

Analyzing Sociopreneur Potency in Trenggalek Regency

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Abstract: The rapid advancement of digitalization, along with an ever-shrinking pool of available jobs, needs people to think more productively as changes in the business world's production methods accelerate. Social entrepreneurship is one strategy for overcoming society's entrepreneurial problems, including financial constraints, managerial capabilities, limited networks, and a lack of government support. The purpose of this study is to ascertain and assess residents' entrepreneurial motivations, social competency, and sociopreneur potential in Salamrejo Village, Karanganyar District, Trenggalek Regency. This study employed a quantitative approach in conjunction with explanatory research approaches. This study included 4812 individuals and randomly selected 98 samples. A closed questionnaire with a five Likert Scale was utilized to collect data in this investigation. Multiple linear regression analysis was performed on the data using the SPSS application. The findings of this study reveal that entrepreneurial motivation has a significant influence on sociopreneurs, whereas social competence has no significant effect on sociopreneurs. The study concludes that community entrepreneurship motivation is critical in building community excitement for developing a sociopreneur lifestyle that aspires to impact economic development.

Keywords: Entrepreneurial Motivation, Social Competence, Sociopreneur

INTRODUCTION

The industrial revolution 4.0 era requires workers to think more productively, as developments in the business sector are accelerating production. According to Gunawan (2019), people must consider themselves competent because practically all human activities include the use of technology, which can alter the structure of human life and culture. On the other hand, it raises concerns that mechanical power will eventually supplant human labor, resulting in a more consumptive society. As a result, efforts must be made to improve the quality of human resources to enable optimal use and control of technology.

Competencies and talents must be immediately transformed into resources to prepare the community for change. Thus, it requires a commitment from government and society to increase their capacity for innovation and creativity in response to the increasingly rapid pace of globalization. Indonesia faces significant challenges in terms of high unemployment and human resource competitiveness. Indonesia is also forecasting that by 2030-2040, and the productive age population will outnumber the population of non-productive age. In 2018, 7 million persons were unemployed out of a total workforce of 131.01 million (BPS, 2018). An improvement must follow the huge number of unemployed productive age population in quality and the need for human resource empowerment in Indonesia, one of which is entrepreneurial capabilities.

The problems in the field demonstrate that there are relatively few entrepreneurs, particularly in Salamrejo Village, Karangany District, Trenggalek Regency. Numerous residents became farmers, private employees, government officials, and laborers. Because many individuals believe that establishing a business takes a significant amount of capital in money, the prospect of people becoming entrepreneurs seems to be quite limited. Social entrepreneurship, or what is more commonly referred to as sociopreneurship, is one strategy for overcoming the barriers to entrepreneurship in society due to financial constraints, managerial competencies, limited networks, and a lack of government attention.

Sociopreneurship is the process of creating social value through collaboration with other individuals and organizations in the community engaged in social innovation in economic operations (Widiastuti & Margaretha, 2011). Thus, someone who comprehends social issues and employs business abilities to effect positive social change, particularly in the domains of welfare, education, and health (Santosa, 2007). Sociopreneurs enable individuals to tackle social problems through the use of entrepreneurial principles.

According to Koranti (2013), significant motivation is required to realize sociopreneurs, including the ability to compete for achievement, a willingness to learn in order to see others succeed, and a strong determination to overcome any difficulties encountered in business. It is predicted that the existence and growth of sociopreneurs will push the economy in a positive direction, as the business is based on mutual collaboration and involves practically all levels of society. Community involvement in this activity is supposed to generate a sense of care and collaboration in developing innovation by putting personal interests aside and not focusing exclusively on profit. The long-term goal is for sociopreneurs to influence behavior, perception, and motivation through the use of information technology in order to raise living standards (Patma et al., 2018).

Salamrejo Village community, Karangany District, Trenggalek Regency has regional and human potentials that create economic opportunities and help reduce income inequality. The emergence of home-based enterprises has contributed to the transformation of agriculture into an agroindustry. This is why researchers are interested in conducting a study or study on entrepreneurship motivation and social competency for sociopreneurs. However, their limited education, environment, and experience have a significant impact on their drive to pursue entrepreneurship. The purpose of this study aims to ascertain and analyze the effect of entrepreneurial motivation on sociopreneurs in Salamrejo Village, Karangany District, Trenggalek Regency. Second, it analyzes the effect of social competence on sociopreneurs in Salamrejo Village, Karangany District, Trenggalek Regency.

METHODS

The study applied a quantitative methodology and an explanatory research design. Explanatory statistics is a technique that uses inferential statistics to explain a generalization or the influence of a variable on other variables (Prasetyo & Jannah,

2012). The research population was 4812 participants, and the sample size was 100 respondents, including the Head, Village Secretary, three hamlet heads, nine RW heads, 27 RT chairs, TP PKK chairpersons, and Karang Taruna leaders. The data gathering technique involved administering a questionnaire to respondents that included a Likert scale (scale 5). The questionnaire for the entrepreneurial motivation variable contains 14 statement items, the questionnaire for social competency contains four items, and the questionnaire for sociopreneur contains thirteen items. The questionnaire's results were analyzed utilizing validity and reliability tests. The validity test use Pearson's product moment correlation, in which each question is assigned a total score, and the correlation coefficient is compared to the critical number at a significance level of 5%. The reliability test employs the Cronbach technique. If the Cronbach Alpha score is more than 0.60, the research variable is regarded to be dependable (Priyatno, 2010). Regression analysis employs the t-test using the formula $t = \frac{bi}{se(bi)}$, where t denotes a significant test with a correlation coefficient, bi denotes the regression coefficient, and Se(bi) denotes the correlation coefficient's standard error. Multiple linear regression analysis was performed on the data using the IBM SPSS 24.0 program.

RESULTS & DISCUSSION

This study aims to analyze the effect of entrepreneurship motivation and social competence on sociopreneurs. The following are the results of the research presented as below.

Respondents' Characteristics

The characteristics of the respondents in this study included gender, age and education level. The results of the analysis of the characteristics of the respondents are presented in Table 1.

Table 1. Research Respondents' Characteristics

| Category | | f | % |
|-------------------------------|--------------------|----|------|
| Gender | Male | 43 | 43.0 |
| | Female | 57 | 57.0 |
| Age | 18-22 year | 28 | 28.0 |
| | 23-27 year | 16 | 16.0 |
| | 28-32 year | 10 | 10.0 |
| | 33-37 year | 17 | 17.0 |
| | 38-42 year | 7 | 7.0 |
| | 43-47 year | 7 | 7.0 |
| | 48-52 year | 9 | 9.0 |
| | 53-61 year | 6 | 6.0 |
| Educational Background | Junior High School | 24 | 24.0 |
| | Senior High School | 53 | 53.0 |
| | Bachelor's Degree | 18 | 18.0 |
| | Master's Degree | 5 | 5.0 |

According to Table 1, the majority of respondents are men, totaling 43 people (43.0 percent), while the majority of respondents are between the ages of 18 and 22, totaling 28 people (28.0 percent), and the least are in the age category. Between the ages of 53 and 61, as many as six people (6.0 percent). According to the respondents' most recent education, the majority (53.0 percent) had a high school diploma, while the fewest (five) had a master's degree (5.0 percent).

Validity and Reliability

The data validity instrument test revealed that of the 31 possible items that might be employed as a data collection method, the value of $t_{count} > t_{table}$. Cronbach's alpha is used to determine reliability. If Cronbach's alpha is greater than 0.60, an instrument is deemed to be reliable (Priyatno, 2010). The following Table 2 summarizes the reliability testing results:

Table 2. Reliability Testing Results

| Variable | Cronbach's Alpha | Cut off | N of Item | Remark |
|----------|------------------|---------|-----------|----------|
| X1 | 0.648 | > 0.6 | 14 | Reliable |
| X2 | 0.617 | > 0.6 | 4 | Reliable |
| Y | 0.623 | > 0.6 | 13 | Reliable |

The reliability test findings in Table 2 indicate that the data acquired are reliable, as the Cronbach's Alpha values are 0.648, 0.617, and 0.623 0.60, respectively. As a result, the data obtained can be termed reliable or viable as a method for data collecting.

Multiple Linear Regression Analysis and Hypothesis Testing

Multiple linear regression analysis was applied to examine the effect of independent variables on the dependent variable (entrepreneurial motivation and social competency) (sociopreneur). Table 3 summarizes the results of the multiple linear regression study.

Table 3. Multiple Linear Regression and Hypothesis Testing Results

| Variable | | Regression Results | | | |
|---------------------------------|-------------------------|--------------------|-------|--------|----------------|
| Independent | Dependent | T-Test | Sig. | F-Test | R ² |
| Entrepreneurial Motivation (X1) | <i>Sociopreneur</i> (Y) | 5.333 | 0.000 | 21.398 | 0.306 |
| Social Competence (X2) | <i>Sociopreneur</i> (Y) | 0.954 | 0.343 | | |

Table 3 summarizes the findings of a multiple linear regression analysis conducted to ascertain the effect of entrepreneurial motivation and social competence on social entrepreneurship both partially (t-test) and simultaneously (F-test), as well as the combined influence of the independent variables (entrepreneurial motivation and competence. social) to the dependent variable based on the determination coefficient's value (R²).

Entrepreneurial Motivation on Sociopreneur

According to Table 3, entrepreneurial motivation has a positive effect on sociopreneurs, as demonstrated by the sig value of 0.000 (sig 0.05) and the t-count value of 5.333 (> 1.98). The findings of this study verify those of Barton et al. (2018), who demonstrate that social entrepreneurship (sociopreneur) develops as a result of the social environment's incentive for entrepreneurship, as well as other sociopreneur-related elements such as education and self-efficacy. Similarly, Gabarret et al. (2017) demonstrate that entrepreneurial motivation influences social entrepreneurship from a community perspective by obtaining motivational driving elements not only at the personal level but also at the social level through the inclusion of social demands.

This is in contrast to the research conducted by Farzana (2018), which indicates that entrepreneurial motivation does not affect individuals' intentions or tendencies to engage in social entrepreneurship, as achievement or career needs are the primary factors driving social entrepreneurial intentions or interests. Similarly, according to Rosmiati et al. (2015), the entrepreneurial motive has little effect on individuals' social entrepreneurial intention or interest. This can be impacted if a person's job at work is secure and they feel at ease in their work sector.

During the twentieth century, social entrepreneurship was a relatively novel, knowledge-intensive, and social practice practiced by members of society. Individuals, community groups, and organizations engage in social entrepreneurship when they want to contribute to forming and consolidating social values in their communities (Pacut, 2020). Their intrinsic motivation does not solely impact people's interest in entrepreneurship. However, it can also be influenced by other factors such as previous business experience, education, and participation in entrepreneurship programs. Entrepreneurship education, according to the findings of the research conducted by Mahendra et al. (2017), did not have a direct impact on social entrepreneurship but rather had a mediating effect through entrepreneurial motivation, as demonstrated by the findings of the research conducted by Sa'adah and Mahmud (2019), which revealed that one's entrepreneurial interest could be mediated by entrepreneurial motivation. Individuals who are highly motivated to establish a business can make their education and experience more comprehensive if they combine them with a high level of entrepreneurial motivation. It is owing to a stimulus from those working against him that entrepreneurial motivation originates. This stimulation provides a general picture of the entrepreneurial career as well as many options to overcome business challenges (Shamsudin et al., 2017). When it comes to changing one's perspective, education, information, and training are powerful stimulants. They help people develop an entrepreneurial mentality that is willing to take chances, quick to make decisions, and resistant to pressure.

Entrepreneurial motivation is frequently related to the start-up of new businesses and the development of new technologies. In addition to independence, profit orientation, and autonomy, entrepreneurs are motivated by various factors (Estay et al., 2013). People's motivation to make a difference in the world can be influenced by various factors, including their motivation (Berglund & Wigren, 2012; Alcantara & Kshetri, 2013; Ruskin et al., 2016). Because social

entrepreneurship is a novel concept in the business world, it cannot be divorced from the different obstacles that it faces (Braga et al., 2015). In order to deal with any changes that may occur in people's lives, every individual, community, or organization who wants to become an entrepreneur must, of course, possess a creative and innovative spirit (Pangriya, 2019). Every individual, group, or organization with an entrepreneurial spirit who wishes to make a positive difference in the lives of others faces a difficult issue when it comes to finding the desire to start a new enterprise.

Social Competence on Sociopreneur

It can be shown from Table 3, for example, that there is no relationship between social competence and sociopreneurs, as evidenced by the Sig value (sig > 0.05) acquired and the t-count value (0.954) obtained (t-count = 1.98). However, according to the findings of Wongphuka et al. (2017), social competency has an impact on the emergence of social entrepreneurship in the workplace. The ability to interact with others has an impact on a person's motivation to start a business. In accordance with the findings of a study conducted by Meutia (2013), social competence is highly associated with an individual's interest in social entrepreneurship. When it comes to creating strategic thoughts and putting them into action in an organization or individual, social competency is required (Amini et al., 2018). Orhei and colleagues (2015) conducted research that demonstrated that social competency might be used to tackle social challenges, particularly those related to social entrepreneurship (Orhei and colleagues, 2015).

Individuals' social competence should be employed more effectively in order to understand themselves and others better, as well as to observe and understand the state of the social environment in which they find themselves by controlling emotions, paying attention to behavior when responding to something following applicable social conventions, and observing and understanding the state of the social environment. One of the most important skills for anyone running a business or engaged in social enterprise is the ability to communicate interactively in order to develop a good cooperative relationship with business partners, solve problems interpersonally, and integrate well with their social environment (Cooper et al., 2018). In accordance with the findings of Meutia and Ismail (2012); Suryandharu et al. (2019) which demonstrate that good social competence is capable of facilitating the development of business networks as well as the achievement of high levels of business performance.

A person who runs a business or enterprise must be creative and innovative to grow their enterprise, be receptive to new ideas or concepts, and mix numerous new things (Carlo-Salazar, 2015). Someone who can survive in business or commerce due to his/her ability to discover answers to existing difficulties through the establishment of favorable social conditions (Omorede, 2014). Entrepreneurs with strong social competencies will be able to involve and ask others to join in the development of their enterprises in order to accomplish their objectives and give benefits or welfare to people who work with them in an increasingly complex business environment.

Sociopreneur Potency

According to Table 3, the coefficient of determination (R^2) obtained is 0.306 (30.6 %). This indicates that the combined effect of entrepreneurship motivation and social competence on sociopreneur is 30.6 percent, or that the sociopreneur variable can be explained by the entrepreneurial motivation and social competence variables. In contrast, the remaining 69.4 percent is influenced by external causes or variables. Additional variables such as family environment, knowledge, entrepreneurship education, and entrepreneurial experience were omitted from this study.

The sociopreneur potential in Trenggalek Regency remains extremely low, at less than 50 percent of total responders. This demonstrates that the community is unwilling to be self-sufficient in creating social value through entrepreneurship, as there are still significant barriers to the development of sociopreneurs, such as the community's inability to start their own businesses, limited managerial knowledge, limited capital/funds for starting a business, and a lack of financial support. The familial, community, and government environments all provide inspiration. The government's involvement in giving direction and help already exists, however, due to the community's preference for working with other individuals or outside the area, Salamrejo Village, Trenggalek Regency, has a low potential for sociopreneurs. Due to the restricted capability of community groups that are still categorized as insufficient, it is also difficult to invite their mindset to develop.

CONCLUSION

The study concludes that the 4.0 revolution age is currently posing a challenge to the community's ability to live their lives, including their economic lives, one of which is entrepreneurship. Social entrepreneurship, without a doubt, requires enthusiasm, motivation, and social competency, which results in attempts to establish a business life in the face of today's numerous obstacles. Sociopreneurs are influenced by entrepreneurial motivation, but not by social competence. Entrepreneurial motivation and social competence must be aligned in order for social entrepreneurship to thrive in the future, as these two characteristics must exist in every individual. The variables of motivation and social competence demonstrate the disconnect between in this study. The social entrepreneurship consists of four major components: social value, civil society, innovation, and economic activity: 1) social value is a critical component of social entrepreneurship, specifically the creation of tangible benefits for the community and the surrounding environment; 2) civil society is a collaborative and proactive effort by civil society members to maximize social capital in society; and 3) innovation is a social contribution to solving social problems in novel ways by combining local wisdom and social innovation.

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