## Entrepreneurial Competency Model of Successful Entrepreneur Culinaryin Padang City

## Fisla Wirda<sup>1</sup>, Tuti Azra<sup>2</sup>, Novirwan Trinanto<sup>3</sup>, Herizon<sup>4</sup>

- 1 Business Administration Department, Politeknik Negeri Padang, Padang, Indonesia
- 2 Business Administration Department, Politeknik Negeri Padang, Padang, Indonesia
- 3 Business Administration Department, Politeknik Negeri Padang, Padang, Indonesia 4 Electronical Department, Politeknik Negeri Padang, Padang, Indonesia

**DOI**: https://doi.org/10.56293/IJASR.2022.5503

**IJASR 2023 VOLUME 6 ISSUE 2 MARCH - APRIL** 

Abstract: This study aims to determine the indicators of entrepreneurial competency and compile the levels of entrepreneurial competency indicators needed from the highest to the lowest level. The research population is the creative industry SMEs in the culinary sector of the city of Padang, with a sample size of 86 managers of the creative industry SMEs in the culinary sector/traditional Padang restaurants, the research location being the city of Padang. This study uses a quantitative approach with the method of SEM and uses Amos as data processing, specifically Second Order Confirmatory Factor Analysis. The results showed the dimensions of entrepreneurial competence needed: conceptual, leadership, learning, opportunity, and personal. The highest level score of the entrepreneurial competence indicator is looking at problems from a positive perspective. The lowest score is recognizing one's strengths and weaknesses and adapting to opportunities and threats. This research is helpful as a reference for indicators of entrepreneurial competency needed for creative industry SMEs in the culinary sector in the city of Padang.

Keywords: entrepreneurial competence, indicators, level

#### Introduction

The people of West Sumatra are known to have a high entrepreneurial spirit. This spirit is generally inherited from the family and is influenced by environmental factors (Darwis, 2004). The success of the people of West Sumatra as entrepreneurs cannot be separated from being independent, confident, honest, consistent, willing to take risks, challenging, never giving up, and independent. The work ethic of West Sumatran traders is based on the philosophy developed in Minang culture, such as the value of togetherness, openness, trust, working while learning, and kinship (Darwis, 2004)

Referred to the theory of entrepreneurial competence proposed by (Spencer & Spencer, 1993)(Bird, 1995). Man (2001) divides competence into four things, namely, knowledge, skills, abilities, and personality. The people of west Sumatra already have entrepreneurial competence. Still, there is no detailed study explaining the competency standards most needed by West Sumatran entrepreneurs to produce superior performance and sustainability. Previous research on entrepreneurial competencies was mainly tested and developed in the United States and Europe. It was based on the western context, with relatively few studies in the eastern context (Abdullah & Sentosa, 2012), (Ahmad, 2007).

This research will design the entrepreneurial competence of the culinary sector, especially traditional restaurants in the city of Padang, to create a new concept of entrepreneurial competency standards needed in the culinary sector of Padang restaurants. This culinary sector is one of the icons of West Sumatra. The delicacy of food with a distinctive Minang taste, which is already well-known throughout the archipelago and even the world, is a signal that this sector has great potential and will continue to develop as a driving force for the economy of the people of West Sumatra. Culinary is evidenced by its high contribution to the GDP of West Sumatra. Statistical data shows that in 2021 the contribution of the food and beverage industry to West Sumatra's GDP is 4.29%, which is the highest contributor to the processing industry sector.

ISSN: 2581-7876

In 2016 rendang was awarded the World's Best Halal Culinary. in 2017, rendang was declared the most delicious food in the world by CNN. This award proves that the culinary branding of West Sumatra is not only recognized on a local/regional scale but is already on a global scale. Maintaining this achievement and prestige needs to be pursued so that it has a significant impact on the community's economy. One of the efforts is to strengthen the entrepreneurial spirit so that globally recognized products are well delivered to target consumers. Research on entrepreneurial competencies is essential so entrepreneurs interested in the culinary sector know and understand the competencies that must be possessed.

Two objectives of this research are: first, to formulate the standard indicator dimensions of entrepreneurial competence. Second, ranking/leveling entrepreneurial competency indicators from the highest to the lowest level, especially in the culinary sector of traditional Padang restaurants.

### Literature Review

## **Entrepreneurial Competency**

An entrepreneurial competency is a group of competencies relevant to entrepreneurial success. Entrepreneurship is often associated with the development of small businesses or new businesses (Gerardo et al., 2014). An entrepreneur is a person who initiates transforming an organization and adding value through managing resources and seizing opportunities. Entrepreneurial competence is the ability that exists within a person, such as specific or general knowledge, motivation, nature, and social roles, which are generated when a business is born, survives, or grows (Man et al., 2008).

The generic competency of entrepreneurs is based on a study of cross-cultural entrepreneurial competencies. They are using a sample of successful and less successful entrepreneurs in three developing countries, namely Ecuador (Latin America), Malawi (Africa), and India (Asia), with a total sample unit of 216 units. Each entrepreneur is a business owner or partner, including a newly established business operating for at least three years. The generic competence, which is the result of the study, consists of 20 points which are divided into six groups: achievement motivation, problem-solving, personal maturity, influencing, directing and controlling, and orientation to others (Spencer & Spencer, 1993).

Research on SMEs in Yucatán, Mexico, shows that the conditions of the natural environment, culture, and way of life can be obstacles to the development of SMEs. Knowledge management, entrepreneurial competencies, and organizational performance will enable governments, universities, chambers of commerce, and private investors to improve the quality of life of the people in the area. The results also show a strong relationship between entrepreneurial competency and performance, particularly competencies related to family, expectations of business, and ethics in serving the market. They need technical experience, are more tolerant of risk, improve an entrepreneurial mentality, prevent risk, and work together (Gerardo et al., 2014). Meanwhile, according to (James et al., 2016), entrepreneurial competence consists of conceptual competence, innovation competence, and strengthening competence

### Dimensions of Entrepreneurial Competence

Several researchers formulate the dimensions of competence from various points of view. (James et al., 2016) revealed five dimensions of entrepreneurial competence: Identification and definition of viable market niches, product, and service development according to the company's chosen market, idea generation, concern for the environment, recognizing and exploiting opportunities, and formulating strategies to take advantage of opportunities.Man, (2001)researched entrepreneurial competence in service sector SME owners/managers in Hong Kong, which is qualitative research and produces dimensions and indicators that form entrepreneurial competencies, including opportunity, organization, relationships, strategy, commitment, and conceptual.In 2001, (Man, 2001) researched entrepreneurship in Hong Kong, focusing on the IT field. The indicators used as dimensions of entrepreneurial competence include relationship competence, commitment competence, personal strength competence, learning/relationship competence, opportunity competence, analytical competence, innovation competence, operational competence, human competence, and strategic competence.

Ahmad, (2007) formulates six entrepreneurial competencies: strategic, conceptual, opportunity, relationship, learning, personal, ethical, and family. According to (Bautista et al., 2007), dimensions of entrepreneurial competence include opportunity, persistence, commitment to work contracts, demand for quality and efficiency, goal setting, risk-taking, information seeking, systematic planning and monitoring, persuasion, and networking. According to(Wirda et al., 2019)], entrepreneurial competencies include innovation, risk-taking, proactive learning, networking, and autonomy.

Schein, (2009) formulated entrepreneurial competencies: decision-making, innovative thinking, problem identification and solving, market insight, communication, other agreements and negotiations, identifying business opportunities, evaluating business opportunities, teamwork, and self-confidence. Meanwhile(Sánchez, 2012), entrepreneurial competency indicators include opportunity, relationship, analytical, innovative, operational, human, strategic, commitment, learning, and personal strengths competencies.

This study uses indicators (Man et al., 2008), (Ahmad, 2007), (Wirda et al., 2019). The reasons for using this indicator include: first, the indicator has been tested through empirical research conducted on entrepreneurs in Hong Kong (Asia), so it is relevant to be tested again in Indonesia because the research is both in the eastern context. Both studies (Man et al., 2008) are widely used as indicators that test entrepreneurial competence, so they are worthy of being used as references in this study.

The indicators used to measure entrepreneurial competence include 1) Opportunity competency, the ability to take advantage of opportunities, and 2). Relationship competency/ ability to interact between individuals, or individuals and groups. 3). conceptual competency, an entrepreneurial conceptual ability that reflects the behavior of entrepreneurs, 4) organizing competency/regulating internal and external differences in human, physical, financial, and technological resources. 5). strategic competency: manage, evaluate, and implement strategy within the company, 6). Commitment competency, commitment to the business. 7). Personal strength competency/ motivation and self-confidence, 8). They are learning competency/ability to find a new information and openness to communication. 9). Ethical/Actions that pay attention to social norms, 10). CSR / ability to establish good relations with the surrounding community, 11). Familism: the ability to instill an entrepreneurial culture in the family.

### Research Methods

# Research Approach, Observation Unit, and Research Location and Data Collection Techniques

This research uses a quantitative approach. The unit of observation is the creative industrial group in the culinary sector, a traditional Padang restaurant in the city of Padang. The reason for choosing this sector is that it is a processing industry group with the highest contribution to the GRDP of West Sumatra.

Primary data were obtained from the creative industry business managers in the culinary sector, especially Padang restaurants. The data was obtained through a questionnaire compiled based on the Likert scale. The answer to each item has a gradation: Strongly Agree = 5, Agree = 4, Doubtful = 3, Disagree = 2, Strongly Disagree = 1.

## Sampling Technique

The research population is the creative industry SMEs in the Padang culinary/restaurant sector in the city of Padang, totaling 198 units spread over 12 sub-districts. This year's research will focus on three sub-districts, namely: West Padang, North Padang, and Kuranji, with a total population of 113. The reason for choosing research locations in these three sub-districts is that 57% of Padang's restaurant distributions are in these three districts (113 units).

Based on opinion (Hair, 1998). The sampling formula is as follows:

$$S = \frac{\lambda^2.N.P.Q}{d^2(N-1) + \lambda^2.P.Q}$$

### Where

S = Number of Samples

2 = 5% significance level with chi Squared value = 3.841 (Chi-Square Table)

N = Total Population

P = Probability Correct (0.5)

Q = Probability of False (0,5)

d = Rate of error or error (0.05)

From the formula, the sample size is 86

This sample is then allocated proportionally to three sub-districts in the city of Padang with the formula:

(The population of each district/Total Population)X Total Sample

The results of the calculation of the sample allocation formula in each sub-district can be seen in Table 1

**Table 1. Sample Alocation** 

District	Population	Sample
Padang Bara/	54	41
Padang Utara	36	27
Kuranji	23	18
Total	113	86

The sampling method is purposive sampling, a data collection technique with specific considerations. These considerations include a business age of more than three years.

### Operational Definition of Research Variable

Table 2. Operational Definition of Entrepreneurial Competency

Variable and Concept	Dimension	Indikacator	Source
Entrepreneuria		Align actions with company goals	Lerner (2002), Man (2000),
1 competence	Strategic	Prioritize work that is in line with company goals	Reynaldo (2007), Sanchez
is the ability	Strategic	Well-designed business to achieve long-term	(2012), Spencer (1993)
possessed by		goals and change	
entrepreneurs		Committed to long-term business goals	
to achieve	Commitment	Dedicated and ensure the business runs	Lampar (2002) Man (2000)
superior	Communent	smoothly	Lerner (2002), Man (2000),
performance		Try not to fail	
		Be proactive and responsive to change	
	Concentual	Looking for new ideas	Lampar (2002) Man (2000)
	Conceptual	Take reasonable risks at work	Lerner (2002), Man (2000),
		See the problem from a positive point of view	
	Opportunity	Be proactive and responsive to change	Lerner (2002), Man (2000),
		Looking for new ideas	Reynaldo (2007), (Sánchez,
			2012), Spencer (1993)
	Relationship	create good long-term relationships with various	Man (2000), Ahmad
		parties	(2010), Palacio (1999)
		Negotiate with the other party	
		Interact with each other	

Learning	learn as much as I can in my field	Man (2000), Reynaldo	
	Learn from various sources	(2007), Ahmad (2010)	
	Improve knowledge in the area occupied	]	
Personal	prioritize tasks to manage time	Man (2000), Reynaldo	
strength	Recognize your shortcomings and try to overcome them	(2007), Ahmad (2010)	
	Respond to constructive criticism		
	Motivate yourself to do good		
CSR	create job opportunities for local communities	Ahmad (2010), Wirda,	
	Establish relationships with social organizations	(2019)	
	able to participate voluntarily in community		
	activities		
Ethics	committed to marketing products at a fair price	Ahmad (2010), Wirda,	
	responsible for all actions taken	(2019)	
	Active in looking for products or services that		
	provide benefits to customers		
	Admit mistakes, and tell the truth		
	honest in business		
Familysm	instilling an entrepreneurial culture in the family	Ahmad (2010), Wirda,	
	I always cooperate and help others	(2019)	
	I build the foundation for future generations to		
	continue the business		
	I get support from my family		

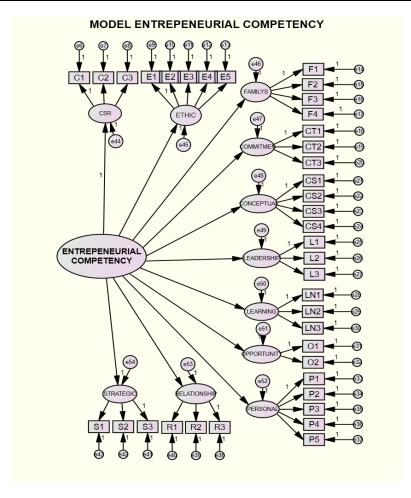


Figure 1. Research Model

## **Data Analysis Method**

The method of data analysis is quantitative analysis. Qualitative analysis using a questionnaire as a data collection tool. Respondents' answers use a Likert scale of 1 to 5: (Very Appropriate = 5, Appropriate = 4, Less Appropriate = 3, Disagree = 2. Very Disagree = 1). The steps of quantitative data analysis are:

Normality test, the data is normally distributed if the critical skewness value < 2.58. Outlier evaluation to assess the extreme data seen from the Mahalanobis distance table. Reliability test, Cut off the value of at least 0.70. Goodnessof-fit test, with Criteria: Chi-Square is expected to be minor, Probability is 0.05, AGFI is 0.90, GFI is 0.90, TLI is 0.95, CFI= 0.9 -1, RFI is close to 1, RMR is relative to 0, RMSEA≤0.08 (Hair et al., 1998).

Second-order confirmatory factor analysis. Confirmatory factor analysis (CFA) is designed to examine the multidimensionality of theoretical constructs. CFA tests whether the indicator is valid as a measure of latent constructs (Rubio & Marin, 2015). There are three stages of testing the First Order Confirmatory Factor analysis model:

- 1. Looking at the standard estimation results, the appropriate indicator loading factor is > 0.5. If < 0.5, then dropped from the analysis
- 2. If all of them are valid, then look at the CMIN value. A good model CMIN > 0.5 (P > 0.5). If the CMIN value is < 0.5, then look at the modified indexes (MI). MI values correlated with indicator error values. Highly correlated error values can be discarded (Rubio & Marin, 2015).
- An indicator worthy of being used as a model is an indicator whose standard estimation value has a loading factor > 0.5 and a CMIN value > 0.5. A decent loading factor value is ranked from highest to lowest to get rank/leveling competence.

#### Results and Discussions

## Characteristics of Respondents based on Age

Table 3. Characteristics of Respondents based on Age

No.	Age	Amount	Percentage
1	<21	0	0%
2	21-30	7	8%
3	>30	80	92%
Jum	ılah	87 orang	100%

Source: Primary data processed, 2022

Table 3.4 shows that most respondents are over 30 years old, as many as 80 people, with a percentage of 92%. A total of 7 respondents (8%) were aged between 21 and 30. There are no respondents who are less than 21 years old, which means that the majority of managers in Padang traditional restaurants are middle-aged people.

### Characteristics of Respondents based on Gender

Characteristics of respondents based Gender can be seen in Table 4

Table 4. Characteristics of Respondents based on Gender

No.	Gender	Amount	Percentage
1	Man	57	65,5%
2	Woman	30	34,5%
Amount		87	100%

Table 3 shows that most respondents are male (65.5%), and the others (34.5%) were women, indicating that the managers of traditional restaurants in Padang are mostly men.

## Characteristics of respondents based on education

Characteristics of respondents based on education can be seen in table 5.

Table 5. Characteristics of respondents based on education

No.	Last Education	Amount	Percentage
1	Elementary School	2	2,3%
2	Junior High School	6	6,9%
3	Senior High School	61	70,1%
4	Diploma	1	1,1%
5	Bachelor degree	17	19,5%
Amoun		87	100%

Source: primary data processed, 2022

Table 5 shows that most respondents' education is Senior High School, comprising 61 people (70.1%). Respondents graduated from tertiary institutions with education levels of Diploma, Bachelor degree as many as 18 people (20%). The minimum level of education is elementary school, which is two people. So it can be concluded that most owners and managers of traditional restaurants in Padang have a high school education and above.

c. Respondent's Characteristics Based Based on Profit

Characteristics of respondents based on monthly profit can be seen in Table 6

Table 6. Characteristics of Respondents Based on Monthly Profit

No	Profit	Amount	Percentage
1	< Rp 5.000.0000	47	54%
2	Rp 5.000.0000 - Rp 15.000.0000	28	32,2%
3	Rp 15.000.0000 – Rp 30.000.000	7	8%
4	> Rp 30.000.0000	5	5,7%
Amount		87 Unit	100%

Source: Primary data processed, 2022

From table 6, it can be seen that the majority of respondent (54%) getprofitless than Rp. 5,000,000, only 5.7% of respondents get profit more than Rp. 30 million every month, which means the profits of traditional restaurant in Padang city are still relatively low.

#### **Outlier Evaluation**

The outlier test aims to assess fairness (extreme data) as seen from the table of observations farthest from the centroid (Mahalanobis distance). Determination of data outliers is done by comparing the data on the observation further from the centroid / even the distance with the critical value of the chi-square (X2) table. The determination of outlier cut-off is determined by taking into account the number of indicators used (38) with a degree of freedom of 0.001 so that the cut-off is carried out at a value of 70.70. So above 70.70 are discarded/outliers. From the results of the Mahalanobis Distance test, the data that was discarded was questionnaires numbered: 38, 29, and 9.

### Normality Test

The data is expected if the value of cr skewness or kurtosis ranges from  $\pm 2.58$ , meaning that the upper limit is 2.58, while the lower limit is -2.58. If a value is above 2.58 or below -2.58, the data is categorized as abnormal. From the test of normality, it can be concluded that the information is not normal in multivariate ways. To overcome the presence of multivariate abnormal data, use the bootstrap procedure. The bootstrap technique was first introduced

by Efron (1979 and 1982) and then developed by Kotz and Johnson (1992). Bootstrap is a resampling procedure where the original sample is treated as a population. Multiple sub-sampling with the same sample size as the original sample and then randomly taken with the population replacements. After bootstrapping, the Probability of 0.002 states that the model cannot be rejected. This result is consistent with the results of the chi-squares of the original model, which also cannot reject the null hypothesis. Bollen and Stine is a tool to test the null hypothesis, which states that the model specification is correct (Ghozali, 2004)

The reliability test is 0.91, which means that the entrepreneurial competence variable has a very good reliability value.

Table 7. Reliability TestResearch Variable

Variable	Reliability
Entrepreneurial Competency	0.91

### Second Order Confirmatory Factor Analysis

Second Order CFA is a confirmatory factor analysis with two orders. It is called second order because the latent variable is not directly measured through the indicator but through the latent variable in the first order, which is considered the indicator. The results of SEM testing using second-order confirmatory factor analysis can be seen in Figure 2

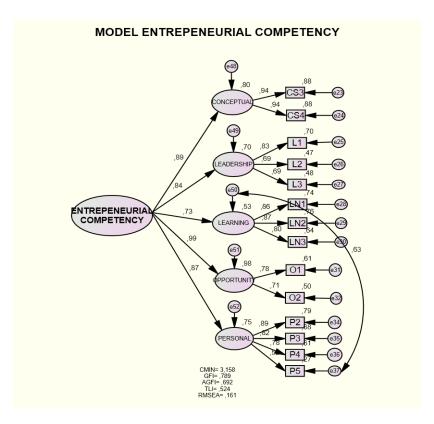


Figure 2. Second Order Confirmatory Factor Analysis Model

Second Order Confirmatory Factor Analysis of each indicator on each dimension of each variable. There are three stages carried out in the Second Order Confirmatory Factor analysis model, including:

Looking at the results of the standardized estimate, the indicators that are considered feasible are those whose loading factor is above 0.5. the effects of data processing can be seen in the table

Table 8. Standardized Regression Weights: (Group number 1 - Default model)

			Estimate
CONCEPTUAL	<	ENTREPENEURIAL_COMPETENCY	,892
LEADERSHIP	<	ENTREPENEURIAL_COMPETENCY	,836
LEARNING	<	ENTREPENEURIAL_COMPETENCY	,728
OPPORTUNITY	<	ENTREPENEURIAL_COMPETENCY	,990
PERSONAL	<	ENTREPENEURIAL_COMPETENCY	,867
CS3	<	CONCEPTUAL	,940
CS4	<	CONCEPTUAL	,939
L1	<	LEADERSHIP	,835
L2	<	LEADERSHIP	,685
L3	<	LEADERSHIP	,692
LN1	<	LEARNING	,861
LN2	<	LEARNING	,869
LN3	<	LEARNING	,802
O1	<	OPPORTUNITY	,782
O2	<	OPPORTUNITY	,709
P2	<	PERSONAL	,888
Р3	<	PERSONAL	,825
P4	<	PERSONAL	,784
P5	<	PERSONAL	,518

From table 8, we can be seen that five dimensions significantly shape entrepreneurial competence, including conceptual, leadership, learning, opportunity, and personal strength. Meanwhile, the significant dimensions that shape entrepreneurial competence include: a) taking reasonable risks at work, b) seeing problems from a positive perspective, c) recognizing one's shortcomings and trying to overcome them, d) learning from various sources, e) learning more as long as I can in my field, f) able to lead subordinates, g) respond to constructive criticism, h) continuously improve knowledge in the field occupied, i) motivate myself to do good, see problems as opportunities, j) identify products and services what customers want, k) motivate employees in the company, l) manage and supervise people in the company, m) recognize their strengths and weaknesses and adapt to opportunities and threats.

### Goodness of fit indicates

The endogenous construct confirmatory test results show that it is a fit because all values meet the requirements.

The model feasibility test index refers to the Goodness-of-fit criteria, as shown in Table 9

Table 9. Goodness of fit indicates

The Goodness of fit indicates	Cut-Off Value	Result	Description
Chi-Square	Small	30,642	
Cmin/df	<b>≤</b> 5	3,158	Very Good
Probability	$\geq 0,05$	0,000	Marginal
GFI	$\geq 0,90$	0, 79	Good
TITLE	$\geq 0,90$	0,524	Marginal
AGFI	≥ 0,90	0,70	Good
RMSEA	≤ 0,08	0, 161	Marginal

The final result of the competency test five dimensions of entrepreneurship are needed to succeed in the SMEs of the creative industry in the culinary sector in the city of Padang, including Conceptual, Leadership, Learning, Opportunity, and Personal

- 1. Conceptual, consisting of two indicators, among others: taking reasonable risks at work and seeing problems with a positive perspective
- Taking reasonable risks at work is the possibility of an event occurring that has an impact on the achievement of organizational goals. Every job and every business must have risks. The higher the profit obtained, the higher the chance to be faced (high-risk, high return). Creative industry SMEs in the culinary sector in the city of Padang take reasonable risks in their business, meaning that the chances are acceptable with logic. For example, they will be estimated how much the product can be sold in producing food. If it is produced in large quantities without considering the demand, then if the food is not sold out, the entrepreneur will lose. Food is not durable and cannot be stored. So the principle of demand and supply must be calculated, so the business does not fail. This principle is a consideration for the creative industry SMEs in the culinary sector in the city of Padang
- Seeing the problem with a positive point of view / positive thinking. Positive thinking means looking at things without seeing the opposing side and taking lessons from the issues. Positive thinking will make the soul calm and open and will generate good ideas. With positive thinking, you will avoid behavior that blames others and the environment when you fail. Positive thinking will make someone think good things and be motivated to do good, so they have a strong motivation to succeed in business.
- Leadership. According to Mc Shane(Wirda et al., 2022), "leadership is the ability to influence, motivate, and enable others to contribute to the effectiveness and success of the organizations of which they are members. This dimension consists of being able to lead subordinates, manage and supervise people in the company, motivate employees in the company
- Able to lead subordinates. A good leader can lead assistants and people in the company. Leading is the art of influencing others to work as expected. To achieve company goals, a manager must be able to be a role model and set an excellent example for the people around him. Thus, what is instructed by the manager can be carried out correctly.
- Manage and supervise people in the company. In general, the owners of the SME creative industries in the culinary sector of West Sumatra are also managers who supervise several employees. The managerial function plays a crucial role in running the business, ensuring that all company resources are appropriately managed according to a predetermined plan. Because the owner is the manager, the managerial functions are carried out properly, such as directing, regulating, and supervising the HR in the company
- Motivate workers, the motivation of employees to work in different companies. Some employees are motivated by money, power, society, and others. Managers should understand what the motivations of their employees are and try to understand those motivations. Leaders must also be able to increase employee morale so that they work correctly to achieve company goals
- 3. Learning is the ability to learn more in the field occupied by formal education and informal education. The learning dimension consists of: learning more in the field you are engaged in, learning from various sources, and constantly improving your knowledge in the area you are involved in
- Learn more in the field you are engaged in, and seek knowledge for entrepreneurs through training, internships, and observation. Experience and observation of conditions in the surrounding environment are also a source of learning. The knowledge gained from education will be applied in daily activities so that work skills will be better and business performance will increase, especially in the creative industry in the culinary sector in the city of Padang.
- Learning from various sources, Learning competency refers to the ability to learn in multiple ways, learn proactively, follow the development of knowledge, and apply the skills and knowledge learned into actual practice (Man 2001). Employers consider learning as an essential competency. In addition, there is a belief that the opportunity to continue participating in learning activities will improve abilities. Learning includes learning from previous experiences and mistakes, reading business-related materials, attending training courses and business conferences, and learning by observing other people's actions.

- Improving knowledge in the field they are engaged in. Creative industry SMEs in the culinary sector increase their learning capacity through training held by the local government. A continuous program is needed to foster SMEs to be successful in running a business. Coaching begins with socialization which aims to build awareness of participating in the training. Without an understanding of the importance of upgrading knowledge, it will be difficult to invite the community to participate, let alone implement the training. So far, most government programs are more dominant in the form of financial assistance, such as revolving funds or freelance aid, so people have become used to it and do not want to be offered training programs.
- Opportunity is the ability to seize opportunities, which is the main component of entrepreneurial activity. This dimension consists of indicators: seeing problems as opportunities and identifying the products and services desired by customers
- Seeing problems as opportunities, Chandler and Jansen (1992) state that the core of entrepreneurial competence is recognizing and pursuing opportunities. In particular, Chandler and Hanks (1994) emphasize that entrepreneurs who can find and pursue opportunities and utilize the necessary resources are needed to gain entrepreneurial competence. An entrepreneur must be responsive and able to take advantage of opportunities that will not always be obtained, then develop strategies that can turn opportunities into profits. The ability to take advantage of opportunities into reality will affect business performance, especially the creative industry in the culinary sector of the city of Padang. When looking for opportunities, entrepreneurs are faced with uncertain conditions. They must learn from the environment, from mistakes, and from other people. The study of Baum et al. (2001) found that industrial skills and technical skills, known as CEO core competencies have a significant direct impact on business growth. While organizational skills and opportunity recognition skills, referred to as CEO general competencies, indirectly affect business growth.
- Identify the products and services desired by customers. SME entrepreneurs in the creative culinary sector are well acquainted with the products and services desired by consumers. Thus the products offered to follow consumer tastes so that the goods produced are in demand and sold in the market.
- 5. Personal, Personal is the ability to know yourself. This dimension consists of: recognizing your shortcomings and trying to overcome them, responding to constructive criticism, motivating yourself to do well, identifying your strengths and weaknesses, and adapting to opportunities and threats your strengths and weaknesses and trying to get over them.
- Recognize your weaknesses and try to overcome them. Everyone should recognize its existence and be aware of its weaknesses and strengths. Weaknesses are not an excuse for failure, but trying to overcome them so we can minimize deficiencies. Such as when an entrepreneur cannot account for, resulting in difficulties in managing company finances. Overcoming this deficiency, the entrepreneur tries to learn to account so that we can overcome the lack of knowledge in the accounting field.
- Respond to constructive criticism. Criticism can come from customers, relations, society, and anyone who deals with us. Criticism given to us should be responded to professionally and positively. With criticism, we can introspect and evaluate ourselves. Criticism is also a means to gather suggestions and new ideas. Criticism that is responded to will foster a good personality.
- You were motivating yourself to do good, pushing yourself to do good things. Behaviors that show good personal competence include high motivation to succeed and increased energy levels, maintaining a positive attitude, and managing time effectively. (Man, 2001). Building motivation for yourself is important because motivation is not absolute. Sometimes high, sometimes low. Many things happen in the environment that decrease motivation, such as failure, boredom, and disappointment. Creative industry SME actors motivate themselves to do good things by overcoming and being optimistic about things that cause low motivation.
- Recognize their strengths and weaknesses and adapt to opportunities and threats. Everyone has strengths and weaknesses. Identifying strengths and weaknesses can be done by introspecting yourself or asking people close to you. Understanding our weaknesses and strengths will make it easier to position ourselves and determine what job is right for us. With our strengths, we can adjust to the opportunities that may be achieved. By being aware of our weaknesses, we can predict what threats we will face. Thus we can formulate a better strategy.

Table 8 shows that the Creative Industry SMEs in the Culinary sector in the City of Padang City need 14 competency indicators. If this indicator is leveled, it can be seen in Figure 3,



Figure 3. Level of Entrepreneurial Competence Indicators for Creative Industries in the Culinary Sector in **Padang City** 

From Figure 3, it can be seen that the highest level of entrepreneurial competence indicators is: taking reasonable risks in work and the lowest is recognizing strengths and weaknesses, adjusting to opportunities and threats,

## Conclusion

The results of the second-order confirmatory factor analysis show that there are five dimensions needed for SMEs in the Culinary Sector Creative Industry in Padang, including Conceptual, Leadership, Learning, Opportunity, and Personal.

Entrepreneurial Competency indicator levels include: taking reasonable risks at work, seeing problems from a positive point of view, recognizing personal shortcomings and trying to overcome them, learning from various sources, learning as much as I can in my field, being able to lead subordinates, and responding to criticism. That builds, constantly improves knowledge in the area occupied, motivates oneself to do good, sees problems as opportunities, identifies products and services desired by customers, motivates employees in the company, manages and supervises people in the company, recognizes strengths and weaknesses and adapt to opportunities and threats

## Suggestion

This research contributes to developing the creative industry in the culinary sector in the city of Padang to determine the competencies needed for creative industry SMEs in the city of Padang. Five dimensions and 14 indicators of entrepreneurial competence are recommended for becoming entrepreneurs with good performance. These dimensions and indicators should be used as a reference by SMEs in the creative industry in the culinary sector in Sumatra, the city of Padang, to become competent in entrepreneurship so they can achieve good performance.

### Reference

- 1. Abdullah, A. H., & Sentosa, I. (2012). Human Resource Competency Models: Changing Evolutionary Trends. *Interdisciplinary Journal of Research in Business*, 1(11), 11–25.
- Ahmad, N. H. (2007). A Cross Cultural Study of Entrepreneurial Competencies and Entrepreneurial Success in SMEs in Australia and Malaysia. Environments, May.
- Bautista, R. S., Barlis, M. J. P., & Nazario, A. G. (2007). 10 th National Convention on Statistics (NCS)

- EDSA Shangri-La Hotel October 1-2, 2007 The Personal Entrepreneurial Competencies of BS Entrepreneurship Students of the Cordillera Administrative Region and Practicing Entrepreneurs in the Cities of Baguio. City, 06374.
- 4. Bird, B. (1995). toward a theory of entrepreneurial competency. Advances in Entrepreneurship, Firm Emergence, and Growth, 2, 51-72.
- 5. Darwis. (2004). Transformasi Nilai-nilai Tradisi Kekeluargaan Masyarakat Minangkahau Dalam Pendidikan Kewiraswastaan. Rifqi Offset.
- 6. Gerardo, F., Tanoira, B., Alberto, R., & Valencia, S. (2014). KNOWLEDGE MANAGEMENT. ENTREPRENEURIAL COMPETENCIES AND ORGANIZATIONAL DEVELOPMENT IN MICRO AND SMALL ENTERPRISES IN RURAL REGIONS IN THE STATE OF YUCATAN, MEXICO. European Scientific Journal, 10(1), 177–194.
- Ghozali, I. (2004). Model Persamaan Struktural Konsep dan Aplikasi dengan Program Amos (Edisi I). Badan Penerbit Universitas Diponegoro.
- 8. Hair. (1998). Multivariate Data Analysis. Prentice Hall.
- James, M., Ernesto, M., Christopher, H., Lai, M., Chee, K., James, M., Ernesto, M., Christopher, H., Lai, M., Chee, K., Mustafa, M. J., Hernandez, E., & Mahon, C. (2016). Entrepreneurial intentions of university students in an emerging economy The influence of university support and entrepreneurial intention. Education. https://doi.org/10.1108/JEEE-10-2015-0058
- 10. Man, T. W. Y. (2001). Entrepreneurial competencies and the performance of small and medium enterprises in the Hong Kong services sector. The Hong Kong Polytechnic University.
- 11. Man, T. W. Y., Man, T. W. Y., Lau, T., Lau, T., Snape, E., & Snape, E. (2008). Entrepreneurial Competencies and the Performance of Small and Medium Enterprises: An Investigation through a Framework of Competitiveness. Journal of Small Business & Entrepreneurship, 21(3), 257–276. https://doi.org/10.1080/08276331.2008.10593424
- 12. Rubio, A., & Marin, L. (2015). Innovation Management to market performance: The effect of consumer identification in the evaluation of brand extensions. Procedia - Social and Behavioral Sciences, 181, 269–275. https://doi.org/10.1016/j.sbspro.2015.04.888
- 13. Sánchez, J. (2012). The influence of entrepreneurial competencies on small firm performance. Revista Latinoamericana de Psicologia, 44, 165–177.
- 14. Schein, E. H. (2009). CORPORATE CULTURE SURVIVAL. Jossey Bass A Wiley Imprint.
- 15. Spencer, L., & Spencer, S. (1993). Competence At Work. John Wiley & Sons, Inc.
- 16. Wirda, F., Herri, Elfindri, Rivai, H. A., & Herizon. (2019). Competitive advantage: Mediation effect between entrepreneurial competency and business performance creative industries in West Sumatera-Indonesia. Academy of Entrepreneurship Journal, 25(1), 1–11.
- 17. Wirda, F., Nur, I. M., & Gustiawan, W. (2022). Manajemen Sumber Daya Manusia Untuk Pendidikan Tinggi Vokasi (1st ed.). KBM Indonesia.