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The Effect of Sustainable Commitment and Sustainable Competencies on Business Sustainability

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Abstract
This research is motivated by the low business sustainability of MSMEs in West Java. In MSMEs, human resources play an important role in developing MSME businesses. This study aims to determine the effect of sustainable commitment and competencies on the business sustainability of MSMEs. This research was conducted using a quantitative approach with a survey method of 209 fish processing business owners in West Java. Data collection was carried out by survey using a questionnaire instrument. Data analysis was performed with AMOS SEM. The results of this study reveal that the best business sustainability is in the social sustainability dimension and the lowest is economic sustainability. Sustainable commitment is mainly shown by a high commitment to reduce energy use, while sustainable competencies are shown by a better ability to motivate workers and collaborate with similar businesses. In addition, sustainable commitments and sustainable competencies affect business sustainability.

Keywords: Business, Sustainability, Competencies, Commitment, Green

Pengaruh Komitmen Berkelanjutan dan Kompetensi Berkelanjutan Terhadap Keberlanjutan Usaha

Abstrak
Penelitian ini dilatarbelakangi oleh rendahnya keberlanjutan usaha UMKM di Jawa Barat. Dalam UMKM, sumber daya manusia memegang peranan penting dalam pengembangan usaha UMKM. Penelitian ini bertujuan untuk mengetahui pengaruh komitmen dan kompetensi berkelanjutan terhadap keberlanjutan usaha UMKM. Penelitian ini dilakukan dengan pendekatan kuantitatif dengan metode survei terhadap 209 pemilik usaha pengolahan ikan di Jawa Barat. Pengumpulan data dilakukan dengan cara survei dengan menggunakan instrumen kuesioner. Analisis data dilakukan dengan AMOS SEM. Hasil penelitian ini mengungkapkan bahwa keberlanjutan usaha yang paling baik terdapat pada dimensi keberlanjutan sosial dan yang paling rendah adalah keberlanjutan ekonomi. Komitmen berkelanjutan terutama ditunjukkan dengan komitmen yang tinggi untuk mengurangi penggunaan energi, sedangkan kompetensi berkelanjutan ditunjukkan dengan kemampuan yang lebih baik dalam memotivasi pekerja dan berkolaborasi dengan pelaku usaha sejenis. Selain itu, komitmen berkelanjutan dan kompetensi berkelanjutan mempengaruhi keberlanjutan bisnis.

Kata kunci: Bisnis, Keberlanjutan, Kompetensi, Komitmen, Ramah Lingkungan

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INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) have an important role in the economy. The contribution of MSMEs includes employment, increasing national income, increasing non-oil and gas exports and as a savior of the economy against the current economic crisis.

However, MSMEs face business sustainability problems which are indicated by the high number of MSMEs closing their businesses, conflicts between workers and employers, conflicts between MSME owners and stakeholders, and conflicts between MSMEs and the community related to environmental pollution problems, as well as the use of substances. harmful additives (Kurniawati & Sulaeman, 2022).

Business Sustainability reflects business resilience in the long term. Business sustainability offers advantages not only for the business itself, but also benefits the community and environmental conservation.

The topic of business sustainability has been studied extensively in the past, although each study's perspective and choice of analytical framework varied. Based on their perspective on solving sustainability problems, research on business sustainability is divided into two, namely, a holistic approach and a conventional approach. A holistic approach balances the economic, social and environmental dimensions, such as the triple bottom line theory approach (Elkington, 2013) and the hybrid business model (Hahn et al., 2015), while the conventional approach uses a managerial approach and other supporting infrastructure. The conventional and technological approaches aim to design software that comprehends environmental conditions.

Business sustainability in this research is based on holistic approach which applies the concept of Triple Bottom Line (TBL) (Dyllick & Hockerts, 2002, Elkingthon, 2013), in the framework of human resource management (SHRM). Here business sustainability is achieved by the contribution of the role of human resources. However, there is debate about the application of human resource management to MSMEs. The importance of HRM in MSMEs could be attributed to two factors. Because of their limited scope and relatively small workforce, the first opinion claims that MSMEs do not require the application of HRM.

According to the second opinion, HRM must be applied even though there are few employees because it is done to maximize the effectiveness of existing human resources. Based on the debate about the importance of HRM in MSMEs and the important role of human resource management, based on SHRM, this research is interesting to do. The theory used is sustainable human resources management (SHRM)(Ehnert et al., 2016). In this case, Ehnert et al., (2016) stated that business sustainability is built by optimizing the role of human resource management (Ehnert et al., 2016). Through the Human Resources Management approach, such as commitment and competencies, we can achieve business sustainability as well as environmentally product innovation.

Besides differences in perspective on overcoming business sustainability problems, the difference between researchers is the unit of analysis, whether researching large companies or small businesses. The most of unit analyses in previous studies, were on large businesses while the unit of analysis in this research is MSMEs. Business sustainability in MSMEs is important because MSMEs have a strategic role in the economy. Although the business scale of MSMEs is relatively small, with a very large number, MSMEs have great power in determining the pace of the economy. Based on differences in previous research, the uniqueness of this research is that it emphasizes the role of human resource factors on a

small business scale. This is based on the strategic role of human resources in MSMEs as a determinant of business sustainability and the strategic role of MSMEs in determining economic performance.

Besides the important role in economics, MSMEs have many weaknesses i.e. 1) the weak business performance in the form of MSME business sustainability in Indonesia, so that businesses have not had time to reach the highest business cycle, absorb a lot of labor and safety valve social problems (Sasongko, 2020) 2) awareness and concern for MSMEs actors have not yet been formed on the problems and impacts of environmental pollution (www.bi.go.id, 2017) 3) low entrepreneurial skills as reflected in the low number of entrepreneurs and the number of businesses that can be established, (Fatwa, 2019) 4) low moral and ethical entrepreneurial behavior which is reflected in poor customer service and product safety. (www.bapeda.go.id. 2020)

In line with the concept of business sustainability which considers the triple bottom line which includes economic, social and environmental aspects, to sustain a business, (Salimzadeh et al., 2013) state that internal and external factors are needed to support business sustainability. Internal factors consist of (1) performance, (2) employees, and (3) owner-manager, while external factors consist of (1) government, (2) customers, (3) stakeholders. Based on these factors, owners and employees are parties who have sustainable competence and commitment. Based on the debate on whether human resource variables can contribute to business sustainability, the research question is how does sustainable entrepreneur business commitment and competencies affect business sustainability? The aim of this study is to determine the effect of sustainable commitment and sustainable competencies, on business sustainability. This research was conducted with a quantitative research approach with an exploratory survey method for MSME entrepreneurs in West Java.

METHOD

Research Procedure

This research was conducted with a quantitative approach, exploratory survey method, by data cross-section. The research carried out includes the stages (1) formulating research problems (2) developing survey designs (3) developing data collection instruments (4) determining samples (5) Collecting data (6) Data processing (7) Descriptive and inferential data analysis (8) Data interpretation (9) Making conclusions.

Research Subject and Object

The subject of this research is the owner of the fish and salted fish processing business in West Java, which lives on the north coast of West Java, namely Kab. Indramayu, Karawang, Subang and Cirebon. The north coast region is considered representative to generalize the West Java region, because the four districts are the largest processed fish producers in West Java. With non-probability sampling, the sample size taken is 209 fish and salted fish business owners.

The objects in this study are business sustainability as a dependent variable and sustainable commitment and sustainable competencies as independent variables. Business

sustainability has three dimension i.e. economic sustainability, social sustainability, and environmental sustainability; Sustainable commitment consist of the commitment to waste reduction, to consumption reduction, to carbo emissions reduction; while sustainable competencies consist of strategic actions competencies, diversity competencies, foresight competencies, normative competencies and interpersonal competencies.

Data Collection

Data was gathered using interview guides and questionnaire distribution. The instrument is structured by detailing the indicators of the independent variable and the dependent variable.

Data analysis technique

The data collected were analyzed descriptively to determine the distribution of the data, and processed with inferential statistics to test causality between variables. Before the data is processed, the data is categorized as Table 1.

Table1. *Score Criteria*

Variable	Score	Categori
Business	881 – 1048	Very High
Sustainability,	713 – 880	High
Sustainable	545 – 712	Middle
commitment,	209 – 544	Low
sustainable	377 – 208	Very Low
competencies		

The data that has been obtained, is given a score and grouped and the criteria are determined using the frequency distribution in Table 1. Data were analyzed using Structural Equation Modeling (SEM) analysis. Structural Equation Modeling is a model that describes the causal relationship between exogenous variables and endogenous variables (effect variables), as well as a combination of two statistical concepts, namely factor analysis (factor analysis) as a measurement model and path analysis (path analysis) as a model. structural. By using the help of the AMOS application program, the suitability between the theoretical model and the research data will be tested and the significance level of each causal relationship coefficient can be tested.

FINDING AND DISCUSSION

Result

The findings in this study consist of the results of a statistical description of business sustainability, sustainable commitment and sustainable competencies and the results of testing research hypotheses. The description of each variable is shown in the following section.

Business Sustainability

Business sustainability is the creation of long-term economic, social and environmental value to meet the needs of stakeholders (Schmitz, 2012). Business sustainability has 3 dimensions, namely Economic Sustainability (ES), Social Sustainability (SS) and

Environmental Sustainability (VS). The economic dimension is indicated by 3 indicators, namely the level of ability to reduce production costs (E1), the ability to earn profits (E2) and the ability to meet market share (E3). The results of the economic sustainability research are in Table 2. The social dimension consists of the level of justice in wages (s1), the level of concern for the health of employees, the work environment and products (s3), the level of participation in community activities (s2) and the safety of the products produced (s4). The environmental dimension is indicated by the level of efficiency in the use of raw materials (V1), the use of auxiliary materials (V2), the use of fuel (V3), and the intensity of waste treatment 5 (V4) the intensity of saving clean water (V5).

Table 2. *Statistics Deskriptive Business Sustainability*

Indicator	N	Min	Max	Sum	Mean	Std. Dev	Criteria
E1	209	1.00	5.00	474.00	2.2679	1.10722	Low
E2	209	1.00	5.00	478.00	2.2871	1.13251	Low
E3	209	1.00	5.00	626.00	2.9952	1.03542	Fair
				1578	2.516733		
S1	209	2.00	5.00	676.00	3.2344	.87572	Fair
S2	209	2.00	5.00	705.00	3.3732	.77488	Fair
S3	209	1.00	5.00	648.00	3.1005	.98764	Fair
S4	209	1.00	5.00	656.00	3.1388	1.05378	Fair
				2685	3.211725		
V1	209	1.00	5.00	447.00	2.1388	1.07635	Low
V2	209	1.00	5.00	523.00	2.5024	1.09687	Low
V3	209	1.00	5.00	485.00	2.3206	1.06410	Low
V4	209	1.00	5.00	503.00	2.4067	1.02477	Low
V5	209	1.00	5.00	484.00	2.3158	1.11622	Low
Valid N	209			1995	2.386375		

The results of the study indicate that from the economic dimension, entrepreneurs are relatively difficult to reduce production costs, this is mainly due to high production costs associated with high fuel costs (E1). Most of the problem of SMEs is high production costs especially for the emerging MSMEs (Gurria, 2018). The ability to expand market share in this business is relatively better than other capabilities, this is because the marine fish and pond processing business has been running for years and the trade reach has reached outside the province. Social dimension, entrepreneurs are relatively good in the level of participation in community activities (S2), but lack in maintaining product safety (S3). This shows that fish processing entrepreneurs actively participate in social activities in the community. By practicing social sustainability, SMEs potentially benefit from a broader performance spectrum (Masocha, 2019).

Sustainable Commitment

Sustainable commitment is an entrepreneur's commitment to business sustainability, namely a business that emphasizes economic, social and environmental aspects. Sustainable commitment has 4 dimensions, namely commitment to waste reduction (M), Commitment to energy consumption reduction (N), Commitment to carbon emission reduction (W) dan

Commitment to water efficiency (L). Briefly, the descriptive data on sustainable commitment is as follows

Table 3. *Descriptive Statistics of Sustainable Commitment*

Indicator	N	Min	Max	Sum	Mean	Std. Deviation	Criteria
M1	209	2.00	5.00	817	3.9091	.84145	High
M2	209	3.00	5.00	808	3.8660	.82114	High
M3	209	3.00	5.00	787	3.7656	.72560	High
Total				2412			
N1	209	1.00	5.00	829	3.9665	.78681	High
N2	209	1.00	5.00	827	3.9569	1.03453	High
N3	209	1.00	5.00	804	3.8469	.81777	High
				2460			
W1	209	1.00	5.00	802	3.8373	.82762	High
W2	209	3.00	5.00	810	3.8756	.82265	High
W3	209	2.00	5.00	835	3.9952	.81156	High
				2447			
L1	209	1.00	5.00	743	2.4067	.98164	Fair
L2	209	3.00	5.00	781	3.7368	.66696	High
				1524			
Valid N	209						

Where :

M1= Identification of appropriate natural resource availability

N1= Identification of appropriate natural resource availability

W1 = Pay attention to technology to reduce exhaust gas

L1 = Emphasizes saving water through persuasive information

M2 = Pay attention to the use of SD that can be updated

N2 = Emphasizes the use of energy efficient means of production

W2 = Routinely perform maintenance on machines and equipment

L2 = Use of production equipment that saves water

M3 = little use of packaging

N3 = Emphasizes the use of energy according to planning

W3 = Choose fuel with low emission levels.

Commitment to business sustainability is mainly demonstrated by the commitment to reduce energy consumption (N). However, entrepreneurs have not been committed to

saving water efficiently. The relatively high commitment to saving energy besides aiming to keep the availability of energy in nature, also aims to save production costs. In addition, the commitment to save clean water is relatively low because water for the production process is available in large quantities, so according to fish entrepreneurs, water can be used as needed.

Sustainable Competencies

Sustainable Competencies are the development of entrepreneurial competencies that have emerged since the issue of sustainability in the business area is carried out. Entrepreneur competencies are general and specific knowledge, motives, self-images, social roles, and skills that will guide a business's birth, survival, and growth. Entrepreneurial competencies are possessed by individuals called "the entrepreneurs" who start or transform an organization and generate added value through the resources and opportunities of the organization (Bird, 2001). The basic concept of sustainable entrepreneurial competence is that specializes in competencies that pay attention to the needs of current and future generations, and cares about social welfare, ethics, image and reputation. According to Tur-Porcar et al., (2018) sustainable entrepreneurship consists of entrepreneurial action to improve the environment, advance social well-being, and generate profit. Sustainable Entrepreneur Competencies consist of 6 competencies (Ploum, et. al, 2017) namely (1) strategic action competence (O) (2) embracing diversity and interdisciplinary competence (R) (3) Foresight thinking competence (G) (4) normative competence (C) (6) the interpersonal competence (T). The descriptive results of statistics on sustainable competencies are as follows :

Table 4 . *Descriptive Statistics of Sustainable Competencies*

	N	Min	Max	Sum	Mean	Std.	Criteria
O1	209	1.00	5.00	50.00	2.4306	.96388	Low
O2	209	1.00	5.00	518.00	2.4785	1.01941	Low
O3	209	1.00	5.00	434.00	2.0766	1.03025	Low
R1	209	1.00	5.00	463.00	2.2153	.97397	Low
R2	209	1.00	5.00	505.00	2.4163	1.09365	Low
R3	209	1.00	5.00	444.00	2.1244	1.03489	Low
R4	209	1.00	5.00	467.00	2.2344	.91859	Low
G1	209	1.00	5.00	632.00	3.0239	.81122	Fair
G2	209	1.00	5.00	594.00	2.8421	.95018	Fair
G3	209	1.00	5.00	593.00	2.8373	.85617	Fair
C1	209	1.00	5.00	625.00	2.9904	.95066	Fair
C2	209	1.00	5.00	598.00	2.8612	.90132	Fair
C3	209	1.00	5.00	522.00	2.4976	1.04754	Fair
T1	209	1.00	5.00	727.00	3.4785	1.04272	High
T2	209	1.00	5.00	476.00	2.2775	1.00934	Low
T3	209	1.00	5.00	425.00	2.0335	1.11538	Low
T4	209	1.00	5.00	534.00	2.5550	.78329	Low
Vali	209						

Where:

O1 = the ability to develop business strategies	*R2= the ability to cooperate with similar businesses*	*G2 = the ability to predict business uncertainties that will be faced (G2),*	*C3=understanding providing a healthy work environment for employees*	*T3=skilled in motivating employees to save energy.*
O2 = the ability to motivate employees to achieve business goals	*R3=the ability to establish good relationships with consumers.*	*G3=the ability to predict the technical risks that will be faced.*	*C4=understanding a safe work environment for employees.*	*T4=skilled in communicating with employees.*
O3 = the ability to optimize resource utilization	*R4= the ability to establish good relationships with government officials*	*C1=understanding the principles of fair wages,), and*	*T1=from being skilled in interacting in social activities.*	
R1=the ability to build good relationships with profitable suppliers	*G1=ability to predict the business risks that will be faced*	*C2=being skilled in producing safe products for employees*	*T2=skilled in participating in efforts to reduce waste/environmental pollution.*	

Strategic action competencies are the ability to arrange tasks, people and other resources, inspire, motivate others, evaluate projects and take action. (Ploum et al., 2018). Strategic action competencies are measured by three competency indicators, the ability to motivate workers is a relatively good competency in strategic action. In comparison, the lowest is the ability to utilize resources. Diversity competencies is the ability to structural relations, and issue and recognize the legitimacy of the viewpoint in business decision-making. Diversity competencies are measured by four competencies (R1,R2,R3,R4). Based on the results of the study, entrepreneurs are relatively good at collaborating with similar businesses (R2) and relatively low in terms of establishing good relationships with consumers (R3). Foresight Thinking competencies is the ability to collectively analyze,

evaluate, and fit :picture" of the future in which the impact of local and/or short-term decisions. It's measured by G1, G2, G3, G4. Among them, G1 is the best competency of entrepreneurs, which is the competency in predicting business risk. The next competencies are normative competencies, competencies are the ability to map, and apply the reconciliation of sustainability values, principles and targets, (Gibson, 2006). Normative competencies can be measured by C1, C2, C3, and C4, the competence to understand the principles of fair wages (C1) is relatively good compared to other competencies. Interpersonal Competence is the ability to motivate enable and facilitate collaboration and participatory, sustainability activities and resume. It's measured by T1, T2, T3, T4, and the highest competency is being skilled in interacting in social activities while the lowest is motivating employees to save energy. Several previous studies support the results that SMEs are relatively better in social performance, as indicated by participation in community activities, fair wages, concern for producing safe goods and concern for the needs of employees and stakeholders. (Kurniawati & Sulaeman, 2022) and supported by religious value (Famiola & Wulansari, 2020)

Based on the results of the research, the superior sustainable entrepreneurial competencies are (1) interacting in social activities and being skilled in communicating with employees. (2) understanding the principles of fair wages, (3) the ability to predict the business risks that will be faced (4) the ability to cooperate with similar businesses (5) the ability to develop business strategies. Social competence is a relatively good competency, this social competence supports the competence of fairness in the provision of wages and the ability to develop business strategies obtained from the results of collaboration and sharing of best practices. Good relations with similar businesses/fellow fishermen, open strategic business insights for business development. In addition, MSMEs have low competencies in (1) skilled in motivating employees to save energy (2) the ability to optimize resource utilization (3) understanding of providing a healthy work environment for employees (4) the ability to establish good relationships with consumers. (5) ability to predict the technical risks that will be faced. The results of this study are in accordance with research which states that MSME entrepreneurs are good in terms of social competence, ability to relate to the community and ability to predict business risk. Following the concept of sustainable entrepreneur competency (Ploum et al., 2018). Other research states that MSMEs are weak in terms of quality of human resources, legal entities from SMEs, capital loans, and lack of knowledge and experience in dealing with obstacles in the field (Jatmika, 2016). Based on the results of the study, entrepreneurial competence is not sufficient to support business sustainability, entrepreneurs are not yet able to motivate employees to act environmentally friendly and save resources (Yacob et al., 2019).

Hypothesis Test

Research data from the questionnaire is a number of scores obtained from respondents' answers to questions or statements regarding indicators of several research variables, namely Sustainable Commitment (X1) and Sustainable Competencies (X2) as exogenous variables, and Business Sustainability (Y) as endogenous variables. These variables were analyzed using Structural Equation Modeling (SEM) analysis. With the help of the AMOS

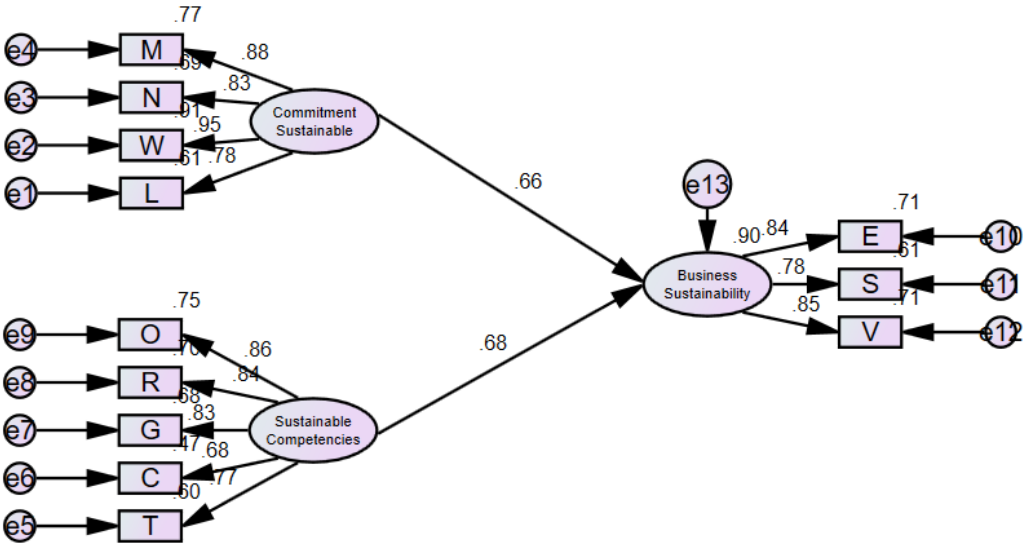

Figure 1. SEM Model Effect of Sustainable Commitment and Sustainable Competencies on Business Sustainability

program application, the compatibility between the theoretical model and research data will be tested and the level of significance of each causal relationship coefficient can be tested. Based on the results of data processing using the SEM method using AMOS 26 software, the following results were obtained.

The effect of Sustainable Commitment and Sustainable Competencies on Business

Table 5. *SEM's Result Estimation*

			Estimate	S.E.	C.R.	P
Business Sustainability	<---	Sustainable Commitment	.662	.046	11.057	***
Business Sustainability	<---	Sustainable Competencies	.680	.062	10.998	***

Sustainability, is stated in the following hypothesis:

Sustainable Commitment and Sustainable Competencies affect Business Sustainability either partially or simultaneously.

Based on the results of data processing, the following results were obtained:

With the SEM equation model as follows:

$$\eta = \gamma_1\xi_1 + \gamma_2\xi_2 + \zeta$$

Based on Table 5 which shows the estimation results, the following SEM equation is obtained:

$$\eta = 0.662\ \xi_1 + 0.680\ \xi_2 + 0.099$$

Based on the results of data processing, the R^2 value for the above equation is 0.901. This means that Business Sustainability can be explained by the variables of Sustainable Commitment and Sustainable Competencies of 90.1 percent. With an influence value of 9.9

percent, it shows that other factors affect Business Sustainability outside of the factors studied.

To prove whether or not the influence of Sustainable Commitment and Sustainable Competencies on Business Sustainability is significant, a hypothesis test is conducted.

Hypothesis 1

The simultaneous effect of the variables Sustainable Commitment and Sustainable Competencies on Business Sustainability was tested using the F test. The statistical hypotheses tested were as follows:

H_0:$\gamma_1 \gamma_2 = 0$: Sustainable Commitment and Sustainable Competencies have no simultaneous significant effect on Business Sustainability.

H_1:$\gamma_1 \gamma_2 \neq 0$; Sustainable Commitment and Sustainable Competencies simultaneously have a significant effect on Business Sustainability.

With test criteria: Reject H_0 if $F_{count} > F_{table}$.

Based on the calculation, the F_{count} value is 937.404, where the rejection criterion is H_0 if Fcount is greater than Ftable or Fcount > Ftable, with degrees of freedom v1 = 2 and v2 = 209–2–1 = 206 and a confidence level of 95 percent, then from the distribution table F values obtained F table for $F_{0.05(2,206)}$ = 3.040. Because 937.404 is greater than 3.040, then H_0 is rejected, meaning that **Sustainable Commitment and Sustainable Competencies simultaneously have a significant effect on Business Sustainability**.

Hypothesis 2

The partial effect of the Sustainable Commitment variable on Business Sustainability needs to be tested. The test statistic is carried out with the t-test statistic. The statistical hypotheses tested are as follows.

Table 6. *Partial Test Results of Sustainable Commitment to Business Sustainability*

Structural	Path coeficient	t-value	t-table	Conclusion
γ_1	0.662	11.057	1.972	H_0 is rejected, Sustainable Commitment has a significant effect on Business Sustainability

H_0:$\gamma_1 = 0$; Sustainable Commitment has no significant effect on Business Sustainability.

H_1:$\gamma_1 \neq 0$; Sustainable Commitment has a significant effect on Business Sustainability.

Test criteria: Reject H_0, if t_{count} is greater than t_{table} or $t_{count} > t_{table}$, with degrees of freedom = 209-2-1 = 206.

H_o is rejected, Sustainable Commitment has a significant effect on Business Sustainability. The coefficient of the path of Sustainable Commitment to Business Sustainability is 0.662, the t-value is 11.057. By taking the significance level of of 5%, then the value of T table or $t_{0.05(206)}$ = 1.972. Because t count = 11.057 is greater than t table = 1.972, then H_0 is rejected or in other words Sustainable Commitment has a significant effect on Business

Sustainability by 0.662 so that every increase in Sustainable Commitment will increase Business Sustainability by 0.662 units.

Third Hypothesis

The partial effect of the Sustainable Competencies variable on Business Sustainability needs to be tested statistically. The test is carried out with the t-test statistic. The statistical hypotheses tested are as follows:

H_0:$\gamma_2 = 0$; Sustainable Competencies have no significant effect on Business Sustainability.

H_1:$\gamma_2 \neq 0$; Sustainable Competencies have a significant effect on Business Sustainability.

Test criteria: Reject H_0, if t_{count} is greater than t_{table} or t_{count} > table, with degrees of freedom = 209-2-1 = 206

Table 7. *Partial Test Results of Sustainable Competencies to Business Sustainability*

Structural	Path Coefficient	t-value	t-tab	Conclusion
γ_2	0.680	10.998	1.972	H_0 is rejected, Sustainable Commitment has a significant effect on Business Sustainability

The coefficient of Sustainable Competencies towards Business Sustainability is 0.680, the t-value is 10.998. By taking the significance level of 5%, then the value of t table or $t_{0.05(206)}$ = 1.972. Because t_{count} = 10.998 is greater than t table = 1.972, then H_0 is rejected or in other words Sustainable Competencies have a significant simultaneous effect on Business Sustainability by 0.680 so that every increase in Sustainable Competencies will increase Business Sustainability by 0.680 units.

Discussion

The effect of Sustainable Commitment and sustainable competencies on Business Sustainability is based on the theory of generic competencies which states that employee competencies affect employee performance and affect organizational performance. In addition, building business sustainability is built by elements of human resource management supported by the concept of sustainable human resources management (Ehnert et al., 2016), which states the importance of elements of human resource management as the main key to achieving business sustainability. Previous research stated that sustainable commitment affects business sustainability. In line with the above understanding, in the business guide for entrepreneurs, (Ayoade et al., 2018), specifically outlines that the entrepreneur's commitment is: "The willingness to make personal sacrifices through long hours and loss of leisure time". Entrepreneur commitment is the willingness of an entrepreneur who encourages him to sacrifice all his time. This is the basis for building business sustainability. The influence of sustainable competence on business sustainability

occurs because environmental knowledge, and understanding of stakeholder needs will build business sustainability (Dzhengiz & Niesten, 2020; Ismail, 2022).

CONCLUSION

Sustainable commitment is indicated by a relatively high commitment to reduce energy usage, but employers are relatively low in water usage efficiency. Sustainable competencies indicated by better abilities in (1) the ability to motivate workers (2) cooperate with similar businesses (3) competence in predicting business risks (4) understanding the principles of fair wages and (5) competence in adapting to social activities. These sustainability competencies support the creation of business sustainability with the ability to formulate strategies, establish good relationships with stakeholders, the ability to predict risks and manage the business's internal business.

Data processing results reveal that sustainable commitment and competencies have a partial and simultaneous effect on business sustainability. The implications of this research are expected to help researchers who are interested in the topic of green business and MSME research as well as MSME practitioners and policymakers who direct the development of sustainable business performance through the provision of long-term value. The limitations of this research are not yet strong theories that develop aspects of human resource management that are oriented towards sustainability and only one kind of thorough MSMEs, out of the many types of business fields in Indonesia. For future researchers, it is hoped that they can examine other important human resource factors in MSMEs, considering the strategic role of MSMEs in the economy and the role of human resources as the main control in determining business sustainability. The results of this research have implications for the need for government support in providing affordable waste processing for MSMEs, and educational support for MSMEs so they can optimize the use of raw materials. For MSMEs, sustainable commitment and competence need to be developed in business activities to maintain long-term business sustainability, emphasizing partnerships and building close relationships with consumers.

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