



The Fourth International Conference on  
Entrepreneurship and Business Management

# PROCEEDING

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## "Building Sustainable Business Networks: The Role Of Entrepreneurs and Professionals"

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**UNTAR**  
Tarumanagara University



วิทยาลัยดุสิตธานี  
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## PREFACE



The International Conference of Entrepreneurship and Business Management (ICEBM) brings together researchers and practitioners to facilitate the discussion on various topics in the field of entrepreneurship and business management. This conference was organized by Tarumanagara University together with partner institutions. This year, the Fourth ICEBM is held in Bangkok in collaboration with: Dusit Thani College, Kun Shan University, Universiti Sains Malaysia, and Ciputra University. The focus of the Fourth ICEBM is Building Sustainable Business Networks: The Role of Entrepreneurs and Professionals.

In this information era, businesses are challenged by the fierce competition. The way firms and its stakeholders communicate are changing due to the development of the Internet. The Internet has created an open hyper-connected world where individuals or institutions are free to voice their opinions quickly and easily. For instance, websites are considered as an additional communication field where firms and stakeholders interact. Extant research considers business networks as a prominent source of firms' performance. Academic researchers note that business practices increasingly discuss the terms "relationships" and "networks". Hence, it is prominent to develop sustainable business networks in order to answer the competition.

Each paper submitted to the Fourth ICEBM 2015 has gone through a stringent peer review process by members of the ICEBM Scientific Committee, comprising 39 reviewers from 17 different institutions and 10 different countries. A total of 61 papers have been accepted out of 79 papers and 123 abstracts submitted to the conference. The reviewing process of this year conference was on a two-step reviewing process. First, the abstract was submitted and reviewed. After notified the acceptance of the abstract, the author(s) was asked to submit the full paper. Then, the full paper was reviewed using double blind peer-review process. Finally, the author(s) submitted the revised version of the full paper.

These papers address diverse areas of application in entrepreneurship and business management. Starting from the field of accounting and finance, economics, marketing, and so forth through addressing a wide variety of theoretical and methodological approaches. We hope that this book of proceedings could promote and stimulate further the discussion of practitioners and academics. Particularly on what research needed to be conducted to advance the body of knowledge in the field of entrepreneurship and business management, which could help firms deal with diverse issues.

Finally, we wish to acknowledge the support of the collaborating institutions, sponsors, scientific committee, and organizing committee. We would also like to thank all the contributing authors for their valuable work in supporting the success of the Fourth ICEBM. Thanks for your contribution, the Fourth ICEBM 2015 would not have been possible without your support.

Conference Chair,

Arnold Japutra, Ph.D.

## SPEECH FROM THE RECTOR



Welcome to Bangkok and to the Fourth ICEBM,

It's an honor to open the Fourth ICEBM on this lovely day in Bangkok, Thailand. This year, this conference put forward the theme of "Building Sustainable Business Networks: The Role of Entrepreneurs and Professionals."

It is without a doubt that in this era, businesses are faced with challenges in order to face the competition and to grow. Particularly, due to the development of a very dynamic communication through the Internet, which creates a hyper-connected world.

Firms all over the world are looking for ways to expand their business. However, with limited resources, firms need to find a solution to deal with this issue. One of their strategies is to collaborate and build sustainable business networks. What is considered a sustainable business networks? How to build sustainable business networks? What should professionals and entrepreneurs do to achieve a sustainable business networks? These are some of the questions arising that needs to be addressed.

This conference brings together practitioners and academics that are well known in their fields to address this theme. We are proud to present Mr. Chanin Donavanik as the CEO of Dusit International – a well-know firm in hotel management and education, which comprises a unique international portfolio of distinctive hotels and resorts. I believe that his knowledge and expertise would be valuable in addressing the theme of this conference. We are also proud to present Prof. Carunia M. Firdausy (Untar), Prof. Chen Cheng-Nan (Kun Shan), and Dr. Chong Chee Leong (UniSIM) that would share their expertise to address the conference theme.

I would also like to take this opportunity to congratulate all the parties who are involved in hosting and organizing this conference – partner institutions (Dusit Thani College, Kun Shan University, Universiti Sains Malaysia, and Ciputra University), scientific committee, organizing committee, and the sponsors. I believe that through this conference, where great minds gather, we will be able to advance our knowledge in findings innovative ways and solutions to build sustainable business networks.

Once again, welcome and enjoy the conference.

Prof. Ir. Roesdiman Soegiarso, M.Sc., Ph.D.  
Rector

## **SPEAKERS**

**Mr. Chanin Donavanik**

(Managing Director and CEO Dusit International, Thailand)

**Prof. Carunia Mulya Firdausy, Ph.D.**

(Tarumanagara University, Indonesia)

**Prof. Chen Cheng-Nan, Ph.D.**

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## THE PASSAGE OF BASIC ENGLISH COURSE IN MAKING A TULUNGREJO VILLAGE AS ENGLISH KAMPONG

Suzy Azeharie<sup>1)</sup>, Eko Harry Susanto<sup>2)</sup>

Faculty of Communication, Tarumanagara University Indonesia

Corresponding author: [suzya@fikom.untar.ac.id](mailto:suzya@fikom.untar.ac.id)

### ABSTRACT

*This paper seeks to examine the role of an English Course named Basic English Course (BEC) in Tulungrejo, Pare a very small village in Kediri East Java. Established since 1976 as a small and simple English course, Basic English Course admirably succeeded in making Pare village into a village very well-known throughout Indonesia as a place to learn English. Bit by bit the village which is traditionally based on agriculture turned into a village-based service industry. Currently there are more than 150 English courses and creating variety of businesses such as renting out rooms, laundry, bike rental, restaurants, photocopy, car rental, groceries shop, fitness center and many more. Entrepreneurs in this suburban area seem to be so dynamic and they are still uprising in numbers.*

*This study will examine how the Basic English Course successfully changes Tulungrejo, Pare village into a village with services industries. The method of research used in this study is descriptive qualitative research. This study is expected to contribute how a modest English language course were able to make a tiny and secluded village into a place that is visited by thousands learners who wanted to be able to speak English and at the same time make the village as a village-based services industry.*

**Key words:** English Kampong, a village-based services industry, Tulungrejo Pare.

### Introduction

*Kampung Inggris* (or English Village) is located in Tulungrejo, Pare district, Kediri, East Java, and can be reached by a 2.5 hour bus ride from the provincial capital, Surabaya. In the 11<sup>th</sup> century, Kampung Inggris was part of the Mataram Kingdom, which was situated near the Brantas River - a busy shipping thoroughfare.

The eruption of Mount Kelud and Mount Wilis has made the land underneath Kampung Inggris fertile, and villagers take advantage of this fertile land to produce onions, cashews and *melinjo* (*Gnetom Gnemon* in Latin).

### The History of the English Kampong

In 1976, a 27 year-old Kutai Kartanagara (indigenous East Kalimantan tribe) man, Mohammad Kalend, left Kalimantan to attend a well-known Islamic boarding school, Gontor, in East Java. However, he had to quit school during his fifth year due to financial problems. In spite of this he had heard of Ahmad Yazid, an intelligent teacher in the village of Tulungrejo, who could speak five languages.

Kalend eventually left to become a student of Ahmad Yazid. During his studies, Kalend lived in a small mosque and studies Islam as well.

One day, two students from IAIN Sunan Ampel Surabaya came to request Yazid's help in completing their university assignment consisting of 350 questions in English. Yazid was out of town so his wife told the two students to approach Kalend instead.

For the next five days, the three men studied in the small mosque where Kalend slept. When the two students returned to Surabaya, they were both able to successfully pass their English and the word on Kalend being a good English teacher started to spread. Hence more students headed to Tulungrejo to learn English from Kalend (interview with Mohammad Kalend, Tulungrejo, April 30<sup>th</sup>, 2015 at 08.00 AM).

Basic English courses in Tulungrejo officially started on June 15, 1977. Six students attended the courses and Kalend taught them free of charge for the next six years. To fulfill his need Kalend worked odd jobs so he could continue helping students. In 1990, two students advised him to start charging monthly fees, to which Kalend agreed. He charged each student Rp. 100 per month. The fees have gradually increased over the last three years and now amounts Rp.500, 000.

### Methodology

This article intends to describe how this Basic English course has transformed Tulungrejo into an English Kampong shifting from an agricultural village into a service-oriented village.

The method of research used in this study is descriptive qualitative research. According to Rachmat Jalaludin, descriptive study aims to collect detailed information in order to describe the actual symptoms. The other objective is to identify the problem and observe the conditions or practices that exist (Rachmat, 2007:25).

The data used in this study was obtained through direct field observations as well as interviews with Mohammad Kalend as the founder of Basic English Course and his former pupil, Miko. Miko, a 45 year-old, father of two children, is now teaching English courses in the same village.

The researcher also studied various documents related to the topic.

### **Discussion**

A highly respected anthropologist from Cornell University, Clifford Geertz, wrote "The Religion of Java". He conducted his research in a village which he called Modjokuto between 1952 and 1955. But actually Modjokuto is a pseudonym for Tulungrejo Village.

Geertz analyzes the changes in the structure of society from a village into a town. According to Geertz factors behind these changes are ecological, economic, social and cultural influence factors.

According to Geertz since the Dutch Colonial Government began introducing the plantation system the traditional economic system in the village changing and evolving towards a modern economy.

The introduction of the sugar cane plantation system encourages the villagers to move out of their village and left their own cultivated fields and start working for plantation owners (Widiatiaga, <https://www.academia.edu/10335800/Resume> Buku Abangan Santri Priyayi dalam Masyarakat\_Jawa Karya\_Clifford Geertz, downloaded dated 2 September 2015 at 12:25).

A similar phenomenon occurred in the last three decades but this time the change sprung because the establishment of Basic English Course. In the early years of Basic English Course there were only six people who learned English. However now every year between June and July about 10,000 people come to Tulungrejo to study English. Nevertheless only 400 students are accepted into the course consisted of 200 female students and 200 males. Generally students aged between 17 years up to 22 although there were few who still in junior high school.

To be accepted at the Basic English Course, the student must go through a fairly rigorous English test followed by interview. And due to very limited spots available many students cannot be accepted at the Basic English Course. Therefore Kalend encourages his former students to open an English course in the village in order to accommodate students who are not accepted in Basic English Course. Then slowly along the Anyelir Street where Basic English Course located one by one English courses start to spring up.

Those students unquestionably need a home during their stay in the village. It is understandable that afterward the locals rent out his house for students. This was the beginning of the growth of boarding houses and hostels in English Kampong. The number of students who come to the village makes the need for food stalls and shops selling foodstuffs increased rapidly. Not just English courses which develop but also business Gym and bicycle rental are also growing. Bicycles can be rented at a cost of Rp. 70 thousand rupiah per month. Additionally many homes are open for business laundry, telephone and photocopy, rental cars. Even a small bookstore and a coffee shop.

Miko, a former of student of Basic English Course, said that halfway of Anyelir street still uphold the values of cooperation with others because they are locals and came from a traditionally agricultural society which requires cooperation. However half way of the street are coming from outside the village so they began to introduce the spirit of competition to get as much profit. When the outsiders started to open English courses they also prepare the boarding house in the same place. While Mohammad Kalend does not want to build a boarding house because he thought he had to give his neighbors an opportunity to participate and get benefit (interview with Miko, Tulungrejo, April 30<sup>th</sup>, 2015 at 07.00 AM).



**Picture 1**  
Basic English Course Building Facade  
(Taken on April 30th, 2015 at 8.00 AM).



Along the street of Anyelir where Basic English Course is located there are many other language schools. Many are taking place in a modest homes while few courses taking places in quite luxurious building for the size of the village in as can be seen in the pictures below:



**Picture 2**  
The Master English Community  
(Taken April 30<sup>th</sup>, 2015)



**Picture 3**  
Republic Spoken English  
(Taken, April 30<sup>th</sup> 2015)

## Conclusion

The establishment of Basic English Course in 1976 has slowly changed the structure of livelihoods and economic systems in Tulungrejo, Pare District, Kediri. Previously the majority of the villagers were traditional farmers and working in the fields and depending on the planting season or harvest but at the present most of the population Tulungrejo have a livelihood in services, trade, open food stalls, English courses, pharmacies and bicycle rental. An atmosphere of mutual cooperation and mutual help slowly vanished and turned into business life with a competitive atmosphere.



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## Authors Bibliography

**Suzy Azeharie** is a lecturer at the Faculty of Communication, University Tarumanagara. Finishing her Master of Arts at the Institute of Social Studies in The Hague (Holland) and then receiving Master of Philosophy from Murdoch University in Perth (Western Australia).

**Eko Harry Susanto** is a senior lecturer at the Faculty of Communication, University Tarumanagara. He finished his doctorate degree from University of Padjadjaran. He was also Dean for the Faculty from 2006 – 2014 and has published many books mostly on political and development communication.

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