Characteristics of Entrepreneurship: Business Performance of Small Entrepreneurs

Sri Wahyuni Mega Hastuti 1,*
1Pascasarjana Universitas Islam Kadiri
*Correspondence: swmegah@yahoo.co.id

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Abstract: Some people may have overlooked the importance of technopreneurship and its development in the digital economy especially involving globalization of economic and commercial activities. While most people might have read and understand about entrepreneurship but new technologies have nurtured the rise of technopreneurs in order to sustain in the global competitiveness as well as to equip oneself with latest technological knowledge. Therefore, the author will emphasize the differences between entrepreneurship and technopreneurship in-addition related to this field of digital era in global regulation. The relationship between technopreneurship and digital era will be explained and will focused on opportunities and challenges for better understanding.

Keywords: character, entrepreneurship, business performance, Small Entrepreneurs

1. Introduction

The experience of various countries, both developed countries and developing countries, show that small and medium micro enterprises or shortened by SMEs, has been shown resilience to face shocks in times of crisis. SMEs are a small economic scale are able to survive and even grow significantly. SMEs also proven to have a strategic role in the economic development of a nation. Besides its role reduce unemployment.

Besides the power that owned small and medium micro enterprises, there are also weaknesses, according Anoraga and Sudantoko (2002: 225-226) as follows: 1) The accounting system is relatively simple and tend not to follow the rules of standard bookkeeping administration. So it is difficult to assess its performance, 2) Operating margin is likely to thin considering the high competition, 3) Limited Modal, 4) The managerial experience and management of a limited company, 5) The economies of scale are too small so difficult to expect reduce the cost of achieving the long-term efficiency point, 6). Ability marketing and negotiation as well as diversifying the limited market, 7. The ability to obtain funds from the capital markets is low, given the limitations of administrative systems. To get the funds in the capital market, a company follows the current administrative system of standards and should be transparent.

The problems listed above are rooted in the weakness of the human resource factor businessman. Supiyoadi (2002: 44) states that the skills and knowledge of human resources is an important thing to be aware of and strategies for competitive advantage, because it becomes impossible enterprise capable, and has the competitive advantage that its human resources are not superior. Human resources is a very important factor that affects the ability of the business. Business capability is the ability of employers to coordinate resources and put them to productive use. The ability of businesses have a major role in creating the company's

According to Attahir (1995) factors of success of small businesses is shown by two factors, namely individual has certain skills and a good entrepreneurial characteristics and environmental factors such as government support, the need for a balance between the demand by business commitments. There are variables that differentiate viability study of small businesses are personal characteristics (self-employment / entrepreneur), assistance from outside, motivated business owners, strategic management, marketing, financial management and partnerships.

Opinion was revealed clearly that the success of the business is affected both in terms of internal and external side. On the internal side, that business success is influenced by factors of managers and labor involved in it, including, other resources such as raw materials, equipment, machinery, technology, and managerial. Business has unique characteristics that influence in the management of such businesses: level of education, business experience, family background, perseverance, patience, tenacity, independence, courage to face the risks, the ability to read the opportunities, creativity, a strong urge to succeed that causes a person to have a fighting spirit and resilience in the face of various obstacles effort (Soeprajitno et al., 2019b). This description is supported Stoner opinion which says that: Human resources in small businesses are entrepreneurs as well as personnel involved in the management of businesses that have a background in attitude, mental, personality traits, level of education, business experience, gender, age, where These factors are individual characteristics that affect business continuity. Company consisting of a collection of individuals, each individual is unique. In each individual there is a difference characteristics caused interests, attitudes and needs of each individual is not the same (Stoner, 1992: 92).

Characteristics are specific traits, psychological characteristics, morals, or the character that is in one of the other (Rivai, 2004: 40). Characteristics Entrepreneurship means specific characteristics, psychological characteristics in running the business. These entrepreneurial characteristics that distinguish the behavior of entrepreneurs with one another in business.

Individual characters in leading business entrepreneurs, to be followed by the vision, drive and passion that makes entrepreneurs go into business. (Rodriguez, 2009). Impulse or desire to run a business. Where is the courage entrepreneurship, mental readiness necessary in the face of risk. Small business owners should have the perseverance, tenacity, persistence in the operations, because it is so complex the problems faced by small entrepreneurs. Small employers are required to implement entrepreneurship or entrepreneurial in controlling his efforts to improve competitiveness and maintain its business from failure (Zulfadil, 2006: 45). There is a close relationship between the developments of small businesses with entrepreneurship. A small company that wants to develop must have an entrepreneurial spirit in order to make decisions in addressing the problem and see the opportunities that exist (Kao, 2001: 78). So small businesses must continue to build entrepreneurial spirit.

Problem-solving efforts of small businesses also need to be supported on the external aspects that include the role of government in creating a conducive climate for populist-based of economic development. Aid to small companies is necessary, because with the help expected to generate momentum that will attract similar business to think towards the future (Kadinda, 1995: 14); (Soeprajitno et al., 2019a).

Performance is the result of work that can be accomplished by someone in the organization, in accordance with the authority and responsibilities of each in order to achieve organizational goals (Suyudi, 1999). If the individual performance is good, it is most likely performance of the company or organization will be good. Therefore, the capability (capabilities) is an important strategy to contribute to the sustainability of competitive advantage. According to Day (1994), see that performance is affected by factors of competitiveness positions (positions of advantage)
This position is determined by factors: (1) business assets (business assets), (2) the ability of business (capabilities of the business), and (3) core corporate capabilities (core competencies of the corporation).

2. The theoretical side

The characteristics are special characteristics, psychological characteristics, morals, or the character that is in a person that distinguish one person from another (Rival, 2004: 140). Entrepreneurship characteristic is a characteristic that can be used as the determining criteria for the difference between one businessman to another, the motivation and initiative and the ability to face the tasks and responsibilities to its conclusion, in order to achieve optimal results. Entrepreneurial characteristics within every entrepreneur cannot be equated with each other. This is because the interest of the attitudes and needs within each of employers are also not the same for (Stoner, 1992: 92). Individual characteristics of entrepreneurs to be one of the elements forming business behavior because behavior is influenced entrepreneurs specific characteristics, psychological traits, morals or manners that exist in a person entrepreneurs.

The basic concept of entrepreneurship is a process to create something different from existing ones (innovation) (Raymond Kao, the S-Ward, 2007: 7) or hold a change over time (innovation) (Zaharuddin, 2006: 4) and the creation of something new (creation) whose purpose is to achieve well-being of individuals and the value added to the community (Raymond Kao, the S-Ward, 2007: 7; Zaharuddin, 2006: 4). Meanwhile, John Kao argues that the basic concept of entrepreneurship is an attempt to create value through a business opportunity by taking appropriate risk and through the communication and management skills to mobilize human resources, capital, and goods to a success (S-Ward, 2007 : 8).

Entrepreneurship is defined as someone who creates life new business by considering the risks and uncertainties to achieve profit and growth by identifying opportunities and combine with the resources needed to take advantage of these opportunities. (Scarborough and Zimmerer, 1993: 5).

Entrepreneurship is the soul of someone who loves business development in the future. Businesses cannot run away from the influences of technology in business dealings and operations. In order to remain competitive in this business arena, the current business must always be sensitive and enhance the business of all that they have gone through before. The difference between the two business groups was explained and, as the title focuses on the field of Technopreneurship, it is best to focus seriously in this area.

3. Issues and Challenges

According Noersasonoko (2005: 94) states that there are four business capacity for the company must be owned businesses continue to grow and develop competitive advantage, namely:

1. The ability to operate facilities with productive.
2. The ability to expand capacity and develop new productive facilities.
3. Ability to develop and absorb new technology that supported good information systems.
4. The ability of human resources (trained, well-planned and sustainable) and organizational readiness.

Employers in improving the ability of business must pay attention to three main functions: (1) operating functions / production, (2) marketing functions, and financial
functions (Stevenson, 1993). The results of field studies conducted Dalimunthe (2000-2001), a determinant of the ability of businesses can be described as follows:

![Diagram of Business Capabilities]

Figure 2.1 VARIABLE DETERMINANT BUSINESS CAPABILITIES

Source: The results of field studies (Dalimunthe: 2001)

Determinant variable business capacity should be determined by the ability of the entrepreneur owned a Businessman in producing, includes the ability to provide raw materials, labor, good equipment and produce a quality product. The ability of businesses associated with labor starting from general recruitment process, choose workers who have the appropriate skills, then place, coordinating all the potential workforce, move it and control it in order not to deviate from the plan that has been set. Employers are required to have the capability in the field of marketing efforts. Targeted marketing activities so that their products can be accepted in the market or sold on the market. Firms will benefit because the company will be able to grow and thrive in its life cycle (Kotler, 2002: 18).

The ability of businesses in the financial sector includes the ability of entrepreneurs to provide the capital to finance business operations and accounts receivable turnover. Financial functions by Tensire (1985) defined as the provision of capital and funding (capital and funds) are a contributing factor the operation of a production to produce goods and services while distributing marketing functions and sell the resulting product. Capital
is a resource that is important for a company. Zimmerer and Scarborough (2004: 219) says that the supply of cash or cash is a very important resource, but often a scary word for many small entrepreneurs. Financial importance in business activity, demanding Entrepreneurs have the ability to manage financial companies, ranging from the provision of funds, where the acquisition, calculate the amount of funds used for the operations of the enterprise, utilizing the funds to repay the funds to the lender on time if the funds obtained from the loan.

From the various foregoing description, according to the researchers the ability of businesses to be owned by small entrepreneurs, namely: (1) raw materials, (2) employment, (3) technology, (4) the quality of the products, (5) prices, (6) the variety of products, (7) reach the market, (8) the ease of purchase, (9) the availability of capital, (10) the accounts receivable turnover.

4. Other related issues

The success of small businesses is not only determined by individual factors that have certain skills but also individual entrepreneurs who have a good entrepreneurial characteristics in addition to the ability of entrepreneurs to engage in business activities, from planning the acquisition of raw materials (sources of production), acquisition and management of labor, production process, maintaining the quality and quantity of production with the use of technology and equipment, product marketing and financial management. It means that one of the causes of business performed well due to its administrators have entrepreneurial characteristics (entrepreneurship) good in business. Research conducted Riyanti (2004), concluded that the personality characteristics of entrepreneurs, if managed properly would bring significant changes in the results of operations. The properties of influential entrepreneurs in the formation of innovative behavior that significantly influence business success.

Small employers are required to implement entrepreneurship or entrepreneurship in controlling his efforts to improve competitiveness and maintain its business from failure (Zulfadil, 2006). There is a close relationship between the developments of small businesses with entrepreneurship. A small company that wants to develop must have an entrepreneurial spirit in order to make decisions in addressing the problem and see the opportunities that exist (Kao, 2001).

Performance of small entrepreneurs in addition influenced by the characteristics of entrepreneurship. The ability of businesses owned small businesses will have an impact on the success of the business or the so-called business performance. Performance entrepreneur is a variable that indicates the ability of entrepreneurs to show their work in a given period. Performance entrepreneur can be defined as the level of success achieved by the use of various resources using the process in a way that is effective and efficient. So the success achieved by the company in a particular period means the company has a good performance. Good performances if it is supported by entrepreneurs who have business skills are good also. To determine the performance of entrepreneurs in advance by setting standards based company's work goals to be achieved, and then projected on a businessman working standards. Assessment is held by comparing the performance of entrepreneurs’ actual performance with the standards specified work. Moorhead and Griffin (1989), states that the variables that affect the performance of the individual can be controlled by adjusting the following things:
1. Design work (tasks, activities will be carried out, the workload)

2. Relations organization (style of supervision, teamwork, working conditions, hours of work and others)

3. Performance Objectives (related to the performance objective: competence, knowledge, skills and abilities)

4. Organizations

Performance businesses affected by the workload that must be resolved. Condition employers’ organizations and capabilities. As we know that the ability of businesses owned by small businessmen closely linked to the performance of entrepreneurs. This is due to the small entrepreneurs who have business capability means it can coordinate resources ranging from the acquisition of raw materials, labor, production process, produce varying and maintaining product quality, pricing and marketing and to manage accounts receivable turnover. The ability of these efforts will have an impact on the success of entrepreneurs in doing business, which can produce a product and an increase in sales volume, an increase in operating profit and the achievement of innovation.

According to Robert L. Mathis and John H. Jackson (2001: 82) factors that affect the performance of individual labor, namely: 1) Their ability, 2) Motivation, 3) Support received, 4) The existence of the work they do, and 5) Their relationship with the organization. Based on the above understanding, the authors conclude that the performance is the quality and quantity of a work (output) of individuals and groups in a particular activity caused by the natural abilities or capabilities acquired from the learning process as well as the desire to excel.

According to Mangkunagara (2000: 90) states that the factors that affect performance include: a) Factors ability Psychologically ability employees consists of the potential ability (IQ) and the ability of reality (education). Simamora, Anwar (2005: 56) states the factors that affect performance are: 1) Individual factors include: the ability and the expertise, background and geography 2) Psychological factors include: perception, attitude, personality, learning, and motivation 3) factors the company Includes: resources, leadership, appreciation, structure and job design.

5. Opportunities

Mobile enablement for employees is quickly becoming a powerful productivity-boosting capability (W. Setyawan et al., 2018). Since smartphones provide the platform, grid companies can now digitize the core process of work management to greater effect. This means better asset management, engineering, planning, scheduling and dispatch, as well as execution and job closeout. Since the 1990s, this process has been managed through enterprise-resource-planning systems, which have generally been unwieldy—easy neither to use nor to extend to scale. With the latest digital and mobile technology, utilities can more easily incorporate all work into a single view with universal access.

Research conducted Mulyadi (1999), showed a positive influence between the variables of entrepreneurship, business skills, business experience, education, training, cultural identity and functional policies on corporate performance. Each of the variables has a significant influence on functional policies that include: capital, marketing, production and wages. Functional policies have a significant influence on the performance of the company.
It means that there is a linkage between business performance with education and training, including family background, where these items are available on the individual characteristics of small entrepreneurs.

The linkage between the ability of employers and entrepreneurs performance reinforced by the statement that the ability of businesses have a major role in creating the company's performance (Hill and Jones, 1998, Moeljadi, 1999). Where the company's performance on small business performance synonymous with entrepreneurs who have the ability to conduct business. Companies that want to succeed in achieving high performance should pay attention to three areas, namely: (1) the quality of goods and services produced, (2) the cost of production, and (3) the speed of innovation and development of products and services to market. Vickery et al. (1993) states that there is a positive relationship between production capability and performance of the business. While Sintaasih (1995), in his research factor in sales promotion, distribution, sales, product mix, supplier effect on business success. Weak ability to manage the business (management skills) certainly have an impact on the success of a business. Factors management capabilities to bring the company into prospective is an important factor (Waterman, 1987: 43), in addition to the capability of the management group and the strong coaching from the outside or the government, and the availability of funding also makes SMEs succeed. If SMEs succeed, means it has a high performance (Bruno, 1987: 73).

6. Conclusion

Small employers are required to implement entrepreneurship or entrepreneurship in controlling his efforts to improve competitiveness and maintain its business from failure. There is a close relationship between the developments of small businesses with entrepreneurship. A small company that wants to develop must have an entrepreneurial spirit in order to make decisions in addressing the problem and see the opportunities that exist. There is a linkage between business performance with education and training, including family background, where these items are available on the individual characteristics of small entrepreneurs.

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