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The role of competitive advantage as a mediator of knowledge management, learning orientation and innovation on the performance of batik SMEs in Bangkalan regency, Indonesia

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Abstract

This study examines the influence of knowledge management, learning orientation and innovation on the performance of 272 batik SMEs in Bangkalan Regency. The findings reveal that these factors significantly impact SME performance. The development of distinctive batik products with distinctive themes and a wide variety of offers in comparison to competitors serves a significant function as a mediator. Knowledge management facilitates the generation of new knowledge and ideas for product development whereas learning orientation focuses on developing employee capabilities and skills. SME innovation involves the early adoption of new products, variation development and the creation of superior offerings. This study highlights the importance of knowledge management, learning orientation and innovation in driving batik performance. It emphasizes the significance of competitive advantage in creating unique batik products and diversifying the product range to outperform competitors.

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1. Introduction

Indonesia is one of the developing countries that place an emphasis on changing its development and economic expansion. Micro, Small and Medium-Sized Enterprises (MSMEs) contribute to economic growth and development in Indonesia (Sidauruk & Anif, 2018). MSME is a trade unit owned by people or companies. It benefits the economy by reducing unemployment. According to Ratnasari (2017), MSMEs are business units managed by community groups and families who are most Indonesian business people.

Airlangga Hartato, the coordinating minister for the economy states that MSMEs have enhanced economic resilience due to their 61.07% contribution to the GDP or IDR. According to Airlangga, MSMEs might help Indonesia's GDP since the government is trying to encourage them through a number of initiatives such as Law Number 11 of 2020 concerning job creation. The government also offers funding support through people's business credit with a ceiling of IDR 373.17 trillion in 2022 and IDR 470 trillion the

following year. It will increase to IDR 470 trillion. In addition, according to President Joko Widodo's direction, the MSME loan portion will be increased to 30% in 2024 while the MSME credit portion of total new loans is 18.4%.

The batik industry is one of the micro, small and medium businesses owned by Bangkalan Regency and is a driving force for the community's economy especially rural communities. Many of these small businesses are spread across Tanjung Bumi village. This small industry is the pride of the Bangkalan district. Batik is not just a piece of cloth; it has become a cultural icon. The motifs and colors on the long cloth reflect the people's character especially the batik made by Tanjung Bumi in Bangkalan Regency. Tanjungbumi batik has typical motifs of Rongterong, Perkaper, Ramo and many others. In the Bangkalan district, there is one type of batik that is the mainstay of Gentongan batik.

This Batik has very bright colors like purple and red. It took a long time to make because the dyes used are from something other than factory-made dye textiles. However, using natural plants to get bright and sharp colors.

The existence of the batik industry opened several new jobs with the development of a small batik industry in Tanjung Bumi village. The batik production process is almost complex and the price of the raw materials for creating batik is unpredictable due to the issues the batik industry in Tanjung Bumi village has with regard to financing, intense business competition, marketing and a lack of technological competence. The performance of SMEs producing batik in Tanjung Bumi Bangkalan may be studied under such conditions in an intriguing way. Darmasanti (2013); Camisón and Villar-López (2014) and Chong (2008) (for example, market share and customer satisfaction), SME performance could be measured in various ways such as financial performance, product performance (for example, product reliability, number of unique product features) and marketing performance.

Shahbaz, Kumar Tiwari, Ozturk, and Farooq (2013) analysed the performance parameters of SMEs by evaluating sales growth, firm profitability and firm productivity.

The Resource-Based Vision (RBV) method can enhance MSMEs' performance. RBV greatly enhances the performance of MSMEs through knowledge management by concentrating on getting an understanding of an organization's potential resources and capabilities (Robbins & Coulter, 2007). Knowledge is the primary form of capital in the business world (Obeidat, Al-Suradi, Masa'deh, & Tarhini, 2016). Knowledge management has become important because of the growing awareness of the importance of knowledge for the prosperity and survival of organizations (Byukusenge & Munene, 2017).

Empirical evidence of previous research on the influence of knowledge management on the performance of MSMEs was carried out by Aliyu, Rogo, and Mahmood (2015); Muchtar, Miyasto, and Rahardja (2019); Tseng and Lee (2014); Imran et al. (2016); Alshammari (2020) and Rafi, Ahmed, Shafique, and Kalyar (2022) who concluded that knowledge management influences the performance of SMEs. Meanwhile, different results were shown by Wijaya and Suasih (2020) and Setiyono, Iqbal, Alfisyahr, Pebrianggara, and Shofyan (2022) who concluded that knowledge management does not affect the performance of SMEs.

Another factor that can increase the performance of MSMEs is learning orientation. Employee development occurs due to increased competence, skills and knowledge (Chong & Tan, 2010). Small and medium-sized businesses (SMEs) can improve their competitive capacities and thrive in the market by being learning-oriented (Rhee, Park, & Lee, 2010).

Small and medium-sized businesses (SMEs) can build a community by using learning orientation to encourage partnerships among SMEs. Eshlaghy, Maatofi, and Branch (2011); Mahmood and Hanafi (2013) and Martinette, Obenchain-Leeson, Gomez, and Webb (2014) stated that the elements of learning orientation consist of a commitment to learning, shared vision and open-mindedness. Chong and Tan (2010) revealed learning orientations regarding organizational commitment, system perspective, openness and experimentation.

Innovation and technological advancement are two strategies to enhance MSMEs' performance. The high level of competition requires MSMEs to innovate continuously, ultimately improving their performance. Innovation can be interpreted as improvements in technology and methods or better ways to do things (Weerawardena, O'cass, & Julian, 2006). According to Kuratko and Hodgetts (2007), innovation is a shift and a resource that helps MSMEs produce added value. Innovation is viewed as a process that generates ideas and results in innovations with regards to anything from products and procedures to customer service (Thornhill, 2006).

Product innovation and process innovation are only a few examples of SME innovation indicators mentioned by Lesakova (2009). Kemp, Folkeringa, Jong, and Wubben (2003) employed output, process and product innovation metrics in the same year. According to earlier empirical studies by Nybakk (2012); Zhang and Chen (2014); Rosli and Sidek (2013); Serna, Martinez, and Martinez (2016); Saunila and Ukko (2014); Anton , Muzakan, Muhammad, and Syamsudin (2015) and Komariah, Nursal, and Rianto (2022), innovation impacts SMEs' performance.

MSMEs can achieve a competitive advantage by creating more value than their competitors. If MSMEs prioritizes their current physical assets without expanding their knowledge resources, they will not be able to gain a competitive advantage (Gassmann & Keupp, 2007). Hult, Hurley, Giunipero, and Nichols Jr (2000) stated that an organization's learning ability is crucial to achieve a competitive advantage. Small and medium-

sized businesses (SMEs) are learning-oriented and are able to grow, thrive and compete in the market (Rhee et al., 2010). Ismail and Indrawati (2013) show a positive and significant effect of learning orientation on export competitive advantage. According to Martinette et al. (2014), there is a correlation between learning orientation, competitive advantage and firm performance. According to Mahmood and Hanafi (2013), learning orientation has a substantial impact on competitive advantage.

Increasing competitive advantage can be achieved through organizational innovation. Innovation plays an important role in the success of a company. (Hadjimanolis & Dickson, 2000). Dröge, Vickery, and Markland (1994) found evidence that there is a strong relationship between companies that design their products well and are willing to innovate on these products with the company's competitive advantage. The results of the same research were also put forward by Bharadwaj, Varadarajan, and Fahy (1993) who argued that a company's ability to continue to innovate its products would keep these products in line with the wants and needs of customers.

Karanja (2015) concluded that innovation and entrepreneurship influence competitive advantage. Karanja (2015); Rojas, Cerda, Garcia, and Barcenas (2015); Suliyanto and Rahab (2012); Moghli, Abdallah, and Muala (2012) and Noorani (2014) prove that there is a relationship between innovation activity and competitiveness.

MSMEs can perform better if they can gain a competitive advantage. Ekawati, Rahyuda, Yasa, and Sukaatmadja (2016) stated that by having a competitive advantage, the company will be able to survive and continue its company life.

The company or product must have an absolute competitive advantage to achieve the performance or success of the resulting product. Four factors are used to gauge competitive advantage: price, quality, dependability of delivery, innovation in the product and speed to market (Bratic, 2011). Image, quality, differentiation, contact and price are used by Mihalic and Buhalis (2013) to determine a company's competitive edge. Li, Ragu-Nathan, Ragu-Nathan, and Rao (2006) created five indicators to assess competitive advantage such as price or cost, quality, delivery dependability, product innovation and time to market. Results from earlier studies conducted by Here (2003) are results from previous studies on the impact of competitive advantage on the performance of MSMEs conducted by Riyanto (2018); Asmarani (2006) and Purnama and Setiawan (2003).

The results indicated that competitive advantage will result in strong firm performance when strategic planning has an impact on the performance of the company. Better strategic planning by a company will improve the company's performance.

A Resource-Based View (RBV) approach focuses on internal factors in explaining business strategy to increase competitive advantage through intangible assets such as knowledge management, the orientation of learning and innovation that impact the performance of MSME.

2. Study Literature

2.1. Resource-Based Views

Wernerfelt (1984) explains that RBV is the basis of competitive advantage mainly in tangible or intangible company assets. RBV describes a company's ability to provide a sustainable competitive advantage when its resources are managed so that what is produced is difficult for competitors to imitate or make, creating barriers to competition (Mahoney & Pandian, 1992). The essence of the RBV concept is to seek and identify the characteristics of resources that can be used to develop competitive advantage. Companies must develop skills, resources and processes that can increase value for customers in order to maintain a competitive advantage (Barney & Clark, 2007). For MSMEs, RBV theory can be used in business management because it is an alternative strategy that can create competence and become a strategic management choice in achieving a sustainable competitive advantage.

2.2. Knowledge Management

Innovation is greatly aided by knowledge management. The process by which a knowledge-based business creates value from its assets whether through innovative product ideas or in the form of products or services provided to customers or the general public is known as knowledge management (Fontana, 2011). Management expertise, improvement and development are crucial resources for the business. Knowledge management benefits all kinds of businesses (Obeidat, Hashem, Alansari, Tarhini, & Al-Salti, 2016). Knowledge management is access to experience, knowledge and expertise to create superior organizational capabilities and performance, encourage innovation and increase customer value (Kusuma, 2013).

2.3. Learning Orientation

Learning orientation develops employees through increasing competence, skills and knowledge (Chong & Tan, 2010). The key characteristics of a learning orientation include the transfer of learning from the individual to the group, commitment to learning, openness to the outside world, commitment to overall knowledge, systems for developing learning, and mechanisms for updating the organization (Mavondo, Chimhanzi, & Stewart, 2005). Darmasanti (2013) states that organizations must commit to provide integrated knowledge transfer to increase the knowledge and skills of their employees.

2.4. Innovation

Entrepreneurship and economic growth are the foundational ideas of innovation (Rosli & Sidek, 2013). Innovation includes creativity, research and development (R&D) and the creation of innovative processes, products and technologies (Lumpkin & Dess, 2001). According to Kuratko and Hodgetts (2004), innovation is a change and a rise in resources that help SMEs create added value. Another definition of innovation is developing concepts and building inventions for everything from services to goods (Thornhill, 2006).

2.5. Competitive Advantage

Hajar and Sukaatmadja (2016) state that competitive advantage is a strategy to be superior to competitors. Competitive advantage plays an important role in the marketing performance needed to face competition. According to Dwi Santy Se, Si, and Ruhimat Se (2018), the company participates in a variety of actions to develop, manufacture, advertise, ship and service its products which gives it a competitive advantage. Competitive advantage cannot be understood by looking at a company. According to Barney (2010), companies get an advantage when their activities in a market or industry provide economic value and when other competing businesses take comparable steps. Table 1 presents the research variables and their corresponding indicators.

Table 1. Research variables and indicators

Variable	Indicator	Source
1. Knowledge management	1.1 Knowledge acquisition	Gold, Malhotra, and Segars (2001); Lawson and Samson (2001); Supyuenyong, Islam, and Kulkarni (2009) and Smith, Mills, and Dion (2010)
	1.2 Knowledge creation	
	1.3 Dissemination of knowledge	
	1.4 Utilization of knowledge	
2. Learning orientation	2.1 Commitment to learning	Suliyanto and Rahab (2012); Mahmood and Hanafi (2013); Martinette et al. (2014); Chong and Tan (2010) and Eshlaghy et al. (2011)
	2.2 Shared vision	
	2.3 Open-mindedness	
3. Innovation	3.1 Product innovation	Nybakk (2012); Lesakova (2009) and Martinette et al. (2014)
	3.2 Process innovation	
	3.3 Technological innovation	
4. Competitive advantage	4.1 Uniqueness	Bharadwaj et al. (1993); Bratic (2011) and Mihalic and Buhalis (2013)
	4.2 Rarely found	
	4.3 Not easy to imitate	
	4.4 Not easy to replace	
	4.5 Competitive price	
5. MSME performance	5.1 Financial performance	Li et al. (2006) and Eshlaghy et al. (2011)
	5.2 Production performance	
	5.3 Performance marketing	

3. Method

There is 1709 Indonesian Bangkalan batik MSMEs in the Batik Industry area of Tanjung Bumi District in 2022. Respondents, research actors and owners of SMEs provide information based on the assumptions of the problem objectives of the researcher. According to the sample size, there were 272 respondents which was determined by the population and the sample using the online sample size calculator programme on the raosoft.com website (a tool for evaluating respondents' responses using a Likert scale). The following are the research variables and indicators:

The analysis technique in this study is Structural Equation Modeling (a statistical technique that tests a series of relatively complicated relationships simultaneously).

4. Results

4.1. Validity and Reliability Test

The Poerson correlation technique was used in this study's validity test which involved comparing the results of each question item to the overall result. The instrument is considered reliable if the measurement result is greater than or equal to 0.6 (≤ 0.6). This research tests the reliability and validity of the instrument, Bangkalan batik SMEs. Following are the results of the validity and reliability tests of the questionnaires distributed.

Table 2. Factor loading (λ) research variable estimator

Variable	Items	Correlation		Coefficient	
		r-count	Status	Alpha	Status
Knowledge management	X1.1.1	0.848	Valid	0.863	Reliable
	X1.1.2	0.701	Valid		
	X1.2.1	0.727	Valid		
	X1.2.2	0.780	Valid		
	X1.3.1	0.410	Valid		
	X1.3.2	0.827	Valid		
	X1.4.1	0.702	Valid		
	X1.4.2	0.737	Valid		
Learning orientation	X2.1.1	0.769	Valid	0.914	Reliable
	X2.1.2	0.775	Valid		
	X2.1.3	0.879	Valid		
	X2.2.1	0.772	Valid		
	X2.2.2	0.687	Valid		
	X2.2.3	0.801	Valid		
	X2.3.1	0.781	Valid		
	X2.3.2	0.782	Valid		
	X2.3.3	0.761	Valid		
Innovation	X3.1.1	0.737	Valid	0.810	Reliable
	X3.1.2	0.873	Valid		
	X3.1.3	0.848	Valid		
	X3.2.1	0.876	Valid		
	X3.2.2	0.794	Valid		
	X3.2.3	0.813	Valid		
	X3.3.1	0.678	Valid		
	X3.3.2	0.434	Valid		
Competitive advantage	Y1.1.1	0.619	Valid	0.823	Reliable
	Y1.1.2	0.778	Valid		
	Y1.2.1	0.697	Valid		
	Y1.2.2	0.724	Valid		
	Y1.3.1	0.591	Valid		
	Y1.3.2	0.465	Valid		
	Y1.4.1	0.493	Valid		
	Y1.4.2	0.658	Valid		
	Y1.5.1	0.616	Valid		
	Y1.5.2	0.651	Valid		
MSME performance	Y2.1.1	0.873	Valid	0.940	Reliable
	Y2.1.2	0.871	Valid		
	Y2.2.1	0.797	Valid		
	Y2.2.2	0.836	Valid		
	Y2.3.1	0.827	Valid		
	Y2.3.2	0.888	Valid		
	Y2.4.1	0.827	Valid		
	Y2.4.2	0.885	Valid		

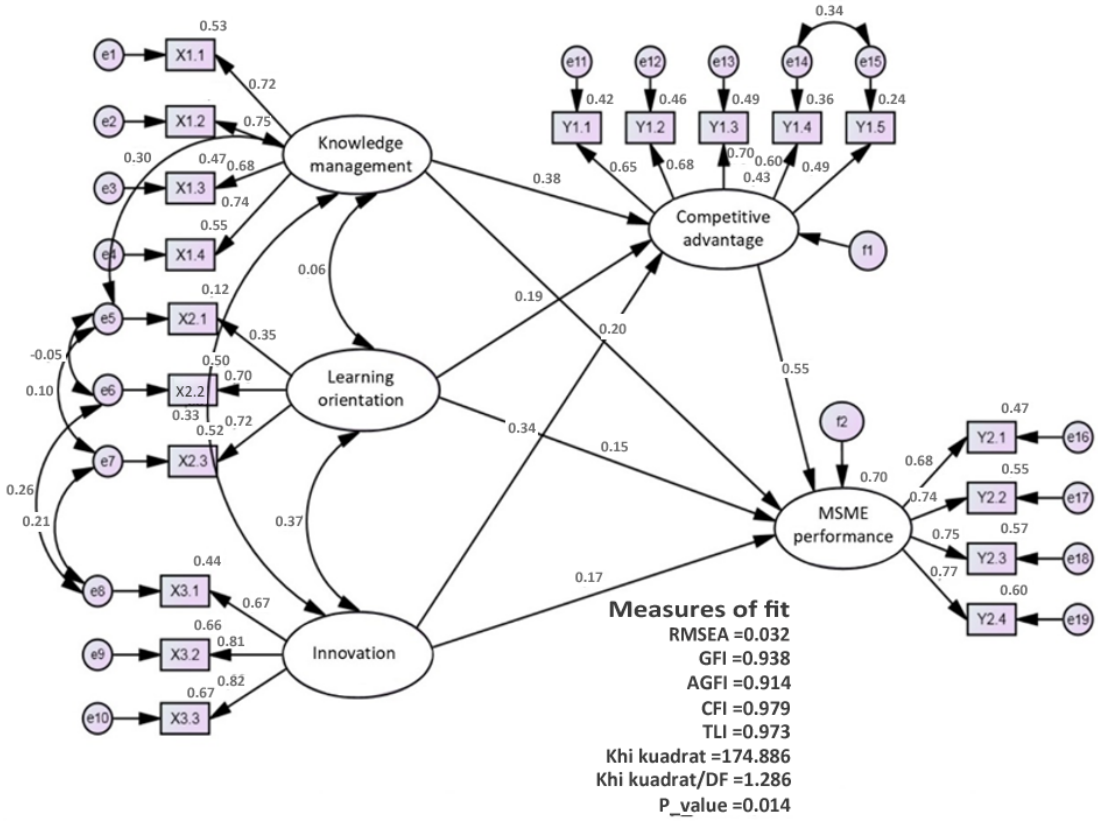

Figure 1. Path diagram of SEM analysis results

The goodness of fit indices criteria in Table 3 were used to evaluate the final model test results (see Figure 1).

Table 3. Evaluation of the goodness of fit indices criteria SEM overall model

The goodness of the fit index	Cut-off value	Model results	Information
X2 – Chi-square	Expected small	174,886	Good
Sign probability	≥ 0.05	0.14	Good
CMIN/DF The minimum sample discrepancy function and degree of freedom	≤ 2.00	1.29	Good
GFI (Goodness of fit index)	≥ 0.90	0.94	Good
AGFI Adjusted goodness of fit index	≥ 0.90	0.91	Good
TLI Tucker Lewis index	≥ 0.95	0.97	Good
CFI Comparative fit index	≥ 0.95	0.98	Good
RMSEA the root mean square error of approximation	≤ 0.08	0.03	Good

Source: Primary data processed, 2023 Here is Appendix 1 presented.

4.2. Evaluation of the Goodness of Fit Indices Criteria for the SEM Overall Model

The evaluation of the proposed model indicates that the overall construct evaluation has not yet produced a cut-off value such as the GFI *Goodness of Fit Index* or AGFI values. However, according to Arbuckle (1997) the CMIN/DF values below 2 and RMSEA values below 0.08 are considered optimal indicators of the model's fit. The model is appropriate and useful in this study since both the CMIN/DF and RMSEA measurements correspond to the threshold requirements. Therefore, it can be interpreted for future discussions.

4.3. Results of Hypothesis Testing

The hypothesis of the direct impact of knowledge management, learning orientation and innovation on the performance of SMEs is tested using the critical ratio from the findings of the regression weight output. The research hypothesis will be accepted if the p-value is <5%. The results of hypothesis testing are listed in Table 4.

Table 4. Results of regression weight analysis (direct effect).

Connection	Path coefficient	CR	P-values	Information
Knowledge management -> MSME performance	0.200	2,840	0.005	Significant
Learning orientation -> MSME performance	0.155	2,206	0.027	Significant
Innovation -> MSME performance	0.165	2,286	0.022	Significant

Knowledge management has a significant effect on the performance of SMEs. These results indicate that knowledge management can improve the performance of Bangkalan batik SMEs. Learning orientation and innovation have a significant effect on the performance of SMEs. These results indicate that the learning orientation and innovations of batik SMEs in Bangkalan Regency contribute to improve their performance.

Learning orientation and knowledge management have a direct impact on MSME performance through competitive advantage while using a mediation test. The results of testing whether competitive advantage mediates the effect of knowledge management, learning orientation and innovation on MSME performance can be seen in Table 5.

Table 5. The effect of knowledge management, learning orientation and innovation on MSME performance through competitive advantage

Influence between variables	Direct influence	Indirect influence throughcompetitive advantage	Total impact
Knowledge management -> MSME performance	0.200	0.376 x 0.551 = 0.207	0.407
Learning orientation -> MSME performance	0.155	0.194 x 0.551 = 0.107	0.262
Innovation -> MSME performance	0.165	0.335 x 0.551 = 0.185	0.350
Knowledge management -> Competitive advantage	0.376	-	-
Learning orientation -> Competitive advantage	0.194	-	-
Innovation -> Competitive advantage	0.335	-	-
Competitive advantage -> MSME performance	0.551	-	-

According to the results presented in Table 5, the indirect impact of knowledge management on MSME (Micro, Small and Medium Enterprises) performance mediated by competitive advantage yields a total coefficient value of 0.407. This value surpasses the direct effect of knowledge management which is 0.200 on MSME performance. These results indicate that the competitive advantage variable potentially plays a mediating role in the relationship between knowledge management and the success of batik producing SMEs in Bangkalan Regency, Indonesia.

Similarly, the total coefficient value of learning orientation on MSME performance through competitive advantage is 0.262 which is higher than the direct effect of learning orientation (0.155) on MSME performance. This suggests that the competitive advantage variable has the potential to influence how learning orientation affects the performance of batik SMEs in Bangkalan Regency, Indonesia.

The competitive advantage-mediated indirect effect of innovation on MSME performance has a total coefficient value of 0.350 exceeding the direct effect of innovation (0.165) on MSME performance. These findings indicate that the competitive advantage variable can mediate the impact of innovation on the success of batik-producing SMEs in Bangkalan Regency, Indonesia.

5. Discussion

Batik SMEs in Bangkalan, Indonesia improve business performance influenced by knowledge management, learning orientation and SME innovation mediated by competitive advantage. The study result revealed that to improve the business performance of Bangkalan batik SMEs, the ability to use knowledge, the commitment of MSME actors to learn and the ability to innovate their products are needed to create uniqueness for the products produced.

Bangkalan batik Businesses are evaluated on their financial performance, innovation, manufacturing and marketing to better understand their energy sources. The learning process is crucial in the business of Bangkalan batik SMEs and knowledge management plays a significant role in its facilitation. Knowledge management can increase the knowledge required for batik SMEs and facilitate the rapid dissemination of knowledge within the organization. The results of this research are consistent with the research conducted by Aliyu et al. (2015). Tseng and Lee (2014) found that knowledge management affects business performance. The following studies carried out by Rafi et al. (2022) and Alshammari (2020) confirm the findings of this study (2010).

Learning orientation can help batik SMEs improve products and services and increase sales to retain customers on a larger scale based on their information and knowledge. The research findings demonstrate that a learning orientation positively influences business performance Amin, Thurasamy, Aldakhil, and

Kaswuri (2016). Learning orientation influences MSME performance significantly, with the highest coefficient value compared to innovativeness, proactiveness and risk-taking variables. Eshlaghy et al. (2011) and Abiodun and Kida (2016) have conducted research that demonstrates how learning orientation influences the performance of MSMEs.

MSMEs have a variety of possibilities to develop and take on new challenges as a result of innovation. Zhang and Chen (2014) focused their research on measuring the effect of innovation on MSME performance from several aspects, including the type of innovation, constraints, impact and strategy. The study results explain that MSME innovation is an effort to improve MSME performance. The research results support the research conducted by Saunila and Ukko (2014); Anton et al. (2015); Serna et al. (2016) and Nybakk (2012).

Competitive advantage can serve as a mediator in the relationship between knowledge management and MSME (Micro, Small and Medium Enterprises) performance. The unique batik motifs created by MSME actors based on their capabilities can differentiate them from competitors. Moreover, the diverse range of batik designs resulting from these capabilities can act as mediators for MSME performance particularly in terms of marketing performance. Marketing performance is required by the ability to increase sales and the number of customers in the last three years. The effect of knowledge management on the performance of Bangkalan batik SMEs shows that SMEs' knowledge is used to produce products with new motifs and can improve their business performance with the uniqueness or characteristics of the batik they make. This research supports previous research conducted by Gassmann and Keupp (2007), Ismail and Indrawati (2013), Fifi (2013), Khaliq (2016) and Kamya, Ntayi, and Ahiauzu (2010).

Meanwhile, Bangkalan batik can mediate the commitment of MSME actors in learning how to develop the capabilities and skills of their employees as well as how to maintain the viability of their business by leveraging the uniqueness that MSME actors can create. Competitive advantage can mediate the effect of learning orientation on performance to improve the business performance of Bangkalan batik SMEs. The results of this research support research conducted by Martinette et al. (2014), Mahmood and Hanafi (2013) and Rhee et al. (2010).

Competitive advantage can mediate the effect of innovation on the performance of MSMEs in Bangkalan batik. The ability of MSME actors to create a competitive advantage as mediators can improve the marketing performance of Bangkalan batik MSME actors. The results of this research follow research conducted by Karanja (2015) and Rojas et al. (2015).

6. Conclusion

Bangkalan batik SMEs must have a competitive edge in terms of their ability to design distinctive batik motifs and a variety of batik goods in order to improve their marketing efforts. The role of knowledge management in influencing the business performance of UMKM batik actors in Bangkalan Regency is to produce products with new motifs and apply available knowledge to improve performance. A commitment to employee development, employee skills and how to learn to sustain the profitability of the business is different from a commitment to learning orientation. Learning orientation is carried out through a commitment to and willingness to learn. Bangkalan batik SMEs' ability to adopt new products, develop a variety of new products and develop new products that outperform their competitors has an impact on innovation's ability to boost business performance.

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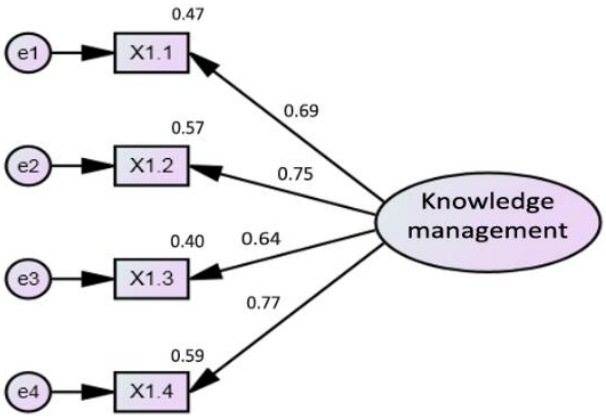
Appendix

Appendix 1. Confirmatory analysis.



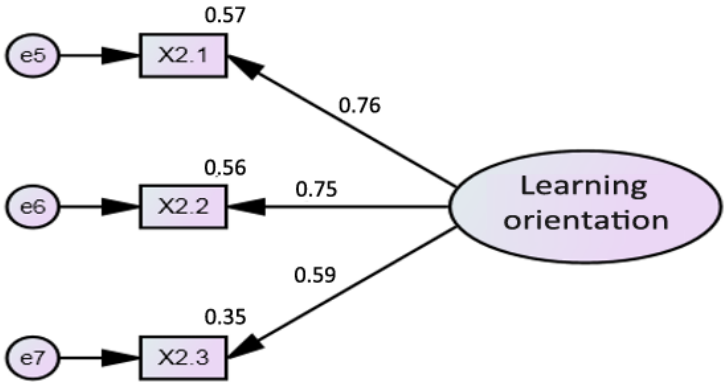
Regression weights: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
X1.4 <--- Manajemen Pengetahuan	1.000				
X1.3 <--- Manajemen Pengetahuan	0.861	0.133	6.474	***	Par_1
X1.2 <--- Manajemen Pengetahuan	0.889	0.120	7.427	***	Par_2
X1.1 <--- Manajemen Pengetahuan	0.827	0.122	6.756	***	Par_3

Note: ** $p < 0.01$.

Standardized regression weights: (Group number 1 - Default model)

	Estimate
X1.4 <--- Manajemen Pengetahuan	0.770
X1.3 <--- Manajemen Pengetahuan	0.635
X1.2 <--- Manajemen Pengetahuan	0.754
X1.1 <--- Manajemen Pengetahuan	0.687



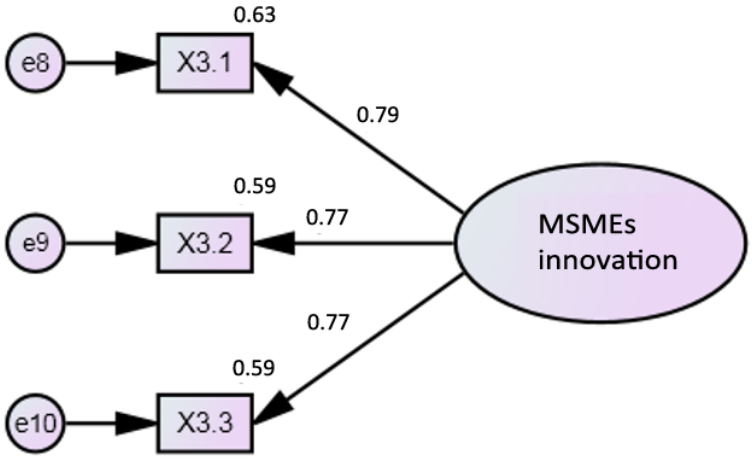
Regression weights: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
X2.3 <--- Orientasi_Pembelajaran	1.000				
X2.2 <--- Orientasi_Pembelajaran	1.186	0.224	5.294	***	Par_1
X2.1 <--- Orientasi_Pembelajaran	1.156	0.219	5.276	***	Par_2

Note: ** p < 0.01.

Standardized regression weights: (Group number 1 - Default model)

	Estimate
X2.3 <--- Orientasi_Pembelajaran	0.592
X2.2 <--- Orientasi_Pembelajaran	0.750
X2.1 <--- Orientasi_Pembelajaran	0.758



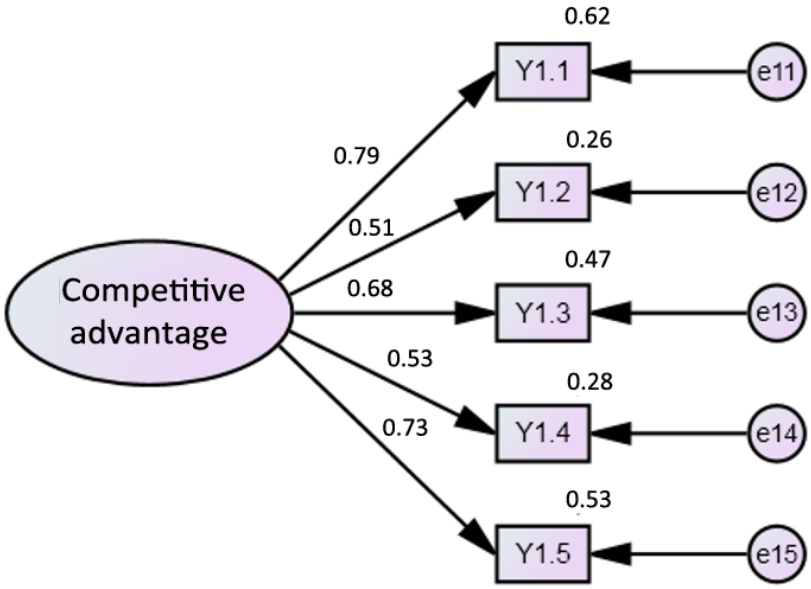
Regression weights: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
X3.3 <--- Inovasi_UMKM	1.000				
X3.2 <--- Inovasi_UMKM	1.079	0.142	7.625	***	Par_1
X3.1 <--- Inovasi_UMKM	1.283	0.167	7.678	***	Par_2

Note: ** p < 0.01.

Standardized regression weights: (Group number 1 - Default model)

	Estimate
X3.3 <--- Inovasi_UMKM	0.768
X3.2 <--- Inovasi_UMKM	0.769
X3.1 <--- Inovasi_UMKM	0.793



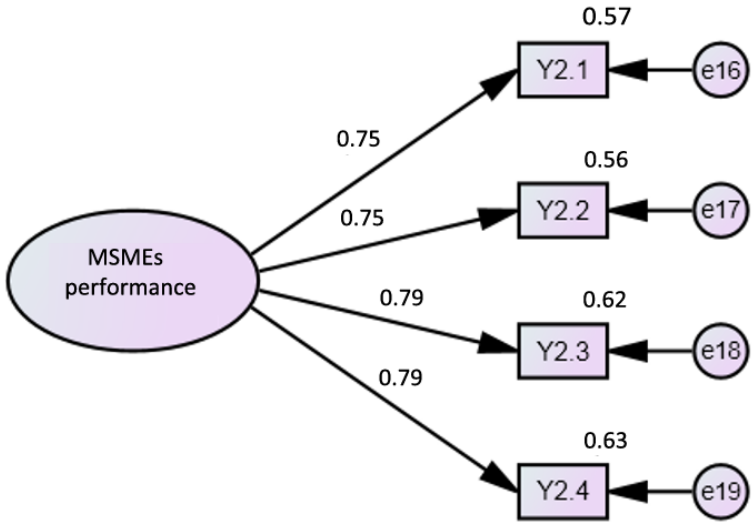
Regression weights: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Y1.1 <--- Keunggulan_Bersaing	1.000				
Y1.2 <--- Keunggulan_Bersaing	0.611	0.119	5.146	***	Par_1
Y1.3 <--- Keunggulan_Bersaing	0.952	0.137	6.962	***	Par_2
Y1.4 <--- Keunggulan_Bersaing	0.656	0.126	5.192	***	Par_3
Y1.5 <--- Keunggulan_Bersaing	0.750	0.101	7.404	***	Par_4

Note: ** $p < 0.01$.

Standardized regression weights: (Group number 1 - Default model)

	Estimate
Y1.1 <--- Keunggulan_Bersaing	0.786
Y1.2 <--- Keunggulan_Bersaing	0.513
Y1.3 <--- Keunggulan_Bersaing	0.683
Y1.4 <--- Keunggulan_Bersaing	0.529
Y1.5 <--- Keunggulan_Bersaing	0.729



Regression weights: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Y2.1 <--- Kinerja_UMKM	1.000				
Y2.2 <--- Kinerja_UMKM	0.810	0.101	8.042	***	Par_1
Y2.3 <--- Kinerja_UMKM	1.145	0.138	8.292	***	Par_2
Y2.4 <--- Kinerja_UMKM	0.986	0.119	8.311	***	Par_3

Note: ** $p < 0.01$.

Standardized regression weights: (Group number 1 - Default model)

	Estimate
Y2.1 <--- Kinerja_UMKM	0.753
Y2.2 <--- Kinerja_UMKM	0.746
Y2.3 <--- Kinerja_UMKM	0.787
Y2.4 <--- Kinerja_UMKM	0.795