

ISSN : 2354-6611

E-ISSN : 2654-8089



# PROCEEDINGS OF THE 6<sup>th</sup> INTERNATIONAL SEMINAR & CONFERENCE ON LEARNING ORGANIZATION

Leading Organization Based on  
**Technology**, **Knowledge**, and **Innovation**

BANDUNG, WEST JAVA, INDONESIA  
JULY 4<sup>th</sup>, 2018



[isclo.telkomuniversity.ac.id](http://isclo.telkomuniversity.ac.id)

**Proceedings of the  
6<sup>th</sup> International Seminar and Conference on Learning Organization  
“Leading Organization Based on Technology, Knowledge and Innovation”**

By: International Seminar and Conference on Learning Organization, Telkom University  
Copyright ©2018 Telkom University

Secretariat of ISCLO  
School of Economic and Business  
Bandung Technoplex, Miossu Building 2nd Floor  
Jl. Telekomunikasi No. 1 – Bandung 40257, Indonesia

**ISSN : 2354-6611**  
**E-ISSN : 2654-8089**

**Editors**

Puspita Kencana Sari  
Dini Wahjoe Hapsari  
Grisna Anggadwita  
Erni Martini

**Layout & Design**

Mohammad Tyas Pawitra  
Asep Sudrajat Effendi

Hak cipta dilindungi oleh undang-undang.

Undang-undang Republik Indonesia No. 19 Tahun 2002 Tentang Hak Cipta

Lingkup Hak Cipta merupakan hak eksklusif bagi Pencipta atau Pemegang Hak Cipta untuk mengumumkan atau memperbanyak ciptaannya, yang timbul secara otomatis setelah suatu ciptaan dilahirkan tanpa mengurangi pembatasan menurut peraturan perundang-undangan yang berlaku

Ketentuan Pidana

Pasal 72:

1. Barangsiapa dengan sengaja atau tanpa hak melakukan perbuatan sebagaimana dimaksud dalam Pasal 2 ayat (1) atau Pasal 49 ayat (1) dan ayat (2) dipidana dengan pidana penjara masing-masing paling singkat 1 (satu) bulan dan/atau denda paling sedikit Rp. 1.000.000 (satu juta rupiah), atau pidana penjara paling lama 7 (tujuh) tahun dan/atau denda paling banyak Rp. 5.000.000.000,00 (lima miliar rupiah)
2. Barangsiapa dengan sengaja menyiarkan, memamerkan, mengedarkan, atau menjual kepada umum suatu Ciptaan atau barang hasil pelanggaran Hak Cipta atau Hak Terkait sebagaimana dimaksud pada ayat (1) dipidana dengan pidana penjara paling lama 5 (lima) tahun dan/atau dengan paling banyak Rp. 500.000.000,00 (lima ratus juta rupiah)

## PREFACE

Hello and warm welcome to all participants

School of Economic & Business and Telkom University proudly continues a tradition of inviting respected researchers, academics, and professionals to participate in International Seminar & Conference on Learning Organization 2018. This year it would be the 6th ISCLO and held in Bandung, Indonesia, July 4<sup>th</sup>, 2018.

The main objective for this conference is to encourage and enhance the interaction of academicians and professional community in an informal setting to present and to discuss new and current work. Each contributor helped to make the ISCLO better than it has been. The papers contributed the most recent scientific knowledge known in the field of Economics, Finance & Accounting, Marketing, Entrepreneurship, Business Strategic, Information Technology, CRM, Operations, Human Resources & Industrial Organization, Knowledge Management, and Strategic Management.

Combining practitioners and academics should be developed optimally so that the use of scientific advancement is aligned with the needs of the organization. That is why in addition to the contributed papers, we also invited experienced practitioner from Indonesia two outstanding academicians from China and Canada. Mu'min Santoso, the Co-founder and Managing Partner of Ilone Network (RACK Digital, Mothers on Mission, The Hatch) who will spoke about Purpose Centric Enterprise, A Harmonious Social & Business Sustainability Approach.

Gloria González-Morales, Associate Professor & Research Director of the Occupational Health and Positive Psychology Lab, University of Guelph, Canada will be discuss about resource mobilization and investment in organizational life. While Dr. Ulf Henning Richter, Associate Professor of Global Business and Strategy, Tongji University, China will spoke of Connectivity and Strategy in China Logistics Industry.

We have confidence that papers in the proceeding will provide academicians and practitioners with an excellent references. I believe that this will be a great start to drive further studies and researches in all these areas.

Thank you for all authors and participants for their contributions. Have a Great Conference....

Arif Partono Prasetio

Conference Chair

## **HISTORY OF INTERNATIONAL SEMINAR AND CONFERENCE ON LEARNING ORGANIZATION (ISCLO)**

### **1st International Seminar and Conference on Learning Organization (ISCLO) 2013**

**December 4 – 5, 2013, Trans Luxury Hotel, Bandung, Indonesia**

PT Telekomunikasi Indonesia, Tbk (Telkom) bridges the needs of business enterprise with scientific research and academia through the organization of the International Seminar & Conference on Learning Organization (ISCLO) 2013 with the theme "Corporate University to Improve Organizational Performance". University (Tel-U) in collaboration with Telkom Corporate University (CorpU). Telkom being a pioneer of international conferences to discuss the field of Learning Organization and Corporate Learning in Indonesia. This provides an opportunity for Telkom to be a driving force in the field of Corporate Learning. This international event attended by more than 250 participants consisting of academics and practitioners from countries including Indonesia, Malaysia, Singapore, India, China, USA, France and Korea.

### **2nd International Seminar and Conference on Learning Organization (ISCLO) 2014**

**November 5 – 6, 2014, Hotel Indonesia, Kempinski, Jakarta, Indonesia**

Telkom Corporate University and Telkom University are delighted to announce the 2nd International Seminar and Conference on Learning Organization with the theme, "Learning Organization in Increasing the Organization Performance". The purpose of the seminar and conference is to identify and explore the major challenges in implementing Learning Organization and assess the real impacts on organization performance also to form the future research guidance through the publication of high quality applied and theoretical research findings. The following general topics in this conference are Learning Organization, Leadership Pipeline, Global Competitiveness, Knowledge Management, Instructional System Design and High Performance Technology, and Learning Technology and Methodology. All accepted papers will be published in ISSN conference proceedings.

### **3rd International Seminar and Conference on Learning Organization (ISCLO) 2015**

**November 25 – 26, 2015, Hotel Tentrem, Yogyakarta, Indonesia**

Telkom University & Telkom Corporate University are delighted to announce the 3rd International Seminar & Conference on Learning Organization with the theme, "Enhancing Organizational Survivability through Learning Organization". This conference is driven by the function of corporate university as a centralized training or education system within a corporation together with Telkom University as a centralized of academicians in knowledge management. It focused on the integrated development of learning organization, human resources and knowledge management development aligned with the corporation's values and business requirements.

### **4th International Seminar and Conference on Learning Organization (ISCLO) 2016**

**October 26, 2016, Grand Tjokro Hotel, Bandung, Indonesia**

Telkom University is delighted to announce the 4th International Seminar & Conference on Learning Organization (ISCLO). For the first time in 2016, this event organized by Telkom University. This conference is driven by the function of Telkom University as a centralized of academicians in human capital and talent development. It will focus on the integrated development of learning organization, human resources and knowledge management development, strategic alignment, workforce planning, performance management, talent management aligned with the corporation's values and business requirements. Academicians and practitioners from around the world will share recently business

researches, best practices and engaging conference participants in discussions on continues Improvement of Business Process, Expanding Possibilities in Digital Era. All submitted abstracts/ papers will go through a blind peer review process and accepted manuscripts will be published in conference proceedings. Selected conference papers will be published in special / regular issue of Scopus, DOAJ, EBSCOhost Research Databases, ProQuest indexed Journal, and Journal associated with this conference as follows: International Journal of Business and Globalisation (IJBG), International Journal of Learning and Change (IJLC), Oeconomia Copernicana, Journal of Competitiveness, and Management and Business International Journal [ISSN: 2354-6603].

**5th International Seminar and Conference on Learning Organization (ISCLO) 2017**

**September 6, 2017, Bidakara Grand Savoy Human, Bandung, Indonesia**

Telkom University is delighted to announce The 5th International Seminar & Conference on Learning Organization with theme “Encouraging State-Owned Enterprises and Strategic Industries with Their Support Systems to Boost Indonesian Economic Growth”. Telkom University as centralized of academicians drives many parties including government, practitioners, and academicians to share and propose the strategic in the learning organization context to boost Indonesian Economic Growth.

**6th International Seminar and Conference on Learning Organization (ISCLO) 2018**

**July 4, 2018, El Royal Hotel, Bandung, Indonesia**

The 6th International Seminar & Conference on Learning Organization with theme “Leading Organization Based on Technology, Knowledge, and Innovation” could become the right platform to bring out the great ideas into practice. Telkom University presents the opportunities to discuss and throw helpful suggestions for leaders to face challenges in the era of digital economic.

## ORGANIZING COMMITTEE

### ***Advisory Board***

Rektor Universitas Telkom  
Dekan Fakultas Ekonomi dan Bisnis

### ***Chairperson***

Dr. Drs. Arif Partono Prasetyo, M.M., CPHR.

### ***Secretariat***

1. Elvira Azis, S.E., M.T.
2. Nike Mandasari, S.Si.
3. Wiji Safitri, S.M.B., M.M.

### ***Treasure and Finance***

1. Husna Rahmi, S.Si., M.Ikom.
2. Annisa Nurbaiti, S.E., M.Si.

### ***Call for Paper***

1. Puspita Kencana Sari, S.Kom., M.T.I.
2. Dini Wahjoe Hapsari, S.E., M.Si., Ak.

### ***Publication of Paper***

1. Grisna Anggadwita, S.T., M.S.M.
2. Erni Martini, S. Sos., M.M.

### ***Event Manager***

1. Muhammad Azhari, S.E., M.A.B.
2. Irni Yunita, S.T., M.M.
3. Dinda Amanda Zuliestiana, S.E., M.M.

### ***Website Publication***

Dr. Adhi Prasetyo, S.T., M.M.

### ***Sponsorship***

1. Sri Rahayu, S.E., M.Ak., Ak.
2. Hani Gita Ayuningtias, S.Psi., M.M.
3. Tieka Trikartika Gustyana, S.E., M.M.
4. Ir. Tri Djatmiko, M.M.

### ***Logistics***

1. Andrieta Shintia Dewi, S.Pd., M.M.
2. M. Tyas Pawitra, S.M.B.
3. Asep Sudrajat, A.Md.
4. Irwan Mulyawan, S.Pd.

## CONTENTS

|   |     |
|---|-----|
| PREFACE .....   | ii  |
| HISTORY OF INTERNATIONAL SEMINAR AND CONFERENCE ON LEARNING ORGANIZATION (ISCLO) .....  | iii |
| ORGANIZING COMMITTEE .....  | v   |
| CONTENTS.....   | vi  |
| 1. EFFECT OF FINANCIAL LITERACY ON FINANCIAL INCLUSION WITH SOCIAL CAPITAL AS MEDIATOR (Survey on society of productive age in Regency Bandung) .....   | 1   |
| 2. DECISIONS ANALYSIS OF CONTRACTOR SELECTION PT. ERICSSON INDONESIA USING ANALYTICAL HIERARCHY PROCESS METHOD .....  | 18  |
| 3. DETERMINANTS OF DIVIDEND PAYOUT RATIO: A STUDY OF LISTED COMPANIES IN INDONESIA STOCK EXCHANGE .....   | 31  |
| 4. INFLUENCE OF DOLLAR EXCHANGE RATE, INTEREST RATE, INFLATION, DIVIDEND, OWNERSHIP AND FIRM SIZE TO RETURN SHARES (Study in Sub Sector Company Telecommunications Listing on Bursa Efek Indonesia Period 2010-2016)..... | 52  |
| 5. INVESTOR REACTION TO ANOMALY & RECOVERY SERVICE OF TELKOM-1 SATELLITE YEAR 2017 .....  | 71  |
| 6. THE EFFECT OF THE CONTROL ENVIRONMENT TO EFFECTIVENESS INTERNAL CONTROL SYSTEM (Research in PT XXX, Tbk) .....   | 84  |
| 7. THE INFLUENCE OF PERCEPTION ON CUSTOMER BEHAVIOR OF PRODUCT ADVERTISING THROUGH USEETV (CASE STUDY IN BALIKPAPAN CITY OF INDONESIA) .....  | 95  |
| 8. FACTORS AFFECTING ORGANIZATIONAL COMMITMENT IN PHARMACY INDUSTRY: THE ROLE OF COMPENSATION AND LEARNING CULTURE AS PREDICTORS. ....  | 111 |
| 9. KNOWLEDGE MANAGEMENT IMPLEMENTATION: A COMPARATIVE STUDY BASED ON EMPLOYEES' CHARACTERISTICS IN MARINE GEOLOGICAL INSTITUTE.....   | 124 |
| 10. THE INFLUENCE OF OVERTIME TO WORK-FAMILY CONFLICT AND JOB PERFORMANCE IN WITEL BOGOR OF PT TELKOM INDONESIA .....   | 139 |
| 11. FRAMEWORK FOR COMMUNITY OF PRACTICE FOR BLOOD CENTER .....  | 149 |
| 12. RISK-MANAGEMENT BASED GOVERNMENT INFORMATION SYSTEM SECURITY USING OCTAVE ALLEGRO FRAMEWORK.....  | 158 |
| 13. INCREASING AUDIT QUALITY IN INDONESIA .....   | 169 |
| 14. RISK MANAGEMENT EVALUATION IN LIBRARIES BASED ON COBIT 5 .....  | 181 |
| 15. IMPORTANCE- PERFORMANCE ANALYSIS OF TELECOMMUNICATION INDUSTRY.....   | 192 |
| 16. FACTORS AFFECTING ENTREPRENEUR CHARACTERISTICS: A STUDY OF SMALL MEDIUM ENTERPRISE IN GARUT .....   | 206 |
| 17. DOES RAPIDLY GROWING REVENUES ALWAYS PRODUCE AN EXCELLENT COMPANY'S VALUE? DCF & P/E VALUATION ASSESSMENT ON HOSPITAL INDUSTRY .....  | 213 |

|   |     |
|---|-----|
| 18. ANALYSIS DETERMINED AUDIT DELAY (AN EMPIRICAL STUDY ON MINING COMPANIES LISTED IN INDONESIA STOCK EXCHANGE DURING 2012-2016).....   | 228 |
| 19. SINGLE INDEX MODEL IN DETERMINING OPTIMAL PORTFOLIO COMPOSITION OF JAKARTA ISLAMIC INDEX (JII) .....  | 238 |
| 20. INDONESIA COOPERATIVE MEMBER WELFARE: DETERMINANT ANALYSIS OF BUSINESS PROFIT ON INDONESIA COOPERATION .....  | 249 |
| 21. RELATIONSHIP AUTHENTIC LEADERSHIP TO COACHING EFFICACY ANALYSIS .....   | 263 |
| 22. COMPARATIVE PERFORMANCE ANALYSIS OF TELECOMMUNICATION COMPANY IN INDONESIA USING ECONOMIC VALUE ADDED (EVA) AND VALUE ADDED (MVA) METHOD IN CASE STUDY AT PT. TELKOM, PT. INDOSAT AND PT. XL FOR THE YEAR 2011 - 2016 ..... | 281 |
| 23. THE EFFECT OF PRICE, PRODUCT QUALITY, PROMOTION, SOCIAL FACTOR, BRAND IMAGE ON PURCHASE DECISION PROCESS OF LOOP PRODUCT ON YOUTH SEGMENT (CASE STUDY OF PT TELEKOMUNIKASI SELULAR) .....                                   | 294 |
| 24. EFFECT OF TAX SERVICE QUALITY AND TAX SANCTIONS AGAINST VEHICLE TAXPAYER COMPLIANCE AT THE SAMSAT OFFICE OF GARUT DISTRICT .....  | 310 |
| 25. I LIKE YOUR COMPANY? DIVIDEND PAYOUT RATIO: EFFECT FROM FREE CASH FLOW AND PROFITABILITY.....   | 318 |
| 26. ACCEPTANCE OF E-MONEY ATTACHED ON COLLEGE STUDENT ID CARD.....  | 330 |
| 27. THE IMPACT OF LOCAL GOVERNMENT CHARACTERISTICS AND AUDIT FINDINGS OF BPK TO LOCAL GOVERNMENT PERFORMANCE (STUDY ON DISTRICTS AND CITIES IN SOUTH SULAWESI PROVINCE DURING 2012-2015).....                                   | 342 |
| 28. ANALYSIS OF WEATHER ON STOCK RETURN .....   | 360 |
| 29. ANALYSIS OF MOBILE ADVERTISING EFFECT ON PURCHASE INTENTION WITH BRAND IMAGE AS THE INTERVENING VARIABLES (CASE STUDY: TELKOMSEL MOBILE COUPON) .....   | 371 |
| 30. ENGLISH TEACHING METHOD IN COURSE INSTITUTION.....  | 384 |
| 31. THE ROLE OF THE HIJABERS COMMUNITY IN BUILDING THE BRAND EQUITY OF MUSLIM FASHION.....  | 396 |
| 32. INTEGRATED MARKETING COMMUNICATION POCARI SWEAT TO BE THE BEST BRAND ON ION SOFTDRINK CATEGORY.....   | 408 |
| 33. ANALYZING USERS' EXPECTATION GAP OF AN INDONESIA SHARIA ELECTRONIC BANKING SYSTEM .....   | 418 |
| 34. EMPLOYEES' EMPOWERMENT AND WORKLIFE QUALITY AT INDONESIA STATE-OWNED COMPANY .....  | 426 |
| 35. DESIGNING PROJECT SCHEDULE FOR MIGRATION PROJECT STO DAGO IN PT. XYZ TO ACCELERATE PROJECT DURATION USING SCHEDULE COMPRESSION – A LESSON LEARN CASE STUDY FOR ANOTHER SIMILAR PROJECT .....                                | 434 |
| 36. READINESS OF KNOWLEDGE MANAGEMENT IMPLEMENTATION: A COMPARATIVE STUDY BASED ON EMPLOYEES CHARACTERISTICS.....   | 445 |





## FACTORS AFFECTING ENTREPRENEUR CHARACTERISTICS: A STUDY OF SMALL MEDIUM ENTERPRISE IN GARUT

**Rohimat Nurhasan**

Garut University,  
Faculty of Economics

E-mail: [rohimat.nurhasan@uniga.ac.id](mailto:rohimat.nurhasan@uniga.ac.id)

**Risma Muhamad Ramdani**

Garut University,  
Faculty of Economics

E-mail: [risma.ramdani91@gmail.com](mailto:risma.ramdani91@gmail.com)

**Abdullah Ramdhani**

Garut University,  
Faculty of Social and Political Sciences

E-mail: [aramdhani@fisip.uniga.ac.id](mailto:aramdhani@fisip.uniga.ac.id)

**Gugun Geusan Akbar**

Garut University,  
Faculty of Social and Political Sciences

E-mail: [gugun.ga@fisip.uniga.ac.id](mailto:gugun.ga@fisip.uniga.ac.id)

---

### ABSTRACT

*The aim of this study was to identify factors which affect the characteristic of entrepreneur in small medium enterprise in Garut. Proportional random sampling was used to select participants from 4 region in Garut. The study used 54 traditional cap crafters in Garut who has been in the business in the last 5 years. We used descriptive and factor analysis to analyze the data. The result showed that traditional cap crafters had good entrepreneur characteristics. Based on factor analysis, the initial 27 variables can be reduced to 8 variables and form new construct consist of three factors which had correlation above 0.5. Such factors were (1) innovativeness in producing new knitted prodcts, able to develop new ideas and keep up with the industry trends, (2) eager to take risks which consists of high independency, not affraid to face price competition, and able to manage the workers, and (3) focus on profit which reflected on two variables of pursuing profit and not easily satisfied.*

---

**Keyword:** entrepreneurship characteristics, inovation, leadership, high risk taker

### 1. INTRODUCTION

Small medium enterprises had important and strategic role in supporting a nation's economic. They employed workers and distributed the development. They also had the advantage to be able to survive the crisis. Indonesia has million of such small medium enterprises (SME), but such numbers will not contribute to the nation's economic if their scope of business was not develop (Zuraida, Ramdhani, &

Amin, 2008). Nowadays, every industries face fierced competition. Business owners tried to double their profit, which indirectly can affect SME. Therefore, SME should be ready to compete and preserve their business by optimizing their resources.

Garut as one of Kabupaten in West Java Province has abundant resources. One of them was industrial potential. Such industrial potency located in Samarang, Pasirwangi, Bayongbong, and Tarogong Kidul. Home industries with main business in producing knitted cap already develop their market abroad. Facing the tight competition, the knitted cap crafters faced problem in capital adequacy. This problem is very common for SME in Indonesia. Inadequacy of capital can affect the smoothness of their business. Without adequate capital, crafters can not independently and easily set the selling price and buy sufficient materials. These affect their ability to get more profit. They could not overcome the fluctuation of the price for raw materials which in the end affecting their profit since they cannot easily raise their selling price. Other disadvantage was they can not produce in a large number which affect their ability to meet the customers demand. Despite the caapital problem, crafters also found it difficult to get a skilled employees since they only can offer limited salary. Most of locals found jobs outside Garut or outside the local industries which offer bigger salary and opportunity.

These obstacles caused some SMEs to failed in running their business, while others could survived and even develop the business. Those who succeed turn out to have stable entrepreneurship profile. They step over the weaker and less optimistic entrepreneurs. The entrepreneur characteristics proved to be a crucial factors, since studies found that 15% of entrepreneur success was related to their education background, while the other 85% related with their attitude, mental ability, and personality (Schriber in Alma, 2017).

Based on the above discussion this study will identify entrepreneur characteristics of knitted cap crafters in Garut and to identify which factors that form the entrepreneurship characteristics in knitted cap crafters in Garut.

## **2. LITERATURE REVIEW**

### **2.1 ENTREPRENEURSHIP ATTITUDE**

Dayakisni (2003) explained that attitude is a function of believed regarding the possibility of the consequences when somebody determined their attitude, both negative and positive. They will expresses their attitude in their behavior. They will evaluated every consequences that might come out. Furthermore, Barata (2004) defined attitude as a set of emotion, believe, and behavior tendency of an individual, oject, and group. Ajzen (2005) defines attitude as a tendency to react positively or negatively to an object, people, institution, or a moment. Meanwhile, according to Suryana & Kartib (2014) entrepreneurship attitude is individual readiness to consistently respond to show self confidence, task oriented, rist taker, facing challenges, focus on leadership, originality, and future mindset. Meredith, 1982; Meredith, 2000) explained in detail;

Tabel 1. Entrepreneuruship Characteristic

| Characteristics |                 | Attitude                        |  |
|-----------------|-----------------|---------------------------------|--|
| 1.              | Self confidence | Believe, independency, optimist |  |

| Characteristics   | Attitude   |
|-------------------|--|
| 2. Task oriented  | Need for achievement, persistent, hard working, strong will, energetic, and initiative |
| 3. Risk taking    | Eager to take risks and not afraid to face challenges                                  |
| 4. Leadership     | Act as leader, extraversion, open to critics and suggestions                           |
| 5. Originality    | Innovative, creative, flexible, resourceful, various ability, abundant of knowledge    |
| 6. Future mindset | Having vision and future perspective.  |

Source: (Meredith,1982; Meredith,2000)

Based on the above review we understand the attitude of the entrepreneur (qualitative) is behavior tendency of an individual (quantitative) to manage the business or activities that create and implement certain ways to do the job in order to maximize profit.

Entrepreneur attitude variables seek and defined according to the business situation, then the potential variables analyzed using factor analysis to form new factors which were not yet known how many they were.

### 3. METHODOLOGY

This study using exploratory method which aimed to gather information that support the effort to identify the problem (Ramdhani & Ramdhani, 2016). The population in this study is 60 knitted traditional cap crafters who had been in the business for more than 5 years, operated in 4 different areas in Garut. Using Slovin formula with 5% error we had 54 participants as samples. The proportional random sampling used to get equal participants from 4 areas.

Data collected from parties who were expert and have sufficient knowledge regarding the research topic. Primary and secondary data used in this study. Data collection conducted by literature study and field study through observation, interview, and questionnaire.

Likert scale was used to measure the result and the data was interpreted using exploratory factor analysis which aimed to defined the structure of matrix data and to analyze the correlation between variables. These defined variables will summarized or reduced to form a new factor, which does not diminish its meaning. The formed variables easier to control (Ghozali, 2016; Ramdhani & Ramdhani, 2016).

### 4. RESULT AND DISCUSSION

51 participants (94%) was male entrepreneur, which is in line with the traditional view that regard man as the ultimate provider for his family by working or doing business (Mazzareol et al, 1999). No wonder in Garut we identify that there are more men conducting business compare to women.

We also identify that participants was dominated by entrepreneurs who were more than 50 years old. Previous research explained the relation between age and business success (Kristiansen, Furuholt, &

Wahid, 2003). Entrepreneur over the age of 25 years old usually more succesful that the yournger one. Age might be related with maturity and also experience. Older entrepreneur assumed to had more experience and mentally more ready to do the business. Though it was not rule out the possibility that younger person could become succesful entrepreneur.

From 54 participants there were 63% (43 persons) who had only secondary education level (SD). This showed that education of the knitted traditional cap crafters level is still low. 8 participants (14.81%) received junior high school education and only 3 (5.56%) who had senior high school education background. Entrepreneur who had junior and senior high school education continue to runn their parent's business and become second generation of the family business. Though also it does not rule out the possibility for several of them who started their own business. BPS Garut mentioned that Garut society had low level of participation in education. This view supported by 2015 data which discuss the average years in education was only 6.85 in 2015. Schriber dalam Alma (2017) argued that education had only 15% impact for the success of the entrepreneur. Harry Matlay (2008) mention that entrepreneur's education has no affect on the entrepreneur ability, knowledge, and attitude. Nevertheless education still needed to support entrepreneur in developing their business.

There were negative attitude in fulfilling th demand. On certain ocassion such as in time of Rajab, Syakban and Ramadhan, the knitted traditional cap demand was high. The increased demand cause several entrepreneur overwhelmed. It depends on prowess of these entrepreneur and to manage their employees to accept the order. Besides their own primary business crafters also get contract as outsource for other company. To avoid certain fined most of them decline the opportunity. They were not certain whether they could meet the demand.

The entrepreneur's ability to produce the new knitted products and develop new ideas was not good. Nost of them rarely came out with fresh ideas. Most of them just copied good and marketable products. They done it without add modification. One of the obstacle to implement new ideas is that they have to call the mechanic to set their machine according to the new model. They also didnt develop cocreation.

The respond from 54 participants towards 27 variables formed antrepreneur attitude of traditional knitted cap crafters in Garut. 43,28% participants were strongly agree, 40,60% were agree, 14,33% reluctantly agree, 1,37% disagree, and 0,41% were strongly disagree. The average score was 228,93 and still categorized as very good.

### **Factor Analysis**

After four iteration in processing data we got 8 variables by reducing 19 variables from the initial of 27. The final KMO value for MSA (*Measure of Sampling Adequacy*) was 0,700 which bigger than 0,50. In this case, factor analysis considered appropriate to measure data in form of correlation matrix because there were enough samples. *Barlett's Test of Sphericity* showed the Chi-Square value of 216,138 (df = 28) and sig. value of 0,000 which is less than 0,5. This means those variables were correlated and feasible to use in further analysis.

Based on *Anti-Image Corelation*, we got MSA value bigger than 0,5. We do not have to conduct re-test. This also showed that 8 variables need no more reduction because all of them correlated and met the requirement.

Factoring process run by extracting a group of variables using *Principlal Component Analysis* (PCA) method and obtain *communalities* value. *Communalities* was the numbers of variance (in percentage)

from initial variable that can be explained by the existig factor. We got the *extraction* value on *comunalitis* (X2) independency 0,622; (X7) profit oriented 0,636; (X12) not afraid to take risk 0,648; (X18) able to manage employees 0,789; (X21) ability to develop new knitted product Sebesar 0,912; (X22) ability to develop new ideas 0,876; (X23) ability to cope with industry trend 0,735; and (X27) not easily satisfied 0,744. Such numbers showed how big the variance in every variables can be explained by the formed factors. The bigger the *comunalities* value on variable the tighter the relationship with formed factors.

*Total Variance Explained* show positive result to summarized initial variables to become new factors which consist of 8 variables (*component*). Then factor analysis used to process each variables which had 1 varians. The first factor can explained 44,029% of varians, the second factor explained 17,230% varians, and the third factor explained 13,262%. All three factors explained 74,520% of variability from thr 8 original variables.

Based on the output of *rotated component matrix* we get factor loading value, to determine which section such factors will be categorized. Table 2 showed the correct place for the ne factors:

Tabel 2. New Factors

| New Factors | Variable                                       | Factor loading |
|-------------|--|----------------|
| Faktor 1    | X21 Develop new knitted product                | 0,937          |
|             | X22 Develop new ideas                          | 0,906          |
|             | X23 Ability to cope with indutry newest trends | 0,851          |
| Faktor 2    | X2 Independency                                | 0,783          |
|             | X12 not affraid to compete in price            | 0,741          |
|             | X18 Ability to direct employees                | 0,800          |
| Faktor 3    | X7 profit oriented                             | 0,595          |
|             | X27 not easily satisfied                       | 0,788          |

Source: Data proccesing output, 2017

The factor analysis result reduced the 27 variables to become only 8 and form three factors;

- Factor 1 consist of variables (X21) develop new knitted product, (X22) develop new ideas, and (X23) ability to cope with newest industry trends. This factors named as innovativeness.
- Factor 2 consists of variable (X2) independency, (X12) not affraid to compete in price, and (X18) ability to direct employees. These attitude help crafters to overcome business obstacles, we called the second factor as daring to take risks.
- Factor 3 consists of variable (X7) focus on profit and variable (X27) not easily satisfied, this factor named as profit oriented.

Table 3. *Component transformation matrix*

| Component | 1            | 2            | 3      |
|-----------|--------------|--------------|--------|
| 1         | <b>0,799</b> | 0,594        | 0,092  |
| 2         | -0,590       | <b>0,804</b> | -0,066 |

| Component | 1      | 2      | 3            |
|-----------|--------|--------|--------------|
| 3         | -0,113 | -0,001 | <b>0,994</b> |

Source: Data processing output, 2017

Based on the tabel of *component transformation matrix*, we can safely said that three factors (*component*) is right. They had very strong correlation in each component with the value above 0.5 (0,799, 0,804, and 0,994 respectively).

## 5. CONCLUSIONS AND RECOMMENDATIONS

Based on the responses from 54 participants regarding the related variables to the factors which form the entrepreneurial attitude, we conclude that the crafters entrepreneur attitude can be classified as very good. Initial 27 variables can be reduced to 8 variables and form 3 factors, innovativeness, daring to take risks, and profit oriented.

## Reference

- Ajzen, I. (2005). *Attitude, Personality and Behaviour*. Open University Press.
- Alma, B. (2017). *Kewirausahaan Untuk Mahasiswa dan Umum*. Bandung: Alfabeta.
- Anggadwita, G., Ramadani, V., Alamanda, D. T., Ratten, V., & Hashani, M. (2017). Entrepreneurial intentions from an Islamic perspective: a study of Muslim entrepreneurs in Indonesia. *International Journal of Entrepreneurship and Small Business*, 165-179.
- Brata, A. A. (2004). *Dasar-Dasar Pelayanan Prima*. Jakarta: Gramedia Pustaka.
- Dayaksini, T., & Hudaniah. (2003). *Psikologi Sosial*. Malang: Universitas Muhammadiyah Malang.
- Ghozali, I. (2016). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 23. Edisi 8*. Semarang : Badan Penerbit Universitas Diponegoro.
- Kristiansen, S., Furuholt, B., & Wahid, F. (2013). Internet Cafe Entrepreneurs; Pioneers in Information Dissemintion in Indonesia. *The International Journal of Entrepreneurship and Innovation*, 251-263.
- Matlay, H. (2008, 5 16). The Impact of Entrepreneurship Education on Entrepreneurial Outcomes. *Journal of small business and enterprise development*, 15(2), 382-396.
- Mazzarol, T., Volery, T., Doss, N., & Thein, V. (1999, 4 1). Factor Influencing Small Business Start-up: a Comparison with Previous Research. *International Journal of Entrepreneurial Behavior & Research*, 5(2), 48-63.
- Meredith, G. G. (2000). *Kewirausahaan*. (A. Aparsayogi, Penerj.) Jakarta: Pustakan Binaman Pressindo.

- Meredith, G. G., Nelson, R. E., & Neck, P. A. (1982). *The Practice of Entrepreneurship*. London : Pitman Publishing.
- Ramdhani, A., Alamanda, D. T., & Sudrajat, H. (2012). Analysis of consumer attitude using Fishbein multiattributes approach. *International Journal of Basic and Applied Science*, 1(1), 33-39.
- Ramdhani, M. A., & Ramdhani, A. (2016). *Penelitian Pemasaran*. Bandung: UIN Sunan Gunung Djati.
- Suryana , Y., & Bayu, K. (2013). *Pendekatan Kewirausahaan Sukses* . Jakarta : Prenada Media Group .
- Tran, A. T., & Korflesch, H. V. (2016). A conceptual model of social entrepreneurial intention based on the social. *Asia Pacific Journal of Innovation and Entrepreneurship*, 17-38.
- Zuraida, R., Ramdhani, A., & Amin, A. S. (2008). Analysis of the Cultural Factors Impact on the Development of Entrepreneurship in Garut. *Jurnal Ilmiah Psikologi*, 1(2), 183-196.