Exploration of Opportunity Creation and Calculated Risk Taker Characteristics of Entrepreneur (Case Study of UD X)

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Abstract—Becoming an entrepreneur is one way to overcome the problem of poverty and unemployment. To be an entrepreneur, one must have the characteristics that it occupies. Opportunity creation and calculated risk taker are two characteristics possessed by Mr. Agus as the founder and owner of a company engaged in the field of plastic waste processing. Researcher will further review two unique characteristics on how he run his business. By exploring business path faced by Mr. Agus, researcher will gain valuable insight related to risk taker and opportunity creation character. This is a qualitative research that uses the owner of a company as a single object of research.

Index Terms—Entrepreneur, entrepreneurial characteristic, opportunity creation, calculated risk taker.

I. INTRODUCTION

Indonesia is a developing country that has the fourth largest population in the world with a total of approximately 250 million people in 2013. Number of Indonesia labor force also increased from year to year. However, the increase of labor force if not balanced with the increasing of work field will lead to an imbalance between the number of job seekers and the availability of employment, resulting in high level of unemployment and poverty in Indonesia. Comparing to other Asian countries like Singapore, Malaysia and Thailand, Indonesia also has the lowest percentage of entrepreneurs [1]. Labor condition in Indonesia have shown good improvement in terms of the number of labor force, the number of working population, and the decrease in unemployment rate. However, the changes have not shown significant results to make Indonesia's economy more advanced and developed. One effort to reduce unemployment is by creating new jobs.

According Jong and Wennekers in Hadiyati [2], entrepreneurship can be defined as taking risks to run your own business by taking advantage of opportunities to create new business or with an innovative approach so that the business can grow and become big and independent in facing the challenges of competition. An entrepreneur in his thinking should always try to look, utilize, and create business opportunities that can become profit, in this case he should be smart to see the business opportunities available. Not only that, an entrepreneur is not just a risk taker but also a risk manager for himself and his business. Risk manager means he is not rash, not rushed, careful, tactical, intelligent, and observant in reading the risks and opportunities so he will choose the optimal result for his company.

Plastics are products that are widely known and used daily for various needs. With features that are lightweight, strong, not easily damaged, flexible and cheap make plastics are used in various sectors [3]. Seeing this promising opportunity, Mr. Agus established a company engaged in the field of plastic waste processing in Ambon.

UD. X is a company that treats plastic waste into plastic core which is used as material for the next production stage of plastic product. This opportunity is seen by Mr. Agus because so far there are only a few companies that do plastic waste processing, and it is also still on a small scale. The plastic waste in Ambon is usually taken directly to the garbage dump because not many people intend to collect the waste, including the collectors who receive it. This is seen by Mr. Agus as a good opportunity because not many competitors in this field, but also can be seen as a risk because this business is not something in demand by people of Ambon. By building an unpopular business, there is a quite high risk of failure faced by the business owner.

Seeing the two characteristics possessed by Mr. Agus which are risk taker and opportunity creation in establishing UD. X, the researcher is interested to further review two unique characteristics of an entrepreneur in running his business. By exploring business path faced by Mr. Agus, researcher will gain valuable insight related to risk taker and opportunity creation character.

II. LITERATURE REVIEW

A. Entrepreneurship

The simple meaning of entrepreneur is a person who is brave in taking risks to open a business on various opportunities [4]. Dare to take the risk means independent mentality and courage to start a business, without fear or anxious even in uncertain conditions with enough consideration. [5]. Entrepreneurial activity can be done alone or in groups. An entrepreneur is someone who is always trying to look, utilize, and create business opportunities that are expected to have benefits.

Successful entrepreneurs are entrepreneurs that can survive with all the limitations, exploit it, and increase it to market the opportunity well and continue creating reputation that makes the company grow. It can be concluded that entrepreneurship is an ability to manage something in themselves to be utilized.