

Causes of Failure on Entrepreneurship in Order to Achieve SDG 8

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Abstract

The role of entrepreneurship is very important to achieve SDG 8. The ratio number of entrepreneurs in Indonesia is below 14% of the population. It happens because many people have failed to running a business. The one of reason is such the effect of COVID-19 pandemic. This study aims to find what factors cause failure in entrepreneurship. The factors who associated with failure in entrepreneurship are managerial incompetence, neglect, weak control systems, and insufficient capital. This research method uses a qualitative method with in-depth interviews for data collection. Respondents who were involved in this study were four MSME (Micro Small Medium Enterprise) who have low sale because of the COVID-19 pandemic. Based on the results for the managerial incompetence, entrepreneurs haven't made business planning, lack business knowledge, marketing management, and others. In the neglect category, entrepreneurs have bad time management and they open new business who not in accordance with their main business or expertise. In the weak control system category, entrepreneurs not control the process of production, inventory, and finance. They don't separate their organization based on job function. In the insufficient capital category, entrepreneurs struggle to get the loan, and not prepare sufficient capital.

Keywords

SDG 8; entrepreneurship;
failure in entrepreneurship



I. Introduction

Indonesia has the goal to advancing the general welfare (UUD, 1945). BAPPEDA reported that Human Development Index (HDI) is an indicator to measure the level of general welfare (BAPPEDA, 2021). The Human Development Index (HDI) used to describe the aggregate achievement of the social welfare sector because it captures developments of the economic and social sectors. In order to increase Human Development Index (HDI), the central and local governments focus on some programs and activities. One of the programs focus on welfare and economic equality. One indicator related with welfare and economic equality is economic growth indicator. That indicator assess the success of central and local governments in achieving economic prosperity and equality. BAPPENAS reported that economic growth was stated in SDG 8 which the statement is decent work and economic growth (BAPPENAS, 2020).

Kusuma (2020) reported that Indonesia's economic growth is around 5%. It is still small according to the opinion from senior economist INDEF, Aviliani. Based on indicators from the World Bank, Indonesia is in the middle-lower class category because Indonesia's gross domestic product is US \$ 3,840. One solution that can increase economic growth is increase the number of entrepreneurs. Kemenperin (2018) stated that the resilience of national economy will be stronger if the number of entrepreneurs are increased. The growth of entrepreneurs will have positive effect on the economy such as increase in labor absorption.

Media Indonesia (2020) stated that one of conditions to become a developed country is the number of entrepreneurs had to reach at least 14% of the total population. According to Arif Patrick Rahmat as chairman of Endeavor Indonesia, he stated that the number of entrepreneurs in Indonesia is around 3% of the total population. Indonesia still needs 11% of the total number of entrepreneurs from Indonesia's population. BPS (2021) stated that the total population in Indonesia in September 2020 was 270,200,000. Indonesia needs around 29,722,000 people to become entrepreneurs.

Lararenjana (2020) stated that entrepreneurship also provides benefits for the country, including to open the new jobs for the surrounding community. If that business is growing, it will require a lot of labor. That can create jobs for the community. With increasing employment opportunities, the unemployment rate in that place will decrease. It can help Indonesia to make job creation. Ramadhani (2020) stated that according to Mrs. Ida Fauziyah as Minister of Manpower, one of thing most needed in the economic recovery is job creation. She admits that Indonesia's job creation isn't good. The rank for Indonesia's level of ease doing is 73th and it's still far below from neighbor countries. Indonesia's labor productivity is still lower than the other lower middle-class countries. BAPPENAS (2020) stated that entrepreneurship was included in SDG 8.3. The statement is to promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial service.

Nusadaily (2020) stated that failure in entrepreneurship was related to Indonesia's entrepreneurial ratio target who hasn't been achieved. Some entrepreneurs fail to keep their business. Kadin Indonesia noted that of the 64.2 million MSME in Indonesia were affected by the COVID-19 pandemic. The outbreak of this virus has an impact of a nation and Globally (Ningrum *et al*, 2020). The presence of Covid-19 as a pandemic certainly has an economic, social and psychological impact on society (Saleh and Mujahiddin, 2020). Covid 19 pandemic caused all efforts not to be as maximal as expected (Sihombing and Nasib, 2020).

Some entrepreneurs are forced to close their business. Riyandi (2020) stated that the Minister of Cooperatives and SMEs, Teten Masduki, said that at least from 40 surveys estimated, half of MSME wouldn't be survive. The government needs to take action in raising sixty million MSME. This doesn't include the number of workers who involved in there. Annistri (2020) stated that some causes of business failure are such as only having enthusiasm, no proper preparation, poor management, not doing market research, improper location, inadequate capital, over expansion, inaccurate marketing strategies, hiring too many employees, and unable to respond the feedback.

Based on the above background, the authors conducted research on the factors that cause failure in entrepreneurship. There were many entrepreneurs have failed to maintain their business especially when the COVID-19 pandemic occurred. Some journal articles explain the factors that cause failure in entrepreneurship. Denton (2020) stated that bad business planning is the main factor responsible for the failure of most small businesses in Liberia. Most small business owners in Liberia don't planning properly before starting the business. They rely on everyday realities to run a business that is not good for the future of the business. According to Azzopardi and Lubis (2019:213), factors affecting woman entrepreneurs in Malta and Indonesia to start the business are lack of finances, need for a more encouraging support structure, need for more training programs, need for strong networking or relation, and they were faced with a strong pro-man culture. Hamilton and Mostert (2016) stated that lack of education and skills, terrorism, social status, political environment, lack of financial resources and business environment have significant

relation with entrepreneurs motivation in Pakistan. The entrepreneur's motivation will give an effect on the success or failure on entrepreneurship. Atiase V. Y. et al. (2018) stated that financial inclusion, support from state institutions, access to electricity, political governance, and contract enforcement are critical resources for entrepreneurs. Their critical resources will give an effect on the success or failure of entrepreneurship. Ebert and Griffin (2013) said that managerial incompetence, neglect, weak control system, and insufficient capital are the factor cause of failure in business. The problem faced by respondent is highly decreased in their sales. That will affects the failure in entrepreneurship. Based on the problem, the author conducted research on the factors that cause failure in entrepreneurship on MSME who have bad in sales when the COVID-19 pandemic. This research uses a conceptual framework from Denton (2020) and the variables use from Ebert and Griffin (2013). The conceptual framework can be seen in figure 1.



Source: Denton, 2020 and Ebert & Griffin, 2013

Figure 1. Conceptual Framework

The research question is "what are the factors that cause failure in entrepreneurship in terms of managerial incompetence, neglect, weak control system, and insufficient capital?"

II. Research Method

Related to the research design, this research uses a descriptive study. It answers the problem by describing the causes of failure in entrepreneurship based on the respondent answers from interviews. It uses an interpretive model. This study interprets information from the respondent using interview method. This research has four main interview questions. There are: (1) What is your opinion about managerial incompetence that can affect failure in entrepreneurship? (2) What is your opinion about neglect that can affect failure in entrepreneurship? (3) What is your opinion about a weak control system that can affect failure in entrepreneurship? (4) What is your opinion about insufficient capital that can affect failure in entrepreneurship?

This research uses an inductive approach. It begins with a general topic and some unclear ideas, and then corrects it and breaks it down into clearer concepts (Neuman, 2014). Based on the research methodology, this research uses qualitative research methods. This study explores and understanding the causes of failure in entrepreneurship from four entrepreneurs. Based on the research strategy, this research uses a case study method. Case studies focus on gathering information related to objects in order to get a clear picture of the problem (Sekaran & Bougie, 2013). The unit of analysis of this research was carried

out on individual units. The units of analysis in this study are four SME entrepreneurs. There are Ndf Project, Bumay, Pernik by Deandra, and CV. Tanawangi Gunung Gedeh.

The author's involvement in this study was minimal. The research background used in this study belongs to the non-contrived setting. That is situations that aren't regulated or are natural in nature. A natural setting or the natural environment is a background that does not bring respondents into the laboratory (Creswell, 2018). Based on the time of the study, this study used a cross-sectional study. Data collection in this study was only collect once, or it could be collected in a few days, weeks, or months to answer the research question (Sekaran & Bougie, 2013).

Related on research procedure, the author makes 10 steps to this research. There are: (1) identify the problem (2) make objective research (3) doing some literature review and observe the respondent (4) identify operational variable (5) collecting data by identifying the respondent, make interview question, and prepare interview tools (6) interview and observation (7) make research documentation (9) processing data (10) make the result (11) make conclusion and recommendation.

The author summarizes the answer from the interview with respondent into four categories and sixteen sub-categories. For the managerial incompetence category, there are: (1) finance (2) business knowledge (3) marketing (4) training (5) work experience (6) business planning (7) human resources. For the neglect category, there are: (8) time management (9) business expansion. For the weak control system category, there are: (10) separation of work function (11) finance (12) production process (13) inventory. For insufficient capital category, there are: (14) get the loan (15) prepare business capital. After that, the author analyzes the data based on theory from the literature.

III. Results and Discussion

The result on this research can be see on table 1.

Table 1. Results

Variables	Results
Managerial Incometece	<ol style="list-style-type: none"> 1. Not have financial management skills 2. Not have business knowledge 3. Not have good marketing management 4. Not attending business training 5. Not have experiece for support the business 6. Not have a business plan 7. Not have good human resources management
Neglect	<ol style="list-style-type: none"> 1. Not have time management properly 2. Opening a new business that not in accordance with his main business or expertise
Weak Control System	<ol style="list-style-type: none"> 1. Not separate based on job function 2. Not control the finance 3. Not control the production process 4. Lack of inventory contro
Insufficient Capital	<ol style="list-style-type: none"> 1. Can't get the loan because don't have the business 2. Not well prepare the business capita

3.1 Managerial Incompetence

Related to managerial incompetence, some entrepreneurs over confidence in common sense, overestimate their own managerial skills or expertise, or they also believe that hard work alone can lead to success. If managers don't know how to make basic business decisions or don't understand basic management principles, it is likely that entrepreneurs will not be successful in the long term (Ebert and Griffin, 2013). The Owner of Ndf Project states that bookkeeping is the problem. They don't record financial transaction. It was become habit for some entrepreneur after they finish shopping. They don't separate between personal and business finance. The owner of Handmade by Deandra stated that cash flow need to be managed properly. If entrepreneur can't manage it, his personal finance can be mixed with business finance and then the entrepreneur will be struggle to manage business. According to UU no. 28 (2007), bookkeeping is a process of recording that carried out regularly to collect financial data and information which includes assets, liabilities, capital, income and expenses, as well as the total cost of acquisition and delivery of goods or services, which is closed by compiling financial statements in the form of balance sheets and income statements for the tax year. If a business don't have bookkeeping, the entrepreneurs will not know about their business cash flow, the amount of their inventory, the costs incurred to pay employees, and the others. Entrepreneurs will have difficulty get loan from financial institutions, raise business capital through investors, and the others. (Smith, 2018). The most important thing to running the business is cash. Adequate financial control is to apply appropriate cash management techniques. The challenge for new entrepreneurs are managing proper cash flow to pay bills on time (Zimmerer and Scarborough, 2008). From the above statement, if the entrepreneurs doesn't bookkeeping and manage the cash properly, It can increase the risk of failure in entrepreneurship. That's related to managerial incompetence on financial management.

According to the owner of Ndf project, the entrepreneurs must have business knowledge before start the business. They should study about the business such as business operation, business advantages, and the others. The owner Ndf Project also stated that business knowledge must be updated to make business sustainable. Owner of CV. Tanawangi Gunung Gedeh stated that the business was better when the owner have the passion related to their business.

If the entrepreneurs don't explore or study business knowledge, failure can occur According to the owner of Bumay, entrepreneurs need to have knowledge about their products, not only in management knowledge. According to the owner of Pernik by Deandra, business knowledge needs to be expert in order to reduce risk of failure. From that statement, it can be interpreted that the cause of failure in entrepreneurship is related to the lack of business knowledge. That's accordance with the statement that business failure can occur because the entrepreneur lacks in leadership skills, bad judgment, and business knowledge business (Zimmerer and Scarborough, 2008).

In the marketing activities, every entrepreneur must know about the advantages of their product. They must think about whether their product can compete with competitors. The owner of the Ndf Project stated that entrepreneurs must know their products. They should know the strength of their products, and the differences with competitors' products. About location, he stated that entrepreneurs must focus to the aspects such as crowds, traffic conditions, parking availability, and the others. If they don't get a strategic location, they can make a strategy like they have to be active in get the customer. Online sales service is also a solution if the entrepreneurs don't get strategic location. The location should be accessible with delivery services so that will easy to deliver the goods. To

determine product prices, you also need to calculate and see the market price. The owner of Bumay stated that the packaging of the product needs to be eye catching for customer. An example is Bumay's products change the packaging from the plastic to PET. Owner of Pernik by Deandra stated that entrepreneurs should expert in promoting, for example like promoting in Instagram. Owner of CV. Tanawangi Gunung Gedeh stated that entrepreneurs need to see the market first when they want to open the business. The location of raw materials also needs to be close with the factory location, so the transportation costs can be low. Related to the marketing activities, marketing is part of management. Marketing management deals with areas such as finding customers and clients who want to buy products or services from a business, new product development, promotion and distribution (Griffin, 2016). Zimmerer and Scarborough stated that entrepreneurs usually fail in running their business because they determine the location of the company without doing research, observation and planning first (Zimmerer and Scarborough, 2008). This can have bad effect, such as increase in production cost, sales not reaching the target, and the others. As the result, the risk of failure in business will increase. Determining the location of the business, is include in marketing management. Related to the pricing, companies need to understand the costs involved in making, marketing and distributing their products or services. According to Zimmerer and Scarborough, entrepreneurs usually like to set the price based on market prices (Zimmerer and Scarborough, 2008). Entrepreneurs also usually sell their best products at low price. It can increase the risk of failure in entrepreneurship.

In business activity, entrepreneur need business training before starting or running the business. The owner of the Ndf Project stated that if entrepreneur not participate in business training, thats a bad thing in doing entrepreneurship. Besides business training, he also suggested that entrepreneurs should have mentor who can guide them in dealing with situations or problems in their business. It can help them achieve their targets. By participating in a training program, an entrepreneur can run his business in good condition because of the experience he gets while attending the training (Zimmerer, and Scarborough, 2008). Taking business training and finding a mentor who can guide them in entrepreneurship is one of the ways to avoid leadership failure. Leadership failure is one of the factors of failure in entrepreneurship (Aninda, 2020). Leadership will affect every aspect of business operations from financial management, employee morale, and productivity. This is related to managerial abilities. An entrepreneur may experience difficulties as a leader if the entrepreneur does not have sufficient experience in making management decisions, supervising staff, or the vision to lead the organization or business.

The entrepreneurs need to make a plan execute it. Don't just make planning but they don't take the action based on the plan. According to the owner of Ndf Project, business planning is important to avoid failure. The entrepreneurs cannot directly run their business without planning. Entrepreneurs also need to see the situation when they planning. The owner of Bumay also prepares the plan before starting a business. The owner of CV. Tanawangi Gunung Gedeh stated that failure could occur because there was no planning when running the business. A business plan is needed even though its not perfect. By make the plan, entrepreneurs can achieve their goals. It can be used as a control for operational activities. Planning is a management section included into the activities of planning and decision making that directs the organization's resources, namely human, financial, physical, and information, in order to achieve organizational goals effectively and efficiently (Griffin, 2016). Planning and decision making is the process of setting organizational goals and choosing actions from various alternatives to achieve goals. Some people think that business or business planning is not really necessary because the most

important thing is the execution stage (Catriana, 2020). In fact, according to the founders of Sweet Escape travel photography service provider, David Soong, stated that the preparation of a business plan is a crucial stage that should not be missed. In drawing up the plan, one thing that important is to identify the needs to turn the idea into a profitable venture. Business planning also needs to be evaluated and then made improvements. From the previous statement, it can be interpreted that if entrepreneurs not make business plan, the risk of failure in entrepreneurship will increase.

Entrepreneurs also need give attention to their employees such as incentives, so the employees become motivated for working. Owner of Ndf Project like to eat together with his employees when the business goals are achieved. According to the owner of CV. Tanawangi Gunung Gedeh, as entrepreneurs, we must have reliable human resources so that we aren't cheated by our employees. Human resource management is involved in human resource planning, recruitment and selection of employees, training and development, designing compensation and benefits systems for employees which also includes incentives, formulating a performance appraisal system, and laying off low-performing employees. Providing incentives for employees is one of the management activities related to human resources (Griffin, 2016). Providing incentives for employees is important because it can encourage employees to work hard and be enthusiastic in their efforts to achieve organizational goals. Incentives for employees can raise employee performance so that they are always at the highest level according to their respective abilities. From the previous statement, having good HR management can minimize the risk of business failure.

3.2 Neglect

Bad in managing time between household duties and business activities can make entrepreneurs unfocused in running their business so they can become neglect. Therefore, entrepreneurs must be able to manage the time between household duties and their business activities. Entrepreneurs need a tremendous time commitment in running their business. (Ebert and Griffin, 2013). Owner of Pernik by Deandra stated that bad time management is one of the things that can lead failure in entrepreneurship. Owner of Bumay manages her time between her business and her family. She was working for her business when her husband is not at home, so she can't neglect when working.

When entrepreneurs want to expand their business, the type of business should still same as the main their business. That can reduce the likelihood of neglect or unfocused when running the business (Ebert and Griffin, 2013). Thats accordance with the statement from the owner of Bumay. She said when entrepreneurs open the new business whose products are similar with the main product, the focus of the business will not be disturbed, so it can avoid neglect. She stated that entrepreneurs must really understand the new business thats going to be opened..The Owner of Pernik by Deandra also stated the same thing that entrepreneurs is better to open the new business who similar with their main business. The newly opened business also needs to be monitored and must also focus to minimize the risk of failure. If the entrepreneurs wants to expand his business but its different from his main business, they should really understand the knowledge related to the new type of their business so they can avoid negligence. Opening new business with different types with main business can provide benefits, for example, such as dealing with a pandemic situation. Owner CV. Tanawangi Gunung Gedeh can minimize the losses incurred due to unsold lemongrass oil during a pandemic. CV Tanawangi has another type of business. Thats shell palm oil burner machine. That effort can help CV. Tanawangi Gunung Gedeh to minimize risk of business failures due to unsold lemongrass oil during

pandemic. That statement was different from the theory that stated in Ebert and Griffin who the type of new business should still be same with they initially open. Although the business of CV Tanawangi is different, there was still in agro industry.. In business expansion, entrepreneurs shouldn't give up easily in order to minimize the risk of failure. If entrepreneurs are neglect or not focus on running their business, the risk of failure in their business will increase. It is proven that owner CV. Tanawangi had experienced when he failed because he wasn't focus when he opened a new business. The new business is selling tofu. Some of the driving factors that caused his business was failed because inadequate and hasty planning. When viewed from the type of business, its not same with his main business. Thats accordance with the theory of Ebert and Griffin that the type of business should still be same as the business they initially open.

3.3 Weak Control System

According to Ebert and Griffin, one of the causes of failure in entrepreneurship is related to a weak control system. In running a business, entrepreneurs must have a control system. If they don't have a control system, they will not know about the business problems they are facing. Finally, the problems that come cannot be handled (Ebert and Griffin, 2013). Owner Ndf Project stated that the business need separation based by job funtion such as marketing department, finance department, production department, and others. The owner of Bumay also stated that there needs to be a separation of duties or management. Owner of Pernik by Deandra stated that the business needs separation of duties or management if the business is large or there are many employees. The separation of job functions is related to the formation of an organizational structure. The organizational structure give effect to the design of management control systems (Anthony and Govindarajan, 2004). The organizational structure based on functional can give you the advantage of becoming more efficient (Anthony and Govindarajan, 2004) . Between functions of production, sales, finance, and the others are separated. So it can be stated that the separation of management functions which in the future will form an organizational structure can provide benefits for the control system. Thats requires a large amount of money to recruit new workers. Therefore, the separation of business functions also need to see the size of a business along with the costs for recruiting new workers. Owner Ndf Project also stated that he need to pay attention on the costs for separation of management.

The Ndf Project has also experienced failures related to production costs. The Owner stated that sometimes he ever misscalculation in cost of good sold. The profits is reduced due to his fault calculations. That incident was related to weak control system in production. The costs of good sold is not accordance with the budget. Thats can happen because such as waste in the use of raw materials when producing. In a budget, there is the potential for significant deviations between actual performance and planned performance. This occurs because of several causes such as poor budget preparation, business conditions that may have changed, for example due to a pandemic, the manager has done a better or less good job in managing his operations. The owner of the Ndf Project also agrees that entrepreneurs need to make a budget. Entrepreneurs should monitoring the cash flow.

The owner of Ndf Project stated that another thing that need control in business activities is speed of production. If you don't control the speed of production, the customer will cancel the order because delay in production. For bag products, the quality of production also needs to be considered, such as the puncture distance between the needles. For damaged goods, they immediately separate them from good quality, and then they immediately make repairs. The owner of Bumay stated that the quality of production needs to be monitored because sometimes failure in production can be occurred. If production

failures can be identified, defective or non-standard products can be hampered before shipping to customer, so it can avoid the bad customer ratings. Owner of Pernik by Deandra stated that the speed of production, the quality of production including the packaging, also need to be control so it can not disappoint the customers. If the actual production time exceeds the expected production time, the customers will switch to other products. Owner of CV. Tanawangi Gunung Gedeh also stated that there needs to be quality control in production and providing guarantee to minimize customer dissatisfaction if there have defective product. He stated that planning in a business can be used as a control for operational activities in a business. The control activities also need to be intensively. Control of product quality is part of the management controlling system (Hornngren et al. , 2012). In maintaining product quality, entrepreneurs can provide training to production workers, carry out inspections during the production process, rework when the products are defect, and provide guarantees when the product has been purchased by the customer. There are four categories in product quality control, namely prevention, appraisal, internal failure, and external failure. With control activities, the risk of business failure can be minimized. Entrepreneurs also need to take stock opname to avoid inventory obsolete. In the Ndf Project, they do stock opname at least once a month, depending on the production process.

3.4 Insufficient Capital

According to Ebert and Griffin (2013), one of the causes of failure in entrepreneurship is related to insufficient capital. In running the business, some experts suggest that a start-up business has at least enough capital to last from six months to a year when the business is not yet profitable. Business capital can be obtained through personal savings, loans from family or friends, bank loans, venture companies, Small-Business Investment Companies (SBICs), Minority Enterprise Small-Business Investment Companies (MESBICs), and Small Business Administration (SBA) Financial Programs.. Some entrepreneurs usually failed in business because they use business loan for their personal needs as well as in consumptive matters, not entirely for business. Owner of Ndf Project stated that business finance should be separated from personal finance. There need to be discipline in managing business finances. According to him, even though he was the owner, he should put his position like a paid employee. This make entrepreneurs become disciplined. The business loan capital must be returned with the interest expense to the lender. Owner of CV. Tanawangi Gunung Gedeh stated that when entrepreneurs want to get the loan, entrepreneurs must pay attention to their products whether the product can compete or not in the market. Some financial institution like banks will give the loan if the people have the business because the bank have do a survey first. According to owner CV. Tanawangi, there are some disadvantage when get the loan from financial institutions. For example, if their business conditions will not good because like COVID-19 pandemic , the entrepreneurs will be difficult to pay the loan. That was different if the entrepreneurs use their own capital in running their business. Experience in managing business capital is also needed in order to minimize the risk of failure. Lack of capital is a common cause associated with business failure. Thats happen because the company have lack of capital before its able to generate positive cash flow (Zimmerer and Scarborough, 2008). Some entrepreneurs usually have bad experience in determining the money that will be needed to enter the business so they start their business with too low capital. Poor selection of loans and collection of accounts receivable, undisciplined spending habits are the factor that causes to get failure in entrepreneurship.

Owner of Bumay stated that people fail to get loan from financial institutions, such as banks, because they not have the business. The bank will conduct a survey to borrowers. If they don't have the business, they will not get approval to get loan. She stated that one of the factors that can cause failure in entrepreneurship related to business capital is the emergence of unexpected things such as the COVID-19 pandemic. It can interfere with their business finance. Therefore, entrepreneurs must prepare a reserve fund from their business capital. Some experts suggest that a startup business has at least enough capital to last from six months to a year (Ebert and Griffin, 2013). That can help their business to survive in pandemic situation. The owner of Pernik by Deandra stated that the reserve fund can also be reconsidered by looking at the size of a business.

IV. Conclusion

The conclusion of this research is divided into four parts, there are:

1. Related to managerial incompetence, entrepreneurs don't have the ability in financial management, business knowledge, marketing management, and human resources management. The entrepreneurs don't attend training which can affect managerial abilities, don't have experience for business activities, and don't make business plans.
2. Related to neglect, entrepreneurs have bad time management and their business expansion is not in accordance with their main business or expertise.
3. Related to a weak control system, entrepreneurs don't control the production, inventory and finances. The entrepreneurs not separate based on job functions in their organization, so it will be difficult to control.
4. Related to insufficient capital, entrepreneurs was difficult to get the loan because they don't have the business, and they aren't well-prepared for the business capital.

Future researchers are expected to conduct research on the other entrepreneurs because they have different problems related to the factors that causes of failure in entrepreneurship.

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