

THE INFLUENCE OF COMMUNICATION, CREATIVITY AND COMPETENCE ON ENTREPRENEURIAL AMBITION AND SMALL BUSINESS PERFORMANCE IN KENDARI CITY

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Abstract

This study aims to determine and analyze the influence of communication, creativity and competence on entrepreneurial ambition, the influence of communication, creativity and competence on small business performance and the influence of entrepreneurial ambition on small business performance. The study population is all small business actors in Kendari City which is determined based on the slovin formulation totaling 100 samples, in addition to the criteria where the business has been running for more than 3 (three) years and meets the criteria for small businesses. The analysis tool used is SEM Partial Least Square (PLS). The results showed that communication, creativity and competence have a positive and significant effect on entrepreneurial ambition, then communication, creativity and competence have a positive and significant effect on business performance and entrepreneurial ambition have a positive and significant effect on the performance of small businesses in Kendari City.

Keywords: Communication, Creativity, Competence, Entrepreneurial Ambition, Small Business Performance

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INTRODUCTION

Small businesses in Indonesia continue to grow and become the government's attention because they are more reliable in accepting economic stability (Hasibuan, 2015). Small businesses are highly developed in developing countries because they help support economies (Akinboade & Kinfack, 2012). The formation of small businesses in developing countries such as Indonesia continues to be encouraged by the government with various financial or non-financial policies (Indris and Primiana, 2015). However, small businesses themselves are required to continue to survive in business competition, both with small and large companies. Business competition is profitable because the company will provide the best business strategy in competition.

Small business performance is the company's performance that is assessed from various aspects, including financial benefits and non-financial benefits (Hasibuan, 2015). Many things can be done by companies related to performance, one of which is through the empowerment of human resources in it (Herrera Madueño et al., 2016) because Human Resources play an important role in controlling business strategy.

Management of a business-oriented organization or profit-oriented all aspects of management and organization must be a concern, including aspects of human resources and behavior in the organization. This aspect of human resources is important because one of the determining factors for the success of the performance of a business organization is the management of human resources and human behavior that will carry out various other aspects of management. The results of research by Cassel, et al (2002) on small business companies show that the practice of managing HR management determines the success of the company in achieving its goals.

One of the decisive factors in improving the performance of small businesses is the human resource factor. The resource factor in question is entrepreneurs who have the ability to communicate effectively, knowledge have entrepreneurship, both through education and training, experience, and mentoring, as well as creativity. An entrepreneur who wants to succeed in managing and improving his business performance must have effective communication skills. The importance of effective communication in influencing the performance of small businesses is considerable, as argued by Meng and Liang (1996) that 17% of performance is determined by the ability to communicate with customers.

The second variable that affects the performance of small businesses is creativity, Obaji et. Al (2021) explained that creativity contributes 43.5 percent in improving small business performance. (Indra Jaya and Sumarni, 2020) explained that creativity partially has a positive and significant effect on small business performance.

The third factor that affects the performance of small businesses is competence. Competence is one of the keys to success in entrepreneurship. Competency is an entrepreneurial skill in cognitive, emotional, and social terms, which can be developed to produce superior business performance (Boyatzis, 2008). Therefore, the study of entrepreneurship, especially its competence, can increase the understanding of facts in the field and the other side of the development of research in the field of management in the future. Suryana, A.T and Burhanuddin, (2021) confirm that entrepreneurial competence is proven to affect the performance of small businesses in Indonesia.

According to Ery Novari (2020) explained that entrepreneurial ambition is a behavior that someone has that has an impact on improving performance. With strong ambition, it will lead someone to his foresight in seeing a business opportunity and courage in taking advantage of opportunities. When someone has a big ambition, then it is an energy that can be used as a starting point to start and take existing opportunities, the great ambition that exists in someone will be very useful to encourage dare to take risks in the business world.

Based on the description presented, researchers are interested in conducting research entitled

The Influence of Communication, Creativity and Competence on Entrepreneurial Ambition and Small Business Performance in Kendari City. The objectives to be achieved in this study are to determine and analyze (1) the influence of communication, creativity and competence on entrepreneurial ambition, (2) the influence of communication, creativity and competence on the performance of Small Businesses, (3). the influence of entrepreneurial ambition on Small Business performance.

LITERATURE REVIEW

2. 1.Communication Concept

According to Gerald R. Miller (2013), communication occurs when a source conveys a message to the receiver with a conscious intention to influence the recipient's behavior. While Joseph A. Devito (2011) states that communication refers to actions, by one or more people, that send and

receive messages that are distorted by interference, occur in a certain context, have a certain influence, and there is an opportunity for feedback. Communication is carried out verbally by two parties carried out by more than one person so that the message conveyed by one another can be understood. Without verbal language between the two parties, communication with each other can still be done by moving the body and showing certain attitudes, such as moving the head up and down, pointing at something with the hand, waving, shrugging and smiling. This is referred to as nonverbal communication.

Verbal communication is the primary means of expressing our thoughts, feelings, and intentions. Verbal language is words that represent various aspects of our individual reality (Deddy Mulyana, (2014). According to Deddy Mulyana, (2014) explained that there are 6 types of communication, namely: (a) intrapersonal communication, (b) interpersonal communication, communication, (d). public communication, (e). organizational communication and (f). mass communication. According to Wiryanto (2004) Communication is the process of transferring understanding in the form of ideas or information from one person to another. Communication indicators include: (1). Positive attitude. (2). support, (3). Equality, (4). empathy, (5). Openness.

2.2. The Concept of Creativity

Creativity is a new idea that creates value, an innovation of a new idea that creates significant value or a new idea that destroys old ideas. Mastery of creativity is developed through an inside-out approach utilizing the experience and skills possessed. According to Conny semiawan (2011) creativity is the ability to create a new product, creativity is a person's ability to give birth to something new both in the form of ideas and real works that are relatively different from what has been before. Creativity is an imaginative activity carried out by a person to be able to produce a new product or a combination of things that already exist, which are useful, and understandable. According to Suryana, (2008) that creativity can be measured from: (a). Novelty is a process of doing and creating something new creatively and full of innovation in order to benefit others and have more value, (b). Usefulness is trying to provide help to others and provide value benefits to those who receive and (c). It can be understood the ability of business actors to provide understanding to others in creating something new, both in the form of ideas and real works that are relatively different from what already exists.

2.3. Competency Concept

Competency is an ability to carry out or perform a job or task based on skills and knowledge and supported by the work attitude required by the job. Wibowo (2016) According to McClelland, competence as a fundamental characteristic possessed by a person who has a direct influence on, or can describe, excellent performance. In other words, competence is what outstanding performers do more often in more situations with better results, than what average performers do. (Veithzal Rivai, et,al (2015).

According to Spencer and Spencer (2016) competence is formed from five characteristics, namely: (1). Motive, Something that the person consistently thinks or wants that causes the action., (2). Nature, physical characteristics and consistent responses to situations or information, (3). A person's self-concept, attitudes, values, or self-image, (4). Knowledge, information that people have in a specific field and (5). Skills, the ability to perform certain physical or mental tasks.

Competency indicators according to Edision (2016) to meet the elements of competence, an employee must meet the following elements:

- 1. Knowledge, having knowledge that supports work, having the willingness to increase knowledge.
- 2. Expertise, have technical expertise in accordance with the field of work handled, have the ability to identify problems, have the ability to find solutions to the problems faced.
- 3. Attitude, have initiative in helping colleagues, have friendliness and courtesy in carrying out work and seriously like every customer complaint.

2.4. The Concept of Entrepreneurial Ambition

Every human being has ambitions in life that have a common meaning, namely a strong desire to achieve something. According to Tatenhove (1984), ambition is energy, expressed in active behavior towards a goal or aspiration. According to Adler (1927), humans are born in a weak body condition. This state of helplessness creates a feeling of inferiority. As soon as the individual realizes his existence, he feels inferior to his role in the environment. Spenner and Featherman (1978) argue that ambition can be defined as a class of psychological orientations that have a relationship with two types of achievement: achievement of the role being and achievement of performance. Role achievement involves the ways in which certain roles are linked to prestige and more generally, to levels of remuneration, job security, and other rewards. The indicators of entrepreneurial

ambition referred to in this study using indicators Gundry and Welsch (2001), Gotteland et al. (2017), and Toustou (2019) summarize several indicators of someone who has entrepreneurial ambitions, namely: (1). Courage, (2). Optimism, (3). Passion, (4) Self-confidence, (5). Perseverance, (6). Taking risks, (7). Enthusiasm.

2.5. Small Business Performance

Aribawa (2016) states that small business performance is the result of work achieved by an individual and can be completed with the individual's tasks within the company and in a certain period, and will be linked to the size of the value or standard of the company that the individual works. Performance is an achievement that will be obtained by a person or company that will achieve a certain goal. An expression that is generally used to describe part or all of the actions or activities of an organization over a period of time by referring to a number of standards such as

past or projected costs, on the basis of efficiency, accountability or accountability of management. (Fisher, Schoenfeldt, and Shaw, 2006)

The indicators used to measure performance according to Rapih, S., et.al, (2015) are as follows: (1). Sales growth, reflecting the success of investment in the past period and can be used as a prediction of future growth, (2). Customer growth, the percentage change in market size over a certain period and (3). Profit growth, the percentage increase in profit that the company can generate in the form of net profit.

CONCEPTUAL FRAMEWORK AND HYPOTHESIS

3.1. Conceptual Framework

Based on the theory, phenomena and research gaps that have been stated earlier, a conceptual model can be developed in this study as follows:

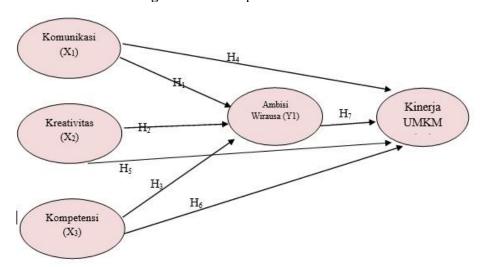


Figure 3.1. Conceptual Framework

3.2. Hypothesis

Hypothesis is an unequivocal answer to a problem based on theoretical studies and empirical studies. Therefore, this study explains the theory and supporting research results so that the hypothesis can be formulated as follows:

- H1: Communication has a positive and significant effect on entrepreneurial ambitions
- H2: Creativity has a positive and significant effect on entrepreneurial ambition
- H3: Competence has a positive and significant effect on entrepreneurial ambition
- H4: Communication has a positive and significant effect on small business performance
- H5: Creativity has a positive and significant effect on small business performance

- H6: Competency has a positive and significant effect on small business performance
- H7: Entrepreneurial ambition has a positive and significant effect on small business performance

METHOD

The location of the study is in the city of Kendari with the target population of Small Business actors. The research period is 3 months. The population of this study is all small businesses in Kendari city as many as 2,206 businesses. The determination of the number of samples was determined using the Slovin formula in Sekaran (2011). The precision taken is 10%. Based on such formulations determined 100 samples. Details of sampling are

carried out based on the fulfillment of the requirements as a small business based on the Latest MSME Criteria in accordance with PP No. 7 of 2021 concerning the Ease, Protection and Empowerment of Cooperatives and Micro, Small and Medium Enterprises.

Data collection using questionnaires by circulating a list of closed and structured statements and conducting direct interviews with informants to obtain information support about the role of the Southeast Sulawesi Provincial Industry and Trade Office to conduct development related to strengthening business institutions, expanding business bases, technical training and expectations of mental development through congregational prayers both at work and in mosques. Meanwhile, to determine the influence among research variables used the Partial Least Square (PLS) analysis technique. The completion uses PLS Smart program Version 3.2.4.

RESULT

5.1. Model Measurement Evaluation

The evaluation of the measurement model of latent variables is analyzed by looking at convergent validity. Convergent validity testing in PLS can be seen from the outer loading of each indicator against its latent variables. Outer loading >= 0.50

Ghozali, I and Latan, H (2015). All latent variables creativity, communication, competence, entrepreneurial ambition and small business performance are measured by reflective indicators, so that evaluation of the measurement model can be done by looking at the values of convergent validity, discriminant validity, and composite reliability. Based on the assessment of the measurement model from the results bootstrapping in the PLS method, the test of each indicator that reflects the latent variable can be explained as follows:

Convergent Validity

Convergent Validity is measuring the validity of indicators as a variable gauge that can be seen from the outer loading of each variable indicator. An indicator is said to have good reliability, if the outer loading value >= 0.70. While the outer loading value of 0.60 is still tolerable for models that are still under development, except indicators that have outer loading <= 0.50 can be dropped from the analysis of Ghozali, I and Latan, H. (2015).

Pengukuran variabel direfleksikan melalui Nilai indikator masing masing variabel.

Adapun nilai outerloading masing - masing indikator sebagai berikut :

Tabel 5.1 Outer Loading

COMMUNICA	TION VARIABLES		
Indicator	Outer Loading		
Oppenes	0.701		
Empathy	0,643		
Positivity	0,205		
Backing	0,865		
Similarities	0,736		
CREATIVITY	<u>.</u>		
Novelty	0,854		
Usability 0,854			
Understandable	0,678		
COMPETENCY	Y VARIABLES		
Knowledge	0,313		
Skill	0,866		
Attitude	0,887		
VARIABLE OF E	L ENTREPRENEURIAL AMBITION		
Courage	0,729		
Optimism	0,712		
Passion	0,628		
Convidence	0,782		
Perseverance	0,760		
Taking Risks	0,697		
Enthusiasm	0,670		
SMALL BUSINESS PERFORMANCE VARIABLE	ES		
Sales Growth	0,906		
Customer Growth	0,937		
Profit Growth	0,915		

Source: Output Partial Least Square Outer Loading Value

Compositer Reliability

Compositer reliability tests the reliability value between indicators of the constructs that make it up. The result of compositer reliability is said to be good, if the value is above 0.70 Ghozali, I and Latan, H (2015). The results of *the compositer reliability* test of this research measurement model can be presented in Table 5.2.

Table 5.2. Instrument Measurement model reliability test results

Variabel	Composite Reliabilty	Hasil	
Communication	0,828	Reliable	
Creativity	0,840 Reliable		
Competence	0,869	Reliable	
Entrepreneurial Ambition	0,878 Reliable		
Small Business Performance	0,943	Reliable	

Sumber: Output Partial Least Square

Test results in Table 5.2. The value of compositer reliability of the five indicators studied has good reliability because the value is greater than 0.70. Thus all instruments used in this study have met the criteria or are suitable for use in measuring all latent variables because they have good reliability.

5.2. Structural Evaluation of the Model (Inner model).

Tests on structural models are evaluated by taking into account the percentage of variance described, i.e. looking at the value (R2). To assess a model with PLS starts by looking at the R-Square of each latent variable. The change in value (R2) is used to assess the effect of the independent variable on the dependent variable whether it has a substantive effect. The coefficient of determination (R2) of the endogenous variable is presented in Table 5.3.

Table 5.3. Test results *R-Square*

Structural Model	Compositer Reliabilti	R-Square	Adjusted RSquare
1	Entrepreneurial Ambition	0,755	0,709
2	Small Business Performance	0,812	0,801

Source: Partial Least Square (PLS) Output, Year 2023

To determine the accuracy of the model as a whole, based on the values of R12 and R22, predictive relevance Q2 testing is carried out using the following formulation:

$$Q^{2} = 1 - \{(1 - R1^{2}) (1 - R2^{2}) \dots (1 - Rn^{2})\}\$$

$$= 1 - \{(1 - 0.755^{2}) (1 - 0.812^{2}) \}\}\$$

$$= 1 - \{(1 - 0.570) (1 - 0.659) \}\$$

$$= 1 - \{(0.430) (0.341)\}\$$

$$= 1 - 0.146 = 0.854$$

Based on the results of these calculations, a predictive-relevance value of Q 2 = 0.854 or 85.4% was obtained. This means that the accuracy or accuracy of this research model can explain the diversity of communication variables, creativity,

competence and entrepreneurial ambition on small business performance by 85.4%. The remaining 14.6% was explained by other variables not contained in the study model. Therefore the model is said to be good because it has a value of Q 2 greater than or equal to 60%.

5.4 Path Coefficient Testing

The results of testing the influence of path coefficients and hypotheses of influence between variables can be seen from the value of the path coefficient where the p-value of $<-\alpha=0.05$ is presented in the path diagram Figure 5.4. While the results of PLS software output can be seen at (attachment)

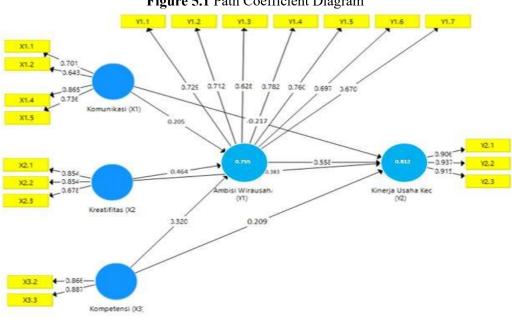


Figure 5.1 Path Coefficient Diagram

Source: Partial Least Square (PLS) Processed Results, Year 2023 (Lamp 6 Model 2)

Figure 5.1. It appears that of the seven direct influences between the variables tested, all of them were positive and significant. The full results of direct influence testing are presented in Table 5.4

Table 5.4. Coefficients of Direct Influence Paths and Hypothesis Testing

Hypothesis	Direct Influence	Coefficie nt Line	p-value	Proof	Hypothesis
H1	Communication (X1) -> Entrepreneurial Ambition (Y1)	0.205	0.000	+ Signifikan	Accepted
H2	Creativity (X2) -> Entrepreneurial Ambition (Y1)	0.464	0.000	+ Signifikan	Accepted
Н3	Competence (X3) -> Entrepreneurial Ambition (Y1)	0.320	0.000	+ Signifikan	Accepted
H4	Communication (X1) -> Kinerja Usaha Kecil (Y2)	0.217	0.041	+ Signifikan	Accepted
Н5	Creativity (X2) -> Small Business Performance (Y2)	0.383	0.000	+ Signifikan	Accepted
Н6	Competence (X3) -> Small Business Performance (Y2)	0.209	0.019	+ Signifikan	Accepted
Н7	Entrepreneurial Ambition (Y1)-> Small Business Performance (Y2)	0.558	0.000	+ Signifikan	Accepted

Source: Output Partial Least Squre

5.5. Discussion

5.5.1. The Influence of Communication on Business Entrepreneurial Ambitions

Based on the results of analysis with PLS, it was found that communication directly has a positive and significant effect on ambition. This can be interpreted as the better entrepreneurial communication, the more significant the impact on the entrepreneurial ambitions of business actors. The results of *the outer loading* value show that customer support or support and similarity are the most dominant factors reflecting communication variables. With regard to this finding, several things that need to be done by business actors are

to maintain and continue to increase support and commonality by establishing partnerships with other companies and intensely providing support to customers, providing assistance such as convenience in payment systems and ensuring product availability if customers need. In addition, business actors must be more selective in conveying product information to make it easier to understand, avoiding product gaps by equalizing perceptions between business actors and customers regarding the products offered

The results of PLS analysis on the original sample value found that the better the communication carried out by business actors, the more customer growth will increase. It was further found that entrepreneurial communication contributes positively to small business performance, by stimulating the values of empathy, positive thinking, open-mindedness, support and individual creativity within the company. This is in line with Pekerti (1985) which is accustomed to the view that establishing good relationships with customers is a component in networking that determines business performance. While on the same note, Meng and Liang (1996) argue that the relationships that exist between individuals determine the performance of a business or an activity.

5.5.2. The Influence of Creativity on Entrepreneurial Ambitions

The results of the analysis with Partial Least Square found that creativity has a positive and significant effect on entrepreneurial ambition. The better the creativity reflected through aspects of novelty, usefulness and can be understood, the higher entrepreneurial ambition will be reflected in courage. optimism. passion. confidence. perseverance, risk-taking and enthusiasm. results of PLS analysis based on outer loading values that the indicators that have the greatest contribution to creativity are novelty and usefulness. If this indicator is related to the assessment of business actors' perceptions of creativity, then usefulness and understandable indicators are the indicators that are perceived best. Based on these findings, it can be confirmed that the lowest perceived novelty turns out to have a high outer loading value. It can be explained that the implementation related to product novelty carried out by business actors has not been the attention and focus of business actors. The results of the analysis show that the priority and most dominant factor contributing to the creativity of business actors is to create novelty - novelty to their products, both the novelty of products, services and marketing systems.

The results of the analysis based on the original value of the sample found that creativity has a positive and significant effect on entrepreneurial ambition. This can be interpreted that the creativity of business actors reflected in their ability to make product novelty and product usefulness will have an effect on courage and confidence as well as high self-confidence in entrepreneurship.

5.5.3. The Effect of Competency on Small Business Entrepreneurial Ambitions

Based on the results of the Partial least square (PLS) analysis, it was found that competence has a positive and significant effect on entrepreneurial

ambition. This finding can be explained that competence reflected through aspects knowledge, competence and attitude has a positive and significant effect on entrepreneurial ambition which is reflected through aspects of courage, optimism, passion, confidence, perseverance, risktaking and enthusiasm. The better the business competence run by business actors, the higher the entrepreneurial ambition. This is quite reasonable because the competence of small business actors, especially the attitudes and expertise possessed by business actors based on perceptions and analysis results is good and appropriate, so that it has an effect on the ambition of business actors to become entrepreneurs.

The results of the analysis based on the outer loading value of indicators of expertise and attitude are able to reflect and measure competency variables, unless knowledge is declared invalid because it only has a contribution of 31.3% in shaping the competence of business actors. The results of PLS (partial Least Square) analysis show that the largest outer loading value is in the attitude and expertise indicators. Based on these findings, it can be explained that the success and success of a business actor will depend on his attitude, especially his ability to manage his subordinates, behavior in providing services to customers, behavior in building to supplier partners and customers and sensitivity in capturing customer complaints. The results of the analysis based on the original sample value found that competence has a positive and significant effect entrepreneurial ambition. The higher the competence of business actors, the more ambitious they will be to achieve their expectations.

5.5.4. The Effect of Communication on Small Business Performance in Kendari City

The results of the analysis with PLS found that communication directly has a positive and significant effect on the performance of small businesses. This can be interpreted that the better entrepreneurial communication, the better the improvement in small business performance. The results of PLS analysis based on *outer loading* values show that the indicators that have the greatest contribution to communication are support and similarity. While the lowest indicators of communication are positivity, empathy and openness. If the *outer loading* value is compared to the mean value, then support and similarity are indicators that are also perceived as high

Based on these findings, it can be explained that support and commonality have been perceived well by business actors and have been well implemented. This is also supported according to the results of the analysis that support and similarity are the most dominant factors and have the greatest contribution to communication carried out by business actors. This research strengthens and reinforces the research of Eddy Soeryanto Soegoto (2018) that effective entrepreneurial communication can contribute significantly to small business performance.

5.5.5. The Effect of Creativity on Small Business Performance

The results of the analysis with Partial Least Square found that creativity has a positive and significant effect on small business performance. The better the creativity reflected through aspects of novelty, usefulness and understandability, the better the performance of Small Businesses in Kendari City. The results of the analysis show that the indicators that have the greatest contribution to creativity are novelty and usefulness. The novelty created by the entrepreneur is a novelty that can adapt to the surrounding environment. The new thing is not only limited to new ideas, but must be able to create or realize these new ideas in practice or reality. This adaptive and innovative personality is shown by a variety of behaviors, such as sociable, likes to work hard, confident, dare to take risks, independent, able to control yourself, and willing to innovate or try new things. The results of PLS analysis based on the original sample value found that creativity has a positive and significant effect on business performance. Creative and innovative business actors in developing their products will have high competitiveness capabilities and ultimately have an impact on customer growth and sales.

5.5.6. The Effect of Competency on Small Business Performance

Based on the results of the Partial least square (PLS) analysis, it was found that competence has a positive and significant effect on the performance of small businesses. This finding can be explained that competencies reflected through aspects of knowledge, expertise and attitudes have a positive and significant effect on improving small business performance. The better the business competence run by business actors, the better the performance of small businesses. This is quite reasonable because the competence of small business actors, especially the attitudes and expertise possessed by business actors based on perceptions and analysis results is good and appropriate, so that it has an effect on small business performance.

The results of the analysis based on *the outer loading* value of indicators of expertise and attitude are able to reflect and measure competency variables, unless knowledge is declared invalid because it only has a contribution of 31.3% in shaping the competence of business actors. The results of PLS (partial Least Square) analysis show that the largest outer loading value is in the attitude and expertise indicators.

Based on these findings, it can be explained that the success and success of a business actor will depend on his attitude, especially his ability to manage his subordinates, behavior in providing services to customers, behavior in building to supplier partners and customers and sensitivity in capturing customer complaints. The results of the analysis based on *the original sample value* found that competence has a positive and significant effect on entrepreneurial ambition. The higher the competence of business actors, the more ambitious they will be to achieve their expectations.

5.5.7. The Effect of Entrepreneurial Ambition on Small Business Performance

Based on the results of PLS analysis, it was found that entrepreneurial ambition has a positive and significant effect on small business performance, as evidenced by statistical testing that shows a positive path coefficient value and a significant profitability value. This shows that the higher the entrepreneurial ambition of business actors, the better the performance of small businesses. Entrepreneurs are company leaders in small businesses; all employers' policies affect the eventual performance of the company (Ammeter et al., 2002). The policies made come from the behavior of an entrepreneur, one of which is known as an ambitious entrepreneurial spirit in running a business (Sidiqqoh &; Alamsyah, 2017). This ambitious entrepreneur is related to the expectations of entrepreneurs in running a business in a period to make a profit in accordance with company goals (Hockerts &; Wüstenhagen, 2010). Ambitious can be evaluated through three main things, namely the level of aspiration possessed, the level of desired entrepreneurship possessed, and the level of hope to get benefits (Sidiggoh &; Alamsyah, 2017). Because the entrepreneurial process itself is part of entrepreneurship, it begins with an initiative in developing ideas so that aspirations, desires, and hopes arise to develop in their business (Lindman, 2013).

CONCLUSION

Based on the results of the study, it can be concluded that creativity and competence communication have a positive and significant effect on entrepreneurial ambition, then creativity and competence communication have a positive and significant effect on business performance and entrepreneurial ambition have a positive and significant effect on small business performance. This finding can be interpreted that the better the communication, creativity and competence of business actors, the entrepreneurial ambition and performance of small businesses in Kendari City will increase. This study also recommends that business actors focus on improving business communication, especially on support indicators and similarities that are found to be most dominant in reflecting communication variables, business palaku must focus on creating novelty and product usefulness because this aspect is the most dominant factor and priority to develop the creativity of business actors so that it can have an effect on sales growth, Future research recommends reexamining the model to look at the role of entrepreneurial ambition, either as a mediating or moderation variable.

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