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# Determinants of the Small and Medium Enterprises Progress: A Case Study of SME Entrepreneurs in Manado, Indonesia

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## Abstract

The purpose of this study is to descriptively reveal the demographic and business profile and personal-entrepreneurial characteristics in Manado, the capital of North Sulawesi, and secondly to associate these profiles and characters to their business progress. A sample size of 21 respondents was drawn - selected from those who warmly welcomed the interviewers for an open-ended structured questionnaire. SPSS 24 has been employed to descriptively reveal the sample distribution according to demographic factors and business entities and to determine the dominant factors affecting the progress of the business by testing the hypothesis on the association of variables under study using specified statistical analytical tools, such as regression analysis, especially stepwise regression formula, between specified dependent variables and independent variables and /or between all variables. The stepwise regression analysis has enabled the researcher to determine which variables are the most important reflecting the personal characteristics theorized as "locus of control": self-efficacy, needs for achievement, personal traits, and barriers to business progress The analysis reveals that the progress of business does have an association and is dependent on the source of capital and education, needs for achievement and locus of control.

**Keywords:** Small and Medium Enterprises, SMEs Manado, Entrepreneurs

**JEL Classification Code:** D11, D47, E32, L83, Z33

## 1. Introduction

In general, economic policies are formulated with the aim of increasing the growth of "output" in the form of the production of goods and services needed (demanded) by individuals. Resources (resources) availability (supply) is relatively limited but the need (demand) is unlimited.

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Consequently, limited resources must be managed efficiently, based on economic principles. Namely, humans as "economic man" manage limited resources to get the maximum benefit from these limited resources. From an economic perspective (both macro and micro), economic growth is generated from an "economic policy" on how normative state management manages limited resources (land, labor, capital), economically, efficiently, by using technology and management in various market conditions which are subject to the law of "supply and demand". Initially, various economic growth policy strategies were referred to as "mainstream economic theory", both macroeconomics (classical and Keysenian) and microneoclassical, which were based on the assumption of humans as "homo economicus" or "economic men" (Adam Smith).  Homo economicus, or economic human, is the figurative human being characterized by the infinite ability to make rational decisions, that is, humans are rational and will attempt to maximize their utility for both monetary and non-monetary gains. The theory states that economic growth is mainly based on the existence of "business activities" in which companies succeed in increasing the "value-added" of limited resources. The increase in value-added relies on the company's ability to process production factors (Xi) to

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produce products (Q) more efficiently and economically. Small and medium enterprises (SMEs), in recent years, have attracted great interest as an object of study because they are characterized as a key to stability, wealth, and the economy of a country (Robinson & Pearce, 1983).

According to the economic view, especially neoclassical economics, the Q (Quantity) produced, depends on nature (magnitude and direction (slope) of the "input-output" relationship, which is generally formulated in the form of an econometric statistical relationship, both linear and non-linear. The management of limited resources by the company is through various "business entities." The sustainability of a company is determined by its ability to generate "profit" which requires strategic management to provide overall direction by developing plans and policies designed to achieve objectives and then allocating resources to implement the plans. Ultimately, strategic management is for organizations to gain a competitive edge over their competitors. On a broader scale, differences in economic growth are not mainly determined by the wealth of "resource endowments", but by "managerial skills", the quality of human resources, both in terms of the human resources as business actors and human resources in the formulation of "economic policies". This is why economic policies that are formulated based on the "mainstream economic theory" are considered insufficient, becoming an ineffective reference. Even though its role is still recognized as a "necessary condition", it is necessary to have a "sufficient condition", and that "sufficient condition" is to increase the quality of entrepreneurship of the wider community. Experts generally agree that growing entrepreneurship and multiplying "entrepreneurs" must be done for economic growth and development. This view originated from McCain (2018) theory of "entrepreneurship" which is defined as " the process of designing, launching and running a new business, which is often initially a small business. The people who create these businesses are called entrepreneurs. This formula application has been successful in transforming the economy in many countries (Naude, 2013). Historical statistical data shows that the rapid progress of a country's economy is largely determined by the number of "innovators" and "entrepreneurs", and therefore almost all countries including Indonesia strive to encourage the growth of "entrepreneurs." These efforts are not only to increase growth but also to overcome poverty and income inequality between community and regional groups.

In Indonesia, the majority of businesses are informal MSMEs but absorb about 90% of the workforce. However, they are traditional with low competitiveness. The criteria for business in Indonesia according to Law No. 20 of 2008 are divided into 3 parts: Micro, Small and Medium Enterprises (MSMEs); 50% of national economic growth is contributed by the informal sector, and Indonesia has the largest number of informal sector workers compared to Thailand (55%),

China (51%), and Malaysia (31%). The characteristics of MSMEs are "low productivity" and much lower than the productivity of medium-sized enterprises. Therefore, because the proportion of informal sector businesses in Indonesia is still the largest, the success of increasing the productivity of the informal sector will have a significant effect on the progress of national economic growth. The government is working hard to grow the competitiveness of these MSMEs. Various challenges were faced. Hence, the transformation program from the informal sector to the formal sector is an urgent agenda for each country, including Indonesia, which will build and accelerate economic growth. Because the quality of entrepreneurship is the main determinant for the transformation of the informal sector into the formal sector, the success of the transformation program will be largely determined by the success of the government and especially business actors in the informal sector to increase its "entrepreneurship".

Business people and MSMEs need to improve their entrepreneurial abilities in designing, implementing, and running new businesses that start from micro, small, and develop into medium-sized businesses that are transformed into the formal sector. This ability will depend a lot on various external factors. However, entrepreneurship development programs do not always show a success. One of the success criteria for MSMEs is sustainability. According to Porcar et al. (2017), sustainability is becoming increasingly important for society, and the creation of business ventures is one area where sustainability is critical. We examined the factors affecting actions that are designed to foster business sustainability. These factors are related to the environment, behavior, human relations, and business activity. Based on questionnaire responses from experts, the Analytic Hierarchy Process (AHP) method was used to rank sustainable business criteria according to their importance for entrepreneurs starting sustainable businesses. The results indicate that the most important drivers of sustainable entrepreneurship are behavioral factors and business factors. Ethical principles and values, together with competitive intelligence, are crucial for undertaking actions that lead to sustainability.

Behavioral factors cover 3 (three) categories: Cognitive and motivational factors, values and ethics, and emotional factors. Escalera-Chavez et al (2015) verified whether there is a difference between owner and manager concerning the locus of control, and show whether there is a significant correlation between the variable locus of control and the success of a company in Mexico. Various studies have been conducted to produce recommendations for the preparation of this transformation strategy. The findings showed that the locus of control is not a variable that allows categorization of owner and manager. Also, this study allowed revealed that the owner's locus of control contributes to the success of the SMEs. Even when the work locus of control is an attribute

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with no difference in both other-and owner-manager, it is beneficial in strengthening and developing an organizational culture with high ethical standards, because the managers, with a culture as it is, develop and strengthen over their locus of control.

A number of studies conducted have indeed succeeded in revealing indicative MSME profiles, influencing internal and external determinants, the influence of social, economic, institutional factors on the development of MSMEs, but the authors still have not seen why a similar economic and environmental policy is responded to differently by various groups. For example, between native and non-native. Also, the authors observe there are groups of MSMEs who are provided various facilities from the government, however, they do not develop as expected and are even far backward compared to MSMEs who have developed without government assistance. From the facts above, it can be identified that research problems have not well-understood the determinants that influence the development of the number of "entrepreneurs" and "entrepreneurship" in Indonesia. There are still very few studies on SMEs in Manado that reveal the demographic and personal characteristics of SME entrepreneurs. One of the reasons is that the strengthening and empowerment program of indigenous entrepreneurs that has been carried out is still not effective. Therefore, this research is intended to understand the distribution of entrepreneurs according to demographic and business entity profile and identify the association between personal characteristics and business progress.

## 2. Literature Review

### 2.1. Entrepreneurship

According to Schumpeter (1950, 1961) entrepreneurs are "coordinators of production and agent of change" ("creative destruction"), who are "innovators". Previously, experts had not seen "Schumpeterian Entrepreneurs" as important in the early stages of development. However, it became important at a later stage of development where economic growth is driven by knowledge and competition. Economic growth will be primarily determined by "the emergence of talent, intelligence, and knowledge" as the worldwide economic forces, which means a lot to managers and investors in managing their business in a more competitive market. A study by Hazem et al. (2020) revealed that product and marketing innovation capabilities have a significant impact on SMEs' financial performance while process and organizational innovation capabilities positively influence SMEs' operational performance. Entrepreneurship is an innovative act of gathering all existing resources with the intention to create new wealth (Lee & Kim, 2019).

Entrepreneurship can be considered as an act of being an entrepreneur or "the owner or manager of a business enterprise who, by risk and initiative, attempts to make profits. Sariwulan et al. (2020) determine the direct and indirect effects of digital literacy, economic literacy, and entrepreneurial skills on the performance of small- and medium-sized enterprises (SMEs) in garment clusters in the Bulak tourism industry Depo. The main finding in this study is that digital literacy has the greatest influence on the performance of SME entrepreneurs, both directly and indirectly. The results of the study provided input on performance development strategies for SME entrepreneurs through digital literacy, including digital business relationships, online facilities, and networks. The findings are also complementary to the factors shaping the performance of SME entrepreneurs in the digital age. The research results showed that digital literacy has the greatest direct and indirect influence on the performance of SME entrepreneurs; this shows the essential contribution of digital literacy in developing business and marketing networks.

Effendi et al. (2020) analyzed the behavioral intention to adopt social media in SMEs affected by the COVID-19 crisis, based on the TOE Model. The results of this study indicated that SMEs affected by the COVID-19 crisis have a high awareness of social media and have a high intention to adopt social media as a way to market their products and connect with customers. The intention to adopt social media is significantly influenced by the technological context, organizational context, environmental context, and social media awareness. The findings of this study suggest that in times of crisis due to the COVID-19 pandemic, government support is needed. The government needs to open services for SMEs whose businesses are affected by the pandemic.

According to Kirzner (1973), an entrepreneur is a person who facilitates "adjustments" to seize opportunities created by changes, or for short: "Opportunity-grabbing-for-profit nature of entrepreneurship where market' disequilibria may be common". Another theory, "behavioral theory" where entrepreneurship is associated with the behavior of a person who tends to be a "risk-taker" in an economic environment full of risks and uncertainties, where the "survival rate" of a business, through a "dead valley journey" is relatively small. This high uncertainty environment is the cause of the high number of small businesses in the informal sector. The number of micro and small enterprises in the informal sector is seen as a symptom of an economic environment full of risks and uncertainties. "Economy-wide uncertainty". For that, growing entrepreneurs in this environment require government policies that can reduce risk and uncertainty, and transaction cost.

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**Table 1:** Factor Affecting Entrepreneurial Sustainability

| | | | |
|---|---|---|---|
| Sustainable Enterprise-Neurship | Environmental Surroundings | Sustainability, Social Awareness, Policies Environmental Regulations | |
| | Business Factors | Profit<br>Job Satisfaction<br>Business Management<br>Access to subsidies | |
| | Behavior | Motivation<br>Lifestyles<br>Metacognition | Prosocial, Intrinsic, Extrinsic<br>Flow, Altruism, Compassion<br>Empathy, Ethics, Self Regulation<br>Self-efficacy, Competitive Intelligence |
| | Human Relations | Reputation, Congruence<br>Leadership | |

Source: (Porcar et al., 2017)

## 2.2. Determinant Entrepreneurship

The definition of who is an entrepreneur or what is to be considered as entrepreneurship is confusing (Brockhaus & Horwitz, 1986; Carsrud et al., 1986; Gartner, 1990; Hull et al., 1982; Perry, 1990; Sexton & Van Auken, 1982; Wortman, 1987) and to a certain point even controversial (Carland et al., 1984; Gartner, 1989). Williams (2015) explored the entrepreneurial aspect from the point of view of the characteristics and motives of people entering informal entrepreneurs. In Europe they are mainly men, they are young, educated, have a willingness to work independently, can work manually, some volunteers do not want to work, and generally they are low-income groups and those who live in rural areas. They are scattered in various sectors such as domestic workers, development, personal service, workshops, hotels, restaurants, agriculture, transportation, retailers, etc. Their motives for working consist of 1) necessity-driven. (17%), opportunity-driven (60%), volunteer and a combination of (i) and (ii) and 23% other. In his survey, Williams divides them on the basis of "region, region, gender, age, education, still school. self-employed, managers, "white collar" workers, manual workers, household helpers, retirees. In studying it, Williams uses three theories, namely: modernization theory, structural theory, neo-liberal theory.

## 2.3. Personal Characteristics. (N'Arch, Locus of Control, and Attitude to Risk).

The popular observations of researchers are needs for achievement, from McClelland (1961) and "Locus of Control" and "attitude to risk". According to McClelland (1961), the main characteristics of entrepreneurs are the existence of "desire", a strong desire to do something "excellent", a strong desire to realize (to accomplish) "inner feeling".

According to this theory, individuals with N'arch are those who want to solve problems on their own, setting targets that they can do on their own ("independently"). "Locus of control", theorized by Rotter (1966) focuses on individual perceptions ("individual perception") of the main cause of a situation in his/her life. Individuals with a high internal locus of control believe in their ability to control things that affect them. However, individuals with an "external locus of control" have less trust in their abilities and tend to be dominated by external factors, outside of themselves. In a study by Suminah and Anantanyu (2020), social support has a significant positive impact on the learning process and has a direct negative impact on self-efficacy. According to Azjen (2002) the "Theory of Planned Behavior", namely that "behavior" is determined by "individual's intentions to act" where intentions are "influenced" by "attitude", "subjective norms", and "perceived behavioral control". According to Korunka et al. (2010), personal characteristics, resources, and environmental aspects at the start of business activities explain only a relatively small part of the variance in business survival.

## 3. Research Method and Materials

The research objective is achieved through a research procedure that examines the main hypotheses, namely: business progress (Variable Y) is influenced by two main independent variable factors, namely "demographic factors" and "personality traits" factors.

Demographic Factors: Education and experience; size and source of initial capital; access to credit and capital facilities; access to information; ethnic/cultural background

Personality Traits Factors: Needs for achievement; locus of control and internal locus of control; external locus of control; attitude to risk; attitude to entrepreneurship. The research instrument is "questionnaires" to collect primary data from entrepreneurs.

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The questionnaire consists of three parts, 1. Demographic in nature, 2. Entrepreneur personal characteristics and 3. General information about the "business entities" concerned and their views on the driving and inhibiting factors for moving more forward into the formal sector. Specifically, the types of data asked through interviews with respondents were as follows: Demographic Data: Workers within and outside the family, gender, business status - partners or owned by themselves; core business; marital status, education, age; business experience. Data on Personality Traits: (Characteristics of Economic Behavior of Businessmen): needs for achievement (motivation to start a business, traits), locus of control (internal and external locus of control), attitude to risk, attitude to entrepreneurship, tolerance, and ambiguity, cognitive styles. Additional Information, regarding the views of business people about the driving and inhibiting factors of business progress: inadequate financing, difficult sources of investment, difficulty in supply, difficulty in marketing, tight competition, the difficulty for professional managerial skills,

Ho: Dependent variables are not influenced by the independent variable, namely if $P > 0.05$; then Ho's hypothesis is rejected, or the regression coefficient is "not significant":

If t hit <t table, Ho is accepted, which means that the effect of factor X on Y is not significant. and, vice versa. If t hit> t table, then Ho is rejected, meaning that the effect of factor X on Y is significant. H1: If $P < -0.05$ then the regression coefficient is significant. The dependent variable is significantly influenced by the independent variable if $P < 0.05$

The dependent variable (Y) has an associative relationship and even a regression relationship (determined by) with the independent variable X. The correlation and regression coefficients of these relationships and associations will differ according to differences in gender, marital status, the main source of capital, business location, and level. Depending on the design of the selected variables, the association is tested and/or their influence. The analysis is carried out with the help of SPSS 24. This software is used to process data to see indicators of influence, association, and/or differences, through observation of the ANOVA analysis results and regression correlation results this test must be preceded by the "Cronbach Alpha" validity and reliability test. Initially, the hypothesis will be tested through an analysis of the data to be collected from a sample representing two populations, namely 1) Informal Sector Populations and 2). Formal Sector Populations. However, due to difficulties in interviewing informal sector respondents, respondents were limited to entrepreneur respondents located in the formal sector area in the Manado City Business District. The data was collected through interviews using a structured list of questions, to get a descriptive picture of the structure and legality of the business, factors of production, and the amount of capital assets, the amount of "turnover", as well as management and marketing. The sample size ("sample size"), as many as 20 units of respondents, were selected using a "convenience sampling technique", which is affordable and were respondents willing to be interviewed in detail.

The data collected was first arranged descriptively to obtain a "frequency distribution", the percentage distribution of demographic data, then continued with empirical analysis using correlation and regression statistical methods to see the influence and association between several variables, and between the dependent and independent variables. Three dependent variables are considered dominant as indicators of business development, namely: General business progress (Yu), the development of the number of sales in the last 3 years (Y2), and the development of sales in the last year (Y3). Also seen is the influence of "personal traits" - N'Arch, Locus of Control, self-efficacy, cognitive styles, as well as respondents' views on "driving and inhibiting factors for business progress".

## 4. Result and Discussion

### 4.1. Respondent Distribution Profile

The distribution of businesses was divided into three categories: Self-owned, partnership, and others. The majority of businesses, nearly two-thirds of businesses are self-owned and one-third (33%) are partnerships. Education, in general, is S1, and most businesses are located in urban business areas. In general, these MSMEs are engaged in retailing, only 2 out of 21 UMKM are wholesalers. Concerning the trend of progress, around 75% reported progress, generally by groups of entrepreneurs aged 20-40 years with a bachelor's degree, and there seems to be no significant difference between indigenous and non-indigenous entrepreneurs, between self-owned companies and partnerships, where the capital is considered important for progress. Total 21 SMEs in all locations increased - 15, constant - 3, and decreased - 3. The total increase was in city center -9, outskirt - 9 and out of city - 3. A total of 21 SMEs in all ethnic groups increased by 15, constant 3, and decreased 3. The number increased by most, is indigenous 15 and non-native 6. The total of 21 SMEs in all education, increased - 15, constant - 3, and decreased - 3. The highest was bachelor degree - 10 followed by senior high school - 4. Total 21 SMEs in all ownership increased by 15, constant - 3 and decreased - 3. The highest increase was private - 10 and joining -5.

### 4.2. Regression Motivation To Start up and Attitude to Entrepreneurship

Based on data analysis using SPSS, the variable regression of "motivation to start up" was obtained as follows:

The regression coefficient for the "continue variable" is -1.471 and insignificant, "the business friend" variable is 0.059 and not significant, the "no alternative variable" is -0.504 and insignificant, the variable "be own boss" is -0.0723 and is significant and the variable "comply with basic needs" is 0.765 and insignificant. A regression equation can be drawn up with the value of Constant and the coefficient of variable X in column B, and the sig value of variable X is analyzed. The regression equation is as follows:

$$Y = 5.454 - 1.471X1 + 0.059X2 - 0.504X3 - 0.723X4 + 0.765X5.$$

The regression coefficient for the "good organization" variable is 0.251 and not significant, the "follow other people" variable is 0.006 and not significant, the "motivation variable" is -0.379 and significant, the variable "competency" is 0.269 and not significant and the variable imagination is -0.444 and significant. A regression equation can be drawn up with the value of Constant and the coefficient of variable X in column B, and the sig value of variable X is analyzed. The regression equation is as follows:

$$Y = -0.460 + 0.251X1 + 0.006X2 + 0.379X3 + 0.269X4 - 0.444X5$$

### 4.3. Regression Cognitive and Locus of Control

Based on data analysis using SPSS, the variable regression of "attitude to entrepreneurship" was obtained as follows:

The regression coefficient for the problem "knowledge" variable is 0.210 and not significant, the "planning" variable is -0.380 and not significant, the "vision variable" is -0.235 and not significant, the variable "structure of system" is -0.172 and not significant and the variable "out of boundary" is 0.308 and not significant, the variable "plan detail" is -0.106 and not significant. A regression equation can be drawn up with the value of Constant and the coefficient of variable X in column B, and the sig value of variable X is analyzed. The regression equation is as follows:

$$Y = 2.949 + 0.210X1 - 0.380X2 - 0.235X3 - 0.172X4 + 0.308X5 - 0.016X6.$$

The regression coefficient for the "Life is my own" variable is -0.373 and significant, the "Own effort" variable is -0.068 and not significant, the "Follow Other People" variable is 0.313 and significant, the variable "Follow Boss" is 0.090 and not significant and the variable "Uncertainty" is -0.247 and not significant, A regression equation can be drawn up with the value of Constant and the coefficient of

variable X in column B and the sig value of variable X is analyzed. The regression equation is as follows:

$$Y = 2.692 - 0.373X1 - 0.068X2 + 0.313X3 + 0.090X3 - 0.247X4$$

### 4.4. Regression Efficacy and Attitude to Risk

Based on data analysis using SPSS, the variable regression of "attitude to entrepreneurship" was obtained as follows:

The regression coefficient for "I am classified as an easy person to give up" variable is 0.229, "Unable to face unexpected things" variable is 0.119, "Quickly stop if you don't immediately understand something new" variable is -0.071, "Continue to face unpleasant situations" variable is -0.211, "Even if it's complicated, keep trying' variable is 0.118, "Will keep trying until it's finished" variable is 0.120 and Sure the plan will be is 0.365. A regression equation can be drawn up with the value of Constant and the coefficient of variable X in column B, and the sig value of variable X is analyzed. The regression equation is as follows:

$$Y = -0.665 + 0.229X1 + 0.119X2 - 0.071X3 - 0.211X4 + 0.118X5 + 0.120X6 + 0.365X7.$$

The regression coefficient for "my Life is my own" variable is -0.373, "Success because of his own efforts" variable is -0.068, "Life is influenced by other people" variable is 0.313, "Must please the boss" variable is 0.090, and "Life is determined by uncertainty" variable is 0-.247. A regression equation can be drawn up with the value of Constant and the coefficient of variable X in column B, and the sig value of variable X is analyzed. The regression equation is as follows:

$$Y = 2.692 - 0.373X1 - 0.068X2 + 0.313X3 + 0.090X4 - 0.247X5$$

### 4.5. Regression Tolerance and Trait

Based on data analysis using SPSS, the variable regression of "attitude to entrepreneurship" was obtained as follows:

The regression coefficient for "Distracted by the thought of doing the original" variable is 0.037, "How to live long is better?" variable is 0.126, the "Always be careful" variable is 0.183, "Easy to be suspicious of strangers" variable is 0.056, "Ignorant of the problem" variable, the "solution is not clear" variable is 0.043. Through this Table 2, a regression equation can be drawn up with the value of Constant and the Coefficient of variable X in column B, and the sig value of variable X is analyzed. The regression equation is as follows:

**Table 2:** Tolerance

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t |
|---|---|---|---|---|---|
| | | B | Std. Error | Beta | |
| 1 | (Constant) | -.136 | 1.558 | | -.087 |
| | Distracted by the thought of doing the original | .037 | .334 | .029 | .112 |
| | How to live long is better? | .126 | .196 | .172 | .641 |
| | Always be careful | .183 | .166 | .272 | 1.105 |
| | Easy to be suspicious of strangers | .056 | .151 | .102 | .371 |
| | Ignorant of the problem, the solution is not clear | .043 | .165 | .070 | .262 |

**Table 3:** Trait

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t |
|---|---|---|---|---|---|
| | | B | Std. Error | Beta | |
| 1 | (Constant) | 2.971 | 1.236 | | 2.404 |
| | Let it be difficult to keep going | -.327 | .262 | -.287 | -1.246 |
| | This work is my goal | .336 | .253 | .306 | 1.332 |
| | The best work may be challenging | .195 | .218 | .187 | .894 |
| | There is no stopping | -.555 | .192 | -.599 | -2.887 |

**Table 4:** Efficacy

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t |
|---|---|---|---|---|---|
| | | B | Std. Error | Beta | |
| 1 | (Constant) | 2.949 | 1.088 | | 2.710 |
| | It is important to fully understand the problems | .210 | .216 | .274 | .973 |
| | It is important to have a clear plan | -.380 | .335 | -.371 | -1.137 |
| | Must know the future agenda that will be worked on | -.235 | .423 | -.242 | -.556 |
| | Need a clear structure and system in doing | -.172 | .260 | -.197 | -.662 |
| | Out of Boundary | .307 | .177 | .475 | 1.734 |
| | Happy for the detail plan | -.016 | .375 | -.014 | -.042 |

$$Y = -0.136 + 0.037X_2 + 0.126X_3 + 0.183X_4 + 0.056X_5 + 0.043X_6$$

The regression coefficient for the "Let it be difficult to keep going" variable is -0.327, "This work is my goal" variable is 0.336, "The best work may be challenging" variable is 0.195, "There is no stopping" variable is 0.555 and Through this Table 3, a regression equation can be drawn up with the value of Constant and the coefficient of variable X in column B and the sig value of variable X is analyzed. The regression equation is as follows:

$$Y = 2.971 - 0.327X_1 + 0.336X_2 + 0.195X_3 - 0.555X_4$$

### 4.6. Regression Efficacy and Needs for Achievement

Based on data analysis using SPSS, the variable regression of "attitude to entrepreneurship" was obtained as follows:

**Table 5:** Needs for achievement

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t |
|---|---|---|---|---|---|
| | | B | Std. Error | Beta | |
| 1 | (Constant) | 3.569 | 1.490 | | 2.396 |
| | Improve Social Position | -.251 | .227 | -.324 | -1.108 |
| | Let it be difficult to keep going | -.608 | .373 | -.533 | -1.629 |
| | This work is my goal | .477 | .316 | .435 | 1.509 |
| | There is no stopping | -.717 | .299 | -.773 | -2.394 |
| | Give it all your heart | .322 | .348 | .249 | .926 |
| | my Life is my own | .272 | .280 | .311 | .971 |
| | Success because of his own efforts | -.065 | .157 | -.101 | -.415 |

The regression coefficient for "It is important to fully understand the problems" variable is 0.210, "It is important to have a clear plan" variable -0.380, "Must know the future agenda" variable "that will be worked on" variable is -0.235, "Need a clear structure and system in doing" variable is -0.172, "Out of Boundary" variable is 0.307 and "Happy for the detail plan" variable is -0.016. Through this Table 4, a regression equation can be drawn up with the value of Constant and the coefficient of variable X in column B, and the sig value of variable X is analysed. The regression equation is as follows:

$$Y = 2.949 + 0.210X_1 - 0.380X_2 - 0.235X_3 - 0.172X_4 + 0.307X_5 - 0.016$$

The regression coefficient "Improve Social Position" variable is -0.251, "Let it be difficult to keep going" variable is -0.608, "This work is my goal" variable is 0.477, "There is no stopping" variable is -0.717, "Give it all your heart" variable is 0.322, "my Life is my own" variable is 0.272. "Success because of his own efforts" variable is -0.065. Through this Table 5, a regression equation can be drawn up with the value of Constant and the coefficient of variable X in column B, and the sig value of variable X is analyzed. The regression equation is as follows:

$$Y = 3.569 - 0.251X_1 - 0.608X_2 + 0.477X_3 - 0.717X_4 + 0.322X_5 + 0.272X_6 - 0.065X_7$$

## 5. Conclusion

Factors of motivation for start-ups are "continue, business friend, no alternative, be own Boss, comply basic needs, attitude toward entrepreneurship good organization follows other people, motivation, competency, imagination, and cognitive". Factors of problem knowledge are "planning, vision, the structure of the system, out of boundary and plan detail". Factors of the locus of control are "life is my own, own effort, follow other people, and follow boss uncertainty". Factors of efficacy are "I am classified as an easy person to give up, unable to face unexpected things, quickly stop if you don't immediately understand something new, continue to face unpleasant situations even if it's complicated, keep trying, will keep trying until it's finished and sure the plan will be". Factors of attitude to risk are "my life is my own, success because of my own efforts, life is influenced by other people, must please the boss, life is determined by uncertainty". Factors of tolerance are "distracted by the thought of doing the original, how to live long is better, always be careful, easy to be suspicious of strangers and ignorant of the problem, the solution is not clear". Factors of personal traits are "let it be difficult to keep going, this work is my goal, the best work may be challenging, there is no stopping and the factors of need for achievement are to improve social position, let it be difficult to keep going, this work is my goal, there is no stopping, give it all your heart, my life is my own, success because of my own efforts".

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