

SWOT analysis for determining sustainability development strategy of The Local Enablers community, a social business ecosystem at Universitas Padjadjaran, Jatinangor, Indonesia

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Abstract

Developing communities which involving agricultural commodities will need a comprehensive model and strategy which can consider the social and commercial aspects to ensure it is sustainable. The Local Enablers (TLE) is a community, an entity established as the model of the entrepreneur-coaching scheme designed to create social entrepreneurs, also known as the local genius, possessing collaboration, creativity, technology, and friendship as the value. The purpose of this research is to determine the following value such as (1) Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) at The Local Enablers community, a Social Business Ecosystem (2) SWOT analysis to aware of the current situation and existing business models, then determine the proper strategy at The Local Enablers. Data sources, collected from July to December 2018, obtained from Focus Group Discussion and in-depth interview with members and stakeholders of The Local Enablers communities at Universitas Padjadjaran, Jatinangor, West Java Province, Indonesia. Data were analyzed by identifying the internal and external factors that influence, thus looked for strength, weaknesses, opportunities, and threats, which are used to determine the sustainable development strategy for The Local Enablers by using SWOT analysis. The results showed the position of the TLE is in between EFE and IFE matrix. That position showed an appropriate strategy for the current existing of TLE. In addition, based on SWOT matrix and Space matrix determined a suitable strategy to be applied to TLE so that it continues to be in the quadrant 1 (aggressive), the strategy considered new acquisitions, increasing market share and focusing on competitive products where a suitable strategy is a strategy on Strategy Opportunities.

Keyword: SWOT analysis, IFE and EFE, sustainable development, community development, social enterprise

Introduction

Small and Medium Enterprises (SMEs) play an important role in national economic development. Based on the data by the Central Bureau of Statistics, as quoted by the Minister of Cooperatives and Micro and Small Medium Enterprises, Indonesia's economy features many Micro, Small and Medium Enterprises (MSMEs), which contribute 57.6% to the GDP and comprise nearly 97% of the total labor force. Roughly 3.1% of Indonesia's population are of the identified as entrepreneurs, an increase of 1.4% in two years. Moreover, according to the Minister of the National Development Planning Agency (BAPPENAS), the social enterprises could potentially contribute an estimated 1.91% of Indonesia's GDP (19.4 Billion) (British Council, 2018).

In the process, social enterprise is formed from the desire to address a social issue by using an entrepreneurial approach. Almost the same as the enterprise in general, social enterprise also still have to seek profits to support their social activities but not concentrating on maximizing profit. Furthermore, the difference is that social enterprises are also motivated by a social mission and reinvest significant proportion of its profits towards their stated mission. These businesses address a range of issues, from the environment to economic inequality and beyond, and often work to empower marginalized people by providing access to education, health and other services (British Council, 2018).

In the future, it seems the development of agro-industry in Indonesia will be shifting from conventional business model to the social enterprise concept. Based on the data (British Council, 2018), social enterprises in Indonesia have shown remarkable increase in recent years. The number of new social enterprises is 5 times greater than the previous 5 years. The three highest-ranking popular sectors of social enterprise in Indonesia were 22% creative industries, 16% of agriculture and fisheries, and 15% education. Interest in social enterprises in Indonesia is growing alongside an increased emphasis on entrepreneurship in general.

The Local Enablers (TLE) is a platform created by Universitas Padjadjaran that enables people to share their knowledge about social enterprise. The community focuses on systems thinking and design thinking as the foundation for solving problems. Many members of this community go on to found their own social enterprises (British Council, 2018).

The enterprises developed were emphasized to be able to lift the value added of local commodities, or becoming accelerated development media. The majority of businesses developed are agricultural technology based on process technology. The community is concerned with investing in human resources.

In the past 5 years, TLE collaborated and developed well to generate approximately 100 new agriculture-based entrepreneurs with significant business progress. The broaden impact is to start collaborating with various organizations,

especially the Regional Government of West Java Province to generate 6000 new entrepreneurs by doing the same replication that TLE has done (Bunyamin et al. 2016). Moreover, TLE still has challenges, especially in its business model, which can be classified as follows in the supply, marketing, and finance areas. The marketing strategy for products of SMEs agro-industry is unique because the variables that are different from big industries, such as limited amount of product, low capital, networking slightly, the ability of simple technology, low value-added, low of information mastership and distribution ability is not good (Purnomo et al. 2015). Besides that, in the era of creative and inclusive economy, agility and disruption as well, everything shifts quickly. The Local Enabler community should be able to survive and sustain under the onslaught of new products or enterprises.

Developing communities which involving agricultural commodities in particular will need a comprehensive model and strategy which can consider the social and commercial aspects to ensure it is sustainable. Where the activities will lead to balance the fulfillment need of three components: People, Planet and Profit (3P). This Three Bottom Line concept is used to ensure sustainable progress (Kurniawan et al. 2018).

Sustainability is development that meets the needs of the present without compromising the ability future generations to meet their needs (WCED, 1987). According to that meaning, TLE should be mapped the current and future challenge which are mapped condition existing business model of SMEs and validate with the external factor, if the community wants to survive and sustain. The method is mapping internal (strengths and weaknesses) which include systems and human resources (people), and externals condition (opportunities and threats) which include political, economic, social, technology, environment, and legal aspects. After that, TLE will find out the right strategy to make success and sustain.

The contribution is to recommend the SMEs the improvement for their business model and this innovative concept model is expected to be implemented by all SMEs based agroindustry affecting the sustainability and the success of the enterprise to the SMEs then always transformed for the better. Social entrepreneur can be lead manage disruption and agility era.

Materials and methods

Material

Materials used in this study research were Microsoft Office, online form, IBM SPSS Statistics 25, Minitab, Adobe Photoshop, smartphone, sticky labels (post it), opaque paper, and printed questionnaire.

Methodology

The approach taken in this study is qualitative and quantitative. The qualitative method used in-depth interview to know the hidden pattern, identify the real problem, and not get caught up in the phenomenon. The quantitative method used a comprehensive strategy-formulation analytical framework by SWOT analysis. The strategy used in this study is a SWOT (Strength, Weakness, Opportunity, and Threat) analysis. In SWOT analysis consist of five stages are done (1) preliminary study, literature study, and collecting initial information; (2) set up the expert group; (3) focus group discussion to identifying internal (strength and weakness) and external factor (opportunity and threat) using transformative learning method; (4) forming Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) matrix to evaluate the internal and external factors; and (5) matching stage, focuses on generating feasible alternative strategies by aligning key external and internal factors (6) TOWS (Threats, Opportunities, Weakness, and Strengths) analysis, forming SWOT matrix and developing strategy.

First, the organization's vision and mission statement determined and evaluated. Second, analyzed and obtained information of the internal and external environments of the organization which are strength and weaknesses (internal factors) and opportunities (external factors). Assessment was based on two aspects, which were the assessment of current conditions (performance) in the form of weight and urgency of handling in the form of rating. Third, using SWOT matrix, the organizations' strengths, weaknesses, opportunities and threats are evaluated. Finally, the experts groups make the weighting, rating and matching for IFE and EFE matrix, and then they make strategies in SWOT matrix base on the IFE and EFE matrix. Then, decision making stage and using different types of matrix including external factor evaluation matrix (EFE), internal factor evaluation matrix (IFE), SWOT matrix and strategic position matrix (David & David, 2013).

The experts are consisting of selected respondent of The Local Enablers which are around 40 respondents. They are representative of academican (4 respondent), TLE unit business (35 respondent), and government (1 respondent). Data collected by directly and in details explanation discussion. The participant consisting of various business units in The Local Enablers community. Data collected from July to December 2018 at Sumedang and Bandung, West Java Province, Indonesia.

Result and discussion

The Local Enabler concept

The Local Enablers (TLE) is an entity model that is directed at creating activators and enablers with social vision by applying various local resources with high value-added and having a good impact on their community and environment. The TLE is conducted to become a Local Genius that has an independent character and has a concern to generate progress in every field it engages, in which relates it to other fields then a collaborative movement that is globally competitive and sustainable is realized (Bunyamin et al. 2016). Local Genius can be interpreted as *"the intelligence of local people to manipulate the influence of external culture and existing culture into a new form that is more beautiful, better, and harmonious according to local tastes and at the same time a specific form or identity of the area own"* (Sukarata, 2004).

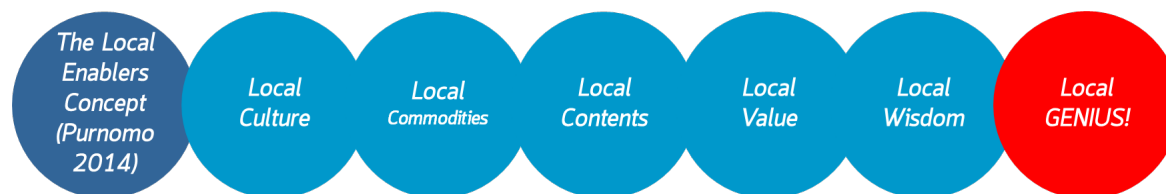


Figure 1 The Local Enablers concept (Bunjamin et al. 2016).

In the TLE concept as showed in **Figure 1**, the development of entrepreneurship is directed to led benefits to the social by carrying out local values, vision based on local commodities, local content, local values, and local wisdom, which will generate many Local Geniuses in large numbers. These locality values are adopted as a value creation process until they have a high level of competitiveness. In addition, TLE also applies the concept of entrepreneurship as “the soul that underlies every human being to work with his best effort, by fostering passion and good intentions to learn, master technology, and contribute positively to his environment” (Purnomo, 2017).

The Local Enablers themselves have been running for 5 years until now, approximately more than 100 enterprises have been accompanied in **Figure 2a** and various regional, national and international awards have been obtained as showed in **Figure 2b**. However, the main focus is the sustainability and replication of each business.



Figure 2 TLE portfolio (a) award “The Best Entrepreneur West Java Province” for Fruits Up (b) 100 Start Ups accompanied (Purnomo, 2017).

In this disruption era, TLE should be answer the existing challenger to continue the sustainability. One of them is by knowing the current and future situation as well as the challenges both internally and externally. It is been 5 years there were existing internal and internal challenges. TLE has already changed its business model several times to adjust its business model, but until now, there is no exactly form of TLE. The business model starts from downstream research, forum, co-operative and become beneficiaries until present. This is based on the existence of challenges, especially in the internal TLE.

It can been seen that at the concept of the local enablers themselves in **Figure 1**, the internal challenges are on the part of creating local wisdom. Based on the result of focus group discussion, the challenges were in terms of people/human and system. For instances, in terms of people, there are lack of managerial, lack of core competencies and lack of motivation. Then, organizational culture that is not suitable hence, it needs to be continually improved that is by way of mapping and analyzing organizational culture. According to (Cameron & Quinn, 2011), there is a model of measurement and diagnosis of organizational culture based on the competitive framework of values including clan, adhocracy, market and hierarchy culture. This is needed in the formation of teamwork that must always be practiced and evaluated in its application. In accordance with conditions, opportunities, threats and the future plan, a teamwork needs to define the values that become the views, guidelines, and benchmark for each human resource that is formed in the corporate culture (Rangkuti, 2013).

The system challenges are the lack of a systematic in TLE such as the Standard Operating Procedure (SOP) that has not been arranged, including the SOP developing the capacity and capabilities of TLE members and lack of systematics of work in achieving and executing ideas by TLE members in particular. Furthermore, lack of good delivery of vision and mission affected the understanding of each member. In addition, there is not existed systematic and clear derivation of vision and mission to the program and achievements (key result). In addition, externally TLE tries to adjust to the rapid development of trends by implementing agile strategy in which consumer needs change constantly.

The great organization can balance between agility and consistency, through combination of the consistency and agility that an organization can perform as an organization 's purpose with excellence and necessary change the course when the

situation demands. TLE itself is still not balanced between agility and consistency, therefore improving consistency can be developed through strong dashboard and balanced scorecards to assure outcomes are regularly reached and continually improving. To assure agility, develop a changeable planning model that allows the organization to change outside of the formal annual planning process and annual strategic planning process that looks outward to external ideas (Coleman, 2017).

Internal and external factors of TLE

Based on in-depth interview and Focus Group Discussion using transformative learning methodology, a number of Internal and External Factors are collected in The Local Enablers Community. Used questionnaire to analyzed and classified quantitatively the internal and external factors that affected the business, analyzed key success factors, mapped them, and defined strategies based on the mapping, seen various alternative solutions and the results of this questionnaire have numbers. Each question answered by the respondent in the form of a scale was calculated to obtain certain number. Using average method, the calculation of the performance of current condition and the urgency of handling, the details of internal (S-W) and external (O-T) were obtained. Performance value was obtained from the total of each factor divided by the total of all factors (e.g. total of summation respondent from strength 1 (S1) divided by the total of all strength factors (S1-S7), then the weight score was generated from the current condition. Priority value was obtained from the average rating of each factor (e.g. average of summation S1). After that, it was known the quadrant of processing results by calculating the number of each factor that has been multiplied by the level of urgency. This quadrant functions as a strategic map. Based on this equality, the formulation of priority strategies was determined and formulated (strategic formulation).

The internal factors consist of strengths and weaknesses, which were seven factors and six factors respectively. More details, it can be seen in **Table 1**. In **Table 1** described that Internal Factor Evaluation (IFE) matrix and calculated the value of score. Values of internal weighting that correspond to the interest of the organization. The shape of the IFE matrix table as follows:

Table 1 Internal Factor Evaluation (IFE).

No	Description	Performance Value (a)	Priority Value (b)	Total Value (c = a×b)
A. Strengths				
S1	Human Capital from different background of knowledge, social, and experience that have an impact on the sustainability of TLE	0.09	3.15	0.29^{*2}
S2	Activities that lead to enhancing the capacity and capability of TLE Human Resources in the context of sustainability	0.08	3.35	0.28^{*4}
S3	Locations close to resources (5 M - Men, Materials, Machines, Methods, Money) supporting activities such as education hub, markets, businesses and community activities	0.09	2.77	0.25
S4	Creative Tools and Method to supporting sustainability	0.09	2.92	0.26
S5	Optimal social media utilization as a portfolio in the documentation of the process of shifting that is passed by TLE	0.09	3.15	0.29^{*1}
S6	Efforts to build ecosystems that support the development of the capabilities and capacities of each TLE member	0.08	3.23	0.26
S7	Efforts to build partnerships that support the development of the capabilities and capacities of each TLE member	0.09	3.28	0.29^{*3}
Total		0.62		1.92
B. Weaknesses				
W1	Lack in delivering to make understanding vision, mission and value of organization as well	0.07	3.25	0.21^{*2}
W2	Standard Operating Procedure (SOP) has not been arranged including SOP developing the capacity and capabilities of TLE members	0.06	3.00	0.17
W3	Lack of systematics of work in achieving and executing ideas by TLE members	0.06	3.15	0.20^{*4}
W4	No clear job description	0.05	3.15	0.17
W5	Access to research and development is not optimal	0.08	2.83	0.22^{*1}
W6	Lack in converting data to information	0.07	2.97	0.21^{*3}
Total		0.38		1.17
Grand total		1.00		3.09

**Ranking of position 1, 2, 3, 4*

The **Table 1** showed that there were the highest score of strengths among the others, which were: (1) optimal social media utilization with a weight of 0.09 and a rating of 3.15; (2) human capital with weight of 0.09 and a rating of 3.15; (3) partnership with weight of 0.09 and a rating of 3.28; and (4) activities that lead to enhancing the capacity and capability of 0.08 and a rating of 3.35.

Conversely, there are factors that have the highest value of weaknesses and seemed similar among them, which were: (1) access to research and optimal development with weight of 0.08 and a rating of 2.83; (2) lack in delivering to make a vision of weight of 0.07 and a rating of 3.25, a mission and value of an organization as well; (3) lack in converting data to weight with 0.07 and a rating of 2.97 (4) lack of systems of work in achieving and executing ideas by TLE members with a weight of 0.06 and a rating of 3.15.

The **Table 1** showed also that the TLE has a higher strength compared to weaknesses, with a score of 1.92 and 1.17 respectively. On the other words, the TLE has the potential to develop higher than the existing challenge, through this potential, in the future the member of organization must be optimistic trying to face challenges that have never existed before. This adaptation, empathy and willingness to learn is certainly the key to facing this era of disruption. The skills needed in the 21st century are one of them is adaptability (World Economic Forum, 2016).

According to the classification of the internal aspect challenges, it can be classified become 3 aspects which were people, system, and ecosystem. As shown in **Table 2** as follows:

Table 2 Current internal aspect of TLE.

No	Aspect	Strength	Weakness
1	People	Human capital Optimal technology and social media utilization Resources to access information and networking	Lack of managerial Lack of operative Lack of core competencies
2	System	Creative tools and Method	Lack of systematic of work Inappropriate organizational culture Lack of converting data to information (fact based)
3	Ecosystem	Activities to enhance capacity and capability Effort to build ecosystem and partnership Locations close to resources	

It can be seen in the **Table 2** that the Local Enablers had strength and weakness according to internal aspects; people, system, and ecosystem. For instance, people aspect has strength on human capital consist of the student from various knowledge and experience in university, optimal technology such social media utilization (e.g. instagram channel to display portfolio of The Local Enablers), then supported by resources to access information and networking such as regional, national and international (e.g. penta-helix collaboration such as academician, businessman, community, government and media). However, TLE still has challenges such as lack of managerial (lack in delivering to make understanding vision, mission and value of organization to all of member), lack of operative (lack of executing of ideas), and lack of core competencies because of lack of capability. There is still a gap between fellow members, for example, between founder and their members, both in terms of capacity and capability.

Even though, capabilities are the organizational and managerial skills necessary to orchestrate a diverse set of resources and to deploy strategically. Activities enable firms to add value by transforming inputs into good and services. The interaction between resources and capabilities showed that resources reinforce core companies, while capabilities allow managers to orchestrate their core competencies. Selection strategy found statements in firm activities where the leverage of core competencies towards competitive advantage. The arrows as shown in **Figure 3** that leading back from performance to resources and capabilities, indicate that superior performance in the marketplace generates profits that can be reinvested into the firm (retained earnings) to further hone and upgrade a firm's resources and capabilities in its pursuit of competitive advantage and improved profitability (Rothaermel, 2013).

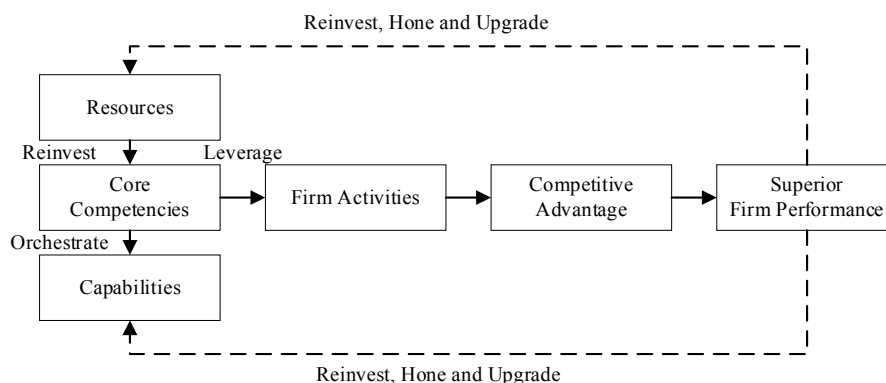


Figure 3 Linking resources, capabilities, core competencies, and activities to competitive advantage and superior firm performance (Rothaermel, 2013).

Based on the system, TLE has strength in the transformative learning and social innovation aspects, by using the method of design thinking and system thinking to ensure sustainability. The weakness is the absence of a compatible system in terms of organizational governance, for example in the formulation of standard operating procedures, systematics of work, and also organizational culture which still not in accordance with existing conditions that will affect the formation of teamwork. Besides that, lack of converting data to information was still an obstacle, whereas the data itself is very necessary to accelerate the business, especially in terms of decision-making.

Based on ecosystem aspect, TLE has been a good ecosystem in an effort to accelerate the capacity and capability of each its members. Collaboration penta-helix involved stakeholders so that TLE has a lot of resources to support their business. In addition, the location of TLE which is close to the resources (Men, Methods, Materials, Machines and Money) supporting the activities such as education hubs, markets, businesses, and communities activities.

Furthermore, the external factors consist of 10 opportunities and 4 threat. It can be seen that External Factor Evaluation (EFE) matrix and calculated the value of score in **Table 3**. The shape of the EFE matrix table as follows;

Table 3 External Factor Evaluation (EFE).

No	Description	Performance Value (a)	Priority Value (b)	Total Value (c = a×b)
A Opportunities				
O1	The idea of Social Enterprise is a current selling idea in political contestation	0.08	2.65	0.21
O2	The government increased attention in developing inclusive creative and economies towards the context of sustainable development	0.07	2.90	0.22
O3	Adapted inclusive economic development by most communities in Indonesia	0.08	3.02	0.25*⁶
O4	Business units as TLE support system	0.08	3.33	0.25*⁴
O5	Consumer purchasing power increases with growth of the middle class then it has an impact on the development of its business processes	0.07	3.27	0.22
O6	The opening of join-partnership opportunities on a National and International scale that can be accessed by TLE members	0.08	3.25	0.25*⁵
O7	Down streaming of research university by various stakeholders who support the development of TLE	0.07	2.92	0.20
O8	Millennials generation awareness in developing social impacts in society	0.07	3.42	0.25*³
O9	The rise of the student entrepreneurs	0.08	3.27	0.27*¹
O10	Internet of things is raising to achieving vision or goals for their business	0.09	3.02	0.26*²
Total		0.77		2.39
B Threat				
T1	No government regulation managing Social Enterprise in particular	0.06	2.95	0.18*¹
T2	Offers from incubators in the form of investor venture capital as well as those that lead to changes in conventional business models that lead to profit alone	0.06	2.58	0.15
T3	Acquisition of a capitalist company on the development of the TLE business because of the strength of the value of TLE itself	0.06	2.45	0.14
T4	Plagiarize ideas, concepts, TLE content by other organizations/ institutions without providing benefits to the community	0.06	2.52	0.14
Total		0.23		0.60
Grand total		1.00		2.99

*Ranking of position 1, 2, 3, 4, 5, 6.

According to **Table 3**, it can be seen that the score of opportunities is closed among the factors, but there are the highest 6 factors which are: (1) the rise of the student entrepreneurs; (2) the internet of things that are raised to achieve vision or goals for their business; (3) millennials generation awareness in developing social impacts in society; (4) business units as TLE support system; (5) the opening of the partnership partnerships on a national and international scale that can be accessed by TLE members; (6) adapted inclusive economic development by most communities in Indonesia. However, the highest score of threat belongs to the organization is no government social enterprise managing regulations in particular.

Moreover, **Table 3** depicts that the value of opportunities are higher than threat, which are 2.39 and 0.6 respectively. It means that the opportunities are four times higher than the threat. Therefore, TLE community has many opportunities that can be taken in developing its business. Finally, based on the compilation of the above data and the total calculation of IFE and EFE obtained the results showed that the value of scores were 3.09 and 2.99, respectively. By combining internal information and with external observations, the organization can find new challenges or pursue opportunities. As stated by (Bowman, 2019), there are steps to help the organization convert disparate trends and observations into strategic insights, which are: (1) detecting information and data over time; (2) categorize the information into common themes; (3) discuss the implication of the trends; (4) explore peripheral ripple effects; (5) combine trends and build multiple scenarios for the future; and (6) ask the big questions.

In addition, in **Table 4** the external factor classification can be seen based on politics, economy, social, technology, environment, and legality aspect as well.

Table 4 Current external aspect of TLE.


No	Aspect	Opportunity	Threat
1	Politic	Politic year	
2	Economy	Developing inclusive creative and economies	Promising from another institution Competitor
3	Social and Environment	Entrepreneur Trend	Trend and behavior change rapidly
4	Technology	Technological advances	
5	Legal		There is no regulation

According to the current external aspect in **Table 4**, TLE has opportunity and threat consisting of politics, economy, social, environment, technology, and legal aspect. In terms of politics, the opportunity is in 2019 will be a political year. Parliamentary and presidential elections are scheduled on April 17th 2019. In which are Small Medium Enterprises (SMEs) ideas, social enterprise, and opening jobs that are a critical issue for each candidate. In terms of economy, Indonesia has policy to develop inclusive creative and economies to address the disparity problem. However, the threat is the capitalist company acquisition on TLE business development because of the strength of TLE value in the initial step. Then, another promising thing is finding a job that is more certain than doing business. The third threat is a competitor from a similar business.

In terms of social and environment, the opportunity is the entrepreneurship programs more aggressive implemented by the government or the private sector so that entrepreneurial trend growth. Rough 3.1% of Indonesia's population is an increase in 1.4% in two years (British Council, 2018). Then, TLE's threat is trends and behavior among consumers shifting very fast. One of them is retail industry has decreased because of the shifting from retail to E-commerce (Newman, Fletcher, Kalogeropoulos, Levy, & Nielsen, 2017). According to Statista, in 2018 e-commerce sales had reached 8.6 billion USD, and were expected to grow above 17.7% per year between 2018-2022 so that the total market volume will be 16.5 billion USD in 2022 (Statista, 2018). In terms of technology, the opportunity is technology increased rapidly to accelerate the acceleration of business from the TLE business unit. In 2017 internet users in Indonesia became 54.68% of the total population of Indonesia, or around 143.26 million users. There was an increase of 10.56 million users compared to 2016, up by around 7% (APJII Indonesia, 2017). The last is a legal aspects, the government still does not have regulation for enterprise specifically, social enterprise in particular. However, legal drafting of entrepreneurs was being discussed in parliament.

Internal and external (IE) matrix

The Internal-External (IE) matrix as shown in the **Figure 4**, it can be seen that the horizontal (x-axis), Internal Factor Evaluation (IFE) (3.09) and vertical (y-axis) of IE matrix, External Factor Evaluation (EFE) (2.99). According to (David & David, 2013), the prescription for divisions that fall into cells I, II or IV can be described as grow and build. Market penetration, market development, product development or (backward, forward, horizontal integration) strategies can be most appropriate for these divisions.

The IFE total weighted scores			
	Strong (3,0-4,0)	Moderate (2,0-2,99)	Weak (1,0-1,99)
High (3,0-4,0)	I Grow and Build	II Grow and Build	III Hold and Maintain
Moderate (2,0-2,99)	IV Grow and Build (3.09, 2.99) 	V Hold and Maintain	VI Harvest or Divest
Low (1,0-1,99)	VII Hold and Maintain	VIII Harvest or Divest	IX Harvest or Divest

The EFE total weighted scores

Figure 4 The Internal - External (David & David, 2013).

Based on the above strategy in **Figure 4**, TLE is in a “**grow and build**” phase. One strategy that is applied is minimizing costs, expanding the market to be able to increase profit (profit stabilization), namely by way of market penetration, market development, and product development. In addition, TLE should have to start looking for strategies that can be more penetration markets, one of which is the availability or having a clear market channel so that it will be easier to generate profits.

According to diagram IFE and EFE matrix in **Tables 1** and **3**, it can be formulated in strategy using SWOT matrix that can be seen in **Table 5**.

Table 5 SWOT matrix.

S-O Strategies		W-O Strategies	
1. Incentive CEO or manager TLE (S3, S4, O8, O9)		1. Hackaton idea social enterprise or idea to make better TLE (W1, O7, O8, O9)	
2. Develop marketing channel such build TLE Store (marketplace) (S3, O2, O5)		2. Building organizational culture "Holacracy" and "Adhocracy" (W2, W3, O4)	
3. Development of capacity building curriculum (S2, O4)		3. Building team of data analyst (W6, O6, O1, O2)	
4. Actual program and TLE replication (S4, O8, O7)		4. Delivering of value TLE (W1, O4)	
5. Development of cooperation in the incubation process (S7, O1, O2)		5. Recruitment of millennials who are interested in content, such as data and information and have a tendency to work in social-based companies (W6,O7,O8)	
6. Optimization of networks for the development of resource acceleration from TLE (S7, O4, O6)		6. Benchmarking/comparative study to organizations that are similar to domestic and foreign affairs (W1, W2, O6)	
7. TLE is become a downstream model of the University (S4, O7)			
8. Pairing partners (S5, O7)			
S-T Strategies		W-T Strategies	
1. Strengthening the ideology of TLE values (S2, T2, T3)		1. Updating idea and knowledge (W3,T4)	
2. Creating HAKI (patent license) (S4, T4)			
3. Continuous improvement of service design (S4, T4)			
4. Initiation of partnership collaboration (S7, T2, T1)			
5. Engagement beneficiaries (business units) (S1,S2,S6, T1,T3,T4)			

After analyzed using the SWOT matrix or on the others words TOWS analysis as shown the **Table 5**, there can be seen four types of strategies: SO (strength opportunities) strategies, WO (weaknesses-opportunities), ST (strength-threat) strategies, and WT (weaknesses threats) strategies. SO, strategic use when the organization or firm's internal strengths to take advantage of external opportunities. WO strategies to improve internal weaknesses by taking advantage of external opportunities. ST strategies to use an organization or firm strengths to avoid or reduce the impact of external threats. WT strategies are defensive tactics directed at reducing internal weaknesses and avoiding external threats (David & David, 2013).

Then, another stage is matching stage using Strategic Position and Action Evaluation (SPACE) matrix as shown in **Table 6**, to focus on generating feasible alternative key external strategies and aligning factors.

Table 6 SWOT matrix analysis.

INTERNAL STRATEGY		Rating	EXTERNAL STRATEGY		Rating
Strength			Opportunities		
S1	Human Capital from different background that has an impact on the sustainability of TLE	5	O1	The idea of Social Enterprise is a current selling idea in political contestation	5
S2	Activities that lead to enhancing the capacity and capability of TLE Human Resources in the context of sustainability	4	O2	The government increased attention in developing inclusive creative and economies towards the context of sustainable development.	4
S3	Locations close to resources (5 M - Men, Materials, Machines, Methods, Money) supporting activities such as education hub, markets, businesses and community activities	5	O3	Adapted inclusive economic development by most communities in Indonesia.	5
S4	Creative Tools and Method to support sustainability	5	O4	Business units as TLE support system	4
S5	Optimal social media utilization as a portfolio in the documentation of the process of shifting that is passed by TLE	5	O5	Consumer purchasing power increases with the growth of the middle class then it has an impact on the development of its business processes	4
S6	Efforts to build ecosystems that support the development of the capabilities and capacities of each TLE member	4	O6	The opening of join-partnership opportunities on a National and International scale that can be accessed by TLE members	5
S7	Efforts to build partnerships that support the development of the capabilities and capacities of each TLE member	5	O7	Down streaming of research university by various stakeholders who support the development of TLE	4
			O8	Millennials generation awareness in developing social impacts in society	4
			O9	The rise of the student entrepreneurs	5
			O10	Internet of Things is Raising to achieving vision or goals for their business	5
TOTAL		32	TOTAL		45
Weaknesses			Threat		
W1	Lack in delivering to make understanding vision, mission and value of organization as well	-3	T1	No government regulation managing Social Enterprise in particular	-3
W2	Standard Operating Procedure (SOP) has not been arranged including SOPs developing the capacity and capabilities of TLE members	-3	T2	Offers from incubators in the form of investor venture capital as well as those that lead to changes in conventional business models that lead to profit alone	-3
W3	Lack of systematics of work in achieving and executing ideas by TLE members	-3	T3	Acquisition of a capitalist company on the development of the TLE business because of the strength of the value of TLE itself	-3
W4	No clear job description	-3	T4	Plagiarize ideas, concepts, TLE content by other organizations / institutions without providing benefits to the community	-3
W5	Access to research and development is not optimal	-4			
W6	Lack in converting data to information	-4			
TOTAL		-20.13	TOTAL		-13.38
The vertical axis (Y axis)			The horizontal axis (X axis)		
Strength = 32/7		4.57	Opportunity = 45/10		4.5
Weaknesses = -20.13/6		-3.35	Threat = -13.38/4		-3.34
TOTAL		1.22	TOTAL		1.16

According to the calculation in the **Table 6**, it can be concluded that the position of The Local Enablers community located at coordinates (1.16, 1.22) as shown in **Figure 5**. It means that the strategy that proper for the current and future situation is the SO strategy which are: (1) Incentive CEO or manager TLE (S3, S4, O8, O9); (2) Develop marketing channel such build TLE Store (marketplace) (S3, O2, O5); (3) Development of capacity building curriculum (S2, O4), (4) Actual program and TLE replication (S4, O8, O7); (5) Development of cooperation in the incubation process (S7, O1, O2); (6) optimization of networks for the development of resource acceleration from TLE (S7, O4, O6); (7) TLE is become a downstream model of the University (S4, O7); (9) Pairing partners (S5, O7).

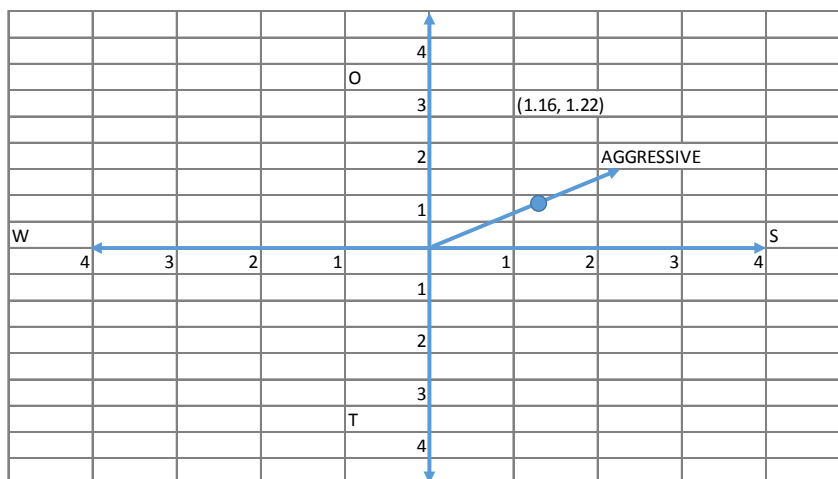


Figure 5 Space matrix for the local enablers.

Business Model Canvas evaluation of TLE

In addition, based on the observation, potentials and challenges can be classified and viewed from the business model canvas, which are based on supply, marketing and finance perspectives in **Figure 6**. The supply perspective view, from several business units that have their own potential and challenges, for example Fruits Up, a business unit of TLE conducted pure mango beverages, has the potential to continue to increase production capacity, where the average production capacity is around 2000 bottles/month. In addition, there are also challenges including the cost of shipping out of town that is still expensive (related to cost minimization) which will affect the selling price of the product and handling the product so that it is not quickly damaged. The solution is to create systems and management in terms of product delivery to resellers and customers.

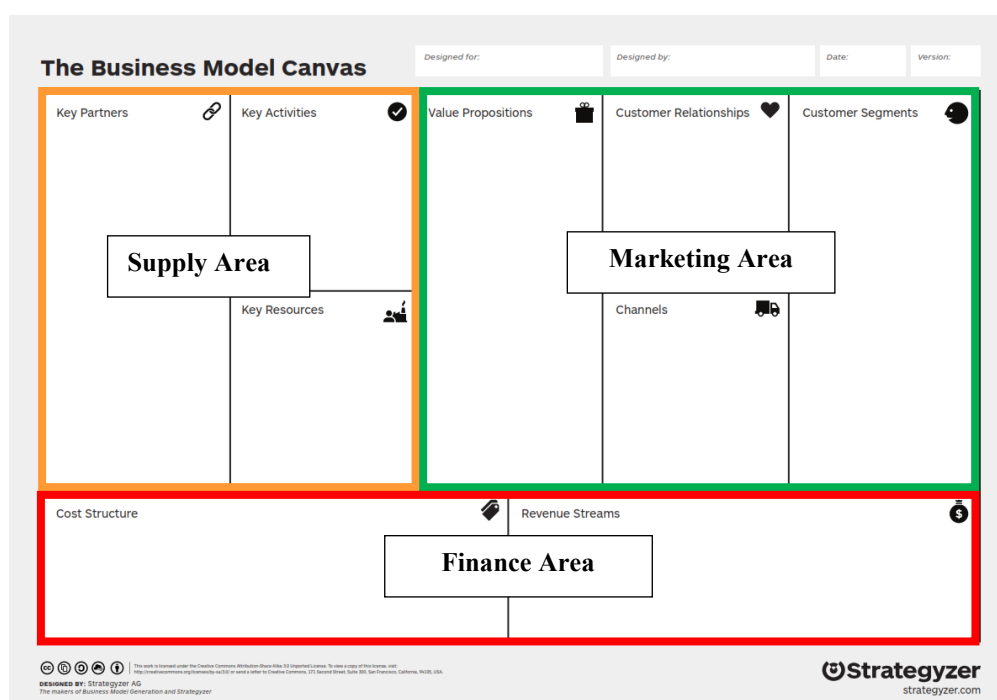


Figure 6 Business Model Canvas classification (Strategyzer, 2019).

The marketing area side, fruits up has the potential of good product branding that involves social processes from the down streaming of university research and products as well that are healthy, tasty and unique because it makes the customer that can drink and enjoy the mango even when not in season. The challenge is marketing management that must be improved includes market expansion, based on the evaluation results of a suitable SWOT analysis strategy, which is market penetration, market development, and product development. One example is innovation and continuous improvement of the marketing system that continues to be carried out (the existence of a system so that more people become resellers), good quality control, more professional and fast service to resellers and customers, clarity of label printing results from products, promotions both for resellers and customers. Apart from the consumer perspectives, the premium price makes the price competition, some prefer to buy other products compared to Fruits Up, for example Fresh Fruits juice, which is cheaper and fresher.

Finance area, almost The Local Enablers business unit, start their business using the own capital. Based on (Kurniawan et al. 2018), the most influential key resources in Fruits Up are human resources with the score of 37.1% followed by materials 21.9%, method 21.8%, machine 11.7%, and money 7.5%. The TLE has stages time to receive capital from investors that is after the business process running well. Based on (Purnomo, 2017), there are 1 pre and 4 stages of mentoring and downstream activation of research products consisting of 16 steps. The stages in finding investors are in stage 4 after business design, business validation, technology consolidation is fulfilled, namely in step 14. The TLE does not rely on banking as a source for capital, this is because bank interest is avoided. Accordingly, capital sources still rely on their own capital, capital from friends and family, and grants from the government.

However, in the course of the funding problem, it still became the main challenges faced by social enterprise, where lack of capital (debt/equity) was the highest percentage of around 47%, and followed by difficulties in obtaining grants/funding 32% in the second position. Where most of the capital is obtained from personal income from another job 51%, funding from family of friends 31%, donation-cash, in kind and grants from foundation, 20 and 15% respectively.

According that situation to make the organization successful, they should go out looking for innovation opportunities in seven key areas such as unexpected occurrences, incongruities, process needs, industry and market changes, demographic changes, changes in perception and new knowledge (Ducker, 2019).

Conclusions

The Local Enablers as a community that has a vision as a media accelerator of leading entrepreneurial ecosystem development in Indonesia through social innovation that has an impact on growing innovation in technology-based entrepreneurship, therefore TLE must have several strategies to continue to sustain, based on SWOT analysis of future strategies that can be taken they are market development, market penetration and product development. In addition, based on the SWOT matrix and SPACE matrix that has been done, the Local Enablers community located in quadrant I (aggressive), which is the strength and opportunity for the SO, WO, ST and WT corresponding to quadrant strategy. Consequently, to deal with the current and future challenges so that there are 8 sustainable strategies that can be implemented including (1) Incentive CEO or manager TLE; (2) Develop marketing channel such build TLE Store (marketplace); (3) Development of capacity building curriculum, (4) Actual program and TLE replication; (5) Development of cooperation in the incubation process; (6) Optimization of networks for the development of resource acceleration from TLE; (7) TLE is become a downstream model of the University (S4, O7); (9) Pairing partners. Moreover, the aggressive strategy considered new acquisitions, increasing market share and focusing on competitive products,

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