

Poverty Alleviation through Social Entrepreneur

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Received: 13 October 2020; Reviewed: 13 October 2020; Accepted: 03 November 2020

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Abstract

This research was conducted to determine the application of social entrepreneurship; this will be one solution to revive the country's economy, especially the business sector, which has had a huge impact due to the COVID-19 pandemic. The number of informants in this study was 10 mothers who received assistance from the Family Hope Program (PKH). The data in this study were obtained from the results of observation, interviews, and documentation. The results of the study describe the existence of social entrepreneurs that were carried out on PKH beneficiary mothers who have given positive results to revive business groups in Indonesia which have an impact on COVID-19, especially which will contribute to the surrounding community for transformation by seeing business opportunities carried out with a social spirit in this era of COVID-19. Social entrepreneurs who are carried out through mentoring have opened new businesses in the economy, which will add to the heterogeneity of entrepreneurs in Indonesia

Keywords: Social Entrepreneur; Family Hope Program; Poverty, Indonesia

How to Cite: Yusriadi, Y., Tahir, S.Z.B., Awaludin, S., & Misnawati, M. (2020). Poverty Alleviation through Social Entrepreneur. *Journal of Education, Humaniora and Social Sciences (JEHSS)*. 3 (2): 721-725.



INTRODUCTION

In the era of the COVID-19 pandemic, the country faces several social problems due to the outbreak, not only in Indonesia but also throughout the world, which has impacted the COVID-19 pandemic. This pandemic is a non-natural national disaster that has a significant impact on the community by raising concerns and fears about the health threat of COVID-19 infection. This caused more and more social problems when the state issued policies for physical distances and rules for social distances. This created a new life in the community because of their habit of doing business every day, and suddenly the emergence of COVID-19 created a gap in society.

The COVID-19 pandemic impact shows that people do not have a daily income and that there have been significant job cuts. Another problem in society is that purchasing power has decreased to have an impact on the business sector. World institutions predict that the economy will decline, such as the International Monetary Fund (IMF) predicting that economic growth will experience less than 3%. Economic development for trading countries will decline in the first quarter of 2020, such as Singapore-2.2, Hong Kong-8.9, the European Union-2.7, China-6.8 (Thaha, 2020).

Another problem is poverty, which currently requires special attention to the poor groups of people from all related parties. Points out that poverty is closely linked to the problems of social deprivation, water resource networks, residence, public health, sanitation, education, and transport (Roy et al., 2015).

Dependence, isolation, powerlessness, and, most importantly, low life expectancy are the main problems of poverty. On this basis, classifies poverty in three dimensions: economic, social, and political (Yusriadi, Sahid, et al., 2019). From an economic point of view, a person is classified as poor if he or she has nothing, while socially, it also shows that he or she is nobody and is related to political issues that sometimes have no rights (Umar, Amrin, et al., 2019).

Meanwhile, according to Government Regulation No 42 of 1981, the poor have absolutely no source of livelihood and do not have the capacity to meet basic needs that are appropriate for humanity or people who have livelihoods but are unable to meet basic needs that are worthy.

It is, therefore, necessary to develop a policy in the field of social protection by integrating achievement indicators in the fields of education, health, and social welfare to accelerate the achievement of the objectives of the SDGs. A focus on the implementation of partners from some related agencies and the community, as well as the expansion of social entrepreneurial activities (Yusriadi, Farida, et al., 2019).

A person who has an entrepreneurial spirit or an organization with an entrepreneurial spirit that can move the community as a form of skill improvement to be competitive; therefore, this social entrepreneur is aimed at the benefit of a society that focuses not only on individual profits but also on forms of entrepreneurship with an interest-bearing purpose—social issues (Rahawarin et al., 2020).

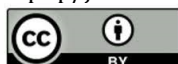
RESEARCH METHOD

The approach used in this study is a qualitative one. The research was conducted between April and July 2020. In this study, the informants were 10 people. The data collected in this study came from primary data sources and secondary data sources. Primary data sources include interviews and observations, with secondary data sources in the form of documents, including reference books, scientific journals, and online media related to this research. The analysis of this study was carried out in conjunction with the data collection process. After the data were collected, the data reduction, the data presentation, and the conclusion drawing were carried out (Huberman & Miles, 2012).

RESULTS AND DISCUSSION

Poverty Problems

According to Proper, poverty is a condition in which there is a complete lack of material for living in the future. In general, poverty is a multi-dimensional problem. In the meantime, Chambers describes the concept of poverty of five types, including 1) poverty; 2) helplessness; 3)



vulnerability, 4) dependence, 5) alienation (Mustafa et al., 2020). Since the declaration of independence, the country has issued many regulations to address poverty problems in Indonesia. One of the poverty alleviation programs in 1985 was the Farmers Business Credit in the form of micro-credit, which was primarily for the cost of agricultural activities. However, the program was not as successful because there were several irregularities in its implementation.

Several things make it difficult to overcome the conditions of poverty. First, the condition of a community that has not participated in a quality process, second, the low level of education of rural communities, and third, the development planned by the government is not consistent with the community's ability to participate (Umar, Hasbi, et al., 2019).

The results of the Organization for Economic Co-operation and Development (OECD) report showed that the COVID-19 pandemic had an impact on the economic crisis by stopping production activities in several countries, reducing the nature of public consumption, losing consumer confidence, falling stock markets, which ultimately led to uncertainty (Hasbi et al., 2020). As a country dominated by business as the backbone of the national economy, Indonesia has also had a serious impact on the number of products and the number of laid-off workers (Hasbi et al., 2020). Data from the Ministry of Cooperatives and Small and Medium Enterprises show that there are 64,194,057 companies in Indonesia in 2018 and a workforce of 116,978,631 (Sahabuddin et al., 2019). As a result of COVID-19, it had a major impact on businesses, particularly cooperatives totaling 1,785 and business actors as many as 163,713 (Thaha, 2020).

The results of the observations show weaknesses in the alleviation of poverty in Indonesia, including: 1) Poverty alleviation programs are still partial; they have not been integrated and comprehensively implemented; 2) There is no specific poverty alleviation instrument to follow local wisdom on poverty issues in each region; 3) Several poverty alleviations programs have generally created new challenges, resulting in a lack of public trust in the state to reduce poverty, 4) Bureaucracy is not optimal due to lack of public participation, non-governmental organizations, synchronization with regional policies, and communication between stakeholders.

Another explanation is that empowerment is a form of community independence. Stated that community empowerment activities must follow basic steps, which include: 1) learning; 2) assistance; 3) mutual understanding (Kaharuddin et al., 2019). The poverty alleviation policy was therefore issued in 2007 based on empowerment activities for the poor.

Application of Social Entrepreneurship

Social entrepreneurs have recently become concerned, particularly with the Corona Virus Disease 2019 (COVID-19) pandemic, which has made entrepreneurial activity the main focus of the government's continued development. The positive effect is, therefore, felt by the community. Several activities that help develop social entrepreneurs have increased in the era of Industrial Revolution 4.0, such as the Dompot Dhuafa Social Entrepreneurs Camp, the Idea Fest Community, Kitabisa.com, Gerakepat.com, and several other forms (Sahabuddin et al., 2019).

A person with an entrepreneurial spirit or an organization with an entrepreneurial spirit that can move the community as a form of skill improvement to be competitive; therefore, social entrepreneurship is aimed at the interests of a society that does not focus solely on individual gain or as a form of entrepreneurship, the aim of which is the social interests (Awaluddin et al., 2019).

From some points of view on the concept of social entrepreneurship, it shows that the difference between commercial entrepreneurship and social entrepreneurship is a form of commercial entrepreneurship that focuses on personal profit. In contrast, social entrepreneurship, the main objective of profit, is profit for social interests. Social entrepreneurship has become a fascinating phenomenon due to the difference between it and commercial entrepreneurship. The main focus is personal profit, as opposed to social entrepreneurship, which gives priority to society's interests by involving some knowledge in its development. Social entrepreneur activities can be innovative in the business development activities carried out with the involvement of science.



Table 1. Comparison of Sociopreneur and Commercial Entrepreneurship

Indicator	Social Entrepreneurs	Commercial Entrepreneurship
Market Failure	Judging from the condition of social organization with the birth of market failure from several social aspects.	Market pressures sometimes do not match the expectations of public needs.
Mission	The main target of a social entrepreneur is social value for society	Its main target is to make a profit as a result of its business activities.
Resource Mobilization	The challenge is a surplus of resources, constrained to compensate, competitive. More on value than on material	There is a material compensation to make it easier to pay accordingly.
Performance Measurement	Social changes are not easy to measure, resulting in impacts that are difficult to quantify.	Performance standards are clear and measurable

Source: (Austin et al., 2003)

With the existence of social entrepreneurs that continue to be developed by the state, it has produced positive results for the revival of enterprises that impact COVID-19, particularly by contributing to the transformation of society by seeing social business opportunities in the COVID-19 era. Social entrepreneurs are opening up new businesses to increase entrepreneurial heterogeneity in Indonesia, making people more innovative in developing their businesses by using available technology.

In his book *Innovation and Entrepreneurship: Practice and Principles*, defines entrepreneurship with a focus on opportunity; in this case, Drucker sees entrepreneurship as an economic actor that takes advantage of and creates opportunities for change in society, such as technology, preferences, and norms (Hasbi et al., 2019). For social entrepreneurs, seeing opportunities means seeing social problems and then continuing to think creatively to solve problems for the sake of community welfare (Rijal et al., 2019).

CONCLUSION

Social entrepreneurs' important role in poverty alleviation reflects an important role in achieving the Sustainable Development Goals (SDGs) in Indonesia. Social entrepreneurship resolves poverty problems with job creation, business innovation, and adaptation. To achieve this, collective action from different sectors is needed to support social entrepreneurs. Social entrepreneurs are, therefore, able to find solutions through innovation and technology. Until now, the social entrepreneur sector has been involved in developing enterprises during the COVID-19 era.

ACKNOWLEDGMENT

Thanks to the Ministry of Education and Culture (Kemendikbud), Ministry of Research, Technology / National Research and Innovation Agency (Ristek / BRIN), Puangrimaggalatung College of Administrative Sciences, Family Hope Program, Bone Regency Regional Government.

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