# SOCIAL ENTREPRENEURSHIP FOR STREET CHILDREN: BUSINESS MODEL OPPURTUNITIES AND CHALLENGES BASED ON THE LOCATION OF TRAFFIC LIGHTS

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# **ABSTRACT**

Disruption of social welfare is due to the limited absorption of manpower with high unemployment rate. The number of homeless people in Indonesia currently reaches 6.87 million people, lacking in ability and skills of manpower will cause social problems such as street children. This research is a qualitative research which gives a description about social entrepreneurship for street children based on the location of traffic lights in Jabaran village. The purpose of this research is to change the performance of street children to be independent entrepreneurs and useful for the surrounding community. Participants in this study include: street children, academics, psychologist, village heads and subdistrict heads. After the primary data and secondary data are obtained, data analysis is performed through four stages of data, collecting data, data reduction, data presentation, and conclusions. The results showed after the entrepreneur was formed with soursop seed products, conduct training and mentoring street children. The challenge is how to change the street children's mindset from working for personal benefits, to become more beneficial for the surroundings, from the mindset of working freely to the mindset of arranged working. Social entrepreneurship sees opportunities as business model based on the location of traffic lights. Strategic location is at the traffic lights in Jabaran which is suitable as a model of selling soursop seeds at certain times, ideally at 07.00 - 09.00. The expected results it that it can benefit society.

Keywords: social entrepreneur, street children, challenge, opportunity, business model based on traffic light

# INTRODUCTION

Unemployment is a problem that is often faced by developing countries like Indonesia. The problem of unemployment and labor in Indonesia should receive special attention from all parties. Central Jakarta Bureau of Statistics (BPS), released the open unemployment rate in Indonesia in February 2018 reached 5.13%, then the number of unemployment in Indonesia currently reaches 6.87 million people, unemployment rate is more common in urban than in rural areas. Unemployment is an important issue for the economy of a country on a macro basis, because it will directly affect people's living standards. One of the factors that can determine the welfare of society is the income of the community. Maximum income is achieved if full employment rate can be realized. Unemployment can reduce the income of society which will ultimately reduce the welfare of society. The number of unemployed with the lack of skills and work skills itself also causes social problems, one of which is street children. Based on the data, Data Center and Social Welfare Information, as of August 2017 there are 16,290 remaining street children who are homework for all of us to participate in realizing a free Indonesia from street children. Various efforts have also been made by the central and local governments to lighten the way of children, but still the phenomenon of street children is still visible, among others, in traffic lights. The authors have an idea to make the street children's social entrepreneurs: opportunities and location challenges based on traffic light business models, so they can fill idle time through social entrepreneurship. This research was conducted at traffic light of Jabaran Village

# LITERATURE REVIEW

# Social Entrepreneurship

In Social Entrepreneurship as a framework of thinking which means activities that create prosperity not only for individuals or families but also involves a certain area and society as well as marginalized society. Activities are jointly undertaken in order to improve their fate with collaborative, cooperative and prosperity sharing patterns (Decanay, 2002) in (Wibowo & Nulhakim, 2015). Bina Swadaya defines social entrepreneurship in accordance with the conditions and climate development of society, politics and business in Indonesia. In the second World Entrepreneurship Forum in Lyon, France in 2009, Safa'at1, Syarief, and Syria (2014) Nicholls (2008) in Wibowo & Nulhakim (2015), as advances in industrial and technological innovations become

increasingly prominent, it also leaves us with the threat of future uncertainty. With the serious threat of economic and environmental collapse, severe illness, overpopulation, war, and terror, the world's population has a lot of homework. The efforts of the government and various other institutions, is not enough to overcome this negative trend. So the best hope for the future lies in the strength and effectiveness of those socially motivated, who are willing to fight for the change in the way we live, think, and behave. Thus, in various parts of the world, the birth of various practices and movements with the same red redness is the effort to meet their own needs and solve various social problems independently. The variety movement is then known by the name of social entrepreneurship. (Wibowo & Nulhakim, 2015), revealed that entrepreneurs are the ones who dare to break through the existing system by initiating a new system. It is clear that social entrepreneurs also have the ability to dare to challenge a challenge or in another definition is someone who dared to jump from the existing establishment zone. In contrast to business entrepreneurship, the outcome of social entrepreneurship is not a profit alone, but also a positive impact for society. Social entrepreneurs are change agents who are able to carry out the ideals of changing and improving social values and being the inventors of opportunities to improve (Wibowo & Nulhakim, 2015)

There is a difference between the stakeholders of social entrepreneurship and business entrepreneurship or in commercial and social contexts. In the commercial context, which may be considered a stakeholder are suppliers, customers of products or services provided, employees, investors and others. In social entrepreneurship the number of stakeholders includes such as those possessed as in business entrepreneurship, plus some other parties. Members of the communities involved, supportive village apparatuses, and target groups of the program in this regard also have the potential to be stakeholders for social entrepreneurial activity. That is, the circle of social entrepreneurial stakeholders is much wider and varied than business entrepreneurship.

From the definition above, social entrepreneurs are those who dare to break through the existing system with efforts to find opportunities and cultivate them with innovation and endless learning process, resulting in changes to improve social values and become the inventor of opportunities for improvement.

#### Street children

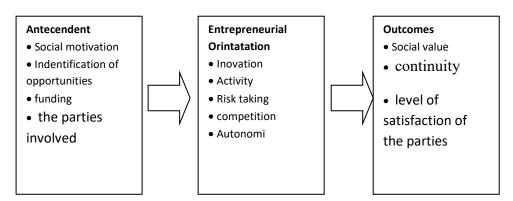
Based on the results of field studies in outline street children in differentiation in three groups (Surbakti et al: 2007), in Rahadi, Sedyastuti. (2014), namely:

- 1. Children on the street, children who have economic activities as child laborers on the streets, but still have a strong relationship with their parents. Some of the income they earn is given to their parents or helps their family life. This group is quite good because some of them still enjoy education and there is supervision from parents.
- 2. Children on the street, the children whose lives are fully spent on the streets, both socially and economically. Some of them still have relationships with their parents, but the frequency of their meetings is uncertain. Many of them are children who for some reason, usually run away or leave home. Various studies show that children in this category are very vulnerable to mistreatment, either socially, emotionally, physically or sexually (Irwanto, 1995).
- 3. Children from families of the street, the children come from families living on the streets. Although these children have strong familial relationships, their lives vacillate from one place to another with all the risks (Blanc & Associates, 1990; Irwanto et al., 1995; Taylor & Veale, 2009). Their life begins from the womb to childbirth on the streets, where they live under bridges, storefronts, and so on.

To handle the problem of street children need support and participation from all components of the community. A series of programs undertaken by governments, and communities are rolling and trying to get the children out of street positions, but unfortunately many are working alone on their own or each developing the program according to what they think is needed in the area. Following up on this matter requires a thorough and specific search of all components of the program organizer that handles the problem of street children by looking at and identifying the extent to which the program is able to turn street children out of street children positions, and not return to the position of street children (Ahmad Fauzi, 2016).

# Social Entrepreneurship Framework Model

Figure 1 1 Social Entrepreneurship Process Framework



Source: Wibowo and Nulhakim 2015

# The challenge of Business Model Base on the Location of Traffic Light

The challenge for building this entrepreneurial practice is enormous. A study from Santos (2009) in Wibowo and Nulhakim 2015, entitled A Positive Theory of Social Entrepreneurship reinforces the notion that social entrepreneurship is an anomaly, challenging the general understanding of man with all his thoughts and behaviors. Social entrepreneurship activity is considered a 'bizarre' activity because it strikes the norm; namely to conduct various economic activities, but the results for the welfare of others. The prevalence thinking that economic activity is for the greatest personal prosperity gets hit by the presence of this activity.

# The opportunity of Business Model Base on the Location of Traffic Light

Wibowo and Nulhakim 2015, stating that commercial entrepreneurship is driven by a personal focus for self-improvement or self-employment, where social entrepreneurship tends to start from the other's focus or collective aspirations such as improving well-being together, shared sharing or community development. Furthermore, the difference lies in trying to identify 'problems' that have the potential to be resolved. In ordinary entrepreneurship, identification is usually aimed at what the desire of the market, such as a product that bergensi, goods that facilitate the running of life etc.. However, in social entrepreneurship, the identification of 'something in an actionable society' becomes important. That is, this is something unique, where an activity begins not from the amount of profit to be pursued, but the identifation of problems that can be solved, or the potential that can be developed. Austin (2006, in Lumpkin, 2010: 5) states that most social missions focus on basic and lasting social problems and common needs such as poverty, hunger, unclean water, unemployment, transportation, education, human rights, and others.

Social entrepreneurship sees the problem as an opportunity to form a new business model that benefits the empowerment of the surrounding community. The outcome is not a material advantage or customer satisfaction, but how the proposed idea can have a good impact on society.

#### METHODOLOGY

This research is descriptive qualitative research which gives description about construction of social entrepreneur model for street children based on traffic light location. Researchers dig the data based on what is spoken, felt, and performed by participants or data sources (Sugiyono, 2013). Data collection is done from primary sources and secondary sources. Primary data sources are data sources that directly provide data to researchers obtained through observation and in-depth interviews of some participants, among others: street children, academics, psychology, Village Head and Head of District. Secondary data sources are sources that do not directly provide data to researchers, including the documents that come from the local village government and social services. Data analysis was done through four stages: data collection, data reduction, data presentation, and conclusion of Singarimbun, and Effendi, Sofyan (2008).

# RESULTS AND DISCUSSION

# The social Entrepreneurship Planning in Jabaran Village

In the area of Jabaran village of Balongbendo Sidoarjo precisely in the vicinity of the traffic light location many street children passing by singing, begging, and other activities that can disturb the general public that cross the road and worsen the village scene, so the Government of Sidoarjo often raid the children street children. In line with the results of interviews with the Head of Balongbendo Krian (July 24, 2018) said that at the intersection of Jabaran is often a raid against street children. Actually, if there is a business or activity that can lead to better conditions, the street children are happy to do so (interview with street children on July 22, 2018). Jabaran village is a strategic village located on the edge of Krian Sidoarjo highway. At this time the village wants to increase the village development so that it can improve the lives of its citizens is no exception to street children (interview with Village Secretary Ibu Hidayati Erma, July 24, 2018)

# Challenge

Social entrepreneurship activity is considered a 'bizarre' activity because it strikes the norm; namely to conduct various economic activities, but the results for the welfare of others. The prevalence of thinking that economic activity is for the greatest personal prosperity gets hit by the presence of this activity. Interview with Drs. Heru Irianto, M.Si, Lecturer in the Faculty of Social and Political Sciences University of Bhayangkara Surabaya (June 10, 2018), the challenge in creating a social entrepreneurship constructions for street children is how to change the mindset of the street children, from initially working at will without co-ordination, and possibly other activities) into a coordinated business activity. Another challenge for private endeavor is to strive for the common good, which one usually tries to seek personal gain. Changing these two things is not easy to require the seriousness and sacrifice of all the elements involved

# **Opportunities**

Social entrepreneurship sees the problem as an opportunity to form a new business model that is beneficial to the empowerment of the surrounding community. The outcome not a material advantage or customer satisfaction, but how the proposed idea can have a good impact on society. From the background of the above problems there is a social problem that is the unemployment that eventually gave birth to street children. Basically the street children are not lazy, it is proven they are trying to work for the sake of life although through singing, selling the newspaper and others, this is an opportunity that must be managed by the parties who want to manage there should be a aspiration of which asaial coupled with the growing spirit through training will give better results. Interview with Mr. Haryono, M.Si Agricultural Development expert (June 10, 2018), how we turn problems into opportunities is dependent on how we perceive the problem and how serious we are in handling the problem. Create a well-coordinated business model and clear goals and good cooperation from all parties.

Interview with one of Jabaran community leaders, Hj. Gofur (July 24, 2018) hausewives in Jabaran village need assistance, they wait for someone to accompany to a better business, and so street children need coaching and mentoring.

From the above interview result can be made a model as follows:

Figure 2 **Social Entrepreneurship Process for Street Children** INTERPRENEURSHIP SPIRIT **SOCIAL ASPIRATION OUT COMES** Collective aspiration 1. mentally change for the innovative better: 1. Improvement of 2. hard work common prosperity 3. dare to take Greater social and risks Mutual development economic 4. never give up satisfaction for the surrounding **OPPORTUNITIES SPIRIT OPTIMUM** Source: developed model

Social Aspiration, Researchers observe street children at Traffic Light locations in Jabaran village, some sell newspapers, some sell trinkets, some are singing, some are just begging. How to transform the street children can be independent and not dependent

on others, further how to change the street children are beneficial to the surrounding environment. How to build the environment together to achieve mutual prosperity, social aspirations are required, for that suitable construction is social entrepreneurship.

Entrepreneurship Spirit, to exploit and maintain the entrepreneur mental stability as much as possible in entrepreneurship, it takes the enthusiastic spirit of striving, among others, innovative mental, hard work, risk-taking, and never give up for greater benefits.

Outcomes, social aspirations itself are not enough to lead to better change together. There should be entrepreneurial spirit so that it can produce changes to be better, greater social and economic benefits that can be felt not only for street children but also for the community in the surroundings. After the street children's social entrepreneurs are formed, the next is determining the superior products that must be managed in the social entrepreneurship. In this case the researchers chose the soursop seeds as a product, some considerations why choose seed products, among others: the market demand for soursop fruit is quite good. Because soursop plants can grow well to an altitude of 1000 m above sea level, soursop fruit and leaves have several health benefits, other benefits with greening can reduce global warming, harvest time is faster and the price is affordable. Soursop fruit selling price is expensive and can be processed in various variants. Strategic location at traffic light Jabaran Krian suitable to be used as a model of selling soursop seeds at certain times only, ideally at 07.00 - 09.00, remember the hot sun can turn the soursop seeds. In those hours street children try to sell the soursop seeds by distributing brochures. Interview with Dr Haryono, M.Si, as an agricultural development expert ( June 10, 2018). Before the street children are involved in social entrepreneurship activities, the children will be prepared first, must change the cognitive of begging and singing to be independent through training and direction. (Interview with Psychologist Dr Anditaher, July 28, 2018).

# **CONCLUSION & SUGGESTIONS**

#### **CONCLUSION**

- 1. Street children in Jabaran village, precisely in traffic light Jabaran village often experience raid by local government because of its perceived activity to disturb public, social entrepreneurship plan of street children is step to change the behavior of street children to be useful for himself and the environment.
- 2. The challenge of street-based street children street business model is how to change the mindset of the street children, from working for personal gain to work for the common good and the environment, from the mindset of free work to the coordinated working mindset. By instilling entrepreneurial spirit to become an innovative entrepreneur, hardworking, never giving up, and courageous. To manage it requires the seriousness and sacrifice of all parties involved.
- 3. Social entrepreneurship sees problems as an opportunity for a location-based business model of traffic light. Strategic location at traffic light Jabaran suitable to be used as a model of selling soursop seeds at certain times only, ideally at 07.00 09.00. The outcome is not a material advantage or customer satisfaction, but how the proposed idea can have a good impact on society.

# **SUGGESTION**

- 1. To solve the problems of street children in the traffic light of Jabaran village, subdistrict, among others, can be done with social entrepreneurship to free the children from begging and singing.
- 2. Changing the mindset of working for personal gain into the mindset of working for the common good, and fostering the entrepreneurial spirit, among others, can be through assistance aimed at improving personal welfare and build a better environment
- 3. Training and guidance to maximize the street entrepreneurship social entrepreneurship model based on traffic light can be successful and can satisfy all parties.

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