
Effectiveness of social capital based community of practice model in entrepreneurship education

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Abstract: *This study aims to reveal the effectiveness of the social-capital-based community of practice for improving entrepreneurship-education quality in the context of community development to hopefully give contributions to the educational theory and practice. Community of practice is a medium for sharing experience and knowledge among people who run enterprises and want their enterprise to grow. It will be more useful if social capital can be used and developed on its management. The study was done by using the research and development (R&D) approach. The target subjects were two groups of small-scale businesses chosen purposively. The results of the study show that the CoP model is effective and raises the awareness of the members, so that CoP must be run in their enterprise; have the determination to keep commitment and positive values; build trust and enlarged networking to doers of enterprises; and motivate them to develop their business.*

Keywords: *entrepreneurship, social capital, community of practice (CoP), entrepreneurship education*

1. Introduction

Entrepreneurship education which has been developing recently is directed to build entrepreneur capacity (Mwasalwiba, 2010) for its target groups. They are individuals, groups, or community members who are faced with rapid changes of circumstances in the economic, social, cultural, and political aspects that must be anticipated and adapted in order for them to survive, overcome their problems, and always make good contributions to community development. By education, they are expected to have the capacities for goods or services productions which have the benefit of improving their wealth. Of course, attainment of education goals depends on how the target

groups utilize capitals which are needed so far as they participate in the education process or after that such as material, fund, and culture.

As a form of capitals, social capital is viewed as important in developing people's capabilities in running businesses. Understood differently, social capital, as Coleman (1988) states, consists of two dimensions namely social structure and social action. The former facilitates individual actions for the latter. It emerges because of individuals' rational choices in relation to others. Individuals will act, communicate, or join with others in as much as they are moved by beneficial values they gain. According to Coleman, it can be in the form of trust, information, social norm, and social organization (Hauberer, 2011). Woolcock

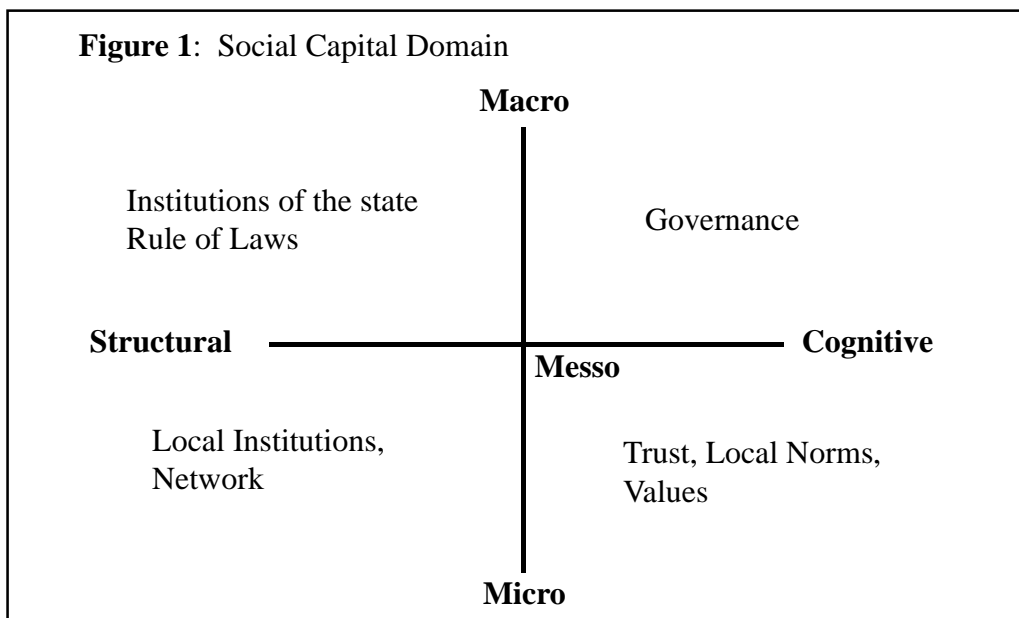
(Field, 2005) gives limitation of the capital, including: bonding which means tying among people at same situation like family, close friends, and neighbors, bridging which means using more screws to tie groups of persons like colleagues and coworkers, and linking which reaches different people in different situations like outside or other community members so that they have resources available inside the community.

Other thoughts are stated by Grootaert & van Bastelaer (2002) who write that social capital can be an individual or social possession for both in the micro level and macro levels. Figure 1 shows the dimensions of the social capital.

A social capital can give benefits in the management of education. For example, when there are harmonious relations between children and parents and between parents and schools and positive conditions of education and family structures, children will grow significantly (Teachman, et al.,1997), develop good intellectual capitals (Coleman, 1988), gain supports from external sides, and build togetherness among people easily. In economy, it can provide doers with more time to manage

innovation, improve resource management, and reduce social costs (Wallis & Killerby, 2004); motivate innovative actions (Li & Lou, 2011), and reduce transaction cost related to cooperation mechanism or formal coordination like bureaucracy, hierarchy, (Fukuyama, 1997) and community welfare (Ancok, 2008). Unfortunately, in the context of educational management, it has not been understood well, its utilization is still low, and it has received little attention. These conditions can be caused by factors which have negative influences. There are strong centralized mainstreams of education management which limit the growth of the creativity or innovation of education practitioners, especially teachers. There are dominations of hard skill-oriented competences in the educational process that makes students motivated to capable competences for struggling in the society and see others as competitors, not partners. Nevertheless, the existence of the capital in that situation must be developed and used optimally (Sumarno, 2010).

Because of its values, social capital can be utilized and developed based on problems, needs, and conditions of the target groups



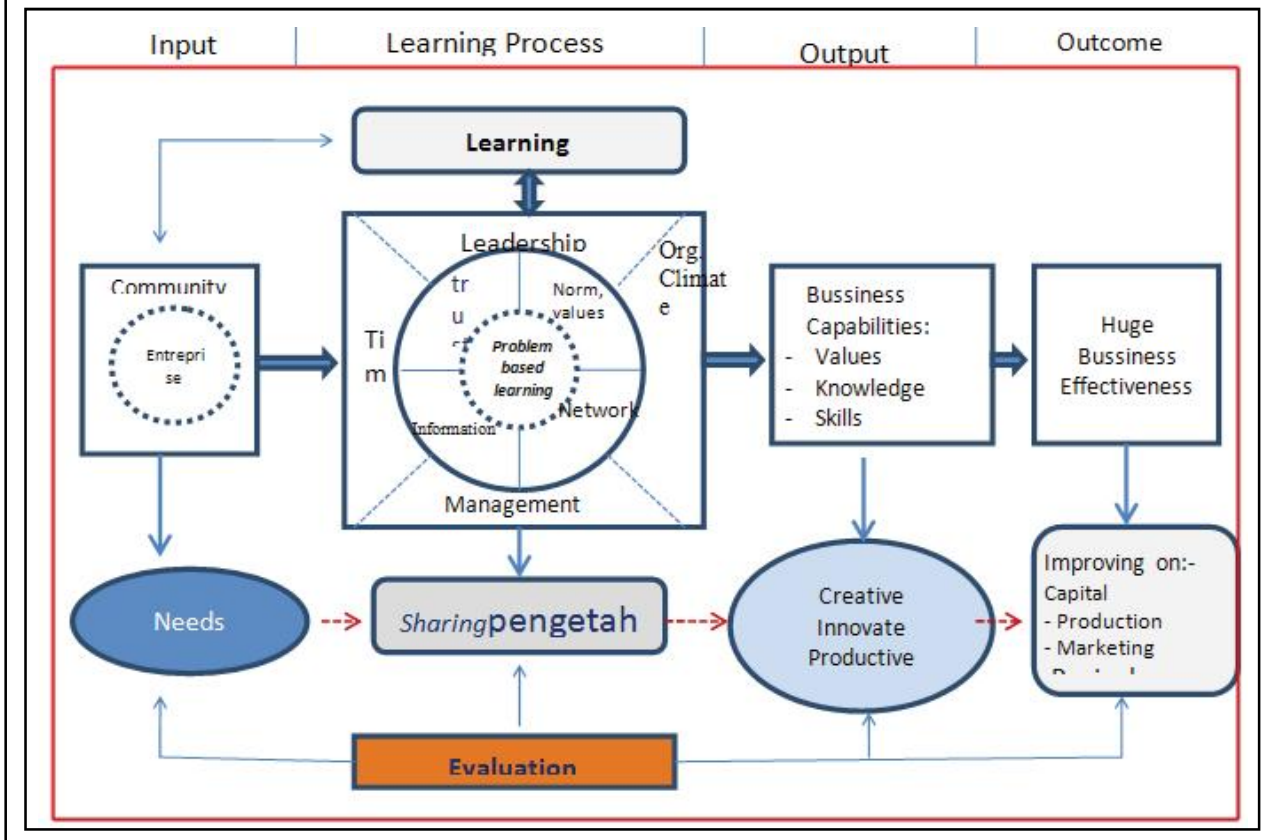
in doing their businesses by developing a community of practice. Community of practice (CoP) can be viewed as a means of accelerating and gaining educational objectives. CoP people have the same or relevant businesses and can share experiences, knowledge, and values; build coordination or synergy; make networking; raise trust among themselves, and so on. According to Wenger (2000), it is a group of people who share concern or passion for something they do and learn how to do it better as they interact regularly. It is made by individuals in a group or individual network for holding activities and discussion together, sharing information or knowledge, having coordination and synergy, doing problem-solving, and other activities which are related to their hobbies and talents.

CoP must be generated in education in order for the target group to gain optimal results. It becomes urgent today because CoP is rarely done by educational practitioners. Related to this fact, this study is aimed at producing a community-of-practice model based on social capital utilization. The first year of this study produced a CoP model which is validated in a limited scale. The model is shown in Figure 2. And this second-year study focuses on the effectiveness of this CoP model.

2. Method

This study was a research and development study aimed at developing and validating a product or service related to both teaching and learning and management in an educational

Figure 2: Social Capital Based Community of Practice (CoP) Model



system (Borg and Gall, 1983). The study was also intended to know the effectiveness of the CoP model. It was done purposively to two target groups of “Mawar” Family Health Program or PKK who has a culinary product in Gunung Kidul Regency, and “Lestari Jaya” Effort of Income Improving or UPPKS in Bantul Regency. Interviews, observation, documentation and questionnaires were used for data collection. A qualitative and quantitative data analysis was used (Miles and Huberman, 2007).

3. Findings and Discussion

The study produces the findings related to: 1) social capital in the target groups, 2)

community of practices running in the target groups, and 3) effectiveness the social-capital-based community of practice which is implemented.

Social Capital in the Target Groups

According to Coleman (1994), the dimensions of social capital are norm/value, trust, network, and information sharing. These dimensions are shown in Table 1.

The table shows urgencies of social capitals which exist in both of the target groups. The findings show that social capital can be utilized by target groups in the processes of business management. The two groups have similarities comprising the aspects of value, trust, internal network and information/communication

Table 1.
Social Capital Utilization on the Groups

Aspect of Social Capital	Group	
	UPPKS Lestari Jaya	PKK Mawar
Value, Norm	Take and give caring Brotherhood (<i>anjangsana</i>) Commitment for developing Intermarketing	Take and give caring Brotherhood (<i>anjangsana</i>) Tolerance
Trust	Fund transparance Common rule Order funding adminstration	Be understanding of fund minimum Saving and loan role
Internal Network	Bonding ties Belongingness	Key person ellection Functional
External Network	<i>Aku Sejahtera</i> Cooperation Local Familiy Welfare Board Local Government Local Family Health Program Manpower and Transmigration Department National Program for Proverty Reduction Customers	Local Government Health Department Customers
Information and communication	Regular meeting Informal learning Community worker/developer	Regular meeting Informal learning Community worker/developer

sharing. However, it is interesting to note that the external network of UPPKS Lestari Jaya are better than those of PKK Mawar in the context of the developing quality of the group. According to the interview results, this achievement can be reached by the groups because they have been working long. The fierce 2006 earthquake gave them a lot of damages and the local government institutions (such as the Family Planning Board) gave them facilitation that raised their independence to find solutions for their economic problems by managing mutual businesses. As another evidence, the group can manage their mutual efforts and commitment to keep their existence so that many bodies communicate and cooperate with them.

CoP Existing in the Target Group

Community of practice as a tool which can give meaningful information or knowledge for developing the quality of business or work has been done by individuals or group members. Basically, it is built by the shared knowledge values of the vested-interested individuals. They see that their knowledge is not to be stored just for themselves, but it must be communicated or spread up to other community members in order that it can be more revitalized and validated, and that it can even give positive advantages to the enlargement of new knowledge and human life.

The findings show that both of the groups have differences in the management of CoP. In UPPKS, the management of CoP is planned in regular monthly meetings. In this forum, members discuss everything related to group development such as family health, family planning, and healthy reproduction. Some learning planned for improving business is not done yet. It is caused by the lack of learning plans which are suitable with learning needs. In other words, learning management in this group tends to be done spontaneously and take information only from limited circles of

social workers or community developers in the environment.

Similarly, PKK Mawar has routine meetings held once a month. It functions as *arisan* which has been done and also becomes a medium for healthy workers to deliver information about the health of the members. Besides, the members have information from joining training programs held by other bodies such as culinary marketing by the Manpower and Transmigration Department. From this finding, it can be said that the group has not yet planned educational programs for improving their business activities that are based on the priority of their needs or problems. They get information or new knowledge from informal learning and educational events by other bodies. It is important that the groups have Their own learning activities.

The CoP Model Development

The model development can be divided into three phases. First, the conceptual model and its guidance for implementation developed in the first-year study are validated by educational and entrepreneurship experts. This results in an input for correcting or completing the content, learning process phases, appearance, language use, and so on. Second, the impact of entrepreneurship education, utilization of social capital, and implementation of CoP on the target group has been done before before the implementation of the model. Third, the model development is conducted to two chosen target groups in which each has 20 members.

An evaluation of the instrument has been one for assessing the model development effectiveness. The instrument is based on the model consisting of: input, process, output, outcome indicators, and self evaluation. It has been validated by experts for detecting the content validity. The entries for this process are needed to avoid word ambiguity, use of right scale on the questionnaire, and use of formal words.

The empirical development phase is conducted in several steps including: a) doing coordination with the target groups, b) enlargement for social capital and CoP, c) needs/problems assessment, d) teaching-learning activities using adult education approaches, and e) doing self evaluation by using the instrument. Table 2 shows the process development subjected to the target groups.

Effectiveness of the CoP Model

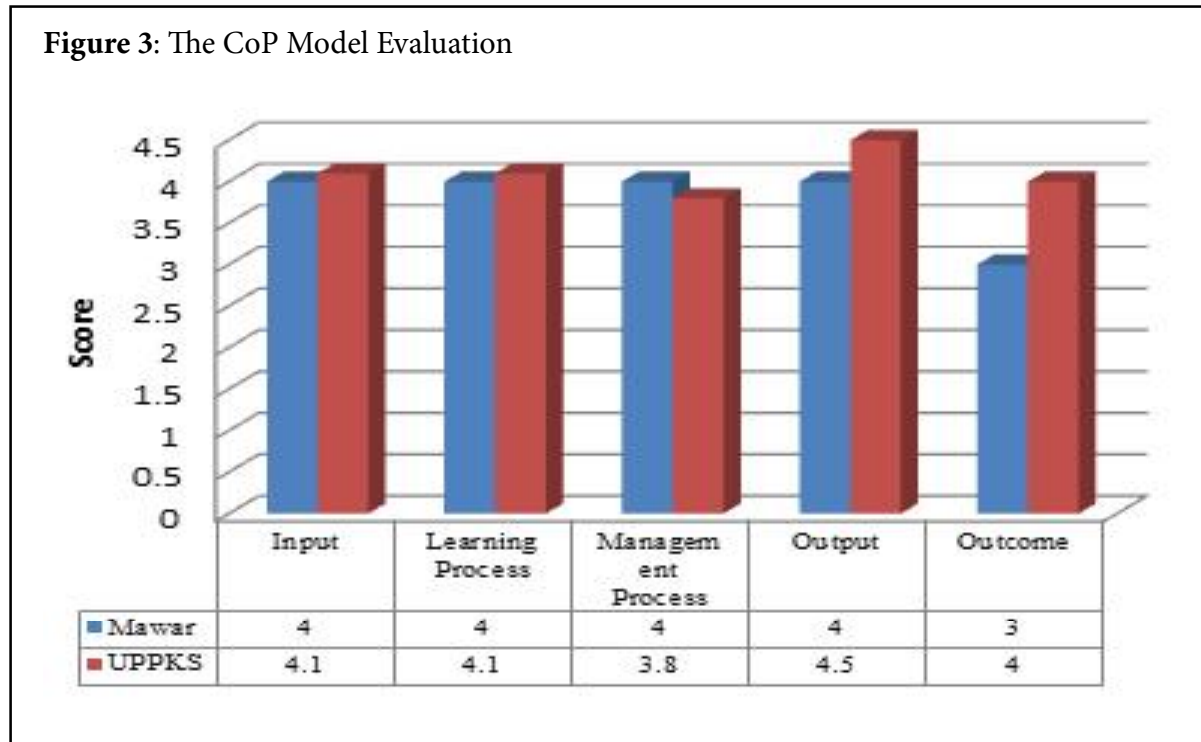
The model development has been held, and its effectiveness is evaluated by using an instrument which has been organized. It was done after each step had been complete. The results showed that the developed CoP model could give positive impacts to the target groups. Figure 3 shows the profile of the CoP which has been evaluated. The graph shows that the output of the learning process designed

for the model development could be done well (score 3-4). Both research groups could reach positive outcomes, including the means score of 4 reached by PKK Mawar and 4.5 by UPPKS Lestari Jaya. The scores indicate that the members of the group experience positive behaviour changes.

Through interviews, the members of PKK Mawar express their high motivation to encourage business. They want to make a business cooperation which can enlarge capital, create relation to costumers, and make huge profits. They think that the cooperation they will build becomes a business which is held and possessed by the members and can absorb manpowers or community members from the surrounding. Meanwhile, the PKK Mawar members view the learning experiences given in terms of culinary is meaningful events. They could apply new culinary knowledge and skills

Table 2.
The CoP Model Development

Development Phase	Activities done in	
	PKK MAWAR	UPPKS LESTARI JAYA
Coordination	Approach and communication directly	Approach and communication directly
Social Capital Enlargement	- Lecture - Discussion - Problem based learning Discuss role of social capital and CoP in terms of business improvement	- Lecture - Discussion - Problem based learning Discuss role of social capital and CoP in terms of business improvement
Needs Assessment	Dialogic focus group discussion about priority of learning needs Consensus: culinary skills improving	Brainstorming helped by using media Consensus: Knowledge of cooperation management
Learning Activities	Experiential learning: Culinary vocational skills Dialogical Experiential learning directly	Experiential learning: Dialogical discussion with cooperation practitioners Sharing knowledge process
Evaluation	Behavior change: motivated to success, enhanced skills, and happy feeling	Behavior change: New knowledge acquisition and motivation to improve cooperation of business



in their life although, unfortunately, it is still individual. They also view that the learning processes make them feel happy, experience togetherness, and have optimism to build common culinary businesses. The groups have similarities that both of them have the willingness and awareness to improve business and CoP in their activities.

Community development especially for the economically marginalized people can be done by doing entrepreneurship education oriented to business capability improving both individual and groups. Entrepreneurship education becomes one solution which is viewed as suitable for encouraging productive skills in economy. The goals of the education are to create community members' resilience in fulfilling their economic needs or problems. In this context, the effectiveness of education is an indicator or measure to look for achieving their success e.g they achieve economic lives better than before.

The implementation of the new knowledge or experiences depends on the choice of the target group. Whether or not they want to apply it becomes an inner idea. Education is successful if the target group implements, gives meaning for, and reapplies it in their business. In other words, acquiring and reconstruction of knowledge are dominant factors for success.

Every member of the groups has to have motivation and abilities to implement learning activities by getting them do mutual activities focusing on problem solving of their business management. Brown & Duguid (1991) state that CoP has the function to manage knowledge which is identified by: narration of problems faced and knowledge possessed, collaboration among the members or participants on discussing or understanding the common business, and social constructions by which mutual understanding will be attained by the members about the problems and how to overcome them (Courous, 2003).

The findings show that in the target groups, CoP has not been done yet as a forum which acts for sharing learning or experiences. To both of them, entrepreneurial activities happen more dominantly than mutual learning processes. Although there are routine meetings as an opportunity to learn processes among the members and with other parties, it is not enough for improving the group in changing their lives. They need a chance for learning in the groups which can be easy for the members to renew their knowledge and skills so that they can adjust to business dynamics rapidly. The learning chances can be formed by planned discussion, conferences, learning of intellectual documents, and best of practices produced from external business groups. These may cause transfer and transform processes of knowledge in the groups.

As is known, success of CoP depends on social capitals used and developed in its process. In this sense, CoP is a tool for every entrepreneurial or business actors to get advantages that influence the enlargement of productivity, efficiency, effectiveness, and accountability of business. Of course, each actor who is interacting in CoP needs to have attitudes and behaviors based on constructive values, mutual trusts, high commitment to success, and priority to cooperation and sharing information/knowledge. It means that CoP must be done by performing activities which foster social capitals including: collaboration pure participation, respect to others in the process, elimination of scientific ego or mainstream, humanistic dialogues, heterogen knowledge sources, and strong commitment of the actors concerned. Related to this, the finding states that the learning of CoP performed can develop awareness of the target groups to improve group business togetherness.

It is not simple to develop a CoP in the context of entrepreneurship education. Wenger (2000) declares that CoP development needs to

pay attention to individual members. It means the members joining the learning process have to be a critical mass, having acceptance or willingness to do change. The members must build their consciousness and existence of group and what ways will be chosen for getting ahead or escaping them. It must be done by themselves before other parties organize them (Akkerman, et al. 2008). It is also clear from the findings that to build a critical mass as the key to CoP success is difficult to do. The target groups have little willingness for developing the CoP. This condition could be caused by factors influencing decision making of the members. The factors form an internal competition of themselves which influences their choice whether to be active or not to participate in the group. It occurs in which they are faced whether to join the learning process or conduct other activities for fulfillment of their needs for example doing social activities or other economic arrangements. Because it is important to build a critical mass, group leaders must play significant roles as persons who can function as motivators, models, figures, and have good behaviors which the members will follow or support to do positive change. As it is shown in the findings, the key persons or leaders in both groups could manage other members for participating in their business.

The CoP success is also determined by culture organization (Tee Ng, 2011). Humanistic culture will make the members comfortable, happy, bonded, and even motivated and inspired for implementing innovation treatments to their business. Good organization culture may develop behavior for sharing meaningful experiences or knowledge for the members. Of course, commitment and mutual respect or honor values as model social traits must be enlarged for creating it.

Finally, in order to develop the quality of community members' lives by getting into the entrepreneur groups, there needs to be

development of learning networking for the entrepreneur groups to attain success of CoP implementation. Firstly, it may need learning networking by which an entrepreneur or everyone in concern is facilitated and feels easier anywhere, whenever, and by whoever for them to learn. So, it can be said that networking as one of the social capital aspects is a necessity for taking place of knowledge flow from outside.

4. Conclusion

The CoP model developed in the study has been validated and shows the indication of effectiveness. The CoP model development could raise the awareness of the target groups; that is, they have the consciousness to implement it into their enterprise, build learning culture in organization, act cooperatively in common business, participate actively, desire for business improving or diversification, and give them new meaningful knowledge and skills to support their entrepreneurial activities.

Some suggestions can be inferred from the above statement. First, target groups of entrepreneurship education must perform and enhance the CoP model well-planned, efficient, and accountable. Second, every stakeholder who develops the education must give guidance to the target group which is intended to be able to learn in the group, especially after they have finished their educational process. Third, in future, there is a need to produce education policies which can synergize business doers in contexts of community development and resources needed.

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