



Entrepreneurship Development for Gen Z in Bangunsari Village- Pesawaran Regency

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Abstract: *Bangun Sari Village has significant economic potential, with 25% of its population being Generation Z. However, this potential has not been optimized due to limitations in access to entrepreneurship programs, the digital divide, and a lack of mentors. As a solution, this initiative employed an integrated mentoring model that combines the EDGE method, practical mentoring based on a village SWOT analysis, and the formation of collaborative business groups. The implementation of this model proved effective in enhancing the capacity of Generation Z. Specifically, 93.3% of participants understood digital business models, and 83.3% successfully applied SWOT analysis to identify opportunities. Participants' financial literacy was also high, although their technical skills in pricing still require improvement. Collaboration among traditional, digital, and budding entrepreneurs was successfully realized, creating a synergistic value chain. This mentoring model successfully transformed theoretical understanding into practical capacity, formed a collaborative ecosystem, and contributed to strengthening the Village Development Index (IDM). For sustainability, advanced modules and facilitated market access are needed. This model has the potential to be adapted in other rural areas.*

Keywords: *Integrated Mentorship Model, Rural Gen Z Entrepreneurs, Community-Based Entrepreneurship*

1. INTRODUCTION

Bangun Sari Village, located in Negeri Katon District, Pesawaran Regency, is an agrarian settlement that commands significant economic potential underpinned by agricultural commodities (most notably rice and maize) complemented by plantation crops and livestock farming. In 2024 the village recorded a population of 3,706 inhabitants, of whom an estimated 25 % belong to Generation Z (GenZ). As digital natives, this cohort is highly conversant with technology; nevertheless, its members remain embedded in a rural ecosystem whose socio-economic fabric is distinctly village-based. According to the 2024 Village Development Index (IDM) evaluation, Bangun Sari is classified as a *Developing Village* with a composite score of 0.7070—only 0.0003 point short of the threshold required for promotion to *Advanced Village* status. Social resilience constitutes the village's foremost strength, whereas economic and environmental resilience remain the principal domains demanding targeted enhancement (Kemendesa, 2025).

Gen-Z's in Bangun Sari possesses formidable potential to act as catalysts of change and primary engines of village-level economic dynamism. Their technology literacy, proclivity for innovation, and entrepreneurial drive constitute a latent asset that, if

properly harnessed, could reconfigure local value chains. Yet this potential remains under-exploited owing to four inter-locking constraints: (i) the scarcity of entrepreneurship programs that are contextualized to agrarian socio-ecologies; (ii) persistent digital divides manifest in uneven bandwidth, hardware affordability, and platform awareness; (iii) a deficit of locally embedded mentors capable of providing continuous, culturally resonant guidance; and (iv) a dominant social narrative that equates career success with formal-sector wage employment, thereby stigmatizing autonomous enterprise.

To unlock Gen-Z's transformative capacity, a comprehensive yet adaptive accompaniment model is required—one that integrates experiential entrepreneurship training, modular digital-skills intensives, and peer-to-peer mentoring networks anchored by village-based role models. Such an approach should prioritize ventures that convert indigenous agricultural and plantation surpluses into technology-mediated products and services, thereby creating circular value addition within the territory. Systematic incubation of these micro-enterprises is expected to raise the economic-resilience sub-index of the Village Development

Index (IDM), while simultaneously generating demonstrable livelihood gains that accelerate Bangun Sari's trajectory from "Developing" to "Advanced" village status.

Previous studies on rural youth entrepreneurship has converged on a recurrent set of structural constraints. Salamon & MacTavish (2009) underscore that rural communities, while culturally homogeneous, remain peripheral to global circuits of information and exchange. This peripheral status translates into systematic deprivation of physical and digital resources, market intelligence, start-up capital, and entrepreneurial networks (Cheng & Liu, 2024; Fiseha & Oyelana, 2019). Inadequate digital infrastructure further widens the rural–urban divide, producing a "digital gap" that obstructs e-commerce operations and network expansion (Dow-Fleisner et al., 2022; Graves et al., 2021).

From an educational perspective, rural schools chronically suffer from under-resourced laboratories and a shortage of teachers trained to deliver experiential entrepreneurship and digital-skills curricula (Giwu et al., 2024; Majee et al., 2012). Existing syllabi are frequently criticised for their failure to embed local economic realities, thereby divorcing classroom content from place-based opportunity structures (Mohamad et al., 2025; Yousefi & Sabet, 2021). Compounding these supply-side deficits, normative disapproval of entrepreneurship among parents and community elders attenuates Generation Z's entrepreneurial intentions, reinforcing a preference for salaried employment over venture creation (de Guzman et al., 2020; Osabohien et al., 2024).

To address these challenges, a suite of complementary accompaniment strategies has been advanced. Mentorship programs have been shown to be effective in guiding rural youth to identify viable business opportunities and to cultivate entrepreneurial self-efficacy; their sustained implementation, however, is recurrently constrained by a paucity of locally embedded mentors (Brandehoff, 2024; Osabohien et al., 2024). Community-based training interventions—exemplified by the EDGE (Entrepreneurship) model—demonstrate a robust capacity to incubate entrepreneurial competences that subsequently translate into measurable gains in local economic vitality (Korsching & Allen, 2004; Meutia et al., 2021). In parallel, community-leadership training and digital-literacy enhancement have become indispensable in navigating the accelerating shift toward platform-mediated rural economies (Mohamad et al., 2025; Taipale-Eräväla et al., 2023). Equally critical is the deliberate cultivation of social capital through active participation in associational life, a process that expands youth access to scarce resources and fosters collaborative networks deemed essential for scalable rural enterprise development

(Rachapaettayakom & Sopanik, 2023; Yousefi & Sabet, 2021).

To address these challenges, various mentoring strategies have been proposed. Previous research has extensively discussed entrepreneurial mentoring for rural youth in general. However, studies specifically targeting Generation Z in Indonesia's agrarian rural areas with an approach that integrates the EDGE (Enhancing, Developing, and Growing Entrepreneurs) methodology, contextual case-based mentoring (through village-level SWOT analysis), and the formation of collaborative entrepreneurial groups combining traditional business actors, aspiring digital entrepreneurs, and ecosystem enablers (such as BUMDes) remain limited. This article offers novelty by presenting an integrated mentoring model specifically designed to bridge the gap between theoretical understanding and the practical application of digital entrepreneurship for rural Generation Z, while simultaneously building a sustainable, collaborative ecosystem to support the advancement of the Village Development Index (IDM).

Based on the background and identified novelty, the research problem can be formulated as follows: "How effective is the integrated entrepreneurial mentoring model in enhancing the entrepreneurial capacity of Generation Z and supporting economic progress in Bangun Sari Village?". The objective of this article is to analyze and describe the effectiveness of implementing this integrated entrepreneurial mentoring model for Generation Z in Bangun Sari Village. The analysis focuses on its efficacy in improving digital literacy, business skills, and financial management capabilities, as well as in forming a collaborative ecosystem that supports the development of micro-enterprises and the improvement of the Village Development Index (IDM).

2. MATERIALS AND METHODS

This initiative employs the Enhancing, Developing, and Growing Entrepreneurs (EDGE) method, developed by the Center for Applied Rural Innovation (CARI) at the University of Nebraska. The primary objective of this method is to build community capacity and equip nascent entrepreneurs, particularly those in rural areas (Korsching & Allen, 2004), with practical skills. The program is specifically designed to address common barriers faced by new entrepreneurs, such as a lack of knowledge in business planning, resource management, and technological connectivity (Smith & Paton, 2010). Through the integration of technology, international networking, and a holistic approach, EDGE has demonstrated a significant impact on both local and international economic growth (Tanksali, 2023). (Figure 1).

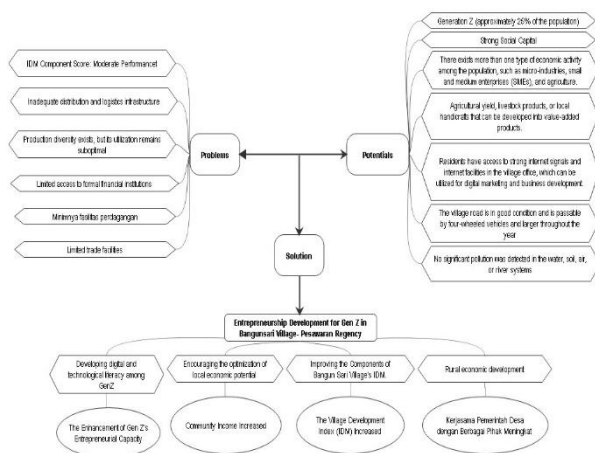


Figure 1. Method Framework

3. Results and Discussions

Based on cognitive mapping, the participants were categorized into three levels of understanding: comprehensive (20%), basic (30%), and limited (50%). This diversity, in fact, creates potential for synergistic collaboration, where traditional operators can act as suppliers of flagship products, aspiring digital entrepreneurs can master marketing aspects, and startup founders can serve as ecosystem drivers. This configuration forms the foundation for establishing a complementary value chain in rural economic development.



Regarding the entrepreneurial mindset, the majority of participants (57.1%) had grasped the essential shift in thinking from being job seekers to job creators. Furthermore, 73.3% of participants were capable of identifying village potential through SWOT analysis, while 93.3% recognized the importance of self-confidence in facing competition. These findings indicate that the participants already possess a progressive entrepreneurial mental foundation, which aligns with Social Entrepreneurship theory that emphasizes the need for an analytical approach based on local resources.

In the domain of business knowledge, participants demonstrated a strong grasp of fundamental business elements (60% identified product, market, and pricing) as well as digital business models (93.3%). Furthermore, 80% of participants viewed digital technology as a catalyst for global market expansion. However, technical proficiency in calculating the Cost of Goods Sold (COGS) and establishing appropriate selling prices remained a persistent challenge, with only 33.3% of participants demonstrating mastery in this area. This finding corroborates the research by Giwu et al. (2024), which identified a gap between conceptual understanding and practical application among rural entrepreneurs.



Regarding financial literacy, participants exhibited a high level of awareness. A significant 86.7% recognized the importance of financial management for business sustainability, 100% concurred on the necessity of separating personal and business finances, and 86.7% identified cash flow management as a key strategy for avoiding bankruptcy. These findings reflect a degree of financial maturity that aligns with the study by Osabohien et al. (2024) on the role of fiscal discipline in building business resilience.

Through case study-based mentoring, 83.3% of participants successfully applied SWOT analysis to identify digital opportunities and competitive threats. This contextual approach aligns with the EDGE model (Korsching & Allen, 2004), which emphasizes learning grounded in local realities. On the other hand, simple financial management was effectively implemented using Daily Cash Books, although the accurate determination of selling prices requires further in-depth study.

Multidisciplinary collaboration was realized through the establishment of entrepreneurial groups that integrated traditional, digital, and startup actors. This synergy not only optimizes local potential but also strengthens the business ecosystem through the integration of the value chain—from production to marketing. This success was reinforced by a continuous, participatory monitoring and evaluation mechanism, which functioned as both an early warning system and a platform for collective reflection among the participants.

Overall, this mentoring program has successfully transformed theoretical understanding into practical capacity, establishing a solid foundation for developing Generation Z entrepreneurship in Bangun Sari Village. These outcomes contribute not only to enhanced individual capabilities but also to the formation of a collaborative ecosystem with the potential to accelerate the village's progress toward achieving "Advanced Village" status.

4. CONCLUSIONS

Based on the implementation of the mentoring activities, the following conclusions were drawn: Firstly, a significant increase in the digital and technological literacy of Generation Z was observed, with 93.3% of participants having grasped the concepts of digital business models and their potential for market expansion, although practical implementation still requires further guidance. Secondly, the program successfully optimized local economic potential through structured SWOT analysis, fostering synergies among traditional businesses, digital entrepreneurs, and ecosystem enablers within collaborative groups.

Thirdly, the initiative directly contributed to strengthening the Village Development Index (IDM), particularly in the aspects of economic and social resilience, by empowering Generation Z as agents of change toward achieving Advanced Village status. Fourthly, a multi-stakeholder collaboration was established, involving the village government, youth organizations, and academics, which not only supported the program's immediate success but also ensured its long-term sustainability. As a follow-up, the development of an advanced module is necessary, focusing on technical aspects such as break-even point (BEP) analysis, financial statement preparation, and digital marketing strategies. Furthermore, a schedule for periodic mentoring sessions and market access facilitation through partnerships with e-commerce platforms and regional businesses will be designed. This mentoring model can also be adapted and replicated in other villages to broaden the impact of empowering the rural youth generation.

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