



The Influence of Entrepreneurial Principals Competence on School Performance at Al-Musaddadiyah foundation

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ABSTRACT

This study examines the influence of principals' entrepreneurial competence on school performance at Al-Musaddadiyah Foundation in Garut, using both descriptive and verificative approaches. The research findings indicate that entrepreneurial competence, comprising knowledge, ability, and skill, has an overall positive and significant impact on school performance, with a total determination coefficient of 77%. Simultaneously, the three components of entrepreneurial competence show a positive influence; and in partial analysis knowledge, ability and skill demonstrate significant effects. These findings highlight the importance of developing principals' entrepreneurial competence to enhance school performance and provide significant implications for business education in integrating entrepreneurial values into the educational system. This integration aims to cultivate individuals who are creative, innovative, and capable of identifying opportunities in both educational and business contexts.

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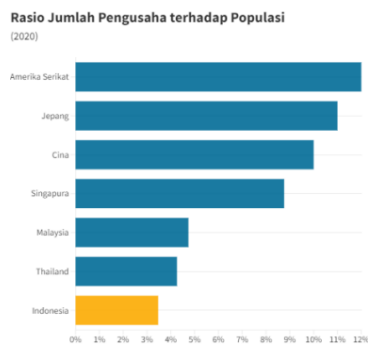
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1. INTRODUCTION

Entrepreneurship is a proactive and creative attitude that produces, creates, takes initiative and is simple in an effort to increase income through business activities (Aima, 2015). A person who has an entrepreneurial spirit and spirit will never be satisfied with certain achievements but will continue to try to find opportunities to improve his business and life. These opportunities can be identified through innovation and creativity and then utilized to develop the business. Furthermore, according to Ahmad Sanusi, entrepreneurship is a value that reflects behavior, being, driving force, basic resources, strategies, keys, processes, goals and business results (Sanusi, 1994). Entrepreneurs have the ability to combine and use the resources they have to provide opportunities to start a business. Ideas for opportunities can be found through changing mindsets and creative abilities to produce innovation (Siregar, 2020). The entrepreneurial spirit is very important for the economic progress of a country. However, based on data from the Ministry of Cooperatives and Small and Medium Enterprises (Kemenkop UKM), the entrepreneurship ratio in Indonesia is still relatively low, namely 3.47%, ranking 75th out of 150 countries.



Source: Dkatadata.co.id

Figure 1. Ratio of number of entrepreneurs to population

This figure is still far below neighboring countries such as Singapore (7%) and Malaysia (5%). In increasing the entrepreneurial spirit, especially among youth, the Indonesian government has launched the National Youth Entrepreneurship Strategy (STRANAS KWP) and socialized Presidential Regulation Number 43 of 2022 concerning cross-sector strategic coordination for the provision of youth services. This effort is motivated by the high unemployment rate and low entrepreneurship ratio compared to other countries. In comparison, developed countries have an entrepreneurship ratio of between 10-12%. These facts show the urgency of this national strategy to increase the entrepreneurial spirit in Indonesia, with the aim of improving the economy and reducing unemployment (Azkiya, 2023).

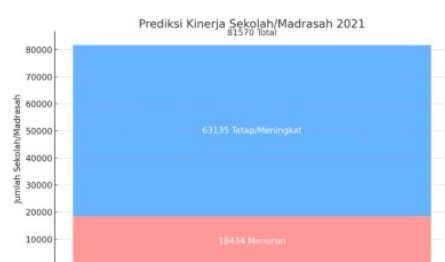


Source: Dkatadata.co.id

Figure 2. ASEAN GEI

Currently, Indonesia's position in the global entrepreneurship arena still needs to be improved. Based on the Global Entrepreneurship Index (GEI), Indonesia ranks 75th out of 137 countries with a score of 26. This index measures a country's capacity to produce entrepreneurs, indicating that there is still significant room for improvement and development of the entrepreneurial ecosystem in Indonesia. This indicator, which reflects Total Early Entrepreneurial Activity (TEEA), was measured by GEM by conducting a survey of at least 2000 adult individuals aged 18-64 years across the country. In 2022, Indonesia's TEA score will be ranked 36th out of 49 countries. The entrepreneurial spirit and attitude is not only possessed by entrepreneurs but is also found in individuals with creative thoughts and innovative actions regardless of the type of work in both the private and government sectors. In the realm of education, creating innovation and identifying opportunities requires an entrepreneurial spirit that is creative, innovative and brave enough to take risks. Entrepreneurs have a high level of innovation, where the innovation process always strives to create things that are new or have never existed before and are better in their implementation (Manurung, 2013).

In Indonesia, various types of educational institutions, including foundations, play an important role in the education system. According to Sumarni, private schools managed by non-government foundations have been given clear legal status for the provision of education in Law no. 28 of 2004 regulates the legal status of foundations which is reflected in the deed of establishment of the Al-Musaddadiyah foundation which has obtained valid legal status. In the educational context, an entrepreneurial spirit is also very necessary, especially by school principals as leaders of educational institutions. Regulation of the Minister of National Education of the Republic of Indonesia Number 13 of 2007 stipulates five standard competencies that school principals must have, one of which is entrepreneurial competency. This competency includes the ability to innovate, be committed to achieving success, have strong motivation, never give up in facing challenges, and have entrepreneurial instincts in managing school activities (Basuki, 2020). The principal is the holder of the obligation to improve the quality of education in the school, controlling the course of education which converts input into output, being a reflection of the course of education in a school, someone who has responsibility, namely the principal becomes the top manager of the school who is able to direct all members of the school and lead as well as exploring competencies in building abilities that can be taken as a reference for building a better life in the future (Nuryanti et al, 2022). However, various studies show that the entrepreneurial competence of school principals in Indonesia still needs to be improved. The results of a survey by the Directorate of Educational Personnel in 2007 showed that the average competency of school principals only reached 54.88%, with entrepreneurial competency reaching 55.3%. Other research also shows that the ability of school principals to create innovation and face challenges is still relatively low.



Source: jawapos

Figure 3. Prediction of school performance in 2021

The low entrepreneurial competence of school principals can have an impact on overall school performance. Predictions from the National Accreditation Board for Schools and Madrasas (BAN-SM) show that in 2021, as many as 22.6% of schools and madrasas will experience a decline in performance. This underlines the importance of increasing the entrepreneurial competence of school principals as an effort to improve the quality of education in Indonesia. The low entrepreneurial competence of school

principals can have an impact on overall school performance. Predictions from the National Accreditation Board for Schools and Madrasas (BAN-SM) show that in 2021, as many as 22.6% of schools and madrasas will experience a decline in performance.

This is not only a prediction, but has also been proven in real cases in the field, such as what happened in schools under the auspices of the Al-Musaddadiyah Foundation. School performance data at the Al-Musaddadiyah Foundation shows a consistent downward trend over the last three years. In 2021, school performance reached 80%, but decreased to 76% in 2022, and decreased again to 72% in 2023. A decline of 8% in the past three years indicates serious challenges in school management and development in environment of the Al- Musaddadiyah Foundation.

Even though various efforts have been made by school principals, especially in developing entrepreneurial competencies, this decline in performance shows that there is still a gap between the efforts made and the expected results. This situation emphasizes the importance of in-depth evaluation of the effectiveness of the strategies implemented by school principals in developing their entrepreneurial competencies and how these competencies are translated into daily school management practices. This phenomenon of declining performance at the Al-Musaddadiyah Foundation is a concrete example of BAN-SM's predictions and strengthens the urgency to improve the entrepreneurial competence of school principals (Roskina, 2020). This also shows that efforts to increase entrepreneurial competence cannot be carried out partially, but must be integrated with other aspects of school management and adapted to the specific context and challenges faced by each educational institution.



Figure 4. School Performance Productivity in Al-Musaddadiyah Foundation

Figure 4 shows the productivity trend in task completion for five types of schools under the Al-Musaddadiyah foundation from 2021 to 2023. The graph visualizes a consistent decline in productivity across all school types over the three-year period, although high schools consistently showed the highest productivity level, despite a decrease from 85% in 2021 to 76% in 2023. MTS (Islamic junior high schools) showed the lowest productivity level, dropping from 76% in 2021 to 68% in 2023. The productivity gap between the highest-performing school type (high school) and the lowest (MTS) remained relatively consistent, and all school types experienced a decline of around 8-9 percentage points over the past three years at the Al-Musaddadiyah foundation.

2. METHODS

This research combines descriptive and verification approaches to provide a more comprehensive understanding of the relationship between the variables studied and conclude more in-depth findings regarding the research object. According to Sugiyono, descriptive research is a method used to describe or analyze research results without making broader conclusions, while verification research is a type of research that aims to test the relationship between independent and dependent variables using hypothesis analysis. In this research, a descriptive approach was used to provide a comprehensive initial picture of entrepreneurial competence on school performance at the Al-Musaddadiyah foundation (Sugiyono, 2008). This approach helps in describing the characteristics and profile of the variables studied. Then a verification approach is used to examine in more depth the relationship between entrepreneurial competence and school performance. Of course, this will involve hypothesis analysis to ascertain the extent to which entrepreneurial competence influences school performance and is expected to provide a better understanding of variable relationships.

3. RESULTS AND DISCUSSION

Research Findings Are Theoretical

1. Entrepreneurial Competence

Based on the results of studies and research regarding the influence of school principals' entrepreneurial competence on school performance at the Al Musaddadiyah Foundation. The theories and concepts used in discussing entrepreneurial competence in research are adopting the concept put forward by Ishak Hasan (2011), that entrepreneurial competence refers to an individual's ability to carry out tasks or work based on the required knowledge and skills, supported by an appropriate work attitude. According to Reniati (2012), entrepreneurial competence is a unity of dynamic knowledge, abilities and skills demonstrated by an entrepreneur or organization so that it is emanated from his behavior to achieve success in his business on an ongoing basis. There are various concepts and theories put forward by experts regarding entrepreneurial competence, but the dimensions and theories used in the research are adapted to the needs of research regarding the entrepreneurial competence of school principals on school performance at the Al Musaddadiyah Foundation.

2. School Performance

The theories and concepts used in discussing school performance in research are adopting the concept put forward by Moehariono (2012), performance describes the level of achievement of programs, activities or policies in achieving the goals, objectives, vision and mission of the organization as stated in strategic planning. According to Ammons (2008), explains that organizational performance can be measured through workload, efficiency, effectiveness and productivity criteria. There are various concepts and theories put forward by experts regarding school performance, but the dimensions and theories used in the research are adapted to research needs regarding the entrepreneurial competence of school principals on school performance at the Al Musaddadiyah Foundation.

Research Findings Are Empirical

1. The results of the research show that the influence of entrepreneurial competence on school performance is that the total coefficient of determination or overall influence is 0.773 and if presented it is 77%, meaning the influence of knowledge, abilities and skills. Based on the results of studies and research regarding the influence of school principals' entrepreneurial competence on school performance in foundations Al Musaddadiyah, the following empirical findings were produced: school performance is in the strong category according to the Guilford formula by Sugiyono (2013). Meanwhile, the remainder was influenced by other variables not examined in the research, amounting to 23.6%.

2. The research results show that the influence of entrepreneurial competence influences school performance simultaneously showing *Fhitung* equal to 75.079, meaning the decision is H_0 rejected, H_a accepted because $75.079 > 2.74$ means that simultaneously or together there is a positive influence between knowledge, abilities and skills on school performance or there is a positive influence of the principal's entrepreneurial competence on school performance at the Al-Musaddadiyah foundation.

3. The results of the study show the influence of the principal's entrepreneurial competence on school performance partially indicating that the probability value (Sig) of knowledge is

0.042 < 0.05 , then knowledge is stated to have a significant effect on school performance, for ability it has a significance value of 0.037 < 0.05 , then it can be stated that ability has a significant effect on school performance and for skills it has a significance value of 0.001

< 0.05 , then it can be stated that skills have a significant effect on school performance.

Implications of Research on Principal Entrepreneurial Competence on School Performance in Business Education

In this regard, many people consider entrepreneurship as something that is only related to entrepreneurs and entrepreneurs. This view is not entirely accurate because an entrepreneurial spirit and attitude is not only possessed by entrepreneurs but also by every individual who has creative thinking and innovative actions regardless of the type of work carried out, whether in the private or government sector. Entrepreneurship is defined as the attitude, spirit and ability to create something new with significant benefits both for oneself and others. The development of entrepreneurial values is not only limited to entrepreneurs and entrepreneurs but has also penetrated the world of education (Isrososiawan, 2013).

The entrepreneurial spirit is very important in educational activities aimed at forming humans holistically as individuals with character, understanding and skills as entrepreneurs. Entrepreneurship education can be integrated in an integrated manner in educational activities in schools involving school principals, teachers, education staff and students as an educational community. Implementation of entrepreneurship education involves identifying types of activities at school that can realize entrepreneurial values which can later be applied by students in everyday life. An entrepreneurial approach in the world of education requires continuous efforts, especially by school principals, to improve school quality. The concept of entrepreneurship includes skills in identifying opportunities, seeing innovation in school institutional elements, realistically exploring resources, controlling risks and creating financial prosperity and profits. Profits and profits are mainly directed towards the interests of students, teachers and school principals. In business education, it supports the development of education that covers various fields such as finance, entrepreneurship, marketing and human resources. Entrepreneurship is included in the learning process in business education with the hope that students will have the knowledge and spirit of entrepreneurs or professional workers. Therefore, the implication of the research results for business education is that it can contribute in practical aspects to applying variable theory to the learning process so that students can become professionals or entrepreneurs who have a creative and innovative spirit, who have planning and management and business development. What's more, it can adapt to current developments where entrepreneurship is not only owned by business people but every individual who has creative thinking and innovative actions regardless of type of work, young people who have only intended to become leaders or business people after this research are expected to be able to change their mindset. become better and broader.

4. CONCLUSION

Based on the results of the discussion, research was carried out using descriptive and verification analysis using path analysis regarding the influence of school principals' entrepreneurial competence on school performance at the Al-Musaddadiyah foundation. then concluded as follows:

1. The description of the entrepreneurial competence of school principals at the Al- Musaddadiyah foundation is in the good category. The ability dimension has the highest perceived value while the skill dimension has the lowest overall perceived value. This shows that the level of entrepreneurial competency of school principals at the Al-Musaddadiyah foundation is good but still needs to be improved.

2. The description of school performance at the Al-Musaddadiyah foundation is in the good category. In the dimension, the efficiency dimension has the highest perception value, while the workload dimension has the lowest perception value overall. This shows that the level of school performance at the Al-Musaddadiyah foundation is good but still needs to be improved.

3. Based on the research results, the principal's entrepreneurial competency, which consists of knowledge, ability and skill , simultaneously has a positive and significant influence on school performance or there is a positive and significant influence of the principal's entrepreneurial competency on school performance at the Al-Musaddadiyah foundation.

4. Based on the research results, the entrepreneurial competency of school principals consists of knowledge, ability and skill partially, knowledge is stated to have a significant effect on school performance, mm ability is stated to have an insignificant effect on school performance and skills are stated to have a significant effect on school performance.

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