

Effect of External Environmental Industries, Leadership of Entrepreneurship, Resources and Motivation of Entrepreneurship to Orientation and Performance of Entrepreneurship of Leathers Craft Center in Tanggulangin Sidoarjo East Java

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Abstract

This study attempts to examine and analyze the affect of External Environmental Industries, Leadership of Entrepreneurship, Resources and Motivation of Entrepreneurship to Orientation and Performance of Entrepreneurship of Leathers Craft Center in Tanggulangin Sidoarjo East Java. This finding of study show that External Environment Industries, Leadership of Entrepreneurship, Resources and Motivation of Entrepreneurship has an affect Orientation Entrepreneurship and than External Environment Industries, Resource and Orientation Entrepreneurship has an affect on Performance of Entrepreneurship but External Environmental Industries, Leadership, Motivation of Entrepreneurship does not affect on Performance of Entrepreneurship

Keywords: External Environmental Industries, Leadership, Resources and Motivation, Orientation, Performance, Entrepreneurship.

1. Background

In a developing country, economic problems are the main issue because the economic conditions of a country will determine the continuation of the ongoing development. Various community activities that are underway will help the government in an effort to support the development of economic conditions and will impact on the ability and welfare of the community itself if it goes well. Various forms of business that intersect with economic activities other than large companies, and cooperatives are Micro, Small and Medium Enterprises (MSMEs) conducted by entrepreneurs with various kinds of business activities. MSMEs existence at this time is growing and the number of many and spread in each Regency and City that exist at the Provincial level. The growing MSMEs then there should be an intensive coaching by the government as its stake holder, for that training for entrepreneurs is needed so that business can develop sustainably and can compete what has been produced or made (produced) on the existing market. Especially in East Java, MSMEs have good prospects in the future because many resources are owned to be processed into finished goods through increased value added. The market for MSME products is very wide both domestically and abroad even in the AEC (Asean Economic Community) market is a potential market opportunity for entrepreneurs if they can take advantage of this great opportunity by creating superior products that are not owned by outside competitors country. To reach the performance of an optimal entrepreneur of course there are some variables that we must consider among other Industrial Environment. Industrial environment is the location where the business of MSMEs are and generally give special consideration for entrepreneur motivated to do business. Sentra leather handicraft business in Tanggulangin Sidoarjo regency of East Java is a potential industrial environment for goods made from animal skins of the production sold at home and abroad such as shoes, bags and others need to complement the interests of everyday life. In carrying out its business, entrepreneurs will not be separated from the pattern of leadership because of having to manage human resources as a workforce that carry out aktivitas produksinya. With leadership that can accommodate the behavior of employees properly and correctly it will get a team work is solid and strong in the production process. Can be given the conclusion of the entrepreneur's success also on the pattern of his leadership is effective and efficient. Another requirement that the business be programmed to run should be sufficient and insufficient support of resources in accordance with the existing production capacity. These resources can be physical buildings, finances, human resources and raw materials and business reputation owned. Strong encouragement to color the success of an entrepreneur both from within and from outside, of course, the main is the internal motivation that will underlie the pattern of the rise of an entrepreneur in addition to external motivation is also required. An entrepreneur must have toughness in his operations because an entrepreneur is faced with uncertainty conditions on the future. This can happen because the business environment climate is always changing according to changes in consumer behavior based on need and want owned and oriented business. Based on the above description for the performance of entrepreneurs can be achieved in accordance with the expected then the five variables must receive special attention, namely: External Industrial Environment, Entrepreneurial Leadership, Resources, Entrepreneurial Motivation and Entrepreneurial Orientation. Based on the background, it is necessary to conduct research on entrepreneurial performance through the title: The effect of External Industry Environment, Entrepreneurial Leadership, Resources, Entrepreneurial Motivation to Orientation and Entrepreneurial Performance at Leather Craft Center in

Tanggulangin Village, Sidoarjo Regencies, East Java.

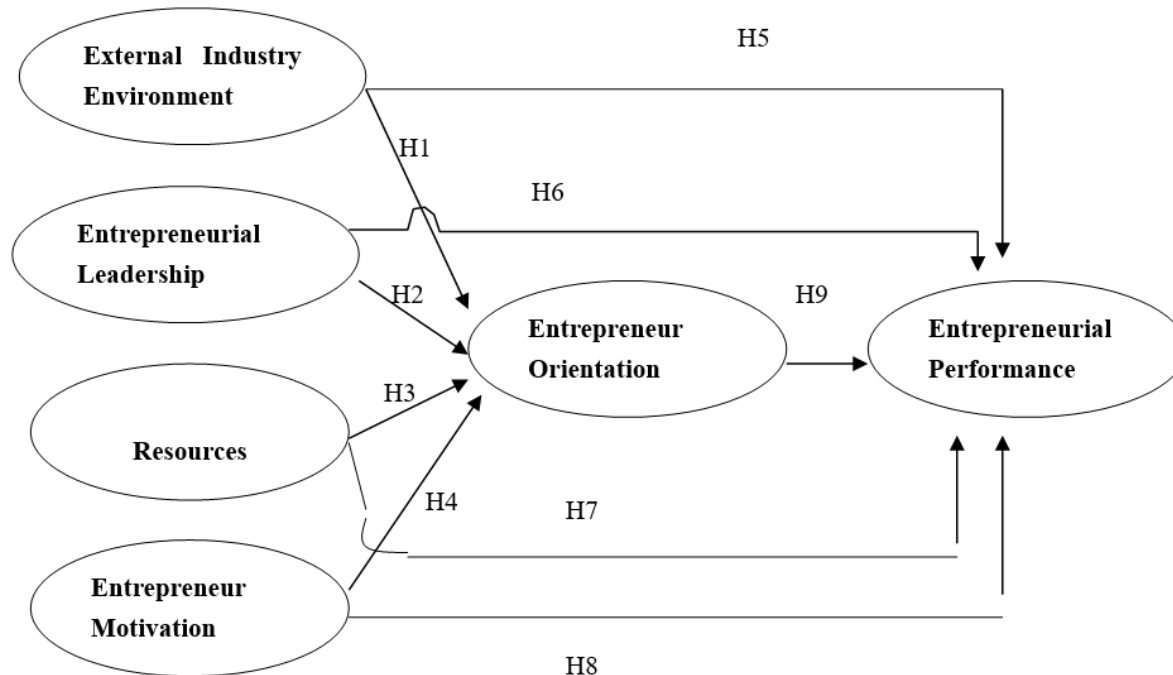
2. Literature Review

Economic aspect and activity is the heart rate for a country, because with the condition of the existing economy then a country can be assessed whether the country is prosperous or not. Various forms of economic business that exist in Indonesia, especially in the Province of East Java SMEs (Micro Small Medium Enterprises) is a mainstay to support the economic growth. Various industrial environments ranging from daily needs and other needs require special attention from the government so that all types of industries can grow in tune with the growth of the welfare of the community. Various industrial centers in one area of course have special characteristics that are different and different between the one area with another there is oriented to agriculture, manufacturers and so forth. The division of MSMEs centers according to the type of business will make it easier and specialized in managing the business. The external industrial environment will affect the existence of each business undertaken by entrepreneurs Solihin (2012: 239) Industry is a group of companies that produce or produce goods or services to provide basic customer satisfaction. In the scope of industry of course many things that will be able to affect the performance both in quantity and quality. David (2009: 146) the external environmental strength of the industry there are five things, among others 1) Competition between firms 2) Potential entry of new competitors 3) Potential development of substitution products 4) Bargaining power of suppliers 5) Consumers bargaining power. An entrepreneur must be able to be his leader alone or others in running their business because without any leadership that can accommodate all parties may not be business to run as it should. Hughes et al (2012: 5) leadership is actions that focus on the resources the group has to create the desired opportunities. In this case a leader has the task to manage the resources in the group in order to provide added value to both profit-oriented and non profit-oriented organizations. Northouse (2013: 5) states that 1) leadership is a process, 2) leadership takes place within a group, 3) leadership involves the same goal. In both opinions it is clear that for an entrepreneur has a goal to be achieved by engaging his employees through his leadership process. An entrepreneur in running his business requires both material resources and non-material for the process of running smoothly without any significant interruption. Kuncoro (2006: 39) corporate resources are corporate assets including financial, physical, human resources and corporate culture used to develop, create and products or services to customers. Ireland et al (2011: 70) resource of organization is capabilities, core competency as competitive advantage. The place to distribute the results of an entrepreneur's production must be clear and can provide an opportunity to achieve the appropriate sales volume at the beginning of his business plan. In order for the product can be distributed to consumers it requires an integrated marketing activity. Kotler and Armstrong (2008: 5) Marketing is the process by which companies create value for customers and building strong customer relationship in order to capture value from customers in return. To find a customer of course an entrepreneur must be able to find a potential market for the results of its production so marketing activity will be on target. Guiltinan and Paul (1997: 93) Market potential is the limit of the highest demand in a certain period that can be done by consumers for their needs. Given that competitors are fighting for potential markets then entrepreneurs must have an actual marketing strategy that can still compete by following existing consumer behavior. Existence of variables such as The external industry environment, entrepreneurial leadership, resources and market opportunities are very motivating to entrepreneurs to improve their performance. Robbins and Judge (2007: 167) motivation is the process that account for individual's intensity, direction and perspectives of effort toward attaining a goals. Can be described that motivation is a process that explains about the strength, direction and persistence of someone in an effort to achieve goals. An entrepreneur must have an attitude in taking real action on what they expect. Robbin and Judge (2015: 43) Attitudes are evaluative statements about an object, person, or event. An entrepreneur in the move will have an attitude and interest in the environment and what is faced and the attitude of an entrepreneur consists of awareness, feelings and behaviors that are represented in the form of entrepreneurial orientation. The performance of entrepreneurs is a measure of success in running a business whether it is ideal or has not reached the expected target, it all depends on himself to what extent the effort has been done. Zimmerer and Scarborough (2009: 116) business performance is a measure of the success of the company's operations over a certain period indicated by the financial statements.

3. Research Methodology

This research uses hypothesis to know and analyze Influence from External Industry Environment, Entrepreneurial Leadership, Resources, Entrepreneur Motivation to Entrepreneur Orientation and Entrepreneurial Performance at skin care center in Tanggulangin Village, Sidoarjo Regency, East Java.

4. Conceptual Framework



5. Research Hypotheses

1. External Industrial Environment has an affect on the Orientation of Entrepreneurship
2. Entrepreneurial Leadership have an affect on the Orientation of Entrepreneurship
3. Resources affect on the Orientation of Entrepreneurship
4. Entrepreneurial Motivation Influence on Entrepreneurial Orientation
5. External Industry Environment has an affect on Entrepreneurial Performance
6. Entrepreneurial Leadership has an affect on Entrepreneurial Performance
7. Resources affect on the Entrepreneurial Performance
8. Entrepreneurial Motivation Influence on Entrepreneurial Performance
9. Entrepreneurial Orientation has an affect on Entrepreneurial Performance

6. Variable Definition

External Industrial Environment: Factors that exist outside the industry and have an effect and performance on the orientation of the entrepreneur

Entrepreneurial Leadership: The process of a leader manages the business resources in achieving its objectives

Resources: Factors used in the production process by entrepreneurs

Entrepreneurial Motivation: Entrepreneurs encouraged to do their business

Entrepreneurial Orientation: The direction of an entrepreneur's action

Entrepreneurial Performance: The results of the efforts undertaken by entrepreneurs

7. Sample

The sample used is entrepreneurs with a sample size of 100 people. Ferdinand (2014: 173) sample adequacy in multivariate regression analysis is 100 people.

8. Data Analysis

Source of data obtained from entrepreneurs located in the Village Tanggulangin Sidoarjo East Java by using questionnaires while processing and data analysis using Likert scale and statistical tool with SEM (Structural Equation Modeling) program, Ghazali (2004: 5)

9. Data Sources

The data measured by Likert's likes from the lowest to the highest, has the same distance with the categories: 1) Strongly disagree. 2) Disagree 3) Neutral 4) Agree and 5) Strongly agree. Source of data is answer respondent perception through questionnaire.

10. Regression Equation

$$Y1 = a + b X1 + c X2 + d X3 + e X4$$

$$Y2 = f + g X1 + h X2 + i X3 + y X4 + k Y1$$

11. Variable Identification

Independent variable : External Industrial Environment (X1)
 Entrepreneurial Leadership (X2)
 Resources (X3)
 Entrepreneurial Motivation (X4)

Dependen variabel : Entrepreneurial Orientation (Y1), Entrepreneurial Performance (Y2)

Constante : a,b,c,d,e,f,g,h,i,y,k

12. Data Analysis Result

Respondent characteristics

Gender

Male : 73 people

Female : 27 people

Respondent age

25 - 34 years old : 19 people

35 - 44 years old : 34 people

≥ 45 years old : 47 people

13. Research Finding

Table 1
Respondent Answer Mean

Variable	Indicator	Frequency					Mean Indicator	Mean Variable
		SD	D	N	A	SA		
External Industrial Environment	X1.1	0	12	42	37	9	3,43	3,69
	X1.2	0	3	34	44	19	3,79	
	X1.3	0	10	44	40	6	3,42	
	X1.4	0	8	50	34	8	3,42	
	X1.5	0	0	3	55	42	4,39	
Entrepreneurial Leadership	X2.1	0	11	55	28	6	3,29	3,58
	X2.2	0	6	43	41	10	3,55	
	X2.3	0	14	38	36	12	3,46	
	X2.4	0	14	43	38	5	3,34	
	X2.5	0	0	5	66	29	4,24	
Resources	X3.1	0	12	49	33	6	3,33	3,55
	X3.2	0	9	48	34	9	3,43	
	X3.3	0	8	46	38	8	3,46	
	X3.4	0	11	58	25	6	3,26	
	X3.5	0	0	5	61	34	4,29	
Entrepreneurial Motivation	X4.1	0	8	37	48	7	3,54	3,62
	X4.2	0	15	49	33	3	3,24	
	X4.3	0	3	37	43	17	3,74	
	X4.4	0	6	52	40	2	3,38	
	X4.5	0	0	5	68	27	4,22	
Entrepreneurial Orientation	Y1.1	0	12	42	37	9	3,43	3,62
	Y1.2	0	11	55	28	6	3,29	
	Y1.3	0	12	49	33	6	3,33	
	Y1.4	0	8	37	48	7	3,54	
	Y1.5	0	0	5	41	54	4,49	
Entrepreneurial Performance	Y2.1	0	0	5	19	76	4,71	4,27
	Y2.2	0	0	0	58	42	4,42	
	Y2.3	0	0	0	58	42	4,42	
	Y2.4	0	0	0	58	42	4,42	
	Y2.5	0	6	52	40	2	3,38	

Table 2
CFA test

Variable	Indicator	Factor Loading	Requirement	Description
External Industrial Environment	X1.1	0,808	> 0,50	Valid
	X1.2	0,814	> 0,50	Valid
	X1.3	0,745	> 0,50	Valid
	X1.4	0,749	> 0,50	Valid
	X1.5	0,840	> 0,50	Valid
Entrepreneurial Leadership	X2.1	0,599	> 0,50	Valid
	X2.2	0,747	> 0,50	Valid
	X2.3	0,831	> 0,50	Valid
	X2.4	0,699	> 0,50	Valid
	X2.5	0,636	> 0,50	Valid
Resources	X3.1	0,808	> 0,50	Valid
	X3.2	0,838	> 0,50	Valid
	X3.3	0,871	> 0,50	Valid
	X3.4	0,799	> 0,50	Valid
	X3.5	0,788	> 0,50	Valid
Entrepreneurial Motivation	X4.1	0,774	> 0,50	Valid
	X4.2	0,652	> 0,50	Valid
	X4.3	0,787	> 0,50	Valid
	X4.4	0,750	> 0,50	Valid
	X4.5	0,870	> 0,50	Valid
Entrepreneurial Orientation	Y1.1	0,889	> 0,50	Valid
	Y1.2	0,754	> 0,50	Valid
	Y1.3	0,845	> 0,50	Valid
	Y1.4	0,815	> 0,50	Valid
	Y1.5	0,662	> 0,50	Valid
Entrepreneurial Performance	Y2.1	0,683	> 0,50	Valid
	Y2.2	0,620	> 0,50	Valid
	Y2.3	0,678	> 0,50	Valid
	Y2.4	0,679	> 0,50	Valid
	Y2.5	0,718	> 0,50	Valid

the result of the CFA test is > 0.50 then all respondents' answers are valid

Table 3
Construct Reliability Test

Variable	Indicator	Factor Loading(FL)	FL ²	Error (1-FL ²)	Construct Reliability
External Industrial Environment	X1.1	0,808	0,653	0,347	0,894
	X1.2	0,814	0,663	0,337	
	X1.3	0,745	0,555	0,445	
	X1.4	0,749	0,561	0,439	
	X1.5	0,840	0,706	0,294	
Entrepreneurial Leadership	X2.1	0,599	0,359	0,641	0,831
	X2.2	0,747	0,558	0,442	
	X2.3	0,831	0,691	0,309	
	X2.4	0,699	0,489	0,511	
	X2.5	0,636	0,404	0,596	
Resources	X3.1	0,808	0,653	0,347	0,912
	X3.2	0,838	0,702	0,298	
	X3.3	0,871	0,759	0,241	
	X3.4	0,799	0,638	0,362	
	X3.5	0,788	0,621	0,379	
Entrepreneurial Motivation	X4.1	0,774	0,599	0,401	0,878
	X4.2	0,652	0,425	0,575	
	X4.3	0,787	0,619	0,381	
	X4.4	0,750	0,563	0,438	
	X4.5	0,870	0,757	0,243	
Entrepreneurial Orientation	Y1.1	0,889	0,790	0,210	0,896
	Y1.2	0,754	0,569	0,431	
	Y1.3	0,845	0,714	0,286	
	Y1.4	0,815	0,664	0,336	
	Y1.5	0,662	0,438	0,562	
Entrepreneurial Performance	Y2.1	0,683	0,466	0,534	0,808
	Y2.2	0,620	0,384	0,616	
	Y2.3	0,678	0,460	0,540	
	Y2.4	0,679	0,461	0,539	
	Y2.5	0,718	0,516	0,484	

All variables have construct reliability value ≥ 0.70 , so it can be concluded reliabel.
 SEM assumption test

a. Multivariate Normality

The multivariate CR result of 1.094 values is located between $-2.58 s / d +2.58$, so the multivariate data is normally distributed, or the multivariate normality assumption is met.

b. Outlier

Chi-square tabel = 59,703

The result of maximum value of Mahalobis d-square is known as 44,956 this value is still smaller than 59,703, so there is no outlier in research data, then all respondents can use

c. Model Fit Test

Tabel 5
Uji Goodness of Fit

Criteria of goodness of fit	Requirement	Result	Description
P value chi-square	$\geq 5\%$	0,058	Fit
Cmin/df	≤ 2	1,116	Fit
RMSEA	$\leq 0,80$	0,034	Fit
GFI	$\geq 0,90$	0,793	not fit
AGFI	$\geq 0,90$	0,749	not fit
CFI	$\geq 0,95$	0,973	Fit
TLI	$\geq 0,95$	0,969	Fit

Most of the criteria of goodness of fit already meet the criteria, so it can be continued testing the influence between variables (hypothesis test).

d. Hypotesis Test

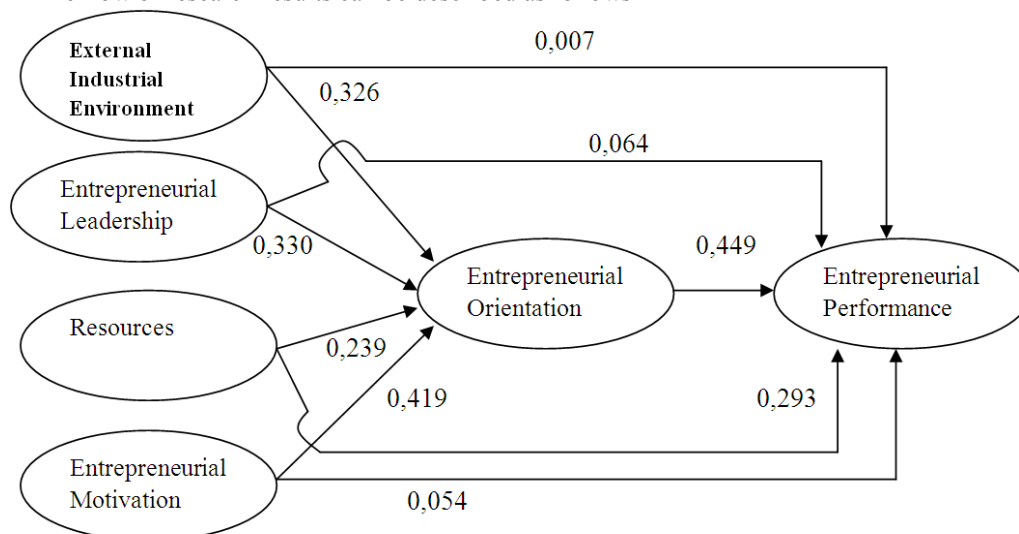
Table 6
Hypothesis Test Result

Relation of Variable		Std. Coefficient	T count	P value	Description
External Industrial Environment	→ Entrepreneurial Orientation	0,326	3,827	0,000	Significant
Entrepreneurial Leadership	→ Entrepreneurial Orientation	0,330	3,117	0,002	Significant
Resources	→ Entrepreneurial Orientation	0,239	2,861	0,004	Significant
Entrepreneurial Motivation	→ Entrepreneurial Orientation	0,419	4,751	0,000	Significant
External Industrial Environment	→ Entrepreneurial Performance	0,007	0,058	0,954	Not Significant
Entrepreneurial Leadership	→ Entrepreneurial Performance	0,064	0,456	0,649	Not Significant
Resources	→ Entrepreneurial Performance	0,293	2,389	0,017	Significant
Entrepreneurial Motivation	→ Entrepreneurial Performance	0,054	0,384	0,701	Not Significant
Entrepreneurial Orientation	→ Entrepreneurial Performance	0,449	2,069	0,039	Significant

Table 7
Direct Effect and Indirect Effect

Relation of Variable		Direct effect	Indirect effect
External Industrial Environment	→ Entrepreneurial Orientation	0,326	-
Entrepreneurial Leadership	→ Entrepreneurial Orientation	0,330	-
Resources	→ Entrepreneurial Orientation	0,239	-
Entrepreneurial Motivation	→ Entrepreneurial Orientation	0,419	-
External Industrial Environment	→ Entrepreneurial Performance	0,007	0,188
Entrepreneurial Leadership	→ Entrepreneurial Performance	0,064	0,107
Resources	→ Entrepreneurial Performance	0,293	0,148
Entrepreneurial Motivation	→ Entrepreneurial Performance	0,054	0,146
Entrepreneurial Orientation	→ Entrepreneurial Performance	0,449	-

The flow of research results can be described as follows



From the results of data analysis obtained direct influence between variables as follows:

1. External Industrial Environment has an effect on the Orientation of Entrepreneur with regression coefficient 0,326

2. Entrepreneurship Leadership influence on Orientation Entrepreneur with regression coefficient 0,330
3. Resources affect the Orientation of Entrepreneurs with regression coefficient 0.239
4. Entrepreneurial motivation has an effect on Orientation of Entrepreneur with regression coefficient 0,419
5. External Industrial Environment has no significant effect on Entrepreneurial Performance with regression coefficient 0,007
6. Entrepreneurship leadership has no significant effect on Entrepreneurial Performance with 0.064 regression coefficient
7. Resources affect the Entrepreneurial Performance with regression coefficient 0.293
8. Entrepreneurial motivation has no significant effect on Entrepreneurial Performance with regression coefiesn 0,054
9. The entrepreneurship orientation has an effect on Entrepreneurial Performance with regression coefficient 0,449

From the results of data analysis obtained indirect influence between variables as follows:

1. External Industrial Environment has an indirect effect on Entrepreneurial Performance with regression coefficient 0,188
2. Entrepreneurship Leadership has an indirect effect on Entrepreneurial Performance with regression coefficient 0,107
3. Resources have an indirect effect on Entrepreneurial Performance with regression coefficient 0.148
4. Entrepreneurial motivation has an indirect effect on Entrepreneurial Performance with regression coefficient 0.146

14. Discussion of research results

1. The first hypothesis that says the External Industry Environment has an effect on the orientation of entrepreneurship is proved by the regression coefficient of 0.326 and the average value of the respondents' answers to the External Industrial Environment is 3.69, this supports research conducted by Wulandari (2009), Widajanto et al (2016)
2. The second hypothesis that says Entrepreneurial Leadership has an effect on Entrepreneurial Orientation is proven by regression coefficient 0,330 and average respondent's answer to Entrepreneurial Leadership variable is 3.58 it supports research conducted by Yang (2008) and agree with Saiman (2014: 110) a leader will encourage his leadership to be able to create an entrepreneurial orientation in accordance with his wishes that will be done.
3. The third hypothesis that the resources affect the Orientation of Entrepreneurs is proved by the regression coefficient of 0.239 and the average value of respondents to Resource of 3.55 it supports Harsono (2014: 2016) opinion that the power will support where the orientation direction of one's entrepreneurship and ensure smooth operation.
4. Fourth hypothesis which says Entrepreneurial Motivation influence to Orientation Entrepreneur proved with regression coefficient 0,419 and average value of respondent answer to Entrepreneur Motivation equal to 3.62, this support research conducted by Sumadi and Sulistyawati (2017), and agree with opinion Nitisusatro (2009: 17) Everyone should think practical and motivated entrepreneurship will grow and to support insight to determine the orientation of entrepreneur in living a better life.
5. The fifth hypothesis that says the External Industry Environment has an effect on the Entrepreneurial Performance, the result is not significant with the regression coefficient 0,007 and the average value of respondent's answer to the External Industry Environment of 3.69 does not support the result of research conducted by Wulandari (2009) , Saints (2009), Rosyafah (2016)
6. Sixth hypothesis that says Entrepreneurial Leadership influence on Entrepreneurial Performance turns out the results are not significant with the coefficient of regression 0,064 and the average of respondents' answers to entrepreneurial leadership variables of 0.358 this does not support research conducted by Rahim et al. (2015), Yang (2008)
7. The seventh hypothesis that Resource has an effect on Entrepreneurship performance is proven with regression coefficient 0,293 and average respondent value to Resource equal to 3.55, this support research conducted by Toyib (2017), Widajanto et al (2016)
8. The eighth hypothesis that says Entrepreneurial Motivation has an effect on Entrepreneurial Performance is not significant with regression coefficient 0,054 and average value of respondent's answer to entrepreneur motivation 3.62, this does not support research conducted by Rishandi et al (2016), Gemina et al (2016)
9. The ninth hypothesis that says Entrepreneurial Orientation has an effect on Entrepreneurial Performance is proved by the regression coefficient of 0.449 and the average of respondent's answers to the Entrepreneur Orientation of 3.62, this supports research conducted by Suci (2009), Lukiastuti (2012), Toyib (2017)

15. Conclusion

1. Related to the environment of industrial external effect on the Orientation of entrepreneurship this proves that the direction of entrepreneurial policy will be adjusted to the environmental conditions of the external industry and must always observe the changes that occur in order to keep its business in accordance with the demands of its environment.
2. That the entrepreneurial leadership is influential on the entrepreneurial orientation of the entrepreneur, is reasonable because the Leadership of an entrepreneur will be able to provide color and policy towards the entrepreneurial orientation and strengthen the confidence to succeed the business done with full toughness in the face of problems that may arise from business activities undertaken.
3. Together with the influence of Resources on the Orientation of entrepreneurs can provide a picture that the ability of entrepreneurs to provide Business resources will be able to provide support to the desires and direction of business policy therefore the resources must be maintained existence in accordance with their needs.
4. Also entrepreneurial motivation has a significant influence on the orientation of entrepreneur is very reasonable because an entrepreneur needs high motivation so that the entrepreneurial Orientation never subsided and always bring new ideas in adjusting changes to existing business.
5. External industrial environment does not affect entrepreneurial performance, it can be explained that the external industrial environment needs support Orientation of strong entrepreneurship in order to give impact or influence on Entrepreneurial Performance this is proven to indirect influence of external industrial environment on business performance through entrepreneurial Orientation with a regression coefficient of 0.188
6. Entrepreneurship leadership does not affect the performance of entrepreneurship, providing information that entrepreneurial leadership requires high entrepreneurial orientation to be influence Business performance proved that entrepreneurial leadership influence not direct on business performance through entrepreneurial Orientation with regression coefficient of 0.107 and in this study suggests that The entrepreneurial orientation should always be improved.
7. Resources affect the performance of entrepreneurs provide an illustration that the very important existence of resources to entrepreneurial performance, for that resources is a business capital that needs to be taken seriously in order to keep performance awake.
8. Entrepreneurial motivation does not affect the performance of entrepreneur, giving meaning that not enough to have motivation only in entrepreneurship but require support Orientation of entrepreneurial directed to the specified performance can be achieved with the maximum. This is supported by the indirect influence of entrepreneurial motivation through the entrepreneurial Orientation to Entrepreneurial Performance with regression coefficient of 0.146
9. Entrepreneurial Orientation influence significantly to Entrepreneurial performance gives explanation that how important entrepreneurship Orientation for Entrepreneurial Performance among others through the changes made to the management of business for example always doing creative activity and innovation to the product that produced.

Variable Indicator

External Industrial Environment

1. Competition between companies
2. Potential entry of new competitors
3. Potensi development of substitution products
4. Fresh bargain supplier
5. Fresh consumer bargaining

Entrepreneurship leadership

1. Confidence in success
2. Hope of the future
3. Tenacious in trying
4. Connected with employees
5. Entrepreneurship skills and knowledge

Resources

1. The availability of production process premises
2. Supply of labor
3. Supply of raw materials
4. Availability of working capital

5. Reputation of business

Entrepreneurial Motivation

1. Take risk
2. Not easily satisfied with what is achieved
3. Business standalone
4. Orientation to the interests of consumers
5. High-level innovation

Entrepreneurial Orientation

1. Awareness of self-development
2. Awareness to achieve the achievement of life
3. Always want to make changes
4. Always optical to his actions
5. Do the action as early as possible to achieve the achievement

Entrepreneurial performance

1. Target achievement
2. Product quality
3. Employee job satisfaction
4. Customer loyalty
5. Ability to provide services to consumers.

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