

# CONSTRUCTING ECOTOURISM-BASED BUSINESS COMPETENCY AND ENTREPRENEURIAL SPIRIT

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## CONSTRUCTING ECOTOURISM-BASED BUSINESS COMPETENCY AND ENTREPRENEURIAL SPIRIT

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### ABSTRACT

Ecotourism is a part of a tourism development as a catalisator of the economy in rural areas. It is established in rural areas as an effort to improve the quality of life and social identity and to give employment opportunities, income, education and skills, cultural understanding, and to bring the development of entrepreneurial spirit and community welfare. The contribution of income from ecotourism ranges from 15 to 57%, with an average of 12.6% per year. As the title implied, this explorative study with a semantic analysis is done to construct ecotourism-based business competencies and entrepreneurial spirit. Primary and secondary data analysis are used through survey and interview. Ecotourism-based business competence can be formed by the community behavior in protecting the natural resources, such as forest as water buffer, entrepreneurship development. The formation of internal competence through the perspective, experience, education, learning by 80% and very dominant influence external competence in the group that can produce human capital. The proportion of internal competence attached to individuals has a very high strength compared to external competencies in ecotourism support services. Internal competence and external competence as the basis of business competence is crucial to the development and sustainability of ecotourism as the basis for developing tourist village. Building an understanding of business competence and entrepreneurial spirit in the development of tourist villages such as ecotourism is expected to have a positive impact to improve the welfare of rural communities.

Keywords: business competence, entrepreneurship spirit, ecotourism.

### INTRODUCTION

The economic development in Bali is dominated by the tourism sector. The growth of tourism market share in Bali in the last three years is about 10%. But the results and calculations of BI survey (2017) in quarter III from the tourism business sector had a decline. The decline in business activities is indicated to occur in almost all sectors of the economy, with the largest decrease in agriculture, husbandry, forestry, and fishery sector by -12.82% and Trade, Hotel, and Restaurant (PHR) by -8.75%). Despite the decline, bank institutions are still targeting the tourism sector to be superior to channel funds. Suryadi *et al* (2014) shows that the variance

decomposition of the Trade, Hotel, and Restaurant financing ratio shows the fluctuation of PHR financing is determined by external shock. On the demand side, tourists visit in the end of the 2017 period experienced a very sharp decline due to natural risks, that is eruptions of the Mount Agung. The security of tourism business actors is also very high. They continue to offer tour packages products with care and meticulous to tourists. This is also supported by the competence of human resources and the spirit of entrepreneurship is very high. Aryaningsih *et al* (2017) found that urban sprawl as tourism convergence has a structure of business competence and entrepreneurship model of 96%. While business activities are determined by caution and creativity, regarding market information as very important.

To grow ecology-based tourism sector is not only by paying attention to the packages of products sold, but also to the process of behavior, cognitive competence, social competence, and quality of human resources in offering these tourist packages to tourists. According to Molina (2006), knowledge transfer process will be able to help improve the ability if done with an easy process and vice versa. It will be difficult if the process is done by force. Knowledge is a process that plays an important role in generating business opportunities that start with the creation of new ideas (Xue *et al*, 2011). To Leinonen (2008), group of individuals in conducting activities and collaborating to achieve common goals in the process will create new knowledge. In line with it, a research by Irianto, *et al* (2017) states that to develop ecotourism, level of environmental carrying capacity and quality of human resources is needed. In addition to individual attitudes, social interaction from the team climate as a facilitator is also needed. Siwan, *et al* (2010) proves the concept of competence and entrepreneurship is beneficial to be a successful tourism business with the role of government.

Supply side of the growth of the value of tourism sector is the more availability of tourism infrastructure of national and international standard, more varied tour packages offer, potential jobs developed, so that the impact on economic development is widespread. This led to the concept of integrated ecotourism that ultimately received serious attention. But on the other hand, issues of environmental management and utilization such as transformation of productive land into residential and industrial enterprises have not received further study. This is in line with the data released by the World Bank which states that Indonesia is the country with the largest (fastest) loss of productive land in the world. This statement is evidenced by a research done

by Aryaningsih, *et al* (2017) concerning the transformation of productive land without zone-based government regulations. This illustrates that the tourism sector could have a negative impact on environmental sustainability. Reviewing from the above problems, it is deemed necessary to make a study regarding how to construct business competencies and entrepreneurial spirit based on ecotourism.

## METHODOLOGY

This research begins with a review of the concepts of dimensions of business competence and entrepreneurial spirit in the eco-tourism sector. The research is designed with an explorative approach. The explorative approach is done to find the relation of the dimensions that make up business competence and entrepreneurship spirit in eco-tourism. Data were collected with questionnaires, in-depth interviews, and field observations. Questionnaires are used and arranged on a scale (score 1-7). The analysis technique used in this stage is semantic analysis technique which emphasizes on the relationship model between the dimensions that shape the characteristic of business competence and entrepreneurship spirit in eco-tourism. The results of this early stage of research can generate business competence model and entrepreneurship spirit based on eco-tourism. Comparative analysis techniques characteristic of business competence and entrepreneurial spirit between regional areas will be done at next stage of research.

## RESULTS AND DISCUSSION

Based on the preliminary survey on the dimensions of business competence and entrepreneurial spirit based on ecotourism in some tourist villages in Bali such as Sangketan Village, Batuan Village, and Abuan Village, the dimension characteristics of business competence and entrepreneurial spirit based on ecotourism can be developed. As results of a survey toward 57 persons and of a one month focus group discussion (FGD), dimension characteristics of business competency and entrepreneurial spirit is showed in Table 1.

Table 1  
Dimension characteristics of business competency and entrepreneurial spirit

Dimensions		Indicator	Measurement	Goal	Targeting
Internal Competencies	Business competency	(a) Social competencies	<ul style="list-style-type: none"> <li>• Social interaction</li> <li>• Communication.</li> <li>• To help well being as human</li> <li>• Altruism</li> </ul>	Decreasing community poverty in village tourism based on participation of the community	Constructing ecotourism as an alternative tourism in developing village tourism and creative industry
		(b) Knowledge competencies	<ul style="list-style-type: none"> <li>• Education</li> <li>• Skill</li> <li>• Teaching as volunter</li> <li>• Positive competitive</li> </ul>		
		(c) Organizatinal competency	<ul style="list-style-type: none"> <li>• Coordination</li> <li>• Cooperation</li> <li>• Human relationship</li> </ul>		
External Competencies	(d) Individual /self competencies	<ul style="list-style-type: none"> <li>• Accountability</li> <li>• Individual discipline.</li> <li>• Emotion</li> </ul>			
	(e) Job competencies	<ul style="list-style-type: none"> <li>• Working very hard</li> <li>• In creating Individual Income</li> <li>• Culture in self managing</li> </ul>			
Entrepreneurial spirit	(a) Creativity	<ul style="list-style-type: none"> <li>• Desain product</li> <li>• Style product</li> <li>• Product heritage</li> </ul>	(1) Creating in economic income.		
	(b) Inisiative	<ul style="list-style-type: none"> <li>• Creating cost oppotunity</li> <li>• Increasing economic income</li> </ul>	(2) Constructing social welfare in rural tourism.		
	(c) Information	<ul style="list-style-type: none"> <li>• Regulation</li> <li>• Goverment policy.</li> <li>• Subsidiary</li> </ul>	(3) Increasing inisiative of individual		
	(d) Non-formal Training in young generation	<ul style="list-style-type: none"> <li>• Intellectual intelligency</li> <li>• Social- intellectual intelligency</li> <li>• Commucation intelectual</li> </ul>			
	(e) Atribute product	<ul style="list-style-type: none"> <li>• Value chain product heritage</li> <li>• Revenue institution</li> <li>• Geoproduct</li> </ul>			

Sources: Analysis of primer data with survey and interview methods.

Table 1 shows the business competence dimension is built by internal and external competence, then refers to the proven data in the field with the first stage questionnaire test on the respondents of the economics of underprivileged society in urban sprawl. Aryaningsih, *et al* (2016) found business competence formed by social competence, cognitive competence, and individual competence, entrepreneurial spirit, especially individual creativity is still low, but access to market information for every society is very fast.

A field survey on 7 February to 11 March 2018 shows that the formation of business competence dimension and entrepreneurial spirit based on ecotourism as an alternative development of tourist villages in four districts of Denpasar, Badung, Gianyar, and Tabanan can form dimensions as in Table 1, constructing business competencies and spirit of entrepreneurship (Figure 1- Figure 3).

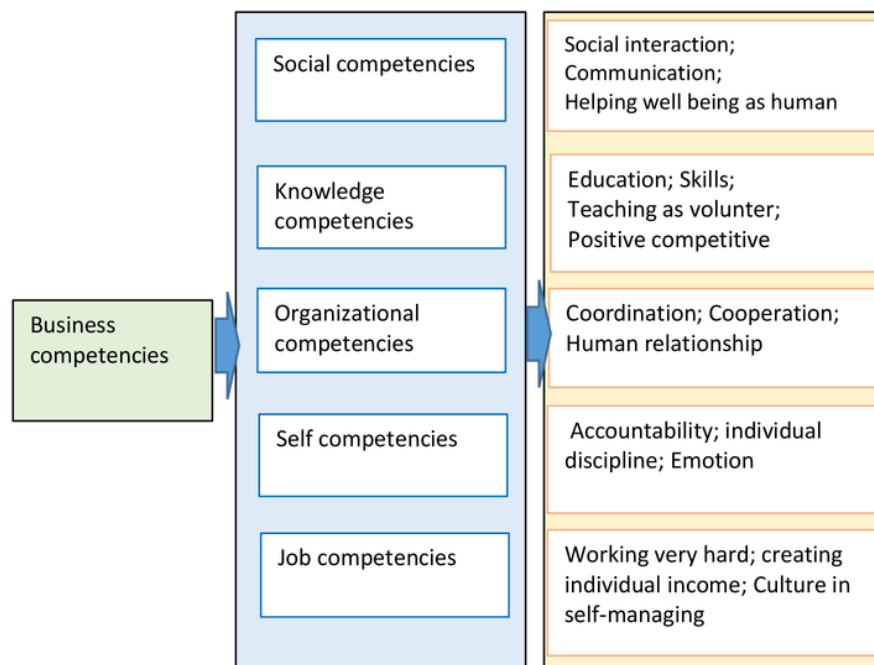


Figure 1  
Dimensions of business competencies

Figure 1 shows the dimensions that shape business competence measured from 16 indicators. Business competence formed by the dimension of social competence having three indicators, namely social interaction; communication; helping well being a human. Knowledge competency consists of four indicators, namely education; skill; teaching as volunteer; positive competitive. The organizational competence consists of three indicators, namely coordination; cooperation/team work; human relationship. Individual competencies consist of three indicators, namely accountability; individual discipline; emotion. Competency task consists of three indicators, namely working very hard; creating individual income; culture in self-managing. To complete the empirical study to build business competence dimension, field test through questionnaire is done in the following stages (Figure 3).

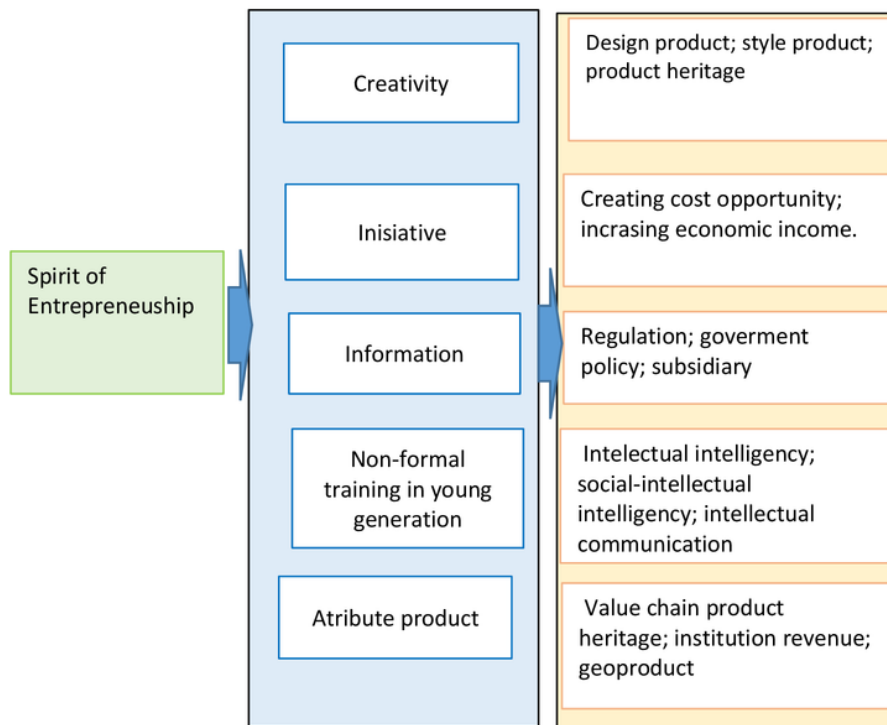


Figure 2  
Dimensions of entrepreneurial spirit

Figure 2 shows the dimensions that shape the spirit of entrepreneurship including creativity, initiative, information, non-formal training of the young generation, product attribute. Creativity consists of three indicators, design product; style product; product heritage. Initiative consists of two indicators, namely creating cost opportunity, increasing economic income. The information consists of three indicators, namely regulation; government policy; subsidiary. Non-formal trainings of the young generation consists of three indicators, namely value chain product heritage; revenue institution; geo-product. The product attribute consists of three indicators, namely value chain product heritage; revenue institution; geo-product. To test dimensions of the spirit of entrepreneurship in the next stages in field study a questionnaires with scale rating scale measurements 1 to 7 is used. Model and testing stage is shown in Figure 3.

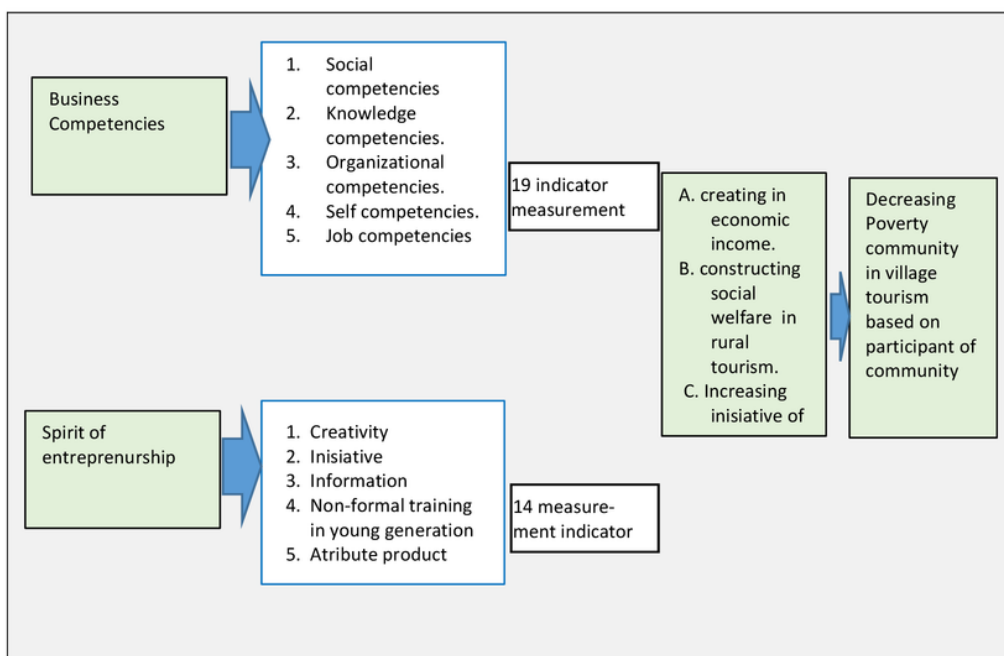


Figure 3  
Constructing business competencies  
and entrepreneurial spirit and its measurement indicators.



Figure 3 illustrates the dimensions of business competence comprising five variables formed by 16 measurement indicators, while the entrepreneurship dimensions are formed by 14 measurement indicators. The 30 measurement indicators are expected to achieve the goal, namely (1) creating in economic income; (2) constructing social welfare in rural tourism; (3) increasing initiative of individual. The target to be achieved is to reduce the poverty of the community in the village based on community participation.

The dimensions of business competence and the spirit of entrepreneurship based on ecotourism with the results of previous research are shown by Turner, *et al* (2006). The barriers to acquiring business competence relate to both education and the more specific training needed to manage farms. Turner, *et al* (2006) found that there were plenty of courses available to farmers who wished to diversify their businesses as a response to the changing economic and policy environment in which agriculture was placed, but a distinct lack of enthusiasm for training among farmers. Defra's (2004; 2006a; 2006b) in *Learning, Skills and Knowledge Review* also concluded that access to learning opportunities is limited, but this seemed to be not because of the lack of courses (or providers) but more because of a lack of awareness among farmers or because of the way in which they were structured (timing, duration, and distance to the provider).

## CONSLUSION

The dimension characteristics of business competence and entrepreneurship spirit based on ecotourism as a part of village tourism development have been formed by 16 and 14 indicators. The concept of the dimension of business competence and entrepreneurial spirit in the field of research uses instruments with rating scale 1-7. Business competence and the spirit of ecotourism is closely related to supporting services owned by human resources in the development of creative industries. In this case, further research is needed to test the business competence model and spirit of entrepreneurship in the creative industry.

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