

WOMANPRENEUR IN WEST JAVA. BUSINESS

SUSTAINABILITY FACES LIMITATIONS

HANNY NURLATIFAH¹, ASEP SAEFUDDIN², MARIMIN³ and HENY K, SUWASINAH⁴

¹School of Business, Bogor Agricultural University /University of Al-Azhar Indonesia. Email: hanny@uai.ac.id, hannynurlatifah@gmail.com

²Departement of Statistic Faculty of Mathematics and Natural Sciences, Bogor Agricultural University, Bogor, West Jawa, Indonesia.

³Department of Department of Agroindustrial Technics Faculty of Agricultural Technology, Bogor Agricultural University, Bogor, West Jawa, Indonesia.

⁴School of Business, Bogor Agricultural University, Bogor, West Jawa, Indonesia.

ABSTRACT

A grouping of the main characteristics of Womanpreneurs in West Java, mapping of business conditions and interinstitutional linkages to create a conceptual framework for improving business performance is presented. 1770 MSME's are used as objects in the clustering of characteristics of women entrepreneurs. Data analysis was performed using the K-Means Cluster method to obtain the clustering of entrepreneurs. Mapping the situation using a rich picture description method and analysis of Customer, Actor, Transformation processes, World View, Owners, Environmental costs (CATWOE) to develop a conceptual framework. Three clusters were formed and there was a significant difference in the number of members of each cluster. The strategy for a sustainable MSME business performance improvement program is a system that involves all stakeholders through integrated coaching and mentoring programs with various related institutions, taking into account the characteristics of women, monitoring and evaluating programs continuously, to improve sustainable business performance in accordance with the characteristics of women.

Keywords: MSME's; womenpreneur; business performance; Cluster Analysis

1. INTRODUCTION

Women profile data in 2019 shows that 34.71% of women have businesses either without assistance, or assisted by workers and 37.47% are employees/laborers with permanent jobs. (Ministry of Women's Empowerment and Child Protection 2020). The high role of MSMEs as a driver of economic growth is not followed by the contribution of MSMEs owned by women, which currently only contributes 9.1 percent of GDP and 5 percent of exports. Based on these data, it can be concluded that MSMEs are owned by women in large numbers but are not accompanied by good business performance so that their contribution to GDP is low. Women as entrepreneurs, especially those with a scale that is not large, have many obstacles in developing their business, in previous studies it was mentioned that cultural culture, gender characteristics, motivation to try were the main causes of women's obstacles in carrying out their business activities (Adinolfi et al. 2020; Li and Marshall 2019; Suswati 2020; Gupta and Mirchandani, 2018; Sultan et al.2019; Welsh et al.2018).

Based on the complexity of the problems above, women as entrepreneurs have great potential to succeed and play a role in improving the economy of the family and the country. To achieve





this condition, a systemic framework is needed. As a first step, there is a need for mapping to see the current condition of entrepreneurs of MSMEs owned by women.

West Java is one of the provinces with the largest number of MSMEs in Indonesia. In 2019, a West Java Champion program was initiated as one of the flagship programs of West Java province for the empowerment of MSMEs. Food and beverage vendors dominate the business category in the following figure.

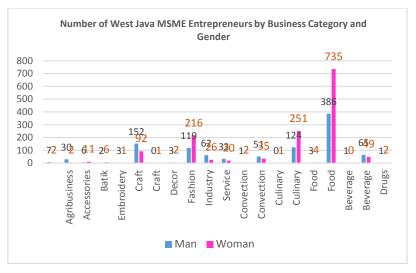


Figure 1: Number of MSME Entrepreneurs of West Java (Jabar Juara) by Product Category and Gender

Solution Ideas

Based on the problems mentioned above, an initial mapping is needed as a basis for formulating specific policies by taking into account the business characteristics and characteristics of women entrepreneurs. The results of this mapping are used as the basis for the formation of a conceptual framework that will be used as the basis for policy making. Policies that are in accordance with the characteristics are expected to support MSMEs having good business performance is one way to survive.

The purpose of this article is to determine the level of distribution of the characteristics of MSMEs owned by women in the West Java Province and incorporated in the West Java Champion program as many as 1770 MSMEs and to map the problems faced by Women MSMEs.

Model Establishment

MSME Women may not have the strength to survive without having a competitive advantage in running their business. A business that does not have a competitive advantage will have difficulty improving its business performance. For this reason, it is necessary to have an indepth understanding of strategies to improve business performance for MSMEs owned by







women and to look at strategic issues that affect the business performance of women entrepreneurs.

Research on looking at the characteristics of women entrepreneurs who trade online in Indonesia is generally small-scale MSMEs. The obstacle faced is the weak strategic capability to overcome its limitations, especially in terms of finance, technology and HR capabilities. Currently, the performance of online women entrepreneurs in Indonesia is still not superior, this is related to their lack of ability to build strategic capabilities that can be formed by developing strategic partnerships and digital marketing capabilities simultaneously (Sihotang et al.2020).

State conditions, as well as cultural background are often factors that will slow down the development of businesses carried out by women. Women from developing countries often have limitations in increasing the level of entrepreneurship (Wu et al.2019; Welsh et al.2018; Swati, 2018).

Women entrepreneurs also have advantages when viewed from the side of the characteristics of entrepreneurs. Women entrepreneurs are more committed to developing their surrounding environment and are unique in building networks. The success of a woman entrepreneur is often associated with her ability to run a business in the field she likes (K. S. Ng and Fu, 2018; Adinolfi et al.2020).

Empirical Analysis

Gender differences affect business performance, networking, strategic differentiation and access to government policies (Adinolfi et al.2020). Psychological characteristics, entrepreneurial education has an indirect relationship with Entrepreneurial Intention mediated by personal Atitude and Perceived Behavioral Control on female entrepreneurs (Kusumawardani et al.2020). Entrepreneurship cognition capabilities together with complex requirements for funding for women entrepreneurs are the cause of the low level of women Entrepreneurship (Wu et al.2019). Factors affecting women entrepreneurs are unemployment rate, ability to finance, desire to earn extra money, education, family background, dissatisfied with work and experience (Amanpreet, 2019). The characteristics of women entrepreneurs are the key to success. Many women entrepreneurs believe that success is something that can be achieved with pleasure (Ng et al.2016)

The literature on ethical decision-making suggests three approaches in relation to gender effects, and each one suggests a different logic and prediction. The gender socialization approach shows that women are more ethical, caring, and more likely to help others than men. The structural approach argues that men and women respond equally in the same work environment and show no difference in ethical reasoning. Meanwhile, the cultural approach shows that gender differences in ethics vary between cultures. The gender socialization approach was developed from assumptions and empirical evidence that environmental, experience, and individual attributes influence ethical judgments. This approach argues that







men and women have different values and traits, which create different decisions and practices in the workplace (Grusec and Hastings 2014).

Gender socialization theory states that "gender identity is formed through the socialization process during childhood". The gender roles that are socialized are the roles of men and women. Traditional gender roles depict men as being expected to be adventurous, assertive, aggressive, independent and task-oriented, while women are seen as more sensitive, gentle, dependent, emotional and people-oriented (Shawver and Clements 2015; Crespi 2003).

Conflicts of opinion in this theory are empirically found in several cases. In the case of entrepreneurs in China, male entrepreneurs in China are more generous than female entrepreneurs who tend to be more economically rational, this condition is more influenced by social conditions (Zheng and Chen 2017). The application of Gender Socialization theory also cannot be proven in providing loans for businesses. The low level of approval from both parties for loans submitted by women entrepreneurs is not from a gender perspective but is more influenced by the quality of the business proposals offered. The bank is proven not to discriminate against gender in the process of providing business loans (Wilson 2016).

Clusters are defined as associations based on geography that are the same as companies that have relationships with each other in certain business fields. Clusters are always associated with similarities and substitutions. Overall Porter divides clusters based on the perspective of economic performance of the company and not based on generic industry definitions such as technological similarity or similarity related to factors of production (Huggins and Izushi 2012). Literally a cluster can be interpreted as a collection, group, set or certain objects that have similarities based on certain characteristics.

It is important to establish synergy from upstream to downstream for micro and small business products. Using a cluster system approach is one of the programs developed to empower and improve the performance of micro and small enterprises. The food cluster is one of the leading clusters for micro and small business products. The food industry is an industry that dominates the products of MSMEs. BPS can say that the food industry is an industrial category that has the largest share in 2019, which is 36.23%, higher than the wood and woven goods industry (15.03%) and the apparel industry (14,01%) (Badan Pusat Statistik 2020).

2. RESEARCH METHOD

2.1 Data

The object of this research is 1770 MSMEs owned by women and incorporated in MSMEs that are curated to enter the West Java Champion program. The data collection method used is the documentation method for data on the characteristics of West Java (Jabar Juara) MSMEs to win in 2020.

Analysis of the grouping data in this study using the K-Means Cluster method with the number of clusters used is 2 clusters with expert considerations to see MSMEs in the Superior category and MSMEs in the developing category with SPSS 20 software. Making rich pictures and





CATWOE Analysis (Customer, Actors, Transformation, World View, Owner and Environment). The research framework can be seen in the image below:

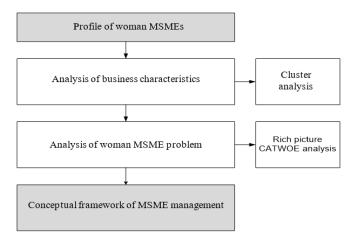


Figure 2: Research framework

2.2 Cluster Analysis

K-means cluster is used to form clusters of the business conditions of MSMEs owned by women. Businesses that have similarities will be joined in the same cluster. K-Means Clustering is a non-hierarchical clustering method that will group data into more than one cluster.

Understanding that a certain amount of data has similarities among its members. The final result of cluster analysis is certain groups that have similarities in certain characteristics (Malhotra 2010). The steps in cluster analysis are:

- (1) Formulating a grouping problem by defining the variables that will be the basis for grouping. Followed by an appropriate distance measure must be selected.
- (2) Determining the size of the distance will determine how far similar or dissimilar objects combine into one group.
- (3) Hierarchical clustering is a grouping procedure characterized by the development of a hierarchical or tree-like structure.
- (4) Grouping Agglomeration is a hierarchical grouping procedure where each object starts from a separate group. These groups by grouping objects into groups that are getting bigger.
- (5) Divisional Grouping, Hierarchical clustering procedure in which all objects initially belong to a giant group. Groups are formed by dividing this group into smaller and smaller groups.

All these steps can be seen below:





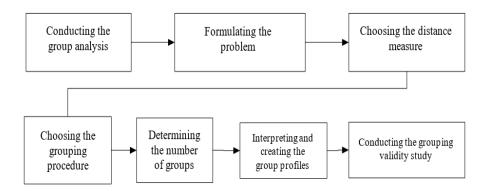


Figure 3: Cluster analysis steps

There are five variables that are used as the basis for the characteristics of the cluster, namely length of business X1 (years), assets owned by X2 (rupiah), monthly turnover X3 (rupiah), number of workers X4 (persons) and production capital X5 (rupiah).

Situation analysis and formulation of the conceptual framework is by using the adoption of the Soft System method stage. The stages used in this paper are stage 1 situation analysis, stage 2 Formation of a rich picture to reveal the problems that occur, Stage 3 Building root definitions using CATWOE and Stage 4 is the formulation of the conceptual model with the formation of the relevant purposive activity system.

2.3 Rich Picture

Rich picture (situation analysis) used as a pictorially problem situation of common interest stakeholders together draw a rich picture aiming to understand the problem situation from different perspectives, to emphasize structures, processes, relationships, conflicts and uncertainty to get a feel for the real situation. This analysis involves policy makers from the local and central government levels as well as representatives from women entrepreneurs of MSMEs.

2.4 CATWOE and Root Definition

The root definition is the relevant system regarding the problem system under study. Root definition can also be said as an expression of a short verbal definition in an activity system that is intended and considered relevant to explore problem situations. The preparation of the Root definition will follow the PQR formula (a system to do P by Q in order to achieve R), (Checkland and Poulter 2006). CATWOE Analysis is done by understanding each element by letter. The letter C represents customers, namely people or groups of people who are directly or victims of or who will benefit from the transformation process within an organization. Letter A represents an actor, namely a person or group of people who carry out activities in the context of implementing the transformation process. The letter T represents the transformation process, namely the process of changing inputs into outputs, either concrete or abstract. The letter W represents the worldview, which is a field, frame of mind or image that becomes the root definition. The letter O represents owners, which is a person or group of people who have





power over the system and has the authority to stop or change the transformation process, and the letter E represents environmental constraints, namely the environment that is an obstacle to the transformation process.

3. RESULT AND DISCUSION

The MSME profile data used in this study was processed using the K-means cluster method using SPSS.20 software. Standardization is used because the data on the characteristics of MSMEs used have different units. This process is carried out by converting the original data into Z-score. According to Rosenthal, the z-scare is the original score calculated based on the distance from the data mean and it was a measure in standard deviation units. Cluster analysis was carried out after the characteristic data was converted to Z-score.

Based on discussions with experts, it was determined that the number of clusters used in this study was two clusters. Each cluster is named after its characteristics. Cluster 1 is referred to as a successful cluster, cluster 2 is referred to as potential and cluster 3 is referred to as a stable cluster. Clusters are carried out in ten iterations which can be seen in table 1. Based on these results, the minimum distance between clusters is 28,240.

Change in Cluster Center Iteration 19.913 20,363 9,655 1 2 0.810 0.209 0.000 3 0,727 0.124 0.000 4 0,602 0,102 0,000 5 0,350 0,053 0,000 0,110 0,016 0,000 6 7 0,050 0,007 0,000 8 0,015 0,002 0,000 9 0,002 0,010 0,000 10 0,000 0,000 0,000

Table 1. Iteration Stage

Table 1 describes the final results of cluster centers. A positive value on the z-score is an indicator that the data is above the population average and vice versa. Cluster 1 contains MSMEs that have all of the above average characteristic values. This cluster contains MSMEs that have excelled in their business management. In cluster two, it can be seen that all variables have values below the population average, based on these results, cluster two is a cluster containing MSMEs that need assistance in business development. MSMEs in cluster 3 have asset values and length of business that are below the average while turnover, total labor and total capital are above the population average so that cluster 3 can also be called a stable cluster.





Table 2: Final result of Cluster centres

	Cluster			
	1	2	3	
Zscore (Length of business (years)	1,72575	-0,26063	-0,14958	
Zscore (Asset)	0,53933	-0,08146	-0,04525	
Zscore (Turnover)	0,84825	-0,12868	0,36528	
Zscore (Total Workforce)	1,26173	-0,19177	0,81964	
Zscore (Total Capital)	0,31978	-0,08139	25,36944	

ANOVA is used to test the variables composed cluster (literature 15). Table 3 shows the results of ANOVA calculations that have a significance level α = 0.05. Based on the calculation results, all variables have a p value < 0.05. Based on these results, the variables of length of business, assets, turnover, labor are significant characteristics in forming a cluster.

Table 3. ANOVA

	Cluster		Error			
	Mean Square	df	Mean Square	df	F	Sig.
Zscore (Length of business (years)	397,631	2	0,551	1766	721,898	0,000
Zscore (Asset)	38,836	2	0,957	1766	40,574	0,000
Zscore (Turnovert)	96,308	2	0,892	1766	107,960	0,000
Zscore (Total Workforce)	213,562	2	0,759	1766	281,272	0,000
Zscore (Total_modal)	660,554	2	0,253	1766	2610,343	0,000

This study involved 1769 MSMEs owned by women. Based on the final results, there were eight MSMEs (0.5%) in cluster 1 and the remaining 1762 MSMEs (99.5%) in cluster two. The first cluster can be called developing cluster and in cluster 2 it is called potential cluster and cluster 3 is special. This condition illustrates that the province of West Java still needs a special strategy to improve the performance of MSMEs owned by women.

Table 4. Number of members in each cluster

	1	232	13,1%
Cluster	2	1.535	86,8%
	3	2	0,1%
Total	•	1769	100%

Based on table 4 which contains the number of MSMEs in each cluster, it can be seen that MSMEs owned by women in the West Java Champion program are dominated in cluster 2 which has conditions below the population average in terms of length of business, number of workers, assets, turnover and business capital. namely 1,535 MSMEs or 86.8% of the total 1,769. MSMEs that are included in cluster 1 are 232 MSMEs (13.1%) and cluster 3 as many as two MSMEs are a group of MSMEs that are classified as stable in business management. Based on this grouping, it can be seen that MSMEs in West Java are dominated by MSMEs that still need assistance to improve their business performance. This group is classified as potential but needs special attention.





Cluster **Business Category** % Total 3 83 633 0 716 40% Culinary Food 68 491 0 559 32% Fashion 23 123 0 146 8% 18 106 1 125 7% Craft 0 71 Beverage 8 63 4% Service 10 32 0 42 2% 34 0 40 2% Convection 6 28 0 33 2% 5 Industry 7 17 25 1% Agribusiness 1 Accessories 2 3 0 5 0% 1 3 0 4 0% **Batik Embroidery** 0 1 0 1 0% Furniture 1 0 0 1 0%Drugs 0 0 0% 232 Total 1535 2 100%

Table 5: Business Categories

The business category in the food and culinary sector is the most common business category in West Java. This large number makes the food category need attention because it has a dominant number but with conditions below the population average. There are 2 MSMEs in cluster 3, each of which is engaged in craft and agribusiness. These two MSMEs are MSMEs that have a fairly large use of business capital even though it is seen from the length of business and assets carried on average.

1769

Cluster Characteristics 1 2 3 Length of business (years) 3 7 4 400.000.000 20.000.000.000 50.000.000 Assets (Rp) Sales Results per year (Rp) 5.040.000.012 240.000.000 25.000.000 Total workforce (person) 4

15.000.000

0,0000

Table 6: Summary of the characteristics of each cluster

3.1 Interpretation of each cluster

Total working capital (Rp)

3.1.1. Cluster 1

Cluster 1 contains MSMEs which on average have been running their business for three years with an average of IDR 400,000,000 in assets. The workforce involved is 4 people and has a year's sales of more than 5 billion. The dominance of the number of MSMEs with assets between 100 and 500 million rupiah, has a business duration of 11 -20 years, 10 workers, a turnover of 100-500 million per year and a business capital of 10-50 million rupiah is in cluster 1.



5.500.00.0

Total %



ISSN 1533-9211

3.1.2. Cluster 2

MSMEs belonging to cluster 2 are dominated by MSMEs with assets of 100-500 million rupiahs, business duration of 1-10 years, 0-10 workers, turnover of 10-50 million rupiah and capital of not more than 50 million rupiah.

3.1.3. Cluster 3

MSMEs are classified as special because there are only 2 MSMEs that have a business capital that is quite large compared to other MSMEs, namely 3-6 billion rupiah. There are no significant differences in the variables of assets, turnover, length of business, and number of workers with the other two clusters.

Table 7. Several other characteristics

Cluster Characteristics

Characteri	etice			Clus	ICI					Total	70
Characteri	sucs			1		2		3			
	0	-	5,000,000	10	4%	251	16%	0	0%	261	15%
	5,000,001	-	10,000,000	8	3%	228	15%	0	0%	236	13%
	10,000,001	-	20,000,000	20	9%	245	16%	0	0%	265	15%
	20,000,001	-	30,000,000	14	6%	126	8%	0	0%	140	8%
	30,000,001	-	50,000,000	26	11%	177	12%	1	50%	204	12%
	50,000,001	-	100,000,000	38	16%	145	9%	0	0%	183	10%
Asset	100,000,001	-	500,000,000	90	39%	332	22%	1	50%	423	24%
	500,000,001	-	1,000,000,000	8	3%	21	1%	0	0%	29	2%
	1,000,000,001	-	5,000,000,000	11	5%	10	1%	0	0%	21	1%
	5,000,001	-	10,000,000,000	2	1%	0	0%	0	0%	2	0%
	10,000,000,001	-	20,000,000,000	5	2%	0	0%	0	0%	5	0%
	Total			232	100%	1535	100%	2	100%	1769	100%
	1	-	10	56	24%	1422	93%	2	100%	1480	84%
	11	-	20	107	46%	113	7%	0	0%	220	12%
Length of	21	-	30	58	25%	0	0%	0	0%	58	3%
business	31	-	40	9	4%	0	0%	0	0%	9	1%
(years)	41	-	44	2	1%	0	0%	0	0%	2	0%
	Total		•	232	100%	1535	100%	2	100%	1769	100%
	0	-	10	161	69%	1511	98%	1	50%	1673	95%
	11	-	20	51	22%	24	2%	1	50%	76	4%
Total	21	-	30	10	4%	0	0%	0	0%	10	1%
workforce	31	-	40	5	2%	0	0%	0	0%	5	0%
Workforce	41	-	50	4	2%	0	0%	0	0%	4	0%
	50	-	100	1	0%	0	0%	0	0%	1	0%
	Total			232	100%	1535	100%	2	100%	1769	100%
	2,000,000	-	10,000,000	18	8%	344	22%	0	0%	362	20%
	10,000,001	-	50,000,000	59	25%	549	36%	1	50%	609	34%
	50,000,001	-	100,000,000	31	13%	315	21%	0	0%	346	20%
Turnover	100,000,001	-	500,000,000	90	39%	322	21%	1	50%	413	23%
	1,000,000,001	-	1,000,000,000	21	9%	5	0%	0	0%	26	1%
	1,000,000,001	-	5,000,000,000	13	6%	0	0%	0	0%	13	1%
	Total			232	100%	1535	100%	2	100%	1769	100%
	0	-	5,000,000	59	25%	712	46%	0	0%	771	44%
	5,000,001	-	10,000,000	23	10%	239	16%	0	0%	262	15%
Tetal	10,000,001	-	50,000,000	75	32%	511	33%	0	0%	586	33%
	50,000,001	-	100,000,000	29	13%	44	3%	0	0%	73	4%
Total modal	100,000,001	-	500,000,000	43	19%	28	2%	0	0%	71	4%
шодат	500,000,001	-	1,000,000,000	2	1%	1	0%	0	0%	3	0%
	1,000,000,001	-	3,000,000,000	1	0%	0	0%	1	50%	2	0%
		_			007	0	007		5007	4	007
	3,000,000,001	-	6,000,000,000	232	0% 100%	1535	0% 100%	2	50% 100%	1	0% 100%

In the three clusters, the form of individual business is the most owned by MSMEs, there are only 5 MSMEs that have a form of business as a limited liability company. High school





education and the micro-enterprise category are the hallmarks of all MSMEs in all clusters. Based on the table below, it can be seen that the MSMEs classified as micro-enterprises are 95% of all existing MSMEs.

Cluster Characteristics 1 3 **Total** % Forms CV7% 8 1% 1 50% 16 25 1% Business 0% 0% 0 0% 0 Firma 1 0% Group 3 1% 5 0% 0 0% 8 0% 0% 0 0% 2 Cooperative 1 0% 0% 1 2 3 PD 1% 1 0% 0 0% 0% Individual 209 90% 1515 99% 1 50% 1725 98% 5 PT 1 0% 4 0% 0 0% 0% 1769 Total 232 100% 1535 100% 2 100% 100% Diploma 21 9% 124 8% 0 0% 145 8% 2% 24 2% 29 Master 4 1 50% 2% 52 22% 338 22% 390 0% Bachelor 0 22% Doctoral 0 0% 0% 0 0% 1 0% Education 24 10% 0 87 63 4% 0% 5% Elementary Senior High school 98 42% 861 56% 50% 960 1 54% Junior High school 33 14% 124 8% 0 0% 157 9% 232 100% 1535 100% 2 100% 1769 Total 100% 22% 95 51 43 3% 50% Small business 1 5% Medium Enterprise 3% 0 0% 0 0% 6 6 0% **Business** 75% 97% Micro business 175 1492 1 50% 1668 94% class Total 232 100% 1535 100% 2 100% 1769 100%

Table 8: MSMEs classified as micro-enterprises

3.2 Rich picture

Exploration of the problems and challenges faced by women entrepreneurs of MSMEs is carried out using an in-depth interview approach involving MSME stakeholders. Information collection is done by asking structured questions as a tool for conducting interviews. The situation analysis uses a rich picture to describe the problem situation faced by women MSME entrepreneurs. The identification of the problem in the SSM method begins by explaining the general condition of the research, then proceeds to examine the object of research in a more indepth and comprehensive manner by looking at several related objects. (Ramírez-Gutiérrez, Cardoso-Castro, and Tejeida-Padilla 2020). Situational analysis in this study was carried out by looking at the real problems that exist in the field carried out with an inductive approach. Based on the observations, it was found that the core problems are as follows:

- 1. Entrepreneurs have limited resources to innovate products
- 2. Access to markets is still difficult to develop.
- 3. Continuity of raw materials is still an obstacle
- 4. Not having sufficient knowledge to understand consumer needs





- 5. Incomplete information related to certification procedures
- 6. Government programs are only limited to socialization, they are rarely mentoring
- 7. Limitations on the budget for financial assistance funds from financial institutions or the government.

From the government side, there are several problems that can be concluded, namely:

- 1. Overlapping of MSME development programs from various sectors and institutions
- 2. Not having definite data about MSMEs in their area
- 3. The decline in the program from the national level will experience differences because the conditions for each dinar are different
- 4. Lack of coordination among institutions related to certification.

When viewed from consumers:

- 1. Consumers have not been able to distinguish MSME products from one another
- 2. Consumers are still doubtful about the quality of MSME products, especially the results of new product innovations
- 3. MSME products are difficult to find for repeat purchases.

The inter-institutional mapping is outlined in the Rich Picture in the image below:

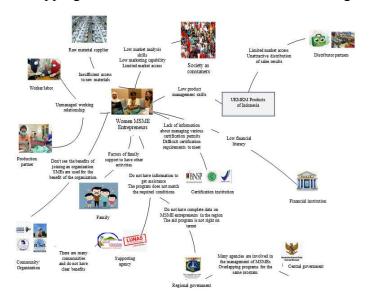


Figure 3: Inter-institutional mapping

3.2.1 Root definition

Root Definition is a short statement that can explain thoroughly about system interference. The root definition is a relevant system about the problem that is of concern to research. A brief





verbal definition of a system of purposive activities is deemed relevant for exploring the situation (Ramírez-Gutiérrez, Cardoso-Castro, and Tejeida-Padilla 2020). Determination of the Root definition follows the PQR formula: a System to do P by Q in order to achieve R. Determination of the root definition is finalized by CATWOE Analysis. The root definition in this research is the strategy for a sustainable MSME business performance improvement program is a system that involves all stakeholders to make managerial and operational improvements (P), through integrated coaching and mentoring programs with various related institutions, and taking into account the characteristics of women, monitoring marketing performance, operational performance indicators and sustainability indicators that are measurable and traceable for fostered MSMEs, opening market access for fostered products, facilitating access to financial institutions, monitoring and evaluating programs continuously (Q), to improve sustainable business performance in accordance with the characteristics of women and food products (R).

3.2.2 CATWOE

The second step in SSM is to formulate the core problem based on the situation analysis. The root of the problem is determined based on the search for six elements consisting of Customers, Actors, Transformation, World View, Owner and Environment (CATWOE). To be able to compile the CATWOE, three analysises were carried out, the first is analysis one: The current condition of the owner of the issue, the second is social analysis and the third analysis is political analysis, the three stages of the analysis are shown in the table below. The CATWOE analysis in this study can be seen in the table below.

Table 9: Analysis 1: Analysis of the current condition of the issuer

Strategic issues		
HR Strategy	Low quality of human resources	
	Low HR management skills	
Production Strategy	Production Strategy	
	Access to raw materials	
	Lack of production management	
	Low production of management skills	
	The ability to produce quality products is lacking	
Marketing strategy	Access to foreign and domestic markets	
	Understanding market tastes	
	Ability to perform marketing activities	
	Not competing with big industries and imported products	
	Limited product/service distribution channels	
	Do not have a business community that supports marketing	
Financial strategy	Low knowledge of financial planning for business	
	Capital barriers	
Technology literacy	Low ability to use digital technology	
	Low understanding and technological ability for production	
Family	Limited space for movement	





Unsupportive family situation
Ability to manage time between family and business

Table 10: Analysis II: Social Analysis

Issue Owner	Social Analysis		
issue Owner	Role	Norms	Value
Business owner	Running business operations	agreements, government regulations, code of ethics, company AD/ART	Organic, honest, business oriented, Optimistic
Production partner	Running operations (manufacture of products with designs from business owners)	agreements, Government	Organic, honest, business oriented
Worker/labor	Running business operations		
Raw material supplier	Distributing raw materials for production		Business oriented
Distributor	Distributing finished products to consumers or retail	Company regulations, professional	Business oriented, transparent, professionalism
Business Assistant	Providing assistance to improve business performance	Cooperation agreement	Organization, Togetherness, professionalism, concern for others
Community/organization	Providing networking support for business development and organizational support to express opinions		Togetherness, organization
Department of Cooperatives and regional MSMEs	Assisting in the licensing process and business assistance		Professional, integrity
Ministry of Cooperatives and MSMEs	Providing support in the form of policies and assistance for business continuity	Government regulations	Professional, integrity
	As an institution that provides certification for marketing permits and business feasibility and provides certification for entrepreneurship companions		Professional, integrity, transparent
Financial institutions	Providing financial assistance for business continuity	Company regulation, Government regulations	Professional, integrity, transparent
Family	Providing support to run a business	Family deal	Religion, honesty





Table 11: Analysis III: Political Analysis

Issue Owner	Strength Disposition	Form of authority			
Business owner	Running business operations, running business management	Managing the resources needed for business operations			
Production partner	Running business operations	Managing resources used for production operations			
Worker/labor	Running business operations	Managing resources used for production operations			
Raw material supplier	Deciding whether to provide raw materials or not, determining the selling price of raw materials	Making easy to get raw materials			
Distributor	Deciding whether or not to take the resulting product	Distributing finished products to consumers			
Business Assistant	Providing assistance or not	Assisting in business in the form of information and skills			
Community/organization	Providing support or not to the delivery of opinions and difficulties from members	Assisting in doing business in the form of information and networking			
Department of Cooperatives and Regional MSMEs	Having the authority to implement government regulations including assistance and assistance	Providing government assistance and training in accordance with government policies			
Ministry of Cooperatives and MSMEs	Having the authority to implement government regulations including assistance and assistance	Providing government assistance and training in accordance with government policies			
Certification Institutions (BPOM, LPOM MUI, BNSP)	Having the authority to determine product certification	Declaring a product to be feasible safe and halal for public consumption			
Financial Institutions	Having the authority to provide assistance or special treatment for MSMEs	Providing special funding products for MSMEs			
Family	Providing support for freedom of business	Giving permission and free time to carry out business activities			





Table 12: CATWOE Analysis

Customer	Who benefits from the change?	Entrepreneurs, production partners, customers, employees
Actor	Who is involved in the change process?	Entrepreneurs, production partners, customers, employees, government
Transformation	What changes do you want to make in the System?	Sustainable business management. Creation of sustainability indicators, marketing management
World view	What is the big picture of expected changes? The broad impact of the issue?	Collaboration between the four pillars of the MSME ecosystem (Entrepreneurs, government, Industry, and Education/academics)
Owner	Who owns the issue being researched?	MSME managers or entrepreneurs
Environment	What are the factors that can influence the solution of the problem being researched?	Mindset, business attitude, knowledge and information

3.3 Purposively Activity Model (PAM)

The method of analyzing the activities that must be carried out to determine the actions that must be taken by the actors to complete the transformation. The conceptual model of the MSME business performance improvement strategy that was built in this study was initiated from the activities of:

- 1. The main understanding of the main reasons for doing business and the values that underlie business operations
- 2. Conducting evaluations, managerial operational activities that have been carried out
- 3. Carrying out special transformations in the field of marketing, product invasion and market expansion
- 4. Process improvements in the fields of: Human resource capacity building, marketing strategy, selection of market objectives, creation of new products
- 5. Monitoring the improvement of business performance by looking at the increase in profit, prediction of business continuity, increase in business turnover.

This PAM model will be the basis for evaluating actual conditions in the real world. Before developing a priority action strategy. Visualization of the conceptual framework can be seen in the image below.





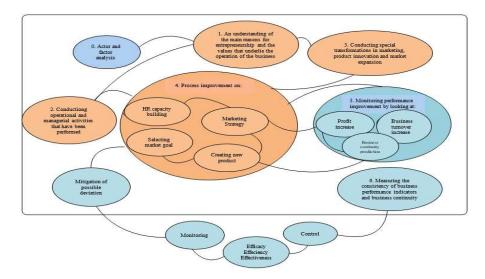


Figure 4: Purposively Activity Model (PAM)

4. CONCLUSION

Women entrepreneurs in West Java, if viewed from the characteristics of the business, can be grouped into three clusters, it will be seen that the Women MSMEs in the distance joined in the West Java (Jabar Juara) program are dominated by the Development category. The striking difference with the other two clusters is that it requires further management strategies (differences in character indicate the need for a special strategy to improve business performance, there are indications that business performance is not developing, because it is dominated by micro-class businesses, assets, number of workers), is not a characteristic that determines the level of success or sustainability of a business, because based on the MSMEs in the growing cluster, asset ownership and the number of workers do not have a significant difference. Many policy programs of Government to support MSMEs have been implemented, but with the various characteristics of MSMEs, they require more specific programs according to their line of business. Based on the situation analysis, the main problems faced from the side of women MSME entrepreneurs are entrepreneurs have limited resources to innovate products, access to markets is still difficult to develop, continuity of raw materials is still an obstacle, do not have sufficient knowledge to understand consumer needs. Imperfect information related to certification procedures, government programs are only limited to socialization which is still rarely mentoring, limited access to aid funds from financial institutions. Based on these conditions, it is necessary to carry out several integrated activities based on understanding the reasons and constraints in conducting business operations, evaluating operational activities that have been carried out, carrying out special transformations in the field of marketing, product innovation and market expansion, making improvements in the field of increasing human resource capacity, selecting goals. market, new product creation, marketing strategy. Monitoring of improving business performance by increasing profits, turnover and predictions of business continuity as well as measuring the consistency of indicators of business





performance and business continuity are indicators of monitoring the success of programs to improve business performance for women MSMEs in West Java. All of these activities must be able to adapt to the characteristics and needs of women entrepreneurs. MSMEs as an organization always need the presence of the government to provide support in carrying out their business. MSMEs with limited resource ownership often face difficulties in maintaining their business continuity. The expected transformation is sustainable business management. Making sustainability indicators, managing marketing by having an overall view with collaboration between the four pillars of the MSME ecosystem (Entrepreneurs, government, industry, and education/academics) from the side of the issuer and the success of this strategy must be supported by mindset, business attitude, knowledge and information. Several threats are also possible from the consumer side who still do not understand the pattern of decision-making related to MSME products. Suggestions for further research are to complete the stages of the Soft System Methodology as well as evaluation in the real world by producing a priority action plan.

References

Adinolfi, Felice, Fabian Capitanio, Marcello De Rosa, and Yari Vecchio. 2020. "Gender Differences in Farm Entrepreneurship: Comparing Farming Performance of Women and Men in Italy." New Medit 19(1): 69–82.

Amanpreet. 2019. "A Study of Influencing Parameters of Women Entrepreneurship in Punjab." Journal of Strategic Human Resource Management 8(3 PG-10–14): 10–14. https://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=143536307&site=bsi-live NS -.

Badan Pusat Statistik, Jakarta-Indonesia. 2020. Small and Medium Industry Profile 2019.

Checkland, Peter, and John Poulter. 2006. 26 Learning for Action: A Short Definitive Account of Soft Systems Methodology and Its Use for Practitioner, Teachers, and Students. Wiley Chichester.

Crespi, Isabella. 2003. "Gender Socialization within the Family: A Study on Adolescents and Their Parents in Great Britain." Bhps: 1–36. https://www.iser.essex.ac.uk/files/conferences/bhps/2003/docs/pdf/papers/crespi.pdf.

Grusec, Joan E, and Paul David Hastings. 2014. Handbook of Socialization: Theory and Research. Guilford Publications.

Gupta, Namrata, and Anita Mirchandani. 2018. "Investigating Entrepreneurial Success Factors of Women-Owned SMEs in UAE." Management Decision 56(1): 219–32. https://search.proquest.com/scholarly-journals/investigating-entrepreneurial-success-factors/docview/1983242339/se-2?accountid=32819.

Huggins, R, and H Izushi. 2012. Competition, Competitive Advantage, and Clusters: The Ideas of Michael Porter. OUP Oxford. https://books.google.co.id/books?id=nz9oAgAAQBAJ.

Kusumawardani, Kimthi Afrilinda, Hanif Adinugroho Widyantoe, and I Putu Lingga Iswara Deva. 2020. "Understanding the Entrepreneurial Intention of Female Entrepreneurs in the Balinese Tourism Industry: Superman Is Dead." International Journal of Research in Business and Social Science 9(1): 63–79. https://search.proquest.com/scholarly-journals/understanding-entrepreneurial-intention-female/docview/2348386482/se-2?accountid=32819.

Li, Wenxuan, and Maria I Marshall. 2019. "Gender and Business Owner Satisfaction." Journal of Family Business Management 9(4): 416–28. https://search.proquest.com/scholarly-journals/gender-business-owner-satisfaction/docview/2315507141/se-2?accountid=32819.

Malhotra, Naresh. 2010. Marketing Research. 3th ed. Pearson Global.





Ministry of Women's Empowerment and Child Protection 2020. 2020. Ministry of PPPA Profil Perempuan Indonesia.

Ng, Jhony Choon; Yeong, Metis Meng; Die Huang, and Yiping Liu. 2016. "The 'Feminine' Entrepreneurial Personality Trait: The Competitive Advantage of Female College-Student Entrepreneurs in Chinese Wei-Shang Businesses?" Asian Business & Management 15(5): 343–69. https://search.proquest.com/scholarly-journals/feminine-entrepreneurial-personality-trait/docview/1960534853/se-2?accountid=32819.

Ng, Kit Shun, and Ping Fu. 2018. "Factors Driving Foreign Women Entrepreneurship in China." Entrepreneurial Business and Economics Review 6(4): 49. https://search.proquest.com/scholarly-journals/factors-driving-foreign-women-entrepreneurship/docview/2161593983/se-2?accountid=32819.

Ramírez-Gutiérrez, Ana Gabriela, Pedro Pablo Cardoso-Castro, and Ricardo Tejeida-Padilla. 2020. "A Methodological Proposal for the Complementarity of the SSM and the VSM for the Analysis of Viability in Organizations." Systemic Practice and Action Research.

Shawver, Tara J, and Lynn H Clements. 2015. "Are There Gender Differences When Professional Accountants Evaluate Moral Intensity for Earnings Management?: JBE." Journal of Business Ethics 131(3): 557–66. https://www.proquest.com/scholarly-journals/are-there-gender-differences-when-professional/docview/1731482612/se-2?accountid=32819.

Sihotang, John, R. A.Aryanti Wardaya Puspokusumo, Yen Sun, and Dadang Munandar. 2020. "Core Competencies of Women Entrepreneur in Building Superior Online Business Performance in Indonesia." Management Science Letters 10(7): 1607–12.

SU, Yufeng, Nengquan WU, and Xiang Zhou. 2019. "An Entrepreneurial Process Model from an Institutional Perspective." Nankai Business Review International 10(2): 277–305. https://search.proquest.com/scholarly-journals/entrepreneurial-process-model-institutional/docview/2230604537/se-2?accountid=32819.

Sultan, Muhammad Faisal, Muhammad Asif, and Muhammad Asim. 2019. "Perceived Impact of E-Marketing Practices (EMP) by SMEs on Customer Relationships: Moderating Role of Security, Privacy and Weak Infrastructure." Global Management Journal for Academic & Corporate Studies 9(1): 134–45. https://www.proquest.com/scholarly-journals/perceived-impact-e-marketing-practices-emp-smes/docview/2264569470/se-2?accountid=32819.

Suswati, Endang. 2020. "ENTREPRENEURIAL LEADERSHIP: MIDWIFE COMPETENCE AND PERFORMANCE." International Journal of Entrepreneurship 24(1): 1–9. https://search.proquest.com/scholarly-journals/entrepreneurial-leadership-midwife-competence/docview/2425598500/se-2?accountid=32819.

Swati, Panda. 2018. "Constraints Faced by Women Entrepreneurs in Developing Countries: Review and Ranking." Gender in Management 33(4): 315–31. https://search.proquest.com/scholarly-journals/constraints-faced-women-entrepreneurs-developing/docview/2043187588/se-2?accountid=32819.

Welsh, Dianne H B, Eugene Kaciak, Silvana Trimi, and Emerson Wagner Mainardes. 2018. "Women Entrepreneurs and Family Firm Heterogeneity: Evidence from an Emerging Economy." Group Decision and Negotiation 27(3): 445–65. https://search.proquest.com/docview/2036665829?accountid=32819.

Wilson, Fiona. 2016. "Making Loan Decisions in Banks: Straight from the Gut?" Journal of Business Ethics 137(1): 53–63. http://dx.doi.org/10.1007/s10551-014-2515-y.

ZHENG, LU, and ZONGSHI CHEN. 2017. "Who Is More Generous? The Moderating Role of Gender and Education in Chinese Corporate Philanthropy." Issues & Studies 53(02): 1750001.

