THE INFLUENCE OF TECHNOPRENEURSHIP AND BUSINESS NETWORK COMPETENCY TOWARDS THE COMPETITIVE ADVANTAGE OF *SME* IN THE MIDDLE OF THE COVID-19 PANDEMIC

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ABSTRACT

The purpose of this study was to determine the partial and simultaneous positive effect of Technopreneurship Competence and Business Networks on the Competitive Advantage of MSMEs in the Midst of the Covid-19 Pandemic. The population of this research is SMEs in Surakarta. The research sample consisted of 100 MSMEs in Surakarta with used proportional random sampling. The data collection techniques used questionnaires and interviews. Multiple linear regression analysis was used to analyze the influence of Technopreneurship Competence and Business Networks in shaping the Competitive Advantage of MSMEs. The results show that technopreneurship competence and business networks have a significant effect on the competitive advantage of MSMEs in the culinary field in Surakarta. The contribution of independent variables consisting of technopreneurship competence and business networks to the competitive advantage of SMEs in the culinary field in Surakarta is 71.9% while the remaining 28.1% is influenced by other factors.

Keywords: Technopreneurship Competence; Business Network; MSME Competitive Advantage

Introduction

It is undeniable, in the midst of the corona virus or Covid-19 pandemic, it turns out that all business sectors are affected. This includes the micro, small and medium enterprise (MSME) sector whereas during the previous crises, both the 1998 and 2008 crises, this sector was relatively strong. However, at present the MSME sector is so distraught that its business is hampered and may not even survive. Based on the survey results, as many as 96% of MSME actors claimed to have experienced the negative impact of Covid-19 on their business processes. 75% of them experienced a significant decline in sales. Not only that, 51% of MSME players believe that it is very likely that the business they run will only last one month to the next three months. As many as 67% of MSME actors experience uncertainty in obtaining access to emergency funds, and 75% feel they do not understand how to make policies in times of crisis. Meanwhile, only 13% of MSMEs believe they have a crisis management plan and find solutions to maintain their business. Facing this pandemic, MSME actors should be able to determine business strategies with the concept of always paying attention to high opportunities that must be utilized quickly and well for efforts to develop and grow their businesses. However, there are many obstacles that occur related to the competencies possessed, including the low managerial ability and decision making by small business actors which makes their business not develop.

Competitive advantage for MSMEs is important in order to increase the sustainability of their business. Many factors can affect the competitive advantage of SMEs, including the competence factor of the entrepreneur. The competence of business people in the digital era as it is today needs to be supported by the ability to master technology, especially information

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and communication technology. This is because there are many conveniences and opportunities in business by utilizing advances in communication and information technology. Technopreneurship competence is one of the important factors in supporting the competitive advantage of a business. Kurniawan and Yun (2018) explain that entrepreneurial competence has a positive and significant influence on business competitive advantage. Muslikah, et al., (2018) in their research also explains that entrepreneurial competence has a direct positive and significant effect on business competitive advantage.

Competitive advantage is not only influenced by the competence of business people (entrepreneurs) but also by business network factors. Business network as a form of organization in the economic field is used to regulate coordination and create cooperation between elements within the organization. These elements are generally in the form of business units, can also be non-business units, but are elements in a series that facilitates the operation of business units. The organization in question can be formal or informal (Prabatmodjo, 1996). Producing a product or service and making that product or service available to buyers requires building relationships not only with customers but also with key suppliers and intermediary sellers in the company's supply chain (Kotler and Armstrong, 2008: 39).

The influence of business networks on business continuity has been proven by previous studies such as research led by Sari, et al., (2020) which explains that business networks have a positive and significant influence on competitive advantage. In addition to other studies that investigate the effect of business networks on competitive advantage, Lestari, et al., (2015) explained that business networks have a positive and significant impact on competitive advantage. From the results of the previous research, it is described that the business network has a positive and significant effect on competitive advantage.

Based on the description of the problems above, the focus of this research is to discover how much influence the competence of technopreneurship and business networks has on the competitive advantage of MSMEs, especially in the culinary business in Surakarta. The goal to be achieved from the results of this study is to analyze the influence of technipreneurship competence and business networks on the competitive advantage of SMEs in the culinary field in Surakarta as a solution to the problems that occur related to the problem of technopreneurship competence, business networks and the competitive advantage of SMEs in the culinary field in Surakarta. The results of this study are expected to be able to provide answers to problems that occur related to technopreneurship competencies, business networks and the competitive advantage of SMEs. The problem formulation in this study is as Does the competence of technopreneurship and business network affect the competitive advantage of SMEs in the culinary field in Surakarta?

Material And Method

The research was held in Surakarta with the object of research being SMEs in the culinary field. The research population is all MSME actors in the culinary field in Surakarta which are recorded at the Surakarta Department of Industry, Trade, Cooperatives and MSMEs as of December 31, 2019, there are 987 people. The sampling technique in this study used proportional random sampling of 10%, so that the sample of this study was taken as many as 100 respondents. The variables of this study consisted of independent variables including

Technopreneurial Competence (X1) and Business Networks (X2); the dependent variable is the Competitive Advantage of SMEs (Y). The data collection method used a questionnaire, while the measurement method was a questionnaire method using a Likert scale. The data analysis technique used quantitative analysis techniques with multiple linear regression test, t test, F test, and coefficient of determination test which was carried out using the SPSS version 17 program.

Results And Discussion

The result description of the respondent's assessment related to this research variable are known as the assessment of technopreneurship competence, the majority of respondents, namely 41 respondents (41%) have a good assessment of technopreneurship competence. Assessment of the business network factor, the majority of respondents, namely 59 respondents (59%) have a fairly good assessment of the business network factor. Assessment of the competitive advantage variable, the majority of respondents, namely 56 respondents (56%) have a fairly good assessment of competitive advantage.

Independent Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	В	Std. Error	Beta		
(Constant)	-14.005	1.184		-11.797	0.000
Technopreneurship	1.110	0.048	0.714	23.131	0.000
Competence				23.131	0.000
Business Network	0.505	0.049	0.317	10.267	0.000
Dependent Variable	: the competitive advantage of MSMEs				
F	: 127.894				
Sig.	: 0.000				
R ² Adj	: 0.719				

The calculated F value is 127.894 with a p-value of 0.000 which is smaller than 0.05 so that the model in this research is fits the data. The results of the coefficient of determination (R2) in this study acquired the value of the coefficient of determination (R2) of 0.719. Thus, the contribution/proportion of the influence of the independent variables consisting of technopreneurship competence and business networks on the competitive advantage of MSMEs is 71.9%, while the remaining 28.1% is influenced by other factors. The results of this study specify that the selection of the independent variable used to predict the dependent variable is correct, considering the results of the coefficient of determination in this study are relatively large.

The regression coefficient value of each variable, namely the competence of technopreneurship and business network, has a positive value, which means that each of these variables has a positive influence on the competitive advantage of SMEs in the culinary field in Surakarta. Thus, if there is an increase in technopreneurship competence and business

networks, it will be able to increase the competitive advantage of SMEs in the culinary field in Surakarta with the assumption that other variables are held constant.

The results of partial hypothesis testing with t test. For the influence of technopreneurship competence on the competitive advantage of MSMEs in the culinary field in Surakarta, it can be seen that the t-count value is 13.135 with a p-value of 0.000 which is smaller than 0.05, so it can be seen that the hypothesis in this study is proven true, so it can be concluded that competency technopreneurship has a significant effect on the competitive advantage of SMEs in the culinary field in Surakarta. The results of partial hypothesis testing for the influence of business networks on the competitive advantage of SMEs in the culinary field in Surakarta can be perceived that the t-count value is 5.566 with a p-value of 0.000 less than 0.05, so it can be seen that the hypothesis in this study is proven true, so that It can be concluded that the business network has a significant effect on the competitive advantage of SMEs in the culinary field in Surakarta.

Conclusion

Based on the data analysis and discussion above, the conclusions that can be drawn in this study are the Technopreneurship competence and business network has a significant effect on the competitive advantage of SMEs in the culinary field in Surakarta. The suggestions put forward in connection with this research are (1) In an effort to increase competitive advantage, business people are expected to be able to improve their capabilities in the field of technology, especially information technology which is very much needed in times like today, because almost all activities are now based on activities in cyberspace which really need the support of technology capabilities for business people, (2) In an effort to increase business excellence, it is necessary to have the ability of business people to establish relationships with business partners such as suppliers, fellow business people, customers, banks and the government to develop their business activities. With the support of a business network with good partners, it will be able to create competitive advantages. Business actors who feel they need capital for business development, if they have a good business network with a capital provider, in this case the bank, will get convenience for their business development so that they can increase competitive advantage for their business actors.

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