NEW ENTREPRENEURSHIP GROWTH

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1. Big Population vs Big Employment Gap

Population
240 mil

Productive
15 – 60 Yrs = ± 80 mil (35%)
- 50% employed
- 50% unemployed

Loopholes: 40 mil
2. Java and Beyond

- **Industries distribution is concentrated in Java Island**

Source: BPS, MOI
### 3. Industrial Competence

<table>
<thead>
<tr>
<th>Skill</th>
<th>Technology adaptive</th>
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<tbody>
<tr>
<td>Knowledge</td>
<td>Standard awareness</td>
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<tr>
<td>Attitude</td>
<td>Industrious</td>
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Indonesia’s Industrial Entrepreneurs
- Now and the Future -

Productivity

High

Low

LARGE

MEDIUM

SMALL & MICRO

SMIs = 3,8 Million

Business plus = entrepreneur
VS
Business as usual

Champion Moving up the ladder

Low

High

Population
53 mil SMEs
(3,8 mil SMIs)
= 7,17%

- Entrepreneur: 400 thousand *
- Industrial entrepreneur: 28 thousand

2011 (+) 15 thousand 2025

53 mil SMEs (3,8 mil SMIs) = 7,17%

Good welfare

Entrepreneur:
- 400 thousand *
- Industrial entrepreneur:
- 28 thousand

SMIs: ± 7 Mil

Industrial entrepreneur:
- 73 thousand

*) from SMIs
Large

Med

S&Mic

3.8 Million

PRO GROWTH

PRO POOR (± 60%)

PRO JOB
Ultimate goal

create industrial entrepreneurs

- Agent of change
- Development locomotive
- Leverage
- Value creator
How?
Approaches

- Carries out activities of new entrepreneurship using “by design and fast track” approaches.

- **By design approach** is doing a series of recruitment activities, training, apprenticeship, and the provision of venture capital that generally requires a considerable time before people become entrepreneurs. Activities that have been implemented, among others:
  1. Granting scholarships to the community in the centers of production of SMIIs
  2. Cooperation with universities and Vocational Schools
  3. Collaboration with other institutions

- **Fast track approach** is done by buying the franchise industry in a short time so that someone could become a new entrepreneur. This approach is still under preparation necessary prerequisite for the franchise business. Some SMI companies have offered this attempt to be managed further by others through franchising method.
Priority activities

- Formulation of roadmap of Development of National Entrepreneurship which is supported by institutional reform;
- Establishment of new entrepreneurs (apprenticeships, training, and coaching);
- Increasing competency of small and medium industries through productivity;
- Collaboration with Universities/Institutions/Academies;
- Supporting new entrepreneurs development through business incubators and technology;
- Development of franchise.