

The Influence Of Entrepreneurship Spirit And Entrepreneurship Value On Business Success In Tembung Bersatu Percut Sei Tuan

Author:

Dahrul Siregar¹
Retnawati Siregar²
Fitriani Tobing³
Linda Lores⁴

Afiliation:

Medan Area University

Corresponding email

dahrul@staff.uma.ac.id

Abstract

The purpose of this study was to determine and analyze the influence of entrepreneurial spirit and entrepreneurial values on business success in UKM Tembung Bersatu, Percut Sei Tuan District. The research method used is exploratory research, where variables are measured using a Likert scale. Methods of data collection is done by interview (interview), with a list of statements (Questioner) and study documentation. The population in this study were all Tembung Bersatu UKM. totaling 40 SMEs. Sampling using saturated sampling method or better known as a census. In this study, the population was relatively small, namely 40 people. Processing data using SPSS software version 23, with descriptive analysis and hypothesis testing multiple regression analysis. The results showed that partially or simultaneously the variables of entrepreneurial spirit and entrepreneurial value had a positive and significant effect on business success in Tembung Bersatu SMEs, Percut Sei Tuan sub-district

Keywords: *Entrepreneurial Spirit, Entrepreneurial Values and Business Success*



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INTRODUCTION

Strengthening the economic sector isn't just about building a large-scale manufacturing sector. With all available resources and all the principles of the master plan, this master plan must also empower communities in the real sector. It's impossible to incorporate Indonesia's complex society into a large-scale system. Therefore, economic processes in smaller, yet real, contexts within the community need to be strengthened, so that this master plan encompasses not only large-scale businesses but also businesses that communities can engage in on a more modest scale. In everyday language, we often refer to these as Small and Medium Enterprises.

The existence of SMEs in Indonesia remains crucial to supporting the larger-scale economy. The 1997 global crisis demonstrated that SMEs were one of the sectors that were able to withstand the onslaught of the crisis (Depkop, 2008). Furthermore, in 2008, SMEs recorded an increase in Gross Domestic Product, reaching IDR 1,013.5 trillion (56.7% of GDP), with the number of SMEs reaching 42.4 million (Setyawan, 2009). Afiah's (2009) research shows that the SME sector contributes to Indonesia's economy and development. There are factors that challenge SME development, and that

entrepreneurship plays a crucial role in increasing the competitiveness of SMEs in Indonesia. However, several factors must be considered in strengthening this sector.

Entrepreneurship is highly needed by many people because the growth and development of a country's economy are inseparable from the role of large, medium, and small private entrepreneurs. Entrepreneurship plays a crucial role in Indonesia, as becoming an entrepreneur will undoubtedly contribute to improving the country's economic situation. Currently, Indonesia is still lagging behind in economic matters due to low economic growth, high unemployment, poverty, and income inequality. In a business context, entrepreneurship is the result of a disciplined and systematic process of applying creativity and innovation to meet market needs and opportunities.

The economic growth of Southeast Asian countries (ASEAN), particularly Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam, reached 5 percent in 2011 and is targeted to reach 5.6 percent during 2012-2016, 2 percent lower than in 2010. External demand has not grown significantly, so ASEAN economies have shifted to domestic growth drivers in the medium term and are beginning to explore alternative strategies for long-term development. Global uncertainty and new challenges have shifted the nature of growth in Asia to become more balanced. A new type of economic growth is needed in Southeast Asia; global uncertainty is an opportunity to reinvent growth (Pezzini, 2012). To achieve economic growth in Indonesia amidst global uncertainty, it is necessary to empower small businesses that are considered capable of developing production. In accordance with the government program, the target is 5 million new entrepreneurs by 2025 by developing human resources for the advancement of national entrepreneurship. There are four main problems in the development of national entrepreneurship, especially the small and medium sectors, including those related to access to financing, access to marketing, bureaucratic regulations, and the capacity of SMEs.

Efforts to increase entrepreneurial capacity, the government seeks to improve the quality of human resources in entrepreneurship with three stages, namely seeding, forging, and development. Entrepreneurship is stated in the Regulation of the Minister of State for Cooperatives and SMEs, Number: 06 / Per / M.KUKM / VIII / 2012 with the hope of encouraging and accelerating the empowerment of Cooperatives and MSMEs and increasing competitiveness. Small businesses are the pillars that are expected to take strategies by making independent, healthy, strong, competitive businesses and developing themselves to increase economic growth, as well as supporting the expansion of employment opportunities in realizing economic democracy, to realize the capabilities of MSMEs is certainly very much expected in accordance with all activities carried out to achieve their business goals, namely the success of MSME businesses.

Business success is the success of a business in achieving its goals. This success is achieved through several factors, including increased sales, increased production, increased profits, sufficient capital, productive distribution, and the achievement of organizational goals. A business can be said to be successful if it has advantages over its predecessor or other businesses. Success in business is not easy to achieve, but it can be achieved by someone who possesses the spirit and values of independent entrepreneurship.

To achieve this, it is necessary to have small business growth based on entrepreneurial values and an entrepreneurial spirit, with the hope of shaping small business behavior in increasing national economic growth. Therefore, a strategy for empowering small businesses is needed towards an approach that embraces entrepreneurial spirit, entrepreneurial values, and entrepreneurial behavior. The purpose of this study is to provide empirical evidence to what extent entrepreneurial spirit and values influence the formation of business success from the aspects of entrepreneurial spirit, entrepreneurial values, entrepreneurial behavior, and business independence. The results of the study will provide output on small business empowerment towards business

success, which includes strategies for managing entrepreneurial spirit, strategies for managing entrepreneurial values, and strategies for managing entrepreneurial behavior.

METHODOLOGY

This type of research is associative research, according to Sugiyono (2012:12) associative research is research that aims to determine the influence between independent variables on dependent variables and how strong the influence or relationship is and whether or not this relationship is meaningful. This research was conducted to determine and prove the influence of Entrepreneurial Spirit and Entrepreneurial Values as independent variables on business success as a dependent variable

Data Collection Techniques

1. Library Research

Data collection in this study was conducted through reading materials, including literature, books, and various other reading materials related to the title that could assist the researcher in preparing the final assignment.

2. Field Research

Data collection in this study was conducted directly with the research subjects or by going directly into the field using several techniques, including interviews and questionnaires.

Data Analysis Techniques

Data Quality Testing

1. Validity Test

A validity test is used to measure the validity of a questionnaire. A questionnaire is considered valid if the questions accurately reveal what it is intended to measure.

2. Reliability Test

Reliability is an index that indicates the extent to which a measuring instrument is reliable and remains consistent when measurements are repeated, showing the same results under the same conditions.

Classical Assumption Test

1. Normality Test

The normality test aims to determine whether the distribution of data follows or approximates a normal distribution.

2. Multicollinearity Test

Multicollinearity means the existence of a perfect or definite linear relationship between some or all of the variables explained by the regression model.

3. Heteroscedasticity Test

The heteroscedasticity test aims to test whether there is inequality in the variance and residuals in the regression model from one observation to another.

4. Glejser Test

The Glejser test proposes to regress the absolute value of the residuals against the independent variable.

Multiple Linear Regression Analysis

Multiple linear regression analysis was used to determine the influence of the independent variables (Entrepreneurial Spirit and Entrepreneurial Values) on the dependent variable (business success).

Hypothesis Testing

1. Partial Test (t-Test)

The t-test essentially shows how much influence one independent variable individually has in explaining the dependent variable.

2. Simultaneous Test (F-Test)

The F-test is conducted to determine whether the independent variables have a simultaneous effect on the dependent variable.

3. Coefficient of Determination (R^2)

The Coefficient of Determination Test is used to measure the extent to which a model is able to explain variations in the dependent variable.

RESULT AND DISCUSSION

Tembung Bersatu is an SME engaged in the culinary or food sector. Culinary business actors in Tembung Village have been established since 2012 but some of them have experienced a decline in turnover, some are unable to survive and there are also those who have succeeded (Sustainable) until now. This Tembung Bersatu culinary business is a group that has been successful both in management and finance but still needs mentoring by experienced people, as for the processing or business of SME groups that produce various kinds of processed snacks such as Peya Chips, with a variety of types, onion chips with many variants, Martabak, Meatballs, Satay, Gule while drinks such as Ice lolly, and in the service sector in the form of handicrafts. with the success of the business they are engaged in increasingly expanding and developing of course competition is also getting tighter, so to maintain the business, good strategies are needed in order to achieve maximum and sustainable profits.

A multiple linear regression model was conducted to determine the extent of the influence of the entrepreneurial spirit and entrepreneurial values variables, both partially and simultaneously. The analysis was conducted using the SPSS Statistics 23.0 program for Windows.

Based on the table above, the multiple linear regression equation model obtained in this study is:

$$Y = 8.773 + 0.442 X_1 + 0.065 X_2 + e$$

Based on this equation, it can be explained as follows:

1. The constant value of 8.773 indicates that if there is no influence from the independent variables (X_1 , X_2), then business success (Y) will have a value of 8.773.

2. Coefficient X_1 (β_1) = 0.442, indicating that every one-unit increase in entrepreneurial spirit increases business success by 44.2%. Holding other variables constant.

3. Coefficient X_2 (β_2) = 0.065, indicating that every one-unit increase in entrepreneurial value increases business success by 6.5%. Holding other variables constant.

Table 1

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	8.773	2.555		3.433	.001		
Entrepreneurial Spirit	.442	.153	.499	2.879	.007	.705	1.418
Entrepreneurial Values	-.065	.175	-.064	-.370	.713	.705	1.418

a. Dependent Variable: Entrepreneurial Values

Results of Multiple Linear Regression Analysis

Hypothesis Testing

F-test (simultaneous test)

The F-test is conducted to simultaneously examine the influence of the variables (X1, X2), namely entrepreneurial spirit and entrepreneurial values, on business success (Y).

Hypothesis Model:

Ho: $\beta_1 = \beta_2 = 0$

There is no influence of entrepreneurial spirit and entrepreneurial values on business success at the Tembung Bersatu Percut Sei Tuan SME.

Ha: $\beta_1 \neq \beta_2 \neq 0$

There is an influence of entrepreneurial spirit and entrepreneurial values on business success at the Tembung Bersatu Percut Sei Tuan SME.

Ho is accepted if the calculated $F < F$ table at $\alpha = 5\%$.

Ha is accepted if the calculated $F > F$ table at $\alpha = 5\%$. The error rate (α) = 5% and the degrees of freedom (df) = (n-k);(k-1). The degrees of freedom for the numerator = k - 1 = 3 - 1 = 2.

The degrees of freedom for the denominator = n - k = 40 - 3 = 37. Therefore, the F table is 0.05 (2; 37) = 3.252.

Results of the F test (simultaneous test) using the SPSS program. Statistics 23.0

business success at the Tembung Bersatu Percut Sei Tuan SME, which means that Ho is rejected and Ha is accepted. Thus, there is an influence of entrepreneurial spirit and entrepreneurial values on business success at the Tembung Bersatu Percut Sei Tuan SME (hypothesis accepted).

Table 2

Coefficients ^a								
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	8.773	2.555		3.433	.001		
	Entrepreneurial Spirit	.442	.153	.499	2.879	.007	.705	1.418
	Entrepreneurial Values	-.065	.175	-.064	-.370	.713	.705	1.418

a. Dependent Variable: *Entrepreneurial Values*

The table above (t-test results) shows that:

a. The calculated t-value for the entrepreneurial spirit variable is 2.879, and the t-table value is 1.684. Therefore, the calculated t-value is greater than the t-table value ($2.879 > 1.684$), and the significance value (sig) is ($0.001 < 0.05$). Therefore, it can be concluded that the entrepreneurial spirit variable has a positive and significant effect on the success of the Tembung Bersatu Percut Sei Tuan SME (the first hypothesis is accepted).

b. The calculated t-value for the entrepreneurial value variable is 0.370, and the t-table value is 1.684. Therefore, the calculated t-value is greater than the t-table value ($0.370 > 1.684$), and the significance value ($0.001 < 0.05$). Therefore, it can be concluded that the entrepreneurial value variable has a positive and significant effect on the success of the Tembung Bersatu Percut Sei Tuan SME (the second hypothesis is accepted)

Table 3
Coefficient of Determination (R²)

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.467 ^a	.218	.176	1.76630

a. Predictors: (Constant), Entrepreneurial_Spirit, Enterprenuerial_Values

b. Dependent Variable: Enterprenuerial_Values

Based on the table above, it can be interpreted that the R value of 0.218 indicates a fairly close correlation between Entrepreneurial Spirit and entrepreneurial values. The results of this study indicate that the adjusted R² value is 0.176, or 17.6%. This means that the success of the Tembung Bersatu Percut Sei Tuan SME can be

explained by the entrepreneurial spirit and entrepreneurial values variables. While the remaining 83.4% is explained by other factors not examined in this study, such as training, knowledge, innovation, and others.

The Influence of Entrepreneurial Spirit on Business Success

The results of the hypothesis testing have proven that there is an influence between the Entrepreneurial Spirit on the success of the business at the Tembung Bersatu Percut Sei Tuan UKM, through the results of the calculations that have been carried out, it is obtained 2,879 and the t table is 1.684 so that the calculated $t > t$ table ($2,879 > 1.684$) and the significant value (sig) ($0.001 < 0.05$) so that it can be concluded that the entrepreneurial spirit variable has a positive and significant effect on the success of the Tembung Bersatu Percut Sei Tuan UKM Business. These results support previous research by: Audy Ishida Djansen 2016, The influence of entrepreneurial spirit and entrepreneurial values on business independence at the Independent MSMEs of Bandung Regency in the Journal Vol.10 No.1 June 2017, Pages 199-210 Faculty of Economics and Business, Management Study Program, Pasundan University which examines the influence of entrepreneurial spirit and entrepreneurial values on business independence at the Independent MSMEs of Bandung Regency,

The entrepreneurial spirit is something abstract, which is studied only statements that are visible with the body, or symptoms that appear as movements so that the soul is a spirit, every human being has abstract characteristics and symptoms that occur from feelings, thoughts, dreams and so on. The entrepreneurial spirit is the lifeblood of entrepreneurship which is basically an entrepreneurial attitude and behavior that is shown through the nature, character, and nature of a person who has the will to realize innovative ideas into the world creatively.

The Influence of Entrepreneurial Values on Business Success

The results of the hypothesis testing have proven the influence of Entrepreneurial Values on business success. The calculated t-value for the entrepreneurial value variable is 0.370 and the t-table value is 1.684. Therefore, the calculated t-value is greater than the t-table value ($0.370 > 1.684$) and the significant value ($0.001 < 0.05$). Therefore, it can be concluded that the entrepreneurial value variable has a positive and significant influence on business success at the Tembung Bersatu Percut Sei Tuan SME (the second hypothesis is accepted).

These results support previous research by Audy Ishida Djansen (2016), which found that entrepreneurial values have a very positive and significant influence on business independence in MSMEs.

Entrepreneurial values are prerequisites related to entrepreneurial behavior (Frederick et al., 2016; Kickul & Gundry, 2002; Schein, 2014). These values consist of creativity, risk-taking, innovation, achievement orientation, ambition, and independence (Boehene et al., 2018).

The Influence of Entrepreneurial Spirit and Entrepreneurial Values on Business Success

Based on the ANOVA table above, the calculated F value is 5.155 with a significance level (Sig.) of 0.011b. Therefore, the calculated F value $> F$ table ($5.155 > 3.252$) or significance (Sig.) $< 5\%$ ($0.011b < 0.05$), meaning that the variables of entrepreneurial spirit and entrepreneurial values have a positive and significant effect on business success at the Tembung Bersatu Percut Sei Tuan MSE.

This is in line with the research of Najib and Ainun (2018) entitled "The Influence of Entrepreneurial Spirit, Personal Independence, and Motivation on the Success of Night Snack Businesses at the Surprise Market on Jalan Jendral Ahmad Yani, Binjai City." This study found that motivation is the most influential factor in business success in Binjai City. However, entrepreneurial values and spirit must also be present as

balancing variables.

This is in line with the research by Sinaga and Reza Arisyandi (2019) on the Influence of Entrepreneurial Spirit and Personal Independence on the Success of Culinary Vendors in Pajak Usu, Jalan Jamin Ginting, Medan City. This means that a strengthened entrepreneurial spirit will strengthen the success of MSMEs.

CONCLUSION

Based on the analysis discussed in the previous chapter, the following conclusions can be drawn:

1. The results of the study indicate that the Entrepreneurial Spirit variable partially influences business success at the Tembung Bersatu Percut Sei Tuan SME.
2. The results of the study indicate that the Entrepreneurial Values variable partially has a positive and significant effect on business success at the Tembung Bersatu Percut Sei Tuan SME.
3. The results of the study indicate that there is a positive and significant influence between the Entrepreneurial Spirit and Entrepreneurial Values variables on the success of the Tembung Bersatu Percut Sei Tuan SME.

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