

## ENTREPRENEUR DEVELOPMENT PROCESS IN GLOBAL ENVIRONMENT (CONSTRUCTIONIST OF AN ENTREPRENEUR AT PT. MASPION COMPANY INDONESIA)

Tontowi\*

**Abstract:** *Entrepreneur develops business world to support the development of productive sectors. If a country has a lot of entrepreneurs, it certain has higher economic growth. Entrepreneur means adventurer or undertaker, which means adventurous and brave. Entrepreneurship meaning continues to grow so in 17th century the meaning of entrepreneurship is as improving economics. Global firms are a company that refers to a strategy to approach the world market with standardized products. The global industry is an industry where competition is across borders, even competition occurs at world level. Establishment of entrepreneur spirit in global environment as subject for study is the ability to control human resources, prudence, trying to go ahead, long term thinking, always alert and vigilant, and learn from experience, capable to cooperate with partnership.*

**Keywords:** *Entrepreneur, Improving Economic, Global Human Resources.*

### 1. INTRODUCTION

Entrepreneurs develop business world to support the development of productive sectors. If a country has a lot of entrepreneurs, it certain has higher country's economic growth. Entrepreneurs in country can penetrate the global market competition or can go International.

Entrepreneurs that able to penetrate the global market will be able to build the relationship with employer or other firms from different countries, which would provide many benefits to the country. In addition, home country of entrepreneur will be known in the world. Economically, it also has a significant effect given that more collaborations economy development.

Driving factors of global industry are high economies of scale, spending for research and development on products, domination by global firms, need for homogeneous product across the market, existence of a small group of global competitors, and lack of trade rules and regulations on Foreign direct investment. On

\* University of Sunan Giri, Faculty of Social and Politic Science, Jl. Brigdjen katamso II Waru Sidoarjo, Surabaya. Email: tontowi\_34@yahoo.com

other hand, according to Robert N. Lussier et al (1994), driving factor of entrepreneur spirit are global management team, global strategy, operations and global products, global marketing, resources, economies of scale and synergies.

## 2. LITERATURE REVIEW

### (a) Concept Entrepreneur

#### 1. *Definition of Entrepreneur*

The entrepreneurship term has evolved since the 11<sup>th</sup> century. A long history of entrepreneurship meaning has been carried out, ranging from the 11<sup>th</sup> Century at that time, the meaning merely as *entre prendre*. In 13<sup>th</sup> century, entrepreneurship means adventurer or undertaker, which means adventurous and brave. Entrepreneurship continues to grow; in 17<sup>th</sup> century entrepreneurship means as improving economics, it was developed by Say and Cantillon. In 18<sup>th</sup> century, Say continues the exploration to define entrepreneurship as an activity to bring and unite the factors of production to be processed into production that has a value (Priyanto, 2009).

According Zimmerer (in Winardi, 2003: 17) Entrepreneur is one who innovate to create something new, to face the challenges, risks and uncertainties with purpose of seeking profit by identifying opportunities by combining multiple sources of power.

#### 2. *Characteristics and Nature of Entrepreneur*

In essence, entrepreneur mindset should start by thinking about desires to become a successful personal. This is similar to statement of Soegoto (2009: 4) that naturally entrepreneurs are people who have the ability to see and assess business opportunities, collecting resources to take appropriate action, taking advantage has a characteristic, nature, character and willingness to realize innovative ideas into real world creatively in order to be successful/increase revenue.

Alma (2008: 53) identifies the traits that need to be owned by an entrepreneur in order to succeed as follows:

1. *Confidence*: The main properties of confidence is started from a steady personal, not easily swayed by opinions and advice of others but use most of these suggestions as inputs.
2. *Results and task oriented*: Entrepreneur's nature does not put prestige in first priority but rather focused on accomplishments to be achieved.
3. *Taking a risk*: Risk-taking traits have important effect in world of entrepreneurship that is full of risks and challenges. The important thing to note is how an entrepreneur taking a risk with full consideration.

4. *Leadership*: An entrepreneur must have leadership spirit. A good leader must hear comments and suggestions from subordinates for advancement of company's performance.
5. *Originality*: Entrepreneur should not only trail others people, but has own opinion, an original idea and be able to realize the idea.
6. *Future oriented*: An entrepreneur must has perspective, has a vision for future. Business is not established for a while but forever. To prepare a vision ahead, entrepreneurs need good planning and careful strategy.
7. *Creativity and innovation*: Creativity is the ability to develop new ideas and find new ways to see the opportunities or problems that will be encountered. Innovation is the ability to use creative solutions to fill the opportunity to bring benefits in people's lives.

### **3. *Characteristics of Entrepreneur***

Historically entrepreneur context is developed from two major concepts. The first the concept is put forward by Kuratko and Hodgets (2001) cited by Manurutng (2008: 1) that "The Entrepreneur is one who undertakes to organize, manage and assume the risk of a business ". This concept suggests that entrepreneur is a person action to build an organization, managing business risk occurred.

The second concept is stated by Zimmerer and Scarborough (2005) in by Manurutng (2008: 2) that " An entrepreneur is one who creates a new business in face of risk and uncertainty for purpose of to achieve a profit and growth by identifying significant opportunities and assembling the necessary resources to capitalize them". The concept has a meaning that someone in world of entrepreneurship should have expertise in dealing with risks in future and continue to strive to grow and maximize its resources in order to earn a profit for business being operated.

Referring to two concepts mentioned above, it can be concluded that basically entrepreneur has 4 (four) characteristics (Manurung, 2008: 2):

- (a) Running a business with the possibility to make a profit.
- (b) Daring to bear and accept the business risk in future.
- (c) Businesses that are occupied will have a chance to grow.
- (d) Company will make innovation and business capitalization.

Another opinion related to an entrepreneur characteristic is expressed by Baringer and Ireland (2008: 8-12), which stated four major below as entrepreneurs characteristics.

1. *Eagerness to business*: Entrepreneur conviction makes the business become successful. The stronger the desire they have to succeed, the greater opportunities of success.
2. *Focus on product and customer*: This characteristic emphasizes that entrepreneurs can be successful when oriented in two important components in business among other products and customers. Products offered are the best product. Because it concerns the integrity of entrepreneur itself when the products produced good quality then automatically customers feel served well. Customer confidence rose and then will continue to use the product.
3. *Tenacity even in failure*: Failure is commonplace for entrepreneur, but this is a measure of entrepreneur to continue to survive and remain resilient. Failure is a learning of created attitude to continue to rise up and try relentlessly.
4. *Skill in execution*: Successful businesses cannot be separated from the entrepreneur expertise in implementing various plans when businesses start running. Skill in execution relates to integration the execution of an idea into a real business model, build a solid team, build partnerships, managing finances, leading and motivating employees, and other managerial activities.

Based on some of above opinion, Kuratko and Hodgets (2001) reflect 10 entrepreneurs characteristics below.

1. Entrepreneur is a doer not a thinker.
2. Entrepreneurs are born not made or created.
3. Entrepreneur always becomes inventor/creator of something.
4. Entrepreneurs are academics and not able to adjust in society.
5. Entrepreneur must meet the "profile".
6. Entrepreneur need is money.
7. Entrepreneur need is luck.
8. Ignorance is bliss for entrepreneur.
9. Entrepreneur wants success, but experience show the failure rate is quite high.
10. Entrepreneur is a person who dares to take risks.

According to Hendro and Widhianto (2006: 54), the difference between entrepreneur with ordinary people or others is an entrepreneur has the following characteristics:

1. *Clever to manage fears*: A smart and good entrepreneur clever to manages fear to arouse the courage and confidence in face a risk (Risk Manager, not Risk Taker).

2. *Having different eyes "view" from the others:* "Eye view" is the way one looks at things (problems, difficulties, changes, self, environment, trends and events) to bring their creativity to create ideas, ideas, concepts and dreams, and then tries to increase the value (added value). A person who has a strong entrepreneur spirit has different view pattern from other people.
3. *True marketer or excellent seller:* Skill will facilitate to build a business, accelerate of business growth, and reduce dependence on large capital.
4. *Challenges the mainstream and like new challenges:* Smart and good entrepreneurs tend to not like to follow the stream, or a person trapped in a monotonous life. Smart and good entrepreneur cannot always be silent, thought and thought. Smart and good entrepreneur is a "creative and smart worker".
5. *High determination:* The difference between true entrepreneurs with mediocrity entrepreneur is durability, firm, and determination. Courage makes them different in looking at a failure. Failure is the perception of people who feel stuck and do not know what to do and tend to not want to try to find a way out/solution. Failure is not the end of trip. Actually, these people will not fail, but:
  - (a) Losing the next step.
  - (b) That it is not the way to do or take, try to step back and look from the other side (from above, as an audience, or from the side) so that it will find another way to turn better.
  - (c) Preparations to anticipate the risks are not comparable to what happened (not "proactive").
  - (d) Failure is an obstacle. Each individual was given a signal that it is not a good way for him.
  - (e) Individuals running out the "breath", in sense of confusion or lack of capital.
6. Do not accept what is in front of him and is always looking for best (perfectionist)

A smart and a good entrepreneur are expected to deliver what better for customer. A perfectionist is like a double-edged knife. The first is he affects to strive towards excellence and provide the best, and second, would be bad for him when unable to bear arms perfection of himself and his mind so fatal, such as frustration and despair because of idealism that buried the dreams.

#### **4. Function, Role and Process Entrepreneur**

According to Suryana (2005), function and role of entrepreneur can be seen from two approaches of micro and macro. On a micro perspective, entrepreneur has two roles, namely as the inventor (innovator) and planners (planner). As an inventor, entrepreneur creates and discovers something new, such as product, technology, method, organization ideas and so on. As a planner, entrepreneur has a role to design

ideas, and opportunities for success, creating the organization, new company and others. While at macro level, entrepreneur role is to create prosperity, equitable distribution of wealth and employment opportunities to serve as the engine of economic growth.

Entrepreneur process consists of several stages. The process for developing a new business occurs in entrepreneur process. It involves more than just solving problems in a management position. An entrepreneur must find, evaluate, and develop an opportunity to overcome the forces that hinder the creation of something new. This process has four distinct phases (Hisrich & Peters, 2008).

1. *Identification and evaluation of opportunities*: Most opportunities do not arise suddenly, but rather as the result of entrepreneur's sharpness to look at possibility. In some cases they establishment of a mechanism which can identify potential opportunities. Identification and evaluation of these opportunities is done in several stages, namely:
  - (a) Assessment of opportunities
  - (b) Creation and opportunities distance
  - (c) The value of real opportunities and unknown
  - (d) The risks and returns of opportunities
  - (e) Opportunities for personal skills and personal goals
  - (f) The competitive environment
2. *Development of a business plan*: A good business plan should be developed to exploit the opportunities identified. This step takes most consuming time in business process. Business plan developments are:
  - (a) Description of business
  - (b) Description of industry
  - (c) Technology plan
  - (d) Marketing plan
  - (e) Financial plan
  - (f) Production plan
  - (g) Organizational plan
  - (h) Operation plan
3. *Determination of required resources*: An entrepreneur should determine the resources needed to take advantage of opportunities. This process begins with assessment of resources that are currently owned by entrepreneurs. Each critical resource that must be distinguished from resources that only serves to help.

Attention should be given to not underestimate the number and diversity of resources needed. Entrepreneurs should also assess the worst risks in associated with inadequate or inappropriate resource. Determinations of resources are:

- (a) Required resources
  - (b) Existing resources
  - (c) Identification of resource gaps with suppliers
  - (d) The development of access to resources needed.
4. *Management of company result*: Implementation of business plan relates to operational issues. This includes implementation of management style and structure as well as the determination of key variables of success. A control system must be established, so that each area of the problem can be quickly identified and resolved. Many entrepreneurs have difficulties to manage and grow a new business. Managements of firms are:
- (a) Development of management style
  - (b) The key variable for success
  - (c) Identification of problems and potential problems
  - (d) Implementation of control system
  - (e) Development of growth strategy

## **(b) The concept of a Global Firms**

### **1. Definition of a Global Firms**

Global firms refers to a strategy to approach the world market with standardized products. The global industry has competition across borders, even competition occurs at world level. At global industry, company's strategic move in a country can be significantly affected by its competitive position in other countries (Pearce & Robinson, 2007).

In his book of *Global Reach*, Richard J. Barnet and Ronald E. Muller depict a global corporation as below.

Global corporation is the first institution in human history dedicated to centralized planning on a world scale. Because its primary purposes is to organize and to integrate economic activity around the world in such a way as to maximize global profit, the global corporation is an organic in which each part is expected to serve the whole.

It can be said that global firms type is centrally planned to integrate the world economy. In other words, a unique global firms lies in company's view to world. Global firms see the world as an unseparated economic unit. Meanwhile, global



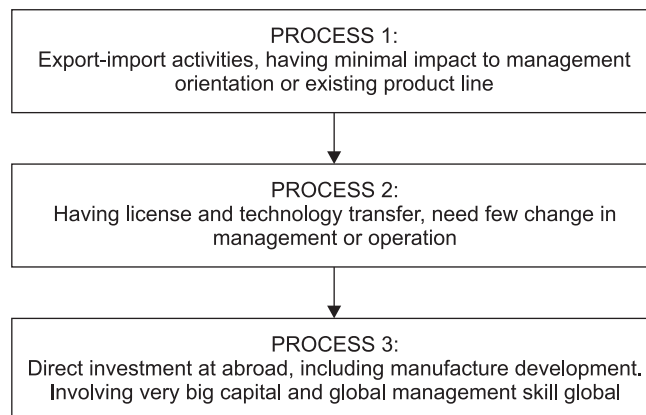
firms strength is contrary to views or ideologies of nationalism that characterizes the state or nation. For leaders of global firms, state or nation state is too narrow for their business, and become an obstacle to development of global economy. For managers of global firms, state or nation state is something that is not in accordance with world development.

Competition between countries and global firms finally were appeared. The emergence of global firms with anti- nationalism ideology is considered by state as a new force which would threaten the authority of state in regulating the system of their respective governments. Anxiety state against the global firms are the loss of state authority to govern. This can be interpreted as a state anxiety in regulating business behavior of global corporations as well as their ability to affect the direction of social change in a nation, both politically and socio-cultural and economic. State anxiety to global firms are because the company has the three main things that make development in one country can go ahead, namely production technology, finance, and marketing. This will lead to a product monopoly of industrial raw materials and finance that is needed by a people and their communities to develop themselves. State or nation state should have the authority and sovereignty within the country. With ability to monopolize those three things, the global firms can threaten the sovereignty of nation (Soetrisno, 2002).

One of states anxiety to global firms are their ability to monopolize some of technological aspects of production process. This leads to mastery of some aspects of production technology that will disturb state sovereignty in people welfare.

## 2. *Process of Global Firms Strategy*

The evolution of global firms are often followed by progress of involved strategy (Pearce & Robinson, 2007). The process of global firm's strategy can be described below.



**Figure 2.7: The process towards global firms**

*Source: (Pearce & Robinson, 2007)*



### 3. Evolution Function of Global Firms

Firm's globalization efforts led to development of new technologies in developing countries markets and opportunity to enter the industry with new environment. Another evolution function of global firms are a competitive weapon.

**Table 1**  
**Functions evolution of global firms from various aspects**

<i>Aspects</i>	<i>Action description</i>
Addition resources	Various input of additional resources, including natural resources, technology, expertise, and raw materials can be easily obtained outside the company's home country
Lower cost	Various costs, including labor costs, raw materials, transportation, and funding may lower outside the company's home country
Incentive	The incentives available from the government of home country to support foreign investment in certain locations
New emerging market	Excess resources, including management, experts, machinery, and money that can be used at abroad locations
Exploitation of firm excellence	Technology, brands, and known names can provide opportunities abroad
Tax	The tax rate and tax system is different in different locations to provide opportunities for firms to maximize the profit after tax at global level
Scale of economic	National markets are too small to support production efficiency, while sales from multiple markets allows production with larger scale
Synergy	Operating in more than one country environment provides the opportunity to combine the benefits of a location with more benefits in other locations, which is not obtainable separately
Power and prestige	Image as global firms can improve the strength and dignity of a company as well as improve its domestic sales and relationships with various stakeholder groups
Protecting national market by attacking competitor market	Strong attack at competitor market can squeeze competitors to attract foreign activities in order to protect its operations in home country.

Source: (Pearce & Robinson, 2007)

### 4. Requirements for Global Firms

The evolutions from domestic or national firms toward global firms need at least six conditions below (Pearce & Robinson, 2007):

- (a) Task scope of global managements are wider. An increase in scope and management area makes global firms task more complex.
- (b) Increasing globalization of company. There are three aspects of global business requirements:

1. difference of environment power in different countries
  2. farther distance
  3. linkage of global operations
- (c) The information explosion. There are estimation that world knowledge will double every 10 years. Without a formal plan, executives no longer be able to know everything they need to know to solve complex problems they face.
- (d) Higher global competition. The existence of a rapid increase in global competition makes company constantly adapt to changing conditions or losing market share to competitors.
- (e) Rapid technological developments. The rapid technology development has shortened the life cycle of product. Strategic management planning is needed to ensure product replacement at a mature stage that characterized by lower sales and falling profits. Planning gives greater control in management of all aspects of introduction of new products.
- (f) Strategic management plan foster the self-confidence.

### 3. RESEARCH FRAMEWORK

Entrepreneur is a production coordinator with managerial skills. An entrepreneur must be able to create an abstract idea into a good or service that can be enjoyed by others (Jean-Baptiste Say, in Harefa and Siadari, 2007: 12-13). Nature of entrepreneurs are a results- and task-oriented, risk-taking, leadership, originality, future-oriented, creativity and innovation and confident (Alma, 2008: 53).

Individual intention to become an entrepreneur can be extracted from the basics of each individual. Suharti and Siren (2011) show that an individual intention to become an entrepreneur is begun with attitude. Elements of attitudes are projected in TPB (Theory of Planned Behavior) (Basu and Virick, 2008; Carr and Sequiera, 2006; Kautonen, 2011; Leroy et. Al., 2009; Nishimura and Tristan, 2011). Theory of Planned Behavior is based on assumption that humans are rational and systematical information usage is possible for him. People think the implications of their actions before they decide to do or not do certain behaviors (Ajzen, 2005). Theory of Planned Behavior is composed of autonomy / authority, economic challenge, self realization, perceived confidence, security and workload; avoid responsibility, and social career. These elements significantly affect a person's interest in entrepreneurship. Some of indicators included in this TPB is a small portion to create aspects of entrepreneurship.

According Nishanta (2009), determining factors of entrepreneur spirit within self scope is affected by several aspects, internal, external and contextual. Internally,

affecting factors of entrepreneur spirit within family is consists of two aspects, namely the demographic and personality traits. Entrepreneur demography spirit is affected by several factors as gender, age, status, experience, and work of parents. Meanwhile, in aspect of personality traits, indicators to affects the intention of entrepreneurship is autonomy/authority, economic challenge, self realization, perceived confidence, security and workload, avoid responsibility, social career, leaderships, internal focus of control, need for achievement, and values and personal goals. External factors involved are social support, academic support, training/development, and physical environment.

#### **4. RESEARCH METHODS**

##### **(a) Research Approach**

This research uses qualitative approach with historical constructionist method. Qualitative research is used to obtain in-depth data and actual data to ensure the value behind the data. Therefore, qualitative study does not emphasize on generalizations, but more emphasis on meaning (According to Husserl in Mudjiyanto and Kenda, 2010).

Constructionist is a necessary and essential knowledge about something that exists. This method is like as a constructivist approach in qualitative methods. This method spreads out the steps that must be taken so that researchers came to understand the pure phenomena.

Construction method is used to express various aspects, such as the entrepreneur characteristics, activities in entrepreneurship, entrepreneurship characteristics in family, national, and global scale to know the development process of the entrepreneur spirit.

##### **(b) Data Analysis**

Data analysis techniques below refer to recommendation of Raco and Tanod (2012: 120-123) in Giorgi (1999).

1. *Familiarization*: Familiarization is reading the whole expression meaning conveyed by subject to get a general sense of information. Researchers are expected to read the information obtained repeatedly to capture the new meaning about the overall information.
2. *Meaning unit*: Meaning unit means to read again a whole data to select or discriminate the unit of meaning from the entrepreneurship perspective.
3. *Transcription Data*: The last process is to read back the unit of meaning while checking whether the whole unit of meaning really have relevance to entrepreneurship topic.

### **(c) Validity of Test Data**

Sugiyono (2005: 119) explains that in qualitative research, data or findings is valid if there is no difference between the reported researchers with what actually condition on object under study. Data validity is tested by triangulation techniques. Researchers use several data sources as interviews (historical respondent), documentation (historical documents of respondent), and observation (the respondent and its environment). This was done to test the validity of research regarding the establishment of entrepreneurs on respondent.

## **5. RESULTS AND DISCUSSION**

### **1. Development Process of Global Scale Business**

#### ***(a) Identification and Evaluation of Business Opportunities***

Besides chasing the existing opportunities, process to find opportunities is conducted respondent through company's expansion in various fields, where the Maspion products continues has rapid growth, so that use of products expanding anyway. Maspion is trusted by various foreign principals to establish a joint venture, such as the Samsung Group of Korea, Japan's Marubeni Group, as well as DuPont and Ishizuka from Japan.

One subsidiary is Bank Maspion. After the economic crisis, Bank Maspion is audited by Pricewaterhouse Coopers, auditor office recognized at worldwide. First time, this bank is underestimated. However, after the auditors came in and view data online and on time, they become respect and saying as bank best of the best.

"Before the Bank Indonesia Regulation concerning all collateral must be mortgaged, we were the first to do so. We had a bad debt below 0.5%. Mochtar Riady to say to me, "you are not only good in industry, but also in bank" (interview results, respondent, July 9, 2013).

Interviews above can be interpreted that respondent had been predicting all the worst possible in banking world. A fact that can be seen is by doing a mortgage before Bank Indonesia Regulation, until in end the banks have bad debt below 0.5%. This condition indicates that respondent not only has the ability in industry but also in banking. Based on meaning of aforementioned information, it obtained several themes: the ability to read the next conditions (experience) and businesses ability in all sectors.

In developing a global scale business, respondent is also very selective to choose business partners. Maspion took DuPont (USA) with Teflon technology, then widened to agrochemical industry. It also partnered with Samsung (South Korea) for electronics industry and electric home appliance, such as fan and iron.

In addition, Giant Marubeni was invited in partnering to produce stainless. When choosing melamine industry, Maspion choose partners from Thailand. Melamine tableware from Thailand has highest quality in world. Choosing the most prominent partners in technological achievement or market mastery makes Maspion finally able to produce products with high quality. That is the reason why orders from abroad come to Maspion. For example, a store chain in US has ordered a special cookware marketed in Uncle Sam's country.

***(b) Internal and External Business Environment in Business Development Process***

For the development, market recognition to Maspion name is not only limited to its products are widely used in Indonesia and abroad. Maspion is trusted by various foreign principals to establish a joint venture, as Samsung Group of Korea, Japan's Marubeni Group, as well as DuPont and Ishizuka from Japan. Maspion Group usually accounted for up to 50 percent stake in all its subsidiaries. This is an indication that internal side of business global firms that pioneered by respondent include foreign principals, other than human resources involved in company.

The names of subsidiaries are PT Samsung Maspion Indonesia, PT Altap Prima Industrial Estate, PT Alumindo Industrial Estate, PT Trisula Pack Indah, PT Indofibre Mattress, PT TFC Maspion Indonesia, and PT Alaska Maspion Indonesia. Maspion is no longer the champion in Surabaya, but has started to be taken into account as a business player at global level which support by more than 30,000 employees.

***(c) Development of a Business Plan and Leveraging efforts in Business Opportunities***

Maspion has been developed rapidly due to expansion strategy implemented by Markus. Respondent explained that:

"We embrace the philosophy that if we plant rice, result was the rice. If we plant a lot, result is also much "(interview results, respondent, July 5, 2013).

This interview can be interpreted that respondent holds the philosophy of ancients that if you want a good plant to grow well and if the plant a lot then getting much results. The theme derived from the information and this meaning is to hold the philosophy/advice.

In addition, Maspion will continue to expand, both of which are still associated with business now handled, or entirely new areas of business.

"It is a business, we enter every field. And in that field we have to become market leader "(The interview results, respondent, July 5, 2013).

This interview can be interpreted that respondent want to dominate the world of business in all areas. The theme derived from the information and the significance is great determination and trying to become the market leader.

***(d) Barriers to Development Process Global Scale Business***

In addition to unstable economic and political situation, bottlenecks in business development process is more complex at global scale. Competitor from other countries become huge obstacle. This is consistent with interview result below.

“Indeed, today business conditions and decades ago is much different. At that time, economic power of China, India, and Vietnam have not been exist. Maspion can continue to expand. In past, every two years Markus can build three factories. But in a few years ago he had to close the plant that cannot compete” (The interview results, respondent, July 12, 2013).

This interview can be interpreted that respondent experienced barriers of new competitors emergence that had to shut down some less productive plants. The theme derived from the information and meaning are experiencing a competitive business, closing less productive plants, meaning that there is a willingness to sacrifice for company survival.

“If you loss in two years, I will cut.” Close. Because the next five years, we have to compete with China, India, and Vietnam. We are not afraid to Thailand, Malaysia, and Singapore, because they create costly. They must hold Indonesia” (The interview results, respondent, July 12, 2013).

This interview excerpts can be interpreted that respondent willing to sacrifice for sake of company survival ahead because many tough competitors in business world, namely: China, India, and Vietnam. If by Thailand, Malaysia, and Singapore. The theme derived from the information and meaning are willing to sacrifice for sake of survival of company and competitors became more motivation to continue to improve the company’s productivity. Thus, bottlenecks in business development process on a global scale is to compete with similar economic powers, such as China, India, and Vietnam.

***(e) Efforts to Overcome Barriers of Development Process of Global Scale Business***

Respondent also had the efforts made to overcome barriers in business development process on a global scale. Expansion, opening, and closing the company are done to strive company to compete in international arena. In addition, expansion is not only done at same field.

“One more, business expansion of Maspion groups are focused on property sector, despite the ongoing plant development. As an initial step, Markus has built Maspion Square or Maspion Entertainment Center. This business is different from the production of goods, because the local market and still profit from rising land prices” (interview results, respondent, July 12th 2013).



Interview above can be interpreted that respondent expand market and getting any profitable field. The theme derived from the information and meaning are trying to get all fields, expansion, and able to see the business prospects (profitable).

Not only mastery of all fields, expansion, and prospects, respondent also has tactics in business.

“Let’s say there should be a capital of 1 million US dollars to do business. I always prepare two million dollars. One million is to stand by, breath a little longer to keep something happened. History of trade and world economy during this time has taught us how the events suddenly and unexpected often happens. Mass currency devaluation is always kept secret by government. Other policies suddenly raise prices of certain vital goods. These incidents frequently hit the entrepreneur or businessperson. But entrepreneurs always alert and vigilant to escape from adversity. At least there would be hit hard because it is always ready for emergencies “(The interview results, respondent, July 12, 2013).

Interview above can be interpreted that respondent is always working to see company ability and make careful planning; even financial planning for future capital is done to deal with sudden barriers. The theme derived from the information and significance of this is to have the calculation and planning, mentality of saving (financial planning for future), always alert and vigilant against barriers, and learn from experience.

Another effort made is to build the human resources (employees) who work in company, especially in IT field. It is reflected from interviews with respondent.

“In 22 century, entrepreneurs will be different with me because the firms will use a lot of IT and rarely to use money. Therefore, it is essential to prepare skilled human resources than we generated human resources. Our negligence in preparing skilled and qualified human resources in relation to business and IT will mean a nightmare. “(The interview results, respondent, July 12, 2013).

Interview above can be interpreted that respondent had had a view if the development of human resources to work in his company needs to be done, particularly in development of IT field. This is because the use of IT today has become a necessity in many sectors, not least the economic sector. The theme that emerged was the development of human resources in IT field.

Efforts have been made to overcome the most dominant barriers in business development process as prudence and expansion, opening, and closing the company made to strive for company to compete in international arena. In addition, it need to prepare twice as large capital. This is due to keep something happened, so that greater availability of capital can anticipate something happening in future.



***(f) Parties Involved in Process of Global Business Development***

In addition to 30,000 employees and partners, other parties involved in process of global business development are suppliers, distributors, and government. Respondent involves not only shareholders but also stakeholders. Respondent also involves foreign both as shareholders and stakeholders to grow with company. The company has five business areas below.

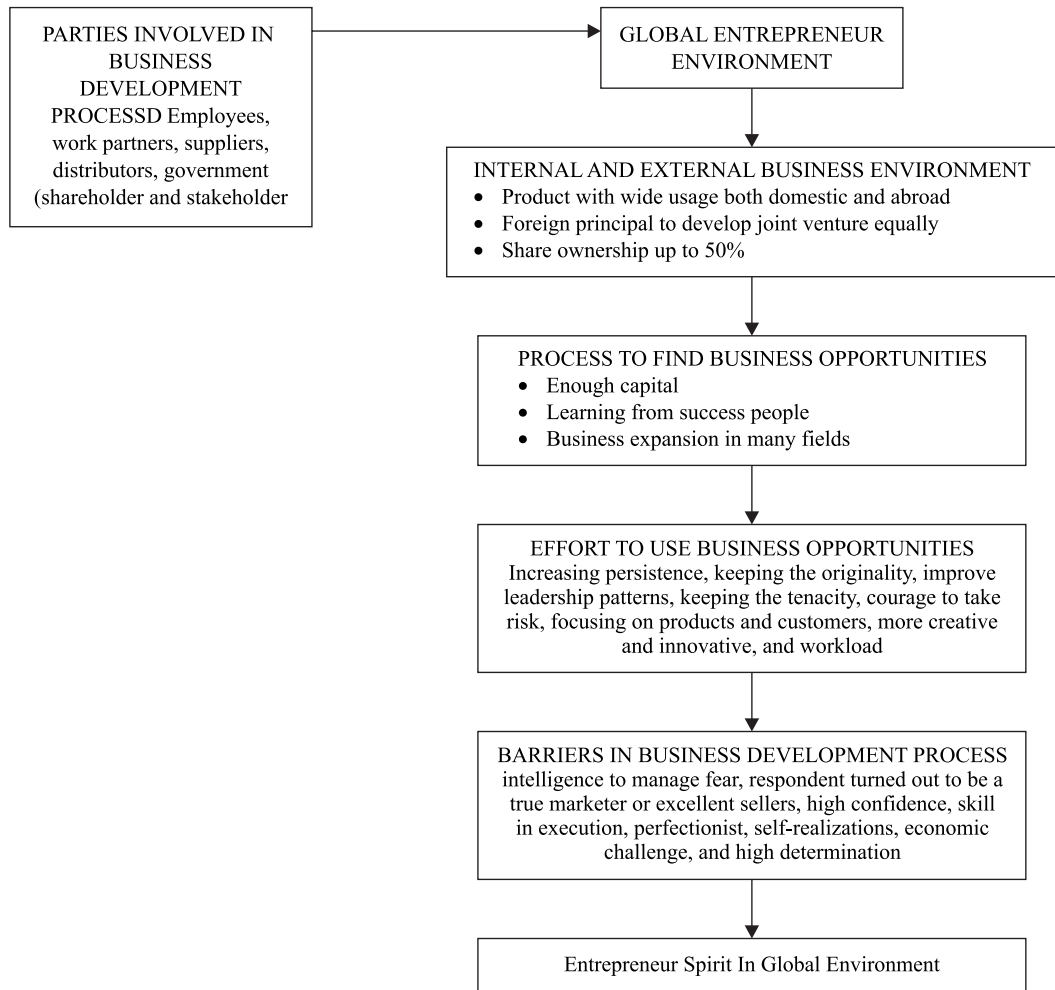
1. Consumer products that very familiar with housewife to produces Teflon pans, plastic thermos, refrigerator, gas stove, water pumps, fans, and others. The Business entities involved are PT Maspion, PT Trisula Pack Indah, PT Royal Chemical, PT Maspion Flatware, and PT Indofibre Mattres Indonesia.
2. Construction and industrial materials with seven subsidiaries as PT Maspion, PT Maspion Kencana, PT Indal Steel Pipe, PT Alumindo Light Metal Industry, PT Aneka Kabel Cipta Guna, PT Indal Aluminium.
3. Property, build and manage property assets such as Maspion Mall, Wisma Maspion, Wisma Moneter, Pondok Maspion, CIMAC, PT Bintang Osowilangun, PT Maspion Industrial Estate, PT Alumindo Industrial Estate, and PT Altap Prima Industrial Estate. One proud asset of Alim Markus is Maspion Industrial Zone with area of 300 hectares; 100 hectares are used by Group Maspion. It is located only 10 kilometers from Tanjung Perak Port, Surabaya. Alim Markus still keeps his ideas for these areas.
4. Establishment of office buildings and Maspion Business Plaza as high as 18 floors in Jalan Gunung Sahari, Central Jakarta.
5. Financial services business under flag of Maspion Bank's business, Maspion Securities and Maspion Money Changer.

**2. Model of Entrepreneur Development Process at Global Scale**

Global entrepreneur development process is more complex than family and national scale. Internal and External Business Environment in Business Development Process are effected by wider product development ability until foreign countries. This makes the respondent uses joint venture strategy in equal shares and control of up to 50%. The strategy is due to process to find business opportunities based on sufficient capital, to learn from the success and expansion of business in all areas. The process to find a business opportunity stems from the characteristics of perseverance, originality of products, effective leadership, orientation to process and result, work hard, risk-taking, focus on products and customers, have high creativity and innovation, as well as workload.

However, there are certainly barriers on a global scale and become more complex, as economic situation and political instability and tight competition among business

with other countries. To that end, respondent overcome the barriers by managing the entrepreneur spirit, as the intelligence to manage fear, respondent turned out to be a true marketer or excellent sellers, high confidence, skill in execution, perfectionist, self-realizations, economic challenge, and high determination.



**Figure 5.4: Model of Entrepreneur Development Process in Global Environment**

The above model illustrates that entrepreneur spirit development in global environment involve several parties as employees, partners, suppliers, distributors, government (shareholders and stakeholders). Development entrepreneurship spirit in global environment are consist of several phases below.

- (a) Analysis of internal and external business environment to includes several aspects such as products used widely at home and abroad. Foreign principals for establishment of joint venture and shareholding equal to 50%.

- (b) Process to find a business opportunity that includes several factors, namely the existence of sufficient capital and business expansion in various fields.
- (c) Efforts to take advantage of business opportunities by increasing persistence, keeping the originality, improve leadership patterns, keeping the tenacity, courage to take risk, focusing on products and customers, more creative and innovative, and workload.
- (d) Identifying the bottlenecks in process of enterprise development. The greatest barriers at that time are unstable political and economic situation and their competitors from other countries.
- (e) Overcome barriers in business development process by intelligence to manage fear, closing and opening of new business (skill in execution), high-determination, perfectionist, self-realization, and economic challenge.

Based on above scheme, proposition on development process of entrepreneur spirit in global environment can be stated below.

## 6. PROPOSITIONS:

Entrepreneur spirits development in global environment are the ability to control human resources, prudence, continue to go ahead, think of long term, always alert and vigilant, learn from experience, capable to cooperate with partnership.

## 7. CONCLUSIONS AND SUGGESTIONS

- A. *Conclusion:* Entrepreneur spirit development in global environment is based on business development efforts which have long been initiated from the national scale with various areas/sectors. Joint ventures by is also used foreign principal at equal position, and shareholding of up to 50%. Respondent makes business development at global scale with sufficient capital, persistence to learn from successful people, and measures to expand business in various fields. Business development process has several barriers, namely unstable economic and political and existence of competition from other countries. It create entrepreneur spirit of respondent to have the ability to control the HR, prudence, continue to go ahead, to have the mentality of saving (future financial planning), always alert and vigilant, learn from experience, capable to cooperate with partnership.
- B. *Suggestions:* Further research should increase the diversity of research subjects. Larger quantity is needed to generalize conclusions about the process of entrepreneur formation at family environment, national, and global. Not only addition of subject quantity, extension of study sites should be done in order to provide a more accurate conclusions.

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