

# Effect of Entrepreneurial Spirit, Self-Efficacy, Family Environment, and Social Media on Business Competitiveness in the Community of Women Entrepreneurs in Medan And Deli Serdang

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**Abstract.** One of the factors causing women's businesses closed down or undeveloped is the weakness of external and internal factors. These include the low product competitiveness, absence of digital marketing, sub-optimal manufacturing process, lack of product variations, financial condition, human resources, and low family support. This study aimed at determining the effect of entrepreneurial spirit, self-efficacy, family environment, and social media on business competitiveness in the Community of Women Entrepreneurs in Medan City and Deli Serdang Regency. This study was conducted from May to June 2021. The data were collected by conducting an interview using a questionnaire from 107 staff. The data processing result with multiple linear regression analysis proves that entrepreneurial spirit, self-efficacy, family environment, and social media simultaneously and significantly affect the women's business competitiveness. Partially, the system of entrepreneurial spirit and self-efficacy significantly affects the competitiveness. Meanwhile, family environment and social media do not give a significant effect.

**Keywords:** Business Competitiveness, Entrepreneurial Spirit, Family Environment, Self-Efficacy, Social Media

## 1 Introduction

Since the economic change occurs due to the 4.0 resolution era and the Covid-19 pandemic period, small business shut down frequently happens. This leads to a high rate of unemployment in a certain region. One of the solutions is a social entrepreneurship that can stimulate the change in the environment of a certain region. Social entrepreneurship can increase the business competitiveness of the community for women entrepreneurs who perform social entrepreneurship.

The outcome of the study on social entrepreneurship is expecting the government to make a change for the members of the women's community to have innovative performance in encouraging the traditional value to the competitive market. The method for building entrepreneurial spirit is required in the social concept of a consensus in the understanding of social entrepreneurship, so it can create a community member in a social entrepreneurship-based organization that can continuously increase the business competitiveness.

**Table 1.** The statistics of unemployment in Indonesia

<b>Year</b>	<b>Unemployment</b>
2015	7.6 million
2016	7.0 million
2017	7.01 million
2018	6.87 million
2019	6.82 million

*Source: Indonesian Central Bureau of Statistics (BPS)*

The unemployment rate can be reduced by establishing a business for gaining a more maximum outcome, especially in the women's community that can be encountered easily. Being an entrepreneur is an accurate alternative for overcoming unemployment. Being an entrepreneur means opening a new job opportunity and it plays an important role for graduates in social entrepreneurship to overcome unemployment for university graduates and the family economic improvement among the women's community.

Social entrepreneurship can increase competitiveness rapidly and it is brilliant for market competition to increase the environmental changes in the globalization era; the government is expected to initiate the policy changes to make non-profit traditional organizations into profit organizations in the context of social entrepreneurship that requires a theoretical framework. Looking for a job, such as a civil servant, is getting more difficult since it requires many qualifications through education. Such a situation creates many opportunities for women to build a business by using their skills with a flexible capital; the women entrepreneurs can spare time with their families and still can be active in participating in organizations, such as a community.

Social entrepreneurship can construct an organization for a community with a social entrepreneurship context that affects the economy and society. Social entrepreneurship is not fully used in developing the business community. This is because the government still does not have an accurate policy to determine the women's business development model through a community; thus, the women's potency is not truly explored and their capability for business development is not obvious because it is still simple. The other factors are poor strategy and competitiveness among women entrepreneurs.

Based on the previous explanation, the factors that need to be noted in the second year are the way to build an organization for the community of women entrepreneurs by seeing the effect of Self-Efficacy, Entrepreneurial Spirit, Family Environment, and Social Media on Competitiveness. This study was entitled "Social entrepreneurship in the Community of Women Entrepreneurs in North Sumatera".

According to Cronwell (in Wierawarden, 2006), Social Entrepreneurship means building a community organization and social actions using social entrepreneurship context that provides economic and social impacts. This study aimed at building a social entrepreneurship-based community of women entrepreneurs that stimulate changes in women as a husband's companion and a homemaker into women entrepreneurs that can increase their income for themselves, their families, and the region.

### **1.1 Competitiveness**

According to Kotler and Armstrong (2014), competitiveness is excellence towards the competitors by offering a lower value and serving many benefits due to its higher price. A company occupies a position with competitiveness since it results in a superior value with a lower cost. Competitiveness cannot be perceived by considering a company as a unity.

Competitiveness develops from a value that can be created to make the number of customers exceed the cost spent by the company for the production. Competitiveness comes from different activities performed by a company in designing, producing, promoting, delivering, and supporting the product. Each activity can support the company's relative cost position and create differentiation.

According to Saiman (2014: 125), small enterprises shall be able to identify the following basic elements to reach competitiveness.

- a. Price or value
- b. Satisfying the consumers
- c. Consumer experience
- d. Product attributes that can be recorded
- e. The excellence of unique services

### **1.2 Entrepreneurial spirit**

Entrepreneurial Spirit or the success of an entrepreneur can be achieved by obtaining clear information about consumer needs; being an entrepreneur requires a self-concept or a strong desire and understanding of business. Entrepreneurship is a creative and innovative effort in undertaking and developing ideas as well as managing resources to identify an opportunity (Mudjiarto et al., 2006).

### **1.3 Self-efficacy**

Self-efficacy leads to an individual's belief in measuring self-competence in the activity given for achieving a certain outcome (Mawanti, 2011: 31). Baron and Byrne (in Ghufron & Rini, 2010: 74) defined self-efficacy as an evaluation performed by an individual about his/her competency to achieve goals and overcome the obstacles.

### **1.4 Family Environment**

According to Dalimunthe, et al., (2014: 3), a family is a sub-system that can stand alone as a system. Family is the smallest basic institution because of having universal values. According to Hasbullah (2012: 38), the family environment is the first environment because, in the family, the children can get education and assistance.

### **1.5 Social media**

Social media is a phase changing a person in finding out, reading, and understanding the content of information from someone else and sharing the information. In general, social media is a combination of sociology and technology. Social media refers more to media provided by application creators or developers or service providers for users aiming at providing a space and media for socializing and interacting (Dalimunte, 2018: 6).

According to Pratama (2014: 216), social media leads more to the facilities provided by the application developers aiming at providing users with spaces and media to be able to socialize or interact online. Social media is provided by application creators in facilitating interaction with others and obtaining and sharing information.

## 2 Method

### 2.1 Types of study

This study used an experimental study design with an approach through entrepreneurship training and assistance for the community of women entrepreneurs in Medan City and Deli Serdang Regency. Besides, a quantitative study was also conducted to measure business competitiveness, entrepreneurial spirit, self-efficacy, family environment, and social media in the community of women entrepreneurs in Medan City and Deli Serdang Regency with 107 respondents as the sample.

### 2.2 Study setting

This study was conducted in Medan City and Deli Serdang Regency having a community of women entrepreneurs.

### 2.3 Objects of study

The object of this study was the women entrepreneurs in North Sumatera province, especially Medan City and Deli Serdang, who joined the community of women entrepreneurs in Medan City and Deli Serdang Regency.

### 2.4 Data collection method

In the second year, data collection was conducted using several methods. For the quantitative approach, data collection was conducted using the following methods.

- a. Interview using a questionnaire as the guide
- b. Field observation

Meanwhile, the data collection for the qualitative approach was conducted using the following methods.

- a. In-depth interview
- b. Focus Group Discussion

### 2.5 Data Analysis Method

Data analysis was conducted using the quantitative analysis method with multiple regression analysis to identify the entrepreneurship interest for the Community of Women Entrepreneurs in Medan City and Deli Serdang Regency.

## 3 Results and Discussion

**Table 2.** The description of the community based on business turnover

Business Omzet	Frequency	Percentage
< IDR 5,000,000	58	54.2%
IDR 5,000,000 - IDR 20,000,000	35	32.7%
IDR 21,000,000 – IDR 50,000,000	7	6.5%
> IDR 50,000,000	7	6.5%
Total	107	100%

Table 2 above depicts that the majority of the respondents or 58 people (54.2%) have a business omzet of below IDR 5,000,000, 32.7% of them has IDR 5,000,000 – IDR 20,

000,000, 7 people (6.5%) of them have IDR 21,000,000 – IDR 50,000,000, and the remaining 7 people (6.5%) of them have a business omzet of above IDR 50,000,000.

**Table 3.** The description of the community based on the length of time in a business

Length of Time in Business	Frequency	Percentage
<1 year	52	48.6%
1-5 years	51	47.7%
>5 years	4	3.7%
Total	107	100%

Table 3 above shows that most of the businesses or 52 businesses (48.6%) have a length of time in a business of below 1 year, while 51 businesses (47.7%) have a length of time in a business of around 1-5 years, and the remaining (3.7%) has a length of time in a business of above 5 years.

**Table 4.** The description of the community based on the total employee

Total Employee	Frequency	Percentage
< 1	22	20.5%
1-3	63	58.9%
4-5	11	10.3%
> 5	11	10.3%
Total	107	100%

Based on the data presented in Table 4 above, it can be seen that the total business with the highest total employee is around 1 to 3 people or 58.9%, while those without any employee are 22 people (20.5%); the total respondent having 4-5 employees is 11 people (10.3%) and those with more than 5 employees are 11 people (10.3%).

**Table 5.** The description of the community based on business sub-sectors

Business Sub-Sectors	Frequency	Percentage
Food and beverages	59	55.1%
Cafe	6	5.6%
Livestock farming	6	5.6%
Selling clothes and shoes	13	12.2%
Handcrafts	5	4.7%
Grocery business	4	3.7%
Vegetables and flowers farming	3	2.8%
Ointment	4	3.7%
Other business sectors	7	6.6%
Total	107	100%

Table 5 above shows that the business sub-sector undertaken by most people (59 people or 55.1%) in the community is food and beverages, while 13 people (12.2%) undertake the business of selling clothes and shoes; the business of cafe and livestock farming have 6 people (5.6%) respectively, 5 people (4.7%) in handcraft business, the grocery business, and the

ointment business have 4 people (3.7%) respectively, vegetable and flowers farming obtains 3 people (2.8%), and 7 people (6.6%) have other different business sub-sectors.

**Table 6.** The description of the community based on competitiveness

Question Item	Choices								Category
	Strongly Disagree		Disagree		Agree		Strongly Agree		
	F	%	F	%	F	%	F	%	
Paying attention to an accurate location	1	0.9	7	6.5	61	57.1	38	35.5	Agree
Improving promotional activities	0	0	8	7.5	54	50.5	45	42	Agree
Identifying business competitors	2	1.9	7	6.5	62	57.9	36	33.7	Agree
Having sufficient capital	0	0	37	34.6	49	45.8	21	19.6	Agree
Members' participation	1	0.9	17	15.9	65	60.8	24	22.4	Agree

### Competitiveness

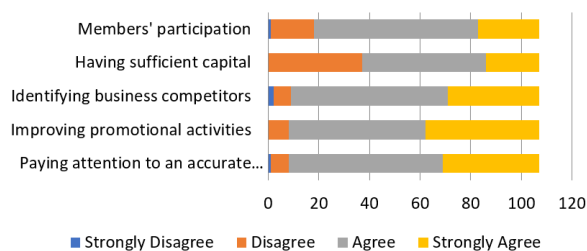


Table 6 displays that the highest rate of business competitiveness is members' participant of 60.8% and identifying business competitors obtains 57.9%, while the lowest is having sufficient capital of 45.8%.

**Table 7.** The description of the community based on entrepreneurial spirit

Question Item	Choices								Category
	Strongly Disagree		Disagree		Agree		Strongly Agree		
	F	%	F	%	F	%	F	%	
Periodically creating innovation	1	0.9	5	4.7	69	64.5	32	29.9	Agree
Prioritizing consumer services	0	0	1	0.9	49	45.8	57	53.3	Strongly Agree
Having clear targets	0	0	4	3.7	66	61.7	37	34.6	Agree
Having careful planning	0	0	3	2.8	61	57	43	40.2	Agree
Being brave in taking risks	0	0	12	11.2	64	59.8	31	29	Agree

### Entrepreneurial Spirit

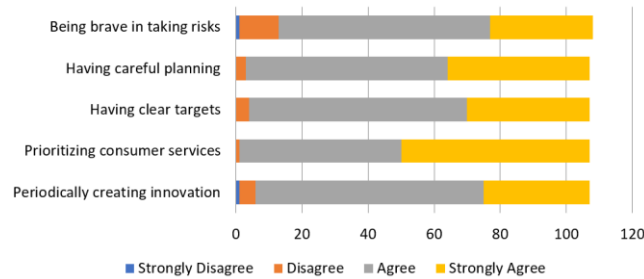


Table 7 shows that the highest percentage for entrepreneurial spirit is periodically creating innovations of 64.5% and having clear targets of 61.7%, while the lowest is being brave in taking risks of 59.8%.

**Table 8.** The description of the community based on self-efficacy

Question Item	Choices								Category
	Strongly Disagree		Disagree		Agree		Strongly Agree		
	F	%	F	%	F	%	F	%	
The ability in managing duties	0	0	2	1.9	72	67.3	33	30.8	Agree
Problem-solving skills	0	0	3	2.8	79	73.8	25	23.4	Agree
Having the capability in performing the job	0	0	2	2.8	76	71	29	27.1	Agree
Having the ability in business management	0	0	6	5.6	76	71	25	23.4	Agree
Having self-motivation skills	0	0	2	2.8	74	69.2	31	29	Agree

### Self-Efficacy

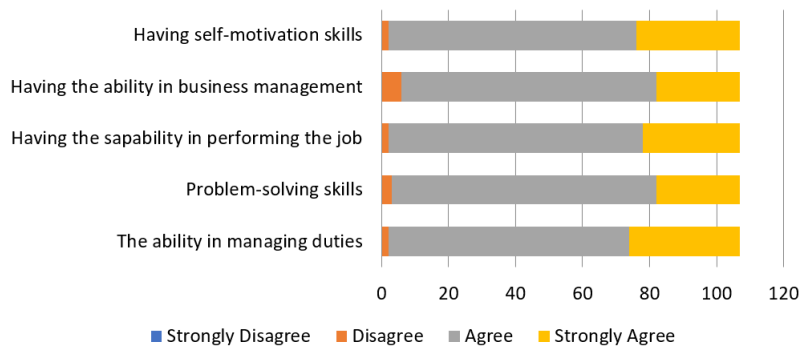


Table 8 depicts that 107-community staff have the problem-solving skills for solving their business problems of 73.8%. Next, the ability in business management and the capability in performing the job obtain 71% respectively. Meanwhile, the ability in managing the duties is only 67.3%.

**Table 9.** The description of the community based on family environment

Question Item	Choices								Category
	Strongly Disagree		Disagree		Agree		Strongly Agree		
	F	%	F	%	F	%	F	%	
The mindset influenced by the family	0	0	9	8.4	59	55.1	39	36.5	Agree
The first environment in determining goals	0	0	4	3.7	64	59.8	39	36.5	Agree
Motivation from the family	1	0.9	26	24.3	57	53.2	23	21.5	Agree
Positive support from the family	0	0	8	7.5	61	57	38	35.5	Agree
Family as an inhibitory factor	1	0.9	32	29.9	55	51.4	19	17.8	Agree

### Family Environment

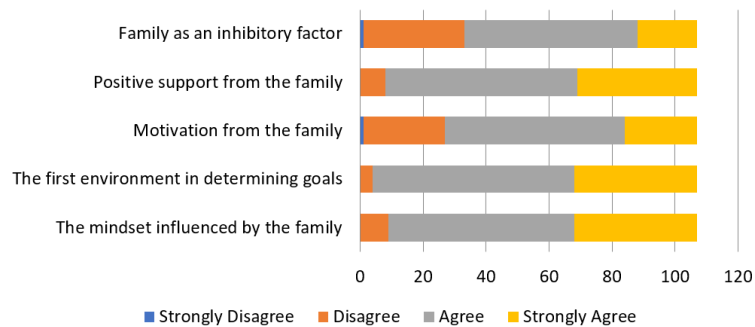


Table 9 depicts that, in the aspect of family environment, the percentage for those who agree that family is the first environment in determining a business is 59.8%. The positive support from the family obtained 57% and the lowest percentage of 51.4% was the statement that family is an inhibitory factor.

**Table 10.** The description of the community based on social media

Question Item	Choices								Category
	Strongly Disagree		Disagree		Agree		Strongly Agree		
	F	%	F	%	F	%	F	%	
Social media improving business development	0	0	7	6.5	49	45.8	51	47.7	Strongly Agree
Introducing products through social media	0	0	7	6.5	54	50.5	46	43	Agree
Increasing profits through social media	0	0	7	6.5	59	55.1	41	38.3	Agree
The products having brand awareness due to social media	1	0.9	8	7.5	61	57	37	34.6	Agree
The increase in sales	0	0	7	6.5	70	65.4	30	28.1	Agree



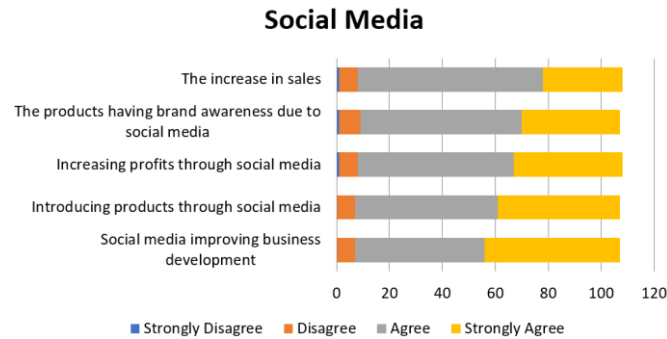


Table 10 depicts that the impact of social media with the highest percentage is the increase in sales of 65.4% and the product with Brand Awareness obtains 57%, while the lowest percentage of 46.8% is that social media functions as a driver for improving the business development.

**Table 11.** Partial test results (t-statistical test)

Coefficients <sup>a</sup>		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	5.442	1.507		3.610	0.000
	Entrepreneurial Spirit (X1)	0.254	0.104	0.265	2.446	0.016
	Self-Efficacy (X2)	0.222	0.109	0.230	2.041	0.044
	Family Environment (X3)	0.016	0.085	0.018	0.195	0.846
	Social Media (X4)	0.135	0.074	0.185	1.835	0.069

a. Dependent Variable: Competitiveness (Y)

In general, this test was conducted to know the effect of a certain independent partially (individually) on various dependent variables. Based on the result of the regression analysis, entrepreneurial spirit and self-efficacy had a positive correlation with competitiveness, while family environment and social media did not have a positive correlation with competitiveness. Meanwhile, the significance can be seen by comparing the significant value to the probability of 5% or 0.05.

The foundation of decision-making related to the significance was that if the significance value was  $< 0.05$ , the independent variables significantly and partially affected the dependent variables, and vice versa. The tabulated t also had an impact on this study. The number of respondents in this study was 107 people and the total variable was 5; df or degree of freedom was 102, so the tabulated-t was 1.98350.

Table 11 explains the result of the t-test in this study.

- The significance level for entrepreneurial spirit was 0.016 (less than 0.05) and the calculated-t was  $2.446 > 1.98350$ . This result indicates that the entrepreneurial spirit in this study significantly affects competitiveness.
- The significance level for self-efficacy was 0.044 (less than 0.05) and the calculated-t was  $2.041 > 1.98350$ . This result shows that self-efficacy in this study significantly affects competitiveness.
- The significance level for the family environment was 0.846 (greater than 0.05) and the calculated-t was  $0.195 < 1.98350$ . This result indicates that the family environment in this study does not significantly affect competitiveness.

- d. The significance level for social media was 0.069 (greater than 0.05) and the calculated-t was  $1.835 < 1.98350$ . This result shows that social media in this study does not significantly affect competitiveness.

**Table 12.** Simultaneous test results (F-statistical test)

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	127.182	4	31.795	13.130	0.000 <sup>b</sup>
	Residual	247.005	102	2.422		
	Total	374.187	106			

a. Dependent Variable: Competitiveness (Y)

b. Predictors: (Constant), Social Media (X4), Family Environment (X3), Entrepreneurial Spirit (X1), Self-Efficacy (X2)

Based on Table 4.20, the simultaneous test (F-statistical test) obtains a calculated-F value of 13.130 with a significance level of 0.000, and the tabulated-F value is collected by seeing the degree of freedom value, namely df1 (n1) and df2 (n2). The formula is  $df1 = 4$  and  $df2 = 102$ , so the tabulated-F is 2.46. It means that the calculated-F value of 13.130 is greater than the tabulated-F value of 2.46 with a significance level of 0.000 (less than 0.05); it can conclude that entrepreneurial spirit, self-efficacy, family environment, and social media simultaneously affect the competitiveness of the Community of Women Entrepreneurs in Medan City and Deli Serdang Regency.

## 4 Conclusion

Based on the test results using the multiple linear regression analysis, the following conclusions can be drawn.

- From the partial test results, entrepreneurial spirit has a greater calculated-t value than the tabulated-t value, namely  $2.446 > 1.98350$ , with a significance level of 0.016 (less than 0.05), indicating that entrepreneurial spirit significantly affects competitiveness.
- From the partial test results, self-efficacy has a greater calculated-t value than the tabulated-t value, namely  $2.041 > 1.98350$ , with a significance level of 0.044 (less than 0.05), indicating that self-efficacy significantly affects competitiveness.
- From the partial test results, the family environment has a calculated-t value less than the tabulated-t value, namely  $0.195 < 1.98350$ , with a significance level of 0.846 (greater than 0.05), indicating that the family environment does not significantly affect competitiveness.
- From the partial test results, social media has a calculated-t less than the tabulated-t, namely  $1.835 < 1.98350$ , with a significance level of 0.069 (greater than 0.05), indicating that social media does not significantly affect competitiveness.
- The simultaneous test results related to the effect of entrepreneurial spirit, self-efficacy, family environment, and social media on competitiveness show that the calculated-F value is greater than the tabulated-F value ( $3.130 > 2.46$ ) with a significance level of 0.000 (less than 0.05), indicating that entrepreneurial spirit, self-efficacy, family environment, and social media simultaneously and significantly affect competitiveness.

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