

Transformation of school Cooperatives in Building a Student Entrepreneurship Incubator Model Approach.

¹Hendro Sugiarto, ²Nova Nurhanifah

^{1,2}Institut Pendidikan Indonesia

*E-Mail Correspondence: hendro@institutpendidikan.ac.id, novanurhanifah@institutpendidikan.ac.id

Abstract- *This study aims to analyze and formulate a model for transforming school cooperatives into entrepreneurship incubators for students oriented toward sociopreneurship in Garut Regency. The research object includes junior and senior secondary schools that operate active school cooperatives. This study employed a qualitative descriptive approach, with data collected through in-depth interviews, participatory observation, and documentation studies involving school principals, cooperative managers, teachers, students, and external stakeholders. The data were analyzed using thematic analysis to identify patterns, challenges, and best practices in cooperative transformation. The findings indicate that most school cooperatives still operate conventionally and have not been optimally integrated into entrepreneurship learning. This study proposes a transformation model based on institutional strengthening, experiential learning integration, business incubation stages, and sociopreneurship orientation. The model positions school cooperatives as school-based business incubators that enhance students' entrepreneurial competencies and social awareness.*

Keywords: *entrepreneurship education, school cooperative, school-based business incubator, sociopreneurship.*

I. INTRODUCTION

In the last two decades, entrepreneurship education has become a strategic agenda in various countries as a response to rising youth unemployment, labor market disruptions, and the need for human resources that are adaptable, creative, and innovative. UNESCO and OECD reports emphasize that education is no longer sufficient to be solely knowledge-oriented, but must equip learners with 21st-century competencies, including entrepreneurial skills, problem-solving, and social leadership [1].

Effective entrepreneurship education demands a real-world experiential learning approach, where learners are directly involved in economic practices and business decision making [2]. In line with this development, the concept of a business incubator is no longer limited to universities or the industrial sector, but is beginning to be adapted into the context of secondary education as a school-based business incubator.

School-based incubators are seen as capable of bridging the gap between entrepreneurship theory and business practice thru a phased mentoring process and project-based learning [3]. In this context, educational institutions are encouraged to create an internal entrepreneurial ecosystem that allows learners to learn contextually and continuously.

In Indonesia, the strengthening of entrepreneurial

education is gaining increasing policy legitimacy thru the Merdeka Curriculum, which emphasizes project based learning, character development, and student independence. In addition, the national development agenda also encourages the strengthening of a people's economy based on cooperatives and MSMEs as pillars of inclusive economic growth. Cooperatives, as economic institutions based on the values of mutual cooperation and economic democracy, hold a strategic position to be integrated into the education system as a vehicle for collective entrepreneurship learning from an early age [4].

Table 1. Comparison of the Functions of Conventional School Cooperatives vs Entrepreneurship Incubators

Aspect	Conventional Cooperative	Entrepreneurship Incubator
Orientation	Catering service	business learning
Student's role	Consumer	Business Actor's
Learning Methode	Administratif	Experiential learning
Impact	Short-term	Long-term competency

Source: Processed by researchers based on Kolb (1984); Hackett & Dilts (2004)

II. LITERATURE REVIEW

Entrepreneurship education aims to shape students' attitudes, knowledge, and skills so they can recognize opportunities and create value thru business



activities[1]. Emphasize that entrepreneurship education is not sufficient when delivered theoretically but must be implemented thru real-world experiential learning. In line with this, [2] states that experiential learning allows learners to learn effectively thru a cycle of experience, reflection, and direct application in a real context.

School cooperatives are educational economic institutions with economic, social, and educational functions. The International Cooperative Alliance (1995) emphasizes that cooperatives serve as a means of learning the values of togetherness and economic democracy. However, in practice, school cooperatives in Indonesia still tend to be managed administratively and have not been optimally utilized as a medium for entrepreneurship learning [5]. From an institutional economics perspective, cooperatives are understood as institutions whose behavior is shaped by organizational structure, rules, and member participation [6], thus transforming school cooperatives requires fundamental institutional changes.

A business incubator is an institution that provides mentoring and support for the development of startup businesses thru a systematic process [7]. Showed that implementing a business incubator model in school cooperatives was able to improve students' entrepreneurial competencies [8]. This finding indicates that school cooperatives have the potential to be developed as school-based business incubators when integrated with entrepreneurship learning.

Additionally, the sociopreneurship approach emphasizes a balance between economic goals and social impact. Stated that social entrepreneurship is oriented toward creating sustainable value for society. In the context of school cooperatives, this approach is relevant for shaping young entrepreneurs who are not only profit oriented but also possess social responsibility and business ethics.[9]

Based on the literature review, this study views the transformation of school cooperatives into student entrepreneurship incubators, supported by institutional strengthening, experiential learning, and a sociopreneurship orientation, as having the potential to enhance students' entrepreneurial competencies and social character. Therefore, the research hypothesis is formulated that the transformation of school cooperatives positively influences the development of students' entrepreneurial competencies and sociopreneurship orientation.

III. RESEARCH METHODS

3.1. Research Design

This study employs a descriptive qualitative approach with the aim of deeply understanding the process, dynamics, and context of transforming school cooperatives into student entrepreneurship incubators. A qualitative approach was chosen because this study does not aim to test hypotheses, but rather to explore social and institutional phenomena holistically, contextually, and based on the experiences of the actors involved [10]. The design of this research allows the researcher to explore the actual practices, challenges, and opportunities for transforming school cooperatives thru direct interaction with the research subjects and their institutional environment. Therefore, this method is relevant for formulating conceptual and operational models derived from field realities.

3.2. Research Site and Participants

The research was conducted at the Persis Tarogong Islamic Boarding School Cooperative in Garut Regency, which has an active school cooperative. The research location was chosen because it met the following criteria:

1. The school cooperative is still actively operating,
2. The cooperative is active, and students are involved in cooperative activities.
3. The school has or is developing an entrepreneurship program.

The research participants consisted of various stakeholders directly or indirectly involved in the management and development of school cooperatives, including school principals, school cooperative management, entrepreneurship guidance teachers, students involved in cooperative activities, and external stakeholders such as representatives from relevant departments and MSME partners. This diversity of participants is intended to obtain a comprehensive perspective on the transformation of school cooperatives from institutional, pedagogical, and practical viewpoints.

IV. RESULT AND DISCUSSION

4.1. Existing Conditions of the School Cooperative

The research results indicate that the Persis Tarogong Islamic Boarding School cooperative generally still operates in a conventional and administrative manner. The main activities of the school cooperative are dominated by providing student needs, such as stationery, snacks, and simple



savings and loan services. The function of cooperatives as a vehicle for entrepreneurial learning has not been systematically integrated into the educational process in schools.

Student involvement in school cooperatives tends to be limited to basic operational roles, such as shopkeepers or transaction recorders, without adequate understanding of business planning, financial management, or business decision-making. Additionally, the institutional structure of school cooperatives is still hierarchical and dependent on supervising teachers, which relatively limits student participation and initiative. From a management perspective, most school cooperatives have not yet implemented a digital financial record keeping system, nor do they have medium- and long-term business plans. This condition indicates that school cooperatives are still positioned as a supporting unit for school activities, rather than as a strategic and sustainable means of economic learning.

4.2. Factors Inhibiting and Supporting Transformation

This study identifies a few factors that influence the process of transforming school cooperatives into student entrepreneurship incubators, including both inhibiting and supporting factors. The main limiting factors include limitations in human resource capacity, particularly in terms of entrepreneurial understanding and business incubator management. Cooperative mentor teachers generally haven't received specific training on student business incubation, so cooperatives are managed administratively without a practice-based learning approach.

Additionally, the lack of internal school regulations that explicitly direct the school cooperative as part of entrepreneurship learning also hinders the transformation process. On the other hand, supporting factors for the transformation of school cooperatives include educational policies that encourage project-based learning, increasing student interest in entrepreneurship activities, and the potential for partnerships with local MSMEs and universities. Principal support and institutional commitment are also key factors enabling school cooperatives to experiment with more innovative entrepreneurial learning models.

4.3. Best Practices for School Cooperatives

Although school cooperatives are generally still in the early stages of transformation, this study found some good practices that indicate the direction of school cooperative development toward becoming student entrepreneurship incubators. Some school cooperatives have begun to involve students in simple business planning, such as developing students' creative products, managing school bazaar activities, and marketing products thru digital media.

Another practice found was the integration of cooperative activities with project based learning, where students are involved in business simulations from the ideation stage to the evaluation of sales results. In this context, the school cooperative functions as a learning space that allows students to gain direct experience in collectively managing a business. These practices demonstrate that school cooperatives have the potential to develop into entrepreneurial incubators if supported by appropriate institutional and pedagogical design.

4.4. Model for Transforming School Cooperatives into Student Entrepreneurship Incubators

Based on the results of thematic analysis of field data, this study formulates a model for transforming school cooperatives into a student entrepreneurship incubator based on sociopreneurship, as shown in Figure 1.

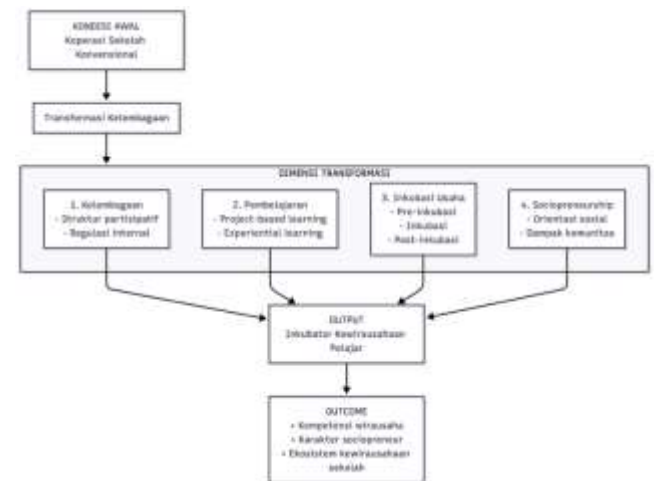


Figure 1: Model for Transforming Cooperatives into Student Entrepreneurship Incubators

Source: Researcher, 2026

The findings of this study support the arguments in entrepreneurship education theory, which emphasize that entrepreneurship learning is more effective when conducted thru direct experience and real-world context (experiential learning).

Discussion

The school cooperative transformation model generated in this study shows that cooperatives can function as a learning laboratory, enabling students to actively participate in the business planning, management, and evaluation process. This aligns with Kolb's (1984) view that learning occurs optimally when individuals experience a cycle of concrete experience, reflection, conceptualization, and active experimentation [2].

Additionally, the findings of this study are also relevant to business incubator theory, which emphasizes the importance of phased support for the development of startup businesses, from the ideation stage to strengthening business sustainability [11]. Adapting the business incubator concept to the context of school cooperatives, as demonstrated in the transformation model, expands the scope of incubation theory from the industrial and university sectors to secondary education. Thus, school cooperatives can be understood as school-based business incubators with unique characteristics, namely being oriented toward learning and character development, not solely on business growth.

From an institutional economics perspective, the findings of this research support the view that cooperatives are economic institutions that function not only as business entities but also as a platform for social and economic learning based on the value of togetherness [8]. Transforming school cooperatives into entrepreneurial incubators demonstrates that institutional change thru strengthening participatory structures, internal regulations, and partnerships is an important prerequisite for building a sustainable student entrepreneurial ecosystem.

Furthermore, integrating the sociopreneurship dimension into the school cooperative transformation model aligns with social entrepreneurship theory, which emphasizes the balance between economic value creation and social impact [9]. This finding indicates that school cooperatives have strategic potential to instill a social orientation from an early age, preparing students not only as entrepreneurs but also as agents of social change.

The results of this study are consistent with the findings which showed that implementing a business incubator model in school cooperatives can improve students' entrepreneurial competencies [8]. However, this research goes further by not only highlighting the incubation program but also emphasizing the importance of a thorough institutional transformation

of school cooperatives. In other words, this research positions school cooperatives not merely as a medium for entrepreneurial activities, but as a learning institution integrated with the education system and the local ecosystem. The findings of this study are also consistent which emphasizes the role of school cooperatives in fostering students' entrepreneurial spirit thru business practices [5].

The difference lies in the focus of the analysis, where this research explicitly incorporates the dimensions of social entrepreneurship and institutional economics as key elements of school cooperative transformation. This approach enriches the study of school cooperatives with social value and sustainability perspectives that have not been widely explored in previous research. On the other hand, compared to business incubator studies focusing on universities and SMEs, this research offers a novel contribution by adapting the incubation model to the secondary education context [12]. This expands understanding of the flexibility of the business incubator concept and opens up space for developing more inclusive and contextual incubation models [13]. Thus, this research fills the literature gap regarding the link between school cooperatives, entrepreneurship education, and social entrepreneurship, which has been fragmented until now.

V. CONCLUSION AND SUGGESTION

This research concludes that school cooperatives should have strategic potential to be transformed from conventional economic units into incubators for student entrepreneurship integrated with the learning process. However, this potential has not been optimally utilized due to limited institutional capacity, low integration with entrepreneurship curricula, and a lack of practical learning orientation. Thru a descriptive qualitative approach, this study successfully formulated a model for transforming school cooperatives into a school-based business incubator based on four main dimensions: institutional strengthening, experiential learning integration, student business incubation stages, and sociopreneurship orientation. This model confirms that school cooperatives not only serve as a means of economic transaction, but also as a space for entrepreneurial learning that continuously shapes students' competencies, character, and social awareness.



Based on the research findings, several recommendations can be made. First, schools need to revitalize the role of cooperatives by integrating them into project based entrepreneurship learning, so that school cooperatives become part of the operational curriculum, not just a support unit. Second, there is a need to enhance human resource capacity, particularly for mentoring teachers and school cooperative managers, thru entrepreneurship training and business incubation focused on student learning. Third, local governments and relevant agencies are advised to formulate policies that support the development of school cooperatives as entrepreneurship incubators, including thru facilitating partnerships with local MSMEs, universities, and business incubation institutions. Fourth, the sociopreneurship approach needs to be made a core value in the development of student businesses so that entrepreneurial activities are not only oriented toward economic profit, but also toward creating social impact and sustainability.

VI. REFERENSI

- [1] A. Fayolle and B. Gailly, "From craft to science: Teaching models and learning processes in entrepreneurship education," *Journal of European Industrial Training*, vol. 32, no. 7, pp. 569–593, 2008, doi: 10.1108/03090590810899838.
- [2] D. Kolb, "Experiential learning: experience as the source of learning and development."
- [3] S. M. Hackett and D. M. Dilts, "A Systematic Review of Business Incubation Research."
- [4] H. Sugiarto *et al.*, "Indonesian Journal of Community Empowerment (IJCE) is published under licensed of a CC BY-SA Creative Commons Attribution-ShareAlike 4.0 International Student Entrepreneurship Training Through the Campus Business Incubator at the Faculty of Entrepreneurship, Universitas Garut," *Indonesian Journal of Community Empowerment (IJCE)*, vol. 6, p. 2025, doi: 10.35899/ijce.v6i1.1028.
- [5] N. Wayan Suparmi, K. Rai Suwena, and M. Ary Meitriana, "Peran Koperasi Sekolah dalam Menumbuhkan Jiwa Wirausahawan pada Diri Siswa," *Jurnal Pendidikan Ekonomi Undiksha*, vol. 12, no. 1, pp. 2599–1426, 2020.
- [6] 2023_JCS_56_2__Yakar-Pritchard_et_al.
- [7] D. N. Allen and R. Mccluskey, "Structure, Policy, Services, and Performance in the Business Incubator Industry," 1990.
- [8] Rusdarti and I. S. Melati, "Innovation Management Of School Cooperative Using Business Incubator Model," *Journal of Governance and Regulation*, vol. 11, no. 4 Special Issue, pp. 330–338, 2022, doi: 10.22495/jgrv11i4siart13.
- [9] S. A. Zahra, E. Gedajlovic, D. O. Neubaum, and J. M. Shulman, "A typology of social entrepreneurs: Motives, search processes and ethical challenges," *J. Bus. Ventur.*, vol. 24, no. 5, pp. 519–532, Sep. 2009, doi: 10.1016/j.jbusvent.2008.04.007.
- [10] V. Braun and V. Clarke, "Reflecting on reflexive thematic analysis," Aug. 08, 2019, *Routledge*. doi: 10.1080/2159676X.2019.1628806.
- [11] Abiad Victor, "Institutions, Institutional Change, And Economic Performance," 2006.
- [12] N. A. Hamdani, M. F. H. Azizi, A. M. Fadilah, and I. Permana, *The Roles of Inspiration and Learning to Entrepreneurial Intention Moderated by Attitude Variable*, no. Gcbme 2023. Atlantis Press International BV, 2024.
- [13] G. Abdul *et al.*, "Implementation of Green Business Strategy in Increasing Competitiveness of Manufacturing Companies," vol. 6, no. 4, pp. 266–273, 2024.

