

Capabilities, Commitments and Effect on the Competitiveness of Small and Medium Enterprises (SME) in Medan

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Abstract

Non-governmental group enterprises amounting to 152 business actors under the Medan Pemko building, and still need to increase the competitiveness of product quality caused by SMES have not had a high commitment in improving the business that must compete with the product A kind and low commitment business people to business in the building from scratch by not replacing the original product that they managed to have the competitiveness of the target company BDC. Which is the direction of this study to know the competitiveness of SME products with the method of survey and direct observation of SMES in the city of Medan consist of 21 districts and what factors cause the ability to compete low SME actors in the city of Medan By linking to SMB capability variables and commitment to its business. Analysis of the techniques used by using some linear regression analysis result test results obtained. Ability to influence but if the SME's commitment is improved, it will make the competitiveness of SMES competing with other similar businesses can increase.

Keywords

ability, commitment; competitiveness



I. Introduction

Not only Indonesia's current economic fundamentals, encouraging the government to continue empowering community self-reliance groups (KSM) who are business actors, the authors will then use this abbreviation. This sector is able to absorb considerable workforce and provide opportunities for the KSM. .

Recognition of the association of business actors that to be able to scratch the economy after the economic crisis in the country KSM must have problems, namely the limitation of ability owned by the KSM, the commitment of the KSM in its efforts can not compete (Sudaryanto and Hanim, 2002)

Another problem often encountered by the KSM in Medan, especially those under the construction of BDC Medan City is the weakening of the establishment of the KSM in running business in the same term so that the business is always changing based on its own willingness o be Problem to be addressed so that the KSM can be large and competitive (ISAAC, 2005). Another thing is human resources that have an important role in the effort to win the competition in the era of globalization has not had the ability to be founded and a firm commitment every business organization requires qualified and competent human resources. The most important resource in an organization is the human resources, the people who provide the energy, talents, creativity and their efforts to the organization for an organization to survive its existence (Ningsih, 2018). In driving the operational wheels of the company (Adi Suranta, 2016) companies that have good quality of human resources will be able to compete for business managed by the Development Center busines (BDC) Medan in 2015 has a Total of 276 KSM in 21 districts That spread in the city of Medan from the number of stops trying 102 KSM, 52 business people have moved to the district

and out of the city of Medan are remaining 152 UKM is in 21 sub-district in Medan for small food business. During the four-year period to this day, the KSM that has been under construction of Business Development Center (BDC) Medan always provide training and mentoring to improve the ability of the KSM in managing their business in the field of raw material procurement for business in his governance (BDC Kota Medan, 2019).

Through mentoring and training is expected KSM can have the ability through resources in the holding to produce products that are able to compete in the market to be able to place the central consumer position in its journey as a perpetrator Business requires skills that can learn from various sources to compete with the KSM in the city of Medan for quality and competent in driving the business wheels then the group of self-government (KSM) who is in the business of running Must have the ability to produce quality products to market commitment to managed business is very important because with the commitment, the effort is not easy to change because with the change of business it will be Difficult to compete where the KSM always with new products and then remarket again which resulted in consumers become familiar with the new types of food introduced by the KSM while the old products are already in production by the KSM Make not noticed again by consumers from data collected through the development center of Business in Medan is a container of KSM currently building 152 KSM that still has a business and 86 KSM that is committed from the old business.

Table 1. Data KSM Pusat Pengembangan Bisnis (BDC) di Kota Medan

No	Name	KSM	Address	F/M	Old	Education	Business
1	Lindawati	Tanjung	Karang Berombak	F	41	SMA	Aneka Kue (Serabi,Kue-Kue, Roti Jala)
2	Rahmat Erio R.	Tanjung	Karang Berombak	M	18	SMA	Aneka Kue (Serabi,Kue-Kue, Roti Jala)
3	Maulida	Tanjung	Karang Berombak	F	23	S1	Aneka Kue (Serabi,Kue-Kue, Roti Jala)
4	Mardiah Lubis	Tanjung	Karang Berombak	F	49	SMA	Aneka Roti Coklat,Cake Karakter,Keripik Coklat
5	Jihada	Tanjung	Karang Berombak	F	26	SMA	Aneka Roti Coklat,Cake Karakter,Keripik Coklat
6	Azminun Nazifa	Tanjung	Karang Berombak	F	19	SMA	Aneka Roti Coklat,Cake Karakter,Keripik Coklat
7	Kusindayanti	Tanjung	Karang Berombak	F	50	SMA	Rengginang, Kue Kering & Coklat
8	Qurratu Aini	Tanjung	Karang Berombak	F	17	SMK	Rengginang, Kue Kering & Coklat
9	Dwi Kumala Sari	Tanjung	Karang Berombak	F	16	SMA	Rengginang, Kue Kering & Coklat
10	Nursurati	Bawang	Karang Berombak	F	43	SMEA	Aneka Kue Bawang
11	Siti Bidasiah	Bawang	Karang Berombak	F	48	S1	Aneka Kue Kering & Roti Ketawa
12	Diana Etisa	Nenas	Karang Berombak	F	46	SMA	Kue Basah & Keripik Singkong
13	Wina Anika	Nenas	Karang Berombak	F	40	SMK	Stik Jagung & Aneka Kue Kering
14	Sasriana	Nenas	Karang Berombak	F	46	SLTA	Aneka Kue Bawang
15	Prihatini Daely	Nenas	Karang Berombak	F	47	SMP	Stik Kentang

16	Ani Erawati	Bawang	Karang Berombak	F	53	SMA	Aneka Kue Basah
17	Yanti	Bawang	Karang Berombak	F	50	SMA	Aneka Kue Kering
18	Evi Juliana	Bawang	Karang Berombak	F	44	SLTA	Kue Bolu Mini
19	Rahmaniar	Bawang	Karang Berombak	F	53	SMA	Bolu Karamel
20	Syafrida Harahap	Pisang	Karang Berombak	F	28	SMK	Keripik Keladi
21	Rita Wati Nasution	Pisang	Karang Berombak	F	47	SMK	Kue Basah & Kerajinan Tangan
22	Alimah	Jeruk	Tegal Rejo	F	43	SMA	Jual Telur Ayam
23	Deddi Irawan	Angsa	Tegal sari III	M	46	STM	Sablon
24	Dimas Rizaldi	Angsa	Tegal sari III	M	40	SD	Sablon
25	Suheri	Angsa	Tegal sari III	M	37	SMP	Sablon
26	Putri Panggabean	Anggrek.	Tegal Sari Mandala III	F	27	S-1	Aksesoris Dan Akrilik
27	Eva Suarni	Anggrek.	Tegal Sari Mandala III	F	41	SMA	Aksesoris Dan Akrilik
28	Zaitun Rachman	Anggrek.	Tegal Sari Mandala III	F	50	SMA	Aksesoris Dan Akrilik
29	Wiwik Gustiana	Apel	Tegal Sari Mandala II	F	43	SMK	Aneka Kue
30	Dewi Sartika Anas	Apel	Tegal Sari Mandala II	F	31	SMA	Aneka Kue
31	Keisya Naibaho	Apel	Tegal Sari Mandala II	F	20	SMA	Aneka Kue
32	Jamilah	Temenung	Belawan Bahagia	F	52	SMA	Kerupuk Ikan Lidah
33	Hidayani	Temenung	Belawan Bahagia	F	54	SMA	Kerupuk Ikan Lidah
34	Anita Azizi	Temenung	Belawan Bahagia	F	24	SMA	Kerupuk Ikan Lidah
35	M. Syarif	Lorong	Belawan I	M	46	SMA	Terasi
36	Chairida	Lorong	Belawan I	F	40	SMA	Terasi
37	Zulkifli	Lorong	Belawan I	M	57	SMA	Terasi
38	Siti Aisyah	Kartini I	Belawan Sicanang	F	42	SMA	Sirup, Dodol Dan Permen Mangrove, Batik Mangrove
39	Kartika Hanum	Kartini I	Belawan Sicanang	F	39	SMA	Sirup, Dodol Dan Permen Mangrove, Batik Mangrove
40	Wasti Manurung	Kartini I	Belawan Sicanang	F	44	SMA	Sirup, Dodol Dan Permen Mangrove, Batik Mangrove
41	Sumarni Purba	Kartini I	Belawan Sicanang	F	26	SMA	Sirup, Dodol Dan Permen Mangrove, Batik Mangrove
42	Saini	Kartini I	Belawan Sicanang	F	40	SMA	Sirup, Dodol Dan Permen Mangrove, Batik Mangrove
43	Sariatun	Kartini I	Belawan Sicanang	F	43	SMA	Sirup, Dodol Dan Permen Mangrove, Batik Mangrove

44	Sri Wati	Veteran	Bagan Deli	F	43	SMA	Kue Dan Peyek Ikan
45	Willya	Veteran	Bagan Deli	F	34	SMA	Kue Dan Peyek Ikan
46	Melva	Veteran	Bagan Deli	F	38	SMA	Kue Dan Peyek Ikan
47	Armaya	Ciamis	Belawan II	F	41	SMA	Kue Basah
48	Evianty	Ciamis	Belawan II	F	42	SMA	Kue Basah
49	Rufi Palupi	Ciamis	Belawan II	F	47	SMA	Kue Basah
50	Surya Sri Rezeki	Mujahir	Nelayan Indah	F	45	SMA	Kerajinan Tangan, Bunga Balae, Akrilik, Rajutan
51	Razali	Lele	Nelayan Indah	M	50	SMA	Pengelolaan Ikan Asin
52	Juliani	Lele	Nelayan Indah	F	42	SMP	Pengelolaan Ikan Asin
53	Susi	Lele	Nelayan Indah	F	21	SMA	Pengelolaan Ikan Asin
54	Mayzurah	Sampan	Pekan Labuhan	F	38	SMA	Pembuatan Usaha Kue Kering
55	Siti Hadijah	Sampan	Pekan Labuhan	F	44	SMA	Pembuatan Usaha Kue Kering
56	Eva	Sampan	Pekan Labuhan	F	46	SMA	Pembuatan Usaha Kue Kering
57	Andayaman	Jaring Nelayan	Pekan Labuhan	M	38	SMA	Pembuatan Jaring Tangkapan Ikan
58	Jamhur	Jaring Nelayan	Pekan Labuhan	M	54	SMA	Pembuatan Jaring Tangkapan Ikan
59	Hadi Syaputra	Jaring Nelayan	Pekan Labuhan	M	38	SMA	Pembuatan Jaring Tangkapan Ikan
60	Hamidah	Melati	Pekan Labuhan	F	47	SMA	Catering
61	Herawaty	Melati	Pekan Labuhan	F	44	SMA	Catering
62	Farida Hanum	Melati	Pekan Labuhan	F	47	SMA	Catering
63	Ratna Kumala	Rose	Sei Mati	F	51	SMA	Kerajinan Tangan, Sulaman
64	Eva	Rose	Sei Mati	F	35	SMA	Kerajinan Tangan, Sulaman
65	Deliahafni Batubara	Kamboja	Sei Mati	F	48	SMA	Pembustsn Kue Bawang
66	Anissa	Kamboja	Sei Mati	F	25	SMA	Pembustsn Kue Bawang
67	Sari	Melati.	Sei Mati	F	33	SMA	Bordir Corden, Sprei, Sulam Jilbab & Baju Sekolah
68	Hafni	Melati.	Sei Mati	F	43	SMA	Bordir Corden, Sprei, Sulam Jilbab & Baju Sekolah
69	Natur	Titi Panjang	Belawan Bahari	M	55	SMA	Usaha Pembuatan Ikan Asin
70	Abu Bakar	Titi Panjang	Belawan Bahari	M	45	SMP	Usaha Pembuatan Ikan Asin
71	Abdul Mutholib	Titi Panjang	Belawan Bahari	M	38	SMA	Usaha Pembuatan Ikan Asin
72	Asni Tarigan	Bangun	Bangun Mulia	F	52	SMA	Minyak Karo
73	Risma Tarigan	Bangun	Bangun Mulia	F	63	SMA	Minyak Karo
74	Magdalena	Bangun	Bangun Mulia	F	45	SMA	Minyak Karo
75	Neni	Tirta	Suka Maju	F	45	SMA	Roti Paha Ayam
76	Dian	Cerdas	Suka Maju	F	34	SMA	Empek-Empek

77	Bella	Cerdas	Suka Maju	F	32	SMA	Empek-Empek
78	Anna	Cerdas	Suka Maju	F	23	SMA	Empek-Empek
79	Hartopo	Kanal	Suka Maju	M	37	SMA	Jamur
80	Harry	Kanal	Suka Maju	M	27	SMA	Jamur
81	Dikky	Kanal	Suka Maju	M	24	SMA	Jamur
82	Vika	Terang	Suka Maju	F	28	SMA	Peyek
83	Atika	Terang	Suka Maju	F	26	SMA	Peyek
84	Andriani	Terang	Suka Maju	F	28	SMA	Peyek
85	Dame	Suar	Suka Maju	M	37	SMA	Kue Bohong
86	Miladia	Suar	Suka Maju	F	25	SMA	Kue Bohong

Source of Busines Development Center (BDC) Medan 2019

1.1 Problem Statement

Here is a research problem statement:

1. The ability of the KSM does not affect the level of Community nongovernmental groups (KSM) in the city of Medan
2. KSM commitment is still low at the level of competition in community self-Reliance Group (KSM) in Medan
3. The competitiveness of KSM in the development center of the busines (BDC) Pemko in Medan is still not optimal.

1.2 Research Questions

From the phenomenon of problems and identification of the above problems, the problem problems that will be discussed by the authors in this study are:

1. How is the ability of community nongovernmental groups (KSM) to compete in the city of Medan?
2. How is KSM committed to the competitiveness of small and medium enterprises in Medan?
3. How is the competitiveness of Development Center KSM assisted Busines (BDC) Pemko in Medan?

1.3 Purpose of the Study

Based on the problem formulation can be seen that the objectives of the research are:

1. To find out how SME are capable of the competitiveness of small and medium enterprises in Medan City.
2. To know SME ' commitment to the competitiveness of small and medium enterprises in Medan City
3. To know the competitiveness of SME in the Busines Development Center (BDC) of Medan

II. Research Methods

2.1 Population

Population is a group that can be in the form of people, objects, transactions, or transactions, or events in which we are interested to be the object of this research is the target SMES Development Center busines (BDC) in Medan in 2019 for 152 SMES.

2.2 Sample

The number of persons designated as objects in this research section of the total number of KSM in the BDC of Medan city which is the actual data source in the research that researchers take through determination based on criticism from research, samples in this study is a SME that is committed to a business that was built early one by not exchanging original products began to try according to data from the busines Devepoment Center (BDC) City of Medan 2019 for 86 KSM which is committed to the initial efforts with the same.

2.3 Data Analysis Techniques

The analysis done in this study is deskritif, quantitative, by collecting, compiling, analyzing and interpreting the data so as to create complete information to resolve the problem in the data analysis phase Research:

1. Validity test
2. ReabilityTest
3. Multiple Linear regression

III. Findings

Based on the research findings described above, the discussion was held to answer:

1. Shows all the questions the indicator conveyed in each variable has fulfilled the validity requirements of R Count (KSM capability) > to R table (SME) Therefore the indicators can be used to calculate this research
2. Testing of reability can be seen that the whole indicator capability variable has qualified test reability in which the value of Alpha Cronbach Count is greater than the standard Krifbach Alfa Standart He can conclude that the ability of the KSM has good Consistency to measure KSM variable capability
3. Indicates that any query indicators that are asked in each variable have a validity requirement for R Count (KSM Commitment) > for R tables (UKM commitments) Therefore the indicators can be used to calculate this research.
4. Reability testing indicates that the entire indicator of a variable commitment has qualified the reability test that the value of the Cronbach Count is greater than the Alpha standart so that it can be concluded that the KSM commitment indicator has A good Variable size commitment to KSM.
5. Indicates that each indicator of the proposed competitive competitiveness in each variable has fulfilled the validity requirements of the R counting (KSM competitiveness) R table (competition level of non-governmental group Business (KSM) therefore Indicators of competition-level research variables can be used to measure the level of competition in a non-governmental group (KSM) as a business performer.
6. Testing reability indicates that the entire indicator of competitiveness variable has been qualified for reability test conditions where Cronbach Alfa calculates the value greater than the standard Alpha so that it can be concluded that the KSM competitiveness indicator Have a good consistency to measure the level of competition of the carefully-titled title.
7. How many linear regression results in the influence of the ability of the KSM and commitment to the level of business competition in the city of Medan

Table 2. Multiple Linear Regression

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.780	1.255		-1.418	.160
Capabilities	.144	.041	.151	3.526	.001
Commitment	.899	.046	.847	19.747	.000

@ Competitiveness Primary
Data in sports 2019

Based on the calculation results of some linear regression analyses, regression equations can be concluded:

$$Y = 1,780 + 0,144X1 + 0,899X2$$

Of these some linear regression equations may be noted that:

1. Constant 1,780 indicates that the ability of variable SMES and the constant commitment of 1,780 indicates that the variables KSM (X1) The ability and commitment of the KSM in the Assumption 0, then (X2) assumed 0, the size of the competitiveness of the KSM is 1,780 Hi This is the assume increasingly higher Ability.
2. The coefficients of the SMB regression variable (X1) of the 0144 indicates when the variable regression work coefficient of capability (X1) of 0144 indicates if there is an increase in SME's ability to run the business, it will increase the competitiveness of SMES in Increase Strongswan constant effort 1,780 an increase in work capability (X1) will result in improved employee performance variables (Y) of the 0.462 assumptions of other free variables constant or unchanged. This suggests that the work capability has a positive effect on employee performance. This means that the ability of a higher SME in running its business will increase the competitiveness of SMES in terms of SMES in accordance with the researcher Haris (2015)
3. The coefficients of a regression variable UKM commitment (X2) of 0899 (X2) indicates if there is an increase. SME's commitment (X2) of 0.899 means that if there is an increase of 0899 for the competitiveness it indicates that if there is an increase in commitment to the effort done then the SME level of competition will also be able to compete among businesses in the city of Medan in line With the research of Adi Suranta (2016).

3.1 Coefficient of Determination

Table 3. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.966	.933	.931	1.21305

Primary data in sports 2019

According to table 3, it is known that R-Square value is 0.933. This means that the ability and commitment of the KSM is 93.3% influence the level of competition in trying to be able to excel from the business actors but if the ability to run jointly together and the remaining 6.7% is another variable outside the research

3.2 Hypothesis Testing

a. F-hypothesis test (simultaneous test)

Table 4. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1687.924	2	843.962	573.539	.000 ^a
Residual	122.134	83	1.471		
Total	1810.058	85			

Primary data in sports 2019

Table 4 indicates that the significance value is 0.000. The significance value is smaller compared to the Alpha value of 0.05. So it can be concluded that together-the same KSM and KSM commitment to the competitiveness of KSM in the city of Medan.

b. T-hypothesis test (partial test)

Table 5. Uji t

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.780	1.255		-1.418	.160
	Capabilities	.144	.041	.151	3.526	.001
	Commitment	.899	.046	.847	19.747	.000

Primary data in sports 2019

Based on the decision-making criteria that when the probability value of the $<$ Alpha value is 0.05, the hypothesis is accepted and vice versa, if the value is sig. probability $>$ Alpha 0.05 value, the hypothesis is rejected (Ghozali, 2001).

Table 6.4 is known that the value significance of the capability (X1) is 0.001 this value is less than the value of Alpha 0.05. Thus it can be stated that the ability of the KSM has a significant influence on the competitiveness of small businesses in Medan. It is further noted that the significance value of the commitment (X2) is 0.000 this value is less than the value of Alpha 0.05. With so it can be stated that the placement has a significant influence on the level of competition in the Community self-Reliance Group (KSM) in Medan

IV. Conclusion

Based on the results of research and discussion that has been done in analyzing the influence of capability and commitment of small and medium enterprises (KSM) to the competitiveness of small business city Medan, can be concluded:

1. The results showed that the ability of KSM and the commitment of the KSM to simultaneously influence the level of business competition in the Community Government (KSM) Medan, which is the center of business Development in Medan.
2. Giving business people does not increase the ability to deepen the science of training and commitment in running the business on the run, the competitiveness of the business in the run will not be able to compete considering the number of KSM businesses in Medan City already follow Market desires.
3. Improving the ability of KSM through training and learning should be conducted KSM to be implemented BDC Sustainability and KSM commitment to the business should also be held firmly through its business development that will impact on the level of Business competition so that KSM business Development Center (BDC) product in Medan is able to compete in modern market positively impact on increasing KSM revenues in Business Development Center (BDC) in Medan

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