

The Influence of Motivation, Entrepreneurial Commitment, and Business Networks on the Sustainability of MSMEs

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Abstract

Business continuity as an important concept in determining the decision to continue business operations. The key to business sustainability includes economic and non-economic benefits for individuals, the economy and society. To survive, the pecel chili industry in Madiun City must have motivation, commitment, and business networks in running a business. The purpose of this article is to examine the important role of motivation, entrepreneurial commitment, and business networks and their influence on business sustainability, a study on Sambal Pecel MSMEs in Madiun City. This study uses a quantitative method to prove the influence of the variables studied. The unit of analysis for this study was the Sambal Pecel in the Madiun City area with a total of 57 Sambal Pecel respondents. Entrepreneurial motivation, entrepreneurial commitment, and business networks have an important role in the sustainability of Sambal Pecel in Madiun City. This is as evidenced by the results of multiple linear regression analysis which has proven the results of the significant influence of entrepreneurial motivation, entrepreneurial commitment, and business networks on the sustainability of the Sambal Pecel in Madiun City.

Keywords: Entrepreneurial Motivation, Entrepreneurial Commitment, Business Networks, Sustainability, Sambal Pecel

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Introduction

Community economic development is fundamental to the survival of the community itself. Community survival is determined by economic growth. Community economic growth can be shown from how the Micro, Small and Medium Enterprises (MSME) sector develops through developing its potential. Developing the potential of MSMEs can be carried out through the development of dynamic creative industries so that it can improve the quality of life of all MSME members (Halim, 2020). Creative industries can be a solution to the saturation of national economic growth. The creative industry has enormous potential if it can be developed properly. This potential can be assessed from a trade balance surplus, increased added value, employment, and can become a source of new economic growth in the region (Ichsana, Andiga K.N & Verenab, 2020).

The journey and development of business in an effort to grow the economy depends on the enthusiasm, attitude, behavior and abilities of business actors (Decree of the Minister of Cooperatives and Small Entrepreneur Development, 1995) and these factors are manifested through the motivation and commitment of business actors in sustaining MSMEs and facing competition. Factors that are considered to influence the development of MSMEs are business networks (Lestari, 2015). Business networks, product innovation, and business competition affect the development of micro, small and medium enterprises and the better the business network that is built, the better the business development (Herman, Bahtiar & Nohong, 2022).

Several research reviews have been carried out by previous researchers on research topics regarding the important role of entrepreneurial motivation, commitment to entrepreneurship, business networks on business sustainability. Among them are Qustolani and Hernita who stated in their research results that entrepreneurial motivation is the driving force for increasing a person's interest in entrepreneurship (Qustolani, Asep & Hernita, 2023). The greater the motivation a person has, the greater the effort to realize his goals. Furthermore, Raflah and Pratama provide evidence that entrepreneurial motivation has a positive effect on interest in entrepreneurship (Raflah, Wan J. dan Pratama, 2020). This means that if entrepreneurial motivation is provided intensively or continuously, it will increase people's interest in entrepreneurship. The role of entrepreneurial motivation is also considered to influence entrepreneurial passion, so that in later situations it will be able to explain business success (Vembri A.R, 2019). The level of success in entrepreneurship depends on how much motivation a person has (Sari, Siti H. Sumarno, 2022). According to Fahrurrozi et al (2020), entrepreneurial motivation is needed to be able to identify business opportunities, then utilize business opportunities to create new job opportunities (Fahrurrozi, Muh. Jailani, Huzain. Utomo, Danang P. Putra, 2020). The main factors that influence the formation of entrepreneurial motivation in individuals (Mahto, R. V., & McDowell, 2018).

Apart from motivation, entrepreneurial commitment is an important component of entrepreneurial values. Entrepreneurial commitment has an important role in the sustainability of a business. Through commitment to entrepreneurship, business actors will have a strong self-attachment and desire to build, advance and maintain the existence of their business in any situation. Commitment is a very important part and is the key to success in running an entrepreneur. With a commitment starting from within oneself, all individual and

organizational goals will be achieved in accordance with the targets that have been set. This commitment will encourage an entrepreneur to carry out his obligations and responsibilities so that his business can continue to progress and develop (Purwaningsih, 2021). Individuals with higher entrepreneurial commitment choose entrepreneurship as a long-term career, and they will voluntarily devote their time and energy to obtain information and resources to maintain business development (Wang, C., & Zhang, 2022).

Another factor that needs to be considered in relation to MSME constraints is the business network. Business networks are used to organize coordination and create cooperation between elements in the organization. According to Herman and Nohong (2022), elements in the organization are business units and non-business units that facilitate the implementation of business units (Herman, Bahtiar & Nohong, 2022). Business social networks play an important role in organizational results and performance (Anwar, Muhammad & Shah, 2018). Building and using business networks, increasing company size and diversity, and understanding and maximizing the benefits of networks will be beneficial for entrepreneurs (Doyle, Wendy and Young, 2018). Effective entrepreneurial networks can be achieved, especially among SMEs where owners/managers facilitate the formation of an innovation ecology to exist (Mayanja, 2020).

Tanti and Dewi (2020) in their research found positive and significant results that the sustainability of Millennial MSME businesses was significantly influenced by the use of social networks, creativity and business capital (Tanti, G A Surya. Dewi, 2020). Entrepreneurial sustainability arises from consumer concern for introducing products, processes and services for profit, where profit includes economic and non-economic benefits for individuals, the economy and society (Jayaratne, M. Mort, G.S. and D'Souza, 2019). Business sustainability is directly and significantly influenced by the role of MSME business actors' perceptions, which is manifested through the motivation and commitment of business actors in running their businesses in order to survive (Yanti, N; Hermalani, 2019). This also applies to the Madiun City pecel chili sauce industry. In order to survive, pecel chili business actors must have motivation and commitment in running the business, especially in the current economic conditions.

The purpose of this article is to examine the important role of motivation, entrepreneurial commitment, and business networks and their influence on business sustainability, a study of Sambal Pecel MSMEs in Madiun City. Based on literature reviews from several previous studies, researchers have not found much influence between entrepreneurial motivation, entrepreneurial commitment, and business networks on the sustainability of MSMEs. Therefore, the research framework that the researcher proposes is as shown in the following picture,

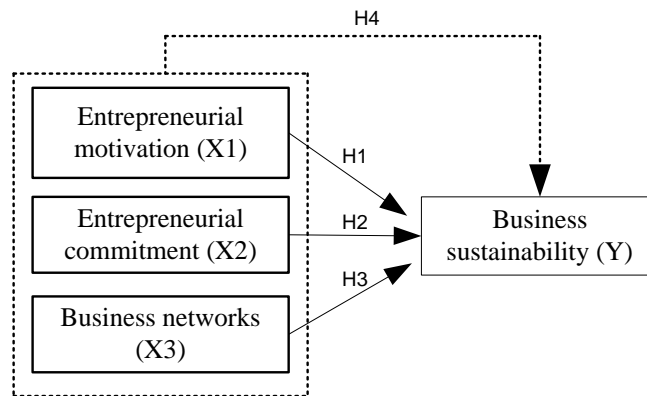


Figure 1. Research framework
Source: Researcher 2024

Based on the framework in Figure 1, the hypothesis of this research is:

- H1 : Entrepreneurial motivation has a significant and partially positive effect on business sustainability
- H2 : Entrepreneurial commitment has a significant and partially positive effect on business sustainability
- H3 : Business networks have a significant and partially positive effect on business sustainability
- H4 : Entrepreneurial motivation, entrepreneurial commitment, and business networks simultaneously have a significant influence on business sustainability

Methodology

The research uses quantitative methods to prove the influence of the variables studied. The unit of analysis for this research is MSMEs with sambal pecel in the Madiun City area, while the respondents are MSMEs owners with a population of 68 MSMEs. Respondents were given several statements to answer perceptions related to the variables of entrepreneurial motivation, entrepreneurial commitment, business network and sustainability of the sambal pecel business. The variables and indicators for this research variable are as follows:

Table 1. Research Variables and Indicators

Variable	Indicator	Reference
Entrepreneurial motivation (X1)	1. The need for achievement	Wastam, W. H. (2020)
	2. Risk taking	
	3. Tolerate uncertainty	
	4. Trust in yourself and others (<i>locus of control</i>)	
	5. Confidence	
	6. Independence	
	7. A strong desire	
	8. Creativity	
Entrepreneurial commitment (X2)	1. Self-attachment and a strong desire to build one's business	Rauf, R. (2020)
	2. Self-attachment and a strong desire to advance one's business	
	3. Self-attachment and a strong desire to maintain the existence of the business	

Business network (X3)	1. Obtain the required resources from business partners	Herman and Nohong (2022)	
	2. Get needed resources from friends		
	3. Obtain required resources from agents		
	4. Obtain needed resources from mentors		
Business sustainability (Y)	1. Income	Yanti et al (2018)	
	2. Business growth		
	3. Product quality		
	4. Competitiveness	Wijayanti and Hanandia (2022)	
	5. Business environmental conditions		
	6. Ways to maintain business		
	7. Develop existing resources		
	8. Making whatever is needed can be fulfilled		Tanti and Dewi (2020)
	9. Securing intergenerational equity		

Source: Researcher 2024

This research takes the entire population as respondents, so the form of this research is a census. The data collection technique is by giving questionnaires to MSMEs owners of pecel sauce. Respondents were asked to provide a statement by choosing one of the five Likert scale answer options provided. To prove the hypothesis, multiple regression analysis techniques and analysis tools using SPSS software are used.

Result and Discussion

Based on the distribution of questionnaires, research data was obtained. Before the data is processed, data testing is carried out to ensure that the processed data meets the requirements for data analysis. Tests on the data carried out were validity and reliability with a summary of the results as follows,

Table 2. Summary of Validity and Reliability Test Results

Data Testing	Results	Criteria	Summary
Validity test	Corrected Item-Total Correlation of all intermediate variable indicators 0,327 s/d 0,642	Corrected Item-Total Correlation Value $\geq r$ table (with $dk = 57 - 3$) = 0.256	All research variables were declared valid because the Corrected Item-Total Correlation for each indicator variable was greater than 0.256
Reliability test	Alfa Cronbach test 0,747	The calculation results are greater than Cronbach's Alpha 0.60	The research measuring instrument was declared reliable because the Cronbach's Alpha value was greater than 0.60

Source: Data processing 2024

Multiple linear regression analysis

Multiple linear regression analysis was carried out with the t test and F test. The t test was used to partially test each independent variable, namely entrepreneurial motivation, entrepreneurial commitment, and business network on

the sustainability of Madiun City pecel SMEs. The results of the t test and F test are as shown in table 3 and table 4.

Table 3. t Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	18.022	3.092		5.829	.000
Entrepreneurial motivation (X1)	.230	.093	.293	2.476	.017
Entrepreneurial commitment (X2)	.538	.157	.406	3.435	.001
Business network (X3)	.313	.113	.285	2.778	.008

a. Dependent Variable: business sustainability (Y)

Source: Data processing 2024

Table 4. F Test Results

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	140.340	3	46.780	14.538	.000 ^a
	Residual	170.537	53	3.218		
	Total	310.877	56			

a. Predictors: (Constant), Social network, Entrepreneurship Commitment, Entrepreneurship Motivation

b. Dependent Variable: business sustainability

Source: Data processing 2024

Meanwhile, the results of data processing are related to the coefficient of determination (R square) as in table 4 below,

Table 5. Coefficient of Determination Value

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.672 ^a	.451	.420	1.794

a. Predictors: (Constant), Social network, Entrepreneurship Commitment, Entrepreneurship Motivation

Source: Data processing 2024

Based on the results of the t test in table 2, a multiple linear regression equation model for this research can be created as follows,

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

$$Y = 18,022 + 0,230X_1 + 0,538X_2 + 0,313X_3 + 0$$

The multiple linear regression equation means:

1. If all independent variables (X) have no effect on business sustainability (Y) or the value of the independent variable = 0 then the value of business continuity = 18.022
2. If the value of the entrepreneurial motivation variable (X1) increases by 1 (one) unit then the value of the business sustainability variable (Y) will increase by 0.230 units assuming the values of the entrepreneurial commitment variable (X2) and business network (X3) are constant
3. If the value of the entrepreneurial commitment variable (X2) increases by 1 (one) unit then the value of the business sustainability variable (Y) will increase by 0.538 units assuming the values of the entrepreneurial motivation variable (X1) and business network (X3) are constant
4. If the value of the business network variable (X3) increases by 1 (one) unit, the value of the business sustainability variable (Y) will increase by 0.313 units, assuming the values of the entrepreneurial motivation (X1) and entrepreneurial commitment (X2) variables are constant.

Based on table 3, it also shows the results of hypothesis testing (H1, H2, H3, H4), namely the partial and simultaneous influence of the independent variables in the model on the sustainability of the Madiun City sambal pecel business with the acceptance criteria that the hypothesis will be accepted if the p-value of each variable independent of the sustainability businesses ≤ 0.05 (determined level of significance). A summary of the results of the decision to accept the hypothesis is as follows,

Table 6. Summary of Hypothesis Acceptance Results

Hypothesis	Variable relationships	p-value	Results
H1	X1 \rightarrow Y	0,017	Hypothesis H1 is accepted
H2	X2 \rightarrow Y	0,001	Hypothesis H2 is accepted
H3	X3 \rightarrow Y	0,008	Hypothesis H3 is accepted
H4	X1,H2,H3 \rightarrow Y	0,000	Hypothesis H4 is accepted

Source: Data processing 2024

The results of this research prove that the sustainability of the Madiun City sambal pecel business has been influenced by the entrepreneurial motivation of MSMEs actors. Sambal pecel have a need for achievement, are reliable risk takers, tolerant of uncertainty, have a good locus of control, have self-confidence, independence in running their business, a strong desire to progress and have high creativity. These results clarify the results of research conducted by Sari and Sumarno that the level of entrepreneurial success for business sustainability depends on how much motivation a person has (Sari, Siti H. Sumarno, 2022).

The sustainability of sambal pecel is also influenced by the entrepreneurial commitment of MSMEs actors in running their business. The entrepreneurial commitment of sambal pecel is demonstrated by the self-attachment of business actors and their strong desire to build and expand, advance and maintain the existence of their business. The results of this research are supported by the results of research conducted by Rauf which states that entrepreneurial commitment

influences business performance (Rauf, 2020). With good business performance, business continuity will continue. The findings of this research also support research conducted by Purwaningsih and Burhanudin which states that entrepreneurial commitment will encourage an entrepreneur to carry out his obligations and responsibilities so that his business can continue to progress and develop (Purwaningsih, 2021).

Apart from motivation and commitment to entrepreneurship, the business network owned by MSMEs plays an important role in the sustainability of the Madiun City sambal pecel. The business network owned by MSMEs for sambal pecel which supports business continuity is used by sambal pecel to obtain the various resources they need. The business network they have includes business partners, friends, agents, as well as mentors or assistance from the government and higher education institutions. These findings support the results of research conducted by Herman and Nohong which examined the influence of networks on the development of MSMEs (Herman, Bahtiar & Nohong, 2022). The sustainability of the sambal pecel in Madiun City is simultaneously influenced by entrepreneurial motivation, entrepreneurial commitment, and business networks. The sustainability of sambal pecel demonstrated by the perceptions of business players regarding income results, business growth, product quality, competitiveness, business environmental conditions (Yanti, N; Hermalani, 2019); ways to maintain a business, the ability to develop existing resources (Wijayanti, A & Hanandia, D, 2022), being able to create something that has value in the eyes of consumers, and trying to always secure equity between generations (Tanti, G A Surya. Dewi, 2020).

Conclusion

Entrepreneurial motivation, entrepreneurial commitment, and business networks have an important role in the business sustainability. Business sustainability can be realized through introducing the products, processes and services offered to consumers. Business sustainability is realized through the motivation and commitment of sambal pecel business actors in running their business in order to survive.

The findings of this research add support to theory and previous research results related to entrepreneurial motivation, entrepreneurial commitment, and social networks in relation to business sustainability, especially MSMEs. Apart from that, the results of these findings prove to MSMEs. MSMEs must maintain and increase their entrepreneurial motivation, commitment to running a business and the business network they currently have for the business sustainability they run.

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