# BUSINESS SUCCESS BASED ON BUSINESS MOTIVATION AND CAPABILITY IN SNACK FOOD SMEs IN CILEMBER DISTRICT CISARUA BOGOR

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#### **ABSTRACT**

This research aims to determine the response of SME actors to business motivation and business ability in achieving success in SME businesses and to determine the influence of business motivation and business ability on the success of SME businesses in Cisarua District, Bogor Regency. The method in this research uses quantitative description and verification. The sample in this research used 46 business actors in distributing the questionnaire. The data analysis technique uses an ordinal scale to analyze multiple regression, multiple correlation analysis, coefficient of determination analysis, and hypothesis testing. The response of SMEs to business motivation, business ability, and business success is relatively high. The results of this research show that business motivation and ability simultaneously and partially have a positive and significant effect on the success of SME businesses in Cisarua District, Bogor Regency.

**Keywords:** Business Success, Business Motivation, and Business Ability.

#### **ABSTRACT**

Penelitian ini bertujuan untuk mengetahui respon pelaku UKM terhadap motivasi usaha dan kemampuan usaha dalam mencapai keberhasilan usaha UKM serta mengetahui pengaruh motivasi usaha dan kemampuan usaha terhadap keberhasilan usaha UKM di Kecamatan Cisarua, Kabupaten Bogor. Metode yang digunakan dalam penelitian ini adalah kuantitatif, deskriptif, dan verifikasi. Sampel yang digunakan dalam penelitian adalah 46 pelaku usaha dalam menyebarkan kuesioner. Teknik analisis data menggunakan skala ordinal untuk menganalisis regresi berganda, analisis korelasi berganda, analisis koefisien penentuan dan pengujian hipotesis. Respon UKM terhadap motivasi bisnis cukup tinggi, kemampuan bisnis cukup tinggi dan kesuksesan bisnis cukup tinggi. Hasil penelitian menunjukkan bahwa motivasi usaha dan kemampuan usaha secara simultan dan parsial berpengaruh positif dan signifikan terhadap keberhasilan usaha UKM di Kecamatan Cisarua, Kabupaten Bogor.

**Keywords:** Keberhasilan Usaha, Motivasi Usaha dan Kemampuan Usaha.

# **INTRODUCTION**

Small and Medium Enterprises (SMEs) are essential in improving the community's economy by creating jobs and encouraging economic growth. In encouraging entrepreneurial growth among SMEs, creativity is needed to develop innovations so that they are expected to be able to use raw materials with low economic value in products with higher economies. Various ways are done so that SME business actors become entrepreneurs who can compete and have high motivation in achieving entrepreneurial goals; one way to accomplish this is by following changes and technological developments and managing human resources as well as possible so that they are expected to be able to increase turnover in their businesses.

The importance of the role of SMEs is making something an area of endeavor for developing it for one subdistrict, Cisarua Regency Bogor. District Cisarua is one of the central SME activities in Bogor Regency and is spread across ten districts. Based on data from the Bogor Regency Cooperatives and SMEs Service (2022), the number of sub-district SMEs Cisarua reached 416 perpetrators business with spread Batulayang (30), Cibeureum (68), Cilember (122), Cisarua (43), Citeko (28), Jogjogan (24), Kopo (21), Leuwimalang (18), Tugu Selatan (35) and Tugu Utara (27), as area tour superior in Bogor Regency, District Cisarua own opportunity business for public including Cilember District. Cilember District has have 122 perpetrators businesses with various types of businesses like food light (46), craft hands (44), drinks (19), and effort others (13). The classification of Cilember District SMEs Business Types shows that type business food light occupy order first with the number of perpetrator businesses as many as 46 perpetrator unit businesses, equivalent to 38%. The focus of this research is snack SMEs in Cilember Village. This is because it is the most prominent snack business actor. According to the Minister of Industry of the Republic of Indonesia in 2009, snack SMEs are industrially processed foods that do not staple foods but snacks such as various crackers (shrimp, fish, and onions), various chips (beans, fish, jackfruit, cassava, potatoes, and so on), various kipang (beans, corn, sticky rice and so on) and snacks.

Snack business actors continue to strive to develop their business by digging for information through technology until, in the end, the expectations of business actors can be achieved, one of which is business success. According to Suryana (2014), business success is a business that can achieve goals in that a company that all in activities refers to achieving success. Regarding business success indicators, namely the achievement of revenue targets, it shows that the average achievement of revenue targets is 71% (Cisarua Sub-District SME Forum, 2021). This indicates that most business actors still need to meet the revenue targets set by the Cisarua Sub-District SME Forum. The non-achievement of revenue targets is caused by factors such as a lack of business motivation and ability possessed by business actors.

Motivation encourages a series of human behavioral processes to achieve goals. According to Saiman (2018), business motivation is a willingness to try as optimally as possible to achieve organizational goals that are influenced by the ability of a business to satisfy several individual needs. The motivation of an entrepreneur is based on strength, drive, desire, will, and similar forces called needs because some of the needs of a small industry entrepreneur as a company manager are related to the tasks he is responsible for in the company in achieving business capabilities. The following are the results of the pre-survey of SME business motivation in Cilember village:

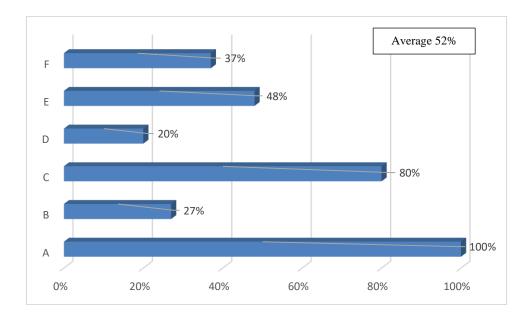


Figure 1. Pre-survey results Food SME Motivation Light Cilember District

Source: Processed data, 2022

## Information:

A : Responsible for businessB : Desiring income tall

C : Managing business with cost low
D : Desiring create product new
E : Have hope better in Century front
F : Like it challenges in operating business

Based on Table 1 of the results of the pre-survey of SME business motivation in Cilember Village, it can be seen that, on average, 59% of business actors have motivation in business, the motivation of all business actors feel responsible for their business (100%), has efforts to manage the business at low cost (80%) but the problem is that the average business actor does not have the desire to get high income, Less in creating new products, less eager to be better in the future and less accepting of challenges. This shows that SMEs in Cilember Village have personal dreams of running a business. The principle is to open a business only to meet the needs of the family. This is in accordance with the results of an interview conducted with the Chairman of the Cisarua Sub-District SME Forum (2022) that Cilember Village SMEs lack personal dreams. This low motivation is one of the causes of failing to achieve the targets that have been set. Low motivation is indicated by the intense desire to learn to master that supports the development of a business, such as the desire to get significant profits.

In addition to business motivation, the ability factor is no less critical. According to Robbins (2018), ability is an individual's capacity to carry out various tasks in a particular job. Every ability of an individual is composed of two factors, namely intellectual ability and physical ability. The level of competence of an entrepreneur can be obtained through education.

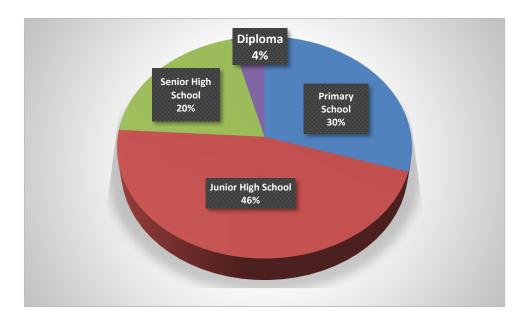


Figure 2. **Educational Background of Food SME Actors Light Cilember District** 

Source: Processed data, 2022

Based on Figure 2, the latest educational background of Cilember Village snack SMEs shows that the majority have final education at the Junior High School (SMP) education level. This indicates that the education of SMEs in Cisarua District still needs to be higher, with this educational background affecting limitations in achieving business success. This is due to the low ability to develop their business, which requires business actors to have a competency obtained through training. Training is considered essential to improve the ability of business actors. However, the enthusiasm of business actors in participating in training held by the Cisarua District government still needs to improve, especially snack SMEs in Cilember Village; from 2020 to 2021, there were four trainings organized by Cisarua District.

Table 1 Recapitulation Training and Participation of Food SMEs Light Cilember District

			Participant Training				
No	Training Name	Date Training	Entire Partici pant	Cilember District SMEs Participant	Number of Food SMEs Light	Food UKM Participants Light	Percentage (%)
1	Training Number	July 19,	100	30	46	10	22
	Parent Business	2020					
2	Training Socialization	03 October 2020	92	28	46	9	19
	Capital						
3	Training Halal SME Products	May 14, 2021	86	36	46	14	30
4	Training SME Management	August 29, 2021	84	30	46	3	6
	Amount		362	124	46	36	77
	Average		91	31	11	9	19

Source: Chair of the Cisarua District UKM Forum, 2022

Based on Table 1, shows that the participation in the Cilember Village snack SME training in 2020-2021 was 19% or only attended by nine business actors from 46 all snack SME participants. In general, most Cilember village snack SMEs still think that the training will only waste time. besides that, business actors argue that the training held is not in accordance with the needs of the business carried out. Overall, the problem that occurs in Cilember Village, especially in snack business actors, is the low growth rate of SMEs due to SMEs not being able to develop the products they produce. So that SMEs prefer to focus on developing existing products for the reason that it requires considerable business capital and the risk of failure due to the non-sale of new products that have been made, besides the low level of education and awareness to attend various trainings conducted by the government are also obstacles to business success growth. Given the importance of business motivation and business ability in achieving business success, SMEs should pay more attention and evaluate their abilities and increase motivation in entrepreneurship so that business success is easier to achieve. The formulation of the problem proposed is 1) how is the assessment of SMEs on business motivation, ability, and business success? 2) How do both simultaneous and partial effort motivation and ability affect business success? The purpose of this study is to determine the assessment of business actors on the motivation, business ability, and success of SME businesses, in addition to analyzing the influence of motivation and business ability simultaneously and partially on the success of SME businesses.

### LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

# **Literature Review**

Entrepreneurship is a person's ability to handle business or activities as a business to search for, create, implement, and produce products or services by increasing efficiency to gain profits (Rusdiana, 2018). Entrepreneurship is a dynamic process through entrepreneurs' efforts to create new combinations, new products, new production processes, and the establishment of new businesses. In running their business, business actors continue to try to develop their business to achieve business success. Suryana (2019) defines business success as an effort to achieve business goals whose activities are to achieve success. Several factors can influence business success, including business motivation and business ability.

Based on Saiman (2018), business motivation encourages maximum effort to achieve business goals in satisfying diverse individual needs. Meanwhile, business capabilities, according to Robbins (2018), are an individual's capacity to carry out various specific jobs. Every individual's ability is composed of two factors: intellectual ability and physical ability.

Small business Medium Enterprises (SMEs) are business units standing productive \_ themselves, carried out by individuals or Business Entities in all economic sectors (Tambunan, 2012). this business can absorb power work, distribute results development, and use source Power locally. There are typical characteristics of SMEs, namely small capital, several workers, and few risks \_ \_ tall but returns are high, usually moved from house stairs, and carrying entrepreneurship for the owner (Isnaini, 2010). The law regulating Micro, Small, and Medium Enterprises (SMEs) in Indonesia is Constitution Number 20 of 2008.

### **Hypothesis Development**

The success of a business, including SMEs, cannot be separated from the motivation and abilities of each business actor and how an SME actor can maintain and develop his business. Through high motivation, supported by business capabilities that continue to be

designed so that there is a willingness to run a business to achieve business success. According to research conducted by Ramadhono and Silaningsih (2017), business motivation and ability positively affect business success. From this research, business motivation, and ability completely and significantly impact business success.

Entrepreneurs must have business motivation to run their businesses optimally. Business motivation grows from the basis of oneself without coercion, so business success will be easy to obtain. Like previous research conducted by Gemini et al, 2016), the results show that business motivation has a positive and significant effect on business success. Based on the results of this research, business motivation has a positive and significant impact on the success of SME businesses.

Business actors are required to have the ability to predict situations so that they are ready both physically and mentally to face various situations. Therefore, high business abilities must be possessed in running a business. This is in accordance with research by Laurens and Kohardinata, 2020). Business capability has a significant effect on business success. Based on the results of this research, it can be concluded that business capability has a positive and significant effect on the success of SME businesses.

### Research Method

The research object chosen in this study is snack food SMEs registered at the Cilember Village UKM Forum, Cisarua District. The number of population members in this study is 46 SMEs. The sampling technique uses Nonprobability Sampling with saturated sampling, which is a sample collection technique when members of the population are used as sample members. Data collection techniques using questionnaires that have been tested for validity and reliability. Data analysis techniques are used: descriptive, verification, and multiple linear analysis with classical assumption tests. After testing the instrument, multiple linear regression analysis, correlation, and coefficient of determination are carried out. Then, there is simultaneous hypothesis testing (Test F) and partial testing (Test T). The instrument test results are declared valid and reliable. The results of testing the classical assumption stated that the data were normally distributed, no multicollinearity problems were found in this study, and the results of the heteroskedasticity test showed that the scatter diagram did not form a specific pattern, so regression did not experience heteroscedasticity disorders. The operationalization of these research variables is presented in Table 2 below.

**Table 2 Variable Operationalization** 

No Variable		Draft Variable	Measuring Scale	
1	Motivation (X 1)	Motivation business is something willingness To try optimally To reach objective organizations influenced by capabilities business For satisfying several needs individual. (Saiman, 2018)	Ordinal	
2	Ability (X <sub>2</sub> )	Ability business is the capacity of an individual To carry out various tasks in work confidently (Robbins, 2018)	Ordinal	
3	Success (Y)	According to Suryana (2014), a successful business is A possible business _ to reach an objective in business; all companies _ in the activity refer to getting something successful. (Suryana, 2019)	Ordinal	

#### RESULTS AND DISCUSSION

**Characteristics SMEs** 

There are 46 SME snack actors in Cilember District, Cisarua District, Bogor Regency, indicating that the majority of business actors are female, aged 31-40 years, married, with a junior high school education, 3-4 years in business, and have monthly turnover of Rp. 3-4 million.

# The Performance of Snack Food Business Actors is Seen from Business Motivation, Business Ability, and Business Success

The performance results of business actors seen from business success show a value of 2.69 R, which is sufficient. This shows that some business actors are still running businesses with their own capital according to their capabilities, which impacts income and low sales volume of production output. Business actors need to realize that business success can be increased through business motivation and business ability. The performance results of business actors seen from business motivation show a value of 2.80, which is included in the sufficient category; this indicates that the majority of business actors still lack the desire to innovate their products, do not have dreams about their business, easily give up on every challenge that arises. For business people, running a business is limited to their capabilities. Meanwhile, the performance results of business actors on business capability have a value of 3.00, which is included in the sufficient category. This shows that some business actors are still reluctant to improve their capabilities because they feel they only need some of the training offered.

# The Influence of Business Motivation, Simultaneous and Partial Business Ability on Business Success

To determine the influence of business motivation and business ability on business success, it can be analyzed through multiple linear regression; here is a summary of the results:

Table 2
Summary of Calculation Results Motivation, Business Ability \_ Business Success

Model	Unstandardiz		t	Sig.		
		В	Std. Error	Beta		
1	(Constant)	13,513	10,884		1,241	,221
	Business Motivation (X <sub>1</sub> )	,369	.144	,345	2,555	.014
	Business Capabilities (X 2)	,901	,397	,306	2,267	,029
	t table	1,680				
	F count	7,772				
	Sig	0,000				
	F table	2.82				
	R	,615				
	$R^2$	,266				
	Adjusted R <sup>2</sup>	,231				
	Alpha (a)	5%				

Source: Data processing output with SPSS 26, 2023.

The regression equation model with the estimated model is as follows:  $Y = 13.513 + 0.369 X_1 + 0.901X_2 + e$ . A multiple correlation analysis shows a correlation figure of 0.615, meaning a solid relationship exists. Meanwhile, the R square is 0.266 or 26.6%. This indicates that the percentage contribution of the influence of business motivation and business ability

variables on business success is 26.6%. The remaining 74.4% is influenced by other variables not included in this research model, such as capital strength, entrepreneurial business networks, business culture, and environment (Tambunan, 2018).

The calculated F value is 7,772, and the F table value is 2.82. So the estimated F value is greater than the F <sub>table</sub> (7.772 > 2.82), so it can be concluded that Ho is rejected and Ha is accepted, meaning that with a confidence level of 95%, simultaneously business motivation and Business ability has a positive and significant effect on business success.

Calculated t value of 2.555 and a t table value of 1.680, meaning t calculated > t table (2.555 > 1.680). So Ha is accepted, and Ho is rejected, meaning that business motivation positively and significantly affects business success. The business ability obtained a calculated t value of 2.267 and a t table value of 1.680, meaning t calculated > t table (2.267 > 1.680). So Ha is accepted, and Ho is rejected, meaning that business ability positively and significantly affects business success.

Based on the results of partial hypothesis testing, business motivation's influence on SME snack businesses' success is greater than business ability's influence. Business motivation is very influential on business success because motivation is the desire for the driving force that creates enthusiasm for the work of each individual to carry out business so that previously desired desires are achieved and can generate enthusiasm for the work of business actors so that they want to work together, work effectively and be integrated with everything. Power and effort to achieve the expected satisfaction.

#### **CONCLUSION**

Based on the research results, it can be concluded that:

- 1. The results of evaluating the performance of business actors regarding business success, motivation, and ability are in the sufficient category.
- 2. Business motivation and ability simultaneously have a positive and significant influence on the success of SME businesses.
- 3. Business motivation and ability have a positive and significant influence on the success of SME businesses.

#### THANK-YOU NOTE

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