JURNAL AR RO'IS MANDALIKA (ARMADA)
Journal website: https://ojs.cahayamandalika.com/index.php/armada

ISSN: 2774-8499 Vol. 6 No. 3 (2026)

Research Article

Acceleration Strategies for Competitiveness: Integrating Green Entrepreneurship Practices, Local Content Optimization, and Empowered Entrepreneurial Capacity

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Abstract

This research aims to examine strategies for accelerating competitiveness through integrating environmentally-based entrepreneurial practices, optimizing local content utilization, and strengthening competitive entrepreneurial capacity. The underlying problem is the low level of competitiveness, driven by limited poverty principles, a lack of local love and potential, and weak entrepreneurial capacity among business actors. This research employs a quantitative approach with a survey method complemented by an ethnographic perspective. Data were obtained through observation, questionnaire distribution, interviews, and a literature review of SME's in the Cikarang, Bekasi area, using purposive sampling as the basis for selecting respondents. Data analysis was conducted using linear regression. The results reveal that green entrepreneurship, optimizing local content, and empowered entrepreneurial capacity have a positive and significant influence on increasing SME's competitiveness. Therefore, this study confirms that integrating these three variables is a strategic and sustainable strategy for accelerating the strengthening of SME's competitiveness.

Keywords: SME's competitiveness, green entrepreneurship, local content, business strategy capacity

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in the national economy through their contribution to job creation, the strengthening of local economies, and the enhancement of community economic resilience. Increasing attention to sustainability issues has positioned green entrepreneurship as a relevant approach to MSME development. Through the adoption of green entrepreneurship principles, business activities are oriented not only toward profit generation but also toward environmental preservation and the efficient use of resources (Prasetio et al., 2025). Green enterprises support the achievement of sustainable development goals by balancing economic, social, and environmental interests in an integrated manner (Rasheed et al., 2024). Integrated environmental entrepreneurship practices have been shown to improve business performance by reducing negative environmental impacts while simultaneously promoting operational cost efficiency (Neumann, 2022). The integration of green entrepreneurship practices represents an effort to apply environmentally friendly business principles in order to create sustainable value. Local cultural values not only serve as sources of authentic differentiation but also strengthen product identity amid increasingly competitive consumer markets (Mahrinasari et al., 2024). The integration of local advantages and entrepreneurial capabilities has been empirically proven to exert a significant influence on enhancing MSME performance (Lubis et al., 2024). Local wisdom reflects the cultural identity and traditional values of local communities, which can create competitive advantages for MSME products (Wahyudi et al., 2025). Local content optimization refers to the utilization of local resources, culture, and local wisdom to achieve competitive advantage. Entrepreneurial capacity plays a strong role in driving improvements in organizational innovation capacity (Somwethee et al., 2023). The ability to adapt to market changes constitutes a critical element of entrepreneurial capacity (Sholikah & Arifin, 2024). Innovation capacity inherent in entrepreneurship is closely associated with improved MSME performance, particularly through the strengthening of competitive advantage (Ardia et al., 2025). To achieve competitive advantage, the ability to undertake innovation is essential (Elsa et al., 2022). Empowered entrepreneurial capacity refers to the ability of business actors to innovate, adapt, and manage opportunities productively. One of the causes of declining business performance is reduced competitiveness (Susbiyani & Nastiti, 2024). This issue is also highly critical for small and medium enterprises in sustaining competitive advantage (Wang et al., 2025). A competitiveness acceleration strategy constitutes a set of integrated efforts aimed at expediting the strengthening of organizational competitive advantage by maximizing resource utilization, fostering innovation, and enhancing adaptive capabilities on a sustainable basis.

Various empirical studies indicate that green entrepreneurship exerts a positive influence on business performance and sustainability through improvements in operational efficiency, business image, and consumer trust. Other studies reveal that the utilization of local content is capable of strengthening MSME competitiveness through product differentiation and brand identity enhancement. Meanwhile, entrepreneurial capacity—encompassing managerial competencies,

innovation, and entrepreneurial orientation—has been shown to significantly contribute to improvements in business performance and competitiveness. However, most existing studies continue to examine these variables in isolation and have not yet integrated them within a single comprehensive strategic framework. In line with the problem formulation, this study aims to analyze the influence of the Integration of Green Entrepreneurship Practices (IPKH), Local Content Optimization (OKL), and Empowered Entrepreneurial Capacity (KKB) on the Competitiveness Acceleration Strategy (SADS) of MSMEs in the Cikarang, Bekasi region. Furthermore, this study seeks to formulate a competitiveness acceleration strategy for MSMEs through the integration of these three aspects as a foundation for strengthening MSMEs that are adaptive, competitive, and sustainable.

METHODS

This study employs a quantitative approach using linear regression analysis to examine the effects of independent variables on the dependent variable. Data processing and analysis were conducted using the Statistical Package for the Social Sciences (SPSS) software. The analyzed data consist of primary data collected through the distribution of questionnaires to 45 MSME actors who served as research respondents. Prior to the main analysis stage, the research instrument was tested for validity and reliability to ensure the accuracy and consistency of the measurement tool. The subsequent stage involved classical assumption testing, including tests of normality, multicollinearity, and heteroscedasticity, to confirm that the regression model met the required statistical assumptions. Model evaluation was carried out through coefficient of determination testing and simultaneous testing to assess the ability of the independent variables to collectively explain the dependent variable. The final stage of analysis focused on hypothesis testing using partial tests to identify the effect of each independent variable on the dependent variable. All testing procedures were conducted at a predetermined significance level to ensure that the resulting conclusions were objective and empirically supported.

Table 1. Operational Definitions of Research Variables

Variable	Indicator	Definition
Competitiveness Acceleration Strategy (SADS)	SADS.1 Product Differentiation	Product uniqueness compared to competitors
	SADS.2 Business Innovation	Renewal of products and processes
	SADS.3 Social Objectives	Ease of market access
	SADS.4 Emotional Engagement	Improvement in performance and growth
Integration of Green Entrepreneurship Practices (IPKH)	IPKH.1 Resource Efficiency	Savings in materials and energy
	IPKH.2 Waste Management	Reduction and treatment of waste
	IPKH.3 Environmentally Friendly Products	Products that are safe for the environment
	IPKH.4 Environmental Awareness	Concern for environmental impacts
	IPKH.5 Green Production Processes	Processes with minimal environmental impact

Local Content Optimization (OKL)	OKL.1 Local Raw Materials	Utilization of local resources
	OKL.2 Local Product Identity	Cultural characteristics embedded in products
	OKL.3 Local Wisdom Values	Application of local traditional values
Empowered Entrepreneurial Capacity (KKB)	KKB.1 Innovation Capability	Creating ideas and solutions
	KKB.2 Decision-Making	Accuracy in determining business choices
	KKB.3 Business Adaptation	Adjustment to market changes

RESULT AND DISSCUSSION

Instrument Testing Analysis

Based on the results of the validity test of the questionnaire using the Product Moment (Pearson) correlation formula, it was found that the calculated r values (r-count) of the questionnaire items were greater than the r-table value of 0.287, indicating validity for a sample size of n = 45 MSME actors at a 5% significance level. Subsequently, a reliability test was conducted to assess the consistency of respondents' answers to the questionnaire statements. Reliability testing was performed using the Cronbach's Alpha technique, whereby a variable is considered reliable if its value exceeds 0.600.

Table 2. Validity and Reliability Test Results

Variable; Indicator	Cronbach's Alpha / r-count	Critical Value	Remark
Competitiveness Acceleration Strategy (SADS)	0.872	0.600	Reliable
SADS.1 Product Differentiation	0.729	0.287	Valid
SADS.2 Business Innovation	0.749	0.287	Valid
SADS.3 Social Objectives	0.757	0.287	Valid
SADS.4 Emotional Engagement	0.681	0.287	Valid
Integration of Green Entrepreneurship Practices (IPKH)	0.855	0.600	Reliable
IPKH.1 Resource Efficiency	0.754	0.287	Valid
IPKH.2 Waste Management	0.707	0.287	Valid
IPKH.3 Environmentally Friendly Products	0.704	0.287	Valid
IPKH.4 Environmental Awareness	0.610	0.287	Valid
IPKH.5 Green Production Processes	0.685	0.287	Valid
Local Content Optimization (OKL)	0.871	0.600	Reliable
OKL.1 Local Raw Materials	0.545	0.287	Valid
OKL.2 Local Product Identity	0.655	0.287	Valid
OKL.3 Local Wisdom Values	0.722	0.287	Valid
Empowered Entrepreneurial Capacity (KKB)	0.910	0.600	Reliable
KKB.1 Innovation Capability	0.729	0.287	Valid
KKB.2 Decision-Making	0.749	0.287	Valid
KKB.3 Business Adaptation	0.757	0.287	Valid

The validity and reliability test results presented in Table 2, using Pearson correlation, indicate that all questionnaire items have r-count values greater than the

r-table value (0.287 for n = 45). Furthermore, the reliability test results demonstrate that all variables exhibit Cronbach's Alpha values above 0.600, indicating a high level of internal consistency of the measurement instruments. Specifically, the Cronbach's Alpha values were 0.855 for the Integration of Green Entrepreneurship Practices (IPKH), 0.871 for Local Content Optimization (OKL), 0.910 for Empowered Entrepreneurial Capacity (KKB), and 0.872 for the Competitiveness Acceleration Strategy (SADS). As all values exceed the threshold of $\alpha > 0.600$, the questionnaire data used in this study are considered reliable.

Table 3. Summary of Classical Assumption Tests

Variable Component	Tolerance Value	VIF	Residual Sig.	Test Statistic
Integration of Green Entrepreneurship Practices (IPKH)	0.436	2.296	0.002	2.761
Local Content Optimization (OKL)	0.317	3.153	0.001	2.209
Empowered Entrepreneurial Capacity (KKB)	0.300	3.331	0.000	1.869

The classical assumption test results in Table 3 show that the test statistic values for IPKH (2.761), OKL (2.209), and KKB (1.869) are all greater than 0.05, indicating that the data are normally distributed and that the first assumption is satisfied. The second assumption is also met, as the tolerance values for IPKH (0.436), OKL (0.317), and KKB (0.300) are all greater than 0.10, and their respective VIF values (2.296; 3.153; and 3.331) are below 10.00, indicating the absence of multicollinearity. The Glejser heteroscedasticity test results show no symptoms of heteroscedasticity in the regression model, as each variable has a significance value above 0.05, namely IPKH (0.002 > 0.05), OKL (0.001 > 0.05), and KKB (0.000 > 0.05). Thus, the analytical assumptions required for regression analysis are fulfilled.

Model Testing Analysis

The model evaluation is based on the R Square value (coefficient of determination) and the F-test, where the decision criterion states that the model is significant if F-count > F-table.

Table 4. Summary of Multiple Regression Analysis

R Square	Adjusted R Square	F Count	Sig. F
0.728	0.708	36.624	0.000

Variable	Regression Coefficient	t-Count	Sig.
(Constant)	1.936	2.341	0.024
Integration of Green Entrepreneurship Practices (IPKH)	0.466	2.761	0.009
Local Content Optimization (OKL)	0.441	2.209	0.003
Empowered Entrepreneurial Capacity (KKB)	0.347	2.869	0.006
Dependent Variable: Competitiveness Acceleration Strategy (SADS)			

The R Square value in Table 4 is 0.728, with an Adjusted R Square of 0.708. These values indicate that IPKH, OKL, and KKB collectively explain 72.8% of the variance in SADS. The F-count value is 36.624 with a significance probability (Sig. F) of 0.000. Since F-count (36.624) is greater than F-table (2.83) and Sig. F (0.000) is less than the research significance level of 0.05, the model is statistically significant. This finding indicates that IPKH, OKL, and KKB are capable of explaining 72.8% of the variation in SADS. Therefore, the research design model is deemed appropriate for explaining the relationships among variables through hypothesis testing.

Hypothesis Testing Analysis

The regression coefficients obtained from the model indicate positive relationships between all independent variables and the dependent variable. Hypothesis testing was conducted using the t-test to examine the significance of the regression coefficients. The resulting regression equation is expressed as follows:

$$SADS = 1.937 + 0.466\ IPKH + 0.441\ OKL + 0.347\ KKB$$

The IPKH variable has a regression coefficient of 0.466, with a t-count of 2.761, which is greater than the t-table value of 2.018, and a significance value of 0.009, which is less than the research significance level of 0.05. Therefore, the first hypothesis is accepted, indicating that IPKH has a significant effect on SADS. The OKL variable has a regression coefficient of 0.441, a t-count of 2.209 (greater than t-table 2.018), and a significance value of 0.003 (less than 0.05), leading to the acceptance of the second hypothesis, which indicates that OKL significantly affects SADS. Furthermore, the KKB variable has a regression coefficient of 0.347, a t-count of 2.869 (greater than t-table 2.018), and a significance value of 0.006 (less than 0.05), resulting in the acceptance of the third hypothesis, which indicates that KKB significantly affects SADS. These results provide quantitative evidence that efforts to strengthen values and relationships within MSME business strategies make a tangible contribution to business performance, both in financial and non-financial aspects.

CONCLUSION

Based on the results of the linear regression analysis, each independent factor examined in this study is shown to strongly drive the Competitiveness Acceleration Strategy (SADS) among MSMEs. Environmentally friendly business strategies, enhanced local content utilization, and the empowerment of entrepreneurial capabilities demonstrate sufficiently significant regression coefficients, leading to the acceptance of all hypotheses tested in this research. The findings indicate that integrating sustainability principles, local values, and business acumen into a cohesive strategic framework can substantially elevate MSME performance in ways that are both observable and actionable. Furthermore, this study confirms that strengthening green business practices, optimizing the use of local resources, and enhancing empowered entrepreneurship are crucial for improving the performance of micro, small, and medium enterprises. These three factors contribute not only to financial outcomes but also to non-financial dimensions, such as differentiation from competitors and resilience in the face of changing market conditions. Therefore, to

enhance MSME competitiveness, it is essential to strengthen value creation, build more robust networks, and reinforce internal business capabilities to ensure long-term sustainability.

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