

# The Influence of Strategic Environment, Public Trust, and Entrepreneurial Orientation on Competitive Advantage and Company Performance (Studies on Batik Companies in Tuban)

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**Abstract.** This study has the following objectives: Specifically, this researcher aims to prove and analyze whether Strategic Environment, Public Trust, and Entrepreneurial Orientation influenced on Competitive Advantage and Company Performance. The population is batik SMEs belonging to the Tuban batik center totaling 84 SMEs batik and samples using the snowball sampling method and the number of samples are 84. To retrieve data using the questionnaire method and data analysis using path analysis. The results showed the following findings: 1. The strategic environment has a significant effect on competitive advantage 2. Public trust has a significant effect on the competitive 3. Entrepreneurial orientation has a significant effect on the competitive advantage 4. Strategic environment, public trust, and entrepreneurial orientation simultaneously have a significant positive effect on competitive advantage, 5. The strategic environment has a significant effect on the performance of batik companies, 6. Public trust has a significant effect on the performance of batik companies, 7. Entrepreneurial orientation has a significant effect on the performance of batik companies, 8. Competitive advantage has no significant effect on the performance of batik companies, 9. The strategic environment, public trust, and entrepreneurial orientation and excellence simultaneously have a significant effect on the performance.

**Keywords:** strategic environment, public trust, entrepreneurial orientation, competitive advantage and company performance

## 1 Introduction

The existence of a company is very much determined by many factors, both internal and external factors. The company's existence can be seen how it performs in running its business and organization. All of them will provide an impact as well as a tough challenge for the company to develop. Especially in this day and age where the flow of information that is very easily obtained without borders (borderless) will make the market more competitive. This is one of the impacts currently facing the business world or companies in Indonesia in the context of the beginning of the Global era.

The Global Era as it is generally understood is an era in which ASEAN countries will no longer have obstacles in economic relations. The impact of this era will be free competition in all matters relating to economic commodities in the form of goods, capital or human resources. The Global Era was chosen by ASEAN countries to increase the economic

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prosperity of their people together, considering that this method is the most efficient option compared to efforts to increase prosperity carried out unilaterally. The Global Era in an effort to increase economic prosperity is carried out by strengthening competitiveness to win global competition, through the stages of integration of the domestic market as a single market and integration of production bases so that in the end it encourages increased competitiveness in penetrating global markets. Therefore, the achievement of the Global era is carried out through four strategic stages, including: achieving a single market and a unified production base, a competitive economic area, equitable economic growth and integrated with the global economy.

The increasingly fierce competition between companies requires each company to pay attention to strategic management in order to gain an edge. In strategic management, one of which is analyzing the organization's capabilities by taking into account external and internal influencing factors. Some of the external factors that the researchers mean are factors from the outside of the company that can affect the company. Some of the known external factors include the strategic environment and public trust. Meanwhile, internal influence is the influence that arises from the environment within the company itself. In this case, the internal influence that is meant by the researcher is entrepreneurial orientation and competitive advantage that the company has. Furthermore, the authors can explain the concepts as described above. The strategic environment refers to the opinion of Wheelen [1] who argues that the strategic environment is a series of managerial decisions and actions that determine the company's long-term performance. Morgan and Hunt [2] define trust as a condition in which one of the parties involved in the exchange process believes in the reliability and integrity of the other party. According to Morris and Paul in Fayolle [3], entrepreneurial orientation is the tendency of top management to take calculated, innovative risks and to be proactive. From some of the opinions of the experts above regarding entrepreneurial orientation, the authors conclude that entrepreneurial orientation is the company's ability to manage resources in order to be able to carry out strategies in entrepreneurship so as to gain a competitive advantage. Competitive advantage refers to the theory of Hill and Jones [4] which defines competitive advantage (Competitive Advantage) as the ability of an organization to formulate strategies to exploit profitable opportunities by maximizing returns on inventory. Organizational performance refers to the theory expressed by Kaplan and Norton [5], and Barbara Gunawan [6], namely the Balance Scorecard. The Balance Scorecard has several advantages in assessing organizational performance by measuring it into four perspectives, namely financial perspective, customer perspective, internal business process perspective, and a learning and growth perspective. Competitive advantage refers to the theory of Hill and Jones [7] which defines competitive advantage (Competitive Advantage) as the ability of an organization to formulate strategies to exploit profitable opportunities by maximizing returns on inventory.

Organizational performance is the answer to the success or failure of the set organizational goals. Bosses or managers often don't pay attention unless it's getting really bad or something has gone awry. Performance measurement can be done based on the aspects measured in the Balance Card (BSC), which consists of 4 (four) perspectives, namely: 1) financial perspective (Financial Perspective); 2) customer perspective (Customer Perspective); 3) internal business process perspective (Internal Business Process Perspective); 4) learning and growth perspective (Learning and Growth Perspective). (Robert. S Kaplan and David P Norton, In Sony Y, et al, [8] The advantages of the Balance Score Card include opening opportunities to optimally utilize management tools in boosting the company's ability to produce financial performance, there is an opportunity to multiply performance. corporate

finance, making the current strategic management system significantly different from the strategic management system in traditional management, the Balance Score Card strategic planning system is able to produce strategic plans that are characterized, strategic, comprehensive, coherent, balanced, and measurable [9] .

The benefits of using a Balance Score Card are as follows (1) Balance between internal measurement consisting of internal business processes and learning and growth processes and external measurement aimed at business entity owners and customers, (2) balance between outcomes measure (expenditure measurement) which is results from the past and performance drivers (performance drivers) in the future, (3) The balance between the objectivity element related to the measurement of past results and the subjectivity element related to the measurement of future performance triggers that need consideration. Small and Medium Enterprises (SMEs) have a strategic role in national economic development, the existence of SMEs has been proven to be able to move the nation's economy and reduce the number of existing unemployed. In the economic crisis that occurred in Indonesia since some time ago, many large-scale businesses went bankrupt and even stopped their activities, but SMEs proved to be more resilient in facing this crisis. Mulyanto [10] argues that the wheels of the Indonesian economy can move little by little because of the existence of SMEs.

In other side there are some result studies relevant to that theory examples are results of Ibrahim Inggas research [11] that external environment, internal environment, cost leadership strategy, differentiation strategy positively affect competitive excellence. Others result of Mahmud's research [12] which showed the finding that entrepreneurial orientation, management ability, strategy business had a significant effect on the performance of case companies in SMEs in Barito Semarang area. However, it does not rule out that our research will produce different things. Therefore, this same study was conducted to test the results of previous studies.

Finally this study aims to examine and analyze the factors that influence organizational performance and competitive advantage by the strategic environment, public trust, entrepreneurial orientation in batik companies in Tuban. The company is divided into small and medium industries, small formal industries and industries. small non formal. There are several leading commodities of small and medium industries in Tuban district, one of which is the batik industry SMEs. The batik products made by Tuban batik craftsmen are able to compete in the market, some have even arrived abroad. The batik industry in Tuban district is located in Tuban sub-district, Semanding district, Kerek sub-district, and Merakurak sub-district. In these four regions, both young and old, almost all of the villagers work as batik craftsmen. Small and Medium Enterprises (SMEs) have a strategic role in national economic development, the existence of SMEs is proven to be able to move the nation's economy and reduce the number of existing unemployed. In the economic crisis that occurred in Indonesia since some time ago, many large-scale businesses went bankrupt and even stopped their activities, but SMEs proved to be more resilient in facing this crisis. Mulyanto argues that the wheels of the Indonesian economy can move little by little because of the existence of SMEs. This is one of the reasons for the interest of researchers to reveal further through this research.

Based on the above reviews, this study takes the title *The Influence of Environmental Strategy, Public Trust, and Entrepreneurial Orientation Toward Competitive Advantage and Company Performance (Studies on Batik Companies in Tuban)*.

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## **1.1 Formulation of the problem.**

Based on the background of the problem that has been described in the previous sub-chapter, the formulation of the problems raised in the study are:

1. Does the environmental strategy have a significant effect on Competitive Advantage in the batik company in Tuban?
2. Does public trust have a significant effect on Competitive Advantage in batik companies in Tuban?
3. Does the Entrepreneurship Orientation environment have a significant effect on Competitive Advantage in batik companies in Tuban?
4. Do the strategic environment, public trust and entrepreneurial orientation simultaneously have a significant effect on competitive advantage in batik companies in Tuban?
5. Does the environmental strategy have a significant effect on company performance at the batik company in Tuban?
6. Does public trust have a significant effect on company performance in batik companies in Tuban?
7. Does the Entrepreneurial Orientation environment have a significant effect on the performance of the company at the batik company in Tuban?
8. Does Competitive Advantage have a significant effect on the company's performance at the batik company in Tuban?
9. Do the strategic environment, public trust, entrepreneurial orientation and competitive advantage simultaneously have a significant effect on the company's performance in the batik company in Tuban?

## **1.3. Research purposes**

In particular, this researcher aims to prove and analyze whether:

1. Environmental Strategy has a significant effect on Competitive Advantage in batik companies in Tuban
2. Public Trust has a significant effect on Competitive Advantage in batik companies in Tuban
3. Entrepreneurial Orientation Environment has a significant effect on Competitive Advantage in batik companies in Tuban
4. Strategic Environment, Public Trust and Entrepreneurial Orientation simultaneously have a significant effect on Competitive Advantage in batik companies in Tuban.
5. Environmental Strategy has a significant effect on company performance at the batik company in Tuban
6. Public trust has a significant effect on the company's performance at the batik company in Tuban
7. Entrepreneurial orientation has a significant effect on company performance at the batik company in Tuban
8. Competitive Advantage has a significant effect on company performance at the batik company in Tuban
9. Strategic Environment, Public Trust, Entrepreneurial Orientation and Competitive Advantage simultaneously have a significant effect on company performance in batik companies in Tuban?

## **1.4. The Hypothesis.**

The hypothesis proposed in this study refers to the problem background, problem formulation, literature review, and conceptual framework. The hypotheses proposed in this study are:

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- H1: Strategy environment has a significant effect on Competitive Advantage in batik companies in Tuban
- H2: Public Trust has a significant effect on Competitive Advantage in batik companies in Tuban
- H3: Entrepreneurship orientation has a significant effect on Competitive Advantage in batik companies in Tuban
- H4: Strategic environment, public trust and entrepreneurial orientation simultaneously have a significant effect on competitive advantage in batik companies in Tuban.
- H5: The strategic environment has a significant effect on company performance at the batik company in Tuban
- H6: Public Trust has a significant effect on company performance in batik companies in Tuban
- H7: Entrepreneurship orientation has a significant effect on company performance at a batik company in Tuban
- H8: Competitive Advantage has a significant effect on company performance in batik companies in Tuban
- H9: Strategic Environment, Public Trust, Entrepreneurship Orientation and Competitive Advantage simultaneously have a significant effect on company performance in batik companies in Tuban

## 2. Research Methods

This study used causal relationship model that shows a causal relationship, meaning that there are independent variables (variables that affect) and there are dependent variables (variables that are influenced). This research is seen from the characteristics of data collection involving a large area and a large number of people, so this research is included in the category of survey research. Survey research aims to collect information about large numbers of people by collecting data through interviews or questionnaires or a combination of both from a small number. population, [13].

Population is the totality of all objects or individuals that have certain, clear and complete characteristics to be studied [14]. The population in this study amounted to 84 batik entrepreneurs spread across 4 batik centers, namely Tuban, Semanding, Kerek, and Palang districts. The sample is part of the population to be studied and represents the characteristics of the population. Sampling technique is carried out using the snowball sampling method in the districts identified as the residence of most of the batik craftsmen. Methods of snowball sampling are used because of the lack of valid data on groups of batik craftsmen in related institutions. batik only so that the determination of the sample was carried out based on the information obtained from the Several batik entrepreneurs and group leaders of batik craftsmen A total of 84 batik craftsmen from four districts (Kerek, Semanding, Palang and Tuban) were selected as respondents.

Data collection techniques are talking about how researchers collect data. In the research there are several methods in data collection as follows: Observation method (observation). Interview method (interview). The interview method is the process of obtaining information for the purposes of research by means of face-to-face question and answer between the interviewee and the interviewee, by using the interview guide with the interview guide, Documentation Methods, Documentation methods are data collection methods used to trace

historical data. The methods referred to in this research are books, notes, magazines, newspapers, internet, newspapers, and Questionnaires, the questionnaire is a structured question that is filled out by respondents or is filled out by the interviewer who reads the questions and then records the answers given.

The data collection technique that researchers use is to use a questionnaire or questionnaire and documentation. Questionnaires are used to collect overall data from the variables of this study. Then the answer scale used in the questionnaire is to use a Likert scale [15] [16] [17]. Path analysis is carried out with a standardized or gradual multiple regression analysis [18] [19]. There are several path models ranging from the simplest to the more complex ones, including those used in this study: the Trimming Model Path Analysis. Trimming model is a model that is used to improve a path analysis structure model by removing it from the exogenous variable model whose path coefficient is tested as a whole if there is an insignificant variable. Although there are one, two, or more variables that are not significant, it is necessary to improve the path analysis structure model that has been hypothesized. Testing the model, using trimming theory, is good for testing the reliability of existing concepts or testing the development of new concepts.

The steps are carried out through a computer program application with the SPSS program. The steps are as follows: 1) testing the prevailing assumptions, among others: the relationship between linear variables, the data is normal, there are no multi-collinear problems, 2) stepwise regression analysis to test existing models, 3) looking for coefficients, and 4) testing significance.

## 3. Research Results And Discussion

### 3.1. Path Analysis

In this study, there are 2 structural equations that will be calculated and analyzed using regression analysis, correlation and calculation of the effect of path analysis contributions. The two structural equations are:

a. Structural Equations One

$$Z = \beta_{zx1}X1 + \beta_{zx2}X2 + \beta_{zx3}X3 + \beta_{z\epsilon} \epsilon 1$$

b. Structural Equations Two

$$Y = \beta_{yx1}X1 + \beta_{yx2}X2 + \beta_{yx3}X3 + \beta_{yZ}Z + \beta_{y\epsilon} \epsilon 2$$

Where :

X1 = Strategy environment

X2 = Public Trust

X3 = Entrepreneurial Orientation

Z = Foreign Advantage

Y = Company Performance

$\epsilon$  = Error

### 3.2. Regression Analysis

In this analysis, it is divided into two parts, namely seeing the effect of a structure simultaneously (simultaneously), and seeing the effect of a structure from each of its forming indicators (partial).

**3.2.1. Regression Analysis Equation Structure One**

1). Looking for the influence of strategic environmental, public trust, entrepreneurial orientation on competitive advantage partially.

To find out the magnitude of the influence of strategic environment, public trust, entrepreneurial orientation towards competitive advantage, using the calculation of the significance table t, and the magnitude of the effect can be seen in the Beta column of the coefficient table on the results of the spss calculation.

Significance test rules:

- a) If the probability value 0.05 is smaller or equal to the probability value sig or (0.05 < sig), then Ho is accepted and Ha is rejected, meaning it is not significant.
- b) If the probability value 0.05 is greater or equal to the probability value sig or (0.05 > sig), then Ha is accepted and Ho is rejected, which means it is significant.

**Table 1.** Coefficient First Structure

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-4.953	9.944		-0.498	0.622
1 Strategic Environment	0.752	0.226	0.414	3.333	0.002
Community Trust	0.447	0.182	0.305	2.456	0.019
Entrepreneur Orientation	-0.306	0.074	-0.519	-4.158	0

Source : Primary data is processed, 2018.

- a. The influence of the strategic environment on competitive advantage  
It can be seen that the result value of beta for the compensation variable is 0.414 and the amount of tcount is 3.333 with a sig of 0.002, because sig is <0.05, then Ha1 is accepted and Ho1 is rejected.
  - b. The influence of public trust on competitive advantage  
From the results shown in the coefficient table, it can be seen that the result value of beta for the public trust variable is 0.305 and the tcount is 2.456 with a sig of 0.019, because sig <than 0.05 then Ha2 is accepted and Ho2 is rejected.
  - c. The influence of entrepreneurial orientation on competitive advantage  
From the results shown in the coefficient table, it can be seen that the result value of beta for the organizational commitment variable is -0.519 and the tcount is -4.158 with a sig of 0.000, because sig <than 0.05 then Ha3 is accepted and Ho3 is rejected.
- 2). Seeking the influence of strategic environment, community trust, entrepreneurial orientation, on the advantages of competing simultaneously.  
To see the simultaneous influence of the strategic environment, public trust, entrepreneurial orientation, on competitive excellence can be seen from the calculation of summary table 2 and anova on the results of the spss count.

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**Table 2.** Model Summary Of Firs Structure

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.751 <sup>a</sup>	.564	.525	4.308

a. Predictors: (Constant), Entrepreneur Orientation, public trust, strategic environment

b. Dependent Variable: competitive advantage

Source : Primary data is processed, 2018.

**Table 3.** Anova First Structure

**ANOVA<sup>b</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	815.582	3	271.861	14.649	.000 <sup>a</sup>
	Residual	630.970	34	18.558		
	Total	1446.553	37			

a. Predictors: (Constant), Trust Entrepreneur, Community Trust, Strategig Environment

b. Dependent Variable: competitive advantage

Source : Primary data is processed, 2018.

The summary model table gets a value of Rsquare = 0.564, then the anova table gets an F value of 14,649 with a probability value (sig) of 0.000. Because the sig value < than 0.05 then Ha4 is accepted and Ho4 is rejected.

### 3.2.2. Regression Analysis of Two Structure Equations

1). Test the influence of the strategic environment, community sustainability, entrepreneurial orination and competitive Advantage against the company's performance in a partial way.

**TableL 4.** Koefisien Struktur Dua

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	5.261	2.282		2.306	0.028
1	Strategic Environment	0.464	0.059	0.739	7.813	0.000
	Public Trust	0.129	0.045	0.254	2.850	0.007

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Entrepreneur Orientation	0.060	0.021	0.295	2.910	0.006
Competitive Advantage	-0.041	0.039	-0.118	-1.036	0.308

a. Dependent Variable: company's performance

Source : Primary data is processed, 2018.

a. The effect of the strategic environment on the company's performance

From the results seen in the coefficient table, it can be seen the yield value of beta for working environment variables is 0.739 and the amount of thitung is 7,813 with a sig magnitude of 0.000, since  $\text{sig} < 0.05$ , then  $H_{a5}$  is accepted and  $H_{o5}$  is rejected.

From the result of such calculations it can be concluded that there is a significant influence between the strategic environment on the company's Performance as evidenced by a significant thitung value of 7,813 and the amount of influence exerted visible from the beta column is 0.739 or 73.9%.

b. Influence of public trust in company performance

From the results seen in the coefficient table can be seen the resulting value of beta for public trust variables is 0.254 with thitung of 2,850 and sig of 0.007, since the value of  $\text{sig} > 0.05$  then  $H_{a6}$  is accepted and  $H_{o6}$  is rejected.

From these results it can be concluded that there is a significant influence between public confidence in the company's performance evidenced by a significant value of 2,850 thitung and the amount of influence exerted visible from the beta column is 0.254 or 25.4%.

c. The effect of entrepreneurial orientation on the company's performance

From the results seen in the coefficient table, it can be seen the yield value of beta for entrepreneurial orientation variables of 0.295 and the amount of thitung of 2,910 with a sig magnitude of 0.006, since  $\text{sig} < 0.05$ , then  $H_{a7}$  was accepted and  $H_{o7}$  was rejected.

From the calculation results can be concluded that there is a significant influence between entrepreneurial orientation on employee performance as evidenced by a significant thitung value of 2,910 and the amount of influence exerted seen from the beta column is 0.295 or 29.5%.

d. Effect of competitive excellence on company performance

From the results seen in the coefficient table can be seen the resulting value of beta for competing Advantage variables is -0.118 with thitung of -1,036 and sig of 0.308, since the value of  $\text{sig} > 0.05$  then  $H_{o8}$  is accepted and  $H_{a8}$  is rejected.

Table.5 Model Summary Second StructureA

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.903a	.815	.792	.985	1.577

a. Predictors: (Constant), Competitive Advantage, Strategic Environment Public Trust, Entrepreneur Orientation

b. Dependent Variable: Company Performance

Source : Primary data is processed, 2018.

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Table. 6 Anova Second Structure

ANOVA <sup>b</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	140.832	4	35.208	36.296	.000 <sup>a</sup>
	Residual	32.010	33	.970		
	Total	172.842	37			

a. Predictors: (Constant), Strategic Environment, Competitive Advantage, Public Trust, Entrepreneur Orientation

b. Dependent Variable: Company Performance

Source : Primary data is processed, 2018.

2. Test the influence of strategic environment, community sustainability, entrepreneurial orientation and competitive excellence on the company's performance simultaneously.

The hypothesis is as follows:

Ho9 = There is no significant influence together between the strategic environment, community awareness, entrepreneurial orientation and competitive excellence on the company's performance

Table 7. Summary Modelsecond structure

Model Summary <sup>b</sup>						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	.903 <sup>a</sup>	.815	.792	.985	1.577	

Predictors: (Constant):Competitive Advantage, Strategic Environment, Public Trust  
Entrepreneur Orientation

b. Dependent Variable: Company Performance

Source : Primary data is processed, 2018.

Table 8 Second Structure Anova

ANOVA <sup>b</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	140.832	4	35.208	36.296	.000 <sup>a</sup>
	Residual	32.010	33	.970		
	Total	172.842	37			

Predictors: (Constant), Competitive Advantage, Strategic Environment, Public Trust  
Entrepreneur Orientation.

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Table 8 Second Structure Anova  
**NOVA<sup>b</sup>**

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	140.832	4	35.208	36.296	.000 <sup>a</sup>
	Residual	32.010	33	.970		
	Total	172.842	37			

Predictors: (Constant), Competitive Advantage, Strategic Environment, Public Trust  
Entrepreneur Orientation.

b. Dependent Variable: Company Performance

Source : Primary data is processed, 2018..

The summary model table gets a value of Rsquare = 0.815, then the anova table gets an F value of 36,296 with a probability value (sig) of 0.000, because niali sig < of 0.05 then Ha9 is accepted and Hois rejected. From the calculation of the significance of table F of 36,296 shows that there is an environmental influence of strategy, community sustainability, entrepreneurship and competitive excellence on the performance of the company, and from the results obtained rsquare can be said that the amount of environmental influence straegi, public trust, entrepreneurial orientation and excellence competing together against employee performance is 0.815 or 81.5%, the remaining py€2 or other variables beyond the variable straegi environment, msayarakat trust, entrepreneurial orientation and competitive excellence are  $1 - 0.815 = 0.185$  or 18.5% calculated by formula  $1 - R_{2yzz1x2x3}$ .

Thus it will appear the final path analysis model (revised result) asthe following image

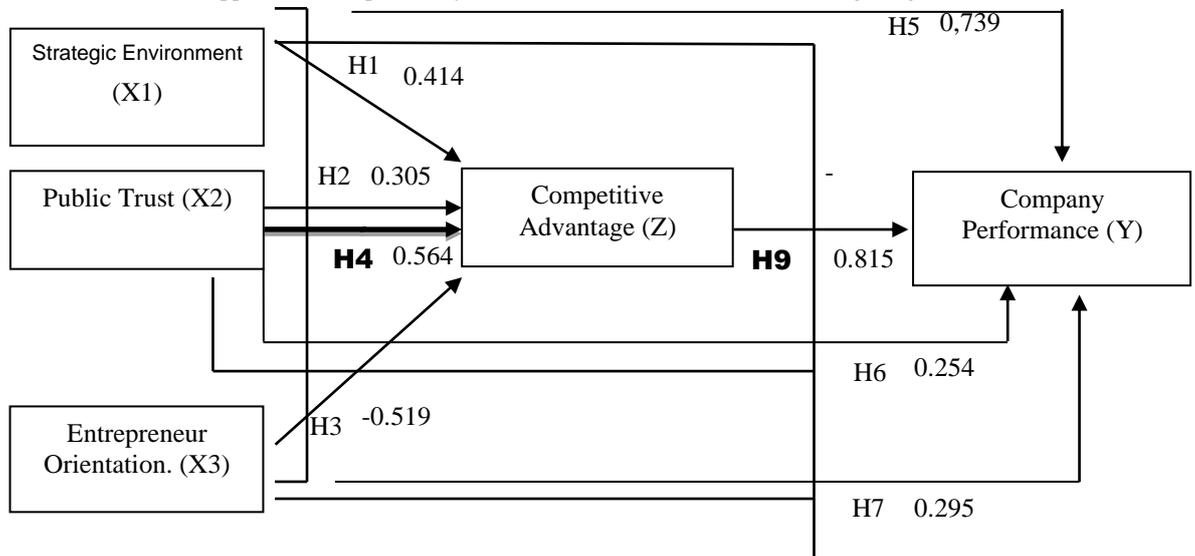


Figure 1. Path Analysis Model after Revision

## 1.5. Discussion

1. Strategy environment affects competitive advantage, Evidenced by a significant value of 3,333 thitung and the amount of influence exerted visible from the beta column is 0.414 or 41.4%. The results of this study are relevant to the results of Ibrahim Ingga's research that external environment, internal environment, cost leadership strategy, differentiation strategy positively affect competitive excellence of the 9 tested hypotheses tested.
2. Public trust influences the advantages of competing with a significant value of 2,456 t-test and the amount of influence exerted seen from the beta column is 0.305 or 30.5%. This result is relevant to the results of role of internal and external factors in moderate the effect of focus for customer strategies improve cooperative competitiveness (studies on cooperatives in batu City) Ita Athia [20] The resulting finding is that the customer focus strategy is influential significantly increases the competitiveness of cooperatives. Internal and external factors is a moderating variable that can be used together with customer focus to increase the competitiveness of cooperatives. Several internal and external factors in cooperatives need to be maintained and must get more attention to support success implementation of customer focus so that the cooperative can compete with the agency other endeavors and is also disputed with Muchtolifah research [21] which states that entrepreneurial orientation directly affects competitive strategies.
3. The results of the analysis of the hypothesis test indicate a relationship between these two variables, this is in accordance with the results of the study Alihusna Alihusna, Alida Palilati, Juharsah Juharsah [22] The results showed that: Market orientation has a significant effect on competitive advantage, Innovation has a significant effect on competitive advantage, Entrepreneurial orientation has a significant effect on competitive advantage.
4. The results of the analysis of the hypothesis test indicate a relationship between these four variables, this is in accordance with the results Muchtolifah, [23] of the study The conclusions of the research results are: (1) there is an effect of market orientation on human resources and entrepreneurial orientation; (2) there is an influence of human resources, market orientation and entrepreneurial orientation on competitive strategies; (3) there is no influence of human resources and entrepreneurial orientation on hospital performance, there is an effect of competitive strategy on hospital performance.
5. There is a significant influence between the strategic environment on the company's performance as evidenced by a significant value of 7,813 thitung and the amount of influence exerted seen from the beta column is 0.739 or 73.9%. The results of this study are relevant to the Research of Mediaty [24] stated that showing the Organization Environment affects employee performance.
6. There is a significant influence between public confidence in the company's performance, The results of this study are relevant to the findings of research conducted by Bina Putra Widianata [25] the public Trust and competence Resources business and significant positive effect on earnings performance through lending, which can be called full mediation
7. There is a significant influence between entrepreneurial orientation on the Company's performance as evidenced by a significant value of 2,910 t-test and the amount of influence exerted seen from the beta column is 0.295 or 29.5%. The results of this study are relevant to the results of Muchtolifah 's research [26] which stated that there is a significant influence between entrepreneurial orientation and company performance. From the results of this study, it was found that entrepreneurial orientation (X1) and Market

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- Orientation (X2) variables had a significant effect on company performance (Y) with a significant level of 0.000 [27]
8. There is no influence and no significant between the advantages of competing with the performance of the company. The results of this study are not relevant to the results of research from Yuni Istanto [28] which The results showed that the strategy has a significant competitive advantage on the performance of cooperatives
  9. There is an influence between the strategic environment, public trust, entrepreneurial orientation, excellence in the company's performance from the results obtained by Rsquare can be said that the amount of influence of the strategic environment, public trust, entrepreneurial orientation, excellence in the performance of the company. This result is relevant to The results showed that there are significant positive and significant correlation between market orientation and entrepreneurial orientation towards competitive strategy (differentiation strategy, low cost, and focus). Market orientation and entrepreneurial orientation positively impact significantly on the performance of SMEs. There is a positive and significant influence between competitive strategy against the performance of SMEs. Entrepreneurial orientation have direct influence higher than market orientation [29].

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## 1.7 . Conclusion

Based on the results of data analysis carried out through path analysis, of the nine (9) hypotheses tested there is one (1) hypothesis that is not proven or significant positive, namely in the hypothesis eight (8) formula which reads: There is no influence and no significant between the advantages of competing with the performance of the company.

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