



Strengthening the Human Resource Capacity of Youth through Community-Based Business Incubators in the Society 5.0 Era

(A Study on Youth in RT 013, Lubuk Gaung Village, Sungai Sembilan District)

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Abstract. National development requires strengthening the quality of human resources (HR) as a fundamental pillar for sustainable development, particularly in facing the challenges of the Society 5.0 era characterized by rapid advances in information and communication technology. Youth, as a productive age group, play a strategic role as agents of social change and drivers of economic development through entrepreneurship. However, low entrepreneurial awareness, limited managerial skills, and insufficient business mentoring remain major obstacles to youth business development at the local level. This Community Service Program (PKM) aims to enhance youth understanding, motivation, and entrepreneurial capacity through an educative and participatory approach based on business incubation. The program was implemented for young people in RT 013, Lubuk Gaung Village, Sungai Sembilan District, on June 18, 2023, using counseling sessions, interactive discussions, and entrepreneurial mentoring methods. The results indicate an improvement in participants' understanding of entrepreneurial concepts, the role of business incubators, and the importance of digital literacy and business collaboration in the digital economy era. The program also fostered collective awareness among youth to become innovative and sustainable entrepreneurs. Therefore, this PKM activity confirms that community-based business incubation has strategic relevance in improving youth human resource quality, promoting economic self-reliance, and supporting sustainable local economic development.

1. INTRODUCTION

National development is essentially a process of change planned and implemented sustainably by the government and all elements of society with the goal of improving the nation's quality of life. Development is not solely oriented toward economic growth, but also encompasses social, cultural, and political aspects, as well as human resource empowerment as the primary foundation for sustainable development (Ginanjar, 2017). National development demands the active involvement of all citizens, both men and women, as subjects of development who contribute to improving the welfare of society equally (Saifudin, 2007).

Within this dynamic of development, human resource development is a strategic factor determining long-term success. Human resource development is understood as a systematic effort to increase individual capacity, skills, and independence by creating a climate that encourages initiative and active community participation (Ginanjar, 2007). Superior human

resource quality will strengthen national competitiveness and support the achievement of equitable and prosperous development goals.

One form of human resource development relevant to current development challenges is strengthening entrepreneurship, particularly among youth. Youth entrepreneurship plays a crucial role in creating jobs, encouraging innovation, and increasing national economic growth (Surya, 2011). As a productive age group, youth have great potential as agents of social change, drivers of the economy, and creators of solutions to various development problems, including unemployment and poverty.

To support the development of youth entrepreneurship, business incubators serve as a strategic instrument that provides mentoring, training, and facilitation for aspiring entrepreneurs. Business incubators play a role in guiding the initial stages of business development and strengthening synergies between academia, the business world, and the government (Wendy & Sheila, 2021). Through this role, business incubators are expected to improve the sustainability of small and medium enterprises and accelerate entrepreneurial-based economic growth.

However, youth entrepreneurship development still faces various obstacles, such as a lack of understanding of sustainable business concepts, limited access to capital, and a lack of ongoing business mentoring. These conditions weaken the resilience of youth businesses in the face of market dynamics and competition. Therefore, an approach to entrepreneurship development that is not solely focused on economic profit but also considers social and environmental aspects is needed.

The concept of sustainable young businesses is relevant in addressing these challenges. Sustainable young businesses emphasize the integration of economic sustainability, social responsibility, and environmental stewardship in business operations. This approach is considered capable of creating long-term added value for businesses and society at large, while simultaneously supporting sustainable development.

At the local level, particularly among youth groups in neighborhood association (RT) 013, Lubuk Gaung Village, Sungai Sembilan District, youth entrepreneurship potential has not yet fully developed. Limited knowledge of entrepreneurial principles and sustainable business, limited access to business mentors, and the suboptimal role of business incubators are factors hindering youth business development. This situation highlights the need for educational and participatory mentoring and coaching activities.

Based on these conditions, this Community Service (PKM) activity is being implemented as a manifestation of the university's role in devoting knowledge and expertise to

the community. Through business incubator-based entrepreneurial mentoring, this PKM is expected to increase the capacity of young people to pioneer and develop sustainable young businesses, while simultaneously encouraging community economic independence and supporting sustainable development at the local level.

2. METHOD

This Community Service (PKM) activity took the form of entrepreneurship counseling and mentoring, targeting all young men and women in RT 013, Lubuk Gaung Village, Sungai Sembilan District. The activity took place on Sunday, June 18, 2023, from 8:00 a.m. WIB until completion, at the At-Taqwa Prayer Room in RT 013, Lubuk Gaung Village.

The approach used in this activity is an educational-participatory approach, which positions youth as active participants in the entrepreneurship learning process. The primary method employed is outreach, which, according to Mardikanto and Pepi (2019), is the process of disseminating information, knowledge, and technology from educational institutions to the community so they can be applied in everyday life. This approach is considered relevant for increasing youth understanding and capacity to develop an entrepreneurial spirit based on local potential.

In its implementation, the extension activities used interactive lecture and question-and-answer methods. The lecture method was used to convey the basic concepts of entrepreneurship and business incubators, while the question-and-answer method was used to explore the experiences, problems, and business ideas of the participants. The interactive approach was chosen because it was considered more effective than one-way communication, especially in maintaining participant attention and understanding. Panuju (2018) explained that delivering material for too long without variation can reduce participants' attention levels, so communication variations are needed through discussions, simulations, and active participant involvement.

The outreach materials focused on strengthening youth understanding of the basic principles of entrepreneurship and business incubators, covering aspects of product, process, price, profit, partnership, promotion, human resources, and teamwork. The materials were delivered in stages by a team of lecturers from STIA Lancang Kuning Dumai as resource persons, accompanied by practical examples and contextual discussions according to the social and economic conditions of local youth.

To support effective material delivery, this PKM activity utilizes learning media in the form of laptops and infocus cameras. The use of visual media aims to facilitate understanding

of the material, increase participant interest in learning, and serve as a means of motivation and persuasion to foster youth entrepreneurship (Arsyad, 2017).

The stages of the PKM activity include preparation, implementation, and evaluation. The preparation stage begins with submitting an activity proposal to the LPPM STIA Lancang Kuning Dumai and coordination with the neighborhood association (RT) and local youth. The implementation stage includes the opening of the activity, presentation of materials, discussion and Q&A, and short presentations from participants regarding the ideas or products developed. Evaluation is conducted qualitatively through observing participant participation and responses during the activity, as well as collective reflection to assess the understanding and benefits of the activity in encouraging youth entrepreneurship.

3. RESULTS

Community Service Activities (PKM) carried out for young men and women RT 013, Lubuk Gaung Village, Sungai Sembilan District, demonstrated that a community-based empowerment approach through the development of a business incubator can increase participants' understanding, awareness, and entrepreneurial motivation. This activity positions youth as key actors in developing human resources that are adaptive to the challenges of the Society 5.0 era, particularly in the face of the increasingly rapid development of Information and Communication Technology (ICT).

The results of the activity showed an increase in participants' knowledge regarding the basic concepts of entrepreneurship, the function of business incubators, and the role of youth as learning classes, production units, and vehicles for economic cooperation. Participants began to understand that entrepreneurship is not only oriented towards economic profit, but also on the creation of added value, innovation, and contribution to local economic development. This finding is in line with the view of Zimmerer and Scarborough, who stated that entrepreneurship is a process of value creation through innovation, risk-taking, and creative exploitation of opportunities (Zimmerer & Scarborough, 2008).

From an individual capacity perspective, this PKM activity fosters youth awareness of the importance of mastering managerial and marketing skills, as well as the use of digital technology in business management. Discussions and interactions during the activity demonstrated that youth are beginning to understand the urgency of transforming their businesses toward a go-digital model, both in product promotion, simple financial record keeping, and expanding their business network. This reinforces the argument that mastering digital literacy is a key prerequisite for developing youth entrepreneurship in the digital

economy era (Nambisan, 2017). In addition to increasing individual capacity, this PKM activity also has a social impact in the form of a collective awareness of the importance of business incubators as a supporting ecosystem for youth entrepreneurship. Business incubators are understood not only as training venues, but also as a forum for mentoring, networking, capital access, and collaboration among young people. This finding aligns with the concept of business incubators proposed by Smilor and Gill, who emphasize the role of incubators as facilitators of learning, networking, and accelerating the growth of new businesses (Smilor & Gill, 1986).

Institutionally, this Community Service Program (PKM) activity demonstrated the potential of the youth of RT 013, Lubuk Gaung Village, to develop into a community-based entrepreneurial group. The participants' enthusiasm during the discussion and Q&A sessions demonstrated their initial readiness to build a sustainable business as a group. This is an early indicator of the formation of a new socio-economic institution that will serve as a driving force for local economic development and a means of strengthening youth independence.

Thus, the results of this PKM program confirm that the development of community-based business incubators has strategic relevance in improving the quality of youth human resources, encouraging job creation, and strengthening the community's economic competitiveness. The success of this activity is measured not only by the delivery of material, but also by changes in mindset, increased entrepreneurial motivation, and growing collective awareness among youth about the importance of innovation and collaboration in economic development.

4. DISCUSSION

The results of the Community Service (PKM) activities indicate that low levels of entrepreneurial understanding and skills remain a major problem faced by youth in RT 013, Lubuk Gaung Village, Sungai Sembilan District. This situation reflects the challenges of human resource (HR) development at the local level, particularly in facing the demands of the Society 5.0 era, which emphasizes the integration of human creativity and the use of technology. This finding aligns with the view of Todaro and Smith (2020), who stated that the quality of HR is a key factor in driving economic growth and improving community welfare.

Conceptually, strengthening youth entrepreneurship can be analyzed through the perspective of human capital theory, which emphasizes that investment in individual knowledge, skills, and competencies will increase a person's productivity and economic capacity. The results of the Community Service Program (PKM) indicate that before the activity was implemented, most youth still viewed entrepreneurship as an activity that requires

large capital and is high-risk, and they did not yet understand the role of business incubators as a support system for budding entrepreneurs. This finding supports Becker's (1993) argument that limited knowledge and skills are the main obstacles to developing individual economic capacity.

Discussions during the PKM activities also indicated that business incubators were perceived as a relatively new concept for young people, despite being highly relevant to their needs. Through outreach and interactive discussions, young people began to understand that business incubators serve not only as providers of physical facilities, but also as centers for learning, mentoring, and developing business networks. This is in line with the view of Grimaldi and Grandi (2005), who emphasized that business incubators are a strategic instrument in increasing the success of start-up businesses through integrated services, such as mentoring, market access, and strengthening business management.

In the context of local economic development, PKM results demonstrate that young people possess creative potential and diverse business ideas, but these are not yet structured into a mature business plan. Through an educational-participatory approach, PKM activities can encourage young people to identify potential business opportunities based on their local environment and understand basic entrepreneurial principles, such as product management, processes, pricing, and marketing. These findings align with Schumpeter's view that entrepreneurs are agents of innovation who play a crucial role in driving economic dynamics and growth (Schumpeter, 1934).

From a communication and community learning perspective, the interactive approach used in PKM has proven effective in increasing participant engagement. The lecture method, combined with questions and answers and discussions, creates a two-way learning process, allowing participants not only to receive information but also to reflect on their experiences and the challenges they face. This supports Panuju's (2018) view that participatory communication is more effective in increasing understanding and changing attitudes than one-way communication.

Furthermore, these PKM activities can be analyzed through a community empowerment framework, which positions youth as subjects of economic development, not merely program objects. Increasing understanding of entrepreneurship and business incubators not only impacts individuals but also has the potential to build collective awareness among youth to collaborate, build business networks, and support each other in business development.

This aligns with the view of Mardikanto and Soebiato (2019), who emphasize that community empowerment aims to create independence through capacity building and active community participation.

Overall, the discussion of the PKM results indicates that business incubator-based entrepreneurship outreach and mentoring activities have strong theoretical and practical relevance in supporting youth human resource development. These activities not only increase entrepreneurial knowledge and awareness but also create space for transforming youth mindsets from job seekers to job creators. These findings reinforce the literature emphasizing the importance of synergy between education, mentoring, and institutional support in fostering sustainable youth entrepreneurship (Bergek & Norrman, 2008).

5. CONCLUSION

Based on the results of the PKM activities, it is recommended that the role of business incubators continue to be strengthened as catalysts for the creation of youth entrepreneurs through policy support and facilitation from the central and regional governments, as well as the development of partnerships between universities, the business world, and the community. Youth in RT 013, Lubuk Gaung Village, Sungai Sembilan District, are expected to continue to improve their technological literacy and digital-based business management skills (go-digital) so they can adapt to the economic dynamics in the era of society 5.0.

Furthermore, community service activities in the field of entrepreneurship need to be carried out sustainably through training programs, consulting, and business mentoring integrated with the business incubator concept. Therefore, lecturers as members of the PKM Team are expected to continuously improve their capacity and understanding of various aspects of entrepreneurship and business development, thereby enabling them to optimally play a role as facilitators, mentors, and companions for young people in building productive, sustainable businesses oriented toward improving community welfare.

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