# DEVELOPING ENTREPRENEURSHIP COMPETENCY AND ECONOMIC ADDED VALUE AMONG THE GRADUATES (STUDY AT PRIVATE UNIVERSITIES IN INDONESIA)

Dyah Kusumastuti<sup>1</sup>, Umi Narimawati<sup>2\*</sup> and Erna Pujihartanti<sup>3</sup>

Abstract: Based on several studies, it suggests that the effective entrepreneurship education resulted from suitable design pursuant to the needs and conditions of respective university. That is why the goal of this study is to find appropriate learning solutions so that graduates will have a strong entrepreneurial competence which results in intention to become enterepreneurs for their business career after graduation. Methodology used in this research is as follows: To determine whether learning styles include Concrete Experience (CE), Active Observation (AO), Abstract conceptualization (AC) and Active Experimentation (AE) when they form the competence of entrepreneurship through Achievement, Thinking and Problem Solving and Dealing with People. The next step is to conduct a survey by distributing questionnaires to 301 undergraduate respondents out of 350 graduates. After that the researcher designed Competency Based Learning and analyzed how the competent graduates can provide economic added value. Findings of the research is as follows: individual learning styles that make up the competence of entrepreneurship is Diverger Concrete Experience (CE) and Reflective Observation (RO) learning patterns. Accordingly, universities need to design entrepreneurship education curriculum, ways of learning, evaluation and entrepreneur culture. So that competent graduates will generate superior performance that brings about the economic value leading to the contribution of the economic growth. The implications of this research is entrepreurship education is different from the business one. Entrepreneurship education will produce graduates intending to select their careers as job creators and tougher start up business persons.

# INTRODUCTION

The progress of global economy towards knowledge based economy makes the role of higher education important for the economic growth of a country, especially in

Widyatama University

Indonesia Computer University

International Women University

<sup>\*</sup> E-mail: umiarie@unikom.ac.id

implementing the nation's competitiveness (Porter, 2002, Solow, 2001). Therefore, higher education needs to build a foundation to improve the competitiveness of a nation to produce graduates who are creative and innovative with the special skills required in various economic sectors. As matter of fact competence of graduates in one field alone is no longer sufficient to enter the more competitive workforce. Graduates, therefore, must also have the capacity for lifelong learning, the ability to analyze and synthesise, the ability to take advantage of opportunities with the courage to take calculated risks, known as "entrepreneurial spirit". Performance reports from the Ministry of Research, Technology and Higher Education Institution of the Republic of Indonesia in 2015 (rustekdikti.go.id/2016) learning quality is determined among others from performance indicators, number of graduates dealing with entrepreneurship and the certified competence.

Within the Ministry 2015-2019 strategic plan, education of entrepreneurship is created as entrepreneurship training for students and the ability to carry out researches in roder to implement the role of the higher education institution moving from teaching university into the research university and subsequently arrives at the new role, namely as a contributor to economic development called as enterpreuneural university.

As we know that the entrepreneurial spirit can not be taught using a conventional educational method. That is why necessary changes not only in the learning process but also the development of entrepreneurial culture in universities should be done. The concept of education also needs to be designed to foster the spirit of entrepreneurship and improvement of soft skills and success skills, so that university graduates will have the character of high confidence, wisdom towards social and cultural values, independence, creative and strong leadership.

Some researchers say that the entrepreneurial education can be as a remedy for the problem of unemployment and economic growth. D.C. McClelland states that the country's economy will grow if the entrepreneur has a minimum of 2% of the population. Indonesia has a number of entrepreneurs as much as 0,24% of the population of while Malaysia as much as 2.1%, Singapore as much as 7.2%, Thailand as much as 4.1%, South Korea as much as 4% and USA as much as 11.5%. (Fitriani, R.2012). Wen Wei Wu (2009), stated that successful entrepreneurs are important to the development of society because they contribute to the creation of employment opportunities, and to the advance of economic growth.

Moreover, Matlay, H (2008) states that entrepreneurship education is proven to be able to produce better graduates at various stages of entrepreneurial activity ranging from Start-up to pull out the strategy. Although at the beginning the students after graduation they still choose to work as an alternative to the job seeker; nevertheless they will choose a job with a high salary within the small or big organisation. Furthemore, they also show more favorable attitude towards entrepreneurship education. According to Valerij, D (2010) learning is a mechanism to reinforce the behavior of students to be graduates who intend to be entrepreneurs.

The number of current universities in Indonesia is 4429; total of study program is 24 017; the number of students is around 5.9 million; a lecturer's number is 261.174 with raw numberas much as 27.63 (2015) (Source: PDPT-Higher Education, 2016). The Population in Indonesia in 2015 is about 254 million of which a 7% is unemployment (BPS Indonesia, 2016). Such data proves to generate great opportunities and strength to compete in the global world. Thus, Indonesian Higher Education Institution needs to close the gap by improving the graduate qualifications and competencies into job creators. Through entrepreneurship competence for the university graduates is expected to foster competitiveness, economy, reduce unemployment and poverty in Indonesia.

An expert named George Solomon (2007) distinguishes entrepreneurship education and business education in order for the graduates to be challenged to generate ideas faster than before. Entrepreneurship education can be interpreted as how the curriculum, learning, assessment need to be carried out in the university, so the university will act as forming the nation's competitiveness through competent graduates.

Furthermore, in order to achieve a successful education in entrepreneurship in higher education institution, competency requirements, curriculum and teaching and learning methodologies need to be identified as early as possible. It will guide the graduates in their pursuit to create jobs later and compete in both the regional and global markets. Accordingly, the quality of human resources are needed in addition to the knowledge and skill, tough mental attitude, especially in entrepreneurship.

In order for the higher education institutions to be able to contribute to the competitiveness of nations, it needs to carry out the entrepreneurship education with the assistance of manner and content as well as the strategies that need to be determined considering the number of various kinds of entrepreneurial learning although the purpose of it is to add to the competence of graduates so that they not only be a job seeker.

From this study, we can find entrepreneurial education and learning appropriate to the needs and conditions of the university

#### THE GOALS OF THE RESEARCH

The goals of the research are as follows.

- 1. To determine whether the individual learning styles of students currently can form entrepreneurial competence and whether the facilities and academic management system today can strengthen entrepreneurship competence formation.
- 2. To propose competency based learning in order to improve the competence of entrepreneurship among the graduate.
- 3. To analyze how this entrepreneurship competence can give economic added value.

#### RESEARCH METHODS

The research method in this study is survey, by distributing questionnaires to graduates in 2015 at the time of graduation day by taking a sample as many as 301 respondents out of 350 S1 graduates from various courses of study at a private universtas in Bandung-Indonesia. The questionnaire of students' individual learning styles is taken from Kolbs, there are 16 questions including: Learning styles using Concrete Experience (CE), Active Observation (AO), Abstract Conceptualization (AC) and Active Experimentation (AE), namely learning action / practice style. While entrepreneursip competence is identified using 15 questions including competency of Achievement Orientation, Thinking and Problem Solving and Dealing with Other People (Spencer and Spencer, 1993),), Solomon (2007), Boyatzis (2008), Dyah (2015).

As moderator, learning facilities and learning management system with the 7 questions was selected. Data processing is done by testing the model with the assistance of AMOS software and moderator support. Data processing results in forming entrepreneursip competence with a moderator as well as analysis of the needs of CBL based on existing conditions of learning situations at the university. Moderators are processed using linear regression with the help of SPSS version 22.

Assuming Competency Based Learning can strengthen and improve the economic competence, then analysis how economic added value of graduates can be carried out.

#### Research Model

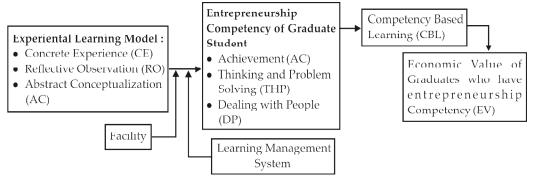


Figure 1: Research Model

# LITERATURE REVIEW

#### Higher Education Management System and Student Learning Style

In general university management system focuses on 3 (three) main aspects, namely process, content, and resources. Each of these aspects must be managed in an integrated way to achieve the vision, mission, goals and university development requirements.

Beside that, there are other requirements in addition to the three aspects mentioned before, they are: organizational culture, values, work ethics, leadership and goverment policy. In order to achieve graduates' quality, universites must conduct teaching, learning, research and community service as well as applying their knowledge and expertise and skills in order to generate new professional services. Accordingly, lecturer or faculty members are very important to ensure that this capital continuously helps in creating excellence in the universities concerned and in using sophisticated technology to create innovation. Figure 2 below delineates such description.

Process	Content	Resources
Core process :  • Teaching learning  • Research  • Community	Curriculum and Management Content Metodology Knowledge object Research output Academic Forum	Human Resource • Lecturer • Employee
Other supporting Processes	Financial Research	
Information systems	Knowledge management	IT Infrastructure
	Organisazion and Management System	

Figure 2: HE Organization and Management System (Prabowo, 2009)

#### ENTREPRENEURSHIP EDUCATION

According the some experts, entrepreneurship is a cure for the problem of unemployment and economic growth; accordingly, entrepreneurship education has been growing in many industrial countries. This occurs because it is believed to have a positive impact resulted in increasing the number and quality of entrepreneurs to enter the economy. Even entrepreneurship culture is a panacea for low productivity and unemployment according to Harry Matlay (2008). Entrepreneurship education has a broad definition including economic, social and cultural factors pursuant to Valerij Dermol (2010) who raises the following ideas of entrepreneurship education:

- 1. The intention of entrepreneurship, the creation of values, beliefs and attitudes related to the success of entrepreneurs and intrapreneurs
- 2. entrepreneurial behavior, wheter managers or employees shows the zealous role
- 3. skills, such as how to start a business, assess the market and to build the company.

An expert named Valerij Dermol (2010) states that education should be able to motivate and encourage as well as teach a person in the following manner:

1. think about their own conditions and other conditions to recognize their interdependence,

- 2. being critical of the situation,
- 3. self-reflection about the role, the possibilities and limitations of personal and collective responsibility, and
- 4. make responsible decisions and take action in both personal and social levels.

According to Shepherd and Douglas (1997) definition of entrepreneurship education is as follows:

The main idea of entrepreneurship is the ability to visualise a course for a new business venture by combining information from the functional disciplines and from the external environment in the context of the extraordinary uncertainty and ambiguity which encounters a new business venture. Entrepreneurship manifests itself in creative strategies, innovative tactics, uncanny perception of trends and market changes, courageous leadership when the way forward is not obvious. What we teach in our entrepreneurship classes should serve to instill and enhance these abilities".

Furthermore Dyahk (2015) defines that entrepreneurship education is different from business education, because entrepreneurship education will generate attitudes, behaviors and intentions of graduates for a career as an entrepreneur while business education will produce graduates to be good at business or skill in doing business.

In applicable literature it often appears two synonymous names with entrepreneurship education and entrepreneurial learning according to Valerij, D (2010). Furthermore, entrepreneurship learning is defined as any form of teaching, education training in both formal and non-formal in contribution to the spirit of entrepreneurship and learning with no commercial purpose. Then, Holcomb *et. al.* (2009) defines entrepreneurial learning as a process in which people absorb new knowledge from direct experience or from the observation of others' behavior, actions and consequences, making intuitive.

Other expert, Rae (2006: 42) defines entrepreneurial learning as

"a dynamic process awareness, reflection, association and applications involving the transformation of experience and knowledge in functional learning outcomes".

Entrepreneurial learning occurs through experiencing a variety of challenging events such as identifying opportunities, solve problems, and perform different roles of an entrepreneur (Politis, 2005).

#### INDIVIDUAL LEARNING STYLES

# In the Learning Process, Students have Individual Learning Styles in Receiving the Educational Process

Individual learning is a process or the way a person to acquire contextual knowledge on an ongoing basis. According to Kolb (1974), model of problem-solving learning is the process of translating the experience into a concept, the rules and principles that will be used as a guide for individuals to behave in a new situation and also the process of concept modification acquired to improve individual effectiveness. Learning includes the active and reflective, or concrete and abstract. The learning process begins with concrete experience that becomes a basis for observation and reflection, then the result will be assimilated observations in the theory in order to obtain an understanding regarded as an experience to be used as guidance on future activities.

According to Senge (1994), circle of individual learning is: Reflecting (think and articulate thoughts or actions past, reflect or contemplation back way of thinking, values that are used, strategies, or future acts associated with the personal vision. Connecting (finding ideas and possibility - the possibility of action that should be done-link the potentials with behaviour pattern demanded by the system and organization). Deciding (define working methods or approaches that will be operationalized). Doling (carry out work-as a reflection of the experience and knowledge framework). Learning Style Inventory (ILS) is a depiction of the self-designed to measure the strengths and weaknesses of individuals in the learning process. When individuals are measured using this LSI, then there is a division of the type of individual learning styles into four types (based on a study of the value of the test results LSI), namely:

#### 1. Converger

A learning pattern of abstract conceptualization (AC) and active experimentation (AE). Its main ability is to practice the application of an idea. A person who has this ability is called "Convergers" because individuals with this type will usually be successful in the conventional measurement of intelligence in which the answer given is already accurate. A Converger tend to focus on doing his job and prefer to specialize in physical science

#### 2. Diverger

A learning pattern of concrete experience (CE) and reflective observation (RO). Its main ability is the ability to imagine. A good diverger in situations like brainstrorming or in talking about-the general idea. Traits of a diverger is: more interested in social and tends to be an imaginative and emotional, to develop their culture, background in humanities.

#### 3. Assimilator

A dominant learning pattern of abstract conceptualization (AC) and reflective observation (RO). Its main advantages is to create a model of the theory expressed in reason-an induction and in bringing the different observations into an integrated explanation (Grochow, 1973).

#### 4. Accomodator

A dominant learning pattern on concrete experience (CE) and active experimentation (AE). Its main advantages are in doing one thing and in adopting plans and experiments that would involve himself into a new experience. Have a tendency to dare to take the risk when compared with the three other learning patterns. In organizations, people with learning patterns like this are found in the types of jobs that are "action oriented", namely on the field of marketing and sales.

# **ENTREPRENEURSHIP COMPETENCY (EC)**

### **Competency Characteristics**

Competency characteristics are content knowledge, behavioral skills, cognitive processing (IQ). Personality traits are values, motives, and occasionally other perceptual or sensorimotoric capabilities that accurately predict some level of performance. Actually, several hundred of competencies have been identified, but only 20-25 relate to job performance.

# **Types of Competencies**

Types of competency are knowledge, skill, and personality characteristics required for minimally acceptable performance are called "threshold" competencies—those that dis-tinguish people who can do the job from those who cannot. Characteristics that predict superior performance are "differentiating" competencies because they statistically differentiate superior from average performers

# Criteria Often Used in Studies of Competence

Superior Performance. This criterion is determined by the size of one standard deviation above the average. This level is reached by one of 10 people in a given work situation. One standard deviation is used as a reference for the following reasons:

- 1. Some studies show the economic value of the performance level of the organization,
- 2. To improve performance, the organizations must use the superior performance characteristics as the basis for the selection and development of employees. Failure to implement determination error caused the average performance level of the organization.
- 3. Effective Performance. This criterion is a minimum level that is acceptable in the job, in daily practice effective performance often taken at the level of average achievement.

# **Type Competence Entrepreneur**

Six types analyzes were used to identify the entrepreneur competencies according to Spencer and Spencer 1993:

- Achievement (ACH) is a concern for working well or for competing against a standard of excellence. Achievement orientation includes: Initiave (ACH1), sees and acts on opportunities (ACH2), efficiency orientation (ACH3) and information seeking (ACH3)
- 2. Thinking and Problem Solving (THP) include: Systematic Planning (THP1), Problem Solving (THP2)
- 3. Personal Maturity (PER) includes Personal Maturity include: Self-Confidence (PER 1) Expertise (PER2) and Self-Confidence (PER1)
- 4. Directing and controlling (DIR), include Monitoring (dir1)
- 5. Orientation to Others (ORI) includes Credibility, Integrity, and Sincerity (ORI1) Concern for Employee Welfare (ORI2), Recognizing the Importance of Business Relationships (ORI3) Provide Training for Employees (ORI4)
- 6. Influence includes Persuasion (INF1)

#### HOW COMPETENCIES CREATE ECONOMIC VALUE

An expert named Berger (2004) stated that stability of competency characteristics is important to be used for predictive validity, namely predicting how an employee will behave in future jobs. According to him competency characteristics consist of content knowledge, behavior skills, cognitive processing (IQ), personality traits, values, motives, and occasionally other perceptual capabilities. Furthermore, analysis of

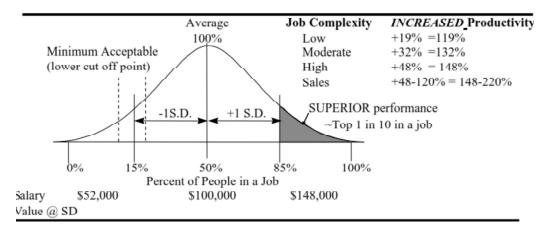


Figure 3: Economic value added by superior (+1 SD) performance, Superior performance, one standard deviation above the mean (top 15%, or roughly top 1 of 10 employees in a job.

(Source: Berger, 2004)

economic value added, cost benefit and return on ivestment will lead human resources staff to improve practices for the employees in order to focus on intervention that will give maximum impact on valuable opportunities which finally brings profit to the company. There are several types of competency, namely knowledge, skill and personality characteristics needed for minimally acceptable performance called as "threshold" competency. The figure belom illustrate the description concerned.

First, based on the figure above, the superior performance point on the curve is the most useful reference point driving for performance improvement known as economic value added that increases with the complexity of the job. Studies have shown that in basic jobs, such as low complexity, semi-skilled labor, and clerical, superior performers plus one standard deviation above the mean are 19% more productive than the average employees. In moderately complex jobs, such as technical and first-level supervisory, superior performers produce 32% more than average performers. In complex jobs, such as professional, managerial, and executive, superior performers are 48% more productive than average employees, namely producing as much as 1.5 average employees. In sales positions, superior performers sell from 48% to 120% more than average performers.

Second, the curve defines the most widely used metric and effect size for measuring the impact of HR interventions. Human resource programs focuses on selection, training, performance management, goal setting, feedback, and coaching add value by raising employee performance from current levels on the bell curve toward superior performance. Fractions and multiples of the one standard deviation difference between average and superior performers is a common yardstick for how much difference a human resource program can make, such as "training T increased performance .40 effect size."

Third, the curve describes a *benchmark* that drives employees and HR practitioners to improve performance above average levels. Individuals or HR departments do not use a performance benchmark that exceeds their current or average level of achievement run the risk of employment mediocrity

#### RESEARCH RESULTS AND DISCUSSION

The number of respondents in this study is 301 graduates. Analysis of reliability has been done in order to assess whether the data obtained is valid or not. Reliability analysis generates Cronbach's alpha as much as 0.7 14. This means that research instruments are reliable. Accordingly the data is valid to be processed.

# FIRST OBJECTIVE OF THE RESEARCH

Figure 4: Profile of Respondents, Learning Styles, Entrepreneurship Competence, The facility, and Learning Systems

Profile of S1 graduate respondents :

• Accounting: 49 %

Business and Management: 33 %

Engineering: 13 %Languages: 5 %

• Visual Communication Design: 0%( no graduates)

Figure 4: Graduate Profile

Job selection after graduation

Entrepreneur : 13 % Job Seeker : 87 %

Graduates prefer to be job seekers therefore entrepreneurship education should be improved

Figure 5: Number and Percentage of Planning after Graduate

(Source: Research result 2015)

Concrete Experience:

Understanding new concept obtained

Active Experience : students tend to learn through the new concept / theory that they just knew than they practise it.

Figure 6: Profile of Individual Learning Style

Graduate Entrepreneurship Competence:

Graduates show high motivation to be entrepreneurs and relationship with others.

Nevertheless when doing analysis they are weak.

Figure 7: Profile of Graduate Entrepreneurship Competence

(Source: Research result 2015)

# RESEARCH RESULT BASED ON STRUCTURAL EQUATION MODELING USING AMOS

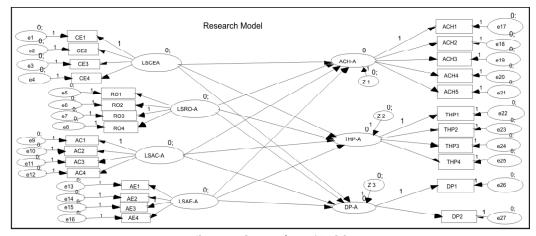


Figure 8: Output from AMOS

#### LEARNING STYLE DAN ENTREPRENEURSHIP COMPETENCY

#### LSCE-A and ACH-A

Students' Individual Learning Style of Concrete Experience (CE) shows significant efffect on shaping Entrepreneurship Competence relating to the achievement spirit (ACH).

#### LSCE-A $\rightarrow$ THP-A

Students' Individual Learning Style of Concrete Experience (CE) shows significant efffect on shaping Entrepreneurship Competence relating Thinking and Problem Solving (THP-A).

#### $LSCEA \rightarrow DP-A$

Learning Style of Concrete Experience shows contribution on shaping Entrepreneurship Competence Dealing with People.

#### LSRO A $\rightarrow$ THP-A

Learning Style of Reflective Observation shows contribution on shaping Entrepreneurship Competence Dealing with Thinking and Problem Solving.

#### $LSROA \rightarrow DP-A$

Learning Style of Reflective Observation shows contribution on shaping Entrepreneurship Competence Dealing with Thinking and Problem Solving.

#### LSRO-A $\rightarrow$ ACH-A

Learning Style of Reflective Observation with ACH A Learning Style of Reflective Observation does not contribute in shaping Entrepreneurship Competence relating to the achievement spirit (ACH-A).

### LSAC-A $\rightarrow$ THP-A

Learning Style of Abstract Conceptualization (AC) does not contribute in shaping Problem Solution Competence (THP).

#### $LSAC-A \rightarrow DP-A$

Learning Style of Abstract Conceptualization (AC) does not contribute in shaping Entrepreneurship Competence Dealing with People (DPA).

#### $LSAC-A \rightarrow ACH-A$

Learning Style of Abstract Conceptualization does not contribute in shaping Entrepreneurship Competence relating to the achievement spirit (ACH-A).

#### $LSAE-A \rightarrow ACH-A$

Learning Style of Active Experimentation does not contribute in shaping Achievement Spirit Competence (ACH).

#### LSAE-A $\rightarrow$ THP-A

Learning Style of Active Experimentation (AE) does not contribute in shaping Entrepreneurship Competence Dealing with Thinking and Problem Solving (THP).

#### **LEARNING STYLES**

Around 87% of graduates prefer to be a job seeker. Accordingly it can be said that graduates show less strong intention to choose a career path as an entrepreneur. Nevertheless there is significant contribution of individual learning style CE (Concrete Experience) and reflective observation (RO) to the establishment of entrepreneurship competence. Thus it can be concluded that the learning styles of students that occurred at the University is Diverger, namely learning patterns that produce primarily the ability to imagine. A good diverger in situations like brainstrorming or in talking about-the general idea. Traits of a diverger is: more interested in social and tends to be an imaginative and emotional, to develop their culture, background in humanities. This is consistent with the results if the data that graduates feel they have the competence dealing with people high (4.23 out of 5). So the learning styles of students as accomodator to improve the competence of entrepreneurs need to be built at this university, namely dominant pattern of concrete experience (CE) and active experimentation (AE). Its main advantages is in doing one thing and in adopting plans and experiments that would involve himself into a new experience.

Furthermore, having a tendency to be more willing to take risk when compared with the three other learning patterns. In organizations, people with learning patterns like this are found in the types of action oriented jobs on the field, such as in the field of marketing and sales. In addition to learning patterns and assimilator converger, appropriate field of study needs to be strengthened so that they can solve the problem in his field of work.

It also can be confirmed that both facilities of moderator learning and learning management system that is not motivating them to establish the competence of entrepreneurship. To strengthen university graduates in entrepreneurship competency need to redesign curriculum, learning, entrepreneurship learning and evaluation.

#### Second Objective of the Research: Competency Based Learning (CBL)

The second objective of the research is aimed at strengthening the establishment of entrepreneurial competencies, university's re-designing CBL as follows:

Competency Based Learning can be achieved through stages:

- 1. Determination of need for competencies to be achieved,
- 2. Each competency described in the skills, knowledge and behaviors,
- 3. Strategy achievement through learning activities,
- 4. Evaluation and assessment of achievement of competencies.

Therefore in CBL its evaluation is an assessment of its learning activities identified or assigned behaviours as shown in Figure 9 below.

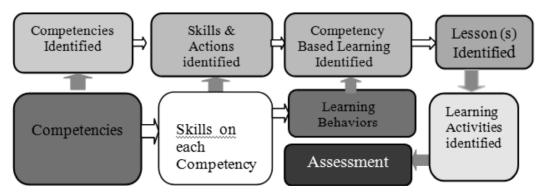


Figure 9: A systems approach towards CBL Learning activities (Dyahk, 2015)

After the curriculum has been set up and entrepreneurship competencies has been identified as needed, each competency should be an indicator described the behavior and skills.

Further study subjects identified learning activities of specified behaviors. The evaluation is done through assessment of student learning behaviors to ensure student competence.

From the learning conditions existing at the university today is more face to face and practice to support certain subjects. The proposed entrepreneurial learning or learning activities are as follows:

Table 1
Overview of methods or activites for entrepreneurial learning

Learning through experience and experimentation	Learning by observation and examples	
Action Learning	Meeting with leading entrepreneurs	
Bussines Simulation	Integration of works of fiction or film production	
Role playing, Game, Training for practical	The integration of lectures real life experience	
Use personal instruction	Case studies with disscussion	
Self directed learning	Study of live entrepreneurial casesPlacement to	
Small-Medium Enterprise	C 1 1 1 1	

Cont. table 1

Learning through experience and experimentation	Learning by observation and examples	
Problem based learning	Guest speakers-entrepreneurs as lectures	
E learning	Face to Face classroom	
Business Plan Competition	Clubs and Network	
Group Technique to create new ideas	Visit Study	
Business Planning ,workshop		
Placement to Small-Medium Enterprise		

Source: Valerij (2010), Dyah (2015)

University policy needs to design an integrated between the achievement of competencies curriculum and learning activities, evaluation of learning and academic culture of entrepreneurs in order that the graduates have strong entrepreneurship competence so that graduates will choose a career as an entrepreneur. Moreover graduates have a level of competence according resulting interest, a positive attitude towards start up bussines or talented entrepreneur. CBL's proposal to increase the competence of entrepreneurs corroborated by the findings of the research process of learning entrepreneurial success (Politis, 2005). Henry *et. al.*, (2005), Zhao *et. al.* (2005), Rae (2006), Smith *et. al.*, (2006) defines entrepreneurial learning as "a dynamic process awareness, reflection, association, experience a variety of events, such as challenging to identify opportunities, solve problems, perform different roles of an entrepreneur, and applications that involve the transformation of experience, knowledge, skill and results in studying, facing the challenges and overcoming the problems, the confidence of entrepreneurship and desire to succeed.

Another point of view as stated by Ko and Butler (2007) is to improve interactive learning creativity and innovation identified as a core component of the entire entrepreneurial process. Use of effective competency in producing performance because competence is a set of effective behavior that results in superior performance. Competence is not just knowledge, but knowledge applied in a certain behavior. Competence is not just a skill, but the skills able to manifest. Competence is not just a motive, but must have a certain form of behavior that reflects a motive. The more important the particular competence to produce superior performance is increasingly important to be learned and evaluated (K Dyah, 2014).

Thus the graduates have an attitude as an entrepreneur, the waiting time becomes shorter because graduates directly enter into job creators. This will be a good image for university graduates. Division of Career and Alumni Center at universities should hold Counseling Corner and Internship Fair for the graduates.

#### THIRD OBJECTIVE OF THE RESEARCH: ANALYSIS OF ECONOMIC VALUE

In order to become an entrepreneurial university, it is necessary to change the curriculum, teaching methods so that it can improve the competence of entrepreneurs, to develop a system of integrated academic quality management in order to strengthen

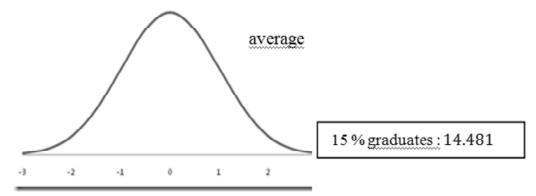


Figure 10: Normal Distribution Graph

entrepreneurship competence. This will produce graduates who will have the intention, attitudes's behavior to be job creators though upon graduation they still chose to work as a job seeker. By becoming the job Creators, it will generate talented entrepreneurs who can contribute to economic growth and prosperity, especially in overcoming the decline in unemployment and poverty. When the university can make entrepreneurship education becomes successful, it will produce graduates with a high competence in generating superior performance.

An analyis of the graduates' economic value, it is assumed that Higher Education Institutions in West Java as much as 366, with students' number as much as 386 163. Assuming that the graduates as much as 25%, this will be 96 540.

According to the Figure 10 illustrating normal distribution graph below, above 15% of graduates have the competence to produce superior performance that can be expected to form job creators. The ecomomic value added will be as follows:

15% \* 96540 = 14 481 people. This number will have productivity between 120 to 148%. This means that the West Java will have a growing number of entrepreneurs as much as 14.481 people per year.

Number of graduates from universities will contribute to economic growth in West Java is about 45 millions (Pusdalibang West Java, 2016). This can reduce the number of poverty in West Java. As it has been confirmed by Harry Matlay 2008 from his research, he concluded that entrepreneurship education has a positive impact on the results of entrepreneurship relating to the career aspirations of graduates. For example, during the surveillance period of ten years there are no unemployed graduates. In addition, according to the research result there is relatively rapid development of the self-employed status for micro and small business ownership. Similarly, at the end of the ten year period, the graduates who become entrepreneurs show resistant to turbulence and dynamics of business situation and there is no failure. This can be interpreted the results of entrepreneurial success, and partly it can be attributed to entrepreneurship education at their universities.

#### **CONCLUSION**

In conclusion, each university will do various kinds of the entrepreneurship education. This happens because each university has its own needs as well as other resources so that the universities need to design the entrepreneurship education as needed. When universities want to improve the quality of graduates, especially strengthening the competence of entrepreneurship in line with the Ministry of Research, Technology and Higher Education Institution decree; graduates should be independent job creators. It is necessary to re-design curriculum, study programs, graduate competence, learning, evaluation, developing the entrepreneurial culture and the campus environment to prepare graduates to be able to create a start up business.

Furthermore, it can be concluded that Competency Based Learning (CBL) study model has not yet been fully able to improve the competence of entrepreneurs. That is why, Division of Career Center and Placement Office at the Universities need to monitor graduates in search of work or in choosing their career to become entrepreneurs so that they can be used to feed back the improvement of curriculum and learning in universities. The success of the universities to produce graduates who choose a career as an entrepreneur and to produce superior performance in economic value will contribute to economic growth and help reduce poverty, especially for developing countries.

#### LIMITED RESEARCH

Entrepreneurship competence decided for graduates should have first been studied in accordance with the prospective graduate needs. This is because the needs of entrepreneurial competence is highly dependent on the existing conditions, culture, environment, business opportunities. This happens due to the different potentiality and diversity of culture in Indonesia.

#### IMPLICATIONS OF RESEARCH

The curriculum design, learning activities, assessment, system management and integrated facility will form the graduates have the competence as an entrepreneur considering the needs of a mutual integration process. Learning styles of students will be formed through a process of learning processes that form the entrepreneurship competence in an integrated manner. The entire faculty members are assigned as a motivator, facilitator, resource, experience, skill training to students so that they have the intention, strong attitude, aptitude towards entrepreneurship.

#### Reference

Berger, L.A and Berger D.R. (eds) (2004), "The Talent Management Handbook Creating Organizational Excellence by Identifying, Developing, and Promoting Your Best People", McGraw-Hill Inc. USA.

- Boyatzis, R.E., (2008), "Competencies in the 21 century", Journal of Management Development, Vol. 27 No. 2008, pp.5-11.
- Dyah, K. (2014), "Identifying competencies that predict effectiveness of disaster managers at local government", Int. J. Society Systems Science, Vol. 6, No. 2, 2014 159, Inderscience, page 159-176 DOI: 10.1504/IJSSS.2014.062437
- Dyah,K (2015), Competency-Based Learning For Effective Entrepreneurship Education At An Indonesian Faculty Of Business And Management, JIRSEA , vol 15 number 2 , 2015
- Fitriati,R.(2012), "Entrepreneurship Education. Toward A Model in Several Indonesia's University" Proceeding the 4<sup>th</sup> International Conference on Indonesia Studies, Source: https://icssis.files.wordpress.com/2012/05/09102012-54.pdf, accessed 10 Sept 2015.
- Harry Matlay, (2008), "The impact of entrepreneurship education on entrepreneurial outcomes", Journal of Small Business and Enterprise Development, Vol. 15 Iss 2 pp. 382-396.
- Henry, C., Hill, F., Leitch, C. (2005), Entrepreneurship education and training: can entrepreneurship be taught? Education and Training, 47(2), 98-111.
- Holcomb, T.R., R.D. Ireland, R.M. Holmes Jr., and M.A. Hitt. (2009), Architecture of entrepreneurial learning: Exploring the link among heuristics, knowledge, and action. Entrepreneurship: Theory and Practice 33(1): 167-92.
- Ko, S., Butler, J.E. (2007), "Creativity: A key link to entrepreneurial behavior" Business Horizons 50(9), 365-372.
- Kolbs, DA (1976), Learning Style Inventory, Mcber and Company, Boston, Massachusset.
- Laporan Akuntabilitas Kinerja (2015), Kementerian Riset, Teknologi, dan Pendidikan Tinggi RI, ww.ristekdikti.go.id/wp-content/uploads/2016/05/LAKIP-RISTEKDIKTI-2015-website.pdf
- PDPT-Pangkalan Data Perguruan Tinggi, source www.ristek.dikti.go.id
- Politis, D. (2005), The process of entrepreneurial learning: A conceptual framework. Entrepreneurship Theory and Practice, 29(3), 399-424.
- Prabowo, Harjanto, (2009), Encapsulation in University, Creating Sustainable Competitive Advantage through Information and Communication Technology and Knowledge Management, Naskah Pengukuhan Guru Besar Tetap Universitas Bina Nusantara.
- Rae, D. (2006), Entrepreneurial learning: A conceptual framework for technology-based enterprise. Technology Analysis and Strategic Management 18(1): 39-56.
- Solow, R.M., (2001), Applying growth theory across countries, World Bank Economic Review 2001(2), in Constructing knowledge societies: new challenges for tertiary education, World Bank Strategy, Volume II, Education Group Human Development Network, World Bank.
- Solomon, George, (2007), An examination of entrepreneurship education in the United State, Journal of Small Business and Enterprise Development, ISSN 1462-6004, Volume 14, Number 2, 2007.
- Shepherd, D.A. and Douglas, E.J. (1997), "Is management education developing, or killing, the entrepreneurial spirit?", paper presented at the 42nd International Council for Small Business Conference, San Francisco, CA, June.

- Spencer, Lyle M.,JR, and Signe M.Spencer (1993), Competence at Work, Models for Superior Performance, John Willey and Sons, Inc.
- Statistics Undonesia, https://www.bps.go.id/index.php/Search September 2016.
- Valerij Dermol, (2010), Development of Entrepreneurial Competences, International Journal of Euro–Mediterranean Studies, Volume 3, Number 1, 2010.
- Wei-Wen Wu (2009), A Competency based model for the Success of an entrepreneurial start-up, Wseas Transactions on Business and Economics , ISSN: 1109-9526 Issue 6, volume 6, June, 2009.
- World Bank, (2001), Constructing knowledge societies: new challenges for tertiary education, World Bank Strategy, Volume II, Education Group Human Development Network, World Bank