

Start Up Entrepreneurship Millennials in Lhokseumawe City 2022

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ABSTRACT

Religion Building a startup business doesn't need to wait for old age, if you can be successful at a young age why should it be postponed. Optimism in utilizing digital technology to become digital talent Startup Entrepreneurs. Digital Entrepreneurship provides knowledge and skills to millennials to be able to start, manage, develop businesses by utilizing digital media. Choosing to become a startup entrepreneur in the digital era is the right choice and solution. Becoming an entrepreneur can enrich experience and knowledge. Millennials need to understand, run, develop startup businesses so they can minimize business failures, are willing to take risks to be more successful. There's no need to hesitate to start a business in this era of digital technology convenience. In today's digital era, entrepreneurs must take advantage of technological sophistication to develop their business. Technology is an alternative as a battering ram for success in millennial businesses. Every minute a new digital startup appears with almost the same features as one another. So it takes skills, innovation, creative ideas, courage and creativity that millennials tend to believe can be applied. Millennials need to have mental attitude readiness, knowledge readiness, skills and resource readiness. Competition in the world of work today is an imbalance between limited job opportunities and job seekers, causing unemployment. Including higher education graduates today, there are more job seekers than graduates who open employment opportunities. The impact that causes high job seekers is suspected because many tertiary institutions implement a system to prepare students to graduate quickly and get jobs instead of making them creative and able to open new jobs. Data from BPS 2022, the Lhokseumawe City Open Unemployment Rate (TPT) reached 10,804 people, dominated by Public High School (SMA) 3,532 people, Vocational High School (SMA) 2,153 people, Elementary School graduates 1019 people, Diploma one to three 671 people and finally from University graduates reached 1,422 souls. The percentage of open unemployment to the total workforce in 2019 reached 11.06 percent, 11.99 percent in 2020, and in 2021 it reached 11.16 percent. This community service activity is to encourage, educating millennials in Lhokseumawe City to have an entrepreneurial spirit, create, survive and develop business startups. Success at a young age, smart looking for opportunities and hard work. Millennial involvement in the startup business world is expected to make a positive contribution to economic development. Apart from supporting it in terms of income, it has also created new jobs by reducing the unemployment rate. The involvement of all related institutions to be able to move together in the development of millennial business start-ups in the city of Lhokseumawe.

Keywords: *Business Start Up, Entrepreneurship, Millennials, Lhokseumawe City.*

1. INTRODUCTION

“Business startup development doesn't have to wait until you're old, if you can be successful at a young age, why should it be delayed. How to be successful at a young age who is smart in looking for opportunities and is active in trying so that what many people dream of and

think is impossible can be achieved by the young people of Lhokseumawe city. Indeed, every minute a new digital startup appears with almost the same features as one another. So the skills, innovation, creative ideas, courage and creativity that young people tend to have

are sure to be able to be applied.”(Hasan,kamuddin; 2021)

The findings of the problem in Lhokseumawe City are generally that there are a large number of millennials and university graduates cannot all be accommodated in the formal world of work, causing unemployment.

Data from BPS 2022, the Lhokseumawe City Open Unemployment Rate (TPT) reached 10,804 people, dominated by Public High School (SMA) 3,532 people, Vocational High School (SMA) 2,153 people, Elementary School graduates 1019 people, Diploma one to three 671 people and finally from University graduates reached 1,422 souls. The percentage of open unemployment to the total workforce in 2019 reached 11.06 percent, 11.99 percent in 2020, and in 2021 it reached 11.16 percent.

According to data from the Lhokseumawe City Licensing and Labor Investment Office (DPMPPT), the total unemployment rate is 21,146 people with various types of unemployment categories. Among them are open unemployment, namely the labor force that has no work at all and is trying to find a job, as many as 8,141 people. The population of Lhokseumawe City is 202,269 people, the number of working age (17-60 years) is 145,273 people. Meanwhile, the total workforce in Lhokseumawe City is 110,659 people.

Of the total workforce, as many as 68,367 people are already working. The rest are unemployed. as many as 7,540 people in the underemployed category and as many as 5,465 people in the fully unemployed category (no job at all). The population of Lhokseumawe City who are not in the labor force is 55,760 people. Among them, as many as 14,796 housewives and 31,850 students or students and so on as many as 9,114 people.

In addition, facing the current job competition, there is an imbalance between jobs and limited job seekers, causing problems in unemployment. Educated unemployment is a problem that continues to flow every year. This requires the right solution and provides a multiplier effect in handling it.

Data from the Central Statistics Agency (BPS.2019) shows the unemployment rate for university graduates is 5.8 percent. Educated unemployment from year to year dominates and continues to grow, which is a central problem that must be given a solution immediately.

To be able to overcome the problem of unemployment, the solution is through entrepreneurship activities with business startups. Millennials need to have an entrepreneurial spirit, create business startups and provide education so that startups that will and have been created can survive and develop.

As the results of research (Astuti, 2019) more college graduates are currently job seekers compared to graduates who open jobs. The impact that causes high job seekers is suspected because many tertiary institutions implement a system to prepare students to graduate quickly and get jobs instead of making them creative and able to open new jobs (Margahana, 2020; Ningrum et al., 2020).

Involving millennials in the startup business world is expected to be able to make a positive contribution to economic development including the regional economy. Because apart from supporting it in terms of income, it has also created new jobs and reduced unemployment.

Taking into account the current situation, millennials need to build optimism to take advantage of digital technology in order to become digital entrepreneurs and talents. Digital Entrepreneurship is aimed at providing knowledge and skills to millennials so they can start and/or manage and develop their businesses by utilizing digital media. They need to be introduced to startup businesses and how to develop them in order to minimize failure. In today's digital era, entrepreneurs must take advantage of technological sophistication to develop their business. Because technology is an alternative as a battering ram for success in business.

2. LITERATURE REVIEW

The theory and concept put forward by Nitisusatro (2009) that to enter the business world, millennials need to have readiness including mental attitude readiness, knowledge and skills readiness and resource readiness. The readiness of the skills referred to here is the ability to plan, execute and control the capabilities possessed in carrying out business practices.

Indeed, there are still many Millennials who want to get a permanent job with a high salary compared to opening their own business (Mustofa & Dwi, 2018). This is certainly inseparable from the mindset and upbringing instilled since childhood by their parents. The desire of their parents' generation for their children to become workers in well-known companies or become civil servants or civil servants still dominates the aspirations of students today (Jailani, 2019).

Other situations are important factors that play a role in starting a business by millennials. According to Bygrave in Alma (2003), among others: (1) personal, concerning aspects of personality (2) sociological, concerning problems with family and so on, (3) environment, concerning one's relationship with his environment.

For Bygrave (Alma; 2003) states that what most encourages youth to enter entrepreneurial careers involves two things, namely (1). Personal factors, David McClelland in his book *The Achieving Society* (1961),

states that an entrepreneur is someone who has a very high desire for achievement compared to people who are not entrepreneurs; (2) environmental factors, in addition to personal factors that exist within the entrepreneur's self, there is the influence of external factors on the formation of entrepreneurial character.

Research conducted by Cuninningham (Benedicta, 2003) mentions that entrepreneurial traits include: the desire to do a good job, the desire to succeed, self-motivation, self-confidence and positive thinking, commitment and patience. Another researcher Plotkin (Benedicta, 2003:7) states almost the same thing, for example mentioning creative nature and curiosity, following technological developments and being able to apply productively, abundant and assertive energy.

Many studies show that the success of a business depends on the ability to relate to customers (17%) or the ability to build positive relationships with other parties, both inside and outside the organization, the ability to understand the business environment (15%) which includes the ability to learn from competitors, interest in the industry, knowledge of the business sector, willingness to learn from experience about the business sector and others. The fear of failure causes a reluctance to become an entrepreneur, so the family environment plays a very important role in arousing the entrepreneurial spirit. The family environment is the closest role model. Because a person is nurtured from childhood to become what he sees.

Furthermore, the situation in exploiting opportunities in the digital world is still difficult for millennials to do, because they have not thought about becoming entrepreneurs. So that at the stage of the process of forming an entrepreneur requires support from the environment. Indeed, building a startup business is not easy. Many startup businesses are up and down in running their business and even can't compete with bigger startups. Offices with the old system are not suitable for millennial behavior and this startup business requires more creative and innovative ideas. Millennials need a place to work with a new concept to increase their creativity and productivity at work.

Problem Statement

Based on the background above, the formulation of the problem is how to grow business start-ups and entrepreneurship among millennials in Lhokseumawe City in 2022.

Implementation Method

Service activities are based on the participatory millennial principles involved. Planning together, carrying out activities, monitoring and evaluating together the extent to which the progress of the activity

is taking place. The Service Team acts as a facilitator accompanied by millennials who have relevant scientific backgrounds and experience in assisting participants. The method and implementation approach is carried out in the following steps; First, the socialization stage, need assessment and start-up business data collection. Second, the process of discussing and/or interviewing selected millennials about the problems faced by millennials related to start-up entrepreneurs, including finding solutions. Third, Focus Group Discussion (FGD) with millennials and the service team. Fourth, Training and success story about business start-up and entrepreneurs millennials. Fifth, Joint evaluation and recommendations.

4. Results and Discussion of Millennial Start-up Problems in Lhokseumawe City

In general, the problems faced by prospective and business start-up actors among millennials in Lhokseumawe City include, first, millennials do not have a clear plan or plan. Careful planning is absolutely necessary in managing any business, including startup businesses. Not only playing a role in operating the business, a clear plan will also determine the success of a startup business in the future.

Second, not take advantage of the opportunities and opportunities that exist. As a beginner businessman for millennials, you must have a sense of sensitivity to the surrounding conditions. Including sensitive in seeing the opportunities that exist. These opportunities can take various forms. Starting from cooperation with other businesses, market and consumer demand, and so on.

Third, concepts that are less focused and less clear. In order to achieve success in a startup business, you must have a clear business concept from the start. Every businessman may indeed imitate other startups that have already existed, but don't forget to make sure, they also have fresh, original ideas, and of course can meet market tastes well.

Fourth, not having adequate capital, lack of capital is also one of the causes of the failure of a startup business. Although large capital does not guarantee business success, make sure that financial conditions are managed as well as possible so that there is no deficit in the future.

Fifth, have an attitude of giving up easily. Startup business competition is getting busier. The death of one startup business can be followed by the growth of a thousand new startup businesses. Having an attitude of giving up easily just because there are one or two problems, both internal and external, is of course not a wise decision.

Sixth, starting a startup business alone, even though behind a successful startup business, in general, there is a strong and ideal team. The choice of location is not quite right, so that the startup business will find it difficult to develop. Avoiding competitors or competitors, such as reducing quality or profits can result in startup business failure. Solved the same problem that ended up in vain. So instead of solving the same problem, it's better to look for another problem and imagine how a startup business will solve that problem.

Seventh, not being able to adapt quickly, including wrongly recruiting teams, as well as programmers. Choosing a programmer is one of the important things in setting up a startup business. But it turns out that choosing the right programmer is not an easy matter.

Eight, Wrong choice of platform. Choosing the wrong platform will burden the start up business or it may lose users. Not thinking about the target user, so the products made are not on target.

Nine, marketing products and services on many social media. Millennials as start-up businesses create accounts on all social networks, but do not interact according to existing norms and standards. Instead of adding a level of communication, the startup business will look bad and turn off potential prospects. The best way to fix this error is to start digital marketing using only one or two mediums.

Ten, mistakes also happen in marketing products to everyone. Trying to target everyone, then actually targeting no one. This is one of the biggest mistakes. If a startup business is trying to market to an overly diverse audience with different wants, needs, and wants. Then it will be difficult to create digital marketing messages that resonate with anyone. In addition, with a large audience, marketing messages will compete with a much larger pool of competitors. Therefore, you can narrow your target audience by various demographics and psychographics.

Eleven, lack of creative-innovative and do not dare to take risks to start, open, and manage a business. Creative-innovation and the courage to take risks are entrepreneurial personalities. Several other entrepreneurial personalities such as self-confidence, results-oriented, leadership, hard work will support the birth of human resources capable of managing a business. An entrepreneur is someone who is able to develop new products or new ideas and build a business with a new concept.

Some millennials in Lhokseumawe City are still struggling, and there are also some who even just stop and are unable to continue their business and business. One of the factors that make these young people stop in

the middle of the road is boredom. The boredom experienced by these young entrepreneurs can be caused by a variety of problems. This is the time when millennials are starting to realize the importance of entrepreneurship. Millennials are starting to enter the business world by bringing various creative ideas to offer to the market. Indeed, there are so many millennials who try their luck in the business world, not all of them can taste success.

5. Business Start Up Opportunities and Benefits for Millennials

Opportunities and opportunities for millennials are to master internet technology, and are more interested in starting their own business than working as employees and don't hesitate to create business opportunities by utilizing internet-based technology. Naturally, millennials are currently interested in starting their own business because millennials prefer jobs that have flexible time, and can carry out hobbies and work simultaneously. Millennials want to be free to determine the time when they can focus optimally, and doing something they like can increase productivity and also feel happy doing it.

Millennials are very familiar with information technology and this can be used as capital for doing business. Internet and technology-based businesses have provided great opportunities to work and start a business. Of course, the millennial generation who is up to date with the latest technological knowledge can take advantage of the internet and technology as a marketing or promotion medium in business, and can also create internet-based application services that are currently needed by modern society. Becoming an entrepreneur can enrich experience and knowledge, and millennials who are willing to take risks can become a more successful generation and of course will lead today's millennials to something more positive.

In the process of discussions, interviews and FGDs, millennials who will be involved in the start-up business try to have concrete plans and brilliant business ideas before deciding to enter the startup business world. In the startup sector, it is necessary to understand the sociopreneur-based on demand service sector, the e-commerce sector and the public service sector. It is necessary to develop the driving factors for startup youth in establishing startups, namely social motivation, creating jobs and community empowerment, business opportunities and public service issues.

In the stages of training and success stories, millennials provide ways to develop startups, starting from making products, being innovative, to effective marketing processes. Including making indicators that determine the success of a start up. Starting from determining the

right time, team, idea, business model, and funding. Because these factors are the key factors that determine whether a startup business will succeed or fail.

In general, the growth of a start-up business that is so fast is very noticeable and also without limits. There are many important things that millennials must do by taking into account the initial steps when building a start-up business. Having an idea and innovation is the first step that needs to be done. To get an idea and innovation, of course, you must recognize what problems are happening in the community and after that determine how to solve them. An idea and innovation that is useful for the wider community, really helps people in the current era of globalization and youth are able to overcome the problems that occur in society in the era of globalization.

In every process of activities carried out in the field, it is felt that millennials are so interested in starting up businesses in the digital era. Shared understanding that start-ups are basically business pioneering activities that have a planned business model and utilize technology in the form of a funding platform or application. Which can show the factors in influencing millennial motivation to become a start-up digital entrepreneur or technopreneurship. These factors consist of enthusiasm, creativity, innovation, mentoring, training and the courage to take risks, and must be sensitive to technological innovation supported by the discovery of creative ideas.

6. CONCLUSIONS

Conclusions and suggestions that can be conveyed from the results of this service, especially for prospective millennials and business startups or technopreneurs in Lhokseumawe City, include; (1). Millennial business start-up development doesn't have to wait until you're old, if you can be successful at a young age, why delay? How to be successful at a young age who is smart in looking for opportunities and is active in trying so that what many people dream of and think is impossible can be achieved by the young people of Lhokseumawe city. Indeed, every minute a new digital startup appears with almost the same features as one another. So the skills, innovation, creative ideas, courage and creativity that millennials tend to have are sure that they can be applied.

(2). It is necessary to build and build a climate of optimism in utilizing digital technology to become entrepreneurs and digital talents. Digital Entrepreneurship is intended to provide knowledge and skills to millennials so that they can start and/or manage, and develop their business by utilizing digital media. It is necessary to continuously introduce start-up

businesses and how to develop them in order to minimize failure.

(3). The growth of a start-up business that is so fast is felt and also without limits. Millennials have many important things to do. Take into account how the initial steps when building the business. Having an idea and innovation is the first step that needs to be done. To get an idea and innovation, of course, you have to recognize what problems are currently happening in the community and after that determine what the solution is. An idea and innovation that is useful for the wider community, really helps people in the current era of globalization and young people are able to overcome problems that occur in society in the era of globalization.

(4). In the world of business start-ups it is also necessary to understand; on demand service sector based on sociopreneur, e-commerce sector and public service sector. Millennial driving factors need to be grown in establishing start-ups by strengthening social motivation, creating job opportunities and empowering the community. Business opportunities and public service problems. Understanding the factors that influence millennial motivation in the process of becoming a reliable start-up digital entrepreneur or technopreneurship. These factors consist of enthusiasm, creativity, innovation, mentoring, training and the courage to take risks, and must be sensitive to technological innovation supported by the discovery of creative ideas.

(5). In starting a start-up entrepreneur, millennials need to have a clear plan. Careful planning is absolutely necessary in managing any business, including a startup business. Not only plays a role in operating the business, a clear plan will also determine the success of the startup business. Taking advantage of existing opportunities, as a businessman, must have a sense of sensitivity to the surrounding conditions. Including sensitive in seeing the opportunities that exist. These opportunities can take various forms. Starting from cooperation with other businesses, market demand, consumers, clear business concepts from the start and others. Every businessman is allowed to imitate other startups that already exist, but don't forget to make sure by having fresh, original ideas, by meeting market tastes well.

(6). Having adequate capital, lack of capital is also one of the causes of the failure of a startup business. Even though large capital does not guarantee business success, still make sure that financial conditions are managed as well as possible so that there is no deficit.

(7). Have an attitude of not giving up easily. Startup business competition is getting busier. The death of one startup business can be followed by the growth of a

thousand new startup businesses. (8). Establishing a start-up business alone, even though behind a successful startup business, in general, there is a strong and ideal team. Including choosing an inappropriate location, so that startup businesses will find it difficult to develop.

(9). Support from the government, universities, private companies, and stakeholders who care about the future of the millennial generation in conducting business activities in the digital era.

(10). Continuous assistance, changing conventional paradigms in society, strengthening millennial personality, creative-innovative, environmental support, team commitment, healthy startup ecosystem, process and result oriented, dare to take risks, self-confident, hard work, leadership spirit, not fast tired of adaptability too.

(11). Curriculum for higher education, currently the output and outcome of graduates are more mentally job seekers than graduates who open employment opportunities. So that the high job seekers are due to many universities implementing a system to prepare students to graduate quickly and get jobs instead of making them creative and opening up new jobs.

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