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Entrepreneurial Capital in Rural Environments and Business Performance: Insights from Young Entrepreneurs

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ABSTRACT

Rural entrepreneurship is a new concept that has been recognized as a vital component in the development of a country's economy. However, little is known about the role of rural entrepreneurship capital in influencing the actions of young entrepreneurs in rural areas. This study employs a quantitative methodology utilizing purposive sampling technique. A total of 733 questionnaires were collected and deemed valid for this study. The results of hypothesis testing reveal that the relationship between CC (Cultural Capital) and FP (Firm Performance) is the most robust among all variables. Moreover, the findings highlight the importance of education, familial backing, and entrepreneurial networks within rural environments for the success of young individuals. The findings of this study can offer valuable perspectives for future research endeavors and can aid in improving educational initiatives aimed at nurturing entrepreneurship among young people.

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1. INTRODUCTION

With the persistence of numerous unresolved social issues in rural areas of developing nations, the profound notion of rural entrepreneurship appears to be undergoing a transformation or eliciting substantial reevaluation. [1] contends that rural areas possess significant economic potential and a promising future. However, in order for this potential to be actualized, it must be stimulated through appropriate means. A study conducted by [2] determines that rural entrepreneurship holds the capacity to bridge the gap resulting from a declining rural economy as a consequence of swift urbanization. This holds particularly true as young individuals generally perceive urban economies to be more favorable than their rural counterparts. Furthermore, rural entrepreneurship is perceived as an efficacious alternative that can augment rural economies, rather than merely focusing on the development of already mature urban entrepreneurship [3]. The abundant resources present in rural areas can and will function as an indispensable factor in a nation's economy.

[4] posit that there exists a misguided belief within rural entrepreneurship that places undue emphasis on profit. This is the reason why the progress of economic development through rural entrepreneurship has not been as substantial as anticipated. The focus of rural entrepreneurship should be redirected towards the interconnectivity and utilization of presently underutilized rural resources. Additionally, it has been empirically demonstrated that rural resources possess significant potential for the development of rural entrepreneurship [5]. This assertion is further corroborated [6], who underscore the importance of entrepreneurship capital in fostering regional economies. The greater the entrepreneurship capital, the greater the potential it holds for contributing to the economy. It is within this context that rural entrepreneurship

capital is viewed as a crucial factor in regional progress.

However, there is still a scarcity of academic discussions specifically regarding the subject of rural entrepreneurship capital. In theory, such discussions would yield similar concepts pertaining to entrepreneurship capital, as the discrepancy lies solely in their respective regional contexts: rural and urban. In fact, entrepreneurship capital is commonly deliberated in urban settings rather than rural ones, as elucidated by [7] and [8]. These studies underscore the significance of entrepreneurship capital as an indispensable rural asset that fosters individual or organizational entrepreneurship in rural areas. Presently, a more profound comprehension of entrepreneurship capital has stimulated scholars to engage in research concerning the various forms of resources that bolster entrepreneurship.

However, the various types of capital associated with urban and rural entrepreneurship that are currently being developed have only been partially analyzed by scholars. One example is the extensive examination by [9] of entrepreneurship capital in the forms of relationships, trust, and social networks, which result in positive societal benefits. Another study by [7] elucidates the role of cultural capital as a prominent tool for fostering competitive entrepreneurship. Additional research has focused on entrepreneurship capital in the forms of financial capital, as discussed by [10], and human capital, as explored by [11], in relation to entrepreneurship. The separate discussions of these different forms have led to a fragmented and incomplete comprehension of rural entrepreneurial capital. Consequently, it is essential to conduct a study that addresses rural entrepreneurship capital in a more comprehensive manner.

This research endeavor aims to explore additional forms that constitute rural entrepreneurship capital. Furthermore, the investigation also seeks to examine the correlation between the various forms of rural entrepreneurship capital and entrepreneurial behavior, as manifested by firm performance. This analysis will enable us to gain insights into the specific forms or categories of capital - financial, social, human, and cultural - that should be encouraged in the context of the rural economy, as well as their respective impacts. The primary focus of this study centers on young entrepreneurs, as they possess great potential and demonstrate greater promise in terms of business development [12]. Moreover, this study aims to contribute to the expansion of the entrepreneurship concept by building upon the existing literature on the various forms of entrepreneurship capital. Consequently, the outcomes of this research are anticipated to serve as a valuable resource for stakeholders who are seeking to identify and provide the necessary resources that young entrepreneurs require in order to enhance their firm performance. This study was conducted in three distinct rural areas located in the East Java Province of Indonesia.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 Rural entrepreneurship capital

The notion of rural entrepreneurship capital bears resemblance to that of entrepreneurship capital due to the fact that the two notions are solely distinguished by the geographical location of entrepreneurial activities. According to [4], the emphasis on regional entrepreneurial activities is primarily placed on the location rather than the notion itself. [13] attempt to contribute by comparing urban and regional entrepreneurship. Despite the distinct outcomes, the notion of entrepreneurship utilized by these scholars adheres to the same fundamental principles. Other scholars, such as [7] and [8], also put forward the significance of entrepreneurship capital in specific areas, thereby endorsing the emphasis on location. Consequently, rural entrepreneurship capital is no different when compared to the general concept of entrepreneurship capital.

[5] emphasizes the significance of entrepreneurship capital, specifically rural entrepreneurship capital, in the context of competitive business competition. Capital serves as the primary prerequisite for organizations to expand and advance [14]. However, in the face of increasingly turbulent competition, organizations find themselves in need of additional competencies that they possess only infrequently. These competencies are scarce, and their scarcity becomes a means for organizations to persevere amidst business competition. The creation of scarce competencies necessitates adequate capital, with one potential avenue for achieving this being through innovation. By employing innovation, companies may not only survive but also flourish [15].

[16] asserts that the concept of capital undergoes a transformation and takes on multiple interpretations throughout its development. From the perspective of capitalist thinkers, capital is closely associated with the factors of production, including labor, economic capital, and infrastructure. However, the understanding of capital has expanded, transitioning from being visible to becoming invisible. [7] have examined the significance of social and cultural factors as the driving force behind entrepreneurial activities and the economy, although their research indicates that economic aspects play a dominant role. Factors that are not perceived as contributing to the economy are regarded as intangible economic capital, which cannot be observed but can be experienced.

2.2 Firm Behavior and Performance

The performance of the firm is transformed into the main factor for the organization and is taken into account when the organization formulates strategies and engages in restructuring activities. Organizational performance is a critical aspect as it pertains to the sustainability and success of the company [17]. [18] articulated in their research that entrepreneurial performance has emerged as a novel concept that has garnered attention from experts due to the consideration of attributes beyond just finances. Some experts have elucidated the measurement of entrepreneurial performance, wherein financial data is juxtaposed with non-financial data. Moreover, certain experts have advocated for the utilization of non-financial data as it is arduous to acquire. [19] further underscored the significance of employing primary data and secondary data. Nonetheless, this type of data may give rise to additional predicaments in terms of the subjectivity and objectivity of the data.

Financial performance is the most suitable metric for evaluating the performance of a firm [20]. Despite suboptimal data availability, especially for newly established firms [21], this metric remains the most objective. Previous studies on entrepreneurship suggest that financial performance can be assessed through various indicators such as operational efficiency, growth, and profitability. Operational efficiency demonstrates a company's ability to manage expenses in order to maximize output. Regardless of the circumstances, all companies should possess the capability to exercise control over their expenditures.

[20] asserted in their research that there are several approaches to evaluating financial performance. Despite the limited availability of data, it is still possible to conduct a comprehensive examination of certain business classifications by utilizing both primary and secondary data sources. The authors furthermore elucidated several dimensions utilized in assessing financial performance, such as efficiency, growth, and profit generation. Efficiency reflects a company's ability to effectively manage its financial resources with limited assets and investments. Growth, on the other hand, serves as a metric for evaluating a company's business effectiveness and the degree to which its products are embraced by the community. Lastly, profit generation serves as an indicator of a business owner's proficiency in managing their enterprise and achieving a harmonious balance between income and expenditure [17].

2.3 Rural entrepreneurship capital and firm performance

The correlation between entrepreneurship capital and organizational performance has prompted numerous researchers to conduct investigations on this association. Nevertheless, it is quite challenging to locate a study that explicitly addresses this particular issue [22], [23]. From an economic standpoint, the endeavor of allocating more capital or commodities is undertaken to achieve greater returns [6]. [24] contended that capital is a production factor that, when combined with other factors, particularly labor, contributes added value to a product or service. In terms of the factors of production, capital has been taken into consideration alongside labor and resources. This explanation is founded on the development of resource theory, which posits that having sufficient resources enhances competitiveness [14].

According to [25], through the acquisition of superior resources, organizations can expand their potential for making advancements. Conversely, an alternate perspective posits that possessing limited resources should not be equated with an inability to achieve superior performance. A pragmatic viewpoint expressed by [26] posits that entrepreneurs will invariably encounter constraints in the course of conducting their business, yet this does not necessarily impede their ability to excel. However, proponents of capitalism consistently contend that a greater infusion of capital translates into enhanced outcomes.

2.4 Financial capital

The primary obstacle faced by fledgling entrepreneurs is the restricted accessibility to capital, specifically in terms of financial capital [27]. The limitations are not solely confined to the quantity of capital available, but also encompass the dearth of alternative financial options for commencing and advancing their business endeavors. In order to cultivate a business, it is imperative to possess sufficient funds that can be allocated towards business investments as well as utilized as working capital. [28] posits in his research that financial capital alone is not the sole means for entrepreneurs to establish or expand their enterprises. Entrepreneurs can employ their ability to forge connections and foster social capital as catalysts for securing loans from financial institutions. Individuals who possess strong networking skills or an ample amount of social capital can typically optimize the financial challenges that they encounter [29]. Based on the aforementioned perspective on financial capital, it is plausible to formulate a hypothesis:

H1: A rural young entrepreneur who possesses sufficient financial capital will have a positive impact on firm performance.

2.5 Social capital

Social capital is a type of capital that is readily comprehensible and widely recognized. According to [16], social capital refers to a compilation of relationships with individuals or other organizations that have mutually beneficial goals. The quality of these relationships can be assessed by the extent of network

linkages and the additional advantages they offer within the context of other forms of capital for individuals. Scott also suggests that the value of social capital can be gauged by its fundamental foundation, which is trust. Another definition of social capital, as provided by Robert Putnam in [30], pertains to social organizations, such as trust, norms, and networks that enhance societal efficiency by facilitating coordinated actions. There are numerous methods for measuring social capital. As explained by [31] in their study, the level of social capital can be assessed using three dimensions of capital: social support, a sense of solidarity, and the degree of individual participation in the social environment. Therefore, based on the elucidated concept of social capital, we can formulate the following hypothesis:

H2: An expansive social capital among rural young entrepreneurs will have a positive impact on firm performance.

2.6 Human capital

The concept of human capital is closely associated with capabilities [11]. Capabilities encompass not only the expertise of individuals but also extend to a broader context. The management of individuals within an organization is crucial as they constitute a significant part of human capital. The evaluation of human capital's impact on entrepreneurship can be categorized into three components: attachment to business, innovative ability, and organizational capacity. [5] asserts in his research that the acquisition of resources within an organization, including human capital, is vital for entrepreneurial success. [32] emphasize that the utilization and management of human capital are critical factors for organizational achievement. Drawing from the aforementioned explanation of the human capital concept, we can formulate a hypothesis:

H3: The presence of a proficient rural youth entrepreneur possessing substantial intellectual resources will result in a beneficial influence on the overall efficacy of the enterprise.

2.7 Cultural capital

[16] asserts that the comprehension of capital has undergone a notable expansion, whereby capital is no longer perceived solely as a tangible and observable entity. Capital is now recognized as being intricately connected not only to output, but also to input and process domains. In the field of economics, factors that contribute to assets can be evaluated as a concept that enhances the overall value of assets. The notion of an economic cultural model has become highly pertinent in functioning as a form of capital that can influence the performance of individuals, organizations, and even regions. The broadened understanding of cultural capital also extends to human capital. The contribution of cultural capital is regarded as a significant form of capital in the advancement of human capital [24]. Based on the aforementioned conceptual framework, it is possible to formulate a hypothesis:

H4: A young entrepreneur residing in a rural area and possessing a substantial amount of cultural knowledge will exert a favorable impact on the performance of the firm.

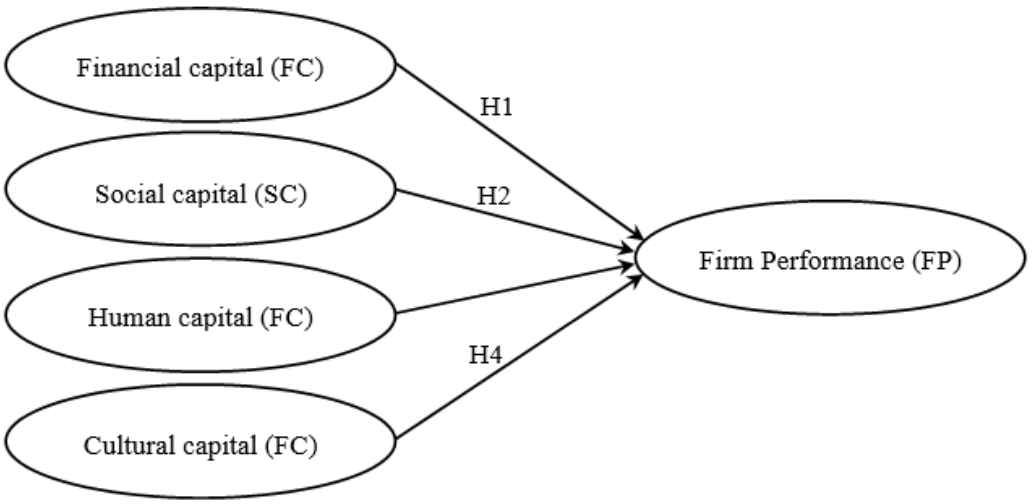

Figure 1. Research Framework and Hypothesis Development

3. METHODOLOGY

This research employs a quantitative methodology utilizing purposive sampling technique. The subjects of investigation in this research consist of youthful businesspersons hailing from three urban areas within the East Java Province, namely Malang, Bojonegoro, and Tuban. To gather the necessary data, questionnaires

were directly distributed to the participants for completion. The rationale behind selecting young individuals as respondents stemmed from their inherent potential. Young individuals are renowned for their innovative thought processes and their propensity to undertake risks. Additionally, the existence of rural entrepreneurs was considered a means to impede the ongoing process of urbanization [33]. The university network and a youth group establishment known as "Karang Taruna" were employed to facilitate the data collection process.

The investigation employs a Likert scale ranging from 1 "Strongly disagree" to 5 "Strongly agree". The selection of this scale was motivated by the superior outcomes yielded by a scale with five or more options compared to a scale with fewer than five options [34]. The formulation of the research tools was grounded on various preceding studies and subsequently tailored to the native language of the respondents. This adaptation was implemented to facilitate the comprehension of the statement's intention by the participants and to diminish the likelihood of misinterpretations that could jeopardize the reliability of the data. The particulars pertaining to the research instrument are depicted in Appendix 1.

In the framework of financial capital construction, the research instrument pertains to the investigation conducted by [10] and [27]. The arrangement of the sub-construct was derived from relevant literature and subsequently modified to align with the research objective. Previous studies indicate that the dimensions of financial capital primarily focus on capital accessibility and adequacy. The researcher concludes that the measurement of financial capital necessitates the fulfillment of three dimensions, namely financial supply, financial option or access, and strategy. The sub-constructs generated include, but are not limited to, "Despite not utilizing my own capital, I typically possess sufficient funds to operate my business," "I consistently possess the option to acquire capital through my network," and "I consistently employ a strategy to secure adequate capital for my business operations". The development of research instruments for social capital draws upon prior investigations conducted by [31] and [7]. The instruments were constructed based on the dimensions of social capital, specifically social support, sense of community, and individual participation within their social context. For each dimension, a statement was formulated, resulting in the creation of three sub-constructs. These sub-constructs encompass "I consistently provide support to others in their progression," "I experience a sense of unity within my environment," and "I actively engage in the organization of events within my community".

To assess human capital, the researcher cites various previous studies [11], [35]. Human capital instruments encompass not only individual competencies, such as their expertise in fostering their enterprises, but also their managerial aptitude in leveraging an organization's assets. The sub-construct must encompass both individual and organizational competencies, thereby yielding three measurement dimensions, namely self-engagement, organizational capability, and innovation ability. These three dimensions are considered the appropriate benchmarks for assessing human capital in micro and small businesses. The resulting three sub-constructs are as follows: "I possess a strong dedication to the current business I am managing," "I possess the capability to lead an organization," and "I possess sufficient innovative skills to support an organization."

[24] reaffirmed the previous delineation of cultural capital, which encompasses the embodied state, objectified state, and institutionalized state. According to [7], the interpretation posits that the definition comprises educational background, entrepreneurial network, and support from the social environment. Hence, the sub-constructs utilized for cultural capital are articulated as follows: "I possess the requisite educational foundation to engage in business endeavors," "My milieu fosters a robust affiliation with entrepreneurship," and "My family and close associates consistently provide unwavering support in my entrepreneurial pursuits." The significance of familial backing and the social milieu cannot be understated as they contribute to the formation of relationships and the cultivation of perceptions within the community, both of which are inherently influenced by cultural factors.

The absence of data from various business collectives, including micro and small businesses, necessitated a reevaluation by numerous researchers in the creation of their research tools. [20] elucidate that the predicament of data accessibility can serve as the foundation for assembling these research tools. Their investigation affirms that financial performance ought to be adjusted to both the availability of data and the perspective of the data. Within their inquiry, researchers are convinced that employing financial performance as a means of measuring organizational performance is preferable due to its status as a more objective metric. Financial performance can be assessed through efficiency, growth, and profit margin. By making slight modifications, the tools that were developed include statements such as "My firm consistently attains its return on assets," "The sales target is typically met," and "My firm usually achieves its net profit margin." Additionally, statements such as "My firm is usually content with its return on assets," "The sales growth target is usually achieved," and "My firm typically attains its net profit margin" were also incorporated.

Table 1. Research Instrument

Dimensions	Sub-constructs/ statements	Code
Financial supply	I usually have enough capital to run my business even though it is not my own capital	FC_1
Financial option	I always have an option to obtain capital from my connection	FC_2
Strategy	I always have a strategy to have enough capital to run my business	FC_3
Social support	I always support others to move forward	SC_1
Sense of community	I feel a sense of togetherness in my environment	SC_2
Participation	I always participate in organizing events in the environment	SC_3
Self-engagement	I have a strong attachment to the business that I am running now	HC_1
Organizational capability	I have a capacity to manage an organization	HC_2
Ability innovate	I have a sufficient innovation skill to help an organization	HC_3
Educational levels	I have sufficient education background to run a business	CC_1
Entrepreneurship links	My environment has a strong relationship with entrepreneurship	CC_2
Role of family	My family and my close colleagues always support me in running a business	CC_3
Efficiency	My firm is usually achieves its return on assets	FP_1
Growth	Target of sales growth is usually achieved	FP _2
Profit margin	My firm usually achieves its net profit margin	FP _3

4. RESULT

Out of the distributed questionnaires, a total of 733 were collected and deemed valid for this study. The research focused on profiling respondents from three districts, with the breakdown as follows: Malang district contributed 263 respondents, constituting 35.87% of the total. Tuban and Bojonegoro followed with 253 (34.10%) and 217 (29.60%) respondents, respectively. Regarding gender distribution, 396 respondents (54.02%) were male, while the remaining 337 respondents (45.98%) were female. Regarding educational background, the majority of respondents, totaling 532 or 72.58%, had secondary and tertiary education (middle and high school). Furthermore, 123 respondents possessed higher education levels, whereas 78 had basic education backgrounds. A more detailed breakdown of this information is available in Table 2, offering a comprehensive overview of the research respondents' profiles.

4.1 Data Testing

The testing of data produces valid and reliable data. All constructs that are built can meet the criteria required, CR> 0.6 and AVE> 0.5 [36]. In terms of data validity, all the constructs have met the required standards, with Financial Capital (FC) scoring 0.646, Social Capital (SC) scoring 0.644, Human Capital (HC) scoring 0.651, Cultural Capital (CC) scoring 0.647, and Firm Performance (FP) scoring 0.706. Furthermore, each construct has fulfilled the criteria for data reliability, with FC at 0.806, Social Capital (SC) at 0.806, HC at 0.806, CC at 0.808, and FP at 0.854. In all cases, the values exceeded the minimum threshold of 0.8, indicating a high level of reliability for these constructs. Notably, Firm Performance (FP) emerged as the most prominent construct, suggesting that most respondents had a clear understanding of and trust in the sub-constructs associated with firm performance. The outcomes of the data testing affirm that the data is suitable for further stages of analysis.

Table 2 Validity and Reliability Test Result

	FC	SC	HC	CC	FP
C.R	0.806	0.806	0.820	0.808	0.854
AVE	0.646	0.644	0.651	0.647	0.706

The validity test conducted on discriminant data meets the set criteria. This type of testing, focused on discriminant validity, aims to assess how well a construct variable predicts compared to other construct variables (Henseler, Ringle, & Sarstedt, 2015). The evaluation relies on indicators where the construct variable's value should surpass its correlations with other construct variables. Test results demonstrate that the correlation values between indicator variables and their respective construct variables—FC at 0.803, SC at 0.804, HC at 0.814, and CC at 0.805—are higher than their correlations with other variables.

Specifically, FC surpasses the correlation with SC at 0.091, HC at 0.167, and CC at 0.094. Similarly, SC surpasses the correlations with HC at 0.104, CC at 0.051, and HC with CC at 0.113. Hence, it can be inferred that the indicator variables successfully predict the construct variables. Detailed results of the discriminant validity test are available in Table 2.

4.2 Goodness-of-Fit

During the model testing phase, adherence to statistical calculation standards was ensured. Several indicators were employed to assess data suitability. While the chi-square is typically utilized to evaluate model fit, its effectiveness diminishes with large sample sizes due to heightened sensitivity. Consequently, additional indicators are necessary to ascertain the model's suitability. Among the relevant indicators for this purpose are NFI, CFI, TLI, RMR, RMSEA, and GFI, as detailed in Table 3.

Table 3. Goodness-of-Fit Index

Fit Indicator	Match Level Target	Result	Decision
NFI	> 0.92	0.939	Good fit
CFI	> 0.92	0.955	Good fit
TLI	> 0.92	0.941	Good fit
RMR	≤ 0.08	0.019	Good fit
RMSEA	< 0.08	0.059	Good fit
GFI	> 0.90	0.950	Good fit

The data testing results indicate that the model fulfills the suitability criteria. Specifically, the NFI (Normed Fit Index) shows a value of 0.939, the CFI (Comparative Fit Index) is at 0.955, and the TLI (Tucker-Lewis Index) stands at 0.941. All three indicators surpass the minimum required value of 0.92. Similar outcomes are observed in other indicators: the RMR (Root Mean Square Residual) and RMSE (Root Mean Square Error) present values of 0.019 and 0.059, respectively, falling below the maximum requirement of 0.08. Additionally, the GFI (Goodness of Fit Index) displays a value of 0.950, exceeding the minimum compliance requirement of 0.90. Consequently, it can be concluded that the developed model is suitable and can be effectively utilized.

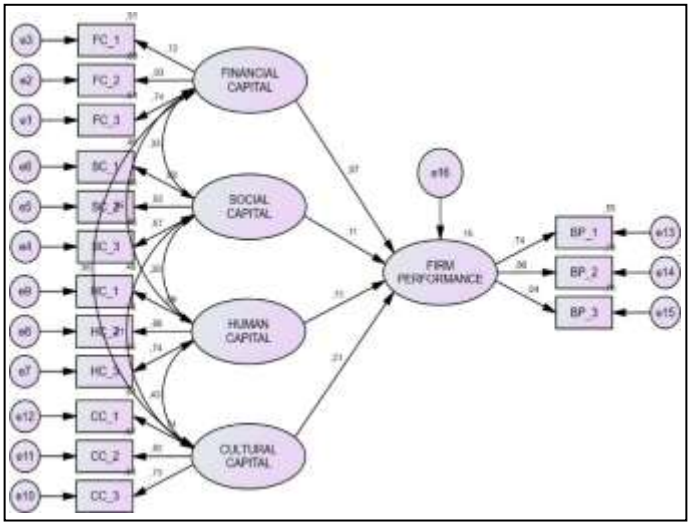

Figure 2. Structural Equation of Model Output

4.3 Hypothesis Test

The analysis yields different outcomes for the variables, as presented in Table 4. Among the hypotheses proposed, only three out of the four, namely Ha2, Ha3, and Ha4, are accepted. However, Ha1 is rejected due to FC (Financial Capital) not meeting the specified requirements with a significance level of at least 95 percent or <0.05. The relationship between FC and FP (Firm Performance) results in a value of 0.185, surpassing the required minimum value. Conversely, the other three constructs—SC (Social Capital), HC (Human Capital), and CC (Cultural Capital)—meet the minimum value criteria. The P-values obtained for the relationships between SC and FC, HC and FP, and CC and FP are 0.16, 0.025, and 0.000, respectively. Among these, only the CC and FP relationship demonstrates an absolute P-value <0.001, while the other two

variables meet the minimum significance level of <0.05. Nevertheless, it can be inferred that SC, HC, and CC significantly impact FP.

Table 4. Hypothesis Result

Hypothesis	Relationship			Estimate (U)	Estimate (S)	P-Value	Decision
Ha1	FC	--->	FP	0.063	0.073	0.185	NS
Ha2	SC	--->	FP	0.103	0.109	0.016	S*
Ha3	HC	--->	FP	0.111	0.128	0.025	S*
Ha4	CC	--->	FP	0.213	0.214	0.000	S***

(S) Supported; (NS) Not Supported
Significant at 0.05, or 95% (two-tailed),Significant at 0.01, or 99%,***significant in 0,001 or 99.9%*

The results of hypothesis testing reveal that the relationship between CC (Cultural Capital) and FP (Firm Performance) is the most robust among all variables. This assertion is supported by the correlation coefficient value of CC and FP, which stands at the highest value of 0.214. In the multivariate regression model, the subsequent significant contributor is the relationship between HC (Human Capital) and FP, displaying a coefficient of 0.128. Following this, the relationship between SC (Social Capital) and FP exhibits a coefficient value of 0.109. Comparatively, FC (Financial Capital) has the least impact on the structural model equations, as its relationship with FP only yields a coefficient of 0.073. The coefficient magnitude demonstrates a strong correlation with the P value, where smaller P values correspond to greater coefficient values. This conclusion is evident in the coefficients of each variable on FP, signifying that the stronger the relationship between variables, the higher the coefficient value of those variables.

5. DISCUSSION

The research results suggest that the presence of entrepreneurial capital influences how a company operates, as evidenced by its financial outcomes. These results align with previous research by [6], [7], and [5]. Nevertheless, it's crucial to acknowledge that not every type of capital holds considerable sway over a company's performance. Upon deeper analysis of the findings, it becomes evident that out of the four elements constituting entrepreneurial capital, only cultural capital, social capital, and human capital have a significant impact on firm performance. These outcomes reinforce the notion that these three forms of capital play a vital role in driving corporate performance, as supported by previous studies conducted by [24], [23], and [31]. The study's findings are intriguing as they propose that among young entrepreneurs in the studied area, financial capital isn't deemed the principal factor supporting firm performance. This discovery contrasts with the perspectives of prior researchers who have stressed the significance of financial capital in influencing entrepreneurial success.

Young entrepreneurs frequently rely on different alternative sources as they have restricted financial means, leading to the conclusion that financial capital isn't the foremost factor influencing firm performance, as suggested by [28]. Entrepreneurs understand that social, human, and cultural capital hold the potential to be converted into financial capital if they possess high-quality resources in these domains. Given the array of funding options, both formal and informal, these alternatives become feasible for young entrepreneurs facing a shortage of financial capital. The contemporary outlook of young entrepreneurs has broadened the scope of available funding avenues, despite some being unable to access conventional banking for formal financing. As a last option, young entrepreneurs can also access different types of loans from family members, relatives, and intimate acquaintances.

Other forms of capital besides financial capital have been understood by most young entrepreneurs to have essential roles and leverage for firm performance [9], [32]. Education as part of cultural capital has a dominant role for rural young entrepreneurs in the three districts in East Java province. Education plays a crucial role in aiding rural young entrepreneurs in attaining their goals. Additionally, support from family and participation in entrepreneurial networks are vital aspects of success. In rural settings, the social context significantly shapes individual behavior, including attitudes toward entrepreneurship. Negative perceptions of entrepreneurship within rural areas notably impact the behavior of young entrepreneurs. Networks and communities centered around entrepreneurship serve as pivotal hubs for youths to cultivate their businesses. In Indonesia, starting independent businesses isn't the primary career option for rural communities; instead, some prefer self-employment like farming, fishing, or pursuing civil service roles.

6. CONCLUSION, LIMITATION AND RECOMMENDATION

Based on the previous research findings and discussion, the author concluded that English teachers in several schools in Barru used various learning strategies in implementing the independent curriculum in their respective schools. In the independent curriculum, learning in the classroom was student-centered. Therefore, these teachers must adjust the strategies that will be used in teaching English and adapt these strategies to the

needs and characteristics of students. This was intended that student could understand and mastered the material being taught.

In implementing the independent curriculum, these teachers still experienced many obstacles in understanding the contents of the curriculum. Some of them did not understand how to process formative and summative assessments. This was because there has not been much training and knowledge about this, made it difficult for them to master it. Even so, these teachers are kept trying to hone their skills to provide useful knowledge to the students according to the needs and characteristics of the students.

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