

Research Paper

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TRENDS AND FUTURE OF CORPORATE ENTREPRENEURSHIP IN INDONESIA IN THE
POST-PANDEMIC ERA

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Abstract

Corporate entrepreneurship is considered to create opportunities in technological advancements, employment, value creation, and transformation for society, governments, entrepreneurial environment, and entrepreneurs. This research is focused on revealing entrepreneurship trends in 2021/2022 that businesses can utilize to remain competitive in the market and grow toward achieving their goals in Indonesia. Also, this research explains the entrepreneurship future, what to do, and how to offset the prevalent challenges. Moreover, this study reveals the significant factors that can be used to sustain corporate entrepreneurship in the post-pandemic era. Using descriptive quantitative and cross-sectional study and mapping literature reviews methodology the study collected the relevant information on entrepreneurship in Indonesia 2021/2022. This research will significantly contribute to essential areas in business in Indonesia since there are scarce studies like this regarding entrepreneurship in the post-pandemic era.

Key words: corporate entrepreneurship, entrepreneurship education, economic recovery, COVID-19 pandemic, PESTEL, digital nomadism.

Trends And Future Of Corporate Entrepreneurship In Indonesia In Post-Pandemic Era**Introduction**

Currently, organizations are existing in a highly competitive and exponentially changing business climate after COVID-19 hit the world. Established organizations are under constant pressure to develop new strategies that will enable them to adapt to increasing changes and pressure from faster, smaller, and more active organizations. These new companies are identifying and exploiting the available opportunities by taking considerable market share, disrupting markets, and endangering the existence of established companies (Kuratko, 2017). And as I quote what once Charles Darwin said; “it is not the strongest of the species that survives, nor the most intelligent, but the one that is most adaptable to change.” Besides, corporate entrepreneurship is not a new concept in Indonesia but it is gaining momentum and is relatively embraced as the most ideal answer to organizational challenges in the current ever-changing business world (Aldianto, Anggadwita & Umbara, 2018). Every organization desire to have organic growth; however, few of the companies do not have a sustainable and supportive process in place for organizational growth over time (Ortega & Rotondo, 2020). Corporate entrepreneurship (intrapreneurship) is the best solution since it is used by startups to develop their businesses, services, products, and activities within established organizations to create value and new revenue growth by utilizing entrepreneurial thinking and action.

Conversely, entrepreneurship encompasses three dimensions, including; proactiveness, innovativeness, and risk-taking (Cahanar & Hamsal, 2021). Corporate entrepreneurship (CE) programs naturally generate disruptive ideas, rather than meagre, incremental changes. The innovativeness dimensions are considerably led by employees rather than management implementations. Companies significantly need corporate entrepreneurship programs in order to be able to improve and promote their innovation capabilities and other essential benefits, including; growth, increased employee morale and productivity, promote competitive advantage, as well as

employee retention and recruitment (Astrini, 2020). Moreover, action-oriented competent leaders, conducive environment, and processes and systems that enable entrepreneurial actions and thinking form the basic components for implementing corporate entrepreneurship in an organization. Further, CE is focused on building capabilities that support organizations to facilitate the accelerated growth of new businesses. Notably, businesses of all sizes and sectors leverage technological advancements to improve the overall performance of their businesses.

Problem Statement

Indonesian government focus on developing and encouraging entrepreneurship by offering its support to the development of SMEs (small and medium enterprises). Notably, these enterprises create an avenue for the development and testing of entrepreneurial capability. Thus, this paper research the entrepreneurship trends and future to support the development of SMEs and also established companies. Additionally, the paper will research the factors that will enable the sustainability of corporate entrepreneurship since it has considerable benefits to the development of small and medium enterprises.

Significance Of The Study

This research is motivated by how businesses are recovering in the post-pandemic era; how they can leverage the entrepreneurship trends to remain at a competitive edge. Corporate entrepreneurship by itself is a significant trend that is helping companies to improve their financial performance. Every business needs to recover; thus, this paper will provide substantive information on current trends that can be used by established companies as well as SMEs in Indonesia to grow and be able to achieve their business goals. Several studies have portrayed how capable corporate entrepreneurship is to create opportunities in technological advances, value creation, employment, cultural transformation for governments, entrepreneurs, society, and economies (MUAFI, et al., 2021). Thus, the results of this research will identify that factors that can be used to sustain corporate entrepreneurship to enable SMEs in Indonesia to be more innovative, proactive, and

willing to take risks adopting new technologies that will support the growth of their businesses. The paper will involve data analysis to provide in-depth insights into corporate entrepreneurship.

Literature Review

According to a study done by Walalangi et al. (2021) titled "Trends and Developments," the economy of Indonesia continued to face contraction in the first quarter of 2021 because of the ongoing global public health crisis. However, there were prospects of GDP growth of the country as businesses were endeavoring to recover, especially when compared to the previous quarter of 2020. Economic recovering is owed to several factors, including: enactment of the government's policies and regulations and the ongoing COVID-19 vaccination programme. The regulatory reforms supported by the government are will enhance ease of doing business, support economic growth and encourage foreign direct investment (FDI) in the country. Besides, ÖZDEMİR (2009), refers to Indonesia as one of the richest countries in the world. It has more than 210 inhabitants and is known for its biodiversity. Thus, SMEs have great significance to the country, since they make up to 90% of all firms apart from the agricultural sector and serve as a great source of employment opportunities. (Tambunan, 2007). Therefore, it is imperative to support the existence of these SMEs by identifying the current entrepreneurship trends and future as well as factors that sustain corporate entrepreneurship.

Entrepreneurship Trends

Petrunenکو et al. (2021), urge that evolving demands of customers, new technologies, societal shifts, and COVID-19 outbreak are significant factors that have contributed to changes in the business world. Thus, there are potential changes that have a significant influence on entrepreneurial thinking and actions. As Purbasari et al. (2021), state understanding the current entrepreneurship trends help in adapting to the new business changes and enable businesses to last longer in the evolutionary path of the market. According to PRAMONO et al. (2021), one of the entrepreneurship trends is business from home due to digital nomadism. These trends enable

entrepreneurs and employees to work from home and enjoy a variety of employment options. Notably, digital nomadism allows them to save travel costs, electricity bills, and expenditure on equipment upkeep. This trend reached its peak during the outbreak of coronavirus disease where people were forced to stay at homes in 2020. Zaidi et al. (2021), state that this is a golden, fashionable opportunity that businesses should leverage in Indonesia. Additionally, working from home has engineered globalized business that involves international teams working together. According, Walalangi et al. (2021), it is intention of the government to support FDI. Therefore, globalized business is a trend that will be overwhelmingly embraced (Pertunen et al., 2021). Walalangi et al. (2021), argue that globalism serves the interests of both big companies and SMEs in Indonesia. This trend is doing quite well for software developers, IT consultants, media, and professional services.

Chatzinikolaou, Demertzis & Vlad, (2021) state that there is a surge in the way how people are utilizing the Internet of Things (IoT) and its ecosystem is developing at a fast clip. According to an estimation of Fortune Business Insights, the Internet of Things will grow up to USD1.4 trillion by 2027. Earlier on, IoT projects were only for the established companies that had resources and time to build systems. However, according to Jardim (2021), there is a batch of new IoT startups, that can be afforded by many SMEs. Further, Petrunenko et al. (2021), show how on-demand services are becoming popular and significantly influencing consumer behavior. Online shopping and home delivery have become prevalent in today's business world. Thus, a business should leverage on-demand economy shifts for growth and survival. Ariansyah et al. (2021), pontificates that businesses have developed an overarching tenet of getting potential customers from where they are owed to the current customer-centric trend. Today, many potential customers spent considerable time on the Internet, specifically on social media. According to Walalangi et al. (2021), e-commerce industries are rapidly growing in Indonesia, and e-commerce is estimated to reach USD53 billion by 2025. They state that this estimation is owed to unlimited government support,

participation of MSMEs, increasing disposable income, and digital-savvy consumers. Additionally, Indonesia is made up of many islands; thus, on-ground delivery services have increased and will increase due to the prevalent public health crisis. Organizations like Gojek and Grab have already embraced this opportunity.

Entrepreneurship Future

Suhartanto, D., & Leo, (2018), state that entrepreneurship significantly supports the growth of the country's economy. As a result, according to GGGI (2021), in February 2021, the Fiscal Policy Agency, the Ministry of Economy and Finance, (the Republic of Korea,) and the Ministry of Finance Republic of Indonesia, held a joint workshop with the title "Accelerating Climate Technology and Entrepreneurship" with an intention of supporting the Government of Indonesia to achieve the Nationally Determined Contribution (NDC) target in 2030. According to Amalia & von Korflesch (2021), the future of entrepreneurship anchors on entrepreneurship education, which is becoming an essential and fast-growing research area that significantly contributes to the acknowledgment and understanding of national and global trends. Entrepreneurship education has developed in the recent past in Indonesia. Therefore, implementation of programs is carried out to incorporate modern practices in learning and teaching entrepreneurship in institutions of higher learning countrywide to promote entrepreneurship development in Indonesia. Considerably, according to World Bank (2020) youth unemployment in Indonesia is leading in the region. Desai et al. (2021), the workforce suffers from less experience, poor quality jobs, and poor working conditions and the youth unemployment rate increased due to the COVID-19 outbreak. Thus, as means to reduce this increasing rate, Indonesia is encouraging young entrepreneurs to support economic growth towards the future. Thus, these young entrepreneurs need to acquire entrepreneurship education and competencies, networks, resources, and experience. All of this has been portrayed to be achieved by supporting corporate entrepreneurship (Ghina, 2016). Moreover, as stated by World Bank (2021) a more inclusive entrepreneurship future in Indonesia will be

achieved by ensuring the digital economy is shared by all Indonesians. "While Indonesia has one of the fastest-growing digital economies in South East Asia, action is needed to ensure that all Indonesians, especially the most vulnerable, can access various digital technologies and services and realize the benefits" (World Bank, 2021).

Factors To Sustain Corporate Entrepreneurship

Setiawan & Erdogan (2020), argue that corporate entrepreneurship is an effective means to enable businesses to succeed in a competitive market. However, with the benefits that come with corporate entrepreneurship, there are factors necessary to sustain the concept of corporate entrepreneurship. Afriza, (2021), states that the survival of the SMEs in post-pandemic era depends on the usage of resources. Additionally, he argues that corporate entrepreneurship can be sustained by factors, such as; political, economic, social, technological, environmental, and legal summarized as PESTEL (Sakhdari & Farsi, 2016). These are external factors that will support and sustain the development of corporate entrepreneurship in Indonesia (Afriza, 2021). According to Cheng & Wang, (2020), PESTEL is significant to explore the micro-environment that will enable businesses endorsing corporate entrepreneurship to survive and recover in the post-pandemic era. Moreover, PESTEL dimensions enable businesses to model factors that are essential in sustaining and supporting the continuity of corporate entrepreneurship (Cheng & Wang, 2020). Further, Ben and Hekkerova (2021), state that staying updated on the changes that taking place in the business world will help a business to strategize on how to move on and remain competitive in the post-pandemic era. Entrepreneurship motivates people to begin new businesses that eventually facilitate innovation in companies, which play a significant role in promoting national economic growth (Lee, 2019). Therefore, as Afriza (2021) pontificates government policies and financial support are factors that sustain the development of entrepreneurship.

Data And Analysis

This research used the descriptive qualitative and cross-sectional study as a methodological approach using secondary data from BPS- Indonesian Central Statistics Agency. Early 2021, BPS conducted a national survey to assess how businesses are recovering after the impacts of the COVID-19 outbreak on the business world. This national agency conducts surveys locally and nationally. The business world incorporates players from medium and small companies and big companies. The collected was categorized into various variables. For instance, under entrepreneurship trends, entrepreneurs and employees indicated they had reasons to support working remotely, i.e, working from home. Many portrayed to work remotely because this trend offers flexibility and freedom (59%). Others support this trend because they are flexible for family obligations (17%) and some were uncomfortable combining travel and work (10%). According to Emerging Markets Information Service (EMIS) database, e-commerce showed a significant increase in 2021 with most customers purchasing commodities that are marketed by social media (52.9%) (PRAMONO, et al., 2021). Also, I used mapping literature review methodology, which enables the contextualization of reviews with in-depth literature and acknowledgment of research gaps and needs. This mapping intends to showcase the states of entrepreneurship education within Indonesian higher institutions of higher learning based on their perspective. (Munir, 2021) Out of thirty-one articles that were selected for mapping literature revealed that entrepreneurship education programs regarding the method of teaching in entrepreneurship higher education were of major concern in Indonesia (51.6%) to provide people with entrepreneurship skills and competencies that will help in sustaining corporate entrepreneurship.

Limitations And Recommendations

This research portrays possible limitations that create opportunities for considerations in future studies. The main limitation to this research was finding substantive information that suits the identified time frame with relevant data. The research requires the incorporation of various studies

and surveys. Moreover, some of the entrepreneurship publications relevant to be used in this study were not written in English. Also, this study used mapping of reviews, which have some weaknesses since some of them are limited to time. Another limitation was concerning access to financial information of companies within Indonesia and this paper required considerable secondary data. However, these limitations enabled be explore broadly regarding corporate entrepreneurship in Indonesia in the post-pandemic era. This research enabled me to gather the information that I can consolidate to strengthen the development of corporate entrepreneurship projects in Indonesia.

The research has indicated that it is necessary to treat entrepreneurship education as a priority by policymakers, governments, and educators. Additionally, after establishing educational policies regarding entrepreneurship, all related stakeholders have to collaborate to create programs that will equip young entrepreneurs with relevant skills and competencies for the entrepreneurship future and to deal with the ever-changing and unpredictable business world. Also, there are plenty of business trends in 2021 to 2022 that entrepreneurs can leverage to grow their businesses.

Conclusion

To sum up, this journal has focused on the current entrepreneurship trends, future of entrepreneurship, and factors necessary to sustain corporate entrepreneurship in 2021 to 2022 the period referred to as the post-pandemic era. Businesses not only in Indonesia are recovering after being hit hard by the COVID-19 outbreak. However, the pandemic opened new ways for business operations. What required for entrepreneurs is to embrace the change and act accordingly to survive in the business world by leveraging the available opportunities especially those are created by corporate entrepreneurship. Moreover, young entrepreneurs are encouraged to step up and start new businesses considering the available opportunities due to advanced technology and corporate entrepreneurship benefits.

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