
Marketing As A Mediator Variable For Human Resources To The Performance Of Agropreneur MSMES

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Abstract

The purpose of this study is to analyze the influence of human resources on the performance marketing of micro, small and medium enterprises (MSMEs). This study was conducted on MSME Agropreneurs in Cikarang Regency, West Java. The analysis method used is Path Analysis. This study used explanatory research. The research population is all agropreneur MSME actors. This study used a Likert questionnaire given to 69 business actors. The results showed that Human Resources have a positive effect on marketing. Research also shows that marketing has a positive effect on the performance of MSMEs. Human resources and marketing together is an effective consideration for management in order to achieve small medium Enterprise performance.

Keywords: *Agropreneur, Path Analysis, Marketing, Performance, MSME*

INTRODUCTION

The role of micro, small and medium enterprises is very important to accelerate national economic growth (Kristiyanti M, 2012; Sofyan, 2017; Tambunan, 2020). Various studies have been conducted regarding the role and performance of SMEs, especially their contribution to advancing the national economy and the regional economy. Impact analysis is needed to provide feedback to improve the company's role and position (Armstrong, 2017). In the last few decades, the role of SMEs has been seen as strategic, but it is believed that their performance in competition and growth in national production in general has not been maximized. This may be caused by various limitations and obstacles that need to be addressed, especially related to access to finance, production technology, marketing and access to skills and knowledge. As we know, the ASEAN region is entering the era of free trade but entering the export market is not easy for SMEs. Therefore, adequate government support is needed to improve SME performance (Munizu, 2010., Kusumawardhani et al., 2015; Prasetyo, 2020) and competitiveness (Aldaba, 2012; Kurdi & Firmansyah, 2020b; Shrotriya & Dhir, 2018). Some of the factors causing the low performance of SMEs are the majority of SMEs still using traditional technology, low market share, inability to fulfill administrative requirements to get assistance from banks, and generally high dependence on the government (Ardiana et al., 2010). It is very important to analyze the impact of various variables on SME performance. Several studies have shown that the problems currently faced by SMEs are human resources (Ardiana et al., 2010; Maheshwari et al., 2020; Widjaja et al., 2021) and marketing (SYAIFULLAH et al., 2021; Watini et al., 2022)

Another very important factor is the quality of human resources. Guerrero et al., 2022; Hung et al., 2016; Maheshwari et al., 2020; Viitala et al., 2022; Widjaja et al., 2021; Zhang & Edgar, 2022) also show that an SME executive's HR skills limit his use of technology, product innovation, and management. SMEs also face challenges in entering large markets such as:

Difficulties in cooperating with business partners or entering modern markets and increasing international competitiveness. This study analyzes the impact of human resources on the performance of agricultural SMEs as an intermediate variable in marketing.

With the number of MSMEs growing rapidly, the MSME actor must be viable and ready to compete with other MSME actors. Small businesses need to see how their business is performing in order to be competitive and prosperous. Performance is the result of the work done by the company, qualitatively and quantitatively, in carrying out its activities according to the set goals. Performance is the collective result of a person over a period of time in completing tasks such as given or often agreed criteria, goals, or work criteria. (Wahyudiati & Isroah, 2018) His research found that performance is closely related to strategic goals and organizational customer satisfaction and is the result of work that contributes to the economy. Performance measures a company's success in achieving its goals. Talent capabilities are one of the factors that affect the performance of SMEs. This is because business entities are determined by how the parties operate their businesses (Wahyudiati & Isroah, 2018). A study (Hung et al., 2016; Maheshwari et al., 2020; Zhang & Edgar, 2022) found a need for talent quality in areas of HR expertise such as:

Knowledge, skills, sales force. (Fibriyani & Mufidah, 2018) found in their study that HR competence had a positive impact on his MSME performance. The better your people are, the better your UKM will be. However, a study (Ardiana et al., 2010) reached a different conclusion that the SMEs personnel information did not affect her SME performance. SME development continues to increase thanks to increased economic growth. This evolution certainly requires the creativity and innovation of small businesses in developing effective marketing strategies to grow their business and do good business. Small businesses struggle to develop if entrepreneurs don't know how to market their products effectively (Kurdi & Firmansyah, 2020a; Santos et al., 2022). (Purwaningsih & Kusuma, 2015) Their study found that marketing techniques have a positive impact on the performance of SMEs. The better a small business's marketing techniques are, the better it will perform.

Agropreneur in Cikarang district is one of the agricultural centers in West Java. The agropreneur association in the district consists of farmers as land owners and sellers of agricultural equipment. The Covid pandemic also had a major impact on agricultural performance, which tended to decline. In this case, farmer partner cooperatives actively provide training in improving the quality of human resources as well as providing appropriate and efficient marketing strategy training. The existence of fundamental changes in human capital and marketing media has an impact on the stability of MSMEs, especially agropreneurs in Cikarang Regency. Seeing this phenomenon that occurs, the researcher wants to research the topic "Marketing as a variable mediator for human resources to the performance of agropreneur MSMEs"

RESEARCH METHODS

This research is included in the type of survey research, namely. research that uses a population with a questionnaire as the main tool for data collection, research that uses explanatory research, namely to find out whether a variable is related to other variables or not, variable. caused by other variables whether it has an effect or not.

Participants in this study were all agricultural entrepreneurs in Cikarang Regency, West Java, totaling 69 transactions or respondents. The sample for this study was all agricultural

MSME actors in the sub-district, totaling 69 entrepreneurs, whose sampling method was a census.

The data collection technique used is a questionnaire. Survey responses are presented on a Likert scale with a choice of 5. The highest score indicates the observation strongly agrees, the lowest value indicates strongly disagree. The validity and reliability of the results of the data table tested.

Human resources management exogenous variables are reflected by 3 indicators, namely skills, cooperation and discipline. Marketing endogenous variables are reflected by 4 indicators namely Product Innovation, Price, Promotion and Place. and endogenous variables MSME performance is reflected by 4 indicators namely Sales, Profit, Labor, and market size.

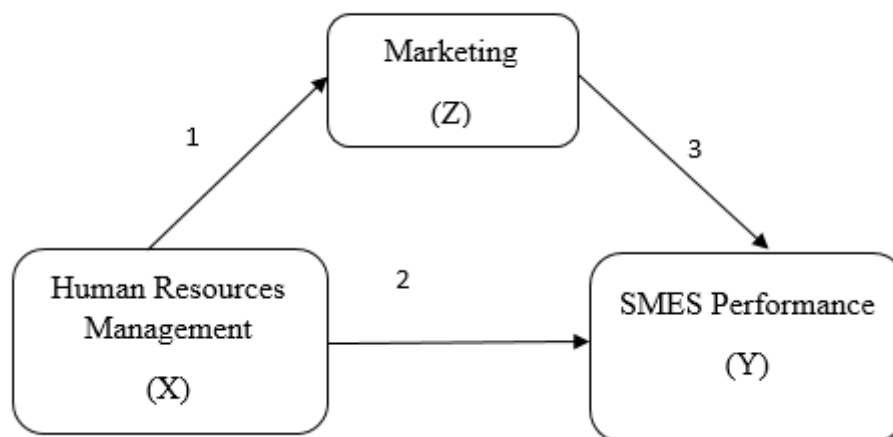


Figure 1. Conceptual Frameworks

Reference research concept framework:

- HRM to Performance (Guerrero et al., 2022; Hung et al., 2016; Viitala et al., 2022; Wahyudiati & Isroah, 2018; Zhang & Edgar, 2022)
- HRM to Marketing : (AlHamad et al., 2022; Alshurideh et al., 2022; Muzacky & Muryanto, 2022; Nabawi & Basuki, 2022)
- Marketing to Performance (Fibriyani et al., 2022; Kurdi & Firmansyah, 2020a; Santos et al., 2022)

From the research framework above, the following hypotheses can be drawn;

- H1: Human Resources Management Influences Marketing
- H2: Human Resources Management influences SMES Performance
- H3: Marketing has an effect on SMES Performance
- H4: The total influence of HRM and Marketing is more optimal in shaping the performance of MSMEs than the direct influence of HRM.

RESULT AND DISCUSSION

The characteristics of the respondents who took part in the study were age, gender and education. The majority of respondents were over 45 years old, 83% male, and 89% SMA/equivalent. The characteristics of the business managed by the respondent are the length

of business and turnover per month. Most of the companies managed by the respondent have been operating for 15 to 20 years as much as 86.45%. This shows that many SMEs have experience and are able to compete in the market. Most of the respondents have a monthly turnover of 150-300 million, which is 87.87%. This shows that the entrepreneur has sufficient capital stability.

Table 1
Descriptive Research Indicator

Human Resources Management	Mean	Marketing	Mean	Performance	Mean
Skills	3,94	Product	3,98	Sales	4,53
Cooperation	3,78	Price	3,78	Profit	4,24
Discipline	3.89	Promotion	3,85	Labor	3,92
		Place	3,67	Market Size	4,23

The results of Table 1 show that each research indicator can reflect measurable variables, this can be seen from the Human resources management variable consisting of skills, cooperation and discipline. Skills indicators contribute the most to the Human resources management variable while cooperation makes the least contribution. Marketing variables can be reflected with the indicators of Product Innovation, Price, Promotion and Place. The product indicator makes the greatest contribution to marketing variables, while the place indicator makes the lowest contribution. MSME Performance Variables can be reflected by the indicators Sales, Profit, Labor and Market size. The sales indicator contributes the most to the UMKM Performance variable, while Labor makes the lowest contribution.

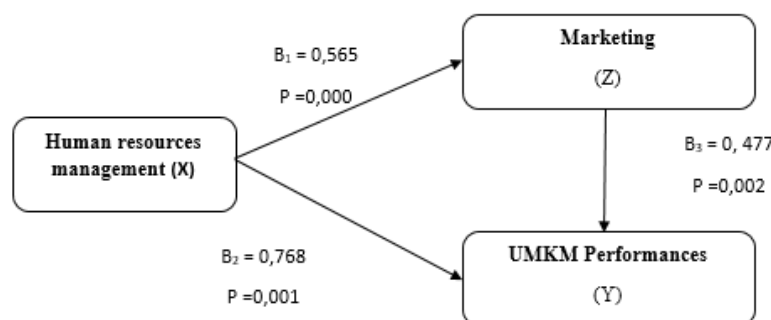


Figure 2
Results of Human Resources Management Path Analysis on MSMEs Performance Through Marketing

Table 2
Direct, Indirect and Total Influence of Human resources management on Performance through Marketing

Variabel	Direct Influence	Indirect Influence	Total Influence	Hypothesis
Human resources management à Performance	0,768		0,768	Hypothesis 1 Accepted
Human resources management à Marketing	0,565		0,565	Hypothesis 2 Accepted
Marketing à Performance		0,477	0,477	Hypothesis 3 Accepted

Human resources		0,768 x	
management à Marketing à	0,565	0,477 =	0,931
Performance		0,366	

Table 2 shows that the overall influence of labor variables on MSME activities (0.931) is greater than the direct effect (0.7680). These results indicate that marketing is an intermediate variable in the influence of human resources on MSME performance, because the total value is greater than the direct influence. Thus, the fourth hypothesis is accepted or tested statistically.

1. The Effect of Human resources management on Performance

The results of hypothesis testing show that HR (X) has a significant effect on the performance of MSMEs (Y). It is shown in Table 2 with a value of 0.768 and a significance of 0.001, so the first hypothesis is accepted. The results of the first hypothesis show that human resources have a direct effect on the performance of SMEs. So far, the HR skills of MSME agribusiness entrepreneurs have been optimal in using social media, allowing the HR department to implement online marketing by improving HR skills, increasing understanding, improving marketing skills and expanding business networks. According to Febriani and Tjokropandojo (2013), attending training regularly can improve HR skills in terms of knowledge, technology management and market understanding, thus enabling better business results. Muogbo (2013) stated that good human resource management has a major impact on improving the performance, commitment and competitiveness of SMEs. This is also supported by research conducted by (Hermawan and Damai (2012), Guerrero et al., 2022; Hung et al., 2016; Viitala et al., 2022; Wahyudiati & Isroah, 2018; Zhang & Edgar, 2022) which shows that financial aspects and HR aspects have a significant effect on the performance of MSMEs.

2. The Influence of Human resources management on Marketing

The results of hypothesis testing show that HR (X) has a positive and significant effect on marketing (Z). This can be seen in Table 2 with a value of 0.565 with a significance of 0.000 so that the second hypothesis is accepted. The results of discussions with a number of MSME owners showed that the quality of human resources is considered very important, especially in supporting the improvement of marketing performance. Various efforts have been made, one of which is conducting training, especially related to using marketing tools optimally. According to Ardiana et al. (2010), increasing HR competence which includes knowledge, abilities and skills has a significant effect on the marketing ability of MSMEs themselves and this is something that is needed by MSMEs to survive today. The majority of MSMEs are now able to use offline promotional means such as the introduction of word-of-mouth products, catalogs, brochures, pamphlets as well as online exhibitions and promotions through social media and the internet. With MSMEs able to keep up with the times by actively promoting online such as websites, blogs, e-commerce and social media (such as: Facebook, twitter, tiktok, Instagram) it will be easier to introduce products widely so that MSMEs are able to compete in the domestic and international markets. Online promotional tools also make it easier for potential buyers to obtain information and place orders. This is also supported by research conducted by Muzacky & Muryanto (2022) which shows that Human resources management aspects have a significant effect on the performance of MSMEs.

3. The Effect of Marketing on Performance

The results of hypothesis testing show that marketing (Z) has a positive and significant effect on the performance of MSMEs (Y). This can be seen in Table 2 with a value of 0.477 with a significance of 0.002 so that the third hypothesis is accepted. MSMEs continue to carry

out marketing strategies such as alternation of marketing media, display online and offline stores, provide discounts and improve product quality by innovating products. This is intended to produce products to stay afloat in the market and be acceptable and in accordance with consumer desires so as to increase marketability and competitiveness. In addition, MSMEs need to develop online promotional tools to introduce their products widely. According to Kiran et al. (2012), MSMEs can apply several innovative marketing methods, such as the internet and digital advertising as efficient promotional tools to introduce products, industrial cluster approaches to form business networks so that they can reach potential markets, and focus on innovation to build MSME reputation. The results of discussions with respondents showed that MSME managers expect a greater role from the government in facilitating marketing activities. Currently, the efforts that have been made by the government include product exhibitions and providing a special website for MSMEs. However, only a few MSMEs can be involved in product exhibitions, or registered on promotional websites. Therefore, more intensive government facilitation is needed. Situmorang (2008) stated that effective marketing can be done with promotional activities and the formation of business networks that can facilitate the dissemination of information about government programs. This is also supported by research conducted by (Fibriyani et al., 2022; Kurdi & Firmansyah, 2020a; Santos et al., 2022) which shows that marketing aspects have a significant effect on the performance of MSMEs.

4. The Effect of Human resources management on Performance through Marketing

Marketing is able to mediate the influence of Human resources on Performance, which means that the fourth hypothesis is acceptable. This shows that quality agropreneur MSME human resources and optimal marketing combinations can improve the performance of agropreneur MSMEs in achieving sales targets. Good promotional ability increases income for MSMEs, supported by qualified marketing personnel, this is not impossible. MSMEs can survive if they are able to optimize their human capital. Competent human resources will be a strong foundation with the selling skills possessed by the marketing. From this research, the results were obtained that the performance of MSMEs is more optimally formed through a combination of competent human resources and optimal marketing.

CONCLUSION

Conclusions that can be drawn from this study include: 1) Human resources management has a positive and significant effect on marketing, 2) Human resources management has a positive and significant effect on MSME Agropreneur performance; 3) marketing has a positive and significant effect on the performance of MSMEs Agropreneur. Marketing variables; 4) Acts as an intermediate variable of Human resources management to MSME Agropreneur performance. This research confirms that it is necessary to play an optimal role of the Government and other stakeholders in facilitating the development of agro-industrial MSME marketing.

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