Jurnal Manajemen Teknologi

Jurnal Manajemen Teknologi, 24(3), 2025,194-210
Available online at http://journal.sbm.itb.ac.id

Measurement of Entrepreneurial Orientation, Network Capability, Inter-Firm Partnerships, Marketpreneur, and Business Performance among MSME Entrepreneurs Demographics

Asih Arum Lestari and P.L. Rika Fatimah*
Faculty of Economics and Business, Universitas Gadjah Mada, Yogyakarta, Indonesia

Abstract. *The entrepreneurial characteristics of opportunity-seeking, proactiveness, collaboration, and customer and market foresight are essential drivers of success for Micro, Small, and Medium Enterprises (MSMEs). Previous studies have widely examined entrepreneurial orientation (EO), network capability (NC), inter-firm partnerships (IFP), and business performance (BP), yet their interactions and implications within the demographic context of MSME entrepreneurs remain underexplored. The drive of MSME actors to innovate, collaborate, and expand into broader markets serves as a vital foundation for enhancing competitiveness and business performance. However, Indonesia's rapidly evolving MSME landscape requires fresh insights that reflect the distinctive and actual on-the-ground realities faced by these enterprises. This study aims to measure the dimensions of entrepreneurial orientation, network capability, inter-firm partnership, and marketpreneur characteristics and how these relate descriptively to MSME business performance across different demographic categories in Indonesia. This research adopts a descriptive quantitative approach involving 153 MSME respondents in Indonesia, and the research analysis is conducted through cross-tabulation analysis and categorization using the Total Cell Ratio (TCR). The findings reveal variations in entrepreneurial orientation, networking skills, partnership engagement, and marketpreneur behavior across gender, education, and job position groups. The study contributes to the literature by presenting an integrated measurement of MSME entrepreneurial competencies while contextualizing demographic associated with. Furthermore, it provides insights for policymakers and MSME practitioners to strengthen entrepreneurial capacity through networking and market-driven innovation.*

Keywords: *Network capability, inter-firm partnerships, business performance, entrepreneurship orientation, marketpreneur (tetrapreneur model), MSME actor demographics*

How to Cite: *Lestari, A.A. and Fatimah, P.L.R. (2025). Measurement of Entrepreneurial Orientation, Network Capability, Inter-Firm Partnerships, Marketpreneur, and Business Performance among MSME Entrepreneurs Demographics. Jurnal Manajemen Teknologi, 24(3), 194-210. doi: 10.12695/jmt.2025.24.3.1*

*Corresponding author. Email: rikafatimahpl@ugm.ac.id
Received: June 29th, 2024; Revision: November 7th, 2024; Accepted: October 24th, 2025
Print ISSN: 1412-1700; Online ISSN: 2089-7928. DOI: http://dx.doi.org/ 10.12695/jmt.2025.24.3.1

Published by Unit Research and Knowledge- School of Business and Management-Institut Teknologi Bandung

Introduction

In Indonesia, the phenomena of unemployment and the rapid growth of Micro, Small, and Medium Enterprises (MSMEs) can significantly impact the national economy. According to the Central Bureau of Statistics survey in 2020, there were 19.10 million people, or 9.3% of the working-age population, unemployed. Due to the Covid-19 pandemic, government policies, and economic growth, the open unemployment rate in 2023 was still recorded at 7.86 million people (BPS, 2023). Alongside the persistently high unemployment rate, MSME growth in 2023 also increased, reaching 65.4 million units, or 99% of all business units in Indonesia. Despite their critical role in the national economy, MSMEs faced unprecedented challenges such as supply-chain disruption, declining market demand, and limited digital readiness. These conditions have underscored the critical need to enhance entrepreneurial capabilities to ensure MSME sustainability and competitiveness in an increasingly dynamic market environment.

According to Misra et al. (2018), one of the aspects that influence MSMEs' ability to overcome these challenges is the demographic characteristics of the entrepreneurs or business actors involved. Entrepreneurs with higher educational backgrounds and more extensive experience tend to have better managerial capabilities and can address business challenges more effectively.

The significant growth of Indonesia's MSME sector has introduced both opportunities and difficulties. One critical element in ensuring MSME success is the educational background and expertise of its employees, as better education generally correlates with improved management skills. This advantage allows MSMEs to handle competitive pressures and internal challenges more proficiently (Gunawan, 2017). Other factors include company strategy, technology, education, and management information systems (Hadid & Al-Sayed, 2021); leadership style, regulations, uncertainty, competition (Mia & Clarke, 1999); organizational culture, management style, external environment, and corporate governance structure (Shil et al., 2021). Additionally, MSMEs require continuous support and attention from business actors, the government, and other external parties involved. The success of entrepreneurs as MSME actors is not only determined by their willingness to take risks and their responsibility for managing the business but also by their attention to cooperation with customers and business networks (Meredith, 2006).

Furthermore, Carland et al. (1984) explained entrepreneurship and positions within a business, noting that the roles and definitions between entrepreneurs differ from managers or employees. Compared to entrepreneurs, managers and employees tend to avoid the risks associated with entrepreneurial actions. Entrepreneurship is a distinct characteristic that defines entrepreneurs differently from managers or employees, with entrepreneurs known for seeking and taking innovative, proactive, and risk-taking actions (Sandya, 2023).

Previous research has extensively discussed the factors influencing MSME success, including entrepreneurial orientation (EO), networking ability, inter-firm collaboration, and innovation capacity (Covin & Wales, 2019; Lumpkin & Dess, 2001). However, most studies have focused on single dimensions or firm-level outcomes without integrating these constructs into a comprehensive measurement framework. Furthermore, the demographic characteristics of MSME entrepreneurs such as age, gender, education, and job position have rarely been examined in relation to their entrepreneurial behavior, even though these attributes may shape decision-making styles, opportunity recognition, and partnership formation. In Indonesia, the integration of entrepreneurial orientation, network capability, inter-firm partnership, and marketpreneurs remains a developing concept.

While entrepreneurial orientation explains the strategic posture of risk-taking, innovativeness, and proactiveness, network capability highlights how entrepreneurs establish and maintain valuable external relationships to access information and resources (Mitrega et al., 2017). Inter-firm partnership emphasizes cooperation and trust among business actors to achieve mutual growth, whereas marketpreneurs adapted from the Tetrapreneur model proposed by Fatimah (2016; 2018) combines market awareness, partnership synergy, innovation, and sustainability into a single entrepreneurial mindset. This multidimensional framework provides a broader understanding of how MSMEs can achieve resilience and growth in uncertain markets. In addition, the G2RT program, launched by the government in 2018 in the Special Region of Yogyakarta (DIY), provides a relevant contextual basis for this study. The program operationalizes the Tetrapreneur concept through collaboration between government, academia, business, and the community. Therefore, incorporating G2RT into the theoretical discussion aligns with national policy directions and strengthens the study's contextual relevance.

The passage discusses the motivation and approach of a study centered on MSMEs (Micro, Small, and Medium Enterprises) sector. It highlights a substantive and an urgent need to provide an updated, comprehensive analysis of MSMEs that reflects the distinctive and actual conditions these enterprises face. Although much research exists, a new perspective is needed to capture the specific realities on the ground.

This study aims to expand on prior studies through a quantitative descriptive analysis method, focusing on the demographic characteristics of MSME actors related to entrepreneurial orientation, networking capabilities, inter-firm partnerships, and their relationship with market-oriented approaches and business performance. Having the method, this study intends to capture overlooked factors, providing fresh insights that contribute to the development of policies and and to explore how these dimensions vary across demographic characteristics such as gender, age, education, and job position. By adopting a descriptive quantitative approach, this study contributes to both theory and practice: theoretically, it refines the integrated measurement of entrepreneurial competencies based on the Resource-Based View (RBV); practically, it offers insights for policymakers and MSME practitioners to design targeted interventions that strengthen entrepreneurial capacity and network-based collaboration.

Literature Review

Resource-Based View (RBV) Theory

The Resource-Based View (RBV) theory provides the foundational lens for this study. According to Barney (1991), firm performance and competitive advantage stem from the ownership, control, and utilization of valuable, rare, inimitable, and non-substitutable (VRIN) resources. Within the MSME context, these resources often include intangible assets such as entrepreneurial capability, innovation, and networks. SMEs can leverage alliances and collaborations to access resources that improve performance and innovation. Internal company resources play a critical role in strategies to maintain competitive advantage (Barney, 1991; Nguyen et al., 2023).

Entrepreneurial Orientation (EO)

Entrepreneurial Orientation (EO) describes the strategic posture of a firm that reflects its willingness to innovate, take risks, and act proactively in pursuing opportunities (Lumpkin & Dess, 2001). EO captures the behavioral aspects of entrepreneurship that drive organizational adaptability and growth. High EO levels among MSME entrepreneurs can enhance creativity, problem-solving, and decision-making agility (Covin & Wales, 2019).

Network Caoability (NC)

The dimensions of networking capabilities include coordination, relational skills, market knowledge, and internal communication, all of which contribute to enhanced company

performance. Research indicates that networking capabilities, in terms of marketing and structural flexibility, positively affect performance and commercialization (Zacca et al., 2015; Anser et al., 2020). For MSMEs, networking is a critical means of overcoming resource constraints by accessing market information, capital, and technological support.

Inter-Firm Partnership (IFP)

Inter-firm partnerships (IFP) are cooperative relationships between businesses that aim to achieve mutual benefits through shared resources, knowledge exchange, and co-creation (Mohr & Spekman, 1994). These partnerships can take various forms formal alliances, supplier–buyer relationships, or informal collaborations and play an essential role in enhancing competitiveness among MSMEs. Research suggests that partnerships enhance synergy and learning between companies, which positively impacts business performance (Franco & Haase, 2020). The success of partnerships depends on the alignment of goals and the efficient sharing of resources.

Marketpreneur and the Tetraoreneur Model

The concept of marketpreneur is derived from the Tetrapreneur model introduced by Fatimah (2016; 2018), which involves four main pillars: Entrepreneurial Chains, Entrepreneurial Markets, Entrepreneurial Quality, and Entrepreneurial Brands. This concept emphasizes an innovative perspective that recognizes and forecasts consumer needs and expectations at each stage of entrepreneurship, involving a broader range of stakeholders beyond just direct consumers. Business sustainability is measured by a company's ability to maintain profitability through quality products, operational efficiency, and social and ethical responsibility toward stakeholders such as consumers, employees, and society. Focusing on the market, alongside stakeholders, is crucial for identifying the real needs entrepreneurs must fulfill to grow their businesses (Rika Fatimah, 2016; 2018; Ferrel et al., 2014).

Business Performance (BP)

The performance of SMEs is measured through both financial and non-financial achievements, such as profitability, productivity, and market development (Dunlap, 2016; Silviasih et al., 2016). The success of SMEs is influenced by internal and external factors, including the use of technology like social media and interactions between management, employees, clients, and suppliers (Patma et al., 2021; Mpandare & Li, 2020). Additionally, Entrepreneurial Orientation (EO) and profitability play crucial roles in achieving optimal business goals (Zhang et al., 2012; Gaganis et al., 2019).

Conceptual Framework

Drawing upon the RBV perspective, this study conceptualizes entrepreneurial orientation, network capability, inter-firm partnership, and marketpreneurs as strategic resources that collectively enhance MSME business performance. The integration of Tetrapreneur and G2RT perspectives extends the RBV approach by emphasizing collaborative resource mobilization and innovation within Indonesia's MSME ecosystem. This integration highlights the contextual relevance of RBV in fostering sustainable entrepreneurial behavior. The study provides descriptive insights into how these constructs manifest across demographic profiles.

Research Methodology

This study employs a quantitative descriptive research method, interpreting results through descriptive analysis. The descriptive analysis in this study is based on respondents' demographic data, The survey to explore and measure respondents' beliefs and opinions about MSME behavior, entrepreneurial orientation, network capability, inter-firm partnership, marketpreneur, and business performance. The analysis draws on respondents' demographic profiles and their views concerning MSME behavioral patterns. Each variable is measured using a 5-point Likert Scale: 1 = strongly disagree, 2 = disagree,

3 = common, 4 = agree, 5 = strongly agree. Data analysis is conducted using the crosstabs method through SPSS software, focusing on respondent demographics such as gender, age range, education, position, and length of employment.

The sampling method used is non-probability sampling, targeting MSMEs in Indonesia across all industry sectors. Data analysis involves calculating the average value by summing all observation values and dividing by the number of observations (Lind, Marchal, & Wathen, 2007).

Interval classes are also used to determine the average weight of respondents' answers to each question for each variable, dimension, and indicator. Categorization was applied to interpret the mean scale values using interval classifications, as suggested by Kadir (2015). Descriptive statistics and Total Cell Ratio (TCR) analyses were employed, following Kadir's (2015) procedures, to interpret the distribution of responses as presented in Table 1. Instrument validity and reliability were confirmed (Cronbach's $\alpha > 0.7$), and all ethical considerations were addressed to ensure voluntary participation and confidentiality.

Table 1.
Range of Interval (TCR Ratio)

Interval	Description
1 – 1,80	Very Low
1,81 – 2,60	Low
2,61 – 3,40	Moderate
3,41 – 4,20	High
4,21 - 5	Very High

Source: Kadir (2015)

Operational Definition and Measurement of Variables

The variables examined in this study are defined as follows: Entrepreneurial Orientation pertains to the mindset and actions of individuals or organizations that exhibit innovation, a willingness to take risks, proactivity, and a focus on resource opportunities (Walter et al., 2006). Networking Capability involves a company's skill in forming business and political connections based on the views of the company's managers or owners (Hierati et al., 2013).

Inter-Firm Partnerships involve collaborations with business partners that inspire ideas, share skills, promote innovation, facilitate communication between organizations, and help identify market trends and opportunities (Haase & Franco, 2015). The Entrepreneurial Market concept relates to an innovative approach to recognizing entrepreneurial needs at each stage by projecting market activities, such as business chain strategies and market forecasts (Rika Fatimah, 2018). Business Performance refers to the outcomes achieved by SMEs over a specific period, including both profit-oriented and non-profit-oriented results (Dunlap et al., 2016). Detailed variables and measurement items are listed in Appendix 1.

Results and Discussion

Respondent Demographics

The research includes 153 participants representing various regions in Indonesia, comprising owners of MSMEs spanning from 15 years of age to over 55 years. The selection criteria align with Government Regulation No. 7 of 2021, specifically targeting MSMEs with annual sales not exceeding Rp50,000,000,000.

Additionally, 19 staff members were identified as key decision-makers involved in the implementation of the G2RT model within MSME business processes, as the model represents a relatively new innovation in Indonesia. These individuals served as critical sources of practical insight into G2RT-based entrepreneurial practices. Detailed demographic information about the respondents is available in Table 2 of the research.

Table 2.
Profile of MSME Entrepreneurs Respondents

Characteristics of MSME Entrepreneurs	Category	Total count (people)	Percentage (%)
Gender	Male	59	38.6
	Female	94	61.4
Age	15 - 24 years	27	17.6
	25 - 34 years	50	32.7
	35 - 44 years	28	18.3
	45 - 54 years	36	23.5
	Above 55 years	12	7.8
Education	Elementary school or equivalent	1	0.7
	Junior high school or equivalent	7	4.6
	Senior high school or equivalent	53	34.6
	Diploma (D1/D2/D3)	24	15.7
	Bachelor's degree (S1/D4)	59	38.6
	Master's degree (S2)	8	5.2
	Doctoral degree (S3)	1	0.7
Position	Owner	118	77.1
	Co-owner	10	6.5
	Director	1	0.7
	Manager	5	3.3
	Staff	19	12.4
Length of employment	< 1 Years	18	11.8
	1 - 2 Years	45	29.4
	3 - 5 Years	53	34.6
	6 - 10 Years	29	19.0
	11 - 20 Years	6	3.9
	> 20 Years	2	1.3

Source: Primary Data Processed (2024)

According to the research findings presented in Table 4.1, the respondent data indicates that 59 respondents (38.6%) are male and 94 respondents (61.4%) are female. The largest age group among the SME respondents is 25-34 years, comprising 50 individuals (32.7%). Regarding educational background, 59 respondents (38.6%) hold a bachelor's degree (S1/D4). A significant majority of respondents, 118 individuals (77.1%), are owners of their businesses. Additionally, most respondents have been working in their businesses for a duration of 3-5 years, representing 34.6% of the total respondents.

Reliability Test

To assess the reliability and consistency of the measurement instruments, a reliability test was conducted (Neuman, 2014).

For the instruments to be considered reliable, the Cronbach's Alpha (CA) value should exceed 0.70 (Hair et al., 2014). The results demonstrated that the Cronbach's Alpha coefficients for the research variables ranged from 0.806 to 0.898, which surpasses the recommended benchmark. This indicates that the instruments used are dependable and consistent. Detailed results of the reliability test are provided in Appendix 2.

Statistical Analysis Results of MSME Entrepreneurs' Demographics

Descriptive statistics aim to provide a summary of the information derived from the research questionnaire data. This includes details such as the mean values and categories for each attribute related to the demographics of MSME actors and the research variables, as presented in Table 3.

Table 3.
Average Assessment Scores of Dimensions among MSME Entrepreneurs

Variable	Code	Characteristics	Mean	Category
Entrepreneurial Orientation	EO	Gender	4.3	Very High
		Age	4.3	Very High
		Education	4.26	Very High
		Position	4.39	Very High
		Length of employment	4.27	Very High
		Total	4.30	Very High
Network Capability	NC	Gender	3.64	High
		Age	3.7	High
		Education	3.29	Moderate
		Position	3.71	High
		Length of employment	3.73	High
		Total	3.61	High

Table 3. Continued

Variable	Code	Characteristics	Mean	Category
Interfirm Partnership: - Efficiency, Innovation and Learning, Market Opportunities, Technology and Competition	IPE	Gender	3.62	High
		Age	3.67	High
		Education	3.39	Moderate
		Position	3.52	High
		Length of employment	3.61	High
		Total	3.56	High
	IPIL	Gender	4.2	High
		Age	4.22	Very High
		Education	4.2	High
		Position	4.29	Very High
		Length of employment	4.17	High
		Total	4.22	Very High
	IPMO	Gender	4.21	Very High
		Age	4.23	Very High
		Education	4.26	Very High
		Position	4.18	High
		Length of employment	4.13	High
		Total	4.20	Very High
	IPTC	Gender	4.05	High
		Age	4.09	High
		Education	3.99	High
		Position	3.97	High
		Length of employment	4.03	High
		Total	4.03	High
Entrepreneurial Market (Marketpreneur) - Market Projection	SRB	Gender	3.92	High
		Age	3.96	High
		Education	3.89	High
		Position	4.03	High
		Length of employment	3.94	High
		Total	3.95	High
	PS	Gender	4.25	Very High
		Age	4.27	Very High
		Education	4.31	Very High
		Position	4.32	Very High
		Length of employment	4.22	Very High
		Total	4.27	Very High
Business Performances	BP	Gender	4.16	High
		Age	4.16	High
		Education	4.21	Very High
		Position	4.18	High
		Length of employment	4.15	High
		Total	4.17	High

Desriptions: EO: Entrepreneurial Orientation, NC: Networking Capability, IPE: Inter-Firm Partnership-Efficiency Motive, IPIL: Inter-Firm Partnership-Innovation and Learning Motive, IPMO: Inter-Firm Partnership- Market Opportunity Motive, SRB: Entrepreneurial Market (Marketpreneur)- Business Chain Strategy, PS: Entrepreneurial Market-Market Projection, BP: Business Performance

Source: Primary Data Processed (2024)

Table 3 presents data on the achievement levels of respondents in various demographic and professional categories, such as gender, age, education level, position, and years of work experience. Overall, the majority of respondents fall within the "High" or "Very High" achievement categories, with some variations across different categories. Regarding gender, female respondents have a slightly higher average achievement level compared to males. The average achievement for females is 4.30 (86.05%), categorized as "Very High," while males have an average achievement of 4.11 (82.23%), categorized as "High."

In terms of age, respondents aged 15-24 years have the highest achievement level, with an average of 4.33 (86.67%), followed by respondents over 55 years old, who also fall within the "Very High" category (4.25, 85.00%). Meanwhile, the age groups of 35-44 years and 45-54 years tend to have slightly lower achievement levels, but they still fall within the "High" category. For education level, respondents with a Doctoral degree (S3) exhibited the highest achievement, with an average of 5.00 (100%), categorized as "Very High." Overall, the higher the level of education, the higher the achievement level of the respondents. Respondents with Junior High School or equivalent education had the lowest average achievement, at 3.74 (74.76%), though they still fall within the "High" category.

By position, respondents holding roles as Co-owner, Director, and Manager had very high achievement levels, with an average of 4.33 (86.67%) or higher, while Owners and Staff were in the "High" category, with only minimal differences in their achievement levels. Regarding work experience, respondents with over 20 years of experience had a slightly lower average achievement (4.00, 80.00%) compared to those with less than one year or 11-20 years of experience, whose achievement averages ranged from 4.25 to 4.39, all categorized as "Very High."

Discussion and Analysis

The research findings indicate that certain demographic attributes of MSME actors achieved the highest average score categories across several dimensions for variables such as entrepreneurial orientation, networking capability, inter-firm partnerships, entrepreneurial market, and business performance, as detailed in the following explanation. The achievement of research objectives will be discussed in the subsequent discussion section. Based on the tested research results, 153 respondents achieved the level of achievement of the average score (TCR) calculated for selected variable dimensions, as depicted in Figure 1. Figure 1 illustrates that position, education, and age emerged as demographics with the highest average TCR categories among respondents.

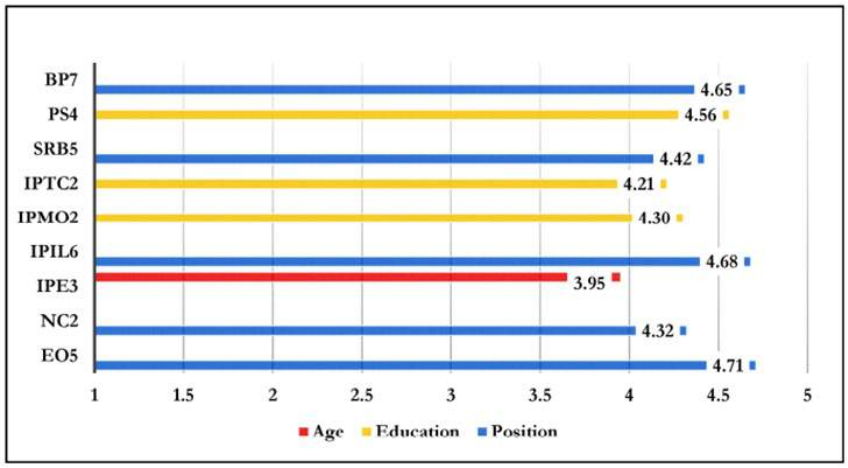

Figure 1.
Graph of respondent achievement levels (TCR Ratio)
Source: Processed data (2024)

Figure 1 illustrates the achievement levels of research respondents, showing that the attribute of Job Position obtained the highest average score first and associated with the most variable dimensions: EO5, NC2, IPIL6, SRB5, and BP7. Education obtained the second highest average score and associated with variable dimensions IPMO2, IPTC2, and PS4. Subsequently, the age of MSME actors obtained the third highest average score and only associated with variable dimension IPE3. Further classification was conducted to examine the demographic characteristics of MSME actors by distributing frequency based on variable dimensions with the highest average achievement levels. The frequency distribution for MSME demographics is shown in Table 4.

Table 4.
Distribution of demographic frequencies among MSME entrepreneurs

Dimension	**TCR**	**Demographics**		**Frequency (people)**	**Percentage (%)**
EO5	4.71	Position	Co-owner	10	7
			Director	1	1
			Manager	5	3
			Owner	118	77
			Staff		12
				19	
		Total		153	
PS4	4.56	Education	D1/D2/D3	24	16
			S1/D4	59	39
			S2	8	5
			S3	1	1
			Elementary school or equivalent	1	1
			Senior high school or equivalent	53	35
			Junior high school or equivalent	7	5
		Total		153	
IPE3	3.95	Age	15 - 24 years	27	18
			25 - 34 years	50	33
			35 - 44 years	28	18
			45 - 54 years	36	24
			Above 55 years	12	8
		Total		153	

Descriptions:
EO: Entrepreneurial Orientation
PS: Entrepreneurial Market (Marketpreneur) - Market Projections
IPE: Inter-firm Partnership – Efficiency motive

Source: Primary Data Processed (2024)

Based on Table 4, demographic characteristics among MSME operators reveal that 77% of respondents in ownership positions prioritize a proactive attitude toward continuous advancement and development as the cornerstone of their business operations (EO5), achieving a respondent attainment level of 4.71. The research findings underscore that ownership position associated with entrepreneurial orientation and business development in MSMEs. As noted by Kusuma and Suharsono (2020), a business owner's position impacts leadership style, strategic vision, and daily operational decisions. Drucker (1985) suggests that business owners often hold a more optimistic view of their performance, largely due to their direct involvement in daily operations and strategic decision-making. Entrepreneurs actively involved in managing their businesses tend to possess a deeper understanding of operational challenges and growth opportunities compared to those who delegate managerial responsibilities more frequently.

Business owners in leadership or managerial roles are also more likely to forge partnerships with other firms and lead innovation efforts (Gulati et al., 2016). Characteristics such as resilience, risk-taking, flexibility, and adequate competence in their respective industries define these business owners (Anisa, D, et al., 2023). Walter et al. (2006) suggest that a proactive approach, exemplified by the willingness to continuously advance and progress, is a key indicator of entrepreneurial orientation. Stronger entrepreneurial orientation among business owners correlates with enhanced capabilities in their MSMEs.

Respondents with a bachelor's degree (S1/D4), comprising 39% of the sample, prioritize the future expansion of their product or service offerings (PS4), achieving a respondent attainment level of 4.56. Educational attainment at the bachelor's level plays a crucial role in influencing entrepreneurial market projections. Market projection within entrepreneurial contexts encourages individuals to grasp and fulfil the customer desires or needs. This underscores how higher education levels empower entrepreneurs to project market dynamics and plan for future product and service expansions. Market projection serves as an effective strategy for entrepreneurs to build confidence in expanding their offerings in alignment with market demands and competitive pressures. This supports findings from Misra and Arora (2018), suggesting that educational background shapes understanding and knowledge of market dynamics and consumer behaviors. Moreover, educational achievements correlate with broader work experience, equipping individuals with advanced skills in market analysis, data processing, and understanding market, customer, and competitor landscapes (Juliana et al., 2015).

In addition, respondents aged 25-34 years, constituting 33% of the sample, prioritize creating and leveraging synergies with partners (IPE3), achieving a respondent attainment level of 3.95. MSME entrepreneurs aged 25-34 show a strong focus on business partnerships to achieve efficiency. This age group is often considered a productive stage in life, with many young entrepreneurs being more flexible in communication with partners and active in building networks, both directly and through online platforms. This supports their ability to establish mutually beneficial collaborations with business partners, which can help improve efficiency and business performance. This aligns with studies by Jianjun Z., Hongwei L (2007), indicating that younger entrepreneurs with higher educational backgrounds and prior management experience contribute positively to business performance.

The research findings indicate that the demographic characteristics of MSME entrepreneurs, such as job position, education, and age, are associated with the attitudes and strategic objectives taken in managing their businesses. A total of 77% of respondents

who are business owners chose a proactive attitude focused on continuous growth and development as their main foundation, with the highest achievement score of 4.71. Respondents with a bachelor's degree (39%) were more focused on plans for product or service expansion in the future, with a score of 4.56. Meanwhile, respondents aged 25-34 years (33%) emphasized the importance of synergy with business partners, with a score of 3.95.

Descriptive analysis indicates that MSME respondents show high entrepreneurial orientation (mean = 4.21), strong network capability (mean = 4.18), and active partnership engagement (mean = 4.12). Marketpreneurs scored highest (mean = 4.25), suggesting strong integration of innovation, collaboration, and sustainability among entrepreneurs. Differences across demographics were minor but notable, with educated and managerial respondents showing higher EO and NC scores. Figure 1 illustrates associations between job position and variable dimensions (EO5, NC2, IFP4, MP3, BP6). Overall, MSMEs exhibit strong entrepreneurial competencies consistent with the RBV framework, emphasizing innovation, relational resources, and adaptive behavior.

Conclusion

In essence, this study explores the phenomenon of the increasing number of MSMEs and the diverse factors influencing their development, both internally and externally. Through descriptive analysis and cross-tabulation, the research reveals insights into the demographic distribution of entrepreneurs, the profiles of MSMEs, and the levels of achievement among respondents. Specifically, the highest average achievement levels were found in dimensions such as proactive entrepreneurial orientation, entrepreneurial market projections, and inter-firm partnerships focusing on efficiency motives.

The study identifies recurring demographic patterns among entrepreneurs concerning gender, age, educational background, position, and tenure, highlighting consensus among respondents regarding their entrepreneurial orientation in business operations. Key demographic profiles of MSME operators include ownership roles (business owners), Bachelor's degree education, and age group (25-34 years), as well as the size of the workforce (1-10 employees). These demographic characteristics significantly influence managerial capabilities and overall performance in MSMEs.

MSME owners with Bachelor's degrees and aged 25-34 demonstrate a capability to manage their businesses with a strong entrepreneurial orientation, strategic market forecasting, and efficient inter-firm partnerships. Their commitment to continuous growth, collaboration, and market expansion serves as foundational elements for enhancing the competency and performance of MSMEs. This emphasizes that, despite variations in demographics, MSMEs hold significant potential for achieving strong performance through efficient resource management and adaptation to market changes. The innovative and collaboration-oriented characteristics of business actors serve as crucial pillars for enhancing MSME competence and competitiveness, ultimately contributing positively to overall economic growth.

Implications

This study provides a basis for developing more effective and efficient management strategies for MSMEs. Through cross-tabulation analysis, business owners can identify patterns in the relationships between variables such as age, business type, and factors influencing business sustainability. This study underscores that developing policies to support MSMEs should be a priority for the government and relevant institutions. This includes designing educational and entrepreneurial training programs to enhance MSME actors understanding of financial

management, marketing, and collaborative strategies. Improved access to education, especially for younger MSME actors, can foster a stronger entrepreneurial orientation. In addition, it is crucial to strengthen business networks by establishing community platforms that facilitate collaboration among MSME actors and other stakeholders. Selecting competent resources involves considering individuals educational backgrounds, ages, knowledge characteristics, and financial performance, enabling MSMEs to formulate effective strategies and enhance overall business success.

Limitations and Future Research

This research is limited by its descriptive design, which does not establish causal relationships. Future studies could apply inferential analyses such as regression or SEM to explore inter-variable effects. The non-probability sampling limits generalizability, so probability-based sampling is recommended for broader representation. Additionally, qualitative or mixed-method approaches could capture deeper insights into MSME behavior, and longitudinal research could track changes in entrepreneurial competencies over time.

Declaration

Author Contribution

All authors contributed equally as the main contributors of this paper. All authors read and approved the final paper.

Funding statement

This research received no specific grant from any funding agency in the public. commercial, or not-for-profit sectors.

Competing Interest

The authors declare that they have no conflicts of interest to report regarding the present study.

References

Anser, M.K., Yousaf, Z., Usman, M., Yousaf, S., Fatima, N., Hussain, H. and Waheed, J. (2021). Strategic business performance through network capability and structural flexibility. *Management Decision,* 59(2), 426-445.

Badan Pusat Statistik. (2023). *Statistik Karakteristik Usaha 2022/2023. Volume 5*. Badan Pusat Statistik.

Barney, J. B., & Hesterly, W. S. (2015).*Strategic management and competitive advantage: Concepts and cases*. Pearson.

Carland, J. W., Hoy, F., Boulton, W. R., et al. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9, 354-359.

Covin, J. G., & Wales, W. J. (2019). Crafting high-impact entrepreneurial orientation research: Some suggested guidelines. *Entrepreneurship Theory and Practice, 43*(1), 3–18.

Dunlap, D., Parente, R., Geleilate, J. M., & Marion, T. J. (2016). Organizing for innovation ambidexterity in emerging markets: taking advantage of supplier involvement and foreignness. *Journal of Leadership and Organizational Studies,* 23(2), 175-190.

Drucker, P. (1985). *Innovation and Entrepreneurship: Practices and Principles*. Harper & Row, New York

Ferrell, O. C., Hult, G. T. M., & Ferrell, L. (2014). The responsibility of marketing in the corporate social responsibility continuum. *Journal of Business Research, 67*(11), 1220–1225.

Gulati, R., Nohria, N., & Zaheer, A. (2016). Strategic Networks. *Strategic Management Journal*, 37(S1), 1-25.

Haase, H., & Mário Franco. (2020). Leadership and collective entrepreneurship: evidence from the health care sector. *Innovation: The European Journal of Social Science Research*, 33(3), 368-385.

Hadid, A., & Al-Sayed, M. (2021). Management accountants and strategic management accounting: The role of organizational culture and information systems, *Management Accounting Research*, 50, 1-17.

Heirati, N. (2013). The contingent value of marketing and social networking capabilities in firm performance. *Journal of Strategic Marketing*, 21(1), 82-98.

Islami A.C., Kunaifi A., & Gunawan, J. (2017). Ragam Pengukuran Kinerja pada Usaha Mikro, Kecil, dan Menengah (UMKM) di Surabaya. *Jurnal Sains Dan Seni ITS*. (6), 2.

Jianjun, Z., & Hongwei, L. (2007). Entrepreneur Background Diversification, and Firm Performances, *Nankai Business Review.*

Kadir. (2015). *Statistika Terapan Konsep, Contoh dan Analisis Data dengan Program SPSS/Lisrel dalam Penelitian; (Edisi ke 2).* Jakarta: PT Raja Grafindo Persada.

Kusuma, & Suharsono. (2020). Demografi dan orientasi kewirausahaan. *Jurnal Manajemen Strategi Bisnis*, 25(1), 45-60.

Lind, D. A., Marchal, W. G., & Wathen, S. (2007). *A. Statistical Techniques In Business & Economics.*

Lumpkin, G. T., & Dess, G. G. (2001). Linking two dimensions of entrepreneurial orientation to firm performance: The moderating role of environment and industry life cycle. *Journal of Business Venturing, 16*(5), 429–451.

Meredith, G. G., et al. (2006). *Kewirausahaan: Teori dan Praktek.* Jakarta: PT. Pustaka Binaman.

Mia, B., & Clarke, A. (1999). Market competition, management accounting systems and business unit performance. *Management Accounting Research.* 10. 137-158.

Misra, P., & Arora, B. (2018). Demographic profile and performance of small and medium enterprises in India: A discriminant analysis approach. *Journal of Global Entrepreneurship Research*, 8(1), 1-17.

Mohr, J., & Spekman, R. (1994). Characteristics of partnership success: Partnership attributes, communication behavior, and conflict resolution techniques. *Strategic Management Journal, 15*(2), 135–152.

Neuman, W. L. (2014). *Social Research Methods: Qualitative and Quantitative Approaches (Seventh*). Pearson Education Limited.

P.L.,Rika Fatimah. (2018). *Buku Pedoman Global Gotong Royong (G2R): Inovasi Gerakan Desa dengan Model Tetrapreneur*. Badan Perencanaan Pembangunan Daerah (BAPPEDA) DIY.

P.L.,Rika Fatimah. (2018). Mengembangkan Kualitas Usaha Milik Desa (QBumdes) Untuk Melestarikan Ketahanan Ekonomi Masyarakat dan Kesejahteraan Adaptif: Perancangan Sistem Kewirausahaan Desa dengan Menggunan Model Tetrapreneur. *Jurnal Studi Pemuda*, 7(2), 122-132.

Walter, A., Auer, M., & Ritter, T. (2006). The impact of network capabilities and entrepreneurial orientation on university spin-off performance. *Journal of Business Venturing*, 21(4), 541-567.

Appendix 1. Variables and Measurement Items

Code	Source	Source
Entrepreneurial Orientation (EO)		Walter et al, 2006
EO1	Entrepreneurial behavior is a primary principle in our company	
EO2	People working in our company are highly dynamic	
EO3	In our company, people always prioritize innovation	
EO4	In our company, people are willing to take risks for profit / company progress	
EO5	The willingness to continually advance and develop is the foundation in our company	
EO6	In our company, people always aspire for the company to be a market leader	
Network Capability (NC)		Hierati et al, 2013
NC1	Our company establishes relationships with owners/managers of other companies outside our industry.	
NC2	Our company builds relationships with owners/managers of companies in the same industry as ours.	
NC3	Our company obtains relevant information on market strategies from interactions with other companies.	
NC4	Our company maintains relationships with government officials at various levels.	
NC5	Our company engages with officials such as tax bureaus and government banks.	
NC6	Our company gains insights into our product market strategies (e.g., government regulations, tariffs, taxation) from interactions with government officials.	
Inter-firm Partnership with Efficiency Motive (IPE)		Haase & Franco, 2015
IPE1	Together with partners, our company implements investment cost-sharing.	
IPE2	Together with partners, our company facilitates the internalization of ideas, beliefs, management development, innovation, and corporate values.	
IPE3	Together with partners, our company creates and utilizes established synergies.	
IPE4	With partners, our company shares competencies and endeavors to reduce risks.	
IPE5	Through partnerships, our company can reduce transaction costs (transaction costs can be divided into three major categories: search and information costs, bargaining and decision-making costs, and policing and enforcement costs)	
IPE6	Through partnerships, our company can share senior staff and specialists to work on projects aimed at building work efficiency.	

Appendix 1. Variables and Measurement Items

Code	Question item	Source
Inter-firm Partnership with Efficiency Motive (IPIL)		Haase & Franco, 2015
IPIL1	Our company shares resources and competencies.	
IPIL2	Our company increases opportunities for employees to develop experience.	
IPIL3	Our company opens opportunities for consolidation to drive growth and maintain market share.	
IPIL4	Our company provides opportunities to stimulate employee learning processes.	
IPIL5	Our company strives to continuously improve innovation and keep up with modernization.	
IPIL6	Our company aims to enhance product and service quality.	
Inter-firm Partnership with Market Opportunity Motive (IPMO)		
IPMO1	By partnering, our company can achieve competitive advantage.	
IPMO2	Through partnerships, our company can explore new market opportunities.	
IPMO3	Through partnerships, our company can create low-cost advantages from operational activity expansion (economics of scale).	
Inter-firm Partnership with Technology and Competition Motive (IPTC)		
IPTC1	Through partnerships, our company can anticipate competitors.	
IPTC2	Through partnerships, our company can learn and gain experience and technology from other companies (technology transfer).	
IPTC3	Through partnerships, our company can overcome barriers, whether from government regulations or other sources.	
Entrepreneurial Market Strategies / Marketpreneur (SRB) - Business Chain Strategy		Rika Fatimah, 2018
SRB1	Our company interacts with business and commercial institution partners.	
SRB2	Our company facilitates internal processes of idea internalization, belief, management development, innovation, and company values.	
SRB3	Our company representatives interact with partners from Corporate Social Responsibility (CSR) units in industry/commercial institutions.	
SRB4	Our company selects flagship products for marketing and evaluates them through empowerment programs.	
SRB5	Our company identifies strengths and weaknesses of products.	
SRB6	Our company participates in exposure of flagship products with partners.	

Appendix 1. Variables and Measurement Items

Code	Question item	Source
Entrepreneurial Market Strategies / Marketpreneur (PS) - Market Projection		Rika Fatimah, 2018
PS1	Our company collects research information related to consumer needs and desires.	
PS2	Our company trains employees to improve supplier quality, products, or services.	
PS3	Our company enhances product or service distribution.	
PS4	Our company plans to add products or services in the future.	
Business Performances (BP)		Dunlap et al, 2016
BP1	Our company's performance is measured by sales profit (return on sales).	
BP2	Our company's performance is measured by return on investment (ROI).	
BP3	Our company's performance is measured by profitability.	
BP4	Our company's performance is measured by sales growth rate.	
BP5	Our company's performance is measured by market share.	
BP6	Our company's performance is measured by customer loyalty.	
BP7	Our company's performance is measured by customer satisfaction.	

Appendix 2. Reliability Test Results

Variables	Number of Indicators	Cronbach's Alpha	Reliability
Entrepreneurial Orientation (EO)	6	0.812	Reliable
Network Capability (NC)	6	0.873	Reliable
Inter-firm Partnership with Efficiency Motive (IPE)	6	0.872	Reliable
Inter-firm Partnership with Efficiency Motive (IPIL)	6	0.806	Reliable
Inter-firm Partnership with Market Opportunity Motive (IPMO)	3	0.898	Reliable
Inter-firm Partnership with Technology and Competition Motive (IPTC)	3	0.870	Reliable
Entrepreneurial Market Strategies / Marketpreneur (SRB) - Business Chain Strategy	6	0.853	Reliable
Entrepreneurial Market Strategies / Marketpreneur (PS) - Market Projection	4	0.821	Reliable
Business Performances (BP)	7	0.876	Reliable