

ABSTRACT

Effects of Entrepreneurship and Production Competency on the Marketing Competency and Performance of Small Industry Subsector of Woodwork in East Kalimantan

Rusdiah Iskandar

The purpose of this study to examine and analyze the effects of entrepreneurship and production competency on the marketing competency and performance of small industry subsector of woodwork in East Kalimantan.

Data for entrepreneurship, production competency, marketing competency and performance variables were directly collected from 94 companies as study samples. The data were analyzed using structural equation modelling (SEM) technique and proceeded by AMOS 4.0.

Result of study reveals that: *first*, entrepreneurship significantly affects production competency (standardized coefficient=0,490, $p < 0,05$); *second*, production competency significantly affects marketing competency (standardized coefficient=0,840, $p < 0,001$); *third*, marketing competency significantly affects performance (standardized coefficient=0,09, $p < 0,05$); *fourth*, production competency significantly affects performance (standardized coefficient=0,561, $p < 0,05$); *fifth*, entrepreneurship has no significantly effect on marketing competency (standardized coefficient=0,036, n.s); and *sixth*, entrepreneurship has no significantly effect on performance (standardized coefficient=0,255, n.s).

All in all, it is important to note that entrepreneurship, production competency and marketing competency simultaneously affect performance of small industry subsector of woodwork in East Kalimantan Timur.

Keyword: entrepreneurship, production competency, marketing competency, performance.