

ENTREPRENEURIAL ORIENTATION AND ENTREPRENEURSHIP TRAINING: A STRATEGY IN INCREASING MARKET ORIENTATION OF CULTURE AND BUSINESS PERFORMANCE OF SMES BATIK JAMBI

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Abstract

The weakness of SMES is on the aspects of business management and market. The main goal of this research is to analyze the effect of entrepreneurial orientation and entrepreneurship training on performance of small and medium enterprise business Batik Jambi with a market orientation as an intervening variable. Primary and secondary data collection was conducted through surveys, studies of the literature and observations. The instruments used are questionnaire. Sample research are the SMEs Batik Jambi in Jambi province, Indonesia. The sampling collecting using convenience sampling. By using path analysis tool, the results showed there was a significant positive influence on entrepreneurial orientation and entrepreneurship training on performance of the business. The results showed there was also a significant influence entrepreneurial orientation and entrepreneurship training towards market orientation.

Keywords: entrepreneurial orientation, market orientation, entrepreneurship training, business performance

Introduction

Basically the SMEC has enormous business potential, the products it produces unique and relatively affordable by consumers. The implementation of the ASEAN Economy Community (AEC) by 2015 it will be a challenge at the same time opportunities for perpetrators of SMALL MEDIUM ENTERPRISES to improve the performance of its business. It is necessary for strengthening competitiveness and determining the right strategy in order to be able to Excel and win the competition (Syukriah and Hamdani, 2013). Batik industry is one of the types of small and medium industries which focus on creating a product is the result of cultural development of the nation and has its own characteristics. Based on a proposal from the Government, UNESCO Batik Indonesia into the Representative List because it meets the criteria, among others, rich with symbolism and philosophy of life of the people of Indonesia; contribute to the rights of intangible cultural heritage in the present and in the future. Since UNESCO gave the recognition of batik as Indonesia's cultural heritage, batik craft businesses growing and show increased production levels. This fact is also shown by the handicraft industry Batik Jambi, Jambi batik Business where scale medium (20-30 batik) and household scale (2-5 batik artisans) grew mushrooming. Currently in Jambi province there are over 1,500 batik craftsmen with over 100 batik. About 80 percent of which are located in the city of Jambi.

There are several factors that may affect directly or indirectly against the performance of the business. Entrepreneurial orientation (entrepreneurial orientation) is an important factor in influencing business performance in addition to other factors. There is a positive relationship between entrepreneurial orientation towards business performance (Ginta, 2014). Together with the management capabilities and business strategies, entrepreneurial orientation can improve business performance is believed to be SMALL MEDIUM ENTERPRISES (Ibrahim, 2013). Basically the key to support the efforts of fostering entrepreneurship in small and medium-sized employers are from innovative, proactive and risk taking ability (Kreiser and Davis, 2010). Many of the results of research which found that there was significant influence between market orientation and business performance (Asgar et.al, 2013; Moghaddam et. Al, 2013). There are influences between entrepreneurial orientation towards market Orientation and organizational performance (Felgueira and Rondrigues, 2012). Market orientation is a culture to gather consumer values and processes continuously to create the most value for customers. Market orientation as the alignment against the consumer orientation, orientation competition, coordination function and the orientation of the profits (Kohli and Jaworski, 1993). The increasing level of competition in the market then employers should think of a way to give the product a better value compared with its competitors. Generally small and medium entrepreneurs were still focusing on the