Impact of Knowledge, Skills, and Abilities on Business Performance of Women Home-based Businesses in Indonesia

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Abstract

This study aims to determine the business performance that has been carried out by women entrepreneurs who were focused on home business in Pekanbaru. The population in this study were women entrepreneurs who were focused on home business in Pekanbaru. For sample obtained of 97 people. Collecting data using the questionnaire method, by distributing a list of statements directly to respondents through the google form application. The data analysis technique used is multiple linear regression analysis which is operated through the SPSS Version20. The results showed that simultaneously the variables of Knowledge Competence (Knowledge), Skills (Skills), Ability (Ability) had a significant effect on the business performance of women home-based business actors in Pekanbaru. Meanwhile, partially for the Ability variable, it does not directly affect the business performance of female home-based business actors in Pekanbaru.

Keywords: Women Entrepreneurs, Business Performance, Knowledge, Skills, Ability

INTRODUCTION

Women and business are two different words, the word woman is very feminine, while the word business tends to be more masculine. It is undeniable that problems around gender also occur in the business world, this is reflected in the assumption that the business world is the world of men. Even though in reality, the international community has guaranteed equal rights between men and women as part of human rights, in reality, women still continue to face gaps in society both legally and de facto. These gaps arise as a result of stereotyped perceptions of the roles of men and women or gender. Women often face limited access to education, property ownership, finance,(Iskamto, Ghazali, and Aftanorhan 2019).

The research that has been done shows that entrepreneurial practices focus on women, especially housewives. Sugiyani, Munandar, and Harsiti (2017) say that currently there is a phenomenon that the income of men as heads of households is not sufficient for family needs. This is due to the difficult economy and limited job opportunities. Therefore, the government has begun to pay attention to the potential of housewives in large numbers that can be used to support the family economy. Alfons, Goni, and Pongoh (2017) say that it turns out that working housewives can help meet the family's economic needs, which contributes to family income reaching 40 ± 60% of the entire family income. Yilmaz and Ari (2018) explain that although a woman is often seen as the one who does the housework, takes care of the children, and cooks, the expectations of women increase along with the changing world order. It was expected that a woman should contribute to the economy. Safitri and Hatammimi (2014) say that many women play an important role in the business world, especially in the field of entrepreneurship. The development of entrepreneurs managed by women is now able to expand new employment opportunities and support the country's economy Safitri and Hatammimi (2014)

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Based on the results of this research observation, in Pekanbaru City in particular, more and more small and medium-scale female entrepreneurs are emerging and daring to start businesses, especially food businesses, snacks, even home-based cafes, sewing businesses until they can eventually become home-based convection. Along with the business journey they have built, whose initial intention was only to increase and improve their economy, but if these women business actors want to be serious in pursuing their business, of course, improving the quality of their human resources is very much needed.(Ahmad et al. 2018; Iskamto et al. 2021; Muryani et al. 2018). Human Resources in a business are the spearhead in achieving the success of a business, besides workers, of course, business owners must also have appropriate competencies and in accordance with their respective business fields. Owners or female business actors must have good knowledge, skills, and abilities in supporting their performance. However, from various previous empirical studies that have been carried out by other researchers, the authors find that not many studies have been conducted specifically regarding knowledge, skills, and abilities and their influence on women's business performance in Pekanbaru City.

LITERATURE REVIW

Competence or ability is a trait (innate or learned) that allows someone to do something mentally or physically (Gibson et.al, 2011:89). According to Ruky (2011), competence is a basic characteristic of a person (individual) that influences the way of thinking and acting, making generalizations to all situations faced and lasting long enough in humans. Competence is one aspect of human resources that is very influential on business performance. Zainal et al., (2010:298) show that the definition of competence is generally defined as skills, abilities, abilities. In line with this opinion, Muizu and Effendi (2015:224) explain that competence is an aspect of a person's ability which includes knowledge, skills, attitudes, values,
Muizu and Effendi (2015:224) reveal that there are several factors that can affect a person's competence skills, namely: beliefs and values, skills, experience, personality characteristics, motivation, emotional issues, intellectual abilities, and organizational culture of competence possessed by a person. strongly influenced by educational background, environment and one's adaptablity in facing the challenges of work. There are 3 (three) characteristics that make up competence according to Moeheriono (2012), namely: Knowledge, Skills and Ability

Knowledge Competence

Knowledge competence is the ability of an employee in the form of the ability to recognize, understand, appreciate and understand a job. Armstrong (2014) states that knowledge management is a process for those who have the necessary knowledge in order to improve organizational effectiveness. According to Fadhil (2016), the importance of knowledge in improving human resources is very necessary considering that knowledge contributes.
McInerney and Koening (2011) suggest that there are three types of knowledge, namely explicit knowledge which is information or knowledge that appears as something tangible (real), implicit knowledge, which is

information or knowledge that is not displayed in real terms but can actually be displayed visually. tangible, Tacit knowledge is information or knowledge that is very, very difficult to display concretely.

Based on the definition of knowledge, according to Ardiana et al., (2010) it is known that knowledge indicators in this case include business management knowledge, product or service knowledge, consumer knowledge, promotions and marketing strategies.

Competency Skills (skills)

Skill is a person's ability to perform an activity or job. A skilled person will show a level of independence in work, reliable in completing work and professional in the field occupied, according to the training produced from fundamental work with quality requirements (Fadhil, 2016). Meanwhile, according to Murbijanto (2013) explains that skill is the ability to do certain physical or mental tasks. Mental competence or cognitive skills include analytical and conceptual thinking.

The basic types of skills identified by Setiawan (2015:64) are technical skills which are specific competencies to carry out tasks or the ability to use techniques, tools, procedures and knowledge of the specialized field correctly and precisely in carrying out his job; administrative skills are skills to manage, organize and record information about the implementation and the results achieved as well as various obstacles experienced; human relations skills are skills in understanding and motivating others, as individuals or in groups(alfiyah 2019; Iskamto et al. 2020). This type of skill is related to the ability to build good relationships, understand other people, and motivate; the ability to coordinate and integrate all organizational interests and activities and skills to see the overall organizational picture by integrating and coordinating a large number of activities that constitute conceptual skills; Diagnostic skills relate to the ability to analyze certain conditions and situations through confusing data, observations, and facts. According to Ardiana et al., (2010) stated that the measure of program success from a skill point of view can be seen from the indicators of production, communication, cooperation and organization skills, supervision, finance, administration and accounting.

Competence Ability (ability)

Robbins and Judge (2015) state that ability refers to an individual's capacity to do various tasks in a job, so individual work abilities are needed in doing a job. A person's abilities will make him different from others who have average or ordinary abilities.

According to Kristen (2013) work ability is a condition that exists in workers who are truly efficient and successful in working according to their field of work. Ability is a condition in which a person is ready to face all situations by working and taking risks. Indicators of work ability according to Adiana et al. (2010) is the ability to manage business, make decisions, lead, control, innovate, situations and changes in the business environment.

Business Performance

Performance is the result of work that has a strong relationship with strategic goals, satisfaction, consumers, and contributes to the economy so that someone tries to do work and the results achieved from the work (Sutiyono, 2010:23). So that it can be said, business performance is a way of doing a job and the results achieved from that work are the goals of the business. Performance has a causal relationship with competence (competency or ability). Performance is a function of competence, attitude, and action. Business performance measurement is considered very important because it is to compare the company with other similar companies to find out whether the performance of a business has improved or decreased.

According to Zainal et al. (2010:270) An organization is designed to improve its business performance in a highly competitive environment by questioning business planning procedures. The following is the focus of all employees on 6 main values, namely commitment to a safe and healthy environment, commitment to customer satisfaction, respect for individuals, promotion of cooperation, commitment to continuity of commitment, awards and prizes for achievement.

In measuring the performance of a business, the right indicators are needed. Zaenal (2012:45) reveals that in measuring the performance of an MSME can use several indicators, namely profit growth, growth in the number of customers, growth in sales, growth in total assets.

Woman Entrepreneur

According to (Zimmerer and Scarborough, 2008:27), despite years of legislative struggle, women still experience discrimination in the workplace. Nonetheless, small businesses have been pioneers in offering economic opportunities both entrepreneurship and employment. It is said that "Entrepreneurship has become as unisex as jeans, where women can develop their dreams and greatest hopes". More and more women are realizing that becoming an entrepreneur is the best way to break through the male dominance that hinders career advancement over time to the top of the organization through their own businesses.

In fact, women open 2.4 times more businesses than men. Although businesses opened by women tend to be smaller than those opened by men, the impact is by no means small. Women-owned companies employ more than 15.5 million employees or 35 percent more than all Fortune 500 employees worldwide. Women own 36 percent of all businesses. Although their businesses tend to grow more slowly than male-owned firms, female business owners have a higher viability than the entire business. Although 72 percent of women-owned businesses are concentrated in retail and services, women entrepreneurs thrive in industries previously dominated by men, such as manufacturing, construction, transportation and agriculture. The involvement of women entrepreneurs in Indonesia's economic activities has existed since time immemorial, women have been involved in the world of trade for a long time, for example women who have batik businesses such as batik mangroves in Surabaya can help the family economy, even as the backbone of the family economy from the batik business. which they manage. At first women worked only to help the family's economy, but over time the uncertain economic conditions required women to work, this situation encouraged women to get into business. Women choose to work because of the need, willingness and available job opportunities and women have these opportunities. Women have been involved in the world of trade for a long time, for example, women who have batik businesses such as mangrove batik in Surabaya can help the family economy, even as the backbone of the family economy from the batik business they manage. At first women worked only to help the family's economy, but over time the uncertain economic conditions required women to work, this situation encouraged women to get into business. Women choose to work because of the need, willingness and available job opportunities and women have these opportunities. Women have been involved in the world of trade for a long time, for example, women who have batik businesses such as mangrove batik in Surabaya can help the family economy, even as the backbone of the family economy from the batik business they manage. At first women worked only to help the family's economy, but over time the uncertain economic conditions required women to work, this situation encouraged women to get into business. Women choose to work because of the need, willingness and available job opportunities and women have these opportunities. even as the backbone of the family's economy from the batik business they manage. At first women worked only to help the family's economy, but over time the uncertain economic conditions required women to work, this situation encouraged women to get into business. Women choose to work because of the need,

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METHOD

This research was conducted in the city of Pekanbaru, Indonesia. The author chose Pekanbaru City as the research location because in addition to considering the theory of time, cost and energy efficiency, Pekanbaru city is a fairly dense city, as well as the capital city of Riau Province, so it can be representative for the needs of this research. The time of the research that has been carried out is in the range of five months, from February to June. The population is a generalization area consisting of objects and subjects that have certain characteristics and have the same opportunity to be selected as sample members (Umar, 2012:77). The population in this study were all female business actors engaged in home-based culinary businesses in Pekanbaru City, the number of which is not known with certainty. According to Riduwan and Akdon (2010:66) for an unknown population, the study can use the Wibisono (2003) formula to determine the number of samples used. Based on this formula, the sample to be taken in this study was 97 respondents. The sampling method uses purposive sampling, namely the sampling technique of data sources with certain considerations or criteria. The criteria set out in this study are (1) business actors must be at least 18 years old (2) have had a business of at least 2 years. Data processing using SPSS Version 20. Based on this formula, the sample to be taken in this study was 97 respondents. The sampling method uses purposive sampling, namely the sampling technique of data sources with certain considerations or criteria. The criteria set out in this study are (1) business actors must be at least 18 years old (2) have had a business of at least 2 years. Data processing using SPSS Version 20. Based on this formula, the sample to be taken in this study was 97 respondents. The sampling method uses purposive sampling, namely the sampling technique of data sources with certain considerations or criteria. The criteria set out in this study are (1) business actors must be at least 18 years old (2) have had a business of at least 2 years. Data processing using SPSS Version 20.

RESULTS AND DISCUSSION

Validity test

The validity test was carried out by comparing the calculated r value with the r table at a significance level of 5%. If r count > r table then the measuring instrument used is declared valid and vice versa. The r table value can be obtained with the equation N - 2 = 97-2 = 95 so that the r table value is 0.199, and the calculated r value is obtained using the Corrected Item-Total Correlation method. the lowest correlation is 0.303, so all the items tested in this study are valid because they have an r table > 0.199, so they can be used for the next stage of analysis.

Reliability Test

From the results of reliability testing, it is known that the reliability value of all variables in this study is 0.60. This means that the measuring instrument used in this study is reliable or reliable (trustworthy). Thus, it can be concluded that the items for the six variables are good and worthy of further research.

Class Assumption Test

Multicollinearity Test

From data processing, it is known that the two independent variables in this study have VIF < 10, so it can be said that there are no symptoms of multicollinearity between the independent variables in this study. This means that the independent variables studied are not interconnected so that they are appropriate to be used as independent variables in the model.

Heteroscedasticity Test
From the data processing, the results obtained from the entire X variable in this study, have a significant value with the Glejser test > 0.05, so it can be concluded that there are no symptoms of heteroscedasticity between the variables in this study.

Normality test
From the data processing, it was found that the Kolmogorov-Smirnov significance value in this study was obtained that was not below 0.05, thus all the significance values obtained were > 0.05, so it can be concluded that all variables in this study met the normality test requirements. .

Multiple Linear Regression Analysis

Table 1. Multiple Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-5,365	1.675		-3.203	.002
	Knowledge	.678	.097	.545	6,981	.000
	Skills	.561	.166	.262	3.385	.001
	Ability	.297	.153	.147	1,943	.055

a. Dependent Variable: Performance

The multiple linear regression equation model obtained is as follows:
Y= -5.365 + 0.678X1 + 0.561X2 + 0.297X3 From the results above, it can be explained that:
a. The value of the constant (a) is -5.365, which means that the performance increase if other variables are considered constant, then the performance is worth -5.365
b. The regression coefficient value of Knowledge variable is 0.678. This means that every increase in Knowledge by 1 (one) unit, it will increase Business Performance by 0.678, assuming other variables remain.
c. The regression coefficient value of the Skills variable is 0.561, which means that every 1 (one) unit increase in Skills will increase Business Performance by 0.561, assuming other variables remain.
d. The regression coefficient value of the ability variable is 0.297. This means that every 1 (one) unit increase in Capability will increase Business Performance by 0.297, assuming other variables remain constant.

t test (Partial)

Table 2. t test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-5,365	1.675		-3.203	.002
	Knowledge	.678	.097	.545	6,981	.000
	Skills	.561	.166	.262	3.385	.001
	Ability	.297	.153	.147	1,943	.055

a. Dependent Variable: Performance

The t-test was conducted to determine the effect of the independent variable X on the dependent variable Y. The test was carried out by comparing tcount with ttable. To find the t table at 5% alpha and degree of freedom (df). Based on the table, the following are the results of the t-test of each variable:

a. Knowledge

From the results of data processing, the value of tcount is greater than ttable ($_{6,981}$) < (1,986). Because t count is greater than t table, with a significance value of $_{.000}$< 0.05. So it can be said that Knowledge has a significant effect on Business Performance.

b. Skills

From the results of data processing, the value of tcount is greater than ttable ($_{3.385}$) < (1,986). Because t count is greater than t table, with a significance value of 0.001 < 0.05. So it can be said that Skills have a significant effect on Business Performance.

c. Ability

From the results of data processing, the value of tcount is smaller than ttable ($_{1,943}$) < (1,986). Because t count is smaller than t table, with a significance value of 0.055 > 0.05. So it can be said that the ability has no significant effect on business performance.

F Test (Simultaneous)

Table 3. F . test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1902,382	3	634,127	82,555	.000b
	Residual	714,361	93	7,681		
	Total	2616,742	96			

a. Dependent Variable: Performance

b. Predictors: (Constant), Abilities, Skills, Knowledge

The F test is used to determine the magnitude of the significant effect of the independent variable (X) simultaneously or entirely to the dependent variable (Y). It is known that F is calculated as $_{82,555}$with significance (0.000), F table can be obtained as follows: F table = 97 – 5 – 1; 5, F table = 91; (5th column in table F) = 2.31. Based on the results of data processing obtained the value of Fcount ($_{82,555}$) > Ftable (2,31) with Sig. (0.000) < 0.05. This means that the independent variables Knowledge, Skills, Ability (Competency) together have a significant effect on the independent variable Business Performance. Then H0 is rejected and H1 is accepted.

Coefficient of Determination (R2)

Based on the test results using SPSS, it is known that the coefficient of determination (R2) is 0.853, and Adjust R is 0.718. This means that the Performance variable can be explained by the X variable as a whole by 71.8% while the remaining 28.2% is influenced by other variables that are not carefully in this research.

Discussion

The partial test results between Knowledge and Business Performance show a significant effect. This means that the knowledge possessed by the business performance of women home -based entrepreneurs in Pekanbaru can improve their business performance in entrepreneurship. This is also in line with research conducted by Silfia and Nurlaily (2018). The existence of business management knowledge, knowledge of products, knowledge of consumers, and knowing how to promote and appropriate business strategies, so that it can improve the business performance of the housewives in doing their business.

The results of the t-test for Skills on Business Performance also indicate an influential and significant research direction. This means that the skills possessed by female home-based business actors in Pekanbaru are sufficient to support business performance in conducting their business. This proves that in order to improve business performance in a home-based business, one must have skills from various aspects, namely production skills, communication, organizational collaboration, and skills in managing good finances so that they can improve business performance.

From the results of the research, the variables simultaneously mean that all independent variables, namely Knowledge, Skills, and Ability, if applied simultaneously in improving the business performance of women home-based business actors in Pekanbaru, will have a good and considerable influence on business performance in the results of this study. This can be seen from the large significance value in the F test in this study, this finding is in line with the research of Silfia and Nurlaily (2018) who conducted a study entitled The Effect of Human Resource Competence on Business Performance of Women Batik Mangrove Surabaya. Based on this study, it can also be seen that the researchers tested the same independent variables, namely Knowledge, Skills, and Ability on the dependent variable of Business Performance.

CONCLUSIONS

Based on the results of the research Effect of The Influence of Competence on the Business Performance of Housewives in Entrepreneurship at Villa Bunga Arengka Pekanbaru, then can concluded that overall independent variables, namely Knowledge, Skill, and Ability if applied simultaneously in improving the business performance of women home-based business actors in Pekanbaru. . The knowledge possessed by female home-based business actors in Pekanbaru can improve the business performance of the housewives in entrepreneurship. The skills possessed by the female home-based business actors in Pekanbaru are sufficient to support the business performance of the housewives in conducting their business. The ability variable has no significant effect on the business performance of female home-based entrepreneurs in Pekanbaru

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