THE QUALITY OF WOMEN MANAGERIAL SKILLS IN UPGRADING SMALL MEDIUM ENTERPRISES AND PERFORMANCE IN JAKARTA, INDONESIA

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ABSTRACT

The role of women in economic activities has been proven in helping the family economy and also in the development of small and medium enterprises (SMEs). Women act as business actors or as owners, as managers or workers in SMEs activities. This study aims to determine the performance of women in starting and running their business. This study also aims to determine whether sex has a relationship with business growth. This type of research consists of research type, that is descriptive research. Population in this research is UMKM in Jakarta city which managed by woman entrepreneur. The sample in this research is female entrepreneur who manage SMEs in Jakarta City with duration of work minimum 2 years, minimum age 20 years and minimum income 10 million with sample counted 100 responden. The sampling technique used in this research is purposive sampling technique. The error rate used in determining the sample is 5% (0.05). Data collection techniques used in this study using primary data obtained through questionnaires in the form of a questionnaire with Likert scale that has been disseminated and answered by 100 people who have been tabulated in Microsoft Excel 2007 and calculated using AMOS version 21.0 to determine the value of variable Y in the form of Images, and secondary data obtained from literature studies. Analyzer used is multiple linear regression analysis. The result showed that the quality of female manager X1 (0,040) had a significant influence on the performance of SMEs, while upgrading X2 (0.001) had a significant effect on the performance of SMEs.

Keywords: Quality of Women Manager, Upgrading and SMEs Performance

INTRODUCTION

Background

SMEs is a form of small business community whose establishment based on one's initiative. Most people think that SMEs only benefits certain parties only. In fact SMEs have a role in reducing the unemployment rate in Indonesia. SMES is one of the biggest contributors to the problem of unemployment and improving the quality of society in Indonesia. The ability of SMEs to survive and grow in competition can be seen from the performance of SMEs. Women are an important human resource for every country, so every country should make them a mediator of economic growth and development through entrepreneurship. The role of women in leading small businesses is constantly increasing from year to year. This also happens in Indonesia which has started to develop since the opening of thinking about the role of women outside the affairs of the house. The success of women is supported by the advantages of women that is, patience, tenacity, craft and more accuracy owned by women even though women also have weaknesses that can be the cause of failure as a business actor, among others, take advantage of opportunities for personal gain, or too Confident, too ambitious to handle the business beyond its ability, narrow insight so that less information and can not divide the time for the double role. The role of women as a leader in SMEs can create and motivate other women to instill the soul of leaders and entrepreneurs in him. Being a leader in a business women can make themselves as human as well as independent women who not only depend on others and motivate other women to increase their independence. In running the business women have some advantages that may not be owned by men. SMEs are in great demand by women on the consideration that this effort can sustain household life and can meet the needs of self-development (Cortes et al., 1987, Sumampouw, 2000, and Sandee, et al., 2002) in (Faeni, 2016).

Scope of Problem

In this study, the limitation of the problem is limited to the Quality of Women Manager on the Performance and Upgrading of Micro Small Medium Enterprises in West Jakarta Year 2017. The object of this research is all SMEs in Jakarta. This study was conducted in the period March - April 2017.

Hypothesis

This study is to research the Quality of Women Managers towards Performance and Upgrading of SMEs in Jakarta Year 2017. The hypothesis that writer get is:

H1: The Quality of Women Managers positively and significantly influences the performance of SMEs in 2017.

H2: Upgrading has a positive and significant effect on SMEs Performance Year 2017.

H3: The Quality of Women and Upgrading Manager positively and positively affect the performance of SMEs in 2017.

RESEARCH FRAMEWORK

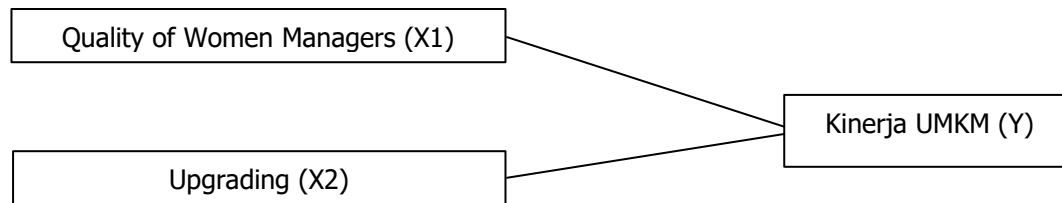| Quality of Women Managers (X1) | |
| Upgrading (X2) | Kinerja UMKM (Y) |

Figure 1. Research Framework

Source : Primary data, 2017

Descriptions :

1. Quality of Women Manager (X1) partially affect to variable (Y) Performance of SMEs.

2. Upgrading (X2) partially affect the variable (Y) Performance of SMEs.

3. Quality of Female Manager (X1) and Upgrading (X2) partially influence to variable (Y) performance of SMEs.

RESEARCH METHODOLOGY

This research type is quantitative research by doing hypothesis testing or explanatory. This research explained about the causal correlation between independent variable that is the quality of woman manager and upgrading, while the dependent variable is performance of SMEs. In this study, the data is measured from respondents' perceptions of the questions or statements submitted. To determine the value of the respondent's perception formed a questionnaire. With regard to the scale of measurement in the preparation of the questionnaires of researchers using numerical scale (Numerical Scale) with an alternative ordinal scale of choice answers to measure the attitudes of respondents. Ordinal scale is a scale that distinguishes categories based on level or sequence. For example, dividing height and sample into 3 categories: high, medium, and short (Sumanto, 2014).

This research uses sampling technique with purposive sampling technique and this research is done in Jakarta, Indonesia with the provisions of SMEs is managed by woman entrepreneurs spread in various districts. To process respondent data, researchers will use SEM with AMOS program. Structural Equation Modeling (SEM) is a statistical technique capable of analyzing latent

variables, observed variables, and measurement error directly. SEM is able to analyze the relationship between latent variables with indicator variables, the relationship between latent variables with other latent variables, and also to determine the magnitude of measurement error (Wijanto, 2008) in (Faeni, 2016). In this study, Must be passed in data processing with AMOS, ie normality test, Confirmatory Factor Analysis (CFA), and Second Order Confirmatory Factor Analysis (2nd CFA). Since the observed variable can not be measured directly, the researcher uses 2nd CFA so that the observed variable can be measured directly. In 2nd CFA, endogenous latent variables, ie Quality of women managers, Upgrading and exogenous latent variables of SMEs Performance.

2. LITERATURE REVIEW

Quality of Women Managers

The involvement of Indonesian women in economic activities as entrepreneurs has existed from time to time, women have always been involved in the world of commerce, for example women of Java island who have batik business can help the economics of the family, even as the backbone of the family economy of batik business that they Manage (Febriani, 2012) in (Faeni, 2016). Besides women are very potential and have competence in the development of small business, the woman as a businessman, managers coach or companion or as a workforce. Of course, the quality and professionalism continue to be enhanced with the improvement of skills and abilities (Hesti, 1996) (Faeni, 2016). The phenomenon of women working to earn a living occurs because of the need for encouragement, willingness and ability and available employment opportunities and women's access to these abilities. The economic status of women is seen from its activities in livelihood activities, access to factors of production, the level of income generated and its contribution to family income (Sukesi, 2002) (Faeni, 2016).

Upgrading

In developed countries and in developing countries, SMEs play an important role in the national economy. In developed countries and new industrial countries (NICs), MSMEs contribute to increased exports and as subcontractors that provide inputs for large-scale enterprises as well as sources of innovation. Somewhat different from in developed countries, the importance of SMEs in developing countries is often more attributed to government efforts to address various economic and social problems: reducing unemployment, eradicating poverty, and even distribution of income. In addition, the presence of SMEs in developing countries

such as Indonesia is to eliminate inequality caused by the uneven development process, mainly because of the bias of urban development that causes rural areas to be far behind compared to urban areas. Although the role of SMEs in developed countries is different from those in developing countries, however, empirical studies have been conducted, both in developed and developing countries, recognizing the importance of the existence and development of SMEs.

SMEs Performance

In the Indonesian economy, SMEs is the largest business group. In addition, this group proved to be resistant to various economic shocks. It is a must for group strengthening. Criteria of business included in SMEs have been regulated in legal umbrella based on the law.

In Article 1 paragraph 1 of Law No. 20 of 2008 concerning Micro Small Medium Enterprises, the meaning of Micro Enterprises is: "Micro Enterprises are productive businesses owned by natural persons and / or individual entities that fulfill Micro Enterprises as regulated in Law this."

In Article 1 paragraph 2 of Law No. 20 of 2008 concerning Small and Medium Micro Enterprises, what is meant by Small Business is: "Small-scale business is a stand-alone productive economic enterprise, conducted by an individual or business entity which is not a subsidiary or Not a branch of a company owned, controlled or a part, directly or indirectly, of a medium-sized or large-scale business that meets the criteria of a small business as defined in this law. "

3. RESEARCH OBJECT

SMEs in Jakarta with the provisions of SMEs is managed by women entrepreneurs with a minimum working period of 2 years, a minimum age of 20 years and a minimum income of 10 million scattered in various districts In Jakarta, Indonesia.

4. RESULTS AND DISCUSSIONS

Validity Test

Quality of Women Manager (X_1)

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
X1 _1	12.2000	20.303	.586	.379	.888
X1 _2	12.5900	17.598	.804	.705	.839
X1 _3	12.3700	17.266	.795	.713	.841
X1 _4	12.1000	19.727	.699	.499	.865
X1 _5	12.4200	18.044	.730	.547	.857

Table 1.Validity Test. of Quality of Women Manager Variable (X₁)

Of the 5 statements that the Quality of Women Manager has a count that is the value of Corrected Item - Total Correlation> r table (0,196).

1. Statement 1 value is 0.586> 0.196 valid.
2. Statement 2 value 0.804> 0.196 valid.
3. Statement 3 value 0.795> 0.196 valid.
4. Statement 4 value 0.699> 0.196 is valid.
5. Statement 5 value 0.730> 0.196 valid

Upgrading (X₂)

Item-Total Statistics

	Scale Mean if	Scale Variance if	Corrected Item-Total	Squared Multiple	Cronbach's Alpha if

	Item Deleted	Item Deleted	Correlation	Correlation	Item Deleted
X2_1	6.6000	3.475	.481	.231	.710
X2_2	6.9300	2.934	.586	.352	.585
X2_3	6.8900	2.887	.574	.342	.601

Tabel 2 Validitas Variabel Upgrading (X$_2$)

Dari 3 pernyataan tersebut bahwa *Upgrading* memiliki r hitung yang merupakan nilai dari Corrected Item – Total Correlation > r tabel (0,196).

1. Pernyataan 1 nilai 0,481 > 0,196 kesimpulan valid.

2. Pernyataan 2 nilai 0,586 > 0,196 kesimpulan valid.
3. Pernyataan 3 nilai 0,574 > 0,196 kesimpulan valid.

Kinerja UMKM (Y)

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Y_1	14.8600	11.778	.771	.655	.835
Y_2	14.7000	11.364	.820	.722	.822
Y_	14.3700	12.781	.802	.673	.831

3					
Y_4	14.6700	11.597	.815	.717	.823
Y_5	14.0000	16.606	.348	.258	.917

Table 3 Validity Test of SMEs Performance Variable (Y)

Of the 5 statements that the Quality of Women Manager has a count that is the value of Corrected Item - Total Correlation> r table (0,196).

1. Statement 1 value 0.771> 0.196 valid.

2. Statement 2 value 0.820> 0.196 valid

3. Statement 3 value 0.802> 0.196 valid.

4. Statement 4 value 0.815> 0.196 valid.

5. Statement 5 value 0.348> 0.196 valid.

Reliability atest

Quality of Women Managers (X_1)

Reliability Statistics

Cronbach's Alpha	N of Items
.884	5

Table 4.Reliability Test of Quality of Women Managers (X_1)

Cronbach Alpha obtained is 0.884> 0.6 then it can be said that the statement of the female manager quality variable has good reliability.

Upgrading (X_2)

Reliability Statistics

Cronbach's Alpha	N of Items
.724	3

Table 5.Reliability Test of Upgrading Variable(X_2)

Cronbach Alpha obtained is 0.724> 0.6 then it can be said that the variable statement Upgrading has good reliability.

SMEs Performance (Y)

Reliability Statistics

Cronbach's Alpha	N of Items
.877	5

Table 6.Reliability Test SMEs Performance Variable (Y)

Cronbach Alpha obtained is 0.877> 0.6 then it can be said that the statement of performance variable of SMEs has good reliability.
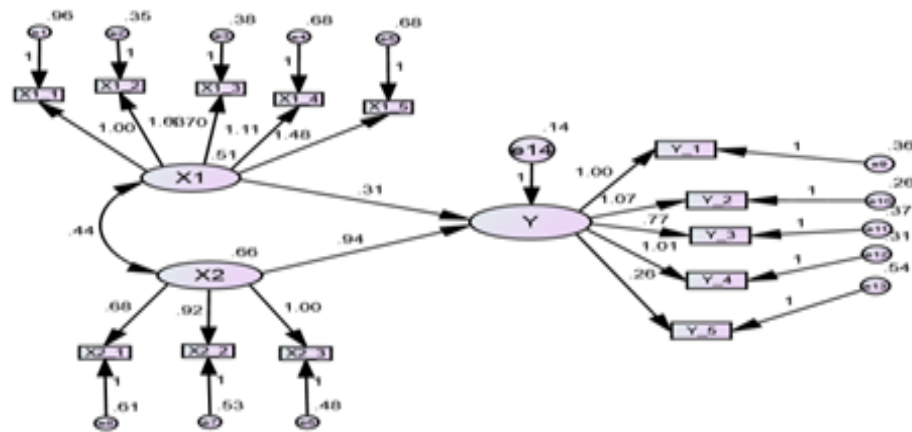
Confirmatory Factor Analysis/CFA

Figure 2.*Confirmatory Factor Analysis*/**CFA**

Source : Primary Data, 2017

Confirmatory Factor Analysis/**CFA Results**

Laporan statistik	Hasil yang direkomendasikan (Imam Ghazali, 2014)	Hasil	Keterangan
Absolute Fit Measures			
Prob. χ^2	Tidak Signifikan (p > 0.05)	0.000	Ukuran Reasonable
CMIN/DF	< 5	1.968	Ukuran Reasonable
RMSEA	< 0.08	0.000	Not Fit
GFI	> 0.90	0.000	Not Fit
AGFI	> 0.90	0.000	Not Fit
CFI	> 0.95	0.000	Not Fit
Incremental Fit Measures			
TLI	> 0.90	0.000	Not Fit
Parsimonious Fit Measures			
PNFI	0 – 1.0	0.000	Not Fit

Table 7.*Confirmatory Factor Analysis*/**CFA Results**

Based on the above table The results of the confirmatory factor analysis model that has been described above does not meet all goodness of fit good criteria so that the model is declared unfit or unfulfilled so that the next step of the model must be modified to obtain goodnes of fit results to be better or fulfilled.

The previous model was declared not fitted so modification of the model must be done by correlating the measurement error indicator with its modification indice. Modified model results are presented in Figure 3.
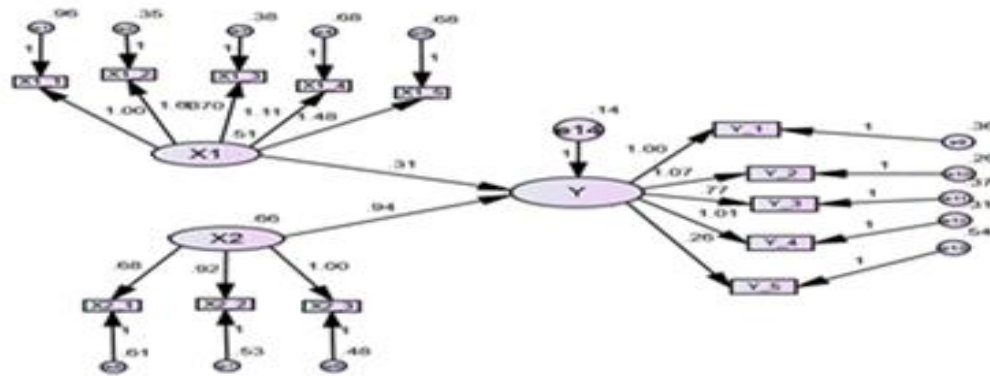
Figure 3.Goodness-of-Fitted Model Test

Source : Primary Data, 2017

After modification based on AMOS recommendations, Figure 3. provides summary information of Goodness-of-fitted test results presented in Table 8.

Goodness-of-Fitted **Model Test**

Laporan statistik	Hasil yang direkomendasikan (Imam Ghazali, 2014)	Trimming
Absolute Fit Measures		
Prob. χ^2	Tidak Signifikan (p > 0.05)	0.000
CMIN/DF	< 5	1.968
RMSEA	< 0.08	0.099
GFI	> 0.90	0.852
AGFI	> 0.90	0.782
CFI	> 0.95	0.929
Incremental Fit Measures		
TLI	> 0.90	0.910
Parsimonious Fit Measures		
PNFI	0 – 1.0	0.689

Table 8.*Goodness-of-Fitted* **Model Test**

After modification of the model, the value of all goodness of fit criteria increases compared with the previous model. Criteria based on the value of RMSEA 0.099> 0.08 are said to be close, the criteria based on the value of GFI 0.852 <0.90 are declared good, the criteria based on the value of AGFI 0.782 <0.90 is said to be close, the criteria based on the value of CFI 0.929 <0.95 are stated well, the criteria based on the TLI 0.910> 0.90 is stated well, and the criteria based on the value of PNFI 0.689 <1.0 expressed well.

5. CONCLUSIONS AND SUGGESTIONS

Conclusions

Based on the results of research and discussion on the quality of female managers on the performance and upgrading of SMEs in West Jakarta in 2017 with data collection and data obtained

from the primary data through questionnaires in the form of questionnaires that have been spread and answered by 100 people who have been tabulated in Microsoft Excel 2007 and calculated based on AMOS version 21.0 then can be drawn conclusion as follows:

1. The quality of women manager, upgrading, and performance of SMEs in Jakarta is quite tight, so indirectly SMEs can increase state income and reduce the number of unemployment.
2. The result of the research shows that the quality of women managers has a significant influence on the performance of SMEs in West Jakarta.
3. The results show that upgrading has a significant effect on the performance of SMEs in West Jakarta.
4. The result of the research shows that the quality of female managers and upgrading has a significant influence on the performance of SMEs in West Jakarta.

Suggestions

Suggestion for Women Mangers in SMEs Jakarta, Indonesia

To further improve and develop the skills, abilities, and insights that are owned through the training and development process. Skills is an important thing in managing SMEs that are run in order to create a good job, effective and efficient and can produce good performance of SMEs. To further enhance the leadership leadership that is owned in order to lead the business can make the best decision for the SMEs.

Suggestions for Researcher

It is expected that this research can provide insight and become reference material to do other research which have variables and similar method. For further research, researchers suggest to further expand the object of research and use other variables that can affect the performance of SMEs.

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