

SME'S GREEN ENTREPRENEURIAL INTELLECTUAL CAPITAL

Agustine Dwianika
Juniati Gunawan

ABSTRACT

Small and medium enterprises (SMEs) face this competitive condition, which requires proper management of intellectual capital to support strategic competition, so that they can compete with other companies. Currently environmental awareness has become a global issue. So that SMEs should also follow suit by placing appropriate intellectual capital that has good environmental awareness. So that SME's can not only survive national competition but can sustain global markets. This study aims to investigate the moderating effect of SME's green entrepreneurial intellectual capital on performance. Especially for 100 SME's in Tangerang in several clusters. This research is an action research, the data used are primary and secondary data obtained through surveys and interviews with owners, completely by focus groups to explore information on financial data needs systems. The results show that it is proven that green entrepreneurial intellectual capital can increase the influence of business strategies on the performance of SME's. The results of this study can be used as a reference for MSME players in determining business strategy models that adopt green entrepreneurial intellectual capital to maintain the sustainability of the business.

Keywords: Financial Performance, GCG, Culture, Business Strategy, Green Entrepreneurial Intellectual Capital, and SMEs.

INTRODUCTION

"The issue of flooding, deforestation, and disasters create lots of people are now aware of the need for a good environment. It holds the potential in entrepreneurship, that is selling a product that can reduce the damage," said Founder Ciputra Group, Ciputra. Currently, only 0.18 percent of Indonesian population who become entrepreneurs. This is quite far from ideal minimum figure for a developed and independent country, the new two percent or approximately 400 thousand people only (Okezone.com, July 2019). GEIC can defined as a combination of Green entrepreneurial and Green Intellectual as a Capital. Nevertheless, assets non-tangible related to the environment known as the Green Intellectual Capital (GIC), ordinarily defined as the sum of a knowledge, a capacity, all intangible assets, and a relationship, also other areas of environmental protection and innovation at the individual level and the organizational level within companies (Chen, 2008). Intellectual Capital can help to drive the Firm's and moving the employees in achieving goals (Rothenberg, 2003; Boiral, 2002). Entrepreneurs who have economic concerns, organizational concern and public concern related to sustainability as well as his business has intangible asset of Green Innovation Capital, Green Human Capital, Green Organizational Capital, as well as Green Social Capital into a coherent whole is a manifestation of the Green Entrepreneurial Intellectual Capital.

On the other hand, good corporate governance is an important factor considered by many to determine how the performance of a Firm's in value, as well as in the Micro-Small-Medium Enterprises sectors. Adapted from www.economy.okezone.com accessed on July 29, 2019, said that micro, small and medium enterprises (SMEs) is believed to help the government realize Nawacita program, if only the government could ensure the protection of the perpetrators. The contribution of SMEs to help countries pursue economic growth targets already in place for decades, through employment in various business sectors. In addition, SMEs are the sectors that have been proven toughness in the face of various crises. Commissioner Business Competition Supervisory Commission (KPPU) Harry Agustanto assess the government should provide reinforcement and legal protection for SMEs. According to Harry, The government's seriousness realized by enforcing competition law, such as on Monopolistic Practices Prohibition and Competition of Unfair Business Competition aims of Prohibition No 5 (by ACT) to create a healthy business climate and the responsibility of businesses to provide services to the community. Strengthening partnerships with SMEs Large Companies also be one way to strengthen his position. Act No. 20 of 2008 and Government Regulation No. 17 of 2013, in which regulates the supervision of a partnership between the business communities of SMEs with Large Companies by the Business Competition Supervisory Commission (KPPU) (www.economy.okezone.com, July 2019). The contribution of SMEs in the overall growth of the national economy proved to be important even with GDP 62.57%, 96.50% labor intensive and non-oil exports amounted to 16.45% in 2016.

In order for SMEs to become competitive and able to cooperate with Large Companies, then it must implement the principles of good corporate governance is well and making it as a corporate culture so as to create a conducive environment and a strong organization in the economy. Covering corporate culture of transparency, the Firm's internal controls, the ability of the Firm's to risk-taking to achieve certain goals, orientation to the market and the standardization of procedures, regulations, control mechanisms as well as the high Accountability (Cameron and Quinn, 2005). Cultural organizations can influence employee behaviour as a role and probably reflected in terms of innovation and creativity opportunity, a chance to argue, and a good relationship. Also, it seems that organizational culture possible to provide job satisfaction and increase the optimal performance as an effort to achieve Firm's goals. Rate performance by Zaroni (2015) periodically allows leaders know the Firm's organization Firm's current position compared to the target or targets, for example, or in comparison with competitors and the industry average. By knowing its targeting and positioning of the Firm's, then the leader of the organization the Firm's can make improvement to achieve the desired level. So that researchers associate the phenomena with the influence of Green entrepreneurial Intellectual Capital (GEIC), the implementation of GCG, Corporate Culture and Firms Performance as a strategy and can be rising of GEIC.

LITERATUR REVIEW

Grand Theory which is used as reference in this study is the theory of social cognitive who proposed by Albert Bandura, he states that cognitive and social factors can play an important role in learning, and it will be associated with the Social Learning Theory. A good Green Entrepreneurs will have the willpower to continue to study the social factors in order to obtain a qualified entrepreneurial skills and competitiveness, in kind and businesses of any size. Agency Theory is a theory that is associated with the implementation of the corporate governance system, which is expected managers can provide information that is efficient, effective and reflect compliance with the corporate governance rules are also closely related in this study, where the implementation of GCG considered as part of the control of the owner to the manager as an appropriate form of control. Another theory that is used as a reference by researchers is the Stakeholder Theory expressed by Friedman (1962), in this study the performance of SMEs continues to grow and increase the trust will be able to raise lenders such as banks and government, so that the ease of banking facilities or the law can be more supportive. Performance theory proposed by Bernardin and Russell (1998, 379) is a record of the outcome of a particular job done at a certain time. From the overall theory used in this study, can lead to a logical construction of the theory is that the GCG implementation is also a form of stakeholder when they want to know and monitor the Firm's development and make sure the Firm's runs in accordance with the regulations and optimal in operation in order to continue to put the interests stakeholders, especially the owner which is credited with the performance of the Firm's as a reference on achievement overall management performance in any given period (control owner on management). The performance assessment is the subject of an assessment of the merits of a Firm's as a whole.

Green entrepreneurial Intellectual Capital (GEIC)

Intellectual Capital different assets amount between firms market value and the book value. According to 1998), the IC draws on the knowledge and ability of the social collective, such as how a Firm's organization, the intellectual community or professional practitioners. IC is able to describe how the value of the resources and ability to take action in accordance with adequate knowledge. GIC is the overall intangible assets, knowledge, capacity, relations and other matters of environmental protection and innovation at the individual level and an organizational level within the organization (Chen, 2008). Green intellectual capital has a key role for the Firm's has always focused on sustainability through knowledge transfer mechanisms of regulation, technologies, best practices and initiatives in achieving the sustainability goals of the Firm's. Meanwhile, according Pachaly (2012), Green Entrepreneurship can be measured by three instruments, they are Economic Concern, Organizational and Public Concern Concern. Therefore, we propose the relationship between GE and GIC as Green Entrepreneurial Intellectual Capital in seven key points, they are Green of Human Capital (GHC), Green of Innovation Capital (GINC), Green of Organizational Capital (GOC), Green of Social Capital (GSC), Economic Concern (EC), Organizational Concern (OC) and Public Concern (PC), which refers to the modification of the model Chen (2008) and Pachaly (2012).

Firm's Performance

It is a result of the various activities from management, which the financial statements or others can be using as an approach to see the parameters assess used of Firm's performance. Rhoades et al. (2002), Damanpour (1991), Sushka and Slovin (1993) explain about the financial performance measurement, and to determine the effectiveness of Firm's operations by using the performance assessment. Kaplan and Atkinson (1998) can be done by using a method or approach as non-financial performance which using non financial units as a measurement such as management accounting information or financial information.

Futhermore, Riva and Basri (2004) stated within a certain period, the Firms can make claims against something that is considered valuable by referring to certain standards called Firm's performance. The assessment of performance activities and the final results achieved by factors that affect the Firm's performance including effectiveness and efficiency, authority, discipline and initiative.

Business Strategy

Schroeder (1989) defines the Firm's strategy in a business such as what the Firm's occur. The business strategy can be a determinant of business competition. If every business can find its own competitive base, it can easily decide which market segment and what products are considered appropriate. An attempt to formulate, implement and evaluate assuming business competition assumptions is considered a business strategy. A proactive approach and always strive to be able to influence the market and can anticipate all possibilities considered more appropriate for the Firm's than just responding to incidents that exist in an industry (David, 2011). According to Barney and Hesterly (2008), described the strategy as a theory on how companies achieve competitive advantages (Competitive Advantages).

Type of Business

Basically, this type of business can be divided into two, they are the production or services. This type of business is the production of processing of raw materials into finished goods, or semi-finished goods into finished goods, examples of industrial SMEs tempeh, tofu or even effort snacks. While the form of service business is the provision of certain services to which the material comes from the consumer and entrepreneur processed by the service, up to produce something that consumers want, such as bookkeeping consulting services, services sewing clothes or beauty salon services. The definition of SMEs in Indonesia has been ratified in the UKM law with a specific limit on the amount of income a year with provisions for medium, small and even micro businesses.

This is stated in the Law of the Republic of Indonesia Number 20 of 2008 concerning Micro, Small and Medium Enterprises having several regulatory points that are closely related to the implementation of Sustainable Finance in Indonesia. Some points of the rule consist of the following articles are Chapter II Principles and Objectives Article 2 regulates that Medium, Small and also Micro Enterprises are environmentally sound, which is carried out while paying attention to and prioritizing environmental protection and maintenance. Chapter VI Article 20 stipulates that the Government and Regional Government facilitate business development by providing incentives for Micro, Small and Medium Enterprises to develop technology and preserve the environment. And Chapter VII Financing and Guarantee Article 22 explains that in order to increase the source of financing for Micro and Small Businesses, the Government makes efforts: Development of funding sources from bank loans and non-bank financial institutions; Development of venture capital institutions; Institutionalization of factoring transactions.

Green's relationship entrepreneurial Intellectual Capital (GEIC) with the Firm's Performance

Their GEIC in SMEs is a driving factor positive in that both the owner and the employee has the intellectual ability of entrepreneurs who are aware of the environment. Awareness in Indonesia and the world is increasing today, where the products produced by companies that have environmental concerns get its own place and have a loyal customer increase. Facts obtained by Katadata (2019) that the creative product demand more environmentally friendly in a foreign country, it is becoming a chance for SMEs to continue to develop creative products that are environmentally friendly for export. Domestic raw materials and cheap labor can help entrepreneurs reduce production costs so that the selling price is more competitive in the global business competition.

Strategic relationships with the Firm's Performance

Lee and Yang (2011) revealed that the success of a Firm's performance might increase if the Firm's can adjust between performance measurement and its business strategy. In Indonesia, many companies already understand the importance of the role and the right business strategy in supporting the Firm's performance. Specific business strategies that Indonesian financial institutions need to continue to work on are not only differential strategies but also low-cost strategies and adjusting the Firm's management control system to pursue competitive advantage, improve performance and continue to support business strategies (Yuliansyah et al, 2017; Hyvönen, 2007). It seems that the better and appropriate strategies used by SMEs in the business opportunities.

Business Type Relationship with Firm Performance

This type of business may affect the performance of a business or organization, especially if the size of the rate at Break Event Point of a business, as they relate to the initial working capital required. This type of business requires the production of raw material costs and other capital costs are greater than other types of business services, especially in the SME sector has the ability to relatively small capital than larger companies. Therefore, researchers used a type of business as control variables in this study, because the larger the Firm's working capital, the greater also the number of its production, and the gains are dependent on the magnitude of the production of such goods.

Research Accomplished

Research Wibowo et al (2017) prove that Sales effect on the Firm's performance, which can be measured by the margin of net income (NPM). This means that the strategy of differentiation, as measured by the variable SG & A / Sales mempengaruhi net profit margin for companies that implement differentiation strategy pay more to make the product unique from competitors the other, this can be used to make product sales go up faster and after that, Firms can earn profit achievement. Aryati (2014) conducted a study related Effect on Corporate Governance Corporate Performance Reporting to the CEO Tenure moderating variables and concluded that the Firm's performance does not improve CG index. The CEO Owners have significant negative effects and CG to the index at the level of 10%. However, the CEO tenure proved unable to moderate relations of corporate fruitfulness and index of Corporate Governance. Merliana & Kurniawan (2016) conducted a study on SMEs Tawhid Know about Low Cost and Differentiation strategy towards success and stated that the performance of competitive advantage Strategy (low cost and differentiation) effect on business success against PT Tahu Tauhid in the town of Lembang either simultaneously (collectively same). Meanwhile, when seen partially, competitive advantage strategy (just differentiation) significantly. Kurniawan (2016) conducted a study on SMEs Know Tawhid regarding strategy Low Cost and Differentiation of the success of the performance and stated that the strategy of competitive advantage (lower cost and differentiation) effect on business success against PT Tahu Tauhid in the town of Lembang either simultaneously (together), Meanwhile, when seen partially, competitive advantage strategy (just differentiation) significantly. Kurniawan (2016) conducted a study on SMEs Know Tawhid regarding strategy Low Cost and Differentiation of the success of the performance and stated that the strategy of competitive advantage (lower cost and differentiation) effect on business success against PT Tahu Tauhid in the town of Lembang either simultaneously (together), Meanwhile, when seen partially, competitive advantage strategy (just differentiation) significantly.

Wignyo & Karina (2017) analyzed the Business Development Strategies Through Competitive Positioning Method Analysis on PT Surya Utama Polypas are included in this type of medium-sized businesses. Its known that the Firm's strategic direction is to maintain a dominant position in the market, the business development strategy to rely more on plastic quality, production technology and products to position the Firm's as a premium quality product. Coal et al (2015) examined the link between Business Type, Age Enterprises and Performance found that the combination used is a good integration is capable of modifying the hybrid model in determining the scorecard. Anderson et al (1989) studied the operating strategy and conclude that literature and research that appear to support each of these places to different levels. Stock performance is influenced by profitability and GCG has a significant impact on ROA, ROE, NIM and PER in Banking companies listed on the Indonesia Stock Exchange. However, stock

returns are not affected by GCG, information access displays for GCG implementation and capital market authorities need to be extended according to disclosure information in GCG even though by force (Wilopo & Chondro, 2011).

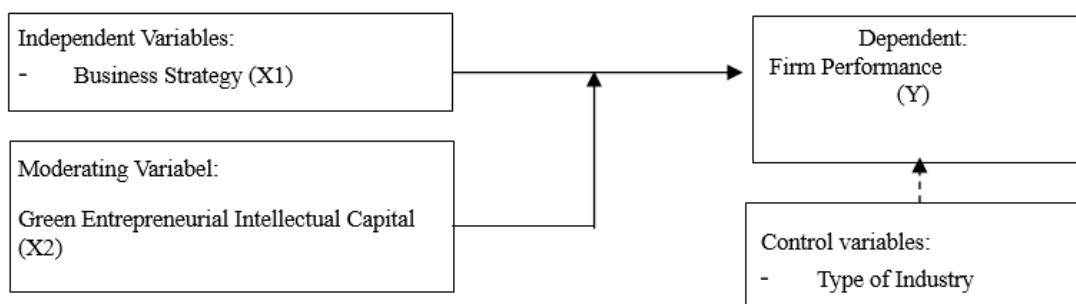
Research related to the role of environmental awareness, green intellectual management and competitive advantage in the performance of the manufacturing sector in Pakistan has been examined by BASHIR et al (2016), which proves that environmentally friendly activities are important for corporate finance. Then, Yuliansyah (2017) studied the effect of business strategy in terms of improving Firm's performance and stated that business strategies could mediate fully on the relationship of the Guidelines for Preparing the Master Plan for the Development of RISPM Water Supply Systems and organizational performance. Muchtar and Qamariah (2017) examined Entrepreneurial Intellectual Capital in SMEs in Medan, Indonesia, found that aspects of Capital in Humans, Capital on Social, Capital on Customers and Capital on Technology had a significant positive effect on the performance of Medan SMEs. Hamdouch & Depret (2012) investigated the Network and Cluster of Green Entrepreneurship when there were global demands with local companies to conclude that the world was paying excessive attention to Greentech, which is currently linked to Green Services, better quality search facilities and solutions are also new opportunities for Green Entrepreneurs. Furthermore, Chaudhry et al (2016) are interested in the Role of Environmental Awareness and conduct scientific research that links this.

Itje Nazaruddin (2010) examines how Nonfinancial Performance Measures be A Way Increase the "Value" The Firm's, which shows that non-financial performance requirement could encourage "value" in the direction of superior long-term financial and competitive performance. And Mandy and Linda (2016) in the Study of investor response to the launch of new products using the approach of competitive strategy. This study proves that the Firm's announced in a strategic substitution group obtained a higher profit than the Firm's announced in a strategic complement to the group. There is no significant difference between companies that announced and the competitors, both in strategic and in strategic complementary substitute,

Conceptual framework

Implementation of Good Corporate Governance is also one-way stakeholders want to know and monitor the development of the Firm's and make sure the Firm's runs in accordance with the regulations and optimal in operation in order to continue to put the interests of the stakeholders, especially the owner. GCG is expected to become a corporate culture that supports the creation of a more optimal performance, which is supported by the GEIC owned by SME entrepreneurs and employees to optimize the corporate culture and the right strategy. With the awareness of the owners and employees of SMEs will be environmentally sustainable it will push to produce a product of the creative industries that are environmentally friendly are now indeed become the world's attention and demand is increasing both on a local and global competition is to export goods produced SME's to order customer from overseas so that sales and increased confidence that ultimately the Firm's performance increased. Organizational culture is considered to affect the Firm's performance, because with a good work culture then employee motivation to continue to develop greater self which in turn can create more innovative creative products. The right business strategy is required on each type of business.

Figure 1. Research Model



Research hypothesis

Based on the formulation of the problem, objectives and conceptual framework of the issues discussed above, the researchers propose the following research hypothesis:

- H1 : Business Strategy *Balance Score Card Analysis* affect the performance of SMEs in Tangerang.
- H2 : *Business Strategy* affect the performance of SMEs in Tangerang with Green Entrepreneurial Intellectual Capital as the moderating variable and the type of business as a control variable.

METHODS

The purpose of this study was to determine the effect of Green entrepreneurial Intellectual Capital on the relationship between the Business Strategy at the Firm's Performance in the SME sector, by distributing questionnaires to the population of SMEs in the area of Tangerang. Samples taken are the owners and employees of SMEs in Modern Market and Pasar Modern BSD Bintaro, because the sample is considered to be the SMEs who own communities and terorganisis so it has a great chance to be examined using the proposed variables. The method used is quantitative using Business Strategy (X1) on Firm's Performance (Y). And Green entrepreneurial Intellectual Capital (X2) as moderating and business types as control variables. Variables selected by the researchers are expected to represent the data and conditions are supposed to influence the dependent-related phenomenon that was delivered earlier.

Data quality test was conducted on the test reliability and validity test using correlation techniques and chronbach alpha. The tool for measuring questionnaires is an indicator of variables or constructs called reliability tests, and questionnaires that can be relied upon are if the answers to questions are consistent or stable over time (Ghozali, 2011). Reliable constructs have Cronbach Alpha > 0.60, while validation tests are used to measure the validity of a questionnaire. It would be valid if it was able to express the purpose of the research indicators measured by the questionnaire. To test the validity of each indicator, a significance test is performed that compares r count and r table for degrees of freedom (df) = n-2 (Nunally, 1967 Ghozali, 2005). With variable measurement is done with an ordinal scale of 1-4 to give an assessment disagree to strongly agree with the Independent: Business Strategy is measured by looking at the suitability of the Firm's in the implementation of the Balance Score Card Analysis business (Kaplan and Norton, 1992).

Moderating variables Green entrepreneurial Intellectual Capital is measured by looking at whether the character wirausawan the SME sector have an awareness of the environment and is supported by an intangible asset Green Intellectual Capital in the operations (Chaudhry et al (2016) and Hamdouch & Depret (2012), the control variables used the Firm's is the type that can be divided into micro, small, and medium and large according of Law of the Republic of Indonesia No. 20 of 2008.

RESULT AND DISCUSSION

Researchers summarized the results of descriptive analysis of the respondent's identity can be seen as follows which shows that the majority of respondents were female, with an age range of 31-40 years old, have a lifespan of up to 5 years usaha with bachelor education background.

Table 2. Identity Gender and Age of Respondents

Criteria	Gender		Age (years)			
	Man	Woman	<= 20	21-30	31-40	41-50
%	47	53	11	22	46	21

Table 3. Identity Age of Business and Education Level

Criteria	Business Age (Years)			Level of education			
	<1	1 to 5	> 5	High School	D3	S1	S2
%	3	40	57	17	15	63	5

Source: Data are processed (2019), N = 100

Descriptive statistical test results showed that the respondents to the variable variable GEIC is the minimum value of 61 and a maximum value of 74 which is not far from the average value of 67.91. It can be concluded that the mean value approaching the maximum value, and a standard deviation of 2.95452 is smaller than the mean of 67.91 showing good research results. Further to the variable GCG, answer a minimum of respondents is 25 and the maximum is 36 with a mean value of 30.69 which indicates that the overall culture of the Firm's is good, because the mean value is not far from the maximum value with a standard deviation of 2.26388 smaller than the mean value so that it can be concluded this research is good, as shown in table 4 below:

Table 4. Test Results Statistics Descriptive Each Variables

	N	Minimum	maximum	mean	Std. deviation
GEIC	100	61.00	74.00	67.9100	2.95452
BS	100	32.00	41.00	38.1700	1.62092
TYPE	100	1:00	3:00	2.5300	.52136
CP	100	23:00	33.00	28.1800	1.95081
Valid N (listwise)	100				

Sources: Primary Data are processed (2019)

Table 5 Test Results Descriptive statistics for BS Indicators

	N	Minimum	maximum	mean	Std. deviation
BS1	100	2:00	4:00	3.2500	.53889
BS2	100	2:00	4:00	3.0800	.56282
BS3	100	2:00	4:00	3.2100	.57375
BS4	100	2:00	4:00	3.2500	.53889
BS5	100	2:00	4:00	3.0800	.56282
BS6	100	2:00	4:00	3.1900	.56309
BS7	100	2:00	4:00	3.2600	.54346
BS8	100	2:00	4:00	3.1200	.55560
BS9	100	2:00	4:00	3.1800	.59255
BS10	100	2:00	4:00	3.1800	.62571
BS11	100	2:00	4:00	3.2700	.58353
BS12	100	2:00	4:00	3.1000	.59459
Valid N (listwise)	100				

Sources: Primary data are processed (2019)

The result of indicators TYPE is not dissimilar to test for statistically per variable, in this case because questions together and only one question, the median value approaches the maximum is 3, meaning that on average the samples are SMEs kind of medium-sized enterprises as shown in Table 7 below:

Table 6. Test Results Statistics Descriptive of Each TYPE's Indicators

	N	Minimum	maximum	mean	Std. deviation
TYPE	100	1:00	3:00	2.5300	.52136
Valid N (listwise)	100				

Sources: Primary data are processed (2019)

Table 7. Test Results Descriptive statistics for indicators CP

Statistics Descriptive					
	N	Minimum	maximum	mean	Std. deviation
CP1	100	2:00	4:00	3.2300	.61718
CP2	100	2:00	4:00	3.0400	.60168
CP3	100	2:00	4:00	3.1100	.64971
CP4	100	2:00	4:00	3.2700	.50960
CP5	100	2:00	4:00	3.1600	.44313
CP6	100	2:00	4:00	3.1500	.65713
CP7	100	2:00	4:00	2.9800	.58569
CP8	100	2:00	4:00	3.2100	.59110
CP9	100	2:00	4:00	3.0300	.48106
Valid N (listwise)	100				

Sources: Primary data are processed (2019)

From the analysis of each variable in the study "Effects of Green Entrepreneurial Intellectual Capital on Relations Firm's Culture and Business Strategy at Firm's Performance" shows that overall each question included in the category of good and kind, so it is considered appropriate to be used in this study and may represent each variable used in the study well. The validity of the test results for each variable also showed a similar case, the value of r count of each statement is greater than the value of r table. Likewise, reliability test results that overall research variables declared reliable and can be used for further analysis because the value of Cronbach Alpha > 0.6, as shown in the following table:

Table 8. Reliability Test Results

Reliability Statistics		
variables	Cronbach's Alpha	Note
GEIC	0.61	Reliable
BS	0.73	Reliable
TYPE	0.69	Reliable
CP	0.64	Reliable

Source: Primary Data processing (2019)

Normality test results using statistical methods to support the results obtained from the graph method. Statistics Selected test is the test of Kolmogorov-Smirnov (KS). The criteria used is to look at the value of significance, where the data is said to be normally distributed if $\text{symp.sig (2-tailed)} > 0.05$ (Ghozali, 2017). Data normality test results (Table 12), showed indigo Asymp. Sig (2-tailed) of 0.200. This value is greater than the 0:05 ($0.200 > 0.05$), proving that the distribution of data on variables GEIC, GCG, CC, BS and CP is normally distributed, so it can be considered eligible for use in a study. And the figures adjusted R-square of 52.9% in the Firm's Corporate Performance samples can be explained by using variable GEIC and Business Strategy (BS).

Table 9. Data Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	1.72819942
Most Extreme Differences	Absolute	.062
	Positive	.060
	Negative	-.062
Test Statistic		.062
Asymp. Sig. (2-tailed)		.200 ^{c,d}

Source: Data processed by IBM SPSS 25 (2019)

F value of 34.019. This value is greater than the value of F table at 2:31 (34.019 > 2.31), so it can be stated that H0 rejected and H1 accepted. If using the significant value contained in the table, it looks the significance value is 0.025, where the value is less than 0.05, so it can be stated that H0 rejected and H1 accepted. These test results show that the level of significance above shows H0 rejected and H1 accepted, which means that the variable GEIC, BS and TYPE simultaneously affect the Firm's performance as shown in the following table:

Tabel 10. F Test's Result

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32.633	3	10.878	34.019	.025 ^b
	Residual	146.347	46	3.181		
	Total	178.980	49			

a. Dependent Variable: CP

b. Predictors: (Constant), GEIC, BS, TYPE

For the table above shown that both BS and GEIC has significant effect on the performance of SMEs in Tangerang with regression equation as follows:

$$Y = 3723 + 0.116X_1 + 0.070X_2 + e$$

Where:

Y: Performance of SMEs a: Constant b: Regression Coefficients

X1: Business Strategy

X2: Green Entrepreneurial Intellectual Capital

E: Error

Tabel 11. t Test Result for all samples

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.723	2.051		2.728	.000
	BS	0.427	0.157	0.372	2.728	.009
	GEIC	0.308	0.111	0.673	2.102	.049
	TYPE	1.820	0.229	0.278	1.987	.022

a. Dependent Variable: CP

This study also analyzes the sampel by each area, and the result shown as bellow:

Tabel 12. t Test Result for Bintaro Modern Market Samples

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.853	3.052		3.271	.000
	BS	0.527	0.157	0.397	2.723	.031
	GEIC	0.308	2.111	0.372	1.902	.169
	TYPE	0.895	1.467	0.229	2.267	.073

a. Dependent Variable: CP

From the table above shows that the significant value for BS have a significance value of 0.031, which means that H1 accepted and H0 rejected. Slightly different from the results of the t test on a sample of Modern Market BSD. Detail tables are displayed as below:

Tabel 13. t Test Result for BSD Modern Market Samples

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	5.903	6.620		2.352	.000
	BS	0.727	0.109	0.372	2.728	.046
	GEIC	0.908	1.435	0.797	2.102	.027
	TYPE	1.295	1.001	0.398	2.725	.011

a. Dependent Variable: CP

Our research found that Business Strategy significant and positive impact on all three samples influence on the test results, either throughout or separately to sample on Modern Market in Modern Market Bintaro and BSD. It has been suggested that both the owners and employees of SMEs in the sample had already realized that the right strategy is needed in small and medium industries to continue to be able to continue its business, such as knowing the needs of consumers, build branding and maintaining its business growth. Green Entrepreneurial Intellectual Capital Factors influential in relation to the performance of SMEs are significant positive (strengthen) the sample throughout but different when viewed from samples separated. In the sample in the Modern Market Bintaro has no effect, but significant positive effect (strengthening) on a sample of Modern Market BSD.

CONCLUSIONS

This study is useful in theoretical and practical implications, which could theoretically be used as a reference for researchers and academics in conducting further research related of Business Strategies and Green Entrepreneurial Intellectual Capital on the firm's performance especially for SMEs. And implications for practitioners that can be seen the importance of training marketing, leadership and environmental awareness is needed both for the owners and employees who have or be part of the SME business in order to continue to improve the Firm's performance, especially from the non-financial sector. This research also may be the first reference and the one for research related to Green Entrepreneurial Intellectual Capital that there has never been a similar study previously. The implications of this study for the regional government of Tangerang which is to be more intensively both entrepreneurial training, bookkeeping or SMEs good governance, easy and relatively no cost is too great. So expect SMEs in Tangerang city can continue to survive, grow and compete in the global business market.

Researchers see the weakness of this study is the small scope of the study sample is limited to the Modern Market Bintaro and Pasar Modern BSD course, will be more comprehensive if further research extend to the entire area of Tangerang area or nationally and internationally by comparing several countries still allied as Malaysia and Vietnam , so it can be seen the differences or similarities that can be further analyzed. So the researchers gave suggestions to be able to map the sample with a broader and more comprehensive. The other variables can be used that are considered to affect the firm's performance as much debt / MSME loans, variable use of social media / technology, or an index measuring corporate governance either by using more hot or associated with the utilization of the effective tax rate, and then see whether the effect the firm's performance of SMEs, both financial and non-financial.

REFERENCES

- Alan Malachowski, (1992), "postmodernist Business Ethics and the Managerial Auditor", *Managerial Auditing Journal*, Vol. 7 Iss 2 pp 12-17. ISSN 2252-6766.
- Aryati, point. 2014. Effects of Firm's Performance Against Corporate Governance Reporting to the CEO Tenure Moderating Variable. *Media Economics and Management* Vol. 29 No. January 1, 2014. ISSN 2357-6875.
- Atkinson, AA, RS Kaplan, EM Matsumura, SM Young. 2012. *Management Accounting*. Fifth edition. Book Two. PT index. Jakarta.
- Azar, José, "Portfolio Diversification, Market Power, and the Theory of the Firm," Available on SSRN2811221, 2016.
- Barney, JB, and Hesterly, WS (2008), *Strategic management and competitive advantage*, 2rd ed. Upper Saddle River, New Jersey: Pearson Prentice Hall.
- Barry, TA., SJ. Dacanay. L. Lepetit. and A. Tarazi. 2008. Ownership structure and efficiency of banks in the Asia Pacific region. The European Commission Project LINK ASIA-B7-3010 / 2005/105139. Safety and Soundness of the Financial System.
- Bonin, J., I. Hasan. And P. Wachtel. 2005. Bank performance, efficiency and ownership in transition countries. *Journal of Banking and Finance*. 29 (1). 31-53.
- Cameron, KS & Quinn, RE 2011. *Diagno-sing and Changing Organizational Cul-ture: Based on the Competing Values Framework*. Revised ed. San Francisco: Jossey-Bass.
- Chaganti, Rajeswararao.1991. Institutional ownership, capital structure, and firm performance. *Strategic Management Journal*. Available on SSRN 2721325, 2017.
- Chen, Y.-S. 2008b. The Positive Effect of Green Intellectual Capital on Competitive Advantage of Firms. *Journal of Business Ethics*. 77 (3). P.pp.271-286. Available on SSRN3788237, 2019.

- Claessens S, Djankov S and Lang L, the separation of ownership and control in East Asian Corporations, *Journal of Financial Economics* 2000, vol. 58, issue 1-2, 81-112. ISSN: 1573-0697.
- Claessens, S., S.Djankov. and LHP Lang. 2002. Expropriation of Minority Shareholders in East Asian *Journal of Finance* 57. ISSN: 1540-6261.
- Corporate Valuation. *The Journal of Finance* LVII (3) .1147-1170. ISSN: 00,221,082.
- Eliyani Linda R. Utami, Mandy. 2016. A Study of Investor Response to New Product Launch: a Competitive Strategy Approach. *Malaysian Accounting Review*, Volume 15 no. 2.
- Elkelish, WW and Hassan, MK. (2014) "Organizational culture and corporate risk disclosure: An empirical investigation for the United Arab Emirates listed companies", *International Journal of Commerce and Management*, Vol. 24, Issue 4, pp.279-299, <https://doi.org/10.1108/IJCoMA-06-2012-0035>,
- Fahmi, Irham. 2012. *Analysis of Financial Statements*. Molds 2nd. Bandung: Alfabeta.
- Febriyanto, R. 2005. The effect of ownership concentration on the earnings quality: evidence from Indonesian companies. *Journal of Accounting Research Indonesia*. 8 (2). 105-120.
- Fiordelisi, Franco & Ricci, Ornella, 2014. "Corporate culture and the CEO turnover, " *Journal of Corporate Finance*, Elsevier, vol. 28 (C), pages 66-82.
- Friedman, Rose D. 1962. *Milton Friedman's Capitalism and Freedom*. Reissued with new Preface 1982 Printed in the United States of America. ISBN: 0-226-26401-7 (paper).
- Gibson DE and Barsade S. 2003. Managing Organizational Culture Change. *Journal of Social Work in the Long-Term Care*. DOI: 10.1300 / J181v02n01_02.
- Gilson, RJ and JN Gordon. 2003. Controlling Controlling Shareholders. [http:// papers, ssrn.com/abstract=41718](http://papers.ssrn.com/abstract=41718). Accessed 14 September 2011.
- Ghozali, I. 2017. *Applications Multivariate Analysis with SPSS IBM SPSS 24 Update PLS Regression*. Semarang: Diponegoro University Publishers Agency.
- Ghozali, I. 2017. *Econometric Theory Concepts and Applications with IBM SPSS24*, Semarang: Diponegoro University Publishers Agency.
- Gumanti, Tatang Ari. *Earning Management*. *Journal of Accounting and Finance* vol 2 no 2.
- Harre, R. (2012) Positioning theory: moral dimensions of social-cultural psychology. In Valsiner J. (ed.) *The Oxford Handbook of Culture and Psychology*, New York: Oxford University, pp. 191-206.
- Hitt, MA. 2011. Relevance of Strategic Management Theory and Research for Supply Chain Management. *Journal of Supply Chain Management*. Vol 47 Issue 1.
- Hopper, Grace. 2017. *The Important of Firm's Culture*. Computer Science and the BCS Academy. UK.
- Hyvönen, Johanna. (2007). Strategy, performance measurement techniques and information technology of the firm and their links to organizational performance. *Management Accounting Research* 18 (3): 343-366.
- Ilyas, Yaslih. 1999. *Hospital Human Resource Planning: Theory, Methods and Formula*. FKMUI. Depok.
- Imadudin, Zaki., Swandari, Fi fi., And Redawati -*Jurnal Management Insights*, Vol. 2, No. 1, February 2014
- Irawan, Handi. 2002. *10 Principles of Customer Satisfaction*. Jakarta. Elex Media Komputindo.
- MC Jensen and WH Meckling. 1976. The Theory Of The Firm: Managerial Behavior, Agency Costs And Ownership Structure, *Journal of Financial Economics*, 3 (4): 305-360. Ssrn id94043. Accessed January 20, 2011.
- Kasmir. (2014) .*Bank and Other Financial Institutions*. Revised Edition, Prints 14th, PT. RajaGrafindo Persada, Jakarta.
- La Porta R., FL De Silanes, and A.Shleifer. 1999. Corporate ownership around the world. *The Journal of Finance* 2.
- La Porta, R., FL De-Silanes, A.Shleifer and R. Vishny. 2002. *Investor Protection Journal*.
- Lee, CL and Yang, HJ (2011), "Organizational structure, competition and performance measurementsystemsandtheirjointeffectsonperformance", *Management Accounting Research*, Vol.22No.2, pp.84-104.
- Lukviarman. 2004. *Ownership structure and firm performance: the case of Indonesia*, Thesis. Curtin University of Technology.
- Merliana, Vina& Kurniawan, Albert. 2016. Pengaruh Low Cost and Differentiation Strategies Against The success of PT Know One. *Journal of Management*. Volume 15, Number 2, May 2016.
- Moeljono D, 2003. *The Corporate Culture and Corporate Excellence*, Elex Media Komputindo, Jakarta.
- Sabur Mollah, Farooque Omar Al Karim Wares, (2012) "Ownership structure, corporate governance and firm performance: Evidence from an African emerging markets", *Studies in Economics and Finance*, Vol. 29, Issue 4, pp.301-319.
- Nazaruddin Ietje. 2010. Nonfinancial Performance Measurement: A How to Increase the "Value" of the Firm's. *Accounting & Investment Journal* Vol. 1 Page 32-40.
- Nahapiet, J. And Ghosal, S. 1998. "Social Intellectual Capital and the Organizational Advantage", *Academy of Management Review*, Vol. 23 No. 2, pp 242-266. ISSN (online): 1930-3907.
- Razak, NHA., R.Ahmad. and HJ. Aliahmed. 2008. Ownership structure and corporate performance "A comparative analysis of governance linked and non-government linked companies from the Malaysian stock exchange.
- L Rhoades and Eisenberger R. 2002. Perceived Organizational Support: A Review of the Literature. *Journal of Applied Psychology*. 2002, Vol. 87, No. 4, 698 -714.
- Schroeder, RS. 1989. *Effective Quality Assurance*. *International Journal of Toxicology*.
- Scott, John. 2011. *Sociology The Key Concepts*. Jakarta: PT RajaGrafindo Persada.
- Sedarmayanti. (2015). *Human Resources and Productivity Kerja*. Jakarta: Mandar Maju.
- Slovin B, and SushkaM. 1993. Ownership Concentration, Corporate Control Activity, and Firm Value: Evidence from the Death of Inside blockholders. *Journal of Finance*, pp 1293-1321.
- Tanwar, Ritika. 2013. Porter's Generic Competitive Strategies. *IOSR Journal of Business and Management (IOSR-JBM)* e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 15, Issue 1 (Nov., - Dec. 2013), PP 11-17.
- Tjondro D and Wilopo R. 2011. Effect of Good Corporate Governance (GCG) To Profitability and Performance Banking Firm's Shares Listed in Indonesia Stock Exchange. *Journal of Business and Banking*. Volume 1, No. 1, May 2011, pages 1-14.

- Wibowo, R, Kiseka, I and Hendrick NP. 2017. Using a Crop Simulation Model to Understand the Impact of risk aversion on Optimal Irrigation Management. *Transactions of the ASABE* Vol. 60 (6): 2111-2122.
- Wignyo, Surya and Karina, MR Brahmins. Analysis 2017 Business Development Strategy Through Competitive Positioning Method Analysis on PT Surya Utama Polyplas. *AGORA Journal* Vol. 5, No. 1.
- Yuliansyah Yuliansyah, Bruce Gurd, Nafsiah Mohamed, (2017) "The significant of business strategy in improving organizational performance", *Humanomics*, Vol. 33 Issue: 1, pp.56-7.
- Zhu, Z. and H. Ma. 2009. Multiple principalagent relationships, corporate-control mechanisms and expropriation through related party transactions: Evidence from China. *International Research Journal of Finance And Economics* 31. 141-163.
- Zlatko Nedelko, Matjaž Mulej, Vojko Potočan, (2017) "How to requisitely holistically internal Consider gaps of business ethics", *Kybernetes*, Vol. 46 Issue: 6.
- Muchtar, YC and Qamariah I. 2017. Entrepreneurial Intellectual Capital (Human Capital, Social Capital, Customer Capital, Technology Capital) on Firm's Performance in Medan, Indonesia. *Advance in Economics, Business and Management Research (AEBMR)*, Vol 46.

Agustine Dwianika
Trisakti University, Jakarta, Indonesia
E-mail: agustine.dwianika2017@gmail.com,

Juniati Gunawan, Ph.D
Trisakti University, Jakarta, Indonesia