Entrepreneurial Behavior Model Based on Entrepreneur Competencies Using Generic Entrepreneur Competencies for Fashion Creative Industries in Soreang, West Java, Indonesia (Study on Moslem Clothing Entrepreneurs)



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#### **ABSTRACT**

This study aims to analyze an entrepreneurial behavior model based on entrepreneur competencies of moslem clothing in fashion creative industries, Soreang (West Java, Indonesia) with the intention to map entrepreneurial behavior that can identify the patterns and problems in order to be given the right solution. As we know, Soreang is the largest industry of moslem clothing in west Java, Indonesia. The method used in this study is qualitative method. The data gathered through non-participatory observation and in depth-interviews. Data analysis done by data reduction, data display and then made conclusions. The results showed that the work pattern created by moslem clothing entrepreneurs in Soreang are vary according to the conditions and policies that exist in the SMEs. Most moslem clothing entrepreneurs in Soreang do not plan the future strategy in a structured and systematic way. Although they admit that they have limited capability in business management, but they have a passion to learn countinously to be able to eliminate these limitations. In addition, moslem clothing entrepreneurs in Soreang realize that human resources are the company's assets, and to mantain them, the entrepreneurs conduct persuasive techniques and personal ties. In the end, this paper contributes to the concepts development of entrepreneurial behavior, entrepreneurship competencies, and creative industries.

Keywords: Entrepreneurial Behavior, Entrepreneur Competencies, Entreprenueship, Creative Industries

#### 1. BACKGROUND

Nowadays, the development in fashion world reaches an impressive point. It is supported by information and technology advancement that widens the knowledge about various types of fashion. The turning point of Moslem fashion trend is marked by the development of *hijaber* communities and Moslem outfit stores like Rabbani, Shafira, Zoya, and etc. It is not only offline shopping but Moslem outfit sales also occur on online media such as www.zoya.co.id, www.media.shafira.com, www.rabbani.co.id, and etc.

In addition, fashion industry clearly gives quite high contribution to national economy;

that is Rp181 billions from the whole creative industry contribution which is Rp642 billions or 2% from creative contribution towards Gross Domestic Product (PDB) in 2013. Fashion industry gets predicted growing 6.4% until the end of 2014.

One of the most popular Moslem outfit industry centers in West Java that takes an important role in the development and growth of Moslem outfit industry in Indonesia is Moslem outfit creative industry center in Soreang. Soreang has been famous as the biggest home industry center with three main regions named Cebek Village, Cikupak Village, and Bojong Village. These three locations are the main suppliers for big retail centers like Pasar Baru and Tanah Abang that are popular as the biggest wholesalers in Indonesia, even in Southwest Asia (LadyNoe, Thursday, June 13<sup>th</sup> 2013, www.danausaha.net).

Thus, Moslem outfit industry center in Soreang does not escape from business challenges and obstacles. Based on an observation result and first interview with Moslem outfit businessman in Soreang, it can be described that generally, the businessman has less entrepreneurial skill and in the end, it affects its entrepreneurial behavior. It is marked by most of businessmen that have less vision, untrained financial management skill, miscast human resources, different mindset, and less competitive behavior. Krisnamurthi (2001) argues that entrepreneurial behavior development will grow a positive attitude in entrepreneurship in the form of controlling condition and focusing attention on activities or results.

Based on the issue, a research about entrepreneurial behavior becomes interesting and important to conduct in improving entrepreneurial competence to encourage development and businessmen's competitiveness towards Moslem outfit. Thus, the writer is interested to conduct a research entitled "Entrepreneurial Behavior Models Based on Entrepreneurial Competence Using Generic Entrepreneur Competency on Fashion Creative Industry Center in Soreang, Bandung (A Study in Moslem Outfit Businessmen".

#### 2. METHODS

The research method used in this research is qualitative method whereas the research type is descriptive research. Through this qualitative approach, it is expected to gain depth information related to entrepreneurial behavior and its issues. Conceptual theory used is according to Dirlanudin (2010) that explains that entrepreneurial behavior consists of some dimensions namely cognitive (managerial knowledge and understanding market opportunity), affective (commitment, discipline, honesty, spirit, awareness towards quality), and motoric (technical skill, creation, innovation, taking-risk action). This research also uses Generic Entrepreneur Competency analysis method based on Spencer and Spencer (1993: 222).

In this research, the informants are seven key informants (experts). Key informants (experts) in this research are Moslem outfit businessmen in Moslem outfit industry center in Soreang. This analysis covers three steps. They are data reduction, data display, and conclusion drawing/verification.

#### 3. RESULTS

# 3.1 Entrepreneurial Behavior Analysis

Dirlanudin (2010) explains that entrepreneurial behavior consists of three dimensions namely cognitive (managerial knowledge and understanding market opportunity), affective (commitment, discipline, honesty, spirit, awareness towards quality), and

motoric (technical skill, creation, innovation, taking-risk action).

Based on experts' opinion, it can be described that entrepreneurial behavior contains aspects internalized in self that is embodied to knowledge, attitude, and skill to do business with innovation, initiation, taking-risk action, and competitiveness.

The same thing happens in textile businessmen in Soreang. In running the business, they do not escape from the behavior internalized in their selves, such as the knowledge they own, attitude, and skill to do the business with innovation, inspiration, taking-risk action, and competitiveness.

# 3.2 Entrepreneurial Competence Analysis

Most of textile businessmen in Soreang have done three aspects in running the business. First, knowledge aspect that covers the knowledge about business that has been pioneered, knowledge about business environment, knowledge about role and responsibility, and knowledge about management and business organization. Secondly, attitude or mindset aspect covers self-confidence and optimism, task and result orientation, taking-risk action and challenge admirer, leadership, originality, and future orientation. Thirdly, entrepreneurial skill aspect covers conceptual skill in organizing strategy and considering risk, leadership and management skill, technical business field skill, communication and interaction skill, and creative skill in creating additional value.

#### 3.3. Generic Entrepreneur Competency Analysis

To measure entrepreneurial competency and skill on textile businessmen in Soreang, the writer uses Generic Entrepreneur Competency. Generic Entrepreneur Competency is an analysis method used to measure competency and skill of an entrepreneur (Spencer and Spencer, 1993: 222). The result of Generic Entrepreneur Competency analysis to Moslem outfit businessmen in Soreang is set herein under:

## 1. Achievement

#### a. Initiation

By widening differentiation and diversification done by textile businessmen in Soreang, it shows that they have willingness to widen their business, with illustration:

- Doing differentiation in widening the business; multiplying Moslem outfit products that have not been produced beforehand; and focusing on online division
- Doing diversification: building property business and opening a clinic.

#### b. Skill to find an opportunity

In finding an opportunity, textile businessmen in Soreang have conducted an observation. Then, the observation will be analyzed and generates new ideas to take available opportunity, with illustration:

- Using social media to market the products; and
- Go directly onto market.

# c. Never giving up

Moslem outfit businessmen in Soreang attempt to solve problems faced so that they show the spirit of never giving up in retaining the business, with illustration:

• Problem: product delivery through expedition lane that has basic online store, rivalry in hiring sewers, and limited capital.

## d. Looking for information

Moslem outfit businessmen gain information from various sources such as social media, similar businessmen, and consumer, with illustration:

- Technology development that is very supporting in running textile business;
- Gaining information from similar textile businessmen; and
- Gaining information from consumer.

# e. Focusing on quality

The quality of Moslem outfit in Soreang is still below standard due to segmentation of the business is middle-low class. Seeing this kind of phenomenon, the informants admit that they have trained several teams to improve product quality because a company needs to be able to give qualified products to consumers, with illustration:

- Selecting comfortable fabric material;
- Neat patterning process and cutting fabric;
- Smooth sewing process; and
- Quality control.

# f. Commitment to employment contract

Moslem outfit businessmen in Soreang always attempt to commit to employment contract or selling contract that has been dealt with consumer in creating and improving customer satisfaction, with illustration:

Customer satisfaction is the most important thing in running a
business; giving 100% guarantee if there is a Moslem outfit missing in
quality control process and it is in market already; a company is always
able to fulfill consumer's wants and needs, maintains and improves the
product's quality, and keeps in touch and communicating with
consumers.

# g. Efficiency orientation

Working pattern created by textile businessmen in Soreang is different based on condition and policy applied in a company, with illustration:

- Working pattern ran by textile businessmen in Soreang is different.
  - 1) A company will pick an appropriate task to each employee like sewing;
  - 2) Every two days, sewers will take half-finished products to be finished in their own house. After Moslem outfit products are finished then they will return them to the company to deal with quality control process and packing.
  - 3) The company has a manager that manages some works.
  - 4) The company does not have operational hours like any other company. It is due to condition of the company.

#### 2. Thinking and Problem Solving

# a. Systematic planning

Most of textile businessmen in Soreang do not plan a future plan structurally and systematically. The strategy ran is more to current company condition and tends to be sudden, with illustration:

- Those who plan a future strategy structurally and systematically to improve the business; and
- Those who tend to go with the flow in planning company's future.

#### b. Problem solving

The textile businessmen in Soreang can solve problems even though the problems are heavy, with illustration:

• Always to be patient and keep in touch with internal side in a company.

# 3. Personal Maturity

#### a. Self-confidence

The textile businessmen in Soreang believe in their potency and skills, with illustration:

- Having self-confidence is necessary in building a business;
- Self-confidence can encourage the textile businessmen in Soreang in facing a tight rivalry;
- Writing target that has been aimed in a post-it note so that the businessmen will feel recalled with the target; and
- Family support is the most important factor in growing self-confidence.

#### b. Expertise

An expertise owned by the textile businessmen in Soreang in running the business is management. Although, it is still in developing phase and needs to be improved, with illustration:

- An expertise that needs to be owned by a businessman is how to manage its business. It deals with human resources, marketing, operational, and financial management; and
- A businessman needs to keep learning and look for information to grow his business.

#### c. Admitting self-limitation

The textile business in Soreang admit their limitation and want to learn to get rid of the limitation, with illustration:

- They eliminate the limitation with discussion; and
- Limitation in capital issue.

#### 4. Influence

#### a. Persuasive

The textile businessmen in Soreang have found a good and proper persuasive way for their employees, with illustration:

- To appreciate and respect each other between employees and leaders in a company;
- To open to employees so that the employees will feel comfortable and for sure, they will fight for the company as best as they can;
- To have a good communication between owner and employees. One of the informants told that he does not regard his employees as subordinates but as a team;
- To hold on kinship in a company between employees;
- To embed firmness to employees to keep responsibility; and

• To connect with customers, some informants confessed that a company does not involve employees. It is due to limitation between employees and customers.

# b. Influencing strategy

The Moslem outfit businessmen in Soreang have found a good and proper influencing strategy for their employees, with illustration:

- Employees' work has to be supervised;
- Encouraging employees in finishing work can use personal approach;
- Having a good communication between owner and employees can be done in order to get a nice and clear instruction; and
- If there is an employee who works really well and aims at target then there will be additional bonus.

# 5. Directing and Controlling

#### a. Firmness

- Do not use formal way but informal way
- Deal with employees who do not work according to standards
  - 1) Owner tends to give supervision to his employees and it is limited to warning.
  - 2) Owner holds on a commitment that has been made by employees.

# b. Monitoring

Monitoring is done by the textile businessmen in Soreang functions to help ensuring whether activities done by employees in accordance with company's purposes and goals. Besides, it is also used to facilitate how to improve and evaluate results, with illustration:

- By visiting manufacture once a week; and
- By utilizing CCTVs in production room or lounge room.

#### 6. Orientation to Others

a. Credibility, integrity, and sincerity

For Moslem outfit businessmen in Soreang, the existence of their company team becomes a very important thing. So that, they can survive, with illustration:

- Having employees that can work together and cooperatively;
- Having a good relationship between owner and employees;
- Having kinship between company and consumers; and
- Giving ease to consumers to do payment.

# b. Focus on employees' prosperity

The textile businessmen in Soreang stated that employees' prosperity is a compulsory thing to be given by a company. Its importance is to maintain employees for not leaving to another company, to improve motivation and spirit of work, and to improve employees' attitude of loyalty towards company, with illustration:

- Fair wage and even bonus for employees that work very well; and
- Facing complaint from employees and becoming a good listener.
- c. Maintaining a good relationship in business

The textile businessmen in Soreang realize that within existence of parties around the business, the business can establish until now.

 Maintaining a good communication so that there will be creation of openness between a company and the related parties using informal language.

# d. Training for employees

The Moslem outfit businessmen in Soreang realize that improving employees' skill is an important thing. It is because if a company has qualified human resources then they can be company asset, with illustration:

- Preparing spare fund to improve employees' skill;
- Training by owner or by senior employees to junior employees;
- Bringing in special guess to improve skill; and
- Getting employees in seminars or sending then to school.

# 3.4 Entrepreneurial Behavior Model

Based on the analysis on Generic Entrepreneur Competency, it can be developed entrepreneurial behavior model in Moslem outfit businessmen in creative industry, fashion sector in Soreang that can be seen at appendix section.

#### 4. CONCLUSIONS AND SUGGESTIONS

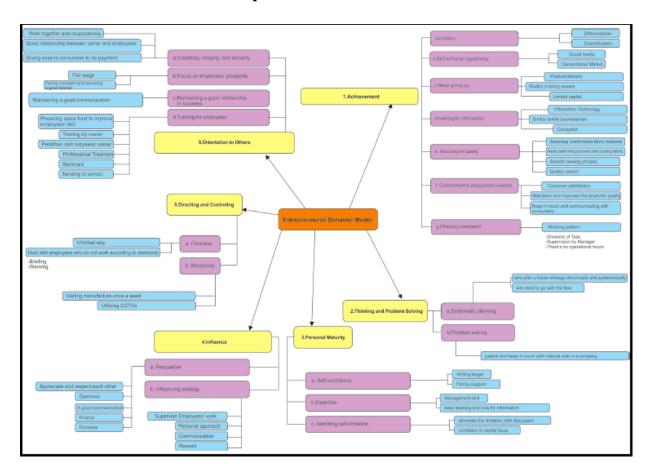
#### 4.1. Conclusion

Based on the analysis in this research, it can be concluded that the competence of Moslem outfit businessmen in Soreang has been quite satisfactory even though it is still needed improvement of skill in the field of information and technology and business management.

#### 4.2 Suggestions

Based on the conclusion above, suggestions that can be offered in developing the competence of Moslem outfit businessmen in Soreang are:

- 1. It is better for businessmen to maximize information and technology as effective marketing media in order to achieve the level of efficiency in marketing products fast and easily. It can be seen from many businessmen still go directly to conventional markets to sale the products.
- 2. It is suggested to improve management skill since many businessmen manage their business traditionally without planning and a clear business strategy so that the business tends to be difficult to develop and to compete.
- 3. Future researchers can develop a research by comparing entrepreneurial behavior in Soreang with businessmen in different places but similar characteristics.



# APPENDIX Picture. Entrepreneurial Behavior Model

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