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# Socio-Cultural Development's Role for Entrepreneurship and Industry to Support Green Economic Value in Java Island

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#### Abstract

This scientific article is motivated by the description of the concept of entrepreneurship and industrial development applied to business actors in Java Island which is influenced by sociocultural roles. The literature review in this scientific article has the following objectives: 1) to analyze the social role in the development of entrepreneurship and industry in Java Island; 2) to analyze the role of culture in the development of entrepreneurship and industry in Java Island; and 3) to analyze the concept of sociopreneur dimensions due to socio-cultural roles. This research is explained and presented with a comparative descriptive qualitative approach that focuses on the literature review scheme from the findings of 200 scientific articles discussing the socio-cultural role in the development of entrepreneurship and industry. The articles are divided into 10 articles that specifically represent the researcher's objectives to explore the sociocultural role in Java Island. The criteria for selecting scientific articles look from the level of similarity of discussion topics, the quality of scientific articles, and the journal accreditation category from the Science and Technology Index (SINTA), Directory of Open Access Journals (DOAJ), and e-Journal of the National Library of the Republic of Indonesia. The results of the analysis show that the socio-cultural patterns that apply in the environment around the business are one of the main factors in seeing the existence of the development of the type of business that is established. So, businesses that are built from socio-cultural roles also have an impact on improving the economy in the environment around the business as feedback.

**Keywords:** Socio-cultural development's role, entrepreneurship and industry, green economic value, economic growth, prisma diagram literature review

#### 1. Introduction

Java Island is the center of economic activity in Indonesia, contributing more than half of the national gross domestic product (GDP). On the other hand, Java Island has a rich cultural heritage, ranging from traditions and arts to social values that support community cooperation. Values such as mutual cooperation, tradition-based innovation, and social solidarity can be important capital for the development of entrepreneurship. With a dense population and good infrastructure access, Java has an important role in driving an economy based on entrepreneurship and industry. The industrial sector is one of the sectors that plays an important role in the national economy because it can increase state revenues, as well as provide opportunities to make positive contributions as an effort to equalize the welfare of the Indonesian people. The presence of entrepreneurs and companies and the development of

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industrial areas in an area are expected to have an impact on improving social and economic conditions and improving community welfare. This is in the existence of an entrepreneur or industry in an area will bring changes and influence on the livelihoods of the local community (1). The large amount of land that has changed function from agricultural land to industrial areas or factory buildings will cause changes in people's livelihoods. Indicators of improving economic conditions of the community can be seen from the increase in community income caused by increased absorption of labor and the opening of wider business opportunities for local communities, which will have an impact on increasing welfare and quality of life. Entrepreneurship based on sustainability and environmentally friendly innovation is a global trend. In Java, many small and medium business actors have adopted this practice, such as recycled craft products or environmentally friendly technology in the agricultural sector. Creative industries based on local culture, such as batik, gamelan, and handicrafts, have become the mainstay of the Javanese economy.(2)

However, many business actors still face obstacles in developing capacity and market access. Social interactions and customs in Java provide opportunities to create synergy between business actors, communities, and the government. This creates an environment that supports the development of innovative and sustainable industries. Despite its great potential, Java also faces the challenges of economic inequality and environmental degradation. Increasing entrepreneurship based on socio-culture can help reduce inequality while preserving nature.

In today's digital era, all activities are made efficient, including the use of human labor (3). This will cause an increase in the unemployment rate; in 2020, referring to data published by BPS, the Open Unemployment Rate (TPT) in the August period was 7.07%, which has increased by 1.84% from 2019. So there needs to be an increase in employment. In a situation like this, it needs to be agreed upon by all parties, especially the community itself. The importance of fostering an entrepreneurial spirit in society as an effort to create welfare for the lives of people in Indonesia. Entrepreneurship is said to be a potential in development, both in terms of the number of people who are entrepreneurs and the quality of the entrepreneurship (4). Entrepreneurship can also be interpreted as a business or business activity that is carried out independently by utilizing resources and efforts that are assigned to the actor, such as understanding and analyzing new products, determining how to produce, and regulating how capital is run. Entrepreneurial activities aim to produce a product that has a higher value than before. However, the digitalization that has opened up global market access for business actors in Java does not all have the same understanding. Digital platforms allow local culture-based products to be widely known, increasing added value and competitiveness (5). However, some producers consider that processing technology-based processes actually eliminates the essence of basic human skills to be able to create a local product. In fact, the young generation in Java has great potential in creating socio-cultural-based innovations. Especially when young entrepreneurs are able to apply the principles of a green economy in their products.

Although Java Island has great potential in the development of socio-cultural-based entrepreneurship and industry, it's implementation still faces various challenges. Economic inequality, environmental degradation, lack of education about the green economy, and minimal policy support are the main obstacles. How can the role of socio-culture be optimized to support the development of entrepreneurship and industry oriented towards green economic values in Java Island?







Source: Badan Pusat Statistik Indonesia, (2024)

Entrepreneurship is a creative and innovative ability that is used as a basis, tips, and resources to find opportunities for success. Having an entrepreneurial spirit means encouraging an independent, creative, innovative, responsible, disciplined, and never-give-up mentality, like an entrepreneur when starting his business from the bottom Hasanah, entrepreneurial spirit needs to be done by developing the creative economy from each region because Indonesia has various cultures that will create various products such as: batik, wayang, songket, woven fabrics and others. So that with the existence of a creative economy it will have a positive impact on the industrial sector in Indonesia, the role of socio-culture is needed as capital to develop the creative economy (6). The creative industry will play a role in growing the national economy and will absorb a lot of workers and will foster innovation and creativity which are the advantages and competitiveness of the nation (7).

Integration of technology with cultural values can create innovative products that maintain local identity. This provides a great opportunity to develop a culture-based economy in the modern era (8). Integration of technology with cultural values can create innovative products that maintain local identity. Meanwhile, there is a lack of understanding and accessibility to green financing practices, which is exacerbated by inadequate education and training related to environmental management (9). Many MSMEs are not aware of the benefits of implementing green economy principles, such as reduced operational costs and increased efficiency, because the information available is not easily accessible or understood (9,10). There is awareness of the importance of sustainability, many MSMEs feel alienated from these initiatives due to the lack of socialization programs that are appropriate to their needs (11,12). There are no MSMEs that have specifically developed inclusive operational models and more effective education programs to integrate green economy principles into their business practices (13,14).



The analysis in this study is expected to provide a great opportunity for optimizing the local social and cultural-based economy in the modern era without neglecting the environmental side. By utilizing socio-cultural values as a foundation, the development of entrepreneurship and industry in Java Island can be an example of a local approach that is able to support sustainable green economic growth.

#### **1.1. Theoretical/Conceptual Framework**

Social and cultural spirit in one's environment is not only a central role in the development of entrepreneurship and industry. But human ties with conscience in seeing social and cultural phenomena can build social soul connections through the development of entrepreneurship that can drive the economy of the area around the industry that adopts a mission to create and maintain social values (not just personal values) (15). Socio-culture itself is everything created by humans through thought and conscience for a more appropriate social life; namely, humans make something based on their minds and thoughts that are intended for social life. An offer will give birth to demand. Now in this case demand will give rise to its own offer. When compared to the old system, what is produced by entrepreneurs does not see what the market needs. However, more on existing resources and then processed, or what can be processed or produced, then a product is made without looking at market needs. For now, entrepreneurs must do market research first to see an opportunity in the market before deciding what product will be produced or developed. Because of the contribution of society, producers also provide compensation to support the economy.

#### 1.1.1. Social's Role in Entrepreneurship and Industry Development

There are 6 main elements in social capital: a. Participation in a Network. b. Reciprocity. c. Trust. d. Social Norms. e. Values. f. Proactive action (16). In addition, in Fathy's research, stated that in social capital there are two dimensions, namely the cognitive (cultural) dimension and the structural dimension (17). The cognitive dimension is related to values, attitudes and beliefs that can influence trust, solidarity and reciprocity that can encourage the creation of a cooperative relationship in society in achieving common goals. In the structural dimension, namely a structure, scope of organizations and local community institutions that can facilitate and encourage collective activities that are beneficial to society.

#### 1.1.2. Cultural's Role in Entrepreneurship and Industry Development

Indonesia has a culture that can influence the development of the era from time to time (18). Culture in this case is a culture in the entrepreneurial and industrial environment, namely related to taste and lifestyle. So that culture can influence the types of products and services that must be offered by producers. Because an entrepreneur or an industry before producing a product of goods or services previously conducted market research and analysis. The role of culture is very much needed in building entrepreneurship, entrepreneurial behavior will provide significant support in transforming culture into a work of art that has a selling value. Ethnic culture is still firmly held by entrepreneurs and colors the behavior of entrepreneurs in running a business, entrepreneurial behavior can be a mediation of ethnic culture towards entrepreneurial performance (19).



#### 1.1.3. Dimensions of Social Entrepreneurship

social entrepreneurship has four elements, including: 1) Social Value, is a unique element in social entrepreneurship because it can create real social benefits for society and its environment. 2) Civil Society, in social entrepreneurship, generally comes from the initiative and participation of civil society by optimizing the social capital in society. 3) Innovation in social entrepreneurship to solve a social problem must use an innovative method, including combining local wisdom and social innovation. 4) Economic Activity, In social entrepreneurship, success is generally achieved by balancing social activities with business activities (20). A business or economic activity must be developed in order to ensure independence and sustainability in carrying out the organization's social mission.

#### 1.1.4. Social Capital Created by Social Entrepreneurs

It was revealed that in seeing the views related to several previous studies, social capital can be able to reduce poverty and crime (21). So in this case, social capital needs to be given attention because in social problems, it can affect related issues to improving people's lives. Elements in social capital are able to improve the economy of society, such as trust, networks, and norms. So that entrepreneurship with social capital and human capital will be able to improve people's lives economically.

#### 2. Methods

This study uses a systematic literature review (SLR) approach to explore and analyze the role of socio-culture in the development of entrepreneurship and industry that supports green economic values in Java Island. This method was chosen because it allows researchers to collect, filter, and synthesize findings from various relevant studies systematically, resulting in strong data-based conclusions (22). Research data were obtained from journal articles, proceedings, reports, and policy documents that are relevant to the research theme. These sources were taken from academic databases such as Scopus, Web of Science, Google Scholar, and the National Library of Indonesia. The selected literature focuses on socio-cultural aspects, entrepreneurship, industry, and sustainability in Java Island. To ensure the relevance and quality of the data, inclusion criteria were set, including 1) publications in the last 10 years, (2) focus on Java Island or a similar context, and 3) discussing socio-cultural aspects, entrepreneurship, industry, and/or the green economy. Meanwhile, exclusion criteria include 1) documents that are not peer-reviewed, 2) publications that are not available in full text, and 3) literature that is not relevant to the research theme.

The researcher used the procedure flow in chart 1. as a reference for the article selection process. The researcher applied the guidelines from Preferred Reporting Systematic Reviews and Meta-analysis (PRISMA). The initial search obtained 200 scientific articles from 2016-2024. The next stage, the researcher screened articles that were relevant to the researcher's exclusive criteria with the results of 10 articles. The articles that have been determined as the basis for literature analysis become the final report of the study from the library. The data collection stage begins with a search using keywords such as "socio-cultural," "entrepreneurship," "industry," "green economy," and "Java Island." At this stage, the researcher optimizes the selection of relevant literature findings with the Publish or Perish application media. The initial search results are filtered based on title and abstract, and then a more in-depth assessment of the relevant literature is carried out using the full-text review



method. Data analysis is carried out using thematic analysis techniques to identify patterns, themes, and relationships between socio-cultural aspects and the development of entrepreneurship and industry. The data obtained is arranged in categories such as socio-cultural contributions, green economic practices, challenges, and opportunities. This technique ensures structured and in-depth results. To ensure the validity of the research results, data triangulation was conducted through comparison of different literatures. The reliability of the research was maintained by following strict SLR protocols and using credible data sources. The researcher also conducted peer debriefing to obtain input from colleagues, resulting in objective and reliable conclusions.



Chart 1. PRISMA Diagram of Article Selection Process

# 3. Results and Discussion

#### 3.1. Result

This research is analyzed and presented with a comparative descriptive qualitative approach that focuses on the literature review scheme of various scientific articles that are oriented towards the socio-cultural role scheme towards the development of entrepreneurship and industry in several regions in Indonesia with diverse social capital and cultural characteristics. The criteria for selecting scientific articles as sources of literature review are by looking at the level of similarity of the discussion topics, the quality of scientific articles, and the journal accreditation categories from the Science and Technology Index (SINTA), Directory of Open Access Journals (DOAJ), and e-Journal of the National Library of the Republic of Indonesia. With this strong academic foundation, the researcher obtained the results of the study into several core discussions that are contained in the following analysis description:



# LITERATURE 1

# THE ROLE OF SOCIAL ENTREPRENEURSHIP IN BUILDING A SUSTAINABLE CREATIVE ECONOMY IN THE SOCIETY 5.0 ERA (SHOFIYANTI & NISA. 2024) (23)

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PURPOSE	Measuring the role of social entrepreneurship in creative economic				
	development in the Society 5.0 Era				
METHODS	A qualitative study through case study data collection and document analysis.				
SUBJECT	Society 5.0 in East Java				
RESULTS	Society 5.0 promises great potential to create a more inclusive, sustainable, and socially problem-solving society. However, the implementation of Society 5.0 also faces challenges such as the digital divide, ethical and privacy				
	issues, and the impact of automation on employment.				

#### LITERATURE 2

# INCREASING UMKM COMPETITIVENESS THROUGH SOCIAL CAPITAL (FERINE, ZAKI, CAHYANINGRUM, PAPILAYA, & FKUN, 2024) (24)

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PURPOSE	Analyzing the contribution of social capital in the sustainability of MSMEs
METHODS	Survey method with a quantitative approach with a quota sampling technique
SUBJECT	70 culinary industry entrepreneurs in Sukabumi Regency
RESULTS	Social capital has a positive and significant effect on sustainable competitive
	advantage. MSMEs in the culinary industry in Sukabumi Regency are able to
	create sustainable advantages, but they are not evenly distributed.

# LITERATURE 3

# BLUE ECONOMY SOCIALIZATION: INSTALLING AN ENVIRONMENTALLY CONSCIOUS ENTREPRENEURIAL SPIRIT IN PROBOLINGGO CITY (SEPTIANDIKA, FITRIA, & HANIFAH, 2022) (25)

**PURPOSE**Analyzing economic development oriented towards pro-environmental<br/>conditions of the blue economy in society in Probolinggo City

- **METHODS** 1. The technique of socialization activities is to go around to the community and entrepreneurs who produce processed marine and fishery raw materials.
  - 2. Socialization techniques through social media plus posting various entrepreneur products and inviting the community to provide ideas and input for processed marine and fishery products.

**SUBJECT** People in Probolinggo City

**RESULTS** 1) The level of internalization of soft skills, entrepreneurial interest and entrepreneurial spirit of students is in the high category. 2) Internalization of soft skills influences the formation of entrepreneurial spirit. 3) Entrepreneurial interest influences the formation of entrepreneurial spirit. 4) Internalization of soft skills and entrepreneurial interest influences the formation of entrepreneurial spirit. These findings indicate that in order to form an entrepreneurial spirit, efforts are needed to increase the internalization of soft skills and entrepreneurial interest.



#### LITERATURE 4

# PROMOTING GREEN ENTREPRENEURIAL INTENTION THROUGH GREEN ECONOMY AND GREEN ENTREPRENEURIAL ORIENTATION (NURINGSIH, NURYASMAN, & ROSA, 2022) (26)

- **PURPOSE**Exploring the relationship between green economy, green entrepreneurial<br/>orientation, and green entrepreneurial intention among students.
- **METHODS** | Survey method with a quantitative approach using convenience sampling
- SUBJECT | 175 business school students in Jakarta
- **RESULTS** The direct influence of the green economy and green entrepreneurial orientation on green entrepreneurial intention and the mediation effect formed through green entrepreneurial orientation. The significance of the three variables forms a green triangle model so that it can be considered as a basis for the mechanism of learning environmentally friendly entrepreneurship.

#### LITERATURE 5

# DEVELOPMENT OF LOCAL PRODUCTS BASED ON TECHNOPRENEURS TOWARDS A CREATIVE ECONOMIC SOCIETY (NURASRI, LESTARI, & SONHAJI, 2020) (27)

- **PURPOSE**Explaining technology-based entrepreneurial activities (technopreneurship)<br/>and non-technopreneurship, efforts to increase the interest of the community<br/>and college graduates in becoming technopreneurs, and compiling documents<br/>on the direction of technopreneurship development.
- **METHODS** Descriptive qualitative approach, data collection through observation, interviews, questionnaires, and documentation.
- **SUBJECT** MSMEs of Tegal Community, Central Java.
- **RESULTS** If there is a technological innovation, it is temporary, only for the purposes of exhibitions/exhibitions at regional and national levels, not for improving product quality, diversification, and efficiency in the short term or increasing production sustainably, increasing turnover, profit, and business expansion in the long term. The development of partnership technopreneurship (organic rice) is a best practice to expand and strengthen superior technopreneurs in the region. The interest of the community in entrepreneurship can be increased through research-based learning centered on students.

#### **LITERATURE 6**

# ANALYSIS OF THE INFLUENCE OF INDUSTRY AGGLOMERATION ON ECONOMIC GROWTH IN ITS IMPLEMENTATION IN SEVERAL REGIONS OF INDONESIA

#### (NOVIRIN, 2021) (28)

**PURPOSE** Recognizing the phenomenon of industrial agglomeration and its implementation and influence on the economy that occurs in several regions in Indonesia.



METHODS	Analysis of literature studies through secondary data from books, notes, journals, existing evidence, or archives, both published and unpublished in general.
SUBJECT	Industrial agglomeration that has advantages in Indonesia
RESULTS	In order for regional development to be evenly distributed, new industries from various sectors and adequate infrastructure facilities are needed, as well as innovation and creativity, especially from the community, are needed to be able to improve the quality of life and increase competitiveness. Regions in Indonesia that have the potential for equitable distribution and connectivity of many infrastructures in various sectors can increase better growth than centralized growth, create industrial downstreaming, and can carry out periodic industrial agglomeration assessments.

#### LITERATURE 7

# THE EFFECT OF GREEN PRODUCTS ON SUSTAINABLE BUSINESS: A STUDY OF RESTAURANTS IN BADUNG REGENCY DURING THE COVID-19 PANDEMIC

(YUDAWISASTRA, 2021) (29)

- **PURPOSE**Analyzing the influence of green product variables on sustainable business<br/>both directly and through green entrepreneurship variables.
- **METHODS** Multivariate data analysis model analysis, including factor analysis and Partial Least Square (PLS).
- **SUBJECT** 100 restaurants in Badung Regency, Bali, with the criteria of restaurants that have 100 or more seats for visitors.
- **RESULTS** The green product variable has a contribution to sustainable business through the green entrepreneurship variable of 77%, and the remaining 33% is influenced by other variables that were not analyzed. This study was conducted during the Covid-19 pandemic, where the results represent the condition of the culinary business in Badung Regency, especially restaurants affected by the pandemic conditions.

#### **LITERATURE 8**

# DEVELOPMENT OF CREATIVE INDUSTRY IN UMKM THROUGH THE EXISTENCE OF MARKET ORIENTATION SOCIAL PERSPECTIVE (PRASETYANINGRUM, 2024) (30)

PURPOSEAnalyzing the socio-cultural organization in market orientation, namely the<br/>components of social behavior resulting from the process consisting of<br/>intelligence generation, intelligence dissemination, response design, and<br/>response implementation.METHODSThe research method uses a mix methodSUBJECTA sample of 30 respondents from MSME and creative industry actors in<br/>CilacapRESULTSThe results of the questionnaire data analysis of the total existence of market<br/>orientation in the creative industry of Cilacap UMKM obtained were 79%,



consisting of the creative industry in the fashion sector at 76% and the creative industry in the culinary sector at 82%. The existence of market orientation is not yet optimal based on the interview results due to the lack of coordination, communication, and a regular management system in the company.

#### LITERATURE 9

#### ANALYSIS OF BUSINESS COMMUNICATION IN THE DEVELOPMENT OF GREEN ENTREPRENEURSHIP THROUGH BATIK ECOPRINT UMKM BATIK DURENAN INDAH SEMARANG (CAFIDA DAUMAH INDAINANTO 2024) (21)

#### (SAFIRA, RAHMAH, INDAINANTO, 2024) (31)

- **PURPOSE**Analyzing the business communication process carried out by batik initiators<br/>at the Batik UMKM Kampung Tematik Batik Durenan Indah Semarang by<br/>other batik UMKM members in developing green entrepreneurship.
- **METHODS** Qualitative descriptive method with a case study approach and data collection through interviews and direct observation by observing the ongoing communication process.
- **SUBJECT** Thematic Village Batik UMKM Batik Durenan Indah Semarang
- **RESULTS** The business communication strategies carried out by the management of UMKM Batik in the Durenan Indah Batik Thematic Village Semarang are by using green education, policies and support, and innovation and solutions. Green education here means that the management first provides an understanding of green entrepreneurship and the products to be produced, namely ecoprint batik.

#### LITERATURE 10

# THE ROLE AND BENEFITS OF SOCIAL CAPITAL IN IMPROVING THE EFFECTIVENESS OF WORK OF EMPLOYEES IN THE MICRO, SMALL, AND MEDIUM ENTERPRISE SECTOR IN THE CENTER OF BAG AND SUITCASE CRAFTS IN TANGGULANGIN SIDOARJO (WIDODO, 2016) (16)

**PURPOSE** Knowing and describing the forms of social capital that exist in the Tanggulangin bag and suitcase craft center. Knowing the role of social capital in increasing the effectiveness of employee work in the Tanggulangin bag and suitcase craft center. Knowing the use of social capital by craftsmen in developing their businesses. The purposive sampling method was analyzed using a descriptive approach. **METHODS** SUBJECT UMKM Bag and Suitcase Craft Center Tanggulangin Sidoarjo RESULTS The social capital formed in the Tanggulangin bag and suitcase industry center starts from their families, relatives, neighbors and friends, and grows together with the local customs of the Tanggulangin community. The role of social capital forms networks, a sense of trust, social norms, leadership, and solidarity among employees and bag craftsmen in Tanggulangin.

#### **3.2. Discussion**



# 3.1.1. The Role of Socio-Cultural Development for Entrepreneurship and Industry in East Java

The existence of entrepreneurial founders, whether on a micro, small, or medium scale to the small, medium, and large industrial sectors, can be seen in the position of the business in relation to the relationship with the social or cultural work environment, both in the internal environment and the external environment around the business. In East Java, according to data from the East Java Provincial Cooperative and UMKM Service, the condition of economic growth in the real sector in the period 2015 to 2019 had a very capable reach due to the role of cooperatives and UMKM with the percentage of GRDP growth; the contribution of UMKM in East Java can be seen in the following table (32):

Indicator	Year				
Indicator	2015	2016	2017	2018	2019
Percentage of GRDP Growth of Cooperatives and MSMEs	5,74	5,86	5,69	5,50	5,78

Table 2. Gross Regional Domestic Product Level of East Java MSMEs

Source: Department of Cooperatives, Small and Medium Enterprises, East Java Province, (2020)

Referring to table 2, it explains that even though the GRDP growth record tends to fluctuate in the five-year span (2015-2019). The performance of cooperatives and MSMEs in East Java provides evidence that with the uncertain background of the Indonesian economy, MSME business actors have been tested in terms of independence, strength, and flexibility in the sustainability of the crisis. On the other hand, this proves that MSMEs are socially and culturally suitable if developed in the East Java region by becoming the heart of the people's economy and the pioneer of the birth of the people's economy. Seeing this phenomenon, it is interesting to see the analysis of the social and cultural roles in the development of entrepreneurship and industry in the East Java region with a review scheme that emphasizes the identification of social, cultural, sociopreneurs, and social capital developed in this case oriented towards Intako (Bag and Suitcase Industry) Tanggulangin Sidoarjo.

Identification of the social role of entrepreneurship and industry in the Tanggulangin Sidoarjo Bag and Suitcase Craft Center was motivated by a fairly complex crisis where in the 2008-2012 period there was a shortage of textile production factors, leather goods, and footwear until the impact of the Lapindo mudflow natural disaster began to be felt which was only approximately 6km from Intako (Bag and Suitcase Industry) Tanggulangin Sidoarjo. This had an increasingly widespread impact which was felt when the absorption of labor decreased so that the regeneration of leather workers and the younger generation became hesitant to contribute to the bag and suitcase industry sector. The problems felt became complicated when these entrepreneurs did not have sufficient social capital according to Widodo, (2016) such as: low educational status, lack of understanding of knowledge with new technologies, maintaining old skills, and not yet mastering good communication skills. This incident is one of the proofs that one of the weaknesses of MSMEs in East Java is the institutional network between businesses and the surrounding community which has not been fully built as the main foundation.



The crisis experienced in the 2008-2012 period is what made the awareness between entrepreneurs and the surrounding community begin to form by making breakthroughs that focus on strengthening their stability and existence by strengthening family ties and giving birth to religious meetings between community members. In terms of family, Intako (Bag and Suitcase Industry) Tanggulangin Sidoarjo has indeed been connected to family ties from the start whose production is quite done by family members. However, strengthening family ties is more directed at a sense of trust with the hope that the bonds of business actors and workers can easily work together and help each other when business owners also attract their relatives as workers. In addition, with the status of religious aspects in socializing in the Tanggulangin community being very strong, religious meetings are also attempted between business owners and community members which are marked by the implementation of religious studies, Yasinan, Hajj, and Friday prayers together. This automatically builds closeness not only within the scope of the family but also the surrounding community. So that institutionally, Intako has a bond of shared responsibility, upholds religious norms, and can automatically unite the principle that working is not only to earn a living but also as a medium for worship.

Identification of the role of culture towards entrepreneurship and industry in the Tanggulangin Bag and Suitcase Craft Center in Sidoarjo is marked by the optimization of joint activities that are the habits of the people around Tanggulangin, namely the culture of chatting together (cangkruk'an) and drinking coffee at coffee shops (ngopi). Through these two cultures, business owners try to reduce the gap in terms of low educational status, lack of understanding of knowledge with new technologies, maintaining old skills, and not yet mastering good communication skills. The presence of business owners in following this culture is used as a breakthrough to transfer knowledge from one person to another family, then to the closest relatives, then to neighbors, and further to anyone who is present when cangkruk'an and ngopi take place with the hope that if within a certain period of time they can help work according to the piecework wages for the results of the product or at least can be interested in buying and promoting bag and suitcase products in order to increase demand on a wider scale.

The dimensions of social entrepreneurship cross fields and concepts of economic improvement that can be felt not only by business owners but also have an impact on the community around the business where it was established or operated. Social entrepreneurship conveys that it is not only oriented towards obtaining maximum profit but also emphasizes social missions, social innovation, social change, building entrepreneurial skills, and maturing personality (33). In addition, a sociopreneur is also expected to excel in various activities as a social activist, professional innovator, and socially responsible businessman, especially from the externalities of his production results. In this context, it occurs in the transfer of knowledge where business owners have hopes that in the future they will be able to improve the quality of human resources around Intako (Bag and Suitcase Industry) Tanggulangin Sidoarjo in terms of knowledge and skills regarding product specifications. So that business owners can open new jobs and the community is interested in working as producers of goods, collectors of raw materials, and becoming marketers or product promoters, it is hoped that the community can establish new businesses.

The social capital built by business owners in Intako (Bag and Suitcase Industry) Tanggulangin Sidoarjo began with several supporting activities such as informal training, establishment of cooperatives, and job training centers. Giving full trust to new workers is shown by delivering business theory and giving mandates through direct tasks in working on



the production of goods from low to difficult levels, such as installing accessories, cutting materials, and sewing them. This is complemented by a shared awareness of the progress of the Intako business (bag and suitcase industry) that there needs to be an organization that accommodates the stability of the production of bags and suitcases that have been made. Therefore, a joint cooperative was opened to strengthen the network of cooperation between workers and business owners and to increase trust as social capital by strengthening the principle of togetherness in the economic sector.

# **3.1.2.** The Role of Socio-Cultural Development for Entrepreneurship and Industry in West Java

Talking about the social field in industry will cause various changes, one of which is the economic structure and social structure. The economic structure is influenced by the decline in the share of the primary sector, the increase in the share of the secondary sector (industry), and the share of the tertiary sector. Meanwhile, from the cultural aspect, it causes changes in lifestyle or values in life. The establishment of an industry in an area on a large or small scale will affect the socio-economic conditions of the surrounding community.

The identification of the social role of entrepreneurship and industry in Bandung has a topic regarding the method of shifting the mindset of the population if facilitated by good educational facilities. Such as research conducted by Nawawi, Ruyadi, and Komariah (34), which resulted in an increase in educational conditions after the existence of industry. With the social role of entrepreneurs and industry, there are more opportunities to get jobs, both those directly related to the industry itself and those that are indirect, such as providers of raw materials for industry.

In terms of social aspects, there are many communities of art lovers (music and film), fashion, and even in the culinary sector in Bandung. In terms of fashion, young entrepreneurs in the city of Bandung are famous for their attractive fashion characteristics. There are many producers in the graphic design sector owned by young entrepreneurs in Bandung. In its creation and creativity in terms of culinary, it also stands out; it can be observed in the kiosks or distros that are established along Jalan Dago and its surroundings.

Identification of the role of culture towards entrepreneurship and industry in Bandung is known for its people who are in harmony with the culture of mutual cooperation through implementation in society, both in a small scope to neighbors and in a wider scope to newcomers. It was analyzed that the existence of industry has no influence on mutual cooperation, which has become a habit of the people of Bandung (34). This means that this attitude is still maintained even though with the increasingly complex industry and many new influences in Bandung, especially in terms of the economy, the habit of mutual cooperation is still carried out well.

The dimension of social entrepreneurship in the city of Bandung has its own regional characteristics. The city of Bandung is not only famous as a student city but also has another nickname, namely a tourist city with a variety of interesting destinations. Bandung, as a creative city, has begun to become its own branding; of course, it cannot be separated from the role of entrepreneurs to improve the regional economy. In recent years, the progress of the prospects of the city of Bandung has performed well, supported by young people who have started to form their businesses amidst the problems of unemployment and social inequality. Young people also contribute to making changes in social and economic terms.



In the creative industry in the city of Bandung, for several years, it has focused on several sectors to increase economic growth. These sectors include: 1) advertising; 2) architecture; 3) art goods market; 4) crafts; 5) design; 6) fashion; 7) video, film, and photography; 8) interactive games; 9) music; 10) publishing and printing; 11) television and radio; 12) and research and development.

Social capital in the sustainability of a business can be seen from how the behavior of the institution or individuals is influenced by social relationships or social activities (35). Social capital built by entrepreneurs absorbs labor and increases the income of the surrounding community, besides being able to improve the mindset of the community and can be a supporting factor in improving educational facilities and infrastructure in the surrounding area.

Referring to Table 3., it is explained that the turnover of each type of creative industry in Bandung City is influenced by the number of assets and the number of workers. The results of the turnover are used to develop the creative industry in Bandung City. There are several factors to produce a product, both physical and service. The number of workers is large but does not provide maximum performance and output; it can cause wasteful costs with salary/wage payments. The efficiency conditions of the industry will affect the sustainability of the business in the future. Many industries have gone bankrupt because costs are greater than income. The more efficient the business, the more it will extend the breath of the business, although external factors also affect the sustainability of the business, such as taxes, inflation, increases in the price of raw materials, labor, transportation, and logistics.

No.	Types of Creative Industries	Total Assets (Rp)	Turnover (Rp)
1.	Advertising	4.000.000.000	7.000.000
2.	Architecture	1.752.000.000	64.793.000
3.	Art goods market	20.608.000.000	20.100.000
4.	Crafts	10.178.000.000	36.656.000
5.	Design	1.512.000.000	36.656.000
6.	Fashion	37.275.050.000	2.506.731.000
7.	Video, film and photography	2.920.000.000	18.094.000
8.	Interactive games	300.000.000	278.000
9.	Music	3.250.000.000	215.100.000
10.	Publishing and printing	5.775.000.000	87.960.000
11.	Television and radio	4.000.000.000	15.000.000
12.	And research and development	1.350.000.000	6.600.000
	Total	102.881.050.000	3.175.680.000

Table 3. Creative industry input in bandung city

Source: Ishak & Somadi, (2019)



# **3.1.2.** The Role of Socio-Cultural Development for Entrepreneurship and Industry in the Special Region of Yogyakarta

As we know, human resources are one of the important production factors. The higher the quality of human resources, the more skilled they are in managing and utilizing existing natural resources. The quality of human resources itself is influenced by skills, expertise, and education. The available resources, both natural resources, human resources, and culture, provide a great opportunity for the growth of the creative economy in Indonesia, one of which is in the Yogyakarta area, which is a city of art and culture. These two elements make its people innovate with creativity through entrepreneurship. According to data from the Ministry of Tourism and Creative Economy in 2014, the role and contribution of the creative industry were able to absorb 7.06 million workers, or 59.4% of the total workforce in the national industrial sector, which is dominated by the culinary and craft industries. However, there are still problems that arise from opportunities in Yogyakarta, namely the lack of maximum utilization by young people to become culture-based entrepreneurs because their interest is still low.

The identification of the social role of entrepreneurship and industry in Yogyakarta is based on under-utilized resources as described by Artiningsih, Setiadi, and Mayang Asri (36), the potential owned by the City of Semarang, namely in terms of social, economic, and cultural aspects that can be expanded into creative industries. However, in reality, the City of Semarang has not been able to develop its potential as a creative industry like other cities. If the potential can be developed, it will drive the economy through income obtained from the creative economy; besides that, it can improve the quality of life in an area, which in turn can attract more investors to the area. The development of the creative economy is needed to increase the selling value of Indonesian culture with the role of local youth, who are expected to be able to face the flow of globalization and compete in the free market.

The identification of the role of culture in entrepreneurship and industry in Yogyakarta begins with forming a mindset of young entrepreneurs to explore opportunities in the cultural field to improve the economy. Controlling the preparation of human resources, capital, and facilities and infrastructure for training will facilitate the entrepreneurial process in the creative economy based on culture to be more optimal. For sectors that are superior products containing high art and culture, namely in the craft industry sector. The creative industry products produced are various, classifying the craft products of the Special Region of Yogyakarta as having artistic meaning, uniqueness, and meaningful cultural symbols, namely: 1) stagen weaving produces plain and colored stagen; 2) lurik weaving produces clothes, bags, shoes, pillowcases, and wallets; 3) natural fiber weaving produces plismat, bags, curtains, and tissue boxes; 4) blankon; 5) brass in the form of bells and cow gongs and room decorations (6). Most of the manufacturing processes of these superior products still use simple methods, but the craftsmen sector continues to innovate the creativity of these products. The opportunities that arise have been in great demand by other countries, such as natural fiber weaving made from water hyacinth and mendong.

The social entrepreneurship dimension prioritizes the concept of entrepreneurship with a variety of social missions, one of which is increasing the economy around the business area, which is marked by opening new jobs. After several obstacles were found in young entrepreneurs of the creative economy based on culture, there were several institutional activities to improve and as a reinforcement of increasing product competitiveness by conducting socialization and coordination in young entrepreneur development programs that



focus on empowerment and increasing competence. Several programs implemented include: 1) stimulus to trigger entrepreneurial spirit; 2) institutional development and improvement of management and leadership; 3) development of cooperation networks and escalation of added value and competitiveness of the creative culture industry; 4) strengthening capital resources; 5) strengthening harmonization of young entrepreneurs development activities of the creative economy based on culture; 6) increasing accessibility of technology resources; 7) socialization of young entrepreneurs development activities; 8) advocacy of young entrepreneurs development programs based on culture (6). By implementing this training, it is hoped that young entrepreneurs can re-explore their potential so that in carrying out a business, it becomes more efficient and maximal and can expand the market sector.

Social capital is pioneered by the existence of training efforts that are implemented to create a movement to increase the income generated as additional capital and a means of market access. The cycle of time in innovating, creating, producing, and distributing the form of products, whether goods or services, patented must use creativity and intellectual capital as the main input. An economy that guarantees will rely on the creativity of citizens by optimizing the potential of local culture available as capital to gain profit. Business management regulations are implemented in each respective sector; this is based on a shared awareness to advance the industrial sector in the cultural field.



Figure 1. Socio-cultural development model for entrepreneurship and industry to support green economic value in java island

Suggestions given with the hope of improving the research as follows: 1) there is a deeper philosophical strengthening related to the social concept of the development of entrepreneurship and industry in Java which is marked by the emergence of digital footprints in socializing without leaving the characteristics of local communication so that underdeveloped areas can include new technologies in terms of production or updating promotional information for products from outside; 2) Analysis of the role of culture in the development of entrepreneurship and industry in Java is focused on the adjustment of culture that is a characteristic between regions and global market demand which is expected to trigger intercultural adaptation as an innovation in entrepreneurship, both in terms of management



systems and new discoveries in a product and conducting market research first before deciding to create a new product; 3) the results of the application of socio-culture in a social entrepreneurship concept (sociopreneur) need an evaluation study so that every business owner is not only oriented towards profit but is also aware of the responsibility of the social mission when doing business so that they are able to lift the economy around their business and reduce the number of graduates who are slowly absorbed in the world of work or work not in accordance with their field of education so that it can reduce poverty and crime rates; and 4) social capital built by social entrepreneurs includes mutual trust, strengthening emotional ties between business owners and workers so that they have a shared awareness of business progress, aligning participatory principles in a network, which is realized by creating institutionalized activities, namely: informal training, establishing cooperatives, and job training centers that uphold positive and strong values and norms (37).

#### Conclusions

Referring to the results of the literature review conducted by researchers on the concept of entrepreneurial and industrial development applied to business owners in Java Island, which is influenced by socio-cultural roles, researchers draw conclusions, namely: 1) the social role in the development of entrepreneurship and industry in Java Island has a significant impact on business owners that can be built from a small scale in the family environment to a wider scale, namely the community around the place of business. The impact felt is seen from the type of business established, the business management system, and the beliefs held by community institutions regarding the similarity of belief systems and ideologies with business owners; 2) the role of culture in the development of entrepreneurship and industry in Java Island can influence the interests, tastes, and lifestyles of the surrounding community. So that culture also influences the types of products and services that will be produced by entrepreneurs and industries before offering them to the market share. 3) The results of the application of socioculture in an entrepreneurial concept give birth to a social spirit in developing businesses and industries. Socio-preneurs are not only oriented towards obtaining maximum profit but also emphasize social missions, social innovation, social change, building entrepreneurial skills, and maturing personalities. In this case, the business that has developed due to the sociocultural role will again provide a social impact in the environment around the business in the form of opening new jobs and the existence of facilities for transferring knowledge to improve knowledge and skills with the hope that the community can become workers in the production of goods, collectors of raw materials, become marketers or product promoters, and even better when they can establish new businesses; 4) social capital built by social entrepreneurs on the impact of the success of their business is the strengthening of shared awareness of business progress, there needs to be an organization that accommodates production stability in order to bind the network of cooperation between workers and business owners and increase trust as social capital by strengthening the principle of togetherness in the economic sector which in this case is realized by building supporting activities such as: informal training, establishment of cooperatives, and tiered job training centers in order to equalize the principles of efficiency and effectiveness in coordinating and working together for mutual benefit.



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