

CHAPTER I

INTRODUCTION

1.1 General Description of Research Object

The Center for Innovation, Entrepreneurship, and Leadership (CIEL) under the School of Business and Management (SBM) in Institut Teknologi Bandung (ITB) was chosen as the object of the research with the aspiration to explore the entrepreneurship in Bandung region, the main challenges and eventual solutions. SBM ITB was established in 2003 partly to take advantages of the strong programs at ITB in Science and Engineering and bring its technology assets to commercialization. Since the beginning, SBM has proclaimed itself to be a school of entrepreneurs for an improvement of Indonesia. In 2004, SBM has developed a curriculum offering a course in entrepreneurship and a three course series for SBM-only students to plan, run a business, and to do a community service using the profits made. It has been acknowledged as an innovative approach in educating entrepreneurs. In 2006 SBM decided to create a center called Center for Innovation, Entrepreneurship, and Leadership (CIEL) that can fully support SBM mission to develop a critical mass of entrepreneurs.

CIEL SBM ITB focuses its activities on the development of small and medium enterprises (SMEs), innovation activities, entrepreneurship, and leadership. As part of SBM ITB as an educational institution, CIEL SBM ITB' has several main tasks in implementing the Tri Dharma University which includes education, research, and community service. CIEL's vision is to develop the entrepreneurial leaders in Bandung region as well as in Indonesia. With this vision CIEL try to build not only an effective training, but to create a good entrepreneurial ecosystem. The basic mission of CIEL, as a center for research in the area of entrepreneurship and knowledge, is the dissemination of knowledge and experience through a variety of ways, such as publications and seminars, and also provide services to the community. CIEL SBM ITB has also established the following objectives:

1. To foster research in the areas of innovation, entrepreneurship, and leadership.
2. To disseminate knowledge through many channels such as publication, conference, teaching, and networking.
3. To offer services to communities including businesses, students, other individuals and institutions through various programs such as consultancy, small business development, venture initiation program, entrepreneurial mentorship and training.

4. To be actively involved in policy development toward entrepreneurship enhancement.
5. To foster technological innovation and commercialization.

As an educational center, CIEL SBM ITB was launched in order to held various training activities both public training and customized training to the needs of the client (tailor-made training). The trainings are held regularly throughout the year covering a variety of topics in science and business management. The main objective of this training is to spread knowledge so as to improve the quality of human resources and organizational performance. CIEL SBM ITB also regularly organizes the annual International Conference called Indonesia International Conference on Innovation, Entrepreneurship, and Small Business (IICIES) since 2009. The conference is organized as an effort to improve the performance of research and collaboration between academics, practitioners, and government in relation to innovation, entrepreneurship, and small business.

CIEL SBM ITB realizes that for a better Indonesia it is not enough merely to formulate and develop scientific concepts. Far beyond that, CIEL has plunged openly into the community to contribute and educate the nation, implement the development of Entrepreneurship and SMEs, Leadership, and Creativity and Innovation to establish a sustainable community development for a better Indonesia. For community service, CIEL SBM ITB is actively involved in various activities of Corporate Social Responsibility (CSR) organized by partner companies. As well as, CIEL SBM ITB Business Clinic launching a program that aims to contribute to the development and growth of small businesses in order to increase their competitiveness.

CIEL covers three main areas that include the SBM ITB Entrepreneurship & SME Development, Leadership, Creativity and Innovation. In order to understand each area we can look through each individually:

1. Entrepreneurship and SMEs Development

CIEL SBM ITB is experienced in entrepreneurial development activities. In efforts to develop Small and Medium Enterprises, CIEL SBM ITB provides training and assistance to SMEs. Entrepreneurship training is not only intended to local SMEs, but also to high school students and college. CIEL also had the opportunity to help commercialization of high-tech products produced by the Institut Teknologi Bandung. CIEL SBM ITB is also partnering with the business, capital providers, and academicians to support the development of SMEs. In addition, CIEL also provides special programs for corporations, together with useful modules that can be applied.

2. Leadership:

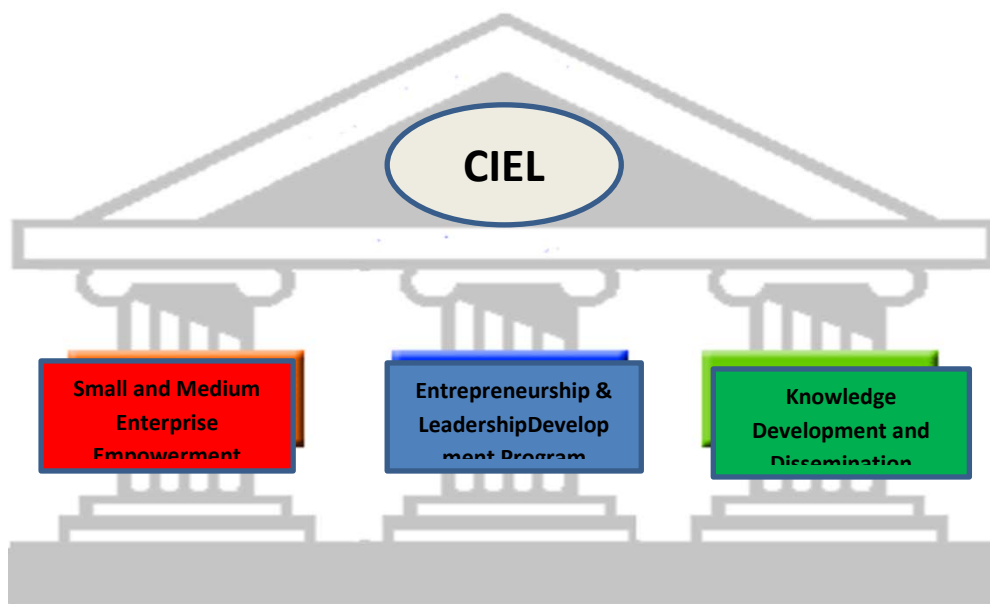
CIEL SBM ITB also highlights activities related to leadership development. This makes CIEL be one of the most recommended consulting agencies. Leadership training for large and medium-sized enterprises, government agencies and the public has been done by CIEL SBM ITB, not only in Bandung but also the other major cities.

3. Creativity and Innovation:

CIEL SBM ITB also plays important role in improving the quality of human resources through training with the field of creativity and innovation that is very useful to be applied in companies or other organizations.

These three areas can be described as the spirit of CIEL SBM ITB. CIEL as a study center focusing on innovation, entrepreneurship, and leadership plays an active role in the programs of the three areas. In addition, CIEL also stimulates and increases a spirit of innovation and creativity communities through training that improves the quality of human resources. CIEL's main activities consist of three key pillars, as it shown in the Figure 1.1.

Figure 1.1:
CIEL's main pillars.



Source: Profile of CIEL 2013 PPT

First Pillar is Small and Medium Enterprise Empowerment which includes the Small Medium Enterprise (SME) Center with coaching and training, business forum on innovation, SME database. As the Center for the study of SME, SME help CIEL by providing training

with a big range of activities. CIEL provides with general training and training based on the needs of the client, since every individual has different problems. Trainings that included in CIEL training program are:

1. Accounting as the Business Language
2. Business Model and Planning
3. Corporate Entrepreneurship Training
4. Decision Making
5. Family Business
6. Financial Management
7. High Impact Leadership
8. Human Capital Management
9. Marketing Management
10. Negotiation
11. Performance Management
12. Risk Management
13. Servant Leadership
14. Strategic Management
15. Advanced Financial Modeling
16. Supply Chain Management
17. A Killer Marketing Plan
18. Presenting Successfully
19. Presenting Successfully
20. Principles of Professional Selling
21. Strategic Sales Negotiation
22. Be Genius Product Creator
23. Align Your Marketing & Sales Activities
24. Effective Marketing Skills
25. Be Super-Sales
26. Cost Accounting Fundamental
27. Building Finance Into Your Management Practices is a MUST
28. Managing Your Costs and Budget More Effectively
29. Fundamentals of Finance

Figure 1.2: Marketing and Management Training



Source: Profile CIEL 2013

Figure 1.3 : Risk Management Training



Source: Profile CIEL 2013

CIEL also offers mentoring to business development. Currently, CIEL has two flagship programmes for the development of Creative SMES (hereinafter to be referred to as SMEs) i.e. SME Bandung Clinic and Top 20 Creative Products of Bandung, which is a partnership between CIEL-SBM ITB (The University), Bandung City Government (Government), and BCCF – Bandung Creative City Forum (Community). This Program is supported by the United Kingdom authorities i.e. from Embassy Of United Kingdom.

SME Bandung Clinic is provided as the vehicle for MBA-ITB students to apply their skills and knowledge and contribute to the business community as business and management consultants for Small and Medium Enterprises (SMEs) in Bandung and the surrounding areas. Young Professional students are positioned as consultants; they will provide service to help SMEs solve their business-related problems in order to grow SME's businesses. In addition, this program aims to demonstrate the student's ability to the public in dealing with real business cases, as well as to be a Corporate Social Responsibility (CSR) activity of MBA-ITB.

SME clinic focuses on the main issues that are faced by SMEs, then it provides mentoring, an intensive training and customize the businessman finest in their field as a consultant, mentor, and trainer, so that SMES can grow and become the locomotive of economic development of Bandung and Indonesia. Currently KlinikUKM has already had 72

participants SMES from the sector mode, culinary and craft that comes from the whole city of Bandung. The agenda of SME Clinic for 2015 is illustrated in the Figure 1.4.

Figure 1.4
SME clinic's agenda.



Source: Klinik UKM ppt (2015)

"TOP 20 Creative Products of Bandung" is the program that focuses on the SME sector in Bandung, the creative aim of which is to produce 20 product categories of creative flagship typical for Bandung region in order to enrich the creative city. Currently there are approximately 50 SMES which represent products of creative flagship in Bandung with the overall participation of total more than 120 SMES.

Second Pillar is Entrepreneurship & Leadership Development which includes such activities as Entrepreneurs-Club (Figure 1.5), Seminars and Workshop (Figure 1.6), Research and other programs and Entrepreneurship awards. The Entrepreneurship Club wants to spread innovation culture among students and support those who are starting a business. The aim of the club is to run the club as a business, with the idea that it should sustain itself and provide real value for the students and their startups.

Trainings and Workshops since October 2013 until February 2014, is CSR programs and services from CIEL SBM – ITB in order to increase the entrepreneurial mindset and practices in ITB. The director of CIEL, mentioned this kind of program aims to spread the

“virus” of entrepreneurship in ITB. It is expected that after following the program the students can have an insight into entrepreneurial activities and strengthen their confidence to choose the path of entrepreneurship.

Figure 1.5: Entrepreneurship Club



(Source: PPT profile CIEL 2014)

Figure 1.6: Creative Industry Seminar



(Source: PPT profile CIEL 2014)

Third Pillar is Knowledge Development & Dissemination which is where Friday Knowledge Day (FKD), workpublishing and Indonesian International Conference on Innovation, Entrepreneurship, and Leadership (IICIES) activities take a place. Fridaypreneurship is an event initiated by Study Program of Entrepreneurial SBM-ITB and CIEL SBM-ITB. Fridaypreneurship held once in a month. Fridaypreneurship usually held on Fridays by the young entrepreneurs (Figure 1.7 and 1.8), with the aim to establish an entrepreneurial mindset through entrepreneurial success stories and evoke the spirit of entrepreneurship. This event gives students an opportunity to learn from the experience of entrepreneurs and entrepreneurial comparing the theory they have learned to the real implementation.

Figure 1.7: Fridaypreneurship
By Andra Rainy



Figure 1.8: Fridaypreneurship



Source:
Profile
CIEL
(2013)

Source: Profile CIEL (2013)

Work publishing helps the entrepreneurs in Bandung to share their experience, problems, success and plans with those who still on their initial stages towards business. Indonesian International Conference on Innovation, Entrepreneurship, and Leadership (IICIES) is an annual conference organized by the Center for Innovation, Entrepreneurship, and Leadership (CIEL SBM ITB). IICIES presents various speakers from within the country and foreign speakers. It also invites academics, business people, and government to exchange thoughts and ideas in relation to the development efforts of innovation, entrepreneurship, and small business.

IICIES was first held in 2009 with the theme of Innovation, Entrepreneurship, and Small Business for the Better Indonesia. Secondly, IICIES 2010 held in Tangerang in collaboration with the University of Multimedia Nusantara (Kompas Gramedia Group) with the theme of Developing Technopreneurship and Entrepreneurial Small Business: a Key to Sustainable Future. The third IICIES held in Bandung in 2011 together with the launching of the Master of Business Administration Program in Creative and Cultural Entrepreneurship (CCE MBA ITB) on the theme Creative and Cultural Entrepreneurship in the New Era.

In 2012, in collaboration with the University of Ciputra, fourth IICIES held in Surabaya with the theme Developing & Collaborating in Innovation and Entrepreneurship to Pursue ASEAN Emerging Markets. In only its fifth year in 2013 (Figure 1.9), IICIES the theme Empowering Small Businesses to Grow and Thrive in the Global Market and held in London to coincide with the launching of Entrepreneurial Studies Program, School of Business and Management, Bandung Institute of Technology.

Figure 1.9
IICIES conference



Source: IICIES organization report (2013)

1.2 Research Background

The term “entrepreneurship” nowadays become everyday buzzword, since everybody talks about it, either in macro context or even individual context. In macro context, it is believed as an enabler of economy growth and other economy indicator (Bernstein et al., 2011:2), in Sondari(2013). Countries are increasingly realizing the significance of entrepreneurship and adopting it as a mean to boost employment and economic development. Research conducted by Asia Pacific Economic Cooperation Council, reveal that members of APEC that have good performance are whose entrepreneurs ratio that is bigger than the rest of members. The Global Entrepreneurship Monitor (GEM) 2011 global report finds an increase in entrepreneurship around the world – entrepreneurs are now numbering near 400 million in 54 countries—with millions of new hires and job creation expectation in the coming years. GEM estimates that, of the entrepreneurs engaged in starting and running new business in 2011, 165 million early-stage entrepreneurs are young entrepreneurs (age 18 to 25). In many developing economies, there is a tendency toward younger entrepreneurs.

Those numbers give promising trend of entrepreneurial activity. Unfortunately, not in Indonesia. According to Deputy of human resources development, Ministry of Cooperative and small and medium enterprise, Agus Muharram, numbers of entrepreneurs in Indonesia, in January 2012, only reach 1,56% of total population (Figure 1.10). According to the Cooperatives and Small and Medium Enterprises Ministry, the entrepreneur rate in Indonesia is only 1.56 percent of the total population in 2013 and rose to 1.65 percent in the second quarter, 2014 (Santoso, 2014). The data has been generated by Deputy of research, Ministry of Cooperative and small and medium enterprise, based on criterion developed by Statistics Centre Buerau (Busines 2012) in Sondari (2013). Total numbers of entrepreneurs based on

the data are 55,53 million. The numbers includes both formal and informal enterprise, with informal enterprise reach or approximately 92% of it. In 2011, total number of entrepreneurs are only 52,72 million. Although there is increasing in number of entrepreneurs, it is still not enough to meet the minimum ideal number of 2% and to race other countries, such as United states (11%), Singapore (7%) or even Malaysia with 5% of entrepreneurs. With number of Indonesian population which is more than 240 million people, it is still needed another 4,7 million new entrepreneurs every year to reach the figure of 2% minimum of entrepreneurs numbers (Respati & Astuti, 2011) in Sondari (2013).

Table 1.1
Entrepreneurship Ratio in Indonesia

Total Population in Indonesia	249.9 million (2013)
Total number of Entreprises in Indonesia	55.53 million (2013) = 22.22 %
Total Entrepreneurship Ratio in Indonesia	1,65% (2014)
Required Entrepreneurship Ration in Indonesia	2%

Today's Indonesian government recognizes the importance of entrepreneurship by creating programs which support entrepreneurship in every provinces and cities. Bandung, for instance, was acknowledged as one of the most creative cities in Indonesia. It was supported by various award that were received from national and international organizations such as International Conference of Creative Based City and Channel News Asia. Triawan Munaf as a Head of Creative Economy Body of Indonesia (Gallang & Adam, 2012:3) has stated that Bandung city is the main target to be selected as the pilot project of the creative city. Bandung has known by their creative entrepreneurs, creative communities and innovations what became their competitive advantage with other cities in creative industry.

Creative industry is a potential way to create employment and increase the economy growth. Compared to other cities of Indonesia, economically, the creative industries have been able to absorb labor from unemployment in Bandung. Bandung is rich by its first needs industries such as clothing, factory outlet, music and food. Entrepreneurs initial nature is creativity, that creates new values and needs, products and even change the lifestyle. Bandung government supports the idea of entrepreneurship improvement and they wish to increase and improve that sector by creating programs that support entrepreneurs and build supporting infrastructure such as local community garden and technopolis park. Beside that, Bandung has many universities and informal education that offer the support development of community and entrepreneurship. Yet, in the national scale, there are not so many publications about the success of entrepreneurs that originally came from Bandung. There should be a rational reasons of the still low amount of successful entrepreneurs in Bandung. A mapping of creative industries in Bandung by CIEL in 2008 conclude that the creatives companies need to be supported, especially with guidance related to business issues, considering that a lot of the companies are still very young and their sales considerably small (Rustiadi, 2015). In the last seven years, to deal with low growth rate of micro and small business in developing to larger business, Entrepreneurship Education Program (EPP) was introduced in Indonesia (Ghina, 2013).

This research aims to explain the idea of CIEL importance and its functions in order to overcome the obstacles that nowadays Bandung entrepreneurs face with. In order to receive the information and collect the data on the obstacles of Bandung entrepreneurs the research started from the interviews with the goal of understanding the reasons of slow entrepreneurship growth.

The sampling that was selected for this interviews is a Purposive Sampling. Purposive sampling is when a researcher chooses specific people within the population to use for a particular study. The idea of the purposive sampling is to concentrate on the people with the particular characteristics who will be able to assist with the relevant research. Since the basic idea of this research is entrepreneurship environment that aims to describe the obstacles of entrepreneurs in Bandung region the interviewee selection started from the study centers that own the information about the entrepreneurs. The type of this sampling is the expert sampling with the benefit of gathering large and proved amount of information. Qualitative research usually involves a number of different phases, with each phase building progressively onwards from the original. This being the case, purposive sampling is useful to a researcher because they can use the variety of methods available to build and increase their research data

(Enkvillage, 2014). In this research first stage was the information gathering which was progressed to the expert sampling in the second stage. There were conducted five interviews during the expert stage:

Table 1.2
Expert Respondents:

No	Position	Date
1.	The Director of Young Entrepreneur Academy.	03.03.15
2.	Developer in Industry and Business Incubator Division in ITB	04.03.15
3.	Expert of Entrepreneurship in SBM ITB	10.03.15
4.	Lecturer of Entrepreneurship class in SBM ITB	10.03.15
5.	Director of CIEL SBM ITB	20.03.15 - 30.03.15

Generally, first two interviews with the director of Young Entrepreneur Academy in Bandung and developer in Industry and Business Incubator Division in ITB, showed the common view on the main obstacles for entrepreneurs in Bandung. According to their opinion entrepreneurs in Bandung are lack of Education and Motivation, Government Policies and Regulatory Environment and Hindrance to Capital Access. Both interviewees concerted on the same view that majority of Young Entrepreneurs are lack of management and marketing knowledge capacity. Those factors lead them to the failure and uncertainty. Several conducted researches prove that there is a range of problems with small and medium enterprises. There is a prevailing notion that “small enterprises simply do not work.” Even though there are conditions for entrepreneurship and new enterprises are established, the rate of failure is on high level too. “Within any given year, close to one million small enterprises are founded. Sadly, at least 40% of those businesses fail within the first year. The failure rate over time is nothing short of staggering. Of the one million started the given year, more than 800,000 (80%) of them will be out of business within five years and 96% will have closed their doors before their 10th birthday(Gerber, 2001) in Zuzana and Papulova (2007:2). The results of empirical studies of small enterprises (Newton, 2001) in Zuzana and Papulova (2007:2) show that failure and bankruptcy of enterprise is caused more by internal problems inside the enterprise rather than by outside generated problems. Small enterprises do not create enough force to survive and overcome daily problems in the long run.

Same experiences were gained by Gerber from his own consultancy practice (Gerber, 2001) in Zuzana and Papulova (2007:13), who coined the following entrepreneurial myth,

”The fatal assumption is – you understand the technical work of a business, you understand a business that does that technical work“.Gerber points out to the fact, that small enterprises are mostly founded by technicians, specialists or professional in certain field. For example, an accountant or a carpenter “know their onions” but have little information and experience in the field of management. They can perform their work on professional level, but seldom do they entrust their enterprise in the hands of manager, or try to acquire this knowledge by themselves. They run into problems with management of their enterprise because they concentrate all attention just to their specialized field of expertise. The management and managerial skills are neglected. The Director of Young Entrepreneur Academy supported the fact that knowledge is the main problem for entrepreneurs in Bandung and became the main reason why 80% of entrepreneurs fail on their first five years of operations. Most of entrepreneurs do not know how to continue their business and expand and that what makes them confused and lost so that they decide to leave their own business and become an employee.

Similar results came out of the second interview with the Developer in Industry and Business Incubator Division in ITB, where the second most significant reason of not wanting to be in business (right after difficulties of financial capital) were missing skills and experience needed for conducting a business. The Developer in Industry and Business Incubator Division in ITB consented that basic knowledge in management and marketing are needed at initial stage of running an enterprise and also later during the development stage. At the beginning, the management of the enterprise is carried out by the sole founder/owner, who must perform all the actions needed with doing the business. Crises occur when the enterprise is successfully expanding and the entrepreneur (usually still the founder and owner) is not capable of running it due to lack of needed knowledge and managerial skills. Initially entrepreneur devoted to the enterprise to much of own energy and later on simply “runs out of breath”. With this attitude the entrepreneurs can not cover all areas of the enterprise, i.e. due to the enterprise expansion. They lack needed managerial knowledge and skills of running and further developing the enterprise. Entrepreneurs in Bandung as a fact miss the skills and experience as well as they do not know how to apply their knowledge in the real life.

Another reason, that was named by the Developer in Industry and Business Incubator Division in ITB, why most of entrepreneurs in Bandung leave their business is the motivation, that they lose after they did not succeed in the first row and they lost money or gained very low profits. Most of the entrepreneurs prefer to secure their income by looking

for the job in the big companies, rather than taking their second chance as an entrepreneurs. Herron & Sapienza (1992: 49) in Blogspot (2015) stated, “Because motivation plays an important part in the creation of new organizations, theories of organizational creation that fail to address this notion are incomplete”.

Being an entrepreneur, one who is self-employed and who starts, organizes, manages, and assumes responsibility for a business, offers a personal challenge that many individuals prefer over being an employee working for someone else. Entrepreneurs accept the personal financial risks that go with owning a business but also benefit directly from the potential success of the business (Gerry et al.,2005:5). Being an entrepreneur is often viewed as an aversive career choice where one is faced with everyday life and work situations that are fraught with increased uncertainty, impediments, failures, and frustrations associated with the process of new firm creation (Campbell, 1992) in Gerry et al., (2005:8).Baumol (1990)in Gerry et al., (2005) suggested that entrepreneurs are motivated by the reward, some by a success, others by independence and self choice decisions. The fact is that motivation is one of the key success that leads the entrepreneur through his/her ups and downs.

The second obstacle that was named by the Developer in Industry and Business Incubator Division in ITB and The Director of Young Entrepreneur Academy is Government Policies and Regulatory Environment. One of the most important factors is the fast and ease process in government policies and regulations. Once the regulations are clear and obtainable there are less barriers for entrepreneurs to start a new business. Yet, in Indonesia the regulations are not that clear and simple, as the Developer in Industry and Business Incubator Division in ITB and The Director of Young Entrepreneur Academy concluded.

N Nayab (2011) in Pangestu et al, (2014:7) stated some conditions which government policies may support or suppress entrepreneurs in opening and running their business. For example, the government policies about infrastructure, facilitation, industrial parks, and etc may trigger people to become entrepreneur. However, the problem with taxation can suppress entrepreneurship. Maria Minniti (2008) observed that an entrepreneurial activity will be conducive depends on the environment of the country. Which could be the government policies in the area. Mostly, the government policies supposed to help its citizens to become entrepreneurs by providing good logistical things such as roads, power, communication facilities, and good bureaucratic system. However, sometimes the changes of the policies may give negative impact on the citizens. They may lost their interest to become entrepreneur because of of unclear rules and regulations and it may affect the economic growth of the

country (Pangestu, et al, 2014:8). Taken at an aggregate level, Indonesia's regulatory environment appears to mark the country out as a below-average performer. But this result glosses over the major improvements that have been seen over the last decade. The time taken to start a business, for example, has fallen dramatically, and entrepreneurs are reporting that it has become easier to raise finance. There has also been a far-reaching clampdown on corruption (The EY G20, 2013).

These improvements have been part of a broader shift in the state's approach to business since the end of the Soeharto era, when the regulatory environment and financial system made it difficult for new entrepreneurial entrants to compete. However, the reform process is far from complete, and there are signs that it has already started to stall. One of the most pro-reform cabinet ministers was forced out of government in 2010, and it appears that this was because of her willingness to take on vested interests. Furthermore, following impressive improvements in regulatory areas, such as the time taken to deal with tax issues, this process has slowed in recent years.

The third challenge for Entrepreneurs based on the the Developer in Industry and Business Incubator Division in ITB and The Director of Young Entrepreneur Academy opinions, is Hindrance to Capital Access. The Director of Young Entrepreneur Academy claimed that obtaining capital is not as hard as it seems, if the entrepreneur has a good business plan it would be more or less easier to find the capital. Yet the information from the secondary data shows that it is still quite hard to find a real Venture Capital or angel investor to fund the entrepreneur as well as the funding amount usually too low. Ernst and Young (2011) explained about varieties of ways to gain capital to start the business. Usually, people do not want to become entrepreneurs because they are confused about how to get the money to open their business. In the article explained that we can get first funding by renting money, government help, and investor. The ratio of private sector credit to GDP is the third lowest in the G20, while the scale of merger and acquisition (M&A) deals is also relatively low.

However, the World Economic Forum found that it was easier for companies with risky but viable projects to raise venture capital (VC) in Indonesia than in most G20 countries. This could reflect the increasing global optimism over Indonesia's economic prospects. Similarly, firms have had unusual success with initial public offerings (IPOs), highlighting the strengthening conditions for access to finance in the country. Indonesia's entrepreneurs were upbeat about financing. They reported improving access to all forms of finance, ranging from public financing and microfinance to private equity, VC and bank loans. Overall, based on positive sentiment about improvements here, the country performs well in terms of its access

to seed funding. The success of programs such as the KUR and revolving fund loans schemes back up the entrepreneurs' claims, but, as with other pillars, such improvements obviously start from a low base, and there is plenty of room for continued gains.

The third interview was carrying the same question about the obstacles and problems of young entrepreneurs in Bandung. Questions were addressed to the Vice Dean of Resources in ITB. Opinion of Vice Dean of Resources in ITB was quite different from the first and second interviewees. As he asserted the main reason of the slow entrepreneurship growth in Bandung is the personality of Indonesian people. The provement of this fact is that most of Indonesians are lack of self-confidence and consistency, as well as they do not will to take a risk and control all by their own, they rather prefer to follow someone than leading their own business and to be independent. The reasons behind those remarks lays on the historical background, culture, education system and etc. As the history shows Indonesia faced approximately 450 years of colonization by Europeans. The colonization turned most of Indonesians into "followers" rather than leaders, and till now we may see that it became one of the main reasons why people prefer to be employees, to entrepreneurs. Culture was partly built throug the history and its facts, what also show us that Indonesians need someone who will lead,control, motivate, encourage and direct.

Education System in Indonesia from the elementary school has one common regulation and rule that the teacher is always right, so that students can not debate or strike their lecturer with a different opinion or idea. It gives a certain disadvantages to the generations that are not confident enough to express their own ideas and thoughts and prefer to find the leader and follow him/her. Most of the assignments that are given to students are in a team work what leads students and potential future employees to the big tendency to work in a group rather than individually. Another cons is that teachers in Indonesia gives more tasks that push students to memorize or learn something by hard instead of giving them more freedom to explore the subject and express that subject in their own way by their own words.

Vice Dean for Resources in ITB beleives that all this factors have a great impact on the slow development of entrepreneurs in Indonesia and in Bandung. Fortunately, there is an effective solution that was found by CIEL what is the right education with an aim to produce more graduate entrepreneurs. Research seems to suggest that "individuals attending entrepreneurship courses have a higher tendency to start their own businesses at some point in their career than those attending other courses"(Kolvereid and Moen, 1997). The tendency might come from experience or knowledge they received during the course that emerge their interest on entrepreneurship (Bawuah et al, 2006).

The effective right entrepreneurship education has a positive impact on the students of ITB and those who already joined the CIEL programs outside of the university. The improvement of that is the data that the Vice Dean for Resources in ITB shared. There is a huge increase on the amount of students that already shifted towards entrepreneurship and those who eager to become independent and own their business. From ITB students data there is 75% of students who would prefer to open own business and to become an entrepreneur. It gives the picture that the personality of the students has been changed through CIEL education system, yet it is not enough since the schools are the one who should be fixed as an initial stage of education.

Another issue that was recognized by the Vice Dean for Resources in ITB is how to increase the number of entrepreneurs in Bandung. Based on the previous data from the Developer in Industry and Business Incubator Division in ITB, there are 30% survivals out of 100%. The question is how to increase that 100% of all entrepreneurs so that even there still will be just 30% of survivals the amount of those successful entrepreneurs will be higher than nowadays.

Drawback of Space and Mentors were named, by the Vice Dean for Resources in ITB, as the next obstacle for entrepreneurs in Bandung. There are not a lot of incubators in Bandung region where entrepreneurs could meet and discuss or share certain problems, solutions and experience. Where they also could meet the suppliers, market and partners. In Indonesia, there are around 45-50 business incubators in universities and only a half of it which are active. CIEL with providing Friday entrepreneurship event tries to substitute this shortage by establishing an entrepreneurial mindset through entrepreneurial success stories and evoke the spirit of entrepreneurship. It offers entrepreneurs to meet and share experience, failures and success cases, also discuss the current situations and issues.

Due to the Vice Dean for Resources in ITB opinion such problems like Capital and Regulations are not a big deal for today's entrepreneurs in Bandung. It is believed that entrepreneurs with a good idea, product/service, and business plan will find the budget support easily, especially since banks and venture capitals offer their help. Regulations were described as the less problematic obstacle. In Indonesia it still takes long time for young entrepreneurs to receive the permission for the business and also requires some money what is usually a big amount for a start up company. But the Vice Dean for Resources in ITB concluded that those who found their way to overcome this challenge, those who clarified how this process really works they will be on the top. If in other countries the regulations for permission are clear and easy it makes the path to the top much easier so there will be not

only the best but also those who just want to try, while in Indonesia just the best would get to the top.

According to the fourth interview that was taken with the Lecturer of Entrepreneurship class in ITB, the current challenge for the entrepreneurs nowadays is not the personality, yet it is the process of applying theoretical knowledge into the real business. Other obstacles that were named by the Lecturer of Entrepreneurship class in ITB are lack of mentors, space, funding and regulations. He was indeed quite optimistic and most of the obstacles in his opinion were already with the solutions and improvements.

Knowledge transformation was named as the main challenge for nowadays entrepreneurs. As the real life shows it is not that easy for the young people without any experience to transfer all knowledge that were obtained during their Bachelor and Master degree into the reality. Majority of young entrepreneurs and start ups just failed on the beginning of their independent business. There are two kinds of entrepreneurs, one that has no knowledge of management and marketing and those who have them but do not know how to apply it while doing the business. CIEL is the organization that covers both cases and helps those outside ITB who require the help without knowing anything about business and to those who know, yet confused and do not know yet how to start. Through the CIEL'S SME clinic it is easier to cover those who already have a business but faced a certain problems or do not show any growth.

Interview with the Director of CIEL, opened a better picture on the challenges that entrepreneurs in Bandung face with, as well as the solutions through the various programs that are offered by CIEL. Entrepreneur is an individual that has his/her own vision, plans, ideas and the way to deal with all operations, that's why we can not treat all entrepreneurs as one case and we can not talk about their challenges in general. There are some entrepreneurs with a good business plans but with the limited budget and there are also entrepreneurs with a budget but they do not know how to use them right simply because they are lack of knowledge. CIEL is the center that has a mission of creating a good entrepreneurship ecosystem, tries to approach each individual based on his/her problem. CIEL's approach is through the segmentation of the regions and industries. Bandung region is famous by its creativity that is why the most developed industries in Bandung are fashion, food, IT and music. CIEL's experts divided the obstacles in fashion industry from the challenges in food industry as well as IT and music industry based on the years of experience. Each industry in Bandung has its own difficulties and its own advantages.

For instance, human resources and knowledge for the entrepreneur that wants to step into fashion industry is not be a problem. Bandung people are creative enough to start business in fashion, they have enough skills, motivation, inspiration and ideas. Yet, they face the problem with the investment. Despite the existence of government programs that offers the investment, despite the different finance sources such as National Movement of Entrepreneurship, corporations, venture capitals, banks and angel investors it is still hard for them to receive the required amount of money in order to open a physical store. Second obstacle is the market place and market preferences. Those entrepreneurs who want to enter such departments stores like Sogo, Matahari and etc., consider it almost impossible due to the limited space and big competition. Market preferences towards branded clothes is one of the strongest obstacles for the entrepreneurs in a fashion industry. Indonesian people prefer to acquire foreign branded clothes, to the local brands.

Another example of one of one of the biggest industries in Bandung is food industry, the main obstacle of which is regulations. Entrepreneur that own the idea of creating a new kind of snack has to receive license and permission on the production as well as selling. In Indonesia regulation environment appears to mark the country out as a below-average performer. It takes a very long time for entrepreneur to receive the permission on the production. The regulations also seems very unclear and complicated for entrepreneurs and it directly influence on the entrepreneurship spirit.

When most of the challenges faced by the entrepreneurs are distinct it is necessary for such country like Indonesia to determine possible solutions. It is believed that Entrepreneurship education can be a great solution and factor that can influence the growth of entrepreneurs in Bandung.

Entrepreneurship education could have a positive impact on attitudes towards entrepreneurship (Packham et.al.,2010:3). The results of study conducted by Packham (2010) supported the premise that entrepreneurship education is a mechanism through which students can evaluate their career plan (Jack & Anderson (1999) and Solomon et al.,(2002) in Packham et.,al.,2010). Research shows that entrepreneurial attitudes and skills can be developed and refined in entrepreneurship education programs (Harris & Gibson, 2008) in Sondari (2013). A more thorough understanding of students' entrepreneurial attitudes can also be used to develop more relevant education programs, particularly in regards to entrepreneurship education.

Research conducted by Zainuddin and Mohd Rejab (2010) in Sondari (2014:7) found that student believed that entrepreneurship education contributes to increasing entrepreneurial self-efficacy and subsequently towards their self-employment intention.

Finding of study conducted by Vasquez, et.al (2011) in Sondari (2014:7) shows that undergraduates' entrepreneurial self-efficacy seems to be mainly enacted by learning experiences of entrepreneurship knowledge and support to business start-up at the university. According to Wu and Wu (2008), echoed West and Hore (1989) in Sondari (2014:7), the potential impacts of higher education on students include three aspects: the first is about their personal development, including changes in attitudes and values; the second is to do with changes in their abilities; and the third with with possible social impacts.

CIEL SBM ITB is believed to be one of the entrepreneurship education center that shares a good vision to develop the entrepreneurial leaders in Bandung region as well as in Indonesia. With this vision CIEL try to build not only an effective training, but to create a good entrepreneurial ecosystem. CIEL developed a big variety of programs that can educate the entrepreneurs in Bandung and Indonesia by giving them a basic knowledge of entrepreneurship with the required subjects, as well as provide them with a good training, workshops where students can transfer the theoretical knowledge in real/simulated business.

By analyzing the interviews it is deduced that it is a wrong perception to view the entrepreneur's challenges in general, since each individual is different and it is better to approach each individual through the region and industry. CIEL selected a right strategic by segmenting the entrepreneurs in Indonesia by the region and industry. CIEL understood that in order to overcome the main surface problem it is needed to go deeper into details and only that way can help to eliminate the problem.

Next stage for this research was the interviews with the start-up entrepreneurs who are directly connected to the fashion and food industries. The sampling that was used for entrepreneurs interviewee selection is the Nonprobability Sampling. Since the researcher wanted to administer the survey to a few people who seem to resemble the folks that is aimed by the study in order to help work out kinks in the survey. This is one of the quick ways to gather some initial data and it also helped to get some idea of the lay of the land before conducting a more extensive study.

Table 1.3 shows the list of the entrepreneurs in a Food Industry that contributed into the basic data:

Table 1.3

Respondents “Start-ups in Food Industry”

No	Respondent	Date
1.	Laponti “Olabana”	02.11.15
2.	Asti “Cumi Sambal”	03.11.15
3.	Celsi “Fruit’s Secret”	05.11.15

First interview, with Laponti was conducted on 2nd of November. Laponti has her start-up business in a food industry where the main product is banana chips with the different flavors. The result of the interview displays Regulations and Policy Support as the main challenge for her start-up business. She started her business three months ago, yet she has not registered her product till now. It is required to wait six months more in order to receive the production code for the product. The obstacle that exists in the Policy Support impedes the development of the business, since till now Laponti can not make a packaging for her production, and has to sell her product just to the friends.

Identical problem was distinguished during the second interview with the owner of “Cumi Sambal” Ms. Asti. The problem that her start-up is facing with is that during almost a year she can not receive the production code. The reason that is explained by the policy makers is that there is a long procedure and long queue in order to receive the production code. Another obstacles that Ms. Asti is facing with, is the brand name registration since the big amount of money are required as well as the routine and long procedure. The challenges that prevail do not give any chance to intensify the market position and increase the sales.

For the third interview with Celsi the owner of the “Fruit’s Secret” same obstacles were identified but in a different interpretation. Celsi agreed that Regulations and Policies are unclear for her. That became a main reason for her not to register her business from February 2015.

All of the three interviews supported the fact that the Policy Support in Indonesia became one of the strongest reasons that impedes the business in the food industry.

The Business Registration Problems are: 1) Licensing fees add extra costs to startups, thus, many entrepreneurs and MSMEs choose not to register their business during their startup period. Another issue is that many local regulations differ from national regulations. 2) Time an entrepreneur or MSME owner needs to spend on obtaining licenses also presents an obstacle. 3) Company must acquire a substantial number of supporting documents, including personal and family identification, a recommendation letter from the community

head, approval letters from neighbors, a tax ID number, and even proof of other licenses. 4) Bribes and time spent waiting for permits are positively correlated. Bribes are usually paid so government officials expedite permitting procedures. 5) Lack of information on licensing processes (Bellefleur, 2012:27).

Next three interviews were held with the entrepreneurs in a fashion industry:

Table 1.4
Respondents “Start-ups in Fashion Industry”

No.	Respondent	Date
1.	Lury “Box Out”	04.11.15
2.	Ira “KTWO-stitch	01.11.15
3.	Uli “Femm”	05.11.15

The result of the first interview with the entrepreneur in a fashion industry Lury, showed the following results, lack of management and marketing knowledge became one of the main problem. Lury explained that she does not have enough knowledge in order to build a right strategy for her business and it is not easy to compete with all local brands that exist in the fashion industry. The fundings was named as the second obstacle since she requires investment not only in the physical stores but also into her raw materials. Lury does not know about any programs that exist in Bandung and provide the Fund help for the start-ups.

Second interview with the owner of the necklaces and T-shirts, KTWO-stitch brand, had the same result as the first interview. Knowledge in management and marketing was named as the main reason of a slow growth of the business, since Ira’s educational background is fashion. It is hard to build a good strategy plan for her in order to market her products. Yet, the funds are required as well in order to invest into inputs and also to open a store for her products.

Third interview was conducted with the student of Telkom Uli, that launched her fashion business, Femm in June 2015. However, she had to stop her productions since there is not enough money to invest into raw materials and physical store.

All of the three interviews supported the fact that management and marketing knowledge as well as the Funds impede their start-ups development. Lack of knowledge impact the ideas of strategies and put them one stage lower from the competitors. The obstacles in Financing

their business is also one of the biggest reason that slow down the development of their start-ups.

1.3 Problem Identification

As it was stated before, CIEL's vision is to develop the entrepreneurial leaders in Bandung region as well as in Indonesia. With this vision CIEL tries to build not only an effective training, but to create a good entrepreneurial ecosystem. The basic mission of CIEL, as a center for research in the area of entrepreneurship and knowledge, is the dissemination of knowledge and experience through the variety of ways, such as publications and seminars, trainings, workshops, support through the SME clinic and conferences.

CIEL has achieved popularity among the potential entrepreneurs already. Nowadays, people are looking for CIEL when they require some assistance and CIEL appears to be the one who offers the variety ways of solving different cases. Yet, not only people who recognize CIEL as the most efficient entrepreneurship center, the government is the one who works along with CIEL and try to achieve their objectives in conjunction with CIEL.

The director of The Center for Innovation, Entrepreneurship, and Leadership SBM ITB has already ranked the efficiency of the center with the level of 3 out of 5 (Director of CIEL SBM ITB, 2015). It was also mentioned that CIEL is working hard in order to achieve the next level.

The main agenda of CIEL for the next two years was identified after the interview with the Director of CIEL:

1. Launch 10 SME clinics in 10 cities of Indonesia.
2. To develop local creative industries and build the ecosystem for it, for example Bandung Muslim Fashion Center.
3. Focus on the micro business such as, street vendors in West Java.

Nevertheless CIEL already achieved certain success as the educational entrepreneurship center, it still has some uncertainty in reaching its vision and objectives. The potential obstacles for CIEL to achieve greater success and meet their objectives were identified as following:

- a. Lack of Human Resource and Funds for building 10 more SME clinics in 10 cities of Indonesia.
- b. Lack of Entrepreneurship Education in schools.

- c. Difficulties in obtaining funds for fashion industry and official permission for the food industry.
- d. Market preferences towards foreign brands, than to the local ones.

First Problem:

In order to reach the established goals of CIEL the Director of CIEL admitted that there are several obstacles that center can face with. One of it is the establishment of partnership with the universities in other cities. The government of Indonesia has decided to increase the entrepreneurship in Indonesia and it is strongly believed that the enlargement of entrepreneurs will have a positive impact to the economy of Indonesia. The growth of enterprises is highly expected to be seen in the small cities and regions of Indonesia and in this case the SME clinics are truly required. Unluckily there are few challenges that CIEL faces with, one of which is the human resource. It is quite hard to find the qualified and trusted partners in the small cities in order to build new SME clinics. Simultaneously with the Human Resource problem there is a huge questions on the funds for SME clinics. The cost for building a new SME clinic is quite high and there is still contested issue on how and who will fund those clinics. The Director of CIEL has also confirmed that the team of CIEL has no enough energy to achieve all required goals, since there are only 9 people in the team including the Director itself. Indonesia is a big country with a huge number of small cities which require to improve the entrepreneurship sector and unfortunately the lack of qualified people to guide, could tangle the way to achieve all goals of CIEL.

Second Problem:

Beside the problems with the human resources and funds to support the formation and development of SME clinics another problem was identified after the interview with the Vice dean of ITB Resources. Vice Dean of Resources in ITB has stated that there was a big progress on the number of students that prefer to be entrepreneurs, instead of being the employees. CIEL aims to create the entrepreneurial leaders, yet if there is still not a big number of those who wish to become an entrepreneur it can become a problem. There are 75% of ITB students who would prefer to open own business and to become an entrepreneurs. It gives us the picture that personality of the students has been changed and CIEL could achieve it, yet it is not enough since the schools are the one who should be fixed as an initial stage of education. Vice Dean of Resources and Entrepreneurship lecturer in ITB claimed that the implementation of entrepreneurial education in Universities is not enough to

prepare the entrepreneurs as a leaders, schools and other smaller institutions have to be involved into the development of entrepreneurs in Bandung.

Another achievement of CIEL programs is the number of the successful entrepreneurs in Bandung. There are 30% of successful cases out of 100%, what was stated by the Developer of the Industry and Business Incubator Division in ITB and the Vice Dean of Resorces ITB (2015). The 70% of failures happens due to the different reasons such as lack of knowledge and in most of the cases the inconsistent attitude of entrepreneurs. Another oppinion that was stated by the Director of CIEL ITB is that entrepreneurs who stepped into fashion and food industry can not obtain the required budget in order to continue the growth of their business. The issue is how to increase the 100% of entrepreneurs that try to succeed, so that even 70% will still fail the rest 30% will be in a bigger amount.

Third Problem:

Since the fashion and food sectors are the major industries in Bandung what was stated by The Director of CIEL SBM ITB, are indeed developed quite good, there are still few challenges that are faced by the entrepreneurs(2015). Those challenges include the capital, market and regulation problems. The Director of CIEL SBM ITB pointed out that there is a support from vary programs, both government and corporations. For instance, President Joko Widodo (Jokowi) on Thursday (12.03.15) opened the National Entrepreneurship Movement (GKN) 2015 at the Jakarta Convention Center. GKN is expected to increase the participation of various stakeholders to promote the culture of entrepreneurship in society. With the obligation of funding the SMEs, thus every entrepreneur with a business plan can apply to this funds and receive up to 25 millions. Second source of fundings are the corporations such as Shell Indonesia. Shell has announced the Shell LiveWIRE “Business Start-Up Awards (BSA) 2013”. This competition, globally-run, gives 15-25 million rupiah cash awards to 10 winners the opportunity to participate in business coaching for two years, also the opportunity to share experiences with other young entrepreneurs in 14 countries worldwide. The third source of funds is ITB itself, that holds the competitions twice in a year with the aim to select the best entrepreneurs and business plans and provide them with the capital. In terms of investment, there is BRI’s Community Business Credit that supports not only the start ups but also the half-mature enterprises. It is stated that Community Business Credits that are provided by bank will not ask the guarantee from the entrepreneurs. Yet, the Director of CIEL SBM ITB mentioned that in the reality banks are still asking for the guarantee. For a long time CIEL operates as a bridge that connects the entrepreneurs with the bank investments,

encourages entrepreneurs to participate in the competitions that are provided both by the corporations and ITB itself. Unfortunately, the provided funds from the different programs are not enough to develop business in such industry like fashion. Mostly, in order to open the physical store it is required one hundred million rupiah minimum. The problem still exist in this sector and was identified by the Director of CIEL SBM ITB. CIEL tries to work and cooperate with such stores like SOGO in order to help fashion entrepreneurs to enter it, nevertheless it is almost impossible since the space in SOGO is limited and they require more popular brands.

Second major business in Bandung region is the food industry, with a still existent obstacle which is regulations. The Director of CIEL SBM ITB pointed out that it is indeed hard to fix this sector, even though CIEL tightly works with the. The system of receiving the official permission or license by the food venture takes a very long period of time. The obscurity and complexity reflects the growth of entrepreneurs in food industry. CIEL already performs as the bridge between the potential food entrepreneurs and regulations in order to ease the process of obtaining the a license, yet The Director of CIEL agreed that it is still difficult to receive the permission for a production in short period of time. One of the potential reason is the corruption that unfortunately can last long time and can not be fixed easily by such institution like CIEL.

Fourth Problem:

Yet, not only the complexity of capital slow down the growth of entrepreneurs in Bandung, the market itself was found to be quite difficult. Majority of purchasers in Bandung prefer the foreign brands, to the local ones, simply because they do not trust the local fashion designers. In order to overcome this obstacle CIEL creating a campaign, a movement that aims to encourage Indonesian people to use the local brand clothes. Last campaign was held on 1st February in Jl. Jendral Sudirman, Bandung. The arisen issue is whether this movement is strong enough to encourage Indonesian people and change their choices towards the local brands.

By looking on four main problems that truly impede the progress of CIEL on fulfilling its vision and objectives, author focuses on the third obstacle: Difficulties in obtaining funds for fashion industry and official permission for the food industry. The limited funds has been the major obstacle that stated by entrepreneur perspective. In order to obtain the official permission is indeed a complicated process that entrepreneurs in the food industry facing with. Fashion and food is the most popular type of business that runned by the entrepreneur

in Bandung, so that solving the obstacles can will help to maintain and develop the growth of successful entrepreneurs in Bandung region.

1.4 Research Questions

The purpose of this research is to discover and understand the main obstacles that slow down the entrepreneurs growth in Bandung region and main barrier of CIEL to achieve it's objectives and vision that goes along with the purpose of maintaining and developing the entrepreneurship ecosystem in Bandung. As it was concluded from the first interviews, the main problem of entrepreneur in Bandung is Difficulties in obtaining funds for fashion industry and official permission for the food industry. Based on the problems that were identified within the fashion and food industry in Bandung city the following questions were established:

- 1) What are the opportunities and challenges for food and fashion industry related to the Policy Support? How to manage the challenges?
- 2) What are the opportunities and challenges for food and fashion industry related to the Financial Support? How to manage the challenges?
- 3) What are the opportunities and challenges for food and fashion industry related to the Education? How to manage the challenges?

1.5 Research Objectives

The study is conducted to answer the problems related with the research data that the writer gets. The objectives of this study are:

1. To determine the opportunities and challenges for the food and fashion industry that are related to the Policy Support. Study the impact of the Policy Support to the development of the fashion and food industries in Bandung region. In case of existance challenges try to find the way to manage them, in order to improve the food and fashion industry. To determine the strategy and program which can solve regulations obstacles.
2. To determine the opportunities and challenges for the food an fashion industry that are related to the Financial Support. Find the Financial support that already exist in Bandung region and understand how it really works. Study how are fashion and food industries effected by the Financial support the strategy and program in order to increase the rate of successful entrepreneurs in CIEL SBM ITB.

3. To determine the impact of the Educational centers like CIEL to the food and fashion industries in Bandung region. Understand the main challenges that exist in education centers like CIEL and determine the solutions.

1.6 Research Benefits

There are several benefits that writer can achieve through this research and its result, such as:

1. Precise understanding of the entrepreneurship and its contribution to the economy of Indonesia
2. Development of entrepreneurship and small business in Bandung region
3. Existing obstacles for the start-ups and entrepreneurs in Bandung region
4. Existing support towards entrepreneurship development and over-coming common problems
5. CIEL functions and its contribution to the development of entrepreneurship in Bandung region

1.6.1 Theoretical Aspect

1. Through this research the writer will be able to apply the experience and knowledge based on theory that has been obtained during the course and during the study so it will broaded the writer's point of view and insight about business management and entrepreneur education.
2. This research can become a good reference that will be useful for the other researcher who are interested in entrepreneur education and business management research.

1.6.2 Practical Aspect

1. Through this research the writer hope to understand the real impact on the entrepreneur education especially the impact of CIEL SBM-ITB towards the entrepreneurs in Bandung.
2. The results of the research are expected to give valuable information for others who desiderate to explore and broaden their knowledge in business management and entrepreneur area.
3. This result can be used by an entrepreneur in order to bring some changes and increase their work toward obstacle factors.

4. In the case of theoretical replication, the result can be used in entrepreneur school or institution to research curriculum which is effective in entrepreneurial education and business management.
5. The results can be further utilized to build or strengthen the pillars of the support needed in realizing the entrepreneurial university and building entrepreneurial behaviour in higher education.

1.7 Final Project Systematics

The main agenda of this research is to study the entrepreneurship and its ecosystem in Bandung region along with the educational institution such as CIEL SBM ITB and its contribution to the entrepreneurs growth. The main idea of the research was raised after the first two interviews, where the writer aimed to understand the entrepreneurship business in Bandung region, its importance, the reasons of the slow growth and the already obtained steps towards improvement in this sector.

First chapter covers the introduction where the author introduces the main objective of the research which is CIEL SBM ITB. The chapter includes a deep introduction about the CIEL SBM ITB background, mission and vision, functions, areas of work and their contribution into the entrepreneurship development in Bandung and Indonesia. The reason of selecting CIEL SBM ITB as the main object of the research is also described in the background of the research. The information that was included in the first chapter was obtained through the interviews with different people, who are united by one aim to study, share and maintain entrepreneurship in Indonesia. The problem identification was carried out after the verification of the information with the Director of CIEL SBM ITB who contributed and shared very important and useful information for this research.

Following Chapter Two: theoretical review and research scope includes five sub contents, first of which is the summary of theories. This part summarizes all valid and scientifically-tested theories concerning the topic, problem and etc. The summary explains the definitions and elements of the topic and problem. In the, Previous researches, second sub content, discusses already published researches regarding the Entrepreneurship in Indonesia and Bandung. It also deeply describes about the previous researches including the writers, the location, variables and indicators of the previous researches, along with the approach and the analysis, conclusion and suggestions. Theoretical Framework describes a set of reasoning

used to describe the research problem that form framework leading to a conclusion. The theoretical framework originates from a theory of the previous reseraches.

In the Tird Chapter: Research Method author underlines the approach, method and techniqu employed to gather and analyze data to answer or explain the research problem including the type of research, operational variable, research stages, population and samples, data collection, types of data as well as the techniques of data analysis and hypothesis testing.

In the Chapter Four: Research results and discussion is elaborated chronologically and systematically according to the problem identification and research objectives. Research scope, limitation and link of this part are more clearly identified. Each aspect begins with data analysis results that are then interpreted and followed by drawing conclusion.

In the last Fifth chapter: Conclusion and Suggestion, author covers interpretation towards research findings, which is presented in conclusion. Suggestion is the implication of conclusion and related to the problem and its alternative solution. Suggestion is formulated not only for practical aspects, but also for science development.