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THE IMPACT OF MANAGEMENT FUNCTION APPLICATION TO THE SUCCESS OF PROGRAM MAHASISWA WIRAUSAHA (PMW)

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Abstract

Management is the key success for the organization to reach their goals. Program Mahasiswa Wirausaha (PMW) is an organization that requires good management. This study aims to reveal the application of management functions in the management of PMW. Group discussions and interviews were conducted to collect data. Based on the results of data reduction analysis, it can be interpreted that the application of management functions in PMW of Jenderal Soedirman University has done well and give a positive impact for the development of the program in the future.

Keywords: Management, Program Mahasiswa Wirausaha

1. Research Background

Entrepreneurship has an important role in the economic development of a country (Koster, 2008; Marques *et.al*, 2012). Schumpeter (1934) states that if a country has many entrepreneurs, the country will have high economic growth, giving rise to high economic development. If a country wants to go forward, the number of entrepreneurs should be overwhelming. Based on data from the website republika.co.id dated March 15, 2015, said that the number of entrepreneurs in Indonesia in 2015 only about 1.65 percent of the total population of Indonesia. This amount is still much smaller than Singapore (7%), Malaysia (5%), and Thailand (4%). This indicates that the mindset of Indonesian people is still struggling in the mindset of job seekers not as entrepreneurs.

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Efforts to increase the number of entrepreneurs in Indonesia have actually been done more than a decade. The Government has issued Presidential Instruction No. 4/1995 on the National Movement of Socializing and Entrepreneurship, which mandates to all Indonesian people to develop entrepreneurial programs. In the field of education, especially in Higher Education, the government through the Directorate General of Higher Education Ministry of Education and Culture since 2009 has launched the Program Mahasiswa Wirausaha (PMW). PMW is implemented in all State Universities and in some Private Universities with different fund allocations.

Jenderal Soedirman University (UNSOED) is one of the universities that organize the Program Mahasiswa Wirausaha (PMW). In order to encourage many new entrepreneurs as the nation's progressive capital, the university has a strong commitment to strive for the success of the program. Some of the efforts taken by PMW managers include promoting the program to students, reviewing the regulations related to funding for PMW's participants and making improvements if regulations are found to be less supportive to the success of the program. Therefore, to ensure the sustainability of the program, university have conducted an analysis and take action related to external and internal factors. However, there is one other internal factor in the PMW that is important to analyze, namely management.

Handyaningrat (1985) reveals that management is essential for achieving desired results efficiently and effectively. There are four functions in management that need to be applied in managing the organization that is planning, organizing, actuating and controlling. These four functions have their own roles in supporting the organization's success to achieve its goals. Program Mahasiswa Wirausaha is a form of organization that has the goal to create an independent entrepreneur. Therefore the problem in this research is how the application of management function can lead the success of PMW? Good management of a PMW have an advantage to the effectiveness of planning, organizing and coordinating, implementing and controlling to ensure success of the program.

2. Literature Review

2.1 Understanding Management

Management comes from the word to manage, which means in general is to take care or ability to run and control a business. There are dozens of management definitions given by

experts. Some management definitions are expressed by Mary Parker Follett, F.W Taylor, Henry Fayol and G.R Terry (Handoko, 2012). Mary Parker Follet defines management as the art of completing work through others. The definition of management according to F.W Taylor is a serious experiment to deal with problems that arise in the company (and other organizations) or any system of human cooperation with attitude and soul. According to Fayol management contains the idea of five main functions of designing, organizing, regulating, co-ordinating and controlling. Meanwhile G.R. Terry (1986) defines management as a unique and distinctive process comprising planning, organizing, mobilizing and controlling actions undertaken in order to achieve predetermined objectives. Management then defined as an integrated step to develop an organization as a system that is socio-economic-technical. The system refer to a dynamic entity consisting of parts that are related organically; dynamic means moving, evolving toward a goal; socio (social) means that moves within and that moves the system is human; economic means activities in the system aim to meet human needs; and technical means in the activities used certain assets, tools and ways (Kadarman, 1991). Therefore management is required by organization to achieve its goals.

Management functions are the basic elements inherent in every management process and become a reference or guidance for managers in carrying out activities in achieving organizational goals. There are four main functions in management, namely planning, organizing, actuating and controlling (Terry, 1986). Planning relates to the concept of how an activity will take place. The results of the planning activities will be used as guidance in running the organization / program. There are four basic skills in planning activities: the ability to collect data and information, to make predictions, to see things comprehensively and the to decide. With these capabilities it can be arranged a good plan. Organizing can be defined as activities to create a structure with an integrated part so that the relationship between these parts affect each other. In other terms, organizing means combining all available resources to work together to achieve the stated goals. The process of organizing is done by dividing the work and assigning responsibilities, making the composition of positions, forming a system of power and establishing communication. Actuating is the embodiment of planning and organizing, in which all group members work together in accordance with agreed guidelines to achieve common goals. Actuating activities required good communication and strong motivation of the members of the organization. The last element of the management function is Controlling. Its means to

control over all planning, organizing and implementation activities to ensure that these activities deliver effective and valuable results for the organization. In addition, controlling is also needed to see if all members of the organization are fully engaged in every activity. In the educational context, Education and Cultural Department (1999) stated that supervision should be implemented as follows: 1) focus on overcoming obstacles faced by instructors or staff and not solely seeking errors. 2) Assistance and guidance are given indirectly. The staff are encouraged to improve themselves, while the leadership only helps. 3) Supervision in the form of effective advice 4) Periodic supervision.

2.2 Program Mahasiswa Wirausaha

Program Mahasiswa Wirausaha (PMW) is a program launched by the Directorate General of Higher Education which aims to develop the entrepreneurial spirit in the Student. In the 2009 fiscal year, the program has been implemented in 83 (eighty-three) state universities and 179 (one hundred and nine) private universities under coordination of Kopertis. The Program Mahasiswa Wirausaha (PMW) is one of the programs in the existing education system in the aims to 1) Build softskill or entrepreneurial character 2) develop new high-educated entrepreneurs and have employer mind-set 3) encourage the growth, development or establishment of institutional (unit / center) managers of entrepreneurship programs in universities; 4) Encourage the formation of an educational model or an entrepreneurship learner in a university. Thus, in implementing it, PMW should be integrated and synergized with existing programs such as Student Creativity Program, Business Lecture and other entrepreneurship programs. Directorate General of Higher Education set the Model of Student Entrepreneur Program in 2009 as figures no.1:

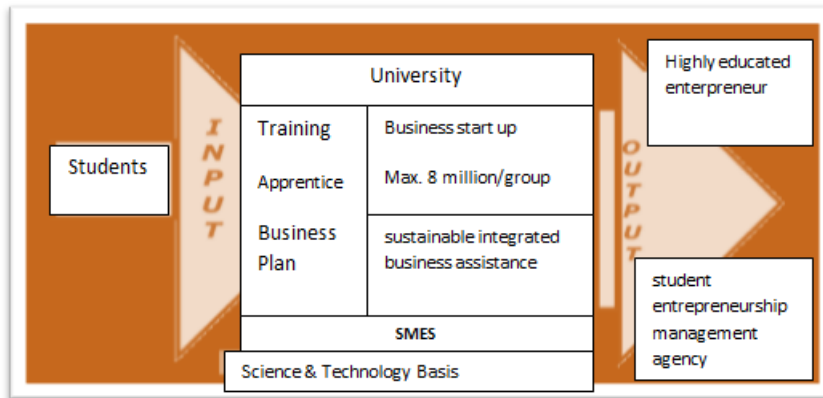


Figure 1. Model of Entrepreneur Student Program.

3. Research Methods.

Research Approach

This research use mixed methods that is a combination of qualitative and quantitative approach (Cooper and Schlinder, 2014).

Type and Nature of Research

This research is a case study study on Entrepreneurial Student Program at Jenderal Soedirman University. This research is an applied research. This research is also an explanation research that is looking for explanation about the effect of management function application to the the success of Program Mahasiswa Wirausaha (PMW).

Subyek, Object and Setting of Research

The subject of this research is a student at General Soedirman University and managing Student Entrepreneur Program (PMW). The object under study is the Entrepreneurial Student Program. The study was conducted for eight months. The location of this study is Jenderal Soedirman University.

Data Collection Techniques

Data required in this study include primary data and secondary data. Secondary data collection techniques include documentation and literature. While primary data was collected by using in-depth interview technique, Focus Group Discussion (FGD), observation and survey on PMW stakeholders such as PMW participant students and PMW managers.

Data Processing Techniques.

Data processing techniques are based on comparative analysis (Cresswell, 2007). Data processing collected using data reduction method, data display, and data category.

Quality Test Data

Quality data is done by using triangulation of source and triangulation of data. Triangulation of sources is a form of data quality testing conducted by comparing and check the degree of confidence of an information obtained through time and different tools in qualitative methods. While triangulation method is check the degree of confidence of the findings of research results with several sources of data with the same method.

4. Results and Discussion

4.1 Result

This research data includes secondary data derived from the Program Mahasiswa Wirausaha (PMW) manual as well as the organizational structure of PMW managers. Interviews and group discussions were conducted to collect primary data. Interviews were conducted with 15 students receiving PMW funds from 2015 to 2017 and with four managers of PMW Unsoed. Information obtained from secondary data and data reduction of interview result are as follows:

A. The significance of the PMW.

Based on PMW guidebook of 2017 at Jenderal Soedirman University, it is very important to bring the students into the real business world through start up business facilities. The Entrepreneurial Student Program is intended to facilitate students with an entrepreneurial interest and enthusiasm to start working on a science base that is being studied. Facilities provided through PMW include: entrepreneurship education and training, internships, business plan preparation, capital support and business assistance.

B. Purpose of PMW.

The objectives of PMW is to

- i. grow entrepreneurial motivation among students.
- ii. build a mental attitude of entrepreneur, that is self-confidence, aware of his / her identity, strong motivation to achieve what is aspired, never give up, able to work hard, creative,

- innovative, dare to take risks, have leadership spirit, have clear vision, suggestions and criticism, have empathy and social skills.
- iii. improve the skills, sense of business.
 - iv. grow new entrepreneurs who are highly educated
 - v. create a new business unit based on science and technology.
 - vi. build a business network, especially between beginner entrepreneurs and established entrepreneurs.
 - vii. encourage the formation of educational models or learning of entrepreneurship in universities

C. Benefits of PMW.

Program Mahasiswa Wirausaha give benefit not only for the students but also for Unsoed as the institution. The benefit for the students are, first, provide opportunities to engage directly with the world of work, so soft skills increase. Second, its provide opportunities to engage directly in activities in SMEs to improve the entrepreneurial spirit. The third, build the soul of business so have the courage to start the business. While the benefit of PMW for Unsoed are improving Unsoed's ability in the development of entrepreneurship education, tightening the relationship between Unsoed and the business world, change for the adjustment of curriculum to respond demand of the business world and produce young entrepreneurs who create employment.

D. PMW Management

Program Mahasiswa Wirausaha is under the responsibility of Vice Rector for Student Affairs Unsoed. In the implementation of PMW activities, he make a collaboration with Unsoed Student Affairs. Therefore, many places and facilities use are owned by Unsoed Student Affairs.

E. The Implementation Plan

The implementation of PMW activities begins with socialization to all Unsoed students, then forwarded the selection of candidates, debriefing program participants, apprenticeship, capital

grant, start up business and mentoring. Program Socialization is achieved through University Leadership and Faculty, leaflets distribution to all of Unsoed Units, and Unsoed Website.

After the socialization, the next step is selection stage. The activities in this step are assessment of completeness of candidates' files / administration, assessment of the capacity, attitudes and personality of PMW candidates through Interview (GPA, managerial experience, organization experience, entrepreneurial and behavioral experience).

Business Plan assessment is the next stage. Business plan are presented by the candidates in front of selection team. Aspects assessed by creativity and innovation, local content, multiplier effect, sustainability financial feasibility, and management aspect. After the presentation is clear, then the committee continue to visit business location, to assess the feasibility of business location (if required). Each aspect of assessment is scored 1 – 5

Every participant who pass the initial selection is required to attend special training. Capital will be given after the MoU between participants and managers are mutually agreed . Participants who pass the PMW selection will be notified to the Dean and Parents of PMW Participants (in the form of a copy of the Rector's Decree). Each participant or business group in carrying out its business activities will be accompanied with lecturers (Mentor). During the implementation of the business will be monitored and evaluated by the PMW Team established by the Rector Unsoed.

F. Implementation stage of the Program Mahasiswa Wirausaha (PMW)

Implementation stage of PMW consist of 1. Socialization, 2. Training of business plan preparation 3. Proposal collection, 4. Selection I: administration of proposal, 5. Proposal selection, 6. Selection II: proposal presentation, 7. Announcement of final proposal, 8. Debriefing of PMW participants, 9. Account opening, 10. Implementation of business and assistance 11. PMW Expo, 12. Submission of final report.

Completeness and Quality of Business Plan

Proposals Business plan assessment based on 4 criteria. The First criteria is completeness of administrative files for candidates and attachments (Plaque, Certificates, etc.). The second are capacity, attitude and personality, and managerial experience of the candidates The third, Organizational experience, it can be entrepreneurship experience and the last one is

Business Plan Creativity and Innovation / teknopreneur. It consist of local content Multiplier effect (impact), financial feasibility, sustainability, aspect of business management , and availability of facilities and infrastructure. The score give to each assesment are 1 (very less); 2 (less); 4 (good) and 5 (very good)

Form of business PMW

Alternative Program participants form of business activities that can be done by participants of PMW are: a) Carry out business activities individually (individually) or in groups. Each group consists of 3 students, and one student as chairman.b) Business activities carried out independently.c) Business activities can be undertaken as a joint venture with Small and Medium Enterprises (SMEs), both at the level of production and sales. The maximum capital of Rp. 8.000.000, - (Eight million rupiah).

Capital Disbursement

The capital disbursement is done gradually according to the needs of capital, The first phase is 80 percent (according to business needs), the second phase or the last phase is 20 percent. The first is granted after all administration is complete and approved by the Assistant and PMW Management Unsoed. Subsequent disbursement of funds is granted after the money and declared the student's undertaking is feasible to continue. The disbursement of the second phase is done if the student has completed all the proof of expenditure funds at the same time, collecting final reports, photographed 10 R and product samples.

Requirements of prospective PMW program participants

- A. Students eligible for selection are those in the third year of execution for S1 and the second year of enrollment for D3.
- B. Members each group of PMW should be cross-level students and cross-studies program.
- C. Students become a participant of the PMW from previous year may still apply for the PMW program one year later, utilizing the capital assistance for the development to run the business.
- D. For students who do not fulfill the obligation (EXPO, MONEV) and still have delinquent PMW report the previous year is not allowed to follow PMW Program years afterwards.

- E. Prospective students of the PMW Program must fill out the registration form provided by the PMW Program Management Team.
- F. Prospective students of PMW Program participants only get one chance to submit PMW 2017 Program Proposal. Enclose the proposal of PMW is the identity of the candidate .
- G. The proposal should be approve by the counselor/mentor.

G. Violations and sanctions for participants of PMW Training

a. Violation

- 1) The debriefing participant does not fill in the attendance list.
- 2) The Participant Debriefing is disrespectful, disordered and undisciplined during the course of the debriefing.

b. Sanctions

- 1) Associate Strikes and / or Program Managers PMW both orally and in writing
- 2) Canceled their participation in the PMW Program.

H. Violations and sanctions of PMW participants

a. Violations

- 1) The participants did not make monthly progress reports of business.
- 2) Participants or business groups never do intensive coordination with PMW Program Assistants and Managers.
- 3) Participants did not attend regular monthly meetings with PMW Program Managers.
- 4) Participants do not follow EXPO and other obligations.

b) Sanctions

- 1) Warning from PMW Officers and Managers
- 2) Termination of disbursement of capital and not entitled to continue business
- 3) The remaining unused business capital is returned to the State Treasury

I. Monitoring and evaluation (Monev) of PMW activities

There are two kind of Monev, class and fiels money.

a. Class Monev

- 1) The class money is the intermediate interview with PMW participants on the progress of their business, by showing examples of products and documents relevant to their business
- 2) The class money is aimed at knowing the group's business development in running its business
- 3) Knowing the constraints faced and finding the solution
- 4) If the group's business is not running then the Counselor shall be entitled to propose a termination of his business (decided in the meeting of PMW Managers).

b. Field Money

- 1) The field money is the follow-up activity of the class money in the form of a visit to the business location to prove the business activity.
- 2) The decision of the field money is whether it is feasible or not to continue

4.2. Discussion

Analysis of Management Functions implementation in PMW

Based on the explanation of the PMW that is implemented now, the embodiment of management functions at PMW are as follows:

- Planning Functions in the implementation of PMW looks in socialization activities conducted by officer of PMW to students. Socialization is part of the planning. It is an effort to gain the students as much as possible as a participant PMW. One of the indicator of success of a program is the number of participants who participate in the program. Therefore socialization is very important to do.

- Organizing Function. In the implementation of PMW, this function is seen from the existence of the organizational structure that manage the PMW. At the university of Jenderal Soedirman, PMW is under the responsibility of the Vice Rector for Student Affairs Unsoed in collaboration with the head of the academic and student affairs bureau. In an effort to mobilize all the university's potential to support the success of the PMW, the management of the program also involves lecturers throughout the faculty through its representatives. Involvement of lecturers is done through the guidance of the preparation of proposal submission as a participant of PMW and entrepreneurship motivation in certain subject in every faculty.

- Function of Actuating. This function is seen in PMW implementation stage. The PMW implementation phase begins with the assessment of the feasibility of the proposed business and personnel of the candidate receiving PMW funds, the debriefing for the applicant, the grant of business capital, the business implementation and the Expo which must be followed by all PMW participants.

- Controlling Function. The monitoring function is carried out in the form of monitoring and evaluation during PMW activities. Within one year of implementation there should be at least two monitoring conducted by the supervisor. In this monitoring process, the supervisor provide inputs, help provide solutions when the participants are having difficulties with their entrepreneurial activities, and provide assessment and warning if they found violation conducted by the participant of PMW. In addition, PMW managers also apply black list system for PMW student participants who are proven to violate the commitment so that the student can no longer follow PMW in the next year.

5. Conclusions, and Research Implications

In the success of the PMW program, Jenderal Soedirman University implements four management functions in managing the program. The four functions are planning, organizing, actuating and controlling. Each function is reflected in the activities undertaken by the PMW, starting from the socialization of the program, running the entrepreneurship by the students up to the process of monitoring and evaluation of the entrepreneurial activities. The impact of implementation of management functions at PMW can be seen on the ability of PMW to develop a better and interesting program for students. Every year, the amount of the student who want to join the program is increased. Increased enthusiasm of students to follow PMW is reflected in the number of proposals submitted to PMW. The number of proposals submitted for selection by 2015 is 111 proposals. In 2016, the number of proposals submitted to participate in PMW rose to 229 and became 230 for submission of proposals in 2017. The success of this program was also reflected in interviews with PMW fund alumni who stated that they have a greater interest in entrepreneurship after they join the program. This is consistent with the findings of similar research on the impact of entrepreneurship programs on entrepreneurial interests undertaken in Brussels by the European Commission in 2012 and Oosterbeek *et.al* (2008).

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