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A STRATEGY TO IMPROVE THE PERFORMANCE OF CREATIVE INDUSTRY BUSINESSES UTILIZING RATTAN AS RAW MATERIAL IN **PEKANBARU**

Abstract: The rapid industries development of a formal and informal sector in Indonesia encourages the actors of business to compete each other in the businesses they run. The informal business sector consists of home industries, agriculture, trade and plantations. In Indonesia, those working in informal business sector is estimated to be around 58.19 million people in 2019 (Statistics Indonesia, 2019). These informal sector business groups are scattered across the villages and cities. In Pekanbaru, the typical creative industry of the community's culture grows rapidly marked by the number of handicraft industry centers, one of which is the handicraft made of rattan. Handicraft made from rattan have grown and developed in Pekanbaru, scattered across several places. The actors of business with a profession as rattan craftsmen produce these handicraft products to be marketed in the Riau area and outside areas like Batam, Medan, and other areas. If viewed from the prospect of this rattan-based industrial business, it is very prospective. Many consumers come from local communities and foreign communities such as Malaysia and Singapore to buy handicrafts produced by rattan craftsmen in Pekanbaru. This creative industry business made from local raw materials is very possible to develop, yet the problems experienced by rattan craftsmen include the small number of employees, the less productive business actors in producing goods/crafts from rattan, less variation in rattan-made goods/crafts production and lack of public interest in goods/crafts made from rattan.

Key words: Training, Entrepreneurial Motive, Entrepreneurial Spirit, Business Performance.

Language: English

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Introduction

The rapid industries development of a formal and informal sector in Indonesia encourages the actors



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of business to compete each other in the businesses they run. The informal business sector consists of home industries, agriculture, trade and plantations. In Indonesia, it is estimated that around 58.19 million people have the status of business actors in the informal business sector in 2019 (Statistics Indonesia, 2019). These informal sector business groups are scattered across the villages and cities.

Pekanbaru is one of the regions in Indonesia having many typical creative industries of the communities' culture growing rapidly. There are so many handicraft industry centers managed by the business community in Pekanbaru, one of which is made of rattan. The existing handcrafts made from rattan growing and developing in Pekanbaru are scattered across several places. The actors of business with a profession as rattan craftsmen produce these handicraft products to be marketed in the Riau area and outside areas like Batam, Medan, and other areas. It can be seen from the table below:

Table 1. Data Of Rattan Craftsmen In Pekanbaru

Respondent	Name	Gender	Age/Year	Length of Work	Last Education
1	EzaSusilawati	F	52	5	Junior High School
2	Erni	F	37	12	Senior High School
3	Emi MasraFeny	F	58	14	Junior High School
4	Rahmat	M	34	13	Senior High School
5	Tia Juwita	F	31	7	D3
6	DewiMurniati	F	35	12	Junior High School
7	Mira Erawati	F	40	13	Vocational High School
8	AtangAdmaja	M	37	29	S1
9	Erizal	M	56	8	Senior High School
10	Sugianto	M	59	12	Junior High School
11	Dona	F	52	12	Senior High School
12	Dahyani	F	36	13	Senior High School
13	Syafril	M	67	18	Senior High School
14	Alfan	M	28	7	Junior High School
15	Dani	M	32	5	Senior High School
16	Mulyadi	M	45	6	Senior High School
17	Edison	M	57	7	Senior High School
18	Efrita	F	56	7	Senior High School
19	Sarinah	F	53	10	Junior High School
20	Sarbani	M	33	11	Junior High School
21	Edi	M	30	11	Junior High School
22	Ombeng	M	27	11	Junior High School
23	Warman	M	25	11	Senior High School
24	Pendi	M	38	10	Senior High School
25	Randy	M	40	10	Senior High School
26	Darlin	F	36	13	Senior High School
27	Romi	M	43	10	Junior High School
28	Eriyanto	M	35	10	Junior High School
29	Edy	M	29	13	Junior High School
30	Esi	F	40	13	Elementary School
31	Zuladi	M	35	13	Elementary School
32	Man Nias	M	32	13	Junior High School



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33	Rasidi	M	36	13	Junior High School
34	Sihen	M	30	13	Senior High School
35	Zakiyah	F	40	10	D3
36	Rudi	M	43	10	S1
37	Wahid	M	49	12	S1
38	Atik	F	57	12	Senior High School
39	Wahyu	F	50	8	Senior High School
40	Marwoto	M	60	9	Elementary School

From table 1, it is seen that the prospect of this rattan-based industrial business is very prospective since there are many consumers coming from local communities and foreign communities such as Malaysia and Singapore to buy handicrafts produced by the rattan craftsmen. This rattan-based creative industrial business is very likely to progress and develop properly.

The problem experienced by rattan craftsmen in Pekanbaru is the difficulty of obtaining the required employees, so that there are only small number of employees of rattan craftsmen existing in Pekanbaru. Even though it looks simply, it requires good skills in weaving the rattan into the desired shape, and not everyone is an expert in this matter. This situation making rattan craftsmen have less production of goods which are the focus of their business. Another problem is the lack of product variation resulting in the community having less interest in re-purchasing the goods produced by these rattan craftsmen.

In addition, based on a survey conducted on rattan craftsmen in relation to the training they have attended, it turns out that some of the actors of business have attended training. However, the training did not match to what they need. Reviewing from some of these problems, it indicates the business performance of rattan craftsmen in Pekanbaru is still low.

Generally, the low performance of the business reflects the inability of the actors of business to manage their business. Clearly, it is due to the lack of knowledge regarding the handicraft industry utilizing rattan as raw material, and the business is still in the criteria of a family business. If seen from the length of the business time having been run, it should have developed well.

Based on the results of previous research on small and medium-sized enterprises (SMEs) in Pekanbaru, it is concluded that many factors cause low business performance such as lack of knowledge regarding financial management, low entrepreneurial motives, and lack of training, and community culture (Susi et al., 2018). Based on the research results, it is clear that low financial management skills, lack of training, community culture and entrepreneurial motives have a significant effect on business performance.

Business performance can be improved through training and the presence of high entrepreneurial motives, as well as strengthened by the spirit of entrepreneurship among the actors of business. Business performance is said to be good when characterized by an increase in operating profit as seen from an increase in sales, a growing market share and an increase in the number of employees.

The increase in business performance will very likely be realized if the actors of business have a high entrepreneurial spirit. Definitely, they will constantly try to improve and develop their business in a more strategic direction. The entrepreneurial spirit is a person's talent. If someone has an entrepreneurial spirit, it is not challenging for him/her to run a business in a better direction. Even so, this entrepreneurial spirit can also be created through training that is in accordance with the business being run and the high entrepreneurial motives that business actors get from both their internal and external environment.

Based on the description above, the authors conducted a study entitled "a strategy to improve the performance of creative industry businesses utilizing rattan as raw material in Pekanbaru."

Identification and Research Question

Based on the aforementioned research background, the writers formulate the following research questions:

- 1. Does the training affect the business performance of creative industries utilizing rattan as raw material in Pekanbaru?
- 2. Does entrepreneurial motive affect the business performance of creative industries utilizing rattan as raw material in Pekanbaru?
- 3. Does the entrepreneurial spirit affect the business performance of creative industries utilizing rattan as raw material in Pekanbaru?
- 4. Does the training affect the business performance of creative industries utilizing rattan as raw material in Pekanbaru which is moderated by the entrepreneurial spirit?
- 5. Does the entrepreneurial motive affect the business performance of creative industries utilizing rattan as raw material in Pekanbaru which is moderated by the entrepreneurial spirit?



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Research Purpose and Objective

Purpose and objectives of this study are:

- 1. To discover to what extent the effect of the entrepreneurial spirit on the business performance of creative industries utilizing rattan as raw material in Pekanbaru.
- 2. To discover to what extent the effect of the entrepreneurial spirit on the business performance of creative industries utilizing rattan as raw material in Pekanbaru.
- 3. To discover to what extent the effect of the entrepreneurial spirit on the business performance of creative industries utilizing rattan as raw material in Pekanbaru.
- 4. To discover to what extent the effect of the training on the business performance of creative industries utilizing rattan as raw material in Pekanbaru which is moderated by the entrepreneurial spirit.
- 5. To discover to what extent the effect of the training on the business performance of creative industries utilizing rattan as raw material in Pekanbaru which is moderated by the entrepreneurial spirit.

Research Significance

Research results are expected to be useful both theoretically (academically) and practically, for details are as follows:

Theoretical Significance

- a. It can provide input for creative industries utilizing rattan as raw material in Pekanbaru, in connection with the steps taken to improve the business performance of creative industries, especially which utilizing rattan as raw material in Pekanbaru.
- b. For writers, this research is useful to increase knowledge and insight regarding a strategy to develop a creative industry utilizing rattan as raw material in Pekanbaru.

Practical Significance

- a. The study results are expected to add to the discourse of science and research development in the strategy to increase businesses performance of creative industry utilizing rattan as raw material in Pekanbaru.
- b. The study results are expected to explain the relationship between the strategy to increase businesses performance of creative industry utilizing rattan as raw material in Pekanbaru.

Literature Review Performance

Mangkunegara (2007) states that the term of performance is from job performance or actual performance (actual work performance or actual

achievement achieved by a person) is the quality and quantity of work achieved by an employee in carrying out her/his duties in accordance with the responsibilities assigned to her/him.

Indicators of Business Performance

- 1. Business Growth
- 2. Profit Increase
- 3. Increase in Product Sales
- 4. Increase in the Number of Human Resources
- 5 Market Share

Entrepreneurial Spirit

To develop an entrepreneurial spirit, several stages are needed, including internalization, paradigm alteration, spirit of initiation, and competition. Internalization is the stage of cultivating the entrepreneurial spirit through the construction of knowledge about the entrepreneurial spirit and the field in business.

Indicator of Entrepreneurship

- 1. Orientation to the uniqueness of the product
- 2. Use of Technology
- 3. Don't stop at opportunities
- 4. Dare to take risks
- 5. Starting a business from scratch

Training

Rivai (2010) states that training is a process of systematically changing employee behavior to achieve organizational goals.

Indicator of Training according to Muhammad Noer (2016)

- Improving skills;
- 2. Reducing the rate of work accidents;
- 3. Improving quality;
- 4. Increasing productivity;
- 5. Improving work ethic;
- 6. Improving discipline

Entrepreneurial Motive

According to Buchari Alma (2013: 89): Motivation is the willingness to do something, while motive is a need, desire, drive or impulse. A person's motivation depends on the strength of his motive.

Indicator of Entrepreneurial Motive

- 1. Business development
- 2. Prosperity increases
- 3. Recognition of effort
- 4. Achievement oriented
- 5. Achievement of competitive advantage

Framework of Thinking

Based on the above framework, a research model is formulated as shown below:



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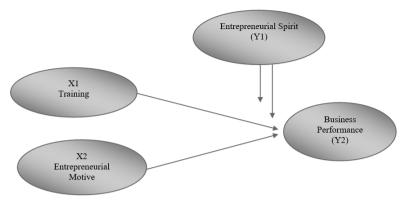


Figure 1. Thinking Model

Research Hypothesis

Based on the aforementioned framework of thinking above, the writers formulate the following research hypothesis:

- 1. There is effect of Training on the business performance of creative industries utilizing rattan as raw material in Pekanbaru.
- 2. There is effect of the entrepreneurial spirit on the business performance of creative industries utilizing rattan as raw material in Pekanbaru.
- 3. There is effect of the entrepreneurial spirit on the business performance of creative industries utilizing rattan as raw material in Pekanbaru.
- 4. There is effect of the training on the business performance of creative industries utilizing rattan as raw material in Pekanbaru which is moderated by the entrepreneurial spirit.
- 5. There is effect of the training on the business performance of creative industries utilizing rattan as raw material in Pekanbaru which is moderated by the entrepreneurial spirit.

Research Method Research Site and Time

This study was conducted on creative industries utilizing rattan as raw material in Pekanbaru. The implementation of the study was carries out for 6 (six) months.

Data Type and Source

According to Umar (2009: 42), types of data can be grouped into two, namely primary and secondary data, and both types of data are used in this study. Further, Umar stated:

- a. Primary Data
- b. Secondary Data

Population and Sample

Ferdinand (2006) states that population is a combination of all elements in the form of events, things or people having similar characteristics becoming the center of attention of a researcher (the object to be studied). In this study, the population is all rattan craftsmen in Pekanbaru, as many as 40 people.

Data Collection Technique

In this study, the data collection method used was the census method, where all the population is sampled (saturated sample).

Data Analysis Technique

In this study, the data analysis tool used was descriptive and inferential analysis.

Research Instruments Test

- 1. Validity is evidence that the instrument, technique, or process used to measure a concept actually measures the concept intended. The validity test aims at measuring the validity of a statement system.
 - a. If rcount>rtable, it means that the question item is valid
 - b. If rcount<rtable, it means that the question item is invalid
- 2. Reliability Test

Reliability is an index showing the extent to which a measuring device can be trusted or relied upon. If a measuring device is used twice or more to measure the same symptoms, and the results obtained are relatively consistent, the measuring device is reliable. Reliability test aims at measuring the consistency of a person's answer to the statement items in the questionnaire. Sekaran (2006)

Classical Assumption Test

1. Multi-correlation Test

The multi-correlation test aims at determining whether the relationship between the independent variables has a multi-correlation problem (multicollinearity symptoms) or not.

The basics of the decision-making process:

- a. If the VIF value <10, there is no multicollinearity symptom among the independent variables.
- b. If the VIF value> 10, there is multicollinearity symptom among the independent variables.
- 2. Normality test



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The normality test aims at determining whether a data distribution is normal or not. The test criteria are as follows:

- a. The significance of the Kolmogorov-Smirnov test Sig. > 0.05 indicates that the data are normally distributed.
- b. The significance of the Kolmogorov-Smirnov test Sig. <0.05 indicates that the data are not normally distributed

3. Auto-correlation Test

According to Wijaya in SarjonoHaryadi (2011), the autocorrelation test aims at testing whether in the linear regression model there is a correlation between disturbance errors.

Decision of the existence of autocorrelation:

- a. When the DW value is between dU and 4 dU, the correlation coefficient is zero. It means that there is no autocorrelation.
- b. If the DW value is less than dL, the correlation coefficient is greater than zero. It means that there is a positive autocorrelation.
- c. If the DW value is greater than 4 dL, the correlation coefficient is smaller than zero. It means that there is a negative autocorrelation.
- d. If the DW value lies between 4 dU and 4 Dl, the results are inconclusive

Hypothesis Test Coefficient of Determination (R²) Test

The amount of the coefficient of determination (R^2) on the independent variable. The coefficient of determination (R^2) is said to be strong or weak, that is, if (R^2) approaches the number 1, it means that the effect of the independent variables is simultaneously considered strong, and if (R^2) approaches zero (0), the effect the independent variable on the dependent variable simultaneously is weak.

F-test

To test the significance of the effect of training and entrepreneurial motives simultaneously on entrepreneurial spirit and business performance of the actors of creative industry utilizing rattan as raw material in Pekanbaru, the F-test was used.

The test criteria are:

- a. If Fcount is greater than Ftable(Fcount>Ftable), it shows that the independent variables together have a significant effect on the dependent variable.
- b. If Fcount is smaller than Ftable (Fcount<Ftable), the result shows that the independent variables together have no significant effect on the dependent variable.

t-test

To test the significance of the effect of training and entrepreneurial motives partially on entrepreneurial spirit and business performance of the actors of creative industry utilizing rattan as raw material in Pekanbaru, the t-test was used.

- a. If toountis greater than t table (t count> t table), it shows that the independent variables together have a significant effect on the dependent variable.
- b. If toountis small than t table (t count t table), it shows that the independent variables together have no significant effect on the dependent variable

Furthermore, for data processing results from the writers' questionnaire using the Statistical Product and Service Solution program (SPSS VERSION 17.00).

General Conditions of The Research Area History of Rattan Handicrafts in Pekanbaru, Riau

Pekanbaru as the capital of Riau Province is a very strategic city and has been designated as one of the national strategic areas. Pekanbaru is not only focused on the construction of goods terminals, but also the development of new industrial estates. Thus, it can fully support various existing large, medium and small industries.

Rumbai is one of the sub-districts in Pekanbaru which is strategically located where land and river transportation is a great way to support business development. One of the small businesses having the potential to develop in the Rumbai sub-district of Pekanbaru is a rattan handicraft business, which is a small, traditional industry and is a family business.

Initially, the location of the rattan handicraft center in Pekanbaru, around 1960 to 1970, was in the city center, precisely on Jalan M.Yamin. The craftsmen then moved their handicraft to YosSudarso, Rumbai sub-district, Pekanbaru. The reason they moved this handicraft business place was because it needed a bigger place, and the Rumbai area was a very strategic area to sell their handicrafts because it was close to the residential area of the Chevron oil company formerly known as Caltex. Since the relocation of the location, this rattan handicraft business has been more advanced.

Raw Materials of Rattan Handicraft

Raw materials of the rattan industry in the subdistrict of Rumbai, Pekanbaru, are obtained from several regions, for more details, see the following table:



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Table 2. Raw Materials Of Rattan Handicrafts And Their Origin

No	Raw Materials	Origin
1	Rotan Dandan (Calamus schitolantus Blume)	Riau dan West Sumatra
2	Rotan Manau (Calamus manan Miquel)	Riau dan West Sumatra
3	Rotan ManauPadi (Calamus marginatus [Blume] Mart)	Riau dan West Sumatra
4	Rotan ManauTikus (Calamus tumidus Furtado)	Riau dan West Sumatra
5	Rotan ManauRiang (Calamus oxleyanus T et B)	Riau dan West Sumatra
6	Rotan Lilin (Calamus javensis)	Riau dan West Sumatra
7	Rotan Semambu (Calamus ScipionumLour)	Riau dan West Sumatra
8	Rotan Tunggal	Riau dan West Sumatra

From Table 2, it can be seen that the raw materials used to make rattan handicraft are obtained from Riau and West Sumatra. It is of course very easy for rattan craftsmen and does not cost a lot of money to distribute.

Products and Types of Rattan Handicrafts

The types of products produced by the rattan handicraft industry in Rumbai sub-district, Pekanbaru, are quite diverse. It can be seen in Table 3 below:

Table 3. Products And Types Of Rattan Handicrafts

No	Products and Types of	Difficulty Level in
	Rattan Handicrafts	Product Making
1	Stick	Easy
2	Movable Food Cover	Easy
3	Rice Pads/Plates	Easy
4	Hula-hoop	Easy
5	Rice Bowl	Easy
6	Decorative Lights	Easy
7	Palm Basket	Moderate
8	Clothes Basket	Moderate
9	Clothes Horse	Moderate
10	Mattress Beater	Moderate
11	Room Divider	Moderate
12	Horse Riding Toys	Hard
13	Baby Swing	Hard
14	Rocking Chair	Hard
15	Easy Chair	Hard
16	Guest Chair	Hard
17	Guest Table	Hard

Based on the data in Table 3, it can be seen that products made from rattan have different levels of difficulty in their manufacture, and special expertise is needed in making them.

Research And Discussion Instrument Test Reliability Test

The results of the reliability test on the variable indicators of this study, which are business performance, entrepreneurial spirit, training and entrepreneurial motives, show that the indicators are realistic where cronbach's alpha ≥ 0.6 .



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Table 4. Reliability Of Business Performance Variables
Reliability Statistics

Cronbach's	Cronbach's Alpha Based on Standardized			
Alpha	Items	N of Items		
.921	.924	5		

Table 5. Reliability of Entrepreneurial Spirit Variables
Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.943	.943	5

Table 6. Reliability of Training Variables
Reliability Statistics

Cronbach's	Cronbach's Alpha Based on Standardized	
Alpha	Items	N of Items
.872	.874	5

Table 7. Reliability of Entrepreneurial Motive Variables
Reliability Statistics

·				
Cronbach's	Cronbach's Alpha Based on Standardized			
Alpha	Items	N of Items		
.885	.887	5		

Table 8. Reliability Value Each Variable

	Tuble of Renubinty value Each variable					
No	Variable	Cronbach's Alpha				
1	Business Performance	0.921				
2	Entrepreneurial Spirit	0.943				
3	Training	0.872				
4	Entrepreneurial Motive	0.885				

Validity Test

Based on the validity test conducted on the variable indicators of this study, it was found that all indicators of research variables consisting of business performance, entrepreneurial spirit, training and entrepreneurial motives were declared valid because

rcount>rtable where the rcountvalue can be seen in the corrected item - total correlation, namely rcount>rtable (0.785> 0.3120 with df n-2=40-2=38. It means that the indicator is said to be valid and other indicators are said to be valid because > 0.3120



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Table 9. The Validity Value of Business Performance Variables Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
KU1	11.80	14.985	.785	.632	.906
KU2	11.90	15.631	.785	.706	.905
KU3	11.90	15.323	.742	.664	.915
KU4	11.83	14.558	.834	.711	.896
KU5	11.88	15.958	.855	.762	.895

Table 10. The Validity Value of Entrepreneurial Spirit Variables
Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
JE1	11.25	14.551	.919	.858	.916
JE2	11.40	14.605	.845	.778	.931
JE3	11.55	15.946	.794	.639	.939
JE4	11.45	15.792	.821	.705	.934
JE5	11.55	15.536	.855	.731	.928

Table 11. The Validity Value of Training Variables
Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
PEL1	11.48	13.076	.692	.514	.847
PEL2	11.70	13.344	.702	.539	.846
PEL3	11.78	12.281	.669	.497	.855
PEL4	11.83	12.507	.722	.541	.840
PEL5	11.73	12.410	.724	.530	.839

Table 12. The Validity Value of Entrepreneurial Motive Variables Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
MB1	11.58	13.789	.775	.610	.849
MB2	11.75	13.321	.767	.637	.850
MB3	11.68	13.815	has	.546	.863
MB4	11.53	14.615	.668	.487	.872
MB5	11.48	12.666	.712	.545	.866



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Classical Assumption Test Residual Normality Test

Table 13. Normality Test Each Variable One-Sample *Kolmogorov-Smirnov* Test

		BUSINESS PERFORMA NCE	Zscore: TRAINI NG	Zscore: ENTREPRENEU RIAL MOTIVES	Zscore: ENTREPRENEU RIAL SPIRIT
N		40	40	40	40
Normal Parameters ^{a,b}	Mean	14.1740654	.000000	.0000000	.0000000
	Std. Deviation	4.21881224	1.00000 000	1.00000000	1.00000000
Most Extreme	Absolute	.079	.107	.076	.107
Differences	Positive	.079	.082	.076	.060
	Negative	057	107	076	107
Test Statistic		.079	.107	.076	.107
Asymp. Sig. (2-taile	d)	.200 ^{c,d}	.200 ^{c,d}	.200 ^{c,d}	.200 ^{c,d}

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.
- d. This is a lower bound of the true significance.

Data are normally distributed where Sig > 0.05

Table 14. Normality Test for Overall Variables One-Sample *Kolmogorov-Smirnov* Test

		Unstandardized Residual
N		40
Normal	Mean	.0000000
Parameters ^{a,b}	Std. Deviation	1.12896075
Most Extreme	Absolute	.080
Differences	Positive	.077
	Negative	080
Test Statistic		.080
Asymp. Sig. (2-ta	ailed)	.200 ^{c,d}

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.
- d. This is a lower bound of the true significance.

Based on the results of the study, it can be stated that the residuals of the regression model carried out are normally distributed. It can be seen from the significance> 0.05, which is 0.02, meaning that the normality assumption is met.

Multicollinearity Test



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Table 15. Multicollinearity Coefficients^a

		Collin	earity Statistics
	Model	Tolerance	VIF
1	(Constant)		
	Zscore: TRAINING	.179	5.597
	Zscore: ENTREPRENEURIAL MOTIVES	.204	4.903
	Zscore: ENTREPRENEURIAL SPIRIT	.372	2.692
	ABSX1X3	.640	1.564
	ABSX2X3	.591	1.692

Multicollinearity test aims at determining whether in the regression model there is a correlation between independent variables or not. The results show that there is no correlation between independent variables. It can be seen from the VIF <10. It means that the regression model is free of correlation between variables.

Heteroscedasticity Test

The heteroscedasticity test is used to determine whether there are deviations from the classic Heteroscedasticity assumption, namely the inequality of variants and residuals for all observations in the regression model, or not. Heteroscedasticity can lead to inefficient estimation of its parameters, so that it does not have a minimum variety. The parameter estimation is considered efficient because it has a minimum variance. Hence, the residual variance is constant.

The impact that will occur if there is a state of heteroscedasticity is that it is difficult to measure the actual standard deviation, which can result in a standard deviation that is too wide or too narrow. If the error rate of the variance continues to increase, the level of confidence will be narrower. To detect whether there is heteroscedasticity or not, one of which is by looking at the scatter plot. The basis for decision making according to Ghozali (2005) is:

- If there is a regular pattern on the chart, like dots forming the above regularity (wavy, widened then narrowed), it indicates heteroscedasticity has occurred.
- 2. If there is no clear pattern, as well as dots that spread above and below the number 0 on the Y axis, then heteroscedasticity will not occur.

The following is a scatter plot image of the structural model to determine whether heteroscedasticity occurs or not in this study:

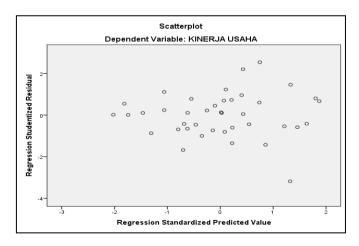


Figure 2. Scatter plot Heteroscedasticity Test Results

It can be seen from Figure 2 above that Hetroschedasticity does not occur where the data does not form a certain pattern based on the scatter plot.

Residual Normality Test



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Table 16. Autocorrelation Test Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1	.964ª	.928	.918	1.20912636	1.914

a. Predictors: (Constant), ABSX2X3, Zscore: ENTREPRENEURIAL MOTIVES, ABSX1X3, Zscore: ENTREPRENEURIAL SPIRIT, Zscore: TRAINING

b. Dependent Variable: BUSINESS PERFORMANCE

Table 16 shows that the Durbin Watson (DW) test results of this study amounted to 1,914. It means that there is a correlation between the residuals (confounding errors) in this regression model. It can

be seen from the decision rule whether there is autocorrelation where 0 < d < dl, where du < d < 4 - du = 1,721 < 1,914 < 4 - 1,721.

Coefficient of Determination (R2)Test

Table 17. Results of the Coefficient of Determination (R2)

Model Summary^b

Model	R	R Square	Adjusted R Square
1	.964ª	.928	.918

a. Predictors: (Constant), ABSX2X3, Zscore: ENTREPRENEURIAL MOTIVES, ABSX1X3, Zscore: ENTREPRENEURIAL SPIRIT,

Zscore: TRAINING

b. Dependent Variable: BUSINESS PERFORMANCE

The value of the coefficient of determination found in this study is 0.928, meaning that 92.8% of the variability of the dependent variable (Business Performance) can be explained by the independent variable (Entrepreneurial Spirit, Training and Entrepreneurial Motives), the remaining 7.2% is explained by other variables not included in the regression model.

Simultaneous Test (F-Test)

The simultaneous effect test is used to determine whether the independent variables jointly or simultaneously affect the dependent variable. The simultaneous test results can be seen in Table 18 below.

Table 18. Result of F-test ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	644.429	5	128.886	88.158	.000b
Residual	49.708	34	1.462		
Total	694.137	39			

a. Dependent Variable: BUSINESS PERFORMANCE

b. Predictors: (Constant), ABSX2X3, Zscore: ENTREPRENEURIAL MOTIVES,

ABSX1X3, Zscore: ENTREPRENEURIAL SPIRIT, Zscore: TRAINING

Based on Table 18 above, the results of the F-test carried out in this study found that joint training, entrepreneurial motives, entrepreneurial spirit had a

significant effect on business performance where the value of Fcount<Ftable (0.00 < 0.05).

Hypothesis Test



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Table 19. Individual Test Results Coefficients^a

	Unstandardized Coefficients		Unstandardized Coefficients		
Model	В	Std. Error	Beta	t	Sig.
1 (Constant)	13.359	.322		41.481	.000
Zscore: TRAINING	1.005	.458	.238	2.194	.035
Zscore: ENTREPRENEURIAL MOTIVES	.189	.429	.045	.440	.663
Zscore: ENTREPRENEURIAL SPIRIT	2.996	.318	.710	9.433	.000
ABSX1X3	1.244	.550	.130	2.263	.030
ABSX2X3	.342	.518	.039	.659	.514

Hypothesis test 1: The Effect of Training on Business Performance

Based on the research results shown in Table 5.24, training has a significant effect on business performance at sig 0.03. It can be concluded that Ha is accepted, and Ho is rejected. It means that the hypothesis is proven.

Hypothesis test 2: The Effect of Entrepreneurial Motive on Business Performance

The results showed entrepreneurial motives affect business performance but not significant, where the α count value > 0.05, namely 0.663 > 0.05. In this case, the hypothesis can be proven where Ho is accepted and Ha is rejected.

Testing Hypothesis 3: The effect of Entrepreneurial Spirit on Business Performance.

In Table 5.24. shows that the entrepreneurial spirit has a significant effect on business performance where the sig. value $< 0.05 \ (0.00 < 0.05)$ means that Ha is accepted and Ho is rejected. Then, it can be concluded that the hypothesis is proven.

Testing Hypothesis 4: the effect of training on the businesses performance of creative industry utilizing rattan as raw material in Pekanbaru which is moderated by the entrepreneurial spirit.

In Table 5.24. shows that training has a significant effect on the businesses performance of creative industry utilizing rattan as raw material in Pekanbaru which is moderated by entrepreneurial spirit where the sig. value $< 0.05 \ (0.03 < 0.05)$ means that Ha is accepted and Ho is rejected. Then, it can be concluded that the hypothesis is proven.

Hypothesis Testing 5: the effect of entrepreneurial motives on the businesses performance of creative industry utilizing rattan as raw material in Pekanbaru which is moderated by the entrepreneurial spirit.

In Table 5.24. shows that entrepreneurial motives have no significant effect on the businesses performance of creative industry utilizing rattan as in Pekanbaru, which is moderated by the entrepreneurial spirit. It is where the sig. value $< 0.05 \ (0.0514 < 0.05)$

means that Ha is rejected and Ho is accepted. Then, it can be concluded that the hypothesis is unproven.

Discussion

The Effect of Training on Business Performance

The results of statistical tests prove that training has a significant effect on business performance. High or low business performance can be seen from several indicators, such as: business growth, profit increase, product sales on target, an increase in number of employees, increased consumers buying these products. Based on respondents' responses to business performance, the average business performance is not optimal. This is the condition for each business actor. It seems that what the experts state is proven in this study, namely training can affect business performance. Looking at the answers of respondents when asked about training indicators, on average the answers are good although some of these business actors still say that the training followed can increase the production of their rattan products. In addition, the rate of work accidents should be reduced after participating in special training for making rattan products. However, in reality, this is not the case. In the descriptive analysis, it can be seen that the answers of respondents with the lowest scores are indicators of training improvement. In fact, only a few answered strongly agree. It means that many actors of business are not oriented towards improving actually very useful training for increasing the quality and variety of products as well as knowledge about business management.

Training can affect business performance very much supported by the results of research in other handicraft industries. So many benefits can be obtained by participating in training such as increasing productivity, reducing the number and cost of work accidents, optimal financial management, increasing awareness of new technology, all of which are of course highly expected by every business actor. However, they are very concerned about the lack of



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these business actors to attend the training they actually need. Paying attention to the reality among business actors who are less oriented towards increasing skills, and enriching new skills and mastering other aspects needed in managing a business, can already be linked to the acquisition of business performance they have initiated for a long time. In addition, statistically, it has proven that training has a significant effect on business performance. It means that if the training is not enough, the business performance will not be optimal. According to the theory put forward by many experts such as Mathis (2006); Desler (2010), which basically states that training will improve one's skills and knowledge, if so, training will certainly be able to improve one's performance and business performance.

The Effect of Entrepreneurial Motives on Business Performance

The results of statistical tests show that entrepreneurial motives affect business performance but not significantly. This result can be explained that there is still low motive or motivation within these business actors, thus describing the lack of seriousness and uncertainty about the rattan business being run. If so, it can be believed that business performance will difficult to be improved. Based on the recapitulation of respondents' answers, it turns out that the business performance of these business actors has not been optimal. Moreover, when paying attention to respondents' answers related to entrepreneurial motives, it turns out that it is still far from what was expected. Although each indicator asked, if the answer is averaged, it shows a good value, there are even indicators with very high scores based on the rank value determined in this study, which is related to the desire for this business to be accepted by the community.

However, the desire without enthusiasm to make it happen through various consumer-oriented efforts is certainly meaningless. There are many ways that can be done to attract consumers' attention to this rattan-based product. If business actors are creative and continue to innovate on the products produced, of course, consumers will pay attention and want to buy. To be able to create and innovate requires a strong motive or encouragement in the rattan business actors. However, it turns out that the entrepreneurial motive among these business actors is still lacking, and it can be proven by looking at the business performance that is not optimal and statistically appears to have an effect but not significant.

The Effect of Entrepreneurial Motives on Business Performance

The results of statistical tests prove that Entrepreneurial Spirit has a significant effect on business performance. The entrepreneurial spirit represents a spirit of independence to seek a source of income by launching a business or channeling one's creativity to become a land for income. It is genuinely what business actors have, so that they move to pursue this rattan business. The higher the entrepreneurial spirit that can be seen from the existence of this entrepreneurial spirit, it is believed that it can improve business performance.

From the recapitulation of respondents' answers, on average, it can be stated that entrepreneurs possess an excellent entrepreneurial spirit. It is evidenced by the establishment of the rattan business according to their skills. Experts say that if someone possesses a excellent entrepreneurial spirit, it can improve business performance. However, when looking at the business performance as the results of this study that are not optimal, there are doubts about the entrepreneurial spirit possessed by these entrepreneurs. The diversity of responses from the recapitulation of respondents' answers shows that not all entrepreneurs possess a distinctly excellent entrepreneurial spirit. It means the entrepreneurial spirit is high but does not pay attention to many things related to his business such as attention to the uniqueness of the product, looking at the virtues of technology that should be the concern of a business actor for the continuity of his business.

The Effect of Training on Business Performance Moderated by Entrepreneurial Spirit

Based on the test results, it proves that training causes a significant effect on business performance, moderated by the entrepreneurial spirit. The results of this test can convince us the training followed will make business performance increase because the training followed will increase one's skills and knowledge. Furthermore, if someone possesses an entrepreneurial spirit, which can strengthen one's performance achievements, of course, she/he has an impact on improving business performance.

If entrepreneurial spirit, which is a spirit of independence, is owned by business actors, it is believed to be able to bring success to the business being run. To grow the entrepreneurial spirit, it is actually not difficult. Start with the intention and belief in doing business, enthusiastic about seeing opportunities, willing to learn from other people's success stories, focus on entrepreneurship, learning to improve selling ability, things like that if paid attention will make a person able to develop his business quickly. In accordance with the results of this study, the entrepreneurial spirit can mediate the effect of training on business performance.

The Effect of Entrepreneurial Motives on Entrepreneurial Spirit Moderated Business Performance

Based on the test, the results show the entrepreneurial motive has an effect on business performance, but the entrepreneurial spirit cannot be



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moderated. Why is that, of course, because motive alone is not enough to produce optimal work, even though one's motive is quite clear. Motive is an impulse in humans arising because of a need to be fulfilled. Everyone will have high motives for the hopes they want to realize. However, motive alone is insufficient to realize these expectations or to fulfill the intended needs. The motive must be accompanied by an entrepreneurial spirit, so that business continue performance can increasing. entrepreneurial spirit describes the existence of independence in a person in deciding the direction of a business and is always able to show high creativity, persistence and not giving up easily found in the entrepreneurial spirit.

The study results show there are weaknesses in the entrepreneurial motives and spirit of business actors, even though both the motive, and the entrepreneurial spirit are both needed entrepreneurs to improve their business performance. If the question is, which is more important between the entrepreneurial motive and the entrepreneurial spirit, It is felt that both are important and even very important. Many previous research results prove there is a relationship between motive and the increase of performance, as well as entrepreneurial spirit and the increase of business performance. In addition, when it is questioned which is more needed between the two, of course, both are very much needed because the goal is both to be able to improve business performance. It is just the orientation of the motivation is different.

One of the entrepreneurial motives is circumstances, while the entrepreneurial spirit is determination, enthusiasm, in which there is effort, courage to try, willing to learn and ambition to achieve success. If we look closely, the level of success will be obtained quickly when a person has an entrepreneurial spirit. It is even though there is some evidence that conditions compel her/him or motivate her/him to work hard to meet his/her need. However, to be precise, the two things, both entrepreneurial motives and entrepreneurial spirit, must be shared by a business actor, so that business performance can continue increasing.

Conclusions And Suggestions Conclusions

1. The average business performance among business actors of the handicraft utilizing rattan as raw material has not shown any improvement. It can be seen from the absence of an increase in the number of employees illustrating that there is not much work to be done due to low sales and orders. Another condition can also be seen from the operating profit which did not increase.

2. The results of the hypothesis 1 test of training has a significant effect on business performance. Based on the recapitulation of respondents' answers, there are still those who do not feel the benefits of the training followed by the five indicators asked, namely Business Development, An Increase in Welfare, Recognition of Business, Performance Oriented and Achieving Competitive Advantage.

= 6.630

= 1.940

=4.260

= 0.350

- 3. The results of the hypothesis 2 test of entrepreneurial motives affect business performance but not significantly, meaning that entrepreneurial motives are not strong enough to encourage the increase of business performance.
- 4. The results of the hypothesis 3 test of the entrepreneurial spirit have a significant effect on business performance. The entrepreneurial spirit needs to be improved so that business actors are more creative in producing unique products and are technology-oriented.
- 5. The results of the hypothesis 4 test of training has a significant effect on business performance moderated by the entrepreneurial spirit. The training followed had an impact on business performance and was strengthened by an entrepreneurial spirit.
- 6. The results of the hypothesis 5 test of the entrepreneurial motives have no significant effect on business performance moderated by the entrepreneurial spirit. It means entrepreneurial motives do not have an impact on business performance without an entrepreneurial spirit.

Suggestions

- To improve business performance, business actors should focus on increasing sales. By participating in the training, it seeks to grow an entrepreneurial spirit and be committed to existing entrepreneurial motives.
- 2. Training needs to be improved, and the training needed is more directed at how to make unique products with good quality, and learning to be able to work more discipline in using equipment, so that work accidents can be avoided.
- 3. The existing and various entrepreneurial motives for each business actor should be able to be an encouragement in building a more serious business; the key is hard work.
- 4. Cultivating an entrepreneurial spirit can be done by learning from the success of other businesses, learning to love the challenges of doing business, focusing on doing business and most importantly starting a business with the intention and belief.

Conflict of Interest

The authors declare no conflict of interest with this research paper.



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