Social Enterprise for Economic Development (SEED)
A Cross-Cultural Learning Program
Cisondari Village and Bandung, West-Java, Indonesia
Social Enterprise for Economic Development (SEED)

Imagine young people from around the world working closely together with villagers to jointly improve their community.

The SEED Program is an experiential learning approach which fosters social sensitivity and entrepreneurial thinking in a cross-cultural context.

Students and villagers find sustainable solutions for economic development and social change.
The program of cultural management and enterprise development exposes students from different universities in Europe and Asia to the unique contexts of Cisondari village and the city of Bandung in West Java, Indonesia.

The Participants work in multicultural teams and actively engage in social entrepreneurship by developing viable business plans.

The program has been successfully conducted in December 2007 and July 2008. The next program is planned for July 2009.

Viable entrepreneurial activities (production of honey, natural fertilizer, yoghurt, dried fruits); the set up of a village owned enterprise and multiple learning points for the student and villagers.
Market Analysis: Competitive Advantage

Key Points

Competitors
- Al'Shifa Natural Honey
- Lagnese Forest Honey

Substitute products:
- Sugar/Glucose e.g. Gulaku

However, their cross elasticity of demand < 1 Æ poor substitutes in terms of usage for cooking and as a health product

Potential Entrants:
- Other villages around Indonesia
- Other developing countries who have land for fruit tree plantations

Advantage over competition
1) Low transport costs (compared to foreign imports)
2) Time to market – short drive from Ciaul village to Bandung or Jakarta markets
3) Fresh village Honey – long term plan of a Just in Time system of extraction and production
4) Tropical flavors/blossoms based honey
5) Low labor costs of the farmers and village packers

Competitive positions
- Differentiated product Æ selling a lifestyle & intangible aspects of the product
- Relatively lower costing quality honey

Barriers to entry (in general: low barriers to entry to honey production and retail industry)
- Technology of honey production
- Established partnerships with distributors
- Established strong customer relationships
- Retailing differentiated products

Strategic opportunities
- Supplier of royal jelly honey to cosmetics industry
- Entry into sugar substitutes industry
Objectives

Promoting Economic Development in the Village:
Students are encouraged to look for business and other sponsors to invest in appropriate production facilities, provide new markets for the products, new technology, and knowledge to improve agricultural production methods and yields in the village.

Cross-Cultural Learning in Real Life Asian Context:
Through this project students will gain valuable experience in enterprise development in a unique Asian contexts.

Continuous Cooperation and Contribution to Social Enterprise:
After the program students may continue to follow up their work on a voluntary basis to bring about the fulfillment of their projects. The implementation takes place continuously with assistance of SBM-ITB students and the next SEED program.
SEED - a collaborative program

The School of Business and Management at Institut Teknologi Bandung (SBM – ITB) and the Asia Research Centre (ARC) at the Chair for International Management (Southeast Asia), University of St. Gallen (HSG) co-organize this program.

The program builds on an established collaboration between ITB and the village of Cisiondari.

About SBM – ITB

Founded in 1920 as “Technische Hogeschool” (TH), ITB is the oldest and among the top-ranking universities in Indonesia, with the country’s first president Soekarno being one of its graduates. In 2003, the School of Business and Management (SBM – ITB) was established to offer management education. SBM – ITB today houses 3 educational programs; the Undergraduate, the MBA and the MSM (Master of Science in Management) program.
Comparing Perceptions: Cowdung

- Cow dung has no value and is only annoying
- Cow dung = fertilizer
- Washing away cow dung pollutes our water
- Fertilizers are needed
- Cow dung can be a source of income
- Washing the cows is most practical
- Cow dung needs to be processed adequately
- How should we transport it?
- Too many practical problems
Comparing Perceptions: Honey

- Honey is only good for bees
- I have never tasted honey
- Bees find their way at colored entrances
- I like honey
- Honey is money
- There is not enough space to have several beehives
- Honey is tasty and healthy food
- Honey is medicine
- Honey is a potential source of income
Next steps

- Next SEED program in July 2009. Establishing a 6 month turns for the SEED programs.

- Transfer of SEED to other locations in the world such as the Philippines, Rumania etc. Integrating further universities in the collaboration.

- Integration of SEED into the curriculum, connecting related topics: (social) entrepreneurship, cross-cultural learning, community development and sustainability, social responsibility.

- Facilitation of financial support/ sponsoring of the program to allow to grow this program.
Lecturers and Organizers – University St. Gallen

**Prof. Dr. Li Choy Chong**
Chair for International Management (South East Asia) and Director, Asia Research Centre (ARC), University of St. Gallen (HSG), Switzerland
[Li-Choy.chong@unisg.ch](mailto:Li-Choy.chong@unisg.ch)
www.arc.unisg.ch

**Daniela Beck, MBA**
Ph.D. Candidate in International Management and Research Associate, ARC-HSG, Switzerland
[www.arc.unisg.ch](http://www.arc.unisg.ch)

0151 1961 3386
[Beckd_muc@web.de](mailto:Beckd_muc@web.de)