The Effect Of Entrepreneurial Orientation And Learning Orientation In Improving Business Performance Through Knowledge Sharing As A Mediating Variable In Sempoa Kreatif In East Java

Ami Fauziah*, Jun Surjanti & Musdholifah Musdholifah

Post Graduate, Universitas Negeri Surabaya, Indonesia

INTRODUCTION

In 2016 economic census data by Central Institution of Statistic (BPS), the number of business/education companies in Indonesia reached 619,947 attempts. Java Island became the region with the most educational efforts in Indonesia. The number of business/education companies located in Java Island reaches 350,665 or equal to 56.56 percent of total education effort. Meanwhile, the eastern region of Indonesia, Maluku and Papua Islands, has only 13,677 education efforts. The high proportion of businesses in Java is influenced by a greater number of young people than other islands [1].

In 2018 according to the Direktorat Kursus & Pelatihan, Kementerian Pendidikan & Kebudayaan LKP study guidance in five provinces with the highest number of institutions in East Java amounted to 344, West Java amounted to 340, Central Java amounted to 166, Sumatera North amounted to 139, and DKI Jakarta amounted to 115. East Java became the province of the most educational institutions [2].

One of the most educational institutions in East Java includes the Sempoa Kreatif with 75 branches. The concept of business offered by the Sempoa Kreatif is a simple partnership system, according Sofan as the Founder of Sempoa Kreatif there are 2 important criteria in building the partnership of Sempoa Kreatif, the study room and human resources prospective teachers who will be training by Center. The reason Sofan implements the partnership system is the convenience to monitor from the center to the branch. The franchise's business advantage is the control and monitoring from the center to the branch in addition, there is also support promotion from the center to the on going branch. While the uniqueness in business enterprises of Sempoa Kreatif in terms of services that have an advantage since the initial level of the child has been trained counting using the Abacus Shadow This method is rarely possessed by other institutions so that it can be said this is one of Uniqueness of the services of the Sempoa Kreatif.
In order to achieve optimal business performance in educational business competition, the company is required to have a clear orientation in its business activities. These orientations can be things that lead to entrepreneurship. By having a clear orientation, the company can determine a good business strategy.

Entrepreneurial Orientation
As one of the strategic orientation elements, entrepreneurial orientation demonstrates the type of company's decision-making and creative style in practice [3]. Another orientation that has a significant impact on business performance is the learning orientation. This is demonstrated by researchers who found a significant positive influence between learning orientation on business performance. The study was conducted on the state manufacturing Company and services sector of Punjab in India from the informant 278 senior level manager who has insight into the orientation of learning and performance status of the company [4]. Another research on manufacturing and service sector companies as much as 274 in India found a positive impact between knowledge sharing and business performance [5].

Therefore, the study highlighted seven key objectives of research: 1) to analyze the influence of Entrepreneurial Orientation on the business performance of Sempoa Kreatif in East Java; 2) to analyze the influence of Learning Orientation on the business performance of Sempoa Kreatif in East Java; 3) to analyze Entrepreneurial Orientation influence on Knowledge Sharing of Sempoa Kreatif in East Java; 4) to analyze the influence of Learning Orientation on Knowledge Sharing of Sempoa Kreatif in East Java; 5) to analyze the influence of Knowledge Sharing on the business performance of Sempoa Kreatif in East Java; 6) to analyze the impact of Entrepreneurial Orientation on business performance through Knowledge Sharing as a mediation variable on Sempoa Kreatif in East Java; 7) to analyze the impact of Learning Orientation on business performance through Knowledge Sharing as a mediation variable on Sempoa Kreatif in East Java.

LITERATURE REVIEW
While the hallmark features a reliable and professional entrepreneur according to Soegoto [6] namely dare to take the risk, have a passion and willpower, have the right analysis, not consumptive, have a leader soul and power creations and future oriented. Learning Orientation is a philosophy adopted by companies that emphasize learning in the organization. Learning Orientation can be well developed in a learning organization [7].

There are five types of knowledge sharing activities: 1) In a group for similar and continuous routine work; 2) Between two or more different groups but doing almost the same work; 3) Between two or more groups, but what is shared is knowledge of non-routine work; 4) Between organizations in the framework of mutual survival; 5) From outside the group, when facing problems they have never encountered before [8].

According to Tangkilisan [9] factors that influence the level of achievement of organizational performance: 1) Technology which includes work equipment and work methods to produce products or services produced by the organization; 2) The quality of inputs used by the organization: a) The quality of the physical environment which includes work safety, room management and cleanliness; b) Organizational culture as a pattern of behavior and work patterns within the organization; c) Leadership as an effort to control members of the organization to work in accordance with organizational goals; 3) Management of human resources which includes aspects of compensation, rewards and promotions.

The Effect of Entrepreneurial Orientation on Business Performance
In this context, entrepreneurial orientation shows a strong relationship on business performance [10]. This is consistent with the findings [11] which found a positive relationship between Entrepreneurial Orientation and Business Performance. While the findings that are not in harmony are the negative effects between Entrepreneurial Orientation and Business Performance [12]. Researchers Affendy et al. [13] revealed the results that Entrepreneurial Orientation had no significant Business Performance on SMEs in Malaysia.

The Effect of Learning Orientation on Business Performance
Learning Orientation and Business Performance can be seen simultaneously is when someone wants to create new skills, compete with someone and the ability to improve performance. Thus, there is support from the attitudes, behaviors and strategies of the Learning orientation which lead directly to superior results and long-term corporate performance through building competitive advantage [15]. However, this is not in line with the findings of Beneke et al. [14] who suggested a negative relationship between Learning Orientation with Business Performance.

The Effect of Entrepreneurial Orientation on Knowledge Sharing
Entrepreneurial potential is inspired by other entrepreneurs who are entrepreneurial oriented [16]. The demand for knowledge can vary during the initial stages of entrepreneurial activity. For example, some entrepreneurs need experience-based knowledge about the practicality of start-up activities; others need relationships to access new markets or personal emotional support. This is reinforced by the significant findings between Entrepreneurial Orientation and Knowledge Sharing [17]. Another study conducted by Hui Li et al. [10] produced findings that Entrepreneurial Orientation is positively related to company
performance through mediating the process of knowledge creation.

### The Effect of Learning Orientation on Knowledge Sharing

This is reflected by the learning orientation in the Company [18]. This research is in line with the significant positive effect between learning orientations on knowledge sharing [19].

### The Effect of Knowledge Sharing on Business Performance

This is in line with the positive influence between Knowledge Sharing and Business Performance [20]. While the findings that are less harmonious namely the existence of an insignificant positive relationship between Knowledge Sharing with Business Performance by [21]. Based on the research concept, the hypothesis is formulated as follows:

- **H1**: Entrepreneurial Orientation has a positive effect on Sempoa Kreatif Business Performance in East Java.
- **H2**: Learning Orientation has a positive effect on Sempoa Kreatif Business Performance in East Java.
- **H3**: Entrepreneurial Orientation has a positive effect on Knowledge Sharing on Sempoa Kreatif in East Java.
- **H4**: Learning Orientation has a positive effect on Knowledge Sharing on Sempoa Kreatif in East Java.
- **H5**: Knowledge Sharing has a positive effect on Sempoa Kreatif Business Performance in East Java.
- **H6**: Entrepreneurial Orientation has a positive effect on Business Performance through Knowledge Sharing as a mediating variable on Sempoa Kreatif in East Java.
- **H7**: Learning Orientation has a positive effect on Business Performance through Knowledge Sharing as a mediating variable on Sempoa Kreatif in East Java.

### METHOD

In this study using quantitative research. Quantitative research is a means of analyzing information using data in the form of numbers [22]. Population is the area of generalization by certain character objects for research material so as to produce conclusions [23]. This study uses a population that is the entire head of the Sempoa Kreatif Branch in East Java were 76 people. The sampling method uses a non-probability sampling technique which is of the Purposive Sampling type. Purposive Sampling is a sampling technique with certain considerations [23]. Characteristics of the sample in this study are businesses that have been established for more than one year. Based on these characteristics, the sample of the Sempoa Kreatif Branch in East Java were 71 people.

Scale weighting technique uses a five-point Likert Scale score of 1-5.

### RESEARCH VARIABLE

#### Business Performance (Y)

Business performance is an important factor of an organization in planning, strategizing, and rearranging every task given to the Head of the Sempoa Kreatif Branch to achieve both internal and external organizational goals. Measurement of Business Performance uses several indicators adopted from [24]: customer satisfaction, market effectiveness and expected profitability.

#### Knowledge Sharing (Z)

Knowledge Sharing is the ability of the Head of the Sempoa Kreatif Branch to develop their ability for effective actions in the exchange of knowledge between members. Measurement of Knowledge Sharing uses several indicators adopted from [5]: Top Management Support, Organizational Culture and Knowledge Sharing Reward.

#### Entrepreneurial Orientation (X1)

Entrepreneurial Orientation is the potential ability of the Head of the Sempoa Kreatif Branch in decision making. Measurement of Entrepreneurial Orientation uses several indicators adopted from [25]: risk taking, innovation and activeness.

#### Learning Orientation (X2)

Learning Orientation is the ability of the Head of the Sempoa Kreatif Branch in developing strategies to obtain sustainable competitive advantage and value for organizations in exploiting opportunities and neutralizing threats to the business environment. Learning Orientation measurement uses several indicators adopted from [26]: Commitment to learning, Openness shared thoughts and visions.

### RESULT

In this study to test the research hypothesis, Partial Least Square (PLS) analysis using SmartPLS 3 program is used. Explanation of PLS analysis of the results of the measurement model (outer model) and structural model (inner model).

#### Measurement Model (Outer Model)

In the measurement model (outer model) convergent validity, discriminant validity and reliability construct tests will be performed. The results of each test are explained below.
It can be seen that all indicators on the entrepreneurial orientation, learning orientation, knowledge sharing and business performance variables have factor loading values greater than 0.7, so that the indicators that measure the research variables have met the convergent validity. It can be seen that each indicator on the variable entrepreneurial orientation, learning orientation, knowledge sharing and business performance has the greatest cross loading value on the variables it forms compared to other variables. It can be concluded that the indicators used have met discriminant validity. Entrepreneurial orientation, learning orientation, knowledge sharing and business performance variables have composite reliability values greater than 0.7, so that each research variable has fulfilled the reliability construct.

Structural Model (Inner Model)

In the structural model (inner model) R-Square values and hypothesis testing will be explained. R-Square value for knowledge sharing of 0.652 means that the variability of knowledge sharing in Creative Abacus in East Java can be explained by the variability of entrepreneurial orientation and learning orientation of 65.2%, the remaining 34.8% is explained by other variables outside the model. R-Square value for business performance of 0.633 means that the variability of business performance in Creative Abacus in East Java can be explained by the variability of entrepreneurial orientation, learning orientation and knowledge sharing by 63.3%, the remaining 36.7% is explained by other variables outside the model.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Direct Effects</th>
<th>Coefficient Path</th>
<th>t-statistics</th>
<th>p-value</th>
<th>Ket.</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Entrepreneurial Orientation (X1) → Business Performance (Y)</td>
<td>0.203</td>
<td>2.100</td>
<td>0.036</td>
<td>Sign.</td>
</tr>
<tr>
<td>H2</td>
<td>Learning Orientation (X2) → Business Performance (Y)</td>
<td>0.238</td>
<td>2.166</td>
<td>0.031</td>
<td>Sign</td>
</tr>
<tr>
<td>H3</td>
<td>Entrepreneurial Orientation (X1) → Knowledge Sharing (Z)</td>
<td>0.442</td>
<td>7.432</td>
<td>0.000</td>
<td>Sign</td>
</tr>
<tr>
<td>H4</td>
<td>Learning Orientation (X2) → Knowledge Sharing (Z)</td>
<td>0.530</td>
<td>7.565</td>
<td>0.000</td>
<td>Sign</td>
</tr>
<tr>
<td>H5</td>
<td>Knowledge Sharing (Z) → Business Performance (Y)</td>
<td>0.470</td>
<td>3.764</td>
<td>0.000</td>
<td>Sign</td>
</tr>
</tbody>
</table>

From Table 1 it can be explained these results the first hypothesis that suspects that entrepreneurial orientation has a positive effect on business performance of Sempoa Kreatif in East Java, is acceptable (H1 accepted). Based on these results the second hypothesis which suspects learning orientation has a positive effect on the business performance of Creative Abacus in East Java, is acceptable (H2 is accepted). Based on these results the third hypothesis which suspects that entrepreneurial orientation has a positive effect on knowledge sharing in Creative Abacus in East Java, is acceptable (H3 accepted). Based on these results the fourth hypothesis which suspects learning orientation has a positive effect on knowledge sharing in Creative Abacus in East Java, is acceptable (H4 is accepted). Based on these results the fifth hypothesis which suspects knowledge sharing has a positive effect on the business performance of Creative Abacus in East Java, is acceptable (H5 is accepted).
The Effect of Entrepreneurial Orientation on business performance

In this study, Entrepreneurial Orientation was measured using three indicators from Mas'adeh et al. [25]. The highest mean is on the Innovation indicator, this is in accordance with the Creative Abacus Center which held the latest innovation by holding a workshop digital marketing in 2017 by bringing in IT expert tutors who emphasized marketing through the use of social media, by creating stories through WhatsApp and the instructor, making branch specific website itself, uploading an interesting status fan page on social media.

Each branch also gets banners, banners and brochures every new semester teaching entry to do joint promotions as a form of promotion support from the center to the branch continuously. Another form of promotion that can attract consumers through the atmosphere of the room according to the standard of the center of the Sempoa Kreatif by painting the dominant walls of blue and yellow as well as the installation of plaques and achievement trophies. There is monitoring from the center to the branch at any time in order to know the condition of the branch directly.

The hypothesis which states that Entrepreneurial Orientation has a positive effect on Sempoa Kreatif Business Performance in East Java, is acceptable. The results of this study are in line with research by Wiklund & Shepherd [11] who found a positive relationship between Entrepreneurial Orientation and Business Performance.

The Effect of Learning Orientation on business performance

In this study Learning Orientation was measured using three indicators from Wang [26]. The highest mean is in the shared vision indicator. This is evidenced by the enthusiasm and excitement displayed by each branch in the olympic competition held twice a year, which is a picture of how the quality of the branches can be seen clearly so that it can show which branch is the best to win the most trophies. And there is a learning training organized by Sempoa Kreatif Center until the final level at a cost of Rp 175,000 every level. There are four levels in the Sempoa Kreatif module. After the learning training at the final level, if there is a Branch Head who wants to take part in the re-learning training, there is no fee.

The hypothesis which states that Learning Orientation has a positive effect on Business Performance of Sempoa Kreatif in East Java, is acceptable. The results of this study are in line with findings that reveal a positive influence between Learning Orientation to Company Performance [27].

The Effect of Entrepreneurial Orientation on Knowledge Sharing

In this study Knowledge Sharing was measured using three indicators from Vij & Farooq [5] namely Top Management Support, Organizational Culture and knowledge sharing rewards. The highest mean is in the indicators of Organizational Culture. Organizational culture shares ideas, experiences and knowledge between Branch Heads both in training forums and beyond. Branch Heads can state what problems they have experienced in order to get the best solution or solution.

The hypothesis that states Entrepreneurial Orientation has a positive effect on Knowledge Sharing in Sempoa Kreatif in East Java, can be accepted. The results of this study are in line with the significant findings between Entrepreneurial Orientation and Knowledge Sharing [17].

The Effect of Learning Orientation on Knowledge Sharing

In this research, the Branch Heads can share ideas, experiences and knowledge. A unique idea was expressed by the Head of the Wage Branch by giving points to students who successfully answered the most questions, in the level-up examination students can exchange points for rewards that are equivalent to the points earned. Another idea put forward by the Head of the Ngawi Branch so as to attract students' enthusiasm

Table-2: Hypothesis Testing Indirect Effects

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Indirect Effects</th>
<th>Koefisien Path</th>
<th>t-statistics</th>
<th>p-value</th>
<th>Ket.</th>
</tr>
</thead>
<tbody>
<tr>
<td>H6</td>
<td>Entrepreneurial Orientation(X1) \rightarrow Knowledge Sharing (Z) \rightarrow Business Performance (Y)</td>
<td>0.208</td>
<td>3.297</td>
<td>0.001</td>
<td>Sign.</td>
</tr>
<tr>
<td>H7</td>
<td>Learning Orientation(X2) \rightarrow Knowledge Sharing (Z) \rightarrow Business Performance (Y)</td>
<td>0.249</td>
<td>3.364</td>
<td>0.001</td>
<td>Sign.</td>
</tr>
</tbody>
</table>

From Table 2 it can be explained these results the sixth hypothesis which suggests that entrepreneurial orientation has a positive effect on business performance through knowledge sharing as a mediating variable in Creative Abacus in East Java, can be accepted \((H6 \text{ accepted})\). Based on these results the seventh hypothesis that suspects learning orientation has a positive effect on business performance through knowledge sharing as a mediating variable in Creative Abacus in East Java, can be accepted \((H7 \text{ accepted})\).
or excitement by giving a character stamp if they get a perfect score.

The hypothesis which states that Learning Orientation has a positive effect on Knowledge Sharing in Sempoa Kreatif in East Java, is acceptable. The results of this study are aligned with a significant positive effect between learning orientation and knowledge sharing [19]. In the company, if anyone makes a mistake will look for a solution. The aim is to deal effectively with problems that reflect output orientation in the company. This is reflected by the learning orientation in the Company [18].

The Effect of Knowledge Sharing on Business Performance

In this study, Business Performance is measured using three indicators from Vorhies & Morgan [24]. The highest mean is in the customer satisfaction indicator, that the satisfaction received makes the quality of the Sempoa Kreatif brand increase through word of mouth so that it can attract the closest relatives such as school friends, neighbors or relatives to join the Sempoa Kreatif. As well as sharing knowledge by the Head of the Sempoa Kreatif Branch of Jombang who had an idea by opening a new AHE Franchise, a reading course so that it made him interested in taking Sempoa Kreatif counting lessons because there was at one location.

The hypothesis that Knowledge Sharing has a positive effect on Business Performance in Sempoa Kreatif in East Java, can be accepted. The results of this study are in line with researchers who revealed a positive impact between Knowledge Sharing and Business Performance [5].

The Effect of Entrepreneurial Orientation on Business Performance through Knowledge Sharing

In this context, entrepreneurial orientation shows a strong relationship on business performance [10]. Where as Knowledge sharing can be developed through Entrepreneurial Orientation because of its direct impact on strategic learning abilities. Knowledge requires sharing. In addition, opportunities and information seeking are considered as the main steps in the entrepreneurial process that encourages the collection of knowledge and sharing among members of the organization [17]. The results of this study are in line with those conducted by Li et al. [3] Produced findings that Entrepreneurial Orientation is positively related to company performance through mediating the process of knowledge creation.

The Effect of Learning Orientation on Business Performance through Knowledge Sharing

This result means that the higher learning orientation will significantly increase knowledge sharing which will further improve the business performance of Sempoa Kreatif in East Java. Training conducted on learning methods used so that children are easier to understand what is taught. And sharing experiences and issues related to the learning process so that it can improve business performance. Therefore, learning orientation is very closely related to knowledge sharing.

Learning orientation will lead the development of the company and the achievement of superior business performance [15]. This is in line with Vij & Farooq [5] which shows that learning orientation has a significant positive effect on business performance. Someone who is learning oriented is involved in developing skills and increasing knowledge, Knowledge Sharing is a prerequisite for learning [19]. Mueller [18] also suggested a positive relationship between Learning Orientation variables with Knowledge Sharing.

CONCLUSION


This study concludes that entrepreneurial orientation, learning orientation and knowledge sharing in organizations will improve superior business performance. Theoretically, the nature of this study contributes to provide an understanding of how companies improve their business performance. As a result, this research contributes to knowledge by examining the effect of the relationship between entrepreneurial orientation, learning orientation, knowledge sharing and business performance. This study also contributes to the current literature and empirical findings in their respective fields. Besides that, this study also practically provides an early warning about the importance of entrepreneurial orientation, learning orientation and knowledge sharing in improving business performance.

LIMITATION

This research does not discuss Sempoa Kreatif financial statements.

RECOMMENDATION

In addition to shining research contributions, future research may improve this research through the addition of other factors because there are many internal or external factors that determine business performance. In addition, future researchers can use the study framework into a qualitative approach for the reason that this approach might offer sufficient viewpoint progress for this study. Last but not least, this research can also increase the scope of studies where a broader scope can increase the generalization of results.
REFERENCES


17. Tuan LT. From corporate social responsibility, through entrepreneurial orientation, to knowledge sharing: A study in Cai Luong (Renovated Theatre) theatre companies. The Learning Organization. 2015 Feb 2;22(2):74-92.


