

Mental Accounting Practice, Growth Mindset and Micro Business Performance: An Empirical Investigation of SMEs in Indonesia during the COVID-19 pandemic

Yusar Sagara, Kemal Sabarullah

Faculty of Economics and Business Syarif Hidayatullah State Islamic University Jakarta,
15412, Tangerang, Indonesia

E-mail of the corresponding author: yusar.sagara@uinjkt.ac.id

Abstract

Mental accounting has a lot of perspective to observe, but rarely observed in psychology method. This paper aim is to observed mental accounting in psychology method with the relation of personality characteristics (the big five personality) with growth mindset as an intervening variable. The present paper reports a study applying a Likert-type scale to assess the extent individuals engage in mental accounting practices, in this case is owners of micro business in Indonesia specifically in Jakarta. This study observe 252 of SMEs regards the influence of mental accounting to micro business performance with growth mindset as an intervening variable and using Smart-PLS 3.0 to see the effect from each hypothesis. The result of this study found that having a good mental accounting is not enough to increasing micro business performance directly. And mental accounting has a significant effect to growth mindset. From this case, owners of micro business performance have to respond with the real action which is growth mindset to increase their performance as an intervening variable.

Keywords: Mental Accounting Practice, Growth Mindset, Micro Business Performance.

DOI: 10.7176/RJFA/13-10-07

Publication date: May 31st 2022

Introduction

According to 2016 economic census from Indonesia Central Bureau of Statistics stated that the number of SMEs reaches more than 26 million businesses or 98.68 percent of the total non- agricultural enterprises in Indonesia. As a developing country, Indonesia has realized the great potential and contribution that can be made by SMEs to the development and achievement of sustainable local economic development and is one of the tools to create jobs aimed at alleviating poverty and unemployment.

The government and many other parties have provided and opened very wide opportunities for SMEs business entities to be able to develop their potential and business. But somehow SMEs, which should have become more independent and empowered, have instead been fostered to become dependent. So that once the aid is stopped, SMEs are helpless again and hope for further assistance. It can be concluded that SMEs have an urgency to change their mindset for the better and development. Perhaps, more or less SMEs are wrong in determining the goal setting orientation or mindset.

Person's low economic capacity results in many people living at a subsistence level. Things like this can be a factor in SMEs. SMEs with a subsistence mindset run a business only to cover daily family needs (self-sufficiency) and rarely plan and dream big to develop a business (minimalist dreams and ambitions). The subsistence mindset hampers SMEs entrepreneurs because they are not brave and do not want to take risks. Even though risk taking is a prerequisite so that a business venture can grow and develop bigger. In running a business venture, SMEs entrepreneurs who have a subsistence mindset tend to just follow a flow, such as carrying out a routine (Siburian, 2009).

Develops two theories of self-intelligence by providing insight into the psychological (motivational) processes that are important for achievement (Ying-yi Hong, 1999). He stated that individuals have a theory of intelligence entities, known as a fixed mindset or a theory of additional intelligence, known as a growth mindset. Individuals with a growth mindset believe that one's abilities and success are caused by learning, that intelligence can grow and change with effort and believe in trying other approaches or seeking help when faced with difficulties and tend to adopt learning goals.

To achieve a good change of mindset, mental revolution is needed. Mental revolution aims to create individuals with character in which there is a pattern of thinking to carry out each activity. Combining the right mindset with a good mentality will create harmony and capital to develop a business. Thus, the right mental aspect is needed to overcome financial problems in SMEs, namely mental accounting theory which was first introduced by (Thaler, 1985) as a model of consumer behavior developed based on aspects of psychology and microeconomics.

Hypothesis Development

Mental Accounting Practice

Mental accounting can be defined as a series of cognitive measures of economic actors in managing, evaluating, and maintaining their financial activities (Thaler, 1999) (Thaler, 1990) and (Davis, 2002) found that mental accounting allows transactions to be evaluated separately from other transactions. This will reduce the cognitive load of decision making thereby, facilitating the decision-making process. (Amar Cheema, 2008) state that the mental accounting construct is a parable used in making shopping decisions because of its usefulness in an empirical phenomenon concept. Mental accounting is a cognitive form of bookkeeping carried out by individuals to check expenditure and control consumption (Gourville and Soman, 1998; (Drazen Prelec, 1998); Thaler, 1985, 1999).

A person's mentality can be formed from many influencing things such as goals, motivation, thoughts and other things. If the mentality of Indonesian people looks very negative, one interesting thing is how can SMEs survive or even develop in the stigma that Indonesian human mentality tends to be negative? From this the psychological aspects of humans are closely related to mental attitudes. There are many tools in managing a business, but the human psychological aspect is often the determining factor in a decision. In practice, each individual makes a psychological aspect to determine, or classify something and this is called mental accounting (Pamela W. Henderson, 1992); (Amos Tversky, 1981).

Provide a comprehensive review of the psychological dispositions that influence economic decisions (Simon McNair, 2017). The conceptualization of mental accounting as a trait or indicator raises the question of whether and how it relates to other psychological traits such as the five characteristics described in the personality taxonomy that are most prominent. Called The Big Five (Dan P. McAdams, 2006) which includes Extraversion or surgency (talkative, assertive, and energetic), Agreeableness (kind, cooperative, and trustworthy), Conscientiousness (orderly, responsible, and reliable), Emotional stability vs. neuroticism (calm, not neurotic, and not easily angry), intellect or openness (intellectual, imaginative, and independent thinking) (Oliver P. John, 1999).

Although these characteristics have not been linked to mental accounting theory, their concepts have been applied in many other areas of decision research such as, for example, in explaining risk taking ((Nigel Nicholson 2015); (Pinjisakikool, 2017), framing effects (Irwin P. Levin, 2002), anchoring effects (Todd McElroy, 2007), overconfidence (Peter S. Schaefer, 2004), discounting of delayed rewards (Jacob B. Hirsh, 2008), and decisions under social and time pressure (Kaileigh A. Byrne, 2015). Extraversion, agreeableness, neuroticism, and openness were found to be associated with intuitive decision styles, and emotional stability and awareness were associated with deliberate styles (Betsch, 2004). On the basis of these results, it can be hypothesized that mental accounting is a by-product of deliberate decision processes which must be associated with emotional stability and awareness. On the other hand, if mental accounting leads to more intuitive decisions, for example, by its function to simplify decisions, this means mental accounting must be correlated with extraversion, agreeableness, neuroticism, and openness.

Basically, if a business owner applies mental accounting well in his business, then the allocation of funds will be clear and visible so that business actors can focus on important items to improve business performance. According to (Siti Aisyah Hidayati, 2016), if an owner of SMEs has a strong mental accounting, it can increase the placement of funds for working capital so that it can improve company performance.

Growth Mindset

Mindset is the essence of self-learning. This is what determines how to view potential, intelligence, challenges and opportunities as a process that must be pursued with persistence, hard work, and effort to achieve goals. Thus, to change the mindset, the first step needed is to change the past belief or set of beliefs. Piaget, the father of cognitive developmental psychology, realized late in his life that it was not enough to focus on logical thinking abilities. Piaget came to the conclusion that belief systems play an equally important or even more important role than the ability to think logically in shaping a person's mindset.

Carol S. Dweck, an expert in psychology, discusses mindset in her book, *Mindset: The New Psychology of Success*, argues that in this world there are two kinds of mindset which are growth mindset and fixed mindset. Growth mindset is based on the belief that a person's basic qualities are things that can be processed through certain efforts. Although humans may differ in all respects, in their initial talents and abilities, interests, or temperaments everyone can change and develop through treatment and experience. Mindset is one of the factors in creating things and ideas that will be carried out in doing business, especially at SMEs and is a form of measurement of the competitiveness of human resources.

In making a decision, a person is influenced by many factors such as psychological factors and social factors, one of which is the mental accounting aspect. This mentality can hone the way of thinking of a businessman in order to develop a growth mindset.

Micro Business Performance

A number of studies have only focused on measuring the performance of companies on a large scale, ignoring the importance of measuring performance in smaller businesses or Small and Medium Enterprises (SME). For SMEs, different performance measurements are used because of different business characteristics (Storey, 1994). In addition, the measurement of the performance of SMEs is not derived from the strategy, where the measurement of performance should be based on this. SMEs differ from large companies because of the following reasons: limited human and financial resources, operating in a narrow market, parallel and flexible structures. Limited resources at SMEs make the dimensions of quality and processing time important so that the level of wasted materials remains low, besides that because it moves in a narrow market, consumer satisfaction must be maintained.

Growth mindset will not only have a positive impact on individuals. However, this kind of mindset will also have a positive effect on the people around, especially in the work environment. It can be concluded that the growth mindset of SME owners can affect the success and survival of SMEs. Mental accounting is closely related to individual psychology so that the impact has an impact on the mindset of a business person to make decisions in the future. In the business world, there are many cases of failure or risk to be faced. With good mental accounting behavior, it must be accompanied by a growth mindset. Having a growth mindset causes business people to feel more empowered and committed in addition to the many uncertainties or risks that will be faced in future business continuity.

The growth mindset that is owned in the work environment by either the business owner or the employees therein will affect the overall company performance So that by applying mental accounting behavior and supported by a growth mindset will affect business performance to be better and more sustainable.

Based on the explanation above, to ensure the success of the research implementation, the researcher proposed four research hypothesis:

H₁: Mental Accounting has an effect on Micro Business Performance

H₂: Mental Accounting has an effect on Growth Mindset

H₃: Growth Mindset has an effect on Micro Business Performance

H₄: Mental Accounting has an effect Micro Business Performance through Growth Mindset

Method

This study uses three variables, namely the independent variable (X) Mental Accounting, the intervening variable (Y) Growth Mindset and the dependent variable (Z) Micro Business Performance. The population in this study are owners of Small Medium Enterprise (SME). The sampling technique in this study used purposive sampling with the criteria that the owners already run their SME for minimum 1 year and based in DKI Jakarta area.

Table 1. Operationalization of Variables

No.	Variable	Dimensions	Scale
1.	<i>Mental Accounting</i> (X)	1. Extraversion 2. Agreeableness 3. Conscientiousness 4. Emotional Stability 5. Openness	Likert
2.	<i>Growth Mindset</i> (Y)	1. Entrepreneurial Leadership 2. Entrepreneurial Culture 3. Entrepreneurial Orientation	Likert
3.	<i>Micro Business Performance</i> (Z)	1. Profitability 2. Sales Growth 3. Product Quality 4. Customer Satisfaction	Likert

Data analysis process is using Partial Least Squares Structural Equation Modeling (PLS-SEM) 3.0 software version. The justification for using PLS-SEM is because based on data characteristics, PLS-SEM can be used for small samples, it does not require that the data must be normally distributed, because PLS-SEM is a non-parametric statistic, missing items that are within tolerance limits, and can process data with an ordinal scale (Likert). Meanwhile, based on the characteristics of the model, PLS-SEM can process constructs (latent variables) that have single and multi-item measurements, can process indicators in a measurement scale that are reflective

and formative and can process complex models with many indicators and structural model relationships (Joseph F. Hair, 2014).

The data collection method used in this research is primary data collection where the researcher collects data directly to the first source or object place by sending a questionnaire directly to the SME owners via email.

Results and Discussion

Respondent Profile Characteristics

Table 2. Characteristics of Respondents Profile

Characteristics	Frequency	Percentage
Gender		
Male	79	31.3%
Female	173	68.7%
Age		
<25	210	83.3%
25-30	2	0.8%
31-35	16	6.3%
36-40	8	3.2%
41-45	7	2.8%
>45	9	3.6%
Education		
Junior High Degree	3	1.2%
Senior High Degree	132	52.4%
Bachelor Degree	117	45.4%
SME Established		
1-3	192	76.4%
3-7	28	11.2%
7-10	13	5.2%
> 10	18	5.2%
SME Sectors		
Accessories	9	4%
Distributor	35	14%
Fashion	34	13%
Services	38	15%
Culinary	136	54%

Based on table 2, the majority of respondents are female owners with who are less than 25 years old with SME established for 1-3 years, senior high degree, and SME Sector is Culinary.

Outer Model Testing

According to Hair, et al. (2014) Testing the reflective measurement model was carried out on 4 (four) indicator tests, namely internal consistency, indicator reliability, AVE and discriminant analysis. Based on the summary table 3. Below. It was found that the internal consistency test passed because all outer loading values were greater than 0.7; reliability indicator testing is done by calculating the quadra value of the loading factor and the test is passed because all reliability and composite reliability indicator values are greater than 0.7; The convergent validity test was also passed because all the ave values were greater than 0.5 and the discriminant validity test was also passed because all loadings values were greater than the cross loading value.

Table 3. Outer Model Testing

Latent Variable	Indicator	Loadings	Reliability	Composite Reliability	AVE	Discriminant Validity
Mental Accounting	MA_4	0,513	0,737	0,909	0,589	Yes
	MA_8	0,501	0,749			
	MA_9	0,522	0,727			
	MA_10	0,531	0,719			
	MA_12	0,503	0,747			
Growth Mindset	GM_2	0,504	0,746	0,886	0,61	Yes
	GM_3	0,510	0,739			
	GM_4	0,517	0,733			
	GM_8	0,546	0,702			
	GM_10	0,522	0,728			
	GM_11	0,515	0,734			
	GM_15	0,509	0,741			
Micro Business Performance	MBS_6	0,506	0,744	0,899	0,597	Yes
	MBS_7	0,531	0,719			
	MBS_9	0,523	0,727			
	MBS_10	0,506	0,744			
	MBS_12	0,510	0,740			

The conclusion is that not all indicators in each variable can be maintained because the result of outer loading shows below 0.5. And defensible variables will be used in testing the inner model or structural model (Hair et al., 2014).

Inner Model Testing

Inner model or structural model test is carried out to see the relationship between the constructs of significant value and the R-Square of the research model carried out. The structural model is evaluated using the R-Square for the dependent construct, the t-test, and the significance of the structural path coefficient.

Structural model testing in PLS-SEM by considering collinearity, predictive accuracy and predictive relevance aspects. Determination of the fulfillment of the collinearity aspect with a VIF value of less than 5.0; predictive accuracy aspect with R² values of 0.25, 0.5, 0.75 with each level of predictive accuracy for the weak, moderate, and strong categories; and the predictive relevance aspect with the value of Q² which must be greater than 0.00 (Hair et al., 2014).

Table 4. Collinearity Testing

First Set		Second Set		Third Set	
Constructs	VIF	Constructs	VIF	Constructs	VIF
MA	1			MA	1,896
				GM	1,896

Table 5. Result of R² and Q²

	R ²	Q ²
Growth Mindset	0,473	0,273
Micro Business Performance	0,535	0,31

Hypothesis Test

In the following section, the hypothesis testing has been performed with the t-count of 1.969 as in the table below

Table 6. Hypothesis Test

Path	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Significant level	Results
MA→MBS	0,191	0,190	0,156	1,224	0,126	NS	Rejected
MA→GM	0,687	0,691	0,039	17,421	0,000	**	Accepted
GM→MBS	0,587	0,589	0,066	8,860	0,000	**	Accepted

*p< .05. **p< .01.

To test hypothesis 1, testing the effect of mental accounting on micro business performance. Based on table, it is known that the p-value is 0.126 (t-statistic 1.224), where the p-value is greater than 0.05 and the t-statistic is smaller than the t-count 1.969. This means that the hypothesis is rejected, there is no significant effect on mental accounting on micro business performance. Hypothesis 2 is the effect of mental accounting on growth mindset, based on the table, it is known that the p-value is 0,000 (t-statistic 17.421), where the p-value is less than 0.05 and the t-statistic is greater than the t-count 1.969. This suggests that hypothesis 2 is acceptable, there is a significant effect of mental accounting on growth mindset. Hypothesis 3, testing the influence of growth mindset on micro business performance. Based on the table, it is known that the p-value is 0,000 (t-statistic 8,860), where the p-value is less than 0.05 and the t-value is greater than the t-count 1.969.

Intervening Effect Test Results for Mental Accounting on Micro Business Performance Through Growth Mindset

The first step in the intervening test procedure is to perform indirect testing of variable X to variable Y through variable Z. The indirect effect of X to Y through Z is calculated by multiplying path X → Z (a) by path Z → Y (b) or ab with the formula:

$$\begin{aligned}
 Sab &= \sqrt{b^2 Sa^2 + a^2 Sb^2 + Sa^2 Sb^2} \\
 &= \sqrt{(0,587)^2 \cdot (0,156)^2 + (0,687)^2 \cdot (0,066)^2 + (0,156)^2 \cdot (0,066)^2} \\
 &= \sqrt{0,344 \cdot 0,028 + 0,471 \cdot 0,004 + 0,028 \cdot 0,004} \\
 &= \sqrt{0,008 + 0,002 + 0,000} \\
 &= \sqrt{0,01} \\
 &= 0,1
 \end{aligned}$$

The second step is to test to determine the significance of the indirect effect by calculating the t value of the ab coefficient with the formula:

$$\begin{aligned}
 t &= \frac{ab}{Sab} \\
 &= \frac{0,0687 \cdot 0,587}{0,054} \\
 &= 4,032
 \end{aligned}$$

The results of the test through the Sobel test can be seen with a significant t-count at 0.05, namely 4.032 > 1.969. It can be concluded that there is an effect of intervening variable growth mindset on the indirect relationship of mental accounting variables and micro business performance, so that Hypothesis 4 is accepted.

The Effect of Mental Accounting on Micro Business Performance

The findings related to the absence of a significant effect of mental accounting on micro business performance with a path coefficient value of 0.126 with a t-statistic value of 1.224, which is smaller than the t-count value of 1.969. This explains that mental accounting cannot improve micro business performance. So that the first hypothesis (**H₁**) is rejected.

In Indonesia itself, in the big picture, the mentality of business unit owners can be seen as being very persistent in running their business units to the point of descending to their families, but this is still not proven enough without real action to take the business unit to a further level so that this is what causes the unit in general, SMEs

in Indonesia only become tools for sustaining life without any rapid development, both in terms of growth and profit.

The results of this study are in line with Anolam, Okoroafor, and Ajaera (Anolam, 2015) which states that there is no significant relationship between mental accounting from several aspects in the research conducted on company profitability. However, the results of this study are not in line with Siti Aisyah, et al, (2019), (Luhasi, 2015), (Stephan Muehlbacher, 2019) which states that mental accounting has an effect on the aspects of the business unit. The justification of the results in the author's research is because even though they use the same theory and aspects, especially based on western theory, the research carried out is based on data from SMEs in Indonesia, more specifically the DKI Jakarta area. From this it can be said that the perceptions and mentality of individuals will definitely be different and this is accurate by paying attention to the real situation on the existing field.

The Effect of Mental Accounting on Growth Mindset

This study found a significant effect of mental accounting on growth mindset with a path coefficient of 0.000 with a t-statistic value of 17.421. This value is greater than the t-table value, 1.969. This means that mental accounting can contribute to encouraging individuals to develop a growth mindset in the business unit. So that the second hypothesis (**H₂**) is accepted.

This explains that individuals who have a good mentality can be the basis for developing a mindset. It can be elaborated that mentality is fundamental for an individual to face something and respond to it with concrete steps. Mindset is an important thing that must be owned by an individual, because in fact many SME units have an incorrect mindset to run their business.

There is no research result that examines the relationship between mental accounting and growth mindset beforehand, so the research conducted by the author is exploratory in this regard by looking at the facts in the field and the conditions that occur in the world of SMEs in Indonesia.

The Effect of Growth Mindset on Micro Business Performance

The results of this study found a significant effect of growth mindset on micro business performance with a path coefficient value of 0.000 with a t-statistic value of 8.860. This value is greater than the t-table value, 1.969. This means that the growth mindset can contribute to encouraging business units to improve micro business performance. So that the third hypothesis (**H₃**) is accepted.

The results of this study indicate that there is an effect of the growth mindset to improve micro business performance because the growth mindset is an important key in individuals responding to a situation. In this case the growth mindset acts as a concrete form or concrete action taken to a situation at hand. The real form of growth mindset is that business unit owners should respond to changes that occur in any way to sustain and improve their UMKM units.

The results of this study are in line with the results of research conducted by (Brownhilder Ngeek Neneh, 2017), (Roslan Abdul Aziz, 2014), (J. Augusto Felicio, 2014), (Didin Hikmah Perkasa, 2020) which states that growth mindset with entrepreneurial indicators is very influential on micro business performance. Because the growth mindset is one of the many other important factors that business unit owners must have in order to advance their business units. The researchers explained that the better the growth mindset of an individual business unit owner, the greater the opportunity for the business unit to advance and develop. However, the results of the study are not in line with research conducted by (Sitinjak, 2020) which states that there is no significant effect on the performance of SMEs in Medan City, Indonesia in the last 1 year.

The Effect of Mental Accounting on Micro Business Performance with Growth Mindset as an Intervening Variable

Hypothesis testing using the Sobel test method shows a significant t-value at 0.05, namely $4.032 > 1.969$. Thus, it can be concluded that growth mindset can be used as an intervening variable in the indirect effect of mental accounting on micro business performance. So that the fourth hypothesis (**H₄**) is accepted.

The results of this study indicate that individuals who have good mental accounting in running their business units are able to develop and train the growth mindset of business unit owners so that indirectly improve the micro business performance of the business unit. Although based on the first hypothesis that mental accounting has no effect on micro business performance, with the presence of an intervening variable, namely growth mindset, mental accounting can have an indirect effect. Logically, every individual is encouraged by the existence of a purpose and motivation to do something and in this study is to run a business unit. From this, the attitude of the mentality will be formed in accordance with the goals and motivation to do business.

Mental accounting is the basic foundation of a business actor, with the existence of goals and motivation, a mentality of never giving up, being persistent, persevering, and others that every individual business actor must have, then this must be manifested in concrete actions and actions, namely through a growth mindset. With the right mindset, SMEs will be able to act and respond to the circumstances that occur and adapt and develop them, which in the long run will have an impact on the micro business performance of the business.

Conclusion and Limitation

Mental accounting does not have a significant effect on micro business performance. Mentality is an essential thing for business actors in carrying out their business. However, this alone is not enough to improve the performance of their business units, because a good mentality must be expressed in actions. The growth mindset has a significant effect on micro business performance. An individual's ability to develop a growth mindset can be based on a person's mental state. In this case, mental accounting in the business unit has a significant influence on the development of the growth mindset of the individual himself. So that a creative response is created to answer the existing situation.

Growth mindset can be an intervening variable in the relationship between mental accounting and micro business performance. a business unit owner must have a strong and good mental foundation so that the desire and awareness will always be there and remember the goals and motivation to do business. Then it must be stated and responded to with actions and strategies in reading the existing conditions and opportunities with the right mindset. So that later these two things can produce results in the future in the business unit.

Mental accounting is closely related to human psychological aspects and can be a tool in managing a business. Therefore, having a goal (goals setting) is the basic foundation for forming the right mentality and these two things will be fundamental for business continuity regardless of the circumstances. In this case, determining goals in conducting business activities is very necessary and will shape the mentality of a businessman. If it is pulled further if the mental formed is correct / good, then a person's mindset will be formed to achieve the goals to be achieved and will affect a person's performance in carrying out business activities.

The results of this study are expected to be valuable input in academia, namely in studying theories related to mental accounting, growth mindset, and micro business performance. This research is also expected to help the owners of SME units in improving their micro business performance by understanding mental accounting and growth mindset, which are two important things that can help improve and develop their SME units.

This study has several limitations that may cause bias or inaccuracy in the results of the study, including: The instrument used in this study was limited to the use of a questionnaire with a personal perception assessment. The distribution and filling of questionnaires, which were all planned directly, were diverted by distributing online via google form due to the Covid-19 pandemic situation.

References

- Amar Cheema, D. S. (2008). The Effect of Partitions on Controlling Consumption. *Journal of Marketing Research*, 45, 665-675.
- Amos Tversky, D. K. (1981). The Framing of Decisions and the Psychology of Choice. *American Association for the Advancement of Science*, 211(4481), 453-458. doi:10.1126/science.7455683
- Anolam, O. M., Okoroafor S.N., Ajaero O.O. (2015). Effect of Mental Accounting on Corporate Profitability. *West African Journal of Industrial & Academic Research*, 14(1), 100-114.
- Betsch, C. (2004). Preference for Intuition and Deliberation (PID): An Inventory for Assessing Affect- and Cognition-Based Decision-Making. *Zeitschrift für Differentielle und Diagnostische Psychologie*, 25(4), 179-197. doi:10.1024/0170-1789.25.4.179
- Brownhilder Ngek Neneh, J. v. Z. (2017). Entrepreneurial orientation and its impact on firm growth amongst SMEs in South Africa. *Problems and Perspectives in Management*, 15(3), 166-178. doi:10.21511/ppm.15(3).2017.14
- Dan P. McAdams, J. L. P. (2006). A New Big Five: Fundamental Principles for an Integrative Science of Personality. *The American Psychological Association*, 61(3), 204-217. doi:10.1037/0003-066X.61.3.204
- Davis, A. K. (2002). The Value Relevance of Revenue for Internet Firms: Does Reporting Grossed-up or Barter Revenue Make a Difference? *Journal of Accounting Research*, 40(2), 445-477.
- Didin Hikmah Perkasa, F. A. (2020). The Relationship Model of Entrepreneurial Leadership, Entrepreneurial Culture and Entrepreneurial Mind-Set on Organizational Performance through Innovation as a Mediation Variable. *Jurnal Riset Manajemen dan Bisnis (JRMB)*, 5(2), 15-28.
- Drazen Prelec, G. L. (1998). The Red and The Black: Mental Accounting of Savings and Debt. *Journal In Marketing Science*, 17(1), 4-28. doi:10.1287/mksc.17.1.4
- Irwin P. Levin, G. J. G., Judy Schreiber, Marco Lauriola. (2002). A New Look at Framing Effects: Distribution of Effect Sizes, Individual Differences, and Independence of Types of Effects. *Organizational Behavior and Human Decision Processes*, 88(1), 411-429. doi:doi:10.1006/obhd.2001.2983
- J. Augusto Felício, V. R. C., Belen Ribeiro-Navarrete. (2014). Corporate and individual global mind-set and internationalization of European SMEs. *Journal of Business Research*, 68, 797-802. doi:http://dx.doi.org/10.1016/j.jbusres.2014.11.031
- Jacob B. Hirsh, D. M., Jordan B. Peterson. (2008). Delay discounting: Interactions between personality and cognitive ability. *Journal of Research in Personality*, 42, 1646-1650. doi:10.1016/j.jrp.2008.07.005
- Joseph F. Hair, J., G. Tomas M. Hult, Christian Ringle, Marko Sarstedt. (2014). *A Primer on Partial Least*

- Squares Structural Equation Modeling (PLS-SEM). California: Sage Publishing.
- Kaileigh A. Byrne, C. D. S.-M., Darrell A. Worthy. (2015). Who chokes under pressure? The Big Five personality traits and decision-making under pressure. *Personality and Individual Differences*, 74, 22-28. doi:<http://dx.doi.org/10.1016/j.paid.2014.10.009>
- Luhasi, D. I. (2015). *Mental Accounting: Debt Versus Savings Decisions for Funding Working Capital and Investment for MSMEs*. Thesis Universitas Kristen Satya Wacana, 1-81.
- Nigel Nicholson, M. F. O. C., Emma Soane, Paul Willman. (2015). Personality and domain-specific risk taking. *Journal of Risk Research*, 8(2), 157-176. doi:10.1080/1366987032000123856
- Oliver P. John, S. S. (1999). *The Big-Five Trait Taxonomy: History, Measurement, and Theoretical Perspectives* (Handbook of personality: Theory and research, 2 ed.). New York: Guilford (in press).
- Pamela W. Henderson, R. A. P. (1992). Mental Accounting and Categorization. *Organization Behaviour and Human Decision Making Process*, 51, 92-117.
- Peter S. Schaefer, C. C. W., Adam S. Goodie, W. Keith Campbell. (2004). Overconfidence and the Big Five. *Journal of Research in Personality*, 38, 473-480. doi:10.1016/j.jrp.2003.09.010
- Pinjisakikool, T. (2017). The Influence of Personality Traits on Households' Financial Risk Tolerance and Financial Behaviour. *Journal of Interdisciplinary Economics*, 30(1), 32-54. doi:10.1177/0260107917731034
- Roslan Abdul Aziz, R. M., Anas Tajudin, Mohd Hussin Abdullah. (2014). The Relationship between Entrepreneurial Orientation and Business Performance of SMEs in Malaysia. *International Journal of Management Excellence*, 2(3), 221-226. doi:10.17722/ijme.v2i3.96
- Siburian, R. (2009). Moral Economy and Shackles of Community Poverty in Belu Regency. *Journal of Social Welfare Research and Development*, 14(1), 1-11.
- Simon McNair, W. R. C. (2017). Assessing psychological dispositions and states that can influence economic behavior, in *Economic Psychology*, ed. (Chichester: Wiley-Blackwell), 69-87. doi:10.1002/9781118926352.
- Siti Aisyah Hidayati, S. W., Laila Wardani, Iwan Kusuma Negara. (2016). Mental accounting and its impact on company performance through the placement of working capital in small and medium enterprises on the island of Lombok. *JRM*, 16(1), 1-19.
- Sitinjak, I. (2020). The Effect of Entrepreneurial Self-efficacy and Entrepreneurial Competence on The Entrepreneurial Entry Decision and The Success of Start-up MSMEs in Medan City. *Jurnal Ekonomi Bisnis dan Kewirausahaan (JEBIK)*, 8(3), 204-215. doi:<http://dx.doi.org/10.26418/jebik.v8i3.35670>
- Stephan Muehlbacher, E. K. (2019). Individual Differences in Mental Accounting. *frontiers in Psychology*, 10(2866), 1-15. doi:10.3389/fpsyg.2019.02866
- Storey, D. J. (1994). *Understanding the Small Business Sector*. London: International Thompson Business Press.
- Thaler, R. H. (1985). Mental Accounting and Consumer Choice. *Marketing Science*, 4(3), 199-214. doi:<http://dx.doi.org/10.1287/mksc.4.3.199>
- Thaler, R. H. (1990). Anomalies: Saving, Fungibility, and Mental Accounts. *Journal of Economic Perspectives*, 4(1), 193-205. doi:10.1257/jep.4.1.193
- Thaler, R. H. (1999). Mental Accounting Matters. *Journal of Behavioral Decision Making*, 12, 183-206. doi:<http://dx.doi.org/10.1002/>
- Todd McElroy, K. D. (2007). Susceptibility to anchoring effects: How openness-to-experience influences responses to anchoring cues. *Judgment and Decision Making*, 2(1), 48-53.
- Ying-yi Hong, C.-y. C., Carol S. Dweck, Derrick M.-S. Lin, Wendy Wan. (1999). Implicit Theories, Attributions, and Coping: A Meaning System Approach. *Journal of Personality and Social Psychology*, 77(3), 588-599.