

Managerial Capabilities and Market Orientation in Mediating Entrepreneurial Orientation with Business Performance of Coffee Processing Smes in Pupuan

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Abstract

Role analysis as well as the influence of managerial capabilities and market orientation in mediating entrepreneurial orientation with business performance on coffee processing SMEs in Pupuan and explaining the role of managerial capabilities and market orientation in mediating entrepreneurial orientation with business performance on coffee processing SMEs in Pupuan is the purpose of this study. The data of this research were collected through questionnaire method by using samples of 52 owners and managers in 26 units of coffee processing SMEs in Pupuan. Partial Least Square statistical analysis tool is used in this study and then tests the mediation effect. The result of this research concludes that managerial capabilities and market orientation have positive and significant influence and act as partial mediator between entrepreneurial orientation with business performance. The results also provide suggestions for continuously improving the high entrepreneurial attitude with managerial capabilities and market orientation to SMEs to be able to improve business performance.

Keywords: entrepreneurial orientation, managerial capabilities, market orientation, business performance, coffee processing.



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