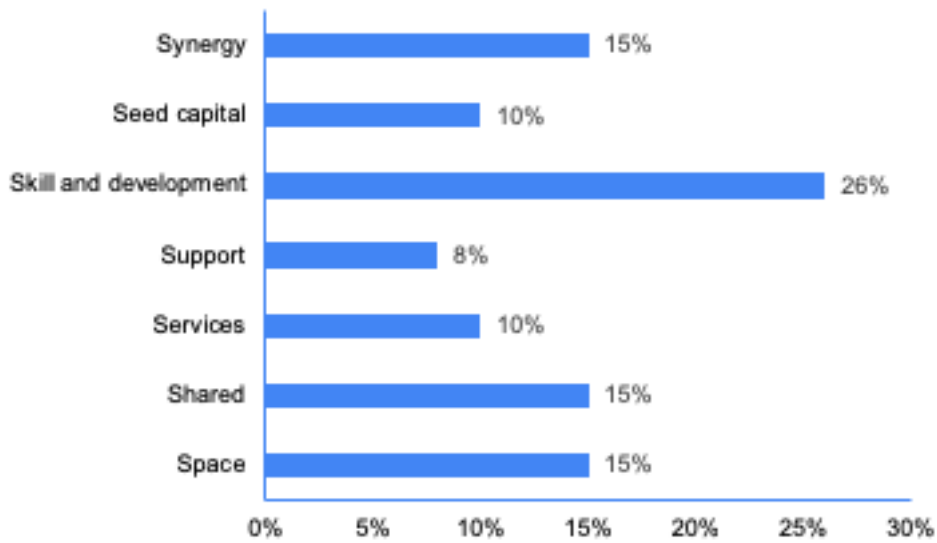


Figure 7. Distribution 7S owned by Agriculture Faculty
Source: Primary data analysis (2020)

Based on Figure 7 regarding the services owned by the Faculty of Agriculture, 90.9% of respondents stated that the Faculty of Agriculture already had skills and development. Furthermore, more than 50% of respondents argued that space, shared, and synergy has already owned by the Faculty of Agriculture. The biggest obstacles in establishing a business incubator are service, support, and seed capital/funding (see Figure 8). The skills and knowledge of each lecturer are one of the main assets when forming a business incubator.

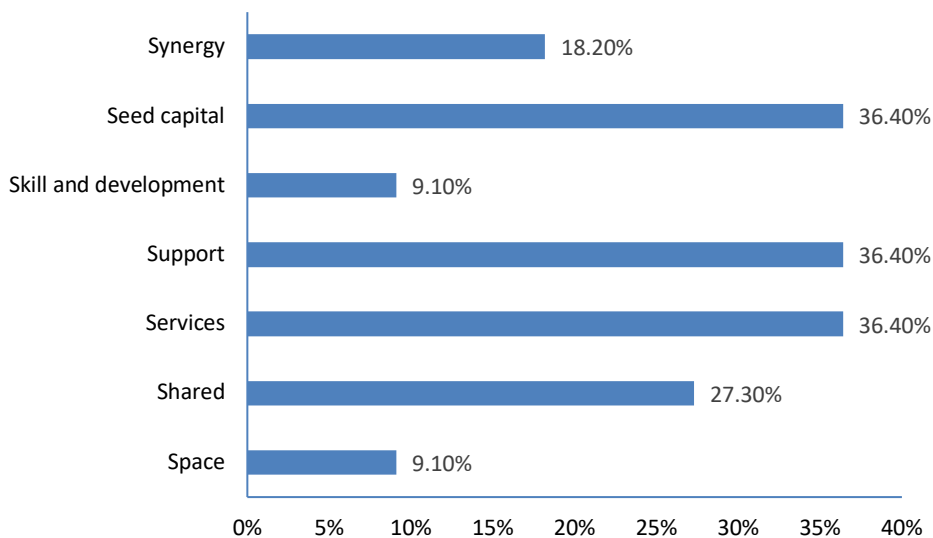


Figure 8. Distribution 7S that become the most obstacles in business incubator establish
Source: Primary data analysis (2020)

The distribution of assisted sector of the respondent can be seen in Figure 9 that informs that most of the assisted sectors (90.9%) were food crops, horticulture, and cereals. Meanwhile, the distribution of the agricultural sector of interest can be seen in Figure 10. It showed that 53.6% of respondents have an interest in the field of agricultural material processing. Furthermore, in order for the most are marketing, social, production, and management. This data can be taken into consideration when establishing a business incubator.

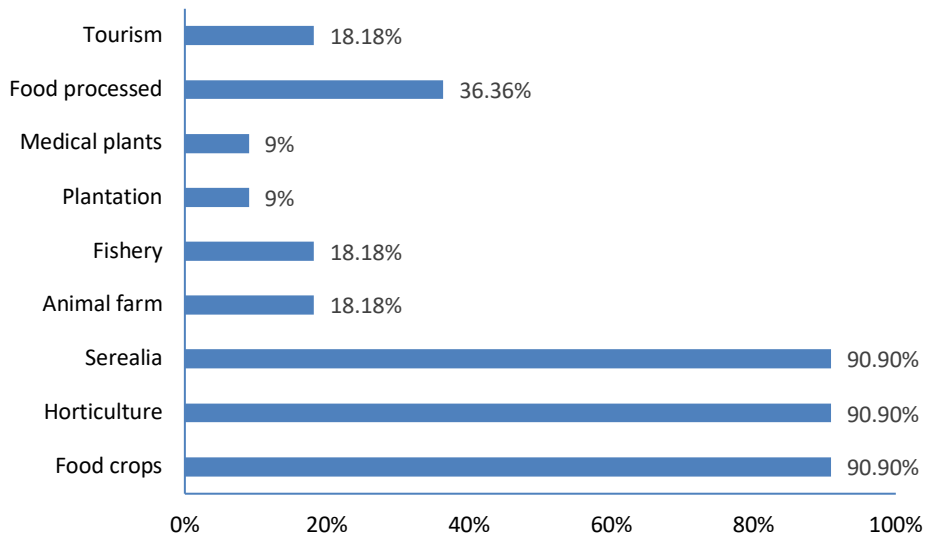


Figure 9. Distribution of assisted sector of respondent
Source: Primary data analysis (2020)

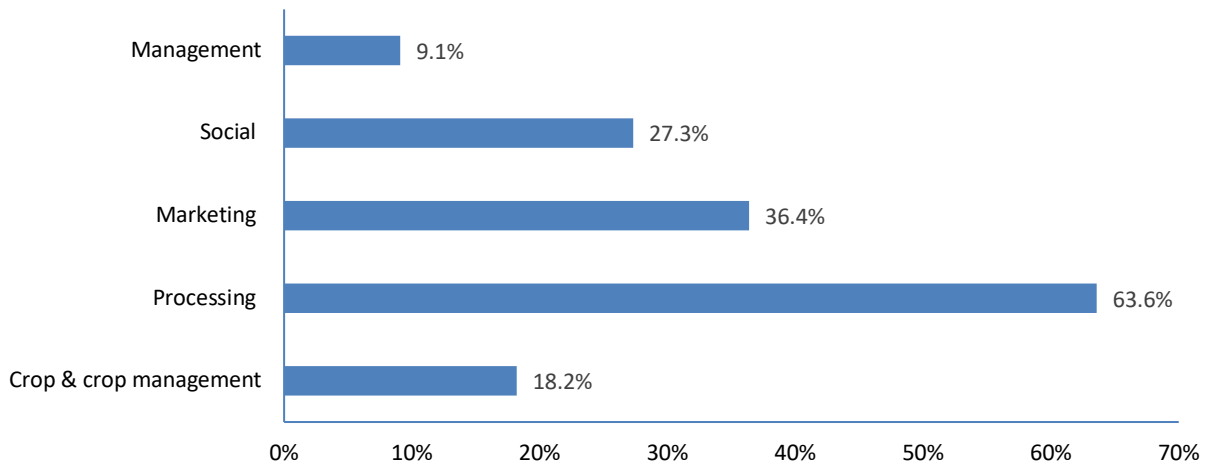


Figure 10. Distribution of Agriculture field of interest
Source: Primary data analysis (2020)

V. CONCLUSION AND FURTHER RESEARCH

Lecturers who teach entrepreneurship courses gave a positive response to the business incubator plan. Therefore, it is necessary to immediately realize this plan at the Faculty level because of the availability of human resources. This plan will be realized with improvements in management that are supported by the institution (Faculty or University) funding. Further research is needed to search for the formulation of the implementation of the business incubator at the Agricultural Faculty.

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