

SNACK FOOD MSMEs BUSINESS PERFORMANCE BASED ON ENTREPRENEURIAL ORIENTATION, BUSINESS MOTIVATION AND ORGANIZATIONAL COMMITMENT

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Abstract

Background - Micro, Small and Medium Enterprises (MSMEs) are a business sector that plays an important role in a country, both developed and developing countries. In developing countries, MSMEs are one of the pillars of the country's economy, not only that, the presence of MSMEs in Indonesia has great potential in making the Sustainable Development Goals (SDG's) sustainable development goals a success. However, there are still several problems in the strategy to improve the performance of MSMEs, especially snack food MSMEs, including not achieving sales revenue targets, low organizational commitment of business actors, low innovation and competitiveness of MSMEs, and low business motivation.

Purpose - The objectives of this research are 1) to describe entrepreneurial orientation, business motivation, organizational commitment and business performance; 2) analyze the influence of entrepreneurial orientation, business motivation, organizational commitment on business performance simultaneously; 3) analyze the influence of entrepreneurial orientation, business motivation, and organizational commitment on business performance partially.

methodology - The sample in the study used a purposive sampling technique, totaling 43 snack food MSMEs in Tanah Sareal District Bogor City. Data testing through validity tests, reliability tests for normality, multicollinearity, heteroscedasticity, regression coefficients, coefficients of determination, F tests, and t tests. The research method uses descriptive and verification methods, as well as multiple linear regression methods.

Findings - 1) Business performance and entrepreneurial orientation are in the good category, organizational commitment is in the very high category, and business motivation is in the high category; 2) entrepreneurial orientation, business motivation, and organizational commitment simultaneously have a significant positive effect on business performance; 3) entrepreneurial orientation, business motivation, and organizational commitment partially have a significant positive effect on business performance.

Originality - State of the art and novelty in this research are research variables, methods analysis, research location.

Keywords: Business performance, Organizational commitment, Entrepreneurial orientation, Motivation, MSMEs.
