Effect of Managerial Ability and Effectivity on Tenant Business Performance at YARSI University Business Incubator

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Abstract

The purpose of this study is to explain the importance of tenant performance in the creation of new entrepreneurs/tenants in higher education by entrepreneurship educational institutions where incubators are present. In Indonesia, a number of incubators are emerging, particularly at universities, as places to develop intellectual and professional human resources. The poor performance of the Yarsi University Incubator's tenants can be seen by looking at the 28 tenants that have started operating in the past five months. Because the population and sample for this study were childcare facilities with a total of 28 tenants, this sample was included in a saturated sample. This study discusses the role of tenant performance in the Yarsi University incubator as seen through tenant management skills and tenant effectiveness in operating the business in the incubator. Operative in performing management functions and consists of the ability to plan, organize, direct or perform tasks, and exercise supervision. Effectiveness can now be measured by the outputs and inputs that tenants provide to entrepreneurship in the incubator.

Keyword: Management Capability, Effectiveness, Tenant Performance

1. Introduction

According to the National Economic and Social Survey (Susenas) of the Central Bureau of Statistics (BPS), the number of books in Indonesia in February 2019 was 1.3618 million. Unless business activity expands significantly, it will become even more difficult for university graduates to find jobs. Under these circumstances, these problems can have a negative impact on economic, social, and civic conditions, even among highly educated people.

This situation is also supported by the fact that most university graduates are job seekers rather than job creators. Developed countries are not defined by their rich natural resources, but rather by how they bring about change through the creativity and innovation of their people. According to a World Bank report, creativity and innovation each play a 45% role in determining a country's advantage, networks play a 25% role, technology plays a 20% role, and natural resources play a 10% role. (World Bank, 1995). This shows how important creativity and innovation in society is for a country's advantage.
Business incubators are important to the local economy as a result of value creation, where they channel entrepreneurs and enable them to grow. Value creation, where it can channel entrepreneurs and enable them to unleash their business ideas and ventures into the marketplace. Release their business ideas and ventures into the market. (Ramkissoon-babwah & Mc David, 2014; Oliveira & Vieira, 2016) The role of an Incubator is to support viable business ideas and to help entrepreneurs to successfully pass the critical stage in the life of any company and grow in the marketplace and grow in the market. (Moraru & Ruse, 2012).

The process within the incubator is business incubation which is a mechanism to help support startup companies for survival and growth in a competitive business environment, competitive business environment. A successful incubation process can result in stronger startups and SMEs, which in turn will create more entrepreneurs. Which in turn will create more jobs and strengthen the country's economic growth. The country's economy. (Munkongsujarit, 2016) Business Incubator activities include: entrepreneurial spirit development, management and business skills training for tenants, business consulting, review in established companies and facilitating tenants in entrepreneurship to produce new entrepreneurs. produce new entrepreneurs.

The above aspiration is to grow from a university that produces students with creativity and innovation, and to utilize its advantages for the development of the country. In fact, Indonesia's dominance in global competition decreased from 47 out of 140 countries in 2018 to 45 out of 135 in 2017, according to the World Economic Forum (WEF) version. Indonesia's competitiveness is said to be behind its three neighboring countries, which are Singapore in 2nd place, Malaysia in 18th place, and Thailand in 32nd place, and in ASEAN it is higher than the Philippines in 47th place, Vietnam in 56th place, and Laos in 83rd place. Cambodia is ranked 90th and Myanmar is ranked 131st (World Competitiveness Report, 2015-2016). The decline in Indonesia's competitive advantage in international competition is expected to extend beyond workforce creation and the generation of new entrepreneurs to higher education talent. Creating new workers and entrepreneurs requires major changes in line with dynamic changes in the environment. Providing educational materials is not only a hard skill concept, but above all a soft skill concept. The benefits generated are not only for technical professionals in the workplace, but also the ways in which these people can engage with each other, collaborate, and become leaders in blue-collar and white-collar groups.

2. Literature Review and Hypothesis
Managerial capability is imbued in team settings rather than one person, where a broad unity of complementary skills such as management teams as technical and human skills, is required to achieve excellence in a particular competitive market (Barney, 1991, Mahoney, 1995). In explaining management capabilities, researchers use different perspectives. The Liang Gie in Maman ukas (1999: 245) states managerial competence is the ability in moving people and moving facilities - facilities in an organization. In other parts Winardi (2005: 94) defines managerial ability is the ability to take action - the act of planning, organizing, implementing, and supervising that is done to determine and achieve the goals that have been set. Furthermore, Latif 2002 states that although researchers have different thoughts in determining the various attributes of managerial effectiveness, there are basically 3 important components, namely appropriate behavior, motivation and ability (skill).

The effectiveness of managerial skills is critical in achieving success in the business world. There are several researchers who try to distinguish between effective managers from ineffective people, who generally agree that there are many behaviors that indicate the success of managers. These behaviors include (Latif, 2002: 378) 1. Controlling the organization's environment and its resources. 2. Ability to organize and coordinate 3. Ability to handle information 4. A place to grow and develop. 5. Able to motivate employees and handle problems or conflicts. 6. Able to solve strategic problems.

Although researchers have different ideas in determining the various attributes of managerial effectiveness, there are basically three important components, namely appropriate behavior, motivation and skills (Latif, 2002). In this study, it is more specialized in management ability. In this study, management ability is measured using 10 indicators, which were used in Latif's research (2002: 379),
namely: 1. verbal communication 2. managing time and stress 3. managing individual decisions 4. recognizing, defining, and solving problems 5. motivating and influencing others 6. delegating 7. setting goals and articulating a vision. Every business or company, whether small or large-scale in its management to achieve effective and efficient results, the application of management principles is very necessary, the role of leaders or business owners to understand and be able to carry out the main functions of management is the main thing for future business success.

3. Data and Method
Based on the theoretical framework and the framework of the paper, the proposed empirical research model is:

![Diagram of Management Abilities and Their Impact](image)

**Figure 1. Theoretical Framework**

**HYPOTHESIS**
These hypotheses were implemented in this study. Direct and indirect connections are the results of this study.
- **Hypothesis 1 (H1):** It is assumed that there is a direct effect of management skills on tenant performance.
- **Hypothesis 2 (H2):** It is hypothesized that management skills have a direct impact on effectiveness.
- **Hypothesis 3 (H3):** We hypothesize that tenant performance directly affects effectiveness.

In this study, the authors use quantitative research.

According to Suprapto (2001:80), the measurement instruments in quantitative research are in the form of questionnaires, where data is obtained in the form of questions and tenants' responses to questions.

According to Umi Narimawati (2010:41), the definition of analytical design is: Design analysis is the process of systematically retrieving and compiling data from field observations, organizing the data into categories, and documenting it. Create units, synthesize them, arrange them into patterns, choose which is more important, study and draw conclusions in a way that is easy for yourself and others to understand. The analysis that the authors apply to the data described uses descriptive and confirmatory analysis techniques. According to Sugiyono (2013:8), quantitative analysis is defined as: Quantitative analysis is an analytical method based on the philosophy of positivism that involves studying a specific population or sample and using survey tools to collect data, the purpose of which is to test a given hypothesis. According to Andi (2007:3), a population is a collection of objects used as research material that have characteristics that share the same characteristics. The generalization domain consists of objects with certain properties and characteristics that the researcher determines for the study and from which conclusions are drawn. Next, Sugiyono (2012:15) explains that the population consists not only of people but also of objects and other natural objects.

Sugiyono (2013:81) A sample is a part of the population and characteristics. According to Tony (2013: 27), a sample is a part of a population that is taken/determined using specific characteristics and techniques. Determining the number of samples to process from the entire population must be done using the correct sampling technique. The sampling technique used in this study was non-probability
sampling. Sugiyono (2013:84) Non-probability sampling is a sampling technique that does not provide an equal chance/opportunity for all elements or members of the population to be selected as a sample. According to Tony (2013: 28), non-probability sampling means that not all elements in the population have an equal probability of being selected as a sample. The conclusions drawn from this method cannot be generalized. Definition of saturated sample by Sugiyono (2013: 84). Saturation sampling is a sampling technique that uses all members of the population as a sample. This is often done when the population is relatively small (less than 30 people) or when the study wants to make generalizations with very small margins of error. Another term for saturated sample is census, in which all members of the population are surveyed. The population of this study was all consisting of tenants of the YARSI University Incubator, with a total of 28 tenants. The sample is the entire population of 30 tenants in the YARSI University incubator, also known as a saturated sample.

The data to be collected is qualitative data quantified through a questionnaire. Data were collected using a survey method using a questionnaire containing items measuring the constructs or variables used in the research model. Distribution and data collection is done directly by asking respondents whether they want to complete the survey. The main data collected in this study is data on the respondents’ answers related to the variables being investigated. Secondary data, i.e. data from literature related to the problem being studied. The secondary data collected in this study is data related to this study and data related to the research subject.

The primary data of the study was collected using a questionnaire-type instrument. The variables of intellectual capital, learning culture, and organizational performance were measured using questionnaires. Therefore, the data collection performed in this study was as follows: a. Surveys, that is, collecting data by providing a list of questions answered by respondents. The data obtained from a questionnaire is the data on the respondents’ responses regarding the variables being investigated. BC Observation, that is, collecting data by directly observing the object of study. The data obtained through observation is about the state of the field being examined. c. Literature research, that is, the collection of data obtained by reading literature and previous research related to the problem being studied. The first variable is leadership ability. The indicators for the managerial skills variable are measured by three skills: technical skills, human skills, and conceptual skills. The second variable is effectiveness, which is measured by each tenant’s outcomes and outcomes. The variable indicators of tenant performance in this study are related to the previous study by Chahal and Bhaksi (2014), namely the following indicators: (1) Verbal Communication, (2) Time and Pressure Management. (Time and Stress Management), (3) manage personal decisions, (4) identify, define, and solve problems (identify, define, and solve problems), (5) others (motivate and influence others), (6) delegate (delegation), (7) set goals and clarify vision (set goals and clarify vision) (8) self-awareness, (9) team building, (10) conflict management. This variable is measured using a 5-point scale or a Likert scale.

This study used a test questionnaire designed to serve as a survey measurement tool to determine the truth or approximate the truth. Therefore, it is expected that this survey will address the most important data related to the problem. The questionnaire used is Likert scale.

The data obtained from the study results were analyzed using descriptive and inferential statistics. Descriptive statistical analysis was performed by describing all data for all variables in the form of mean and standard deviation or standard deviation. Regression analysis is used to test hypotheses using T-tests.

4. Results
Before conducting the study, the researcher conducted a pilot study to measure whether the indicators used in this study were acceptable in terms of their validity and reliability. For this preliminary test, the researchers distributed a questionnaire to the Yarsi University incubator and found 28 respondents. After conducting a preliminary test, the researchers distributed the questionnaire and conducted the actual research using indicators that corresponded to validity and reliability tests.

H1 : The effect of managerial ability on tenant's business performance
From the SPSS Coefficients output table above. It can be seen the test to determine whether the Ability Manager variable (X) partially affects the Tenant Business Performance variable (Y). The hypotheses proposed in this study:
1. H1: There is an influence of Manager Ability on Tenant's Business Performance
2. H2: There is an influence of Manager Ability on Tenant's Business effectiveness
3. H3: There is an effect of Tenant's Business Performance on the effectiveness of Tenant's business

Basis of taking Partial T Test in Regression analysis. To test the hypothesis of this research, it is necessary to know the basis of decision making in the partial T test. In this case, two references can be used as a basis for making decisions, first look at the significance value (Sig.). Second, compare the value of T with T table

1. Based on Significant Value (Sig.)
   a. If the significance value (sig.) < profitability 0.05 then the influence of the independent variable (x) on the variable (Y) is accepted.
   b. If the significance value (sig.)> profitability 0.05 then the influence of the independent variable (x) on the variable (Y) is rejected

2. Comparison of Calculated T Value with T Table (Partial T Test)
   Based on the SPSS output, the calculated T value of the Ability Manager variable (X1) = 2.611 < t table
   How to calculate T table
   \[ T_{table} = (a/2 ; n-k-1) \]
   \[ = (0.05/2 ; 28 -1 -1) \]
   \[ = (0.025 ; 26) \]
   Get 2.056 for T table
   Judging from the results of the T Table calculation, the T table analysis can be like this:
   H1: There is an influence of Manager Ability on Tenant's Business Performance
   H count : 2.611 < 2.056 (Ho Rejected; H1 accepted)
   Sig = 0.15 > 0.05
   Therefore, there is a significant relationship between functional managers and tenant performance.
The results of this study indicate that leadership skills are urgently needed for tenant companies to achieve business performance. Looking at the incubator itself, it did not perform well because not all of the tenants had the management ability. Experts ask how important management skills are for tenants. Skill level is an individual's ability/ability to perform a job. This impacts performance and productivity (John R. Heinrichs, p. 71). Skills, knowledge, technical skills, and other abilities possessed by an individual. Individuals who do not have these qualities necessary to perform the job may not perform well (Scott A. Snell, Kenneth N. Wexley, 1998: p. 328).

H2: Effect of managerial ability on the effectiveness of tenants' business

Model Summary

<table>
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<th>Model</th>
<th>R</th>
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<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
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<td>.032</td>
<td>-.005</td>
<td>6.431</td>
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</table>

a. Predictors: (Constant), managerial ability  
b. Dependent Variable: efektifitas

ANOVA

<table>
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<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
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<td>41.362</td>
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<tr>
<td></td>
<td>Total</td>
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<td>27</td>
<td></td>
<td></td>
</tr>
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</table>

a. Dependent Variable: managerial ability  
b. Predictors: (Constant), Efektifitas

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
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<td>.354</td>
<td>.179</td>
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a. Dependent Variable: managerial ability

Judging from the results of the T Table calculations, the T table analysis can be like this:  
H2: There is an influence of managerial ability on effectiveness  
H count: 0.928 < 2.056 (Ho Accepted; H1 is rejected)  
Sig = 0.362 > 0.05  
Therefore, there is no significant relationship between managerial ability and effectiveness

From the results of this study, management ability does not have a significant effect between management ability and effectiveness.

"Effectiveness" is derived from the word "effective" and means achieving the right goal by making the right choice from a set of decision options; means to be successful or effective in achieving a set goal.

Effective management skills are critical to success in the business world. Although some researchers have tried to distinguish between effective managers and incompetent people, they generally agree that there are many behaviors that indicate successful managers.

Her second factor that can demonstrate a leader's effectiveness concerns personal motivation. Even if you have a manager who meets the above six conditions, if motivation is low, he or she will not be effective. Even after these two components are in place, skill (competence) is required to apply them with effectiveness. It can be concluded that the tenant must have leadership qualities and be able to carry out business activities effectively. It is also hoped that all tenants of the Yarsi University incubator will have applicable management skills and effectiveness.
H3: There is a relationship between Tenant's Business Performance and Tenant's Business Effectiveness

Model Summary

<table>
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<tr>
<th>Model</th>
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<th>R Square</th>
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<th>Std. Error of the Estimate</th>
<th>R Square Change</th>
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<td>.002</td>
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<td>.012</td>
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a. Predictors: (Constant), Dfull  
b. Dependent Variable: Cfull

ANOVA

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<th>F</th>
<th>Sig.</th>
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<tr>
<td>Total</td>
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<td>27</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

a. Dependent Variable: Cfull  
b. Predictors: (Constant), Dfull

Coefficients

<table>
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<tr>
<th>Model</th>
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<th>Standardized Coefficients</th>
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<tr>
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<td>5.573</td>
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<td>Dfull</td>
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<td>.475</td>
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<td>1.030</td>
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a. Dependent Variable: Cfull

Judging from the results of the T Table calculations, the T table analysis can be like this:

H3: There is an influence of tenant's business performance with effectiveness  
H count: 1.030 < 2.056 (Ho Rejected; H1 accepted)  
Sig = 0.12 > 0.05

Therefore, there is an important relationship between tenant business performance and tenant business effectiveness. Following the theory of Covin and Slevin (1989), the procedure for measuring the performance of small and medium-sized enterprises can be carried out by assessing the perceptions of respondents on the basis of a Likert scale regarding various financial indicators such as sales level, sales growth, etc. Gross profit, return on sales, return on assets, net operating income. Therefore, the evaluation of corporate performance depends on the extent to which these indicators match the performance of small and medium-sized enterprises. This study uses three metrics to measure business performance: sales growth, profit growth, and asset management growth, which are correlated with the effectiveness of management skills and why they are so important, and describes a research-based model.

There are still many tenants in the incubator that are not providing efficient work performance. This improves the skills of your tenants and trains them to improve the effective performance of your business.

5. Discussion

Discussion is a crucial part of a scientific article where an in-depth interpretation of the results or findings of a study. The discussion should involve a dynamic process and comparison with some relevant previous studies based on specific scholarship. Discuss each finding carefully to produce representative conclusions and following the objectives of the study. This part should explore the significance of the results of the work, not repeat them. A combined Results and Discussion section is often appropriate. Avoid extensive citations and discussion of published literature.
6. Conclusion
From the above findings it can be concluded that:
1. Leadership competencies (management competencies) are the skills/ability of individuals to perform tasks that affect the performance and productivity of the tenant incubator.
2. Just as important as effectiveness. Effectiveness is a condition that indicates the success or failure of management activities in achieving predetermined goals for each tenant.
3. Effectiveness focuses on results, programs, or activities that are considered effective if the results produced can achieve their expected objectives or are argued to be used wisely. The same applies to tenants, who must be able to program effective activities to achieve high-quality results.
4. The process of measuring the performance of small industrial enterprises such as tenants of this incubator is measured using financial indicators such as sales level, sales growth rate, gross profit, return on sales, return on assets, and net operating income. You can also. Therefore, the measurement of a company's performance depends on the extent to which these measures are consistent and valid with the performance achieved by the tenants in the incubator.

Suggestion
From the results of the research above, the author has several suggestions, including:
1. Tenants are given skills training to improve their managerial ability in their business.
2. Tenants are directed to be able to work effectively in managing their business.
3. Business incubators should provide mentors to hone tenant skills so that they can overcome any problems faced by tenants.

Recommendation
This study analyzes the effect of managerial skills on tenant effectiveness in business incubators. How can tenants be effective in increasing their sales in this business incubator.

Limitations and avenue for future research
The limitation in this study is that it only focuses on tenants in the campus business incubator. Future researchers are expected to add a broad scope and add other variables outside of this study and add the number of research respondents.

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References


