

# Social Entrepreneurship In Fish Farming

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## **Abstract.**

*Entrepreneurship plays an important role in the economy as it facilitates the production of goods and services and job creation. The agriculture sector including fish farming is one of the main livelihood sources for the community and has potential for growth through entrepreneurship programs. However, there are several obstacles in achieving this goal, such as the low level of community education and knowledge as well as limited social networking access. The fishing pond farmers in Kalanganyar Village, Sedati Sub-district, Sidoarjo Regency face similar challenges with additional complexity from external barriers such as fluctuating operational costs for fish farming. This economically causes fishing pond farmers to only be able to utilize their ponds for a single source of main income and have not been able to utilize it to find alternative income sources. These challenges hinder the development of programs to improve the economic conditions of fishing pond farmers. An approach that could address these problems is social entrepreneurship focusing on increasing collaboration between fishing pond farmers and the surrounding community. Cooperation plays an important role in economic growth by facilitating business expansion. Cooperation becomes a core component in the planning and implementation process by involving fishing pond farmers and the community as active participants. The fields of cooperation need to be developed to increase the welfare of the community.*

**Keywords:** *Entrepreneurship, social entrepreneurship and farmer.*

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## **I. INTRODUCTION**

The agriculture sector, encompassing food crops, plantations, cattle, forestry, and fisheries, has emerged as the primary source of income for the majority of the Indonesian population. These industries employ almost 35% of the Indonesian labour force. Aside from being suppliers of raw materials to industrial sectors, they also serve as consumers of industrial products and rely on transportation and trade sectors. Rural communities primarily depend on agriculture for their major source of income. Conversely, farmers possess limited leverage when it comes to negotiating the prices of agricultural goods. This can be attributed to various variables like inadequate levels of education and understanding, restricted access to market information, and insufficient finance. The primary objective of social entrepreneurship is to transform Kalanganyar Village into a pioneering model of rural development that effectively stimulates the local economy and enhances sustainable land management. Enhanced expertise is required to create inventive and enduring solutions. This is where the significance of social entrepreneurship becomes crucial. Social entrepreneurship encompasses the endeavours of individuals and organisations to effectuate beneficial societal transformation by means of inventive company ventures. As per the findings of [4], social entrepreneurship refers to the endeavours of individuals and organisations to bring about beneficial social transformation through inventive business endeavours. Within this particular setting, social entrepreneurs assume the role of transformative catalysts who employ commercial concepts and methodologies to address intricate social issues.

Social entrepreneurship entails the integration of both social and business elements. Social entrepreneurs prioritise not only financial objectives or personal gains, but also the social outcomes they generate. They possess a robust drive to tackle social challenges such as poverty, social injustice, environmental degradation, and the availability of education and healthcare facilities. [3] research found that farmers not only have limited formal education, but also have restricted involvement in non-formal education. Impoverished agricultural labourers seldom engage in extension, training, and demonstration initiatives pertaining to agricultural information and innovative technologies. The work productivity, originality, negotiating strength, and entrepreneurship of farmers are all at a low level. The lack of resilience and aptitude among farmers in entrepreneurship acts as socio-economic barriers that impede the cultivation of their inherent capacity to effectively run productive micro-businesses in rural regions. Poor

agricultural management leads to inadequate revenue. This indicates that the majority of farmers prioritise their attention on their farms rather than activities outside of farming. One contributing aspect to the success of social entrepreneurship is the expansion of farmers' entrepreneurship, which can enhance the value of agricultural products and farmers' income, hence creating employment opportunities for numerous labourers. This paper will analyse the perspective of farmers in Kalanganyar Village regarding social entrepreneurship prospects, considering the aforementioned challenges. Given the strategic location of Kalanganyar Village, it has the capacity to attract a large number of workers through the implementation of social entrepreneurship.

## **II. METHODS**

This study employs a descriptive field research methodology utilising a qualitative approach. The study was carried out at Kalanganyar Village, situated in Sedati District, Sidoarjo Regency. The choice of Kalanganyar Village as the research site was primarily motivated by the fact that a significant proportion of its inhabitants are engaged in shrimp farming, given that the majority of the village's land area is occupied by shrimp ponds. An adequate data collection methodology is necessary to ensure the precision of data and information acquired from field research. This study employs a rigorous method of conducting in-depth interviews to get comprehensive and thorough information by directly engaging with informants. The research included seven informants, including Shrimp Farmers, the Head of Kalanganyar Village, and the Head of Public Services at the Sedati District Office. The informants were chosen using targeted sampling techniques. The methodology employed in this study was gathering targeted information from particular sources, as outlined by [1]. The selection of informants was based on a comprehensive comprehension of the research concerns and phenomena. The interview results were transcribed and subjected to descriptive analysis. Triangulation was employed to assess the precision and reliability of the data by using several data sources, methodologies, researchers, and theories to investigate aspects outside the data itself.

## **III. RESULT AND DISCUSSION**

The fisheries sector in Sidoarjo Regency holds significant potential, with a vast expanse of ponds across the entire east coast from north to south. The economy of Sidoarjo Regency is heavily dependent on the fisheries sector, particularly the cultivation of shrimp and milkfish, which are the region's main commodities. The government has designated the Sidoarjo area in Indonesia as a Minapolitan Area because to advancements in the fishing sector in Sidoarjo Regency. The Minapolitan area was collaboratively developed by the government, commercial sector, and non-governmental groups with the aim of attaining improved economic conditions. The term "Mina" refers to a fish, whereas "politan" or "polis" denotes a city. Kalanganyar Village, located in the Sedati District of Sidoarjo Regency, is known for its pond regions. The Kalanganyar Village spans roughly 2,923 hectares, with the majority of the land being occupied by ponds. This significantly impacts the primary source of income for the majority of the Kalanganyar Village inhabitants, who rely on shrimp farming. The aquaculture practiced in the pond region of Kalanganyar Village is specifically focused on milkfish production. The milkfish farming yields are thereafter distributed to Sidoarjo and its neighboring regions. The people of Kalanganyar Village primarily engage in this economic activity as their major source of income. The undeveloped economy of Kalanganyar Village is mostly attributed to the constraints of limited social access and low education levels. This information has been obtained through interviews conducted with shrimp farmers and the head of Kalanganyar Village.

They have indicated that the economic development activities in Kalanganyar Village are not yet fully optimized. One of the main reasons for this is the insufficient competence and qualifications of the human resources in the village. During its progression, a shrimp farmer in Kalanganyar town received a remark from a non-resident community member regarding the economic growth of the town, which sparked an idea. The input pertains to social entrepreneurship, which involves creating positive social change while simultaneously enhancing the economic well-being of the neighboring community of Kalanganyar Village. To achieve this, it is imperative to adopt the concept of social entrepreneurship, which was initially pioneered by the shrimp farmer. This input aligns with the perspective presented by Peter Drucker in [7],

whereby he posited that social entrepreneurial endeavors play a significant role in addressing societal issues, particularly those related to poverty. Continual generation of ideas and innovative approaches enable social entrepreneurship initiatives to effectively address the financial needs of disadvantaged populations. According to Schumpeter [7], entrepreneurship is characterized as "Creative Destruction". Social entrepreneurship is driven by creativity, which serves as the primary catalyst for innovation. The concept of social entrepreneurship progressively arose in Kalanganyar Village as time progressed. The establishment of the Sidoarjo Fisheries Academy in the vicinity of Kalanganyar Village led to the acquisition of valuable knowledge on the processing and utilization of aquaculture products. This knowledge transfer gradually improved the living conditions of the residents in Kalanganyar Village.

One way to contribute is by offering vocational training to local populations in order to enhance their ability to process aquaculture yields into culinary goods. Additionally, establishing outlets to market aquaculture products from Kalanganyar Village can also be a valuable contribution. Furthermore, efforts were made to enhance the functionality of the ponds in Kalanganyar Village by transforming them into tourist attractions for fishing. Additionally, conventional methods such as oral communication were employed to promote awareness of the fishing ponds in Kalanganyar Village. The growing popularity of Kalanganyar Village fishing ponds has led to a consistent growth in the number of tourists. According to [5], social entrepreneurship is a fast growing field that aims to address social issues. One approach suggested by Nicholls [5] is to tackle poverty through empowerment, starting at a small size and expanding to the community level. Education has a significant role in shaping sustainable development. Moreover, initiatives focused on enhancing well-being, particularly by fostering employment opportunities and promoting social entrepreneurship, can serve as a means to achieve this goal. Recognizing this possibility, the shrimp farmer then expanded the fishing pond enterprise by establishing ancillary enterprises that facilitate guest engagement while their time at the fishing pond. The supporting businesses operate in partnership with families and local communities, ensuring that all operations conducted at the fishing pond are exclusively local enterprises from the Kalanganyar Village community.

At the fishing pond, there are six auxiliary enterprises, specifically the fish bakery enterprise, fish bone extraction enterprise, fishing equipment and fish feed rental enterprise, chair rental enterprise, public restroom enterprise, and parking enterprise. The book by [6] explores the correlation between social entrepreneurship and the environment within the specific context of communities engaged in social entrepreneurship activities. Subsequently, the text examined and recognized case studies inside various community settings. The obtained results demonstrate the interconnection between communities, posing a challenge in terms of accessing and developing local community resources, which involves establishing strong connections among community members. It is commonly believed that establishing connections with the local community is crucial for developing robust and enduring ties with external stakeholders. Social entrepreneurship is engaging in activities that specifically target and benefit the community, with a focus on addressing social issues. Social entrepreneurship centers around businesses that aim to economically empower marginalized individuals by providing them with financial resources and skills necessary to collaborate and drive their businesses towards profitability. The resulting profits are then reinvested into the community to enhance their income. Hence, social entrepreneurship has the capacity to not only provide numerous employment prospects, but also yield extensive impacts stemming from economic endeavors that will enhance the economy and foster social well-being.

#### **IV. CONCLUSION**

Entrepreneurship holds significant importance inside a nation. Economic growth will be enhanced by a rise in output from the entrepreneurship sector. The rise of labor absorption is anticipated to come from the entrepreneurial sector. Villages are regions with agricultural capabilities that facilitate urban expansion, although farmers have not yet achieved maximum advantages from their agricultural produce. Restricted financial resources, lack of formal education Due to their limited resources and expertise, farmers on small plots of land find themselves in a disadvantaged position when it comes to negotiating leverage in the agricultural industry. The impact of the initiatives undertaken by different entities to enhance farmers'

earnings through training in agricultural processing, hence fostering new entrepreneurs in the agricultural processing sector, remains limited. Social entrepreneurship involves utilizing farmers cooperatives as a means to address the issue of rising agricultural yields. This is achieved through the implementation of agricultural and livestock clusterization, grading and standardization of agricultural quality to enhance competitiveness. Additionally, marketing solutions are developed by establishing marketing networks with both wholesalers and retailers. Furthermore, the value of agricultural products is increased by imparting skills for primary agricultural product processing.

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