



## Exploration of Entrepreneurship Capabilities Based On Local Wisdom: Study in Vocational Education

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**ABSTRACT:** This study aims to examine differences in entrepreneurial competency of Vocational High School students in South Sulawesi Province who obtain local wisdom-based learning with students who do not get local wisdom-based learning. This type of research is survey research using a quantitative approach. The population in the study were all students of class XII Accounting Department as many as 383, with a sample of respondents 351 students. Data retrieval uses a questionnaire. Data analysis used is the analysis of quantitative descriptive data and *t* test. The results showed that the entrepreneurial competencies possessed by students who obtained local wisdom-based learning were higher than students who did not obtain local wisdom-based learning.

**KEYWORDS:** Entrepreneurship Competency, Local Wisdom

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### I. INTRODUCTION

Many countries face high levels of unemployment among their youth, especially young people with low educational qualifications (Quintini, et al., 2007; Blanchflower & Bell, 2011; Biavaschi, et al., 2012). In particular, low-skilled individuals face the long-term effects of being unemployed and thus more vulnerable in the labor market throughout their lives (Scarpetta, et al., 2010). Thus, initial education and training are strong determinants of transition and successful success for individuals in the workforce (Biavaschi et al., 2012).

Entrepreneurship education is education that aims to develop and improve students' basic competencies to start a business. The aim of learning entrepreneurship education is to improve entrepreneurial competence and entrepreneurial spirit of students. In addition to this, entrepreneurship education aims to foster student attitudes in entrepreneurship based on the interaction between competencies in operational actions, competency in decision making, competence in taking continuous action and competence in stimulating action (Zhang, 2007; McGee, et al., 2009). Some research results show that individuals with entrepreneurial qualities have active, flexible and adaptive attitudes towards changes in the learning environment, and see environmental changes as opportunities. They have enough competence to think innovatively and practice them (Dollinger, 2003; Bottomley & Gordon, 2004; Heinonen & Poikkijoki, 2006; Isaacs, Visser, Friedrich, & Brijlal, 2007).

Entrepreneurship learning has evolved as an important study in the research and development of the entrepreneurial paradigm related to the study of entrepreneurial academic studies and practical development for new entrepreneurs, but the research is still rare and not many are well understood (Deakins, 1998). Entrepreneurs themselves are learners, who continuously explore the successful desires of their life's journey (Franco & Haase, 2009). Minniti & Bygrave (2001) argued that entrepreneurship must be understood as a learning process where theories about this phenomenon require learning theory.

Entrepreneurship is a process that is interrelated in order to create, recognize and act because of opportunities, by combining the capabilities of innovation, decision making and self-confidence (Shane & Venkataraman, 2000). One of the important abilities that should be owned by each individual is his ability to build self-confidence or a feeling of confidence in success. This is especially when someone is faced with a condition of not supporting and the knowledge possessed leads to a failed assumption. More than that, self-confidence is also a very important ability when someone has to do something in which he or she has no positive experience about it. Even skilled and knowledgeable people will not be able to show their best performance if they have low self-confidence.

To foster student learning motivation, especially in Vocational Schools, learning must be creatively designed, which allows interaction and negotiation to create meaning and construction of meaning in students and teachers, so that meaningful learning is achieved. Creative and meaningful learning design becomes important because even though learning is a universal process, in reality learning occurs in a particular cultural community, as well as learning outcomes will be applied to certain cultural communities as well. In this case, the use of local culture in learning is one form of designing creative learning to produce contextually meaningful learning.

For that in the learning process in the classroom must use a cultural approach that is by linking the subject matter with concepts derived from the local culture in which students are located. Through developing the concept of local culture in the learning process, the learning process will be more easily understood and accepted by students. In other words, one way to increase student participation in learning is to use a culture-based learning approach. A culture-based learning approach can provide opportunities for students to create meaning and achieve an integrated understanding of the scientific information gained, as well as the application of scientific information in the context of the problems of the cultural community.

## **II. LITERATURE REVIEW**

Entrepreneurship education has grown rapidly and has spread throughout the world in the past few decades. This is shown by the increasingly diverse pedagogic approach that specifically addresses the entrepreneurial process (Katz, 2003). Currently entrepreneurship is a separate academic study (Fiet, 2000).

Entrepreneurship education is a complex process. Gartner & Vesper (1994) examined the successes and failures of entrepreneurial education in various countries and revealed the diversity of programs offered. Various methods are used in entrepreneurship learning, including: case studies (Gartner & Vesper, 1994); business plan (Gartner & Vesper, 1994); interviews with entrepreneurs (Solomon, et al., 1994); class discussion (Solomon, 2007); business visits and field visits (Gartner & Vesper, 1994); apprenticeship and work with employers (Johannisson, 1991); and start-up business development (Hills, 1988).

Despite developments, there are several issues that are still being addressed, such as the need for entrepreneurial educators for integrated content and teaching methods (Gorman, et al., 1997). The competence of pedagogy and methodology still needs to be developed (Kuratko, 2005), and questions related to best practices for adoption in the entrepreneurial class arise, as predicted by Katz (2003).

There is no theory or definition of entrepreneurship education that is integrated and generally accepted as an unresolved problem (Fiet, 2000). Fayolle & Gailly (2008) argue that there is no precise definition of entrepreneurship as a field of learning where philosophical conceptions of learning, the role of the teacher and the role of students, must be clarified in each learning exercise, especially those relating to the formation of students' entrepreneurial competencies.

In general, competence has been defined as a combination of integrated and integrated knowledge, skills and attitudes. Thus competence can change, can be learned and can be achieved through experience, training or coaching (Man, et al., 2002; Wagener, et al., 2010; Volery, et al., 2015). According to Mulder, et al., (2007), the holistic idea of competence focuses on the ability to successfully meet complex demands in a particular context. However, there are also many authors who prefer to determine the specific competencies that prospective entrepreneurs must have in order to succeed in a more analytical and behavioral-oriented way (Chwolka & Raith, 2012). When identifying what competencies are considered important for prospective entrepreneurs, some authors start from the fact that taking risks seems to be an inherent and very important part of the life and success of a prospective entrepreneur (Makhbul, 2011; Estay, Durrieu, & Akhter, 2013). However, taking risks also opens the door to failure and setbacks (Baron & Markman, 2000; Shane & Venkataraman, 2000) and it is important that prospective entrepreneurs have the competencies that allow them to handle the risks and possible consequences. Successful entrepreneurs can continue to be enthusiastic despite these difficulties (McClelland, 1987). Their perseverance allows them to apply themselves to work and survive until the goal is achieved (Valtonen, 2007). Successful entrepreneurs try to complete tasks even when they are bored. They survive when facing obstacles or failures (Rauch & Frese, 2007).

## **III. RESEARCH METHODS**

This research is an explanatory survey with a quantitative approach. Explanatory research is a type of research that seeks to find the influence of certain variables on other variables. In this study the researcher focused on collecting data through questionnaire techniques, questionnaire technique that is how to collect data through a number of questions submitted to respondents in writing. The questionnaire used in this study is a closed questionnaire through a questionnaire with the answers provided so that the respondent just answers or chooses it. The population in the study were all students of class XII Accounting Department as many as 383 spread in 3 Vocational Schools in 3 Regencies in South Sulawesi Province, with a sample of respondents 351

students. Data retrieval using questionnaires. Data analysis in this study uses inferential statistics which include 5 main components, namely: descriptive analysis, test requirements analysis, normality test, variance homogeneity test and two-party t test.

#### IV. RESULTS AND DISCUSSION

The results of the calculation of descriptive analysis of entrepreneurial competencies of students who obtain based local wisdom learning. with students who do not get local wisdom-based learning are shown in Table 1.

**Table 1. Descriptive Analysis**

<b>Learning Model</b>	<b>N</b>	<b>Mean</b>	<b>Std. Dev.</b>	<b>Std. Error</b>	<b>Information</b>
Based on Local Wisdom	175	210.80	5.641	0.872	Very high
Conventional	176	145.00	9.875	2.121	Very high

**Source: Results of research data processing, 2018.**

The calculation results from the table above show that the entrepreneurial competence of students who obtain local wisdom-based learning with those that are not based on local wisdom, have values that are equally very high, but there are differences where the entrepreneurship competencies of students who get local wisdom-based learning are higher in value, namely 210.80, while students who did not obtain learning based on local wisdom amounted to 105.00.

The results of the test of the normality of entrepreneurial competencies of students who obtained local wisdom-based learning with those not based on local wisdom, the result is known that the sign (2-tailed) is 0.348 which means  $0.348 > 0.05$ , then the data is declared normal. The results of the two-party t-test were used to test the hypothesis between students who obtained local wisdom-based learning with those not based on local wisdom, the results of the two-party ttest were obtained  $t = 12,341$ , while the sign (2 tailed) 0.00. This shows that there are differences in entrepreneurial competencies between students who obtain local wisdom-based learning and those who are not based on local wisdom.

The local wisdom-based entrepreneurship learning model prioritizes learning that produces selling-value products by raising regional cultural heritage and can be a way to foster a sense of love for local products, especially products that are hereditary ancestors' cultural heritage. Besides being a cultural heritage, local wisdom provides norms that can be guided by society in daily behavior and can shape human character that is obedient to the norms that govern life, in order to achieve order, tranquility, justice in a common life. Indonesian people who obey the norms and laws with full awareness of carrying it out, is a very valuable nation's social capital. This social capital can equip the Indonesian nation to be able to adjust to social life, both locally, nationally, regionally and internationally.

Local wisdom can be interpreted as habits, rules and values as a result of cognitive efforts adopted by certain communities or local communities that are considered good and wise, which are carried out and obeyed by the community. Ideas from local wisdom can be manifested in various forms, ranging from habits, rules, values, traditions, even religions adopted by the local community.

In the people of South Sulawesi, the values of local wisdom that support the practice of entrepreneurship include honesty, patience, complying with rules and roles, exercising responsibility, wisdom to distinguish between good and bad, training in leadership, cooperation, togetherness, cohesiveness, deliberation to reach agreement, not selfish, not easily discouraged, sacrifice for the benefit of others, vigilance, taking risks and consequences for the choices made, self-discipline, generosity, respect for friends and foes, knowing duties and obligations, placing yourself based on limits on rules and roles, tenacity, fighting spirit, sensitivity training, self-endurance, resistance to temptation, and firmness in stance.

Local wisdom can be a source of value for building elements of social capital and business capital, including trust (mutual trust) and networks (networks). Trust is described as a form of order, honesty, and cooperative behavior that arises from a group, where the form is based on the norms shared by all group members. The values of local wisdom that act as a way of life in a local community can be the basis for building a sense of trust and mutual respect among members of the community. Trust is an important capital to live together, if this mutual trust is thinned out, the interaction process will occur towards a dissociative process that will foster unfair competition and conflict. Local wisdom contains many wise values that can be used as a way of life to achieve harmony in living together.

## V. CONCLUSION

The results showed that the entrepreneurial competencies possessed by students who obtained local wisdom-based learning were higher than students who did not obtain local wisdom-based learning. Local wisdom that is internalized into entrepreneurial competence is local wisdom that lives and develops in Indonesian ethnic communities, is a nation's social capital that can be used in the face of the swift flow of global culture, so that the Indonesian nation can reduce its negative influence on society and nation. Local wisdom of Indonesian tribes, generally contains religious values, humanity, togetherness, tolerance, mutual trust, solidarity and social care can build elements of social capital, such as trust (mutual trust), networking / social relations, and norms.

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