



The Effect Of Entrepreneurship Characteristics, Creativity And Technology Software On Msme Performance In Pandemi Time

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ABSTRACT: This study aims to find out how the influence of entrepreneurial characteristics, creativity and technological sophistication on the performance of MSMEs during the pandemic. This research method uses a quantitative descriptive method with survey techniques and online interviews. The quantitative method is an inductive, objective, and scientific research method where the data obtained will be in the form of numbers (scores or grades) or statements that are assessed, analyzed by statistical analysis. The population in this study are SMEs. The sample is 30 people from various ages. In collecting data, the researcher used a questionnaire/questionnaire research instrument that was filled out online and then tested the validity and reliability tests. Data analysis techniques using multiple linear regression analysis, F test, t test. The results of this study indicate that the independent variable (Entrepreneurial Creativity) has a significant influence on MSME performance, while the independent variable (Entrepreneurial characteristics and technological sophistication) has no significant influence on MSME performance.

KEYWORDS: entrepreneurial characteristics, creativity, technological sophistication

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I. INTRODUCTION

Performance is a reflection of how well goals, programs and policies are implemented in order to achieve the vision, aims and objectives of the group or individual (Mashun, 2006). Micro, Small and Medium Enterprises, for example, are expected to have performance in order to support business continuity (MSMEs). so that the performance of MSMEs is good, and measurement instruments are needed to assess the performance of MSMEs in their own success. The economic difficulties experienced by MSMEs due to the Covid 19 outbreak have turned into problems in the workplace, posing a serious danger to the national economy. According to the LIPI Rapid Assessment Survey on the Impact of the COVID-19 Pandemic on the Performance of Indonesian MSMEs, which took place from 1 May to 20 May 2020, 94.69 percent of sales fell during the pandemic (Wibowo, 2018). MSMEs must develop strategies to survive in this competitive environment, which include trading electronically, using digital marketing techniques, improving product quality, adding services, and building and optimizing customer marketing relationships (Hardilawati, 2020), (Alfrian & Pitaloka, 2020). However, the ability to overcome this depends on the characteristics of the entrepreneur. Personal uniqueness is a broad definition of entrepreneurial characteristics for MSME actors.

Being able to increase creativity is one of the advantages of owning a business. Efforts that are accompanied by creativity will not cause boredom. Art professionals aren't the only ones who need to get creative; every job demands it. As corporate actors, we must adapt to shifts in customer behavior, especially during the Covid-19 pandemic. Where young people are inventive and imaginative in product development and marketing methods so that products are protected from the Covid-19 outbreak. market, youth must be innovative in dealing with outbreaks. One way is to build effective relationships with business actors. By encouraging innovation in entrepreneurship, youth as entrepreneurs can catch consumer trends during future post-covid-19 epidemics and pandemics. The 'inside-out' strategy (idea generation) and the 'outside-in' approach are two basic techniques entrepreneurs use to uncover possibilities by starting a new company (opportunity recognition). An 'inside-out' strategy is one that considers the idea as the most important factor in determining the success of the

company. They each have unique skills, abilities, and perspectives that influence the type of business they start. The 'outside in' strategy is one that will be used to implement the core premise that organizations are successful when they create market demand (Suryana 2017).

The Covid-19 outbreak has undoubtedly reduced people's purchasing power. Because residents have limited outside contact to prevent the spread of the epidemic. As a result, many consumers are taking a step back and making purchases online. As a result, many MSMEs have been forced to close due to declining sales and are still dependent on offline sales. As a result, several MSME industries that cannot be converted digitally have finally opened their doors. Nonetheless, the Covid-19 pandemic has resulted in an indirect change in Indonesian business terminology. The shift from offline to online business, which is often referred to as the digital entrepreneurship phenomenon, is a result of this development. Social media and marketplaces (intermediaries) are two concepts that can help MSMEs get more marketing exposure (Purnomo, 2019). It should be underlined that MSMEs have emerged as the most significant economic pillar in Indonesia.

today, technical complexity is increasing rapidly, resulting in the development of various technological systems to assist people in creating high-quality products. Many technologies can help people execute their ideas more easily. Industries that have made extensive use of the latest data technologies (computerized and integrated) and application of the latest technology with the hope of having a beneficial effect

for the industry. The habits of business actors can be changed with technological developments (Alannita & Suaryana, 2014). Small companies have made extensive use of information technology, as seen from their technological competence. Aspects of technical sophistication to assist companies in obtaining reliable data for data collection. decisions have a significant impact on the success of actions or people (Ismail, 2009).

II. RESEARCH METHODS

In this study using quantitative methods with survey techniques and online interviews. Quantitative method is a research method that is inductive, objective, and scientific where the data obtained will be in the form of numbers (scores or grades) or statements that are assessed, analyzed by statistical analysis. The population in this study are millennials who have an interest in investing in the capital market. The research sample is 30 people.

No	Information	Score
1	Strongly agree	4
2	Agree	3
3	Don't agree	2
4	Strongly disagree	1

Independent Variable

According to (Purwanto, 2019) "Independent variable is a type of variable that explains or influences other variables, often referred to as the variable that precedes it". Meanwhile, according to Sunyoto (Sunyoto, 2011, p. 39) the variable denoted by (X) has a positive or negative effect on the dependent variable. This variable is often referred to as the stimulus, predictor, and antecedent variable. In this study, the independent variables were: Factors

- a. Entrepreneurial characteristics (X1)
- b. Entrepreneurial creativity (X2)
- c. Technological sophistication (X3)

Dependent variable

According to Indriantoro (Indriantoro & Supomo, 1999, p. 47) "the dependent variable is a type of variable that is explained or influenced by the independent variable and is often referred to as a consequence". As for this research, the dependent variable is the performance of SMEs (Y).

Validity test

Validity test is a test used to measure whether a poll (survey) is valid or not. Significant tests should be possible by comparing the determined r and r_{table} for the probability level (df) = $n - 2$, with $\alpha = 5\%$ or 0.05 , for this situation (n) is the number of tests or samples. To test regardless of whether each marker can be considered valid, assuming the table r is simpler than r numbers and the r count value is positive then, at that point the pointer or address can be considered as valid. (Janna, 2020).

Reliability Test

Reliability relates to the degree and consistency of information. The reliability test is an estimation tool to measure polling which is a sign of the variable. A survey (poll) can be considered reliable or solid if the respondents' answers to questions are predictable and stable over time. To see whether the polling of these factors can be said to be solid is the SPSS application which uses the Cronbach Alpha (α) measurable test. If the Cronbach Alpha value is more than 0.6, then the questionnaire should be said to be reliable (Janna, 2020).

Simultaneous Significance Test (F Statistical Test)

The F test is used to find out whether the independent variables, namely investment knowledge, minimum investment capital policy and capital market training simultaneously or together, have an influence on the dependent variable, namely investment interest. To test the hypothesis using F statistics, the decision-making criterion is if the F value is greater than 4 (four) and the significance value is less than 0.05, then H0 can be rejected and HA can be accepted, meaning that the dependent variable is influenced by the independent variables together or simultaneously (Faradiba, 2020).

Individual Significance Test (Statistical Test t)

Basically the t statistical test is to explain how much influence one independent variable has individually in explaining variations in the dependent variable (Faradiba, 2020). The way to see whether the dependent variable is affected by the independent variable is by looking at its significance. If the significance level is 0.05 or 5%, then the significance value below 0.05 means that the independent variable has an influence on the dependent variable.

III. RESULTS AND DISCUSSION

The results of the validity test of the entrepreneurial characteristic instrument items, entrepreneurial creativity, and technological sophistication on the performance of MSMEs are as follows:

Table 2. The results of the validity test of entrepreneurial characteristics

Item number	r-count	r-table	Decision
1	-0,0336	0.361	Valid
2	0,3375	0.361	Valid
3	0,6040	0.361	Valid
4	0,7321	0.361	Valid
5	0,5453	0.361	Valid

source: data processing results (2022)

The results of calculating the validity test of the entrepreneurial characteristic instrument, it was found that all instrument items were included in the valid category and all items were eligible to be used as instrument questions in research. Test the validity of the entrepreneurial creativity instrument items obtained as follows:

Table 3. The results of the validity test of entrepreneurial creativity

Item number	r-count	r-table	Decision
6	0,5755	0.361	Valid
7	0,4870	0.361	Valid
8	0,4561	0.361	Valid
9	0,2424	0.361	Valid
10	0,4330	0.361	Valid

source: data processing results (2022)

The results of calculating the validity test of the entrepreneurial creativity instrument, it was found that all instrument items were included in the valid category and all items were eligible to be used as instrument questions in research. Test the validity of the technological sophistication instrument items obtained as follows:

Table 4. The results of the validity test of technological sophistication

Item number	r-count	r-table	Decision
11	0,6678	0.361	Valid
12	0,3983	0.361	Valid
13	0,4060	0.361	Valid
14	0,6261	0.361	Valid
15	0,1768	0.361	Valid

source: data processing results (2022)

The results of calculating the validity test of technological sophistication instruments, it was found that all instrument items were included in the valid category and all items were eligible to be used as instrument questions in research. Test the validity of the umkm performance instrument items obtained as follows:

Table 5. Results of testing the validity of MSME performance instruments

Item number	r-count	r-table	Decision
16	0,377	0.361	Valid
17	0,3623	0.361	Valid
18	0,3451	0.361	Valid
19	0,4322	0.361	Valid
20	0,3342	0.361	Valid

source: data processing results (2022)

The results of the calculation of the MMS performance validity test obtained that all instrument items were included in the valid category and all items were eligible to be used as instrument questions in research. The next stage was to conduct a reliability test. The use of the reliability test was to measuring the level of reliability of an instrument used in research. (Hasan et al., 2019). In other words, the reliability test is used or exploited to measure the stability of the measuring instrument, whether the results are consistent or inconsistent if it is not consistent, repeated measurements are made. (Sari, 2018). In this study, the Cronbach Alpha method reliability test was used. To test whether the research instrument is reliable or not, limits are used with conditions > 0.6 reliable.

Table 6. Summary of Instrument Reliability Test

Variable	Cronbach alpha	Conclusion
Entrepreneurial characteristics	0.7	Reliable
Entrepreneurial creativity	0.7	Reliable
Technological sophistication	0.8	Reliable
MSME performance	0.7	Reliable

source: data processing results (2022)

F test

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	86,703	3	28,901	13,114	,000 ^b
Residual	57,297	26	2,204		
Total	144,000	29			

a. Dependent Variable: Performance of SMEs

b. Predictors: (Constant), Technological Sophistication, Entrepreneurial Creativity, Entrepreneurial Characteristics

Based on the table above, it can be seen that the F test produces a calculated F of 53,868 with a value of $0,000 < 0.05$. From these results it can be concluded that technological sophistication, creativity and entrepreneurial characteristics simultaneously affect MSME performance so that H3 is accepted.

T test

Model	Coefficients ^a				t	Sig.
	Unstandardized Coefficients		Standardized Coefficients	Beta		
	B	Std. Error				
(Constant)	-,676	2,715			-,249	,805
1						
Karakteristik Wirausaha	,366	,193	,299		1,893	,070
Kreativitas Wirausaha	,559	,159	,520		3,507	,002
Kecanggihan Teknologi	,108	,173	,093		,623	,538

a. Dependent Variable: Performance of SMEs

The first hypothesis is the influence of entrepreneurial characteristics on the performance of SMEs

The test results show that entrepreneurial characteristics have no effect on MSME performance with a Sig value of (0.070 > 0.05) indicating that H1 is rejected that the entrepreneurial characteristics variable has no significant effect on MSME performance variables.

Hypothesis on the effect of entrepreneurial creativity on MSME performance

The test results show that entrepreneurial creativity affects the performance of MSMEs with a Sig value of (0.002 < 0.05) indicating that H2 is accepted that the variable Entrepreneurial creativity has a significant positive effect on MSME performance variables.

The third hypothesis is the effect of technological sophistication on MSME performance

The test results show that technological sophistication has no effect on MSME performance with a Sig value of (0.538 > 0.05) indicating that H3 is rejected, that the technology sophistication variable has no significant effect on MSME performance variables.

IV. CONCLUSION

This study aims to identify the performance of MSMEs during the COVID-19 pandemic which is studied using the characteristics of entrepreneurship, creativity, and technological sophistication. The research findings reveal that the entrepreneurial and innovative characteristics of SMEs are important aspects to consider when improving their performance. Therefore, entrepreneurship and innovation must be maximally preserved. In the context of the Indonesian economy, the Covid-19 outbreak can ultimately encourage the formation of new ecosystems by utilizing innovative technology.

In other words, this technological sophistication has encouraged MSME actors to start transforming into the digital realm. Even so, so far the government has continued to encourage digitalization programs for MSMEs in Indonesia. This can be traced from the adaptation of MSME actors to use market places and social media in digital marketing. The role of social media platforms has also become the main focus of MSMEs. In addition, MSMEs have also begun to adapt by using various supporting applications such as digital financial platforms.

The digital transformation of MSMEs during the Covid-19 pandemic was finally able to encourage MSMEs to develop their business again. Thus, the development of digital technology sophistication during the Covid-19 era can be an alternative for the MSME sector pandemic to continue to exist

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