

**MSMEs PERFORMANCE AND CHARACTERISTICS OF FISH PROCESSING
ENTREPRENEURS IN SUKABUMI, INDONESIA**

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ABSTRACT

Fisheries processors in Sukabumi Regency generally have a small income compared to similar entrepreneurs from other areas in Indonesia. Based on existing business opportunities, the fish processing market is still very wide open. Then, from the aspect of business legality, most fish processors, especially preserved fish processors, tend to ignore business licensing and the quality of their products. Therefore, referring to this, it is necessary to identify the characteristics of business also the entrepreneurs of MSMEs in the industry of fish processing in Sukabumi Regency, Indonesia. This study uses a survey method and using a questionnaire. The respondents in this study were MSMEs that have a business in the fisheries processing industry that had been running for more than three years. The sampling technique used in this study used proportional cluster random sampling. The number of samples was 99 units of MSME. Descriptive analysis was conducted to answer the purpose of this study. In this descriptive analysis process, SPSS (Statistical Packages for the Social Science) version 16.0 Inc is used to process the data and towards visualization which will then be interpreted by the researcher. Based on the results of the study, the business characteristics in the fish processing industry in Sukabumi Regency are mostly self-owned businesses and the length of business is 10-20 years with the business category still including micro. In addition, demographically, the largest age group of fish processors is 20-49 years old, the male sex and education that most of them complete are elementary schools. Based on psychological and cultural aspects, they are good enough to have a good business performance in the future, also there are several businesses which are included in the developing category.

KEYWORDS: MSMEs, Processing, Fisheries, Sukabumi

INTRODUCTION

The fisheries processing industry is one of the industries in Sukabumi Regency, this is actually a logical consequence of the existence of fishing activities. This industry has emerged for a long time and even Sukabumi is one of the main centers of national preserved fish production. Specifically for fisheries processing businesses, there are 1,574 MSMEs in Sukabumi Regency and 88.7% of them are preserved fish businesses. However, it is very unfortunate that the majority of these businesses are micro businesses, and some are small businesses. Medium-sized businesses in the fisheries processing and fish scanning industries tend to be non-existent. There are problems with the development of MSMEs in this field, not optimal transition of micro-enterprises to small and small to medium-sized enterprises.

Development of MSMEs in the fisheries processing industry in the midst of globalization and the high competition to make MSMEs in the fisheries processing industry must be able to face global challenges, such as improving product and service innovations, developing human resources and technology, and expanding marketing areas. This needs to be done to increase the selling value of MSMEs in the fisheries processing industry itself. This development is a shared responsibility, between the government, MSME actors, catalysts, facilitators and financial institutions (Bank Indonesia, 2011).

Fisheries processors in Sukabumi Regency generally have a small income compared to similar entrepreneurs from other areas in Indonesia. Based on existing business opportunities, the fish processing market is still very wide open. For example, the Bandung area that can still be entered by fishery processing products from Sukabumi such as fisheries processors can enter the Bogor and Cianjur areas. In terms of business scale, fisheries processing business in Sukabumi has not yet risen. They tend do not want to go up to the higher class, for example they don't want to add employees or borrow some funds to financial institutions to increase their production volume.

Then, from the aspect of business legality, most fish processors, especially preserved fish processors, tend to ignore business licensing and the quality of their products. However, what was presented in the previous presentation was the result of discussions with several stakeholders and needed a scientific review to answer it. In addition to this, of course, as a government, the relevant agency needs to know how the MSME's performance has been so far. Has the MSMEs been developing since its establishment, or it has experienced a setback. If we can see what happened in Semarang, the fried milkfish can become one of the superior products that can indeed become a fish processing welfare barn. However, seeing the reality that exists in Sukabumi, of course is very far adrift. Sukabumi is not so far from Jakarta and Bandung, and even the Ciletuh-Palabuhanratu Geopark is viral in cyberspace and interesting to visit, so this is the right moment to introduce preserved fish or other processing products to the wider community. Therefore, referring to this, it is necessary to identify the characteristics of business also the entrepreneurs of micro, small and medium enterprises in the industry of fish processing in Sukabumi Regency, Indonesia.

MATERIALS AND METHOD

In relation to MSMEs and their development, of course this issue cannot escape the characteristics of MSMEs, both business and entrepreneurial aspects. Often, the success rate of an MSME is influenced by several things from these characteristics. For the characteristics of MSME actors, it is necessary to first define what is meant by characteristics or characters. According to Saiman (2014) character is a positive quality that someone has, so that makes it attractive and attractive, the reputation of someone and someone who has an eccentric personality. According to Sunyoto (2013) characteristics are characteristics that a person has. Entrepreneurship characteristics or in this study known as the characteristics of MSME actors are divided into two, namely individual characteristics and psychological characteristics (Muharastri 2013). Individual characteristics are personal

characteristics inherent in self-employment since he was born and formed based on life experiences that have been passed.

Ramanti (2006) defines individual or personal characteristics as traits or traits that a person possesses which are displayed through mindset, action pattern, and attitude pattern. There are two factors that influence human characteristics, namely personal characteristics and situational characteristics. Personal characteristics are factors inherent in the individual, while situational characteristics as factors that arise from outside the individual and very influential on a person's behavior.

An entrepreneur or in this case a successful MSME actor must have entrepreneurial characteristics. These characteristics include demographic characteristics such as age and sex, as well as individual backgrounds such as education and previous work experience that have an impact on entrepreneurial intentions and efforts (Kolvereid, 1996; Mazzarol & Volery et al. 1999; Pambudy, 1999 and Dirlanudin, 2010). In addition to these demographic characteristics, MSME actors must also have psychological characteristics, namely hard workers, confidence, discipline, risk taking, tolerance for uncertainty, innovative, independent, responsible (Kao 1991; Kuratko and Hodgress 2007; Basrowi 2011; Danarti 2012). ; Hasbullah and Sulaeman 2012; Taleghani, et al. 2013).

Empirically there is also a relationship between culture and entrepreneurship, Gamage, et al. (2003) and Kreiser, et al. (2003) emphasize that local culture is related to entrepreneurship, while in Kreiser, et al. (2003) is a national culture. Based on these two studies indicate that culture has an important role in shaping entrepreneurship, both local culture and national culture. Nicolescu (2009) also said that national culture is one of the external factors that can affect the performance of MSMEs.

The characteristics of MSMEs also need to be known because MSME units consist of many industries and products, many studies have been carried out to determine the specific characteristics of small businesses (Poon, et al. 1996; Reynolds, et al. 1994). MSMEs differ from organizations that are large from a variety of reasons such as fewer employees, and the support and large influence of MSME owners on company operations (Parker, 1997; Poon, et al. 1996). The characteristics of MSMEs involve the origin of the company, the length of time the company has operated, the size of the company, and its funding sources are categorized as characteristic factors of MSMEs (Indarti & Langenberg, 2004).

Stoner (1995) has said that performance is a function of motivation, skills, and role perceptions, while Gibson (2003) states that performance refers to the level of success in carrying out tasks and the ability to achieve stated goals. Performance will be said to be good and successful if the goal of the wish has been carried out or achieved, both individual and group goals. Actually, this understanding is also in line with what was stated by Fauzi (1995), which states that performance is a general term used for part or all of the actions or activities of an organization in a period, along with references to a number of standards such as costs past or projected, a basis for efficiency,

accountability or management accountability and the like. According to Mulyadi (2001) performance is the success of personnel, teams, or organizational units in realizing previously set strategic goals with expected behavior.

This study uses a survey method. Surveys are studies that take samples from a population. The tool used in this study is a questionnaire consisting of various questions. The MSMEs that were used in this study were MSMEs that have a business in the fisheries processing industry that had been running for more than three years in Sukabumi Regency. The sample is part of the population that can represent the population. The MSME perpetrators who have fisheries processing businesses in the Sukabumi Regency area are population. The sampling technique used in this study used proportional cluster random sampling. According to Sugiyono (2010), proportional cluster random sampling is a sampling technique that is done randomly regardless of the strata that exist in the population. The number of samples was 99 units of MSME.

Descriptive analysis was conducted to answer the purpose of this study. According to Nazir (2011) descriptive analysis is a method used in examining a group of humans, an object, a set of conditions, a system of thought, or a class of events in the present. The purpose of descriptive analysis is to make a description, description, or painting systematically, factually, and accurately about various facts, characteristics, and relationships between the phenomena investigated. The data comes from the results of interviews with fisheries processing respondents in Sukabumi Regency. Interviews were conducted using a questionnaire tool that had been examined by the supervisory commission and the Fisheries and Marine Agency of Sukabumi Regency. In this descriptive analysis process, SPSS (Statistical Packages for the Social Science) version 16.0 Inc is used to process the data and towards visualization which will then be interpreted by the researcher. The output of this first objective is the characteristics or conditions of the fisheries processing industry in Sukabumi Regency, the characteristics of fisheries processing industry entrepreneurs in Sukabumi Regency and the analysis of the performance of MSMEs in the fisheries processing industry in Sukabumi Regency.

RESULTS AND DISCUSSION

The characteristics of fisheries processors, both their fisheries business and their entrepreneurial aspects who are respondents and have been studied, are important enough to be known and described before the main discussion is explained. To analyze the characteristics of MSMEs and the entrepreneurial aspects in the fisheries processing industry in Sukabumi Regency, 99 respondents were used. All respondents met the criteria to be respondents in this study. The criteria for being respondents in this study are (1) respondents are managers and owners of MSMEs, (2) MSME activities in the fisheries processing industry have been running for at least 3 years, and (3) selected entrepreneurs are considered mature enough to be interviewed and able to answer clearly the various questions contained in the questionnaire. The business and demographic data of MSMEs in the industry of fisheries processing in Sukabumi Regency presented in Table 1.

Table 1. Business and Demographic Characteristics of MSME Entrepreneurs

Business Characteristic	N	Percentage (%)	Demographic Characteristic	N	Percentage (%)
<i>Origin of Business</i>			<i>Entrepreneurial Age</i>		
Own Desire	44	44.44	25-29 Years	5	5.05
Hereditary Business	26	26.26	30-34 Years	8	8.08
Follows Other People	29	29.29	35-39 Years	8	8.08
<i>Business Age</i>			40-44 Years	23	23.23
0 -9 Years	20	20.20	45-49 Years	28	28.28
10 - 19 Years	51	51.52	50-54 Years	10	10.10
20 - 29 Years	12	12.12	55-59 Years	11	11.11
>30 Years	16	16.16	>60 Years	6	6.06
<i>Business Size</i>			<i>Sex</i>		
Micro	81	81.82	Men	63	63.64
Small	18	18.18	Women	36	36.36
Medium	0	0.00	<i>Educational Degrees</i>		
<i>Business License Ownership</i>			Elementary School	66	66.67
Yes	6	6.06	Junior High School	22	22.22
No	93	93.94	Senior High School	11	11.11
<i>Total</i>	<i>99</i>	<i>100.00</i>	<i>Total</i>	<i>99</i>	<i>100.00</i>

Source: Results of Statistical Data Processing (2019)

Regarding the characteristics of MSMEs presented in Table 1, it can be seen that fisheries processing business in Sukabumi Regency is in the form of micro-turnover which is below 300 million rupiah per year. In addition, most of these businesses do not have permits from DPMPSTP, Sukabumi Regency and the average business age has reached more than 10 years with the origin of the business on its own desires. For demographic characteristics, the average age of fish processors is more than 40 years with the dominant sex being men and most of the fish processors are elementary school graduates. If you look at the results of these studies, it can be concluded that fish processors in Sukabumi have been working for a long time in this field, especially in the business of fish breeding. In addition, fish processors can also be said to have never registered their business to obtain licenses because the scale of their fisheries processing business has stagnated since their processing business was established.

Table 2. Psychological and Cultural Characteristics of MSME Entrepreneurs

Characteristic	Average	Percentage (%)		
		Low	Medium	High
<i>Psychological</i>				
Hard Worker	3.54	24.20	20.10	55.70
Confidence	3.69	4.00	41.40	54.60
Discipline	3.60	7.10	34.30	58.60
Risk Taker	3.68	16.20	23.20	60.60
Tolerance Over Uncertainty	3.39	8.10	50.60	41.30
Innovative	3.45	10.10	32.50	57.40
Independent	3.75	6.00	44.50	49.50
Responsible	3.46	6.00	50.60	43.40
<i>Cultural</i>				
Hereditary Business	2.69	19.20	64.60	16.20
Habits of Using Funds	3.41	13.10	30.30	56.60
Honesty	3.43	14.10	30.30	55.60
Dependence on External Parties	2.24	17.20	77.80	5.00
Togetherness	3.97	4.00	31.30	64.70
Politeness	3.67	13.10	25.20	61.70
Friendly	3.90	8.10	20.20	71.70
Religious	4.08	7.10	18.20	74.70
Cooperation (Gotong Royong)	4.04	9.10	19.20	71.70

Source: Results of Statistical Data Processing (2019)

Information: Low: $\leq 1,67$; Medium: 1,68 – 3,33; High: $\geq 3,34$

In terms of the psychological characteristics presented in Table 2, most fish processors consider that they have a strong character for all types of characteristics tested. Of course this can be a strong capital in the formulation of MSME development strategies because every policy or program that will be carried out can pay attention to or use a psychological approach in the process. In addition, for cultural characteristics, it turns out that most fish processors have a high dependency on external parties. However, the processors have very high religious and mutual cooperation characteristics. Of course this can also be a joint force that it is necessary to use cultural values in each program or policy that will be issued by the government.

Regarding the performance of the MSMEs in the fisheries processing industry in Sukabumi District, most fish processors were hesitant or did not really progress their business from 2016 to 2017 and 2017 to 2018. This was due to an increase in raw materials from IDR 16,500 in January 2016 to IDR 20,500 in January 2018. In addition, the number of fish processors, especially fish brokers, has also increased. Fish processors also believe that their market reach does not increase significantly and

their product sales time is longer than in previous years. Of course this happens as a logical consequence of policies and programs that are not right.

Tabel 3. MSMEs Performance

MSMEs Performance	Average	Percentage (%)		
		Low	Medium	High
Growth of Sales	2.96	16.20	54.50	29.30
Growth of Market	2.94	18.20	55.50	26.30
Growth of Labor	2.94	19.20	53.60	27.20
Growth of Profit	2.93	16.20	58.60	25.20
Decrease in Operating Costs	2.92	20.20	54.50	25.30

Source: Results of Statistical Data Processing (2019)

Information: Low: $\leq 1,67$; Medium: 1,68 – 3,33; High: $\geq 3,34$

CONCLUSION

The business characteristics in the fish processing industry in Sukabumi Regency are mostly self-owned businesses and the length of the business is 10-20 years with the business category still including micro. In addition, demographically, the largest age group of fish processors is 20-49 years old, the male sex and education that most of them complete are elementary schools. Based on psychological aspects, most fish processors are hardworking, confident, disciplined, independent and responsible, but are less able to take risks, lack tolerance for uncertainty, and are less innovative. For the cultural aspect, most of the businesses currently carried out are derivatives, quite good in the use of aid funds, honest and not so dependent on other parties. Most also have a high sense of togetherness, polite and polite, friendly, religious, and still uphold mutual cooperation. Based on the performance of MSMEs, there were 59 businesses which included developing categories and 40 businesses including non-developing categories. The business that most often falls into the non-developing category is the effort to avoid fish and salting. Other businesses such as processed tilapia, fish crackers and shredded fish are still very potential to be developed.

SUGGESTION

Local governments and related agencies can improve supervision of the programs that have been implemented, and make one program but continuous each year to provide a tangible and measurable impact on the development of this fisheries processing industry. The government also needs to provide counseling and training to strengthen psychological and cultural characteristics so that fisheries processors can develop their businesses. The government also needs to provide motivation and outreach to fisheries processors in Sukabumi District through various training programs that can improve entrepreneurial and family competency, seminars and competition for developing fishery products to improve competitiveness, creativity and innovation of fish processors.

In this study the question indicators that are poorly understood can make it difficult for respondents to answer consistently, so that they can result in mismatches of results with initial estimates. Therefore the development of a more standardized questionnaire is needed to be able to better analyze the influence of demographic, psychological, cultural and business characteristics on business performance. Further studies are needed by focusing on the influence of cultural characteristics, both national and local cultures so that the results have a significant effect on performance.

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