Analyzing Success Factors in the Independent Workforce Program (TKMP) for First-Time Entrepreneurs in Indonesia

Sri Susilawati Islam 1*, Arum Githa 2, Kenny Fernando 3, Antonius Siahaan 4

¹Industrial Engineering, Sampoerna University, Raya Pasar Minggu Street, 12780, South Jakarta, Indonesia ²Visual Design & Communication, Sampoerna University, Raya Pasar Minggu Street, 12780, South Jakarta, Indonesia

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ABSTRACT

Unemployment is a major issue in developing countries, including Indonesia, particularly among young people aged 15–24. One government initiative to address this is the Tenaga Kerja Mandiri Pemula (TKMP) program by the Ministry of Manpower, which provides business mentoring and support to first-time entrepreneurs. However, the effectiveness of the program is still debated, as the needs of young entrepreneurs vary widely and often go unmet by general training and support structures. This study aims to identify the key factors influencing the success of TKMP participants, using quantitative and qualitative methods. The analysis employed descriptive statistics and linear regression to examine the impact of five independent variables—business capital, business location, brand, promotion, and entrepreneurial commitment—on business success. Using linear regression, the results indicate the significant variables, Business Promotion (X4) has the strongest influence on business success, with a coefficient of 0.338, followed by Entrepreneurial Commitment (X5) at 0.201, and Business Location (X2) at 0.139. Conversely, business capital and brand identity were found to have no statistically significant impact on business success. However, other factors—such as motivation, marketing skills, networking capabilities, and geographical conditions—demonstrated notable contributions to entrepreneurial performance. The primary challenges identified within the program include bureaucratic complexity in the fund disbursement process and participants' limited understanding of the program's operational mechanisms.

JEL Codes:

Keywords: young entrepreneurs; linear regression; TKMP; success factors.

^{3,4}Accounting, Sampoerna University, Raya Pasar Minggu Street, 12780, South Jakarta, Indonesia