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## Entrepreneurial commitment, entrepreneurial competence, towards business performance through business competitiveness development

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### ABSTRACT

Wajo Regency is the best silk weaving industrial area in South Sulawesi, but the emergence of several competitors for silk fabrics from abroad, and various modern-style fabric products that are variously supplied by wholesalers from outside the South Sulawesi area indirectly affect the movement of market. This study aims to determine the effect of entrepreneurial commitment, entrepreneurial competence and competitiveness of the silk industry on the business performance of silk entrepreneurs. The type of research is a quantitative research methodology. The research was conducted on a silk business located in Wajo Regency, South Sulawesi Province. A total of 357 samples were obtained using the cluster random sampling technique based on the Krejcie and Morgan tables. Data collection method employing a scale that uses the Likert scale. Data analysis techniques using the SmartPLS 3.0 software's path analysis, it was found that commitment, entrepreneurial competence has a significant effect on business performance, commitment has a significant effect on the development of competitiveness, and entrepreneurial competence has not significant effect on the development of competitiveness. The results found that the entrepreneurial competence of silk entrepreneurs was still lacking in developing the competitiveness of the silk business.



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## Introduction

Silk is an industrial sector that is generally developed by small and medium enterprises, and the output from the sector can contribute to the growth of Gross Domestic Product (GDP) until 2016. In that year, the average growth of national silk production reached 10%-15% per year (BPS - Central Statistics Agency of South Sulawesi, 2016). However, the past three years, the average growth in silk production has not been commensurate with the demand for silk, either nationally or for export abroad. It has been estimated that the growth rate in Indonesia itself has reached 12.24 percent, and production has begun.

Natural silk in South Sulawesi has long been part of the cultural life of the people. Natural silk cultivation has been known since the 1950s and is still practiced by some people in rural communities. Silk cloth is one of the products used in every cultural ceremony such as weddings and traditional celebrations so that silk cloth and its production process are full of local wisdom that contains moral messages and cultural values. One of

the main natural silk producing areas, known as Silk City in South Sulawesi is Wajo Regency. In 2019, Wajo Regency had 312.50 ha of plantation urbei and 1.5 ha of mulberry seedlings. However, during the last five years, there has been a decline in cocoon production in Wajo Regency, from: 64,071.00 kg (2015), 45,867.00 kg (2016), 27,267.15 kg (2017), 35,141.60 kg (2018) and 12,104, 80 kg (2019). The decline in cocoon production will indirectly affect the business performance of the silk industry. In addition, the emergence of several competitors for silk fabrics from abroad can also affect the sustainability of the domestic silk industry.

Performance is one of the most significant dependent variables for researchers with regard to almost all areas of business and management, because it explains how well an entrepreneur's efforts are (Aminu, I. M. & Shariff, 2015). Although there is no correct definition of performance, the definition of performance always depends on the perspective of the person who defines it (Naala, M., Ibrahim, N. & Mahmood, 2016). Business performance has been studied by several researchers in several literatures and they concentrate heavily on the causes of performance and how it can occur and be sustained (Pollack, J.M., Rutherford, M.W., Seers, A., Coy, A.E. & Hanson, 2016). Entrepreneurial performance is the growth of profits from the business (Ahmad, Ramayah, Wilson, & Kummerow, 2012b). Both financial and non-financial measures serve to evaluate performance factors. There are also some researchers defining performance in terms of growth, sustainability and turnover. According to (Naala, M., Ibrahim, N. & Mahmood, 2016) ; (Falola, H. O., Salau, O. P., Olokundun, M. A., Ibidunni, A. S. & Oludayo, 2018)).

Business performance is defined as the ability of entrepreneurs or organizations to realize their goals such as high profits, good product quality, good financial results, long-term viability and large market share, using relevant strategy for action. However, business performance can be risky if it only emphasizes the financial aspect without paying attention to other aspects (Jogaradnam, 2017). Some experts have recommended that business performance measurement should both include financial and non-financial dimensions (Kashemi, M.A., Adel, R.M., Abdal, H.R.G., Aliklayah, M.B.H., Moghaddan, H.K. & Nadimi, 2013)). Therefore, balanced scorecard (BSC) maintains financial measures and three other non-financial perspectives, namely internal processes, customers and learning & growth (Gorondutse, A.H. & Hilman, 2013) and these are the most popular, least criticized and implemented. as a performance measurement tool (Kashemi, M.A., Adel, R.M., Abdal, H.R.G., Aliklayah, M.B.H., Moghaddan, H.K. & Nadimi, 2013)

A business actor must possess unique traits in the field of entrepreneurship as well as creative and innovative abilities to find and develop a variety of ideas, choices, and options for entrepreneurs in managing a silk business in order for their business to perform well. This is because the existence of ideas or creativity in the development of business units will have an effect on their business performance. Therefore, it is vital to possess an entrepreneurial spirit that fosters a person's desire in professionally managing a business unit. This is reinforced by Muhammad, Alama, & Ramli (2017) that on the reasons of changes in small and medium enterprises resulting from changes in individual characteristics such as behavior, age, level of education, and competence.

Compared to entrepreneurial intentions (Crant, 1996 in (Schlee, Stewart, & Summers, 2013)), entrepreneurial commitment has more influence on entrepreneurship (Erikson, 2012). Commitment to entrepreneurship is very important to increase the business in accordance with the goals that have been set (Parente, R., & Feola, 2013). Entrepreneurial commitment begins with an investment of time, effort, and resources, including emotional, intellectual, financial, and relationship (Parente, R., & Feola, 2013). In organizational behavior, commitment is always shown by involvement in the organization, attachment, willingness to work, and a strong desire to move forward and try (Meyer & Herscovitch, 2001 in (Robert & Vandenberghe, 2021)). As highlighted by Tasnim, R., & Singh (2016) in the context of entrepreneurial activities that entrepreneurial commitment is formed by seven separate indicators that affect three components of commitment: i) affective commitment is influenced by the spirit, values, and personality of the entrepreneur; ii) normative commitments are shaped by norms, responsibilities, and truths internalized by entrepreneurs; and iii) sustainability commitment is affected by entrepreneur investment in business due to lack of alternatives (Tasnim, R., & Singh, 2016).

A study analyzing 400 startups found a synergistic effect of affective commitment and normative commitment on the desire to commit to entrepreneurship. The findings reveal that there is a strong emotional attachment from entrepreneurs to the desire for their business to be successful, so that higher entrepreneurial commitment is needed. Likewise, because of the entrepreneur's obligations from the internalization of norms, the receipt of benefits that encourage retaliation or acceptance of responsibility, so that this has a positive effect on the development of entrepreneurial commitment ((Tasnim, R., & Singh, 2016); (Tasnim, R., Yahya, S., & Zainuddin, 2014)). Further indicators for the factors driving entrepreneurial commitment can be found in the entrepreneurial intention literature as entrepreneurial commitment can be considered to complement entrepreneurial intentions (Erikson, 2012; Krueger, Reilly, & Carsrud, 2012)

With the emergence of various modern-style cloth products, which are diverse, supplied wholesale from outside the region, such as from Java, Kalimantan and others, it has indirectly affected the movement of the Wajo silk market to become slow and sluggish, coupled with the government's lack of care in helping develop the potential of this silk fabric. However, creating a sustainable business is difficult since entrepreneurs encounter several external and internal challenges. Almost 80% of new businesses fail in their first year, while the failure rate for small businesses in Indonesia is 78% (Shabiya, 2018). This is due to the numerous external and internal challenges that MSME enterprises confront. Capital, human resources, legal aspects, accountability, business climate, infrastructure, and market access are some of the limitations (Indonesia, 2015).

Human resources are a crucial aspect of business performance due to the fact that the majority of MSME owners also serve as business managers and personnel organizers. In order to increase the success of a company, managers must possess planning and organizational abilities, administrative administration, and communication skills. A business must possess entrepreneurial skills in order to compete domestically and internationally (Ng & Kee, 2013). Competence in general is a person's ability or capacity to perform various tasks in a job. Competence is the capacity that exists in a person that allows him to be able to fulfill all the needs of the work for the achievement of organizational goals (Riyanti, B. P. D., Sandroto, C. W., & DW, 2017).

According to (Mitchelmore, S., Rowley, J., & Shiu, 2014), competencies fall into four broad categories: entrepreneurial competencies (eg, idea generation, recognition, and exploiting opportunities); business and management competencies (eg, business operational skills, finance and budgeting skills); human relations competencies (eg, organizational representation skills, leadership skills); and conceptual relationship skills (interpersonal skills, logical thinking, written communication). Competencies have four categories: entrepreneurial competencies (eg, idea generation, recognition, and exploiting opportunities); business and management competencies (eg, business operational skills, finance and budgeting skills); human relations competence (eg, delegation) skills, leadership skills); and conceptual and relationship skills (interpersonal skills, written communication skills, logical thinking skills). In this study, entrepreneurial competence is seen in a person's ability to carry out their duties based on knowledge, skills and supported by attitudes.

Competence as a term has long been used in most of the management literature. These competencies can be divided into two: natural and unnatural competencies. Meutia (2012) highlight that natural competence consists of three characteristics, attitudes, social roles and self-image. Unnatural competencies or learned skills are skills needed when there is a task, which are acquired through learning both practically and theoretically. All this includes knowledge, skills and experience. Therefore, entrepreneurship Competence is a fundamental characteristic possessed by an individual that helps them to carry out tasks in the most appropriate way (Lazar N, 2015; Yasin, N. A., Ridjal, S., & Jufri, 2019; Yasin, N. A., Ridjal, S., & Jufri, 2019). Man, Lau, & Snape (2018) categorizes six areas of entrepreneurial competence: relationship, opportunity, organizing, conceptual, commitment and strategy. As highlighted by Ahmad, Ramayah, Wilson, & Kummerow (2012a) that, in measuring entrepreneurship Competence, entrepreneurs must understand the behavior associated with nine competencies: strategy, commitment, conceptual, opportunity, organizing & leading, relationship, learning, personal, and technical.

According to Ministry of Industry data (2018) Indonesian MSMEs only contribute 0.8% to the global supply chain. Ministry of Cooperatives and SMEs (2018) launched as many as 3.79 million micro, small and medium enterprises (MSMEs) that have just utilized online platforms in marketing their products. This number only accounts for 6% of the total participants of Indonesian MSMEs (62.29 million). This is an obstacle in terms of marketing its products, because of the limited access to market information which results in low market orientation and weak competitiveness at the global level.

The ability of a company to remain competitive is one sort of strategy that can assist in the company's continued existence. It also refers to the capability of an organization to take a defensive stance against its rivals. This capability, which is the outcome of important management decisions, helps the business to separate itself from its rivals and maintain its market share (Muhammed, H. A. A., Kartini, D., Sari, D., & Febrian, 2016). Company managers need to consider competitiveness to increase the success of their business. Competitiveness is seen as important in increasing business success because the ultimate goal of establishing a company is to achieve maximum performance (Yasin & Nurjaya, 2021). Due to a lack of market intelligence, MSMEs are unable to direct their business development in a clear and targeted manner, resulting in their standstill (Edelia & Aslami, 2022; Sedyastuti, 2018). This is the reason why small and medium-sized enterprises (SME) in Indonesia are not very competitive. Numerous MSMEs encounter internal and external barriers. Consequently, small and medium enterprises are uncompetitive and unable to boost economic growth and the incomes of their employees.

Viewed from the perspective of competitive strategy, competitiveness has two properties: industry-based and resource-based (Hartmann, E., & Herb, 2015). According to Muhardi (2007) in (Rinandiyana, Kurniawati, & Kurniawan, 2016), competitiveness is an organizational function that is internally and externally oriented, by responding proactively to all opportunities and its business target market. Factors affecting competitiveness are location, price, service/product quality, and promotion. In this paper, competitiveness refers to the strategic advantages of creating products and services in an industry that cannot be imitated by competitors in a certain market share. The measurement of competitiveness that is often used is based on Porter in 1986 (Sridadi, 2013), who defines four attributes that determine the competitiveness of a nation: (1) Strategy, Structure, and Rivalry; (2) condition factor; (3) Related and Supporting Industry; and (4) Demand Conditions. The four dimensions of a company's defense against competition are (i) Availability of the necessary resources and expertise to achieve competitive advantage in a particular industry; (ii) information that shapes perceptions of opportunity and provides direction for the allocation of resources and expertise; (iii) target managers, owners, and human resources involved in the competition; and (iv) the support needed by companies to ensure investment and innovation.

The silk industry must be able to rise by increasing industrial competence through creativity and innovation, high commitment, and efforts to increase competitiveness to create novelty in the form of ideas that have more value than before. Based on the background and conditions above, this study aims to analyze the business performance of natural silk fabrics in Wajo Regency from the aspect of entrepreneurial commitment, entrepreneurial competence and competitiveness of the silk industry.

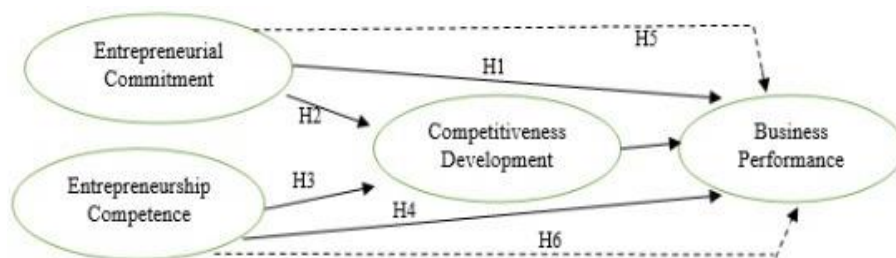


Figure 1. Conceptual Framework

## Method

This study employs a quantitative research approach with a specific sort of research, namely research designed to test a theory or hypothesis in order to confirm or reject the theory or hypothesis based on previous research results. The research was conducted on a silk business located in Wajo Regency, South Sulawesi Province. The sample method utilized in this investigation was cluster random sampling. Determination of sample numbers using a table of sample numbers based on population numbers by Krejcie and Morgan in (Sekaran Uma; Bougie Roger, 2016), resulting in the collection of a total sample of 357 Silk Entrepreneurs. The data collection technique was carried out using a questionnaire instrument with an instrument measuring scale using a likert scale. Data analysis techniques use path analysis with SmartPLS 3.0 software.

In this study, data analysis used the Partial Least Square (PLS) approach. PLS is a model of Structural Equation Modeling (SEM) based on components or variances. In this study, Entrepreneurial Commitment, entrepreneurship Competence and competitiveness development are independent variables, and business performance is the dependent variable. Entrepreneurial commitment is measured by affective, sustainable and normative indicators. Entrepreneurship competence is built by three indicators, namely skills, knowledge and experience. Competitiveness development is built with three indicators, market share, risk of failure, price, and business performance is built by two financial and non-financial indicators.

The hypothesis in this study is (1) Entrepreneurial commitment has a significant effect on business performance (2) Entrepreneurial commitment has a significant impact on competitiveness development (3) Entrepreneurship Competence has a significant effect on business performance (4) Entrepreneurship Competence has a significant effect on the development of competitiveness (5) Entrepreneurial commitment has a significant impact on business performance through the development of competitiveness (6) Entrepreneurship Competence has a significant effect on business performance through the development of competitiveness

## Results and Discussions

The constructs of the variables of entrepreneurship commitment, entrepreneurial competence, competitiveness development and business performance can be seen in Figure 2 and Table 1 below, which shows the loading factor of all indicators of the four constructs above 0.5 which are required, with a T statistic value above 1, 96 (for a significance level of 0.05) this indicates that the construct has good discriminant validity.

### Measurement Model (Outer Model)

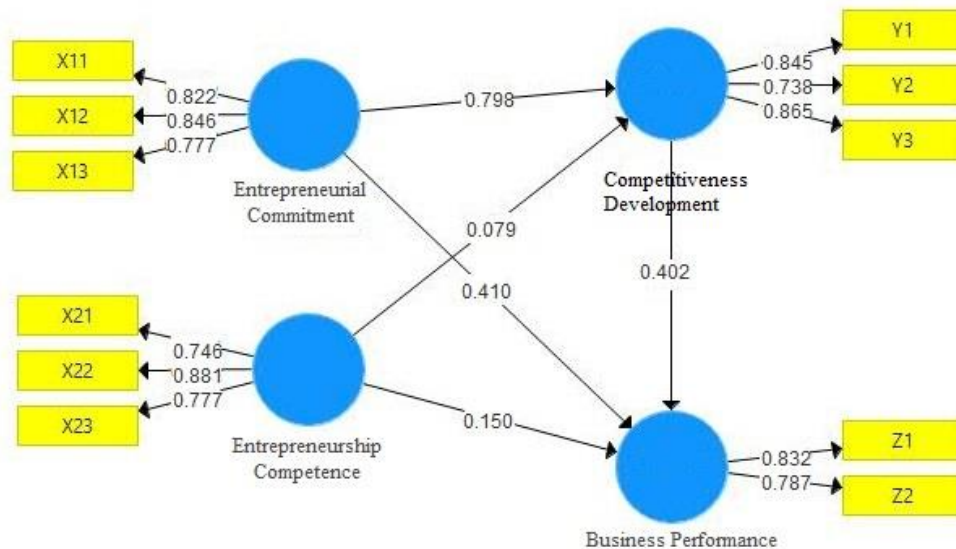


Figure 2. SEM-PLS Measurement Model (Outer Model)

Table 1. Outer Loadings (Mean, STDEV, T-Value)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
X11 <- Affective	0.822	0.822	0.021	41.244	0.000
X12 <- Sustainable	0.846	0.837	0.018	51.682	0.000
X13 <- Normative	0.777	0.772	0.042	23.613	0.000
X21 <- Skills	0.746	0.745	0.032	24.684	0.000
X22 <- Knowledge	0.881	0.881	0.016	74.760	0.000
X23 <- Experience	0.777	0.787	0.029	29.017	0.000
Y1 <- Market share	0.845	0.845	0.017	51.547	0.000
Y2 <- Risk of failure	0.738	0.739	0.055	16.262	0.000
Y3 <- Price	0.865	0.866	0.027	51.337	0.000
Z1 <- Financial	0.832	0.833	0.037	31.549	0.000
Z2 <- Non financial	0.787	0.788	0.028	41.482	0.000

Source: PLS data processing (2021)

### Testing the Structure Model (Inner Model)

As shown in Table 2 below describes the measurement values of discriminant reliability (AVE), Cronbach alpha (CA), and composite (CR). The variable is declared reliable if the AVE value is greater than 0.5, the Cronbach alpha value is declared good if it has a value above 0.6, and the composite value (CR) must be greater than 0.7. Based on these conditions, all items of the variable are declared reliable to be measured. The R-square of measuring entrepreneurial commitment, entrepreneurship Competence, and competitiveness development on business performance is 0.827 or 82.7%. which means that business performance is influenced by 92.7% of the variables of Entrepreneurial Commitment, entrepreneurship Competence, and competitiveness development.

Table 2. R-Square and Cronbachs Alpha

	AVE	Composite Reliability (CR)	R Square	Cronbachs Alpha (CA)
Entrepreneurial Commitment	0.657	0.856		0.729
Entrepreneurship Competence	0.656	0.848		0.728
Competitive Development	0.672	0.848	0.771	0.758
Business Performance	0.642	0.854	0.827	0.735

Source: PLS data processing (2021)

**Table 3.** Path Coefficients (Mean, STDEV, T-Values)

		Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Entrepreneurial Commitment	Business Performance	0.410	0.412	0.096	4.210	0.000
Entrepreneurial Commitment	Competitive Development	0.798	0.814	0.062	17.298	0.000
Entrepreneurship Competence	Business Performance	0.150	0.242	0.077	2.190	0.037
Entrepreneurship Competence	Competitive Development	0.079	0.079	0.043	<b>1.467</b>	<b>0.118</b>
Competitive Development	Business Performance	0.402	0.382	0.084	5.172	0.000
Entrepreneurial Commitment	Competitive Development	0.323	0.309	0.054	4.787	0.000
Entrepreneurship Competence	Competitive Development	0.032	0.035	0.031	<b>1.366</b>	<b>0.141</b>

Source: PLS data processing (2021)

To answer the research hypothesis, a method is used to compare the values of the T-table and T-statistic, if the T-statistic > T-table, the hypothesis is accepted. The value of the T-table is 1.96 and the value of the T-statistic can be seen in Table 3: (1) Entrepreneurial commitment has a significant effect on business performance (2) Entrepreneurial commitment has a significant impact on competitiveness development (3) Entrepreneurship competence has a significant effect on business performance (4) Entrepreneurship competence has no significant effect on the development of competitiveness (5) Entrepreneurial commitment has a significant impact on business performance through the development of competitiveness (6) Entrepreneurship competence has no significant effect on business performance through the development of competitiveness.

#### **Entrepreneurial commitment has a significant effect on business performance**

From the results of the study, it was found that the commitment to entrepreneurship has a significant effect in the business performance of silk entrepreneurs in Wajo Regency. Without a strong effort and determination as well as a high commitment to the silk business that they have been working on for a long time, no matter how great the entrepreneur is, he will surely meet the path of business failure. Therefore, silk entrepreneurs consider that commitment is very important in improving their business performance. From this study, researchers found that silk entrepreneurs in Wajo Regency have a high entrepreneurial commitment to continue to advance this silk business, several traits and characteristics of these entrepreneurs indicate that being a successful entrepreneur must have several characteristics including: never give up on conditions and in any situation, must have a high spirit in facing the existing tests and challenges, must be patient in trying, ready to work, struggle and be willing to sacrifice. In line with research conducted by Murnieks, C.Y., Mosakowski, E. & Cardon (2014) that entrepreneur commitment determines the level of success of their business ventures, and Fisher, R., Maritz, A. & Lobo (2016) that highlight entrepreneur commitment is important in business development.

The silk businessmen in the Wajo Regency always tries to provide the best products with varying product prices to consumers depending on the motif and complexity of making the silk fabric. Given that the silk weavers in Waji Regency still uses the traditional method, so the price of silk produced tends to be more



expensive than the price of silk produced by machine. These entrepreneurs maintain the traditional method of weaving silk because they consider that this is one of the characteristics of the silk fabric from the Wajo Regency that must be maintained and much safer against the environment. In addition, these entrepreneurs always try to maintain good business ethics, so it is very natural that entrepreneurs from Wajo Regency are known as entrepreneurs with good business management.

**Entrepreneurial commitment has a significant impact on the development of competitiveness.**

In this study, researchers found that Entrepreneurial Commitment also has a significant effect on the development of competitiveness. The silk businessmen in the Wajo Regency always improves their Entrepreneurial Commitment by always trying to improve the quality of the products they produce and trying to penetrate the wide market. They are trying to compete with silk entrepreneurs from outside the South Sulawesi region. The desire to enlarge the market requires them to always be committed to being successful entrepreneurs by always being careful in looking at market availability, must be able to read the risk of failure, and must be able to determine product prices as wisely as possible. The results of this study are in line with Cuckovic & Bartlett (2014) which states that entrepreneurial commitment is an important component of a policy designed to increase competitiveness. Further, Acs&Amorós (2008) in (Álvarez, Urbano, & Amorós, 2014) reveal that the existence of entrepreneurial dynamics will require the emergence of competitiveness for regional economic growth.

Since old times, weaving activities in Wajo Regency have been the core of the silk industry/trade activity. They still maintain the traditional pattern of weaving using the gedogan method or using non-machine looms (ATBM) but even so, they have been able to carry out several developments for the competitiveness strategy of the silk industry, for example by developing products and producing products with Bugis characteristics, such as making casual bags, bags for parties, silk shirts for men, silk clothes for women, ties, bags (cellphone cases) and many more. The commitment to entrepreneurship of silk entrepreneurs in Wajo Regency is high enough to continue to be successful entrepreneurs starting with thinking about how to develop businesses by paying attention to existing competitiveness.

**Entrepreneurship Competence has a significant effect on business performance**

The results of this study discover that entrepreneurship Competence has a significant effect on business performance. Entrepreneurship Competence for silk entrepreneurs is needed to face competition locally and globally. Entrepreneurship Competence has become the main thing in taking a proactive step to face challenges in the business environment, this is because silk business owners generally act as managers, managers, leaders and lead employees, so that competencies as managers include planners, organizers, administrators, and communicators need to improve their business performance. The findings also reveal that the majority of respondents already have the ability to manage business well because they have been very experienced in running this business for a long time. Hence, it could be said that they got this ability because their family from generation to generation was a silk entrepreneur. The ability to trade from this entrepreneur is an inherited ability from his family who are also mostly silk entrepreneurs so that their skills, knowledge and experience can be said to be quite good in managing their business. This findings in line with previous research conducted by (Asyifa, 2019) that entrepreneurship Competence has a positive and significant impact on the performance of micro-enterprises in Ma'rang District, Pangkep Regency.

**Entrepreneurship Competence has no significant effect on the development of competitiveness.**

From the results of the study it was found that entrepreneurship Competence had no significant effect on the development of competitiveness. The weaving business in Wajo Regency, dubbed the "City of Silk" is a home industry that has developed and evolved massively and has become the livelihood of most people in Wajo Regency. However, as the times change, the competition between businesses is getting faster. In order to be able to maintain business and compete with other businesses, it is necessary to develop competitiveness. Innovative thinking, and trying to make improvements from all elements, both in terms of processes or operations, management, leadership to marketing. The problem of competitiveness for today's era is not easy for businesses, especially small and medium enterprises, without being equipped with entrepreneurial competencies, it will be very difficult to carry out product development. This is one of the reasons why entrepreneurship Competence does not have a significant effect on the development of competitiveness of silk entrepreneurs in Wajo Regency, because most of these entrepreneurs' markets do not yet have the technology management expertise that is needed for competitiveness development

So far, silk entrepreneurs use their competencies only to improve their business performance, without maximum effort to increase the competitiveness of their products. This entrepreneur does not pay much attention to market availability, what is the impact of the risk of failure, and how to determine the price wisely. They are entrepreneurs with the old management system, and lack of novelty so that the products they market can be unable to compete with silk products originating from outside the region. Competitiveness is an

important thing that must be considered by these silk entrepreneurs, because the competition in the business world is now increasingly rapid, and entrepreneurs are required to always develop strategic capabilities by creating and giving consumers more value from the products they produce, so that in the end it becomes a competitive advantage. for this endeavor. The development of this competitiveness cannot be separated from the importance of education and training that must be absorbed by these entrepreneurs, because in that way the paradigm and mindset of these entrepreneurs can increase. Actually, silk from Wajo Regency has a competitive advantage that silk from outside Sulawesi does not have. Wajo silk motifs and patterns are difficult to imitate by other competitors so that when they are on the market it will be easy to recognize the products produced by Wajo silk craftsmen, but it is unfortunate because this potential is not developed in increasing competitiveness for Wajo silk. This research is in line with the findings of Kadir, A. R., & Nursyamsi (2017) which states that there are still many MSMEs in their activities that relatively do not give full attention and even ignore the external environment so that the competencies formed tend to be burdened by institutional construction and gaps in utilizing organizational resources.

Even so, the results obtained in this study are different from several previous studies which show that there is a positive and significant influence between competence and competitiveness development (Ardichvili & Cardozo, 2013; Dessler, 2015; Marwansyah, 2012) .

#### **Entrepreneurial commitment has a significant impact on business performance through the development of competitiveness**

From the research findings, it was found that Entrepreneurial Commitment affects business performance through competitiveness, because by being committed, these silk entrepreneurs will always try to keep the business that was initiated long ago and survive. Commitments in this research are affective commitment, continuous and normative commitment. Affective commitment can be seen from the attitude of the silk entrepreneur who always focuses on his business, but there is no change in his business activities. Meanwhile, the normative commitment of silk entrepreneurs can be seen from the perspective of those who always focus on seeing all efforts and their results well. As for the continuous commitment of these silk entrepreneurs can be seen from their efforts to keep trying in the same business, never trying another business before the effort they make gets better results. The commitment of this silk entrepreneur was finally able to deliver business success by opening himself up to try to compete with silk producers from outside Wajo Regency. This research is in line with Fisher, R., Maritz, A. & Lobo (2016) that entrepreneurial commitment is very important to improve SME business performance by always paying attention to the competitiveness of the product.

#### **Entrepreneurship Competence has no significant effect on business performance through the development of competitiveness**

From the results of the study, it was revealed that entrepreneurship competence had no significant effect on business performance through the development of competitiveness. It can be seen from observations during the research that some of the silk entrepreneurs still have low entrepreneurship Competence. This is also shown by the low level of development and mastery of knowledge in the fields of management and organization, marketing, technology, and other competencies needed to manage their business. Entrepreneurship Competence is very much needed in local and global business competition, because entrepreneurship Competence is the main thing in taking proactive steps to face business challenges. However, this research is contradict with previous study (Ardyan, 2016), (Dhamayantie, E, Fauzan, 2017), (Octavia, 2015) which states that entrepreneurship competence plays a significant role in developing competitiveness in order to improve business business performance.

Entrepreneurship Competence should be in line with business competitiveness to increase business success. Strategic Entrepreneurship is a source of sustainable competitive advantage, and as one of the sources capable of creating a company to be successful in a developing economy. This means that competitiveness can be influenced by entrepreneurship Competence to boost business success. But unfortunately, most Wajo silk entrepreneurs don't pay much attention to the importance of good entrepreneurship Competence, which means that entrepreneurship Competence must always be developed in accordance with the ever-changing business climate. The skills, knowledge and experience of Wajo silk entrepreneurs must be further improved because the silk products produced can be highly competitive if the management of this business has good entrepreneurial competencies, always pays attention to changes and market needs. It is undeniable that Wajo silk entrepreneurs do have the skills, knowledge and experience in doing business from their families because Wajo residents have always been famous for their silk business, but along with developments, skills, knowledge and experience must also continue to be developed and keep up with the changing demands of the business world.

## **Conclusions**



The entrepreneurial commitment of the Wajo silk entrepreneurs is very good. Basically, they have been formed since childhood to become silk entrepreneurs, because in reality their families are silk entrepreneurs, so most of Wajo silk business is inherited from their families, so their entrepreneurial commitment is very strong. However, a high level of commitment is not sufficient to become a successful entrepreneur; a person's personal strength is the main capital in entrepreneurship. To achieve this, an entrepreneur must continue to learn, work, have a strong will, and continuously enhance his or her self-competence. With good entrepreneurship Competence, business actors will naturally be able to handle existing business difficulties, and developing product competitiveness will not be difficult. In this regard, the partnership role of a number of associated institutions is essential in order to create an entrepreneurial spirit, business spirit, and expand the knowledge of Wajo silk entrepreneurs through seminars and training in entrepreneurship. These silk entrepreneurs must continue to be supervised and educated on the significance of entrepreneurship Competence in terms of skills, knowledge, and attitudes in starting and developing businesses.

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