



Identification of Beginning Entrepreneurs Problems in South Tangerang – Indonesia

Yayat Sujatna¹, Ermalina², Berlianingsih Kusumawati³ & Imal Istimal⁴

^{1,3}Management Department of Ahmad Dahlan University of Technology and Business
yayatsujatna@gmail.com, ermalina1962@gmail.com

²Department of Accounting, Ahmad Dahlan University of Technology and Business
berlianingsihkusumawati@yahoo.co.id

⁴Ahmad Dahlan Entrepreneurial Centre of Ahmad Dahlan University of Technology and Business
imalilham@gmail.com

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Abstract: This study aims to identify the problems faced by novice entrepreneurs in South Tangerang City - Indonesia. The research data was obtained through the distribution of questionnaires (primary data) randomly to novice entrepreneurs in the City of South Tangerang. Questionnaires were distributed using random techniques. The questionnaire was designed closed and the measurement scale 1-10. The selected sample was determined as many as 100 people. The research sample is a beginner entrepreneur in South Tangerang City with the criteria: the business is run no more than one year and is not included in the MSME criteria. The analysis technique uses Structural Equation Modeling (SEM) to find out the indicators or problems faced by novice entrepreneurs. Analysis tool using SmartPLS software. Problems faced by novice entrepreneurs in South Tangerang City consist of internal and external problems. Internal problems consist of HR (entrepreneurial motivation is unstable and has no experience), marketing (still done conventionally, no specific marketing costs), and capital/finance (still using own capital, not utilizing banking, and capital to run a limited business). While external factors consist of Government Policy (There is no capital assistance (in-kind) from the government directly, there is no technical assistance (such as training) from the government, there is no business assistance, and there is no policy in favor of business actors), Related Institutions

(There is no technical and financial support/assistance from financial institutions / other parties, loan requirements are difficult to fulfill, loan collateral from banks is difficult to fulfill, there is no business assistance from banks/other parties).

Keywords: Beginner Entrepreneurs, Entrepreneurial Problems, External Factors, Internal Factors

1. Introduction

Considering the important role of entrepreneurs in the economy, the government has prepared various policies to increase the number of entrepreneurs in Indonesia. As it is known that the number of entrepreneurs in Indonesia is still limited, it is still below the minimum amount required to become a developed country. Still inferior to other countries such as Malaysia, Singapore, and even America. The number of entrepreneurs in Indonesia is still 1.6 percent of the population. Still far from the requirement, which is 2 percent.

The government's effort in increasing the number of entrepreneurs is to provide technical guidance to the provision of low-interest capital such as KUR (People's Business Credit). Also, the growth of new entrepreneurs has been carried out through various Ministry programs, such as the Ministry of Youth and Sports (Kemempora) through the Beginner Young Entrepreneur program (WMP), and Entrepreneurship Skills Education (PKW). Efforts to create new entrepreneurs are also carried out at the level of education through the establishment of a central curriculum or entrepreneurial institution. In this case, the main goal is how to create new entrepreneurs from among students. Students are currently required when graduating to become entrepreneurs

who can create business opportunities compared to finding a job. This effort is guaranteed by Baumol, et al., (2007) as the key to a number of desired social outcomes, including economic growth, lower unemployment, and technological modernization.

At the regional level (Regency / City) various entrepreneurship programs have been promoted, one of which is in South Tangerang City. South Tangerang City has 1,000 SME programs to realize South Tangerang City as a cooperative city. The program is supported by the title obtained as the best city for the economic climate of Micro, Small and Medium Enterprises (MSMEs) through the Natamukti Nindya Award. Proof of support from the South Tangerang City Government in increasing new entrepreneurs is evidenced by programs such as the ease of making business licenses, granting halal logos, making packaging, product marketing, and promotion at home and abroad.

Although many programs have been rolled out by the South Tangerang City Government, there are still many obstacles faced by entrepreneurs themselves. These constraints include labor and marketing issues (Tempo, 2017). Another problem that is often faced by MSMEs in South Tangerang City is capital problems (Maryama, 2016). Also, the problem of early entrepreneurship said Supriyanto (2014), many had bright ideas, great

ideas and had high commercial value, but the idea remained only because the great idea had never been written or communicated to other parties or implemented. Beck and Demirguc-Kunt (2006) in Sundoro and Ardianti (2014) divide entrepreneurial barriers into two aspects of the environment, namely the internal environment and the external environment. Internal barriers can take the form of finance, management skills, information technology and much more, while what surrounds the external environment is the business climate, government, infrastructure.

Efforts to create or give birth to entrepreneurs, especially new entrepreneurs are not easy. Various problems will be faced either by the prospective entrepreneur itself or by other parties as a driver of the birth of new entrepreneurs. Santosa (2014) assessed that the obstacle in creating new entrepreneurs lies in the situation that is still not optimal achievement of higher education policy to develop student entrepreneurial behavior. In other words, policies between the macro level and learning practices at the micro level are still not synchronous. This unsynchronization is one of the causes of the lack of synergy between the various supporting elements of formal education to stimulate the spirit, spirit and entrepreneurial behavior.

In line with Hubeis in Lupiyoadi (2004) explained that almost 80% of start-up companies in Indonesia failed in the first year. A similar opinion was expressed by Wirasmita (1998) that the mortality/failure rate of small businesses in Indonesia reached 78%.

This shows that the failure rate for new businesses is very high. Timmons (2003) illustrates that at the beginning of a new business establishment begins with a very large opportunity, but has not been matched by sufficient resources (financial) and management team, resulting in inequality that increases the uncertainty and risk factors (Agustina, 2011).

2. Literature Review

2.1 Entrepreneurship

Referring to Rusdiana (2014), etymologically, entrepreneurship (ke-wira-ushaan in Indonesia) is derived from words Wira and business. Wira means opportunity, hero, superior human, exemplary, virtuous, brave, and gracious. From this definition can be drawn the definition that entrepreneurship is a business run by someone independently, without the involvement of other parties in deciding issues related to their business.

Someone who runs the entrepreneurship itself is an entrepreneur or entrepreneur. The Big Indonesian Dictionary defines entrepreneurs as people who are smart or talented in recognizing new products, determining new ways of production, arranging operations to procure new products, managing capital for their operations, and marketing them.

To put it simply according to Kasmir (2010), the meaning of entrepreneurship is that people who are brave in taking risks to open businesses in various opportunities. Being brave to take risks means to be mentally independent and dare to start a business, without being overwhelmed by fear or anxiety even in uncertain conditions. Similarly,

Zimmerer and Scarborough (2005) provide an entrepreneurial definition with the following translation: people who create businesses in the face of risk and uncertainty for the purpose of achieving profits and growth by identifying significant opportunities and gathering available resources to utilize them.

2.2 Entrepreneurial problems

Entrepreneurship is a long journey undertaken by business people, starting from the beginning of the start until the period of success. Therefore Zimmerer (2005) divides the stages of entrepreneurship development into two stages, namely the initial stage (start-up) and the stage of growth (growth). The start-up phase is characterized by: Focusing on the future compared to the present and medium-sized businesses directed towards the long term, moderate risk taking with a high tolerance for change and failure, capacity to find innovative ideas that give satisfaction to consumers and technical knowledge and experience in the field. While at the growth stage (growth) is characterized by the capacity to forge during rapid growth, organizational purity and the ability to count, and Managerial knowledge and experience using other people and available resources (Agustina, 2011).

In terms of time, start-up or new entrepreneurs are pioneering new entrepreneurs. Azzuman (2015), defining novice entrepreneurs in terms of time is a business that has been running for less than three years. Because the time or experience of a business is still relatively small or not

long ago, the beginner entrepreneur is still in the stage of finding the ideal form in managing his business. In this process, entrepreneurship can be characterized in several aspects. As in the aspect of production: production in limited quantities depends on the ability of production costs and market reach. Marketing aspects: The product offered is still simple, there is no meaningful innovation, with limited market reach, marketing still relies on social media such as Facebook, Instagram, or WhatsApp because besides being cheap it can also reach consumers who are lousy (Rahmania, 2018). Management and human resources aspects: there is no workforce yet, it is still done by the owner, even if the owner's workforce is still directly involved in business activities.

2.3 Beginner Entrepreneurial Problems

Because beginner entrepreneurs are still relatively short, thus the experience gained to develop their business is also not much. At this stage, entrepreneurs often experience problems in developing their business, not even a few who experience failure or bankruptcy. Hubeis in Lupiyoadi (2004) explained that almost 80% of start-up companies in Indonesia failed in the first year. A similar opinion was expressed by Wirasasmita (1998) that the mortality/failure rate of small businesses in Indonesia reached 78%. This shows that the failure rate for new businesses is very high. Timmons (2003) illustrates that at the beginning of a new business establishment begins with a very large opportunity, but has

not been matched by sufficient resources (financial) and management team, resulting in inequality that increases the uncertainty and risk factors (Agustina, 2011).

According to Supangat and Purwanto (2008), beginner entrepreneurs often fail due to three factors, namely: first market driven ideas, beginner entrepreneurs fail due to the absence of potential markets. This factor usually occurs in new products in certain areas or results from previous product innovations. Second, Management skills, businesses fail due to internal factors or business managers themselves. Such as low knowledge and skills in running a business, including preparing business plans. Third, Access to capital, novice entrepreneurs fail because they do not understand how to use the capital they have, or they cannot succeed in getting enough capital from other parties when the business needs it. Zimmerer (2005) also characterizes a star up with an uncertain income.

Entrepreneurial problems can be caused by two factors, namely internal factors and external factors. Internal factors occur as a result of weaknesses or internal capabilities of the business including the ability of business actors. While external factors can occur due to external factors that are difficult to be controlled by business actors. Beck (2007) divides the entrepreneurial problem into two factors, namely internal factors and external factors. Internal factors consist of management expertise, location and relationships. while external factors consist of economic and market variables, labor

crime and corruption, infrastructure, and regulations.

Adawiyah (2013) explains that internal factors consist of limited capital, limited human resources, and the valley of business networks. While external factors are caused by a non-conducive business climate, governing policies, limited facilities and infrastructure, the implications of free trade policies, and difficulty reaching a wider market. Meanwhile, according to Munizu (2010) internal factors that cause the failure of beginner entrepreneurs include human resources, financial aspects, production/operational techniques, and market aspects. While external factors consist of government policy, socio-cultural and economic aspects, and aspects of the role of related institutions.

Furthermore, several studies which state that the internal problems that are often experienced by novice entrepreneurs are human resources (Munizu, 2010; Adawiyah, 2013; Martin and Staines, 2008; Sumantri, et al., 2013), Marketing (Munizu, 2010; Crijns and Ooghi, 2000; Dahl and Sorenson, 2007; Sumantri, et al., 2013), and finance/capital (Munizu, 2010; Adawiyah, 2013; Okpara, 2011; Mansur and Sulistio, 2010). While external problems consist of Climate Economists (Crijns and Ooghi, 2000), Related Institutions (Munizu, 2010), and Government Policy (Munizu, 2010; Purwidiyanti, 2007; Ehlers and Lazenby, 2007; Sumantri, et al., 2013).

3. Methodology

Technical analysis techniques using Structural Equation Modeling (SEM) to determine the indicators or problems

faced by beginner entrepreneurs (start-up) in running the business. SEM analysis is also used to see the effect of each research variable. SEM analysis is done using smartPLS tools or software. The research data were obtained by distributing questionnaires (primary data) to novice entrepreneurs in the City of South Tangerang. Questionnaires were distributed using random techniques. The questionnaire was designed closed and the measurement scale 1-10.

Because the exact number of beginner entrepreneurs is not yet known, the study sample was determined as many as 100 respondents. The determination of this sample is based on Roscoe (1982) if social studies with the same characteristics are used, the research

sample can be determined by 30- 500 respondents.

The research sample is a beginner entrepreneur in the City of South Tangerang with the criteria: the business is run no more than one year, does not have employees, not included in the MSME category.

3.1 Variable Definitions and Research Indicators

Variables/constructs in this study consisted of internal and external variables. Internal variables consist of: HR, marketing, finance/capital). While external variables consist of government policies, related institutions, and the economic climate. The following are operational definitions and indicators of research variables:

Tabel 1. Variables/Constructions and Research Indicators

	Variables/Construct	Indicator
Internal	Human Resources (A) (Munizu, 2010; Adawiyah, 2013; Martin dan Staines, 2008; Sumantri, <i>et al.</i> , 2013)	1. Not having employees (A1); 2. Do not have the competence or ideas in developing business (A2); 3. Unstable business motivation (A3); 4. Do not have experience (A4).
	Marketing (B) (Munizu, 2010; Crijns dan Ooghi, 2000; Dahl dan Sorenson, 2007; Sumantri, <i>et al.</i> , 2013)	1. Still conducted conventionally (B1); 2. Do not use technology/internet (B2); 3. Limited market reach (B3); 4. The packaging material is still simple (B4); 5. The packaging design is still simple (B5); 6. There are no special marketing costs (B6).
	Finance / Capital (C) (Munizu, 2010; Adawiyah, 2013; Okpara, 2011; Mansur dan Sulistio, 2010)	1. Still using their own capital, not yet utilizing banking (C1); 2. Capital to run a limited business (C2); 3. Financial management is still simple, does not adhere to accounting standards (C3); 4. Can not access capital from other parties because of limited knowledge (C4);

		5. Can not access capital from other parties because they do not have collateral (C5).
External	Government policy (D) (Munizu, 2010; Purwidiyanti, 2007; Ehlers dan Lazenby, 2007; Sumantri, <i>et al.</i> , 2013)	<ol style="list-style-type: none"> 1. There is no capital assistance (in kind) from the government directly (D1); 2. There is no technical assistance (such as training) from the government (D2); 3. There is no business assistance (D3); 4. There is no policy in favor of business actors (D4).
	Related Institutions (E) (Munizu, 2010)	<ol style="list-style-type: none"> 1. There is no technical and financial support/assistance from financial institutions/other parties (E1); 2. Conditions for applying for a loan are difficult to fulfill (E2); 3. Collateral loans from banks are difficult to fulfill (E3); 4. There is no business assistance from banks / other parties (E4); 5. Very high loan interest rates (E5).
	Economy Climate (F) (Crijns dan Ooghi, 2000)	<ol style="list-style-type: none"> 1. Increasingly tighter business competition (F1); 2. High production costs (F2); 3. High distribution costs (F3); 4. High marketing costs (F4).

Source: data processed, 2019

4. Result and Discussion

4.1 Entrepreneurial Problems

Problems raised/asked to respondents consisted of internal problems and external problems. Internal problems are problems that arise from within the business actors themselves. This problem consists of human resources (HR), marketing, and finance/capital. External problems are problems arising

from outsiders which tend to be difficult to be controlled by business actors. External problems in this study consisted of government policies, related institutions, and the economic climate. The following are the problems faced by novice entrepreneurs in South Tangerang City based on the average score of answers to questions in the questionnaire.

Table 2. Average Respondents' Scores

Business Problems	Skor
Human Resources (A)	4.70
1. Not having employees (A1);	4.34
2. Do not have the competence or ideas in developing business (A2);	3.93

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3. Unstable business motivation (A3);	5.53
4. Do not have experience (A4).	4.99
Marketing (B)	4.12
1. Still conducted conventionally (B1);	4.47
2. Do not use technology/internet (B2);	2.99
3. Limited market reach (B3);	3.89
4. The packaging material is still simple (B4);	3.73
5. The packaging design is still simple (B5);	3.93
6. There are no special marketing costs (B6).	5.71
Finance/Capital (C)	8.50
1. Still using their own capital, not yet utilizing banking (C1);	8.50
2. Capital to run a limited business (C2);	8.67
3. Financial management is still simple, does not adhere to accounting standards (C3);	8.37
4. Can not access capital from other parties because of limited knowledge (C4);	8.33
5. Can not access capital from other parties because they do not have collateral (C5).	8.63
Government policy (D)	7.99
1. There is no technical and financial support/assistance from financial institutions / other parties (D1);	8.89
2. Conditions for applying for a loan are difficult to fulfill (D2);	9.03
3. Collateral loans from banks are difficult to fulfill (D3);	8.93
4. There is no business assistance from banks/other parties (D4);	5.11
Related Institutions (E)	7.62
1. There is no technical and financial support/assistance from financial institutions / other parties (E1);	7.49
2. Conditions for applying for a loan are difficult to fulfill (E2);	8.54
3. Collateral loans from banks are difficult to fulfill (E3);	8.59
4. There is no business assistance from banks/other parties (E4);	7.73
5. Very high loan interest rates (E5).	5.76
Economy Climate (F)	5.19
1. Increasingly tighter business competition (F1);	6.63
2. High production costs (F2);	6.36
3. High distribution costs (F3);	3.87

4. High marketing costs (F4).

3.90

Source: data processed, 2019

The average respondent gave a score of 7.4 (scale 1 - 10) for internal HR variables/constructs. If classified into four classifications (Very Low, Low, High, Very High), then HR is classified in the low group. This means that HR is not a major problem in running a business. It is understood that novice entrepreneurs do not need a lot of human resources. Can still be run by the owner himself. Marketing is also not a major problem for novice businesses. Because at this time marketing is easily run through the internet at a relatively low cost. Capital or financial constructs have a score of 8.5. The average score shows that novice entrepreneurs still have major obstacles in terms of capital. Most business people still rely on private capital, which is very limited in running their business, making it difficult to develop.

Government policies also become obstacles for start-up entrepreneurs in running their businesses. This can be seen from the respondent's answer score of 7.9. This government policy is mainly directly related to the businesses that are run, such as government

assistance both capital and capacity building of business actors. Relevant institutions such as financial institutions or educational institutions need to support the businesses that are run. The main related parties are financial institutions that provide venture capital. This institution is still a problem of business development because the capital provided is still inaccessible. The reason is that the collateral or loan terms cannot be fulfilled. While the economic climate is not a problem in running a business for novice businesses in South Tangerang City.

4.2 Identification of Entrepreneurial Problems

Analysis of the identification of problems faced by novice entrepreneurs in the City of South Tangerang is done by testing the Structural Equation Modeling (SEM) model with Smart PLS analysis tools. The latent variable in this study consisted of 6 latent variables with 27 indicators. The initial structural model of the study can be seen in the following figure:

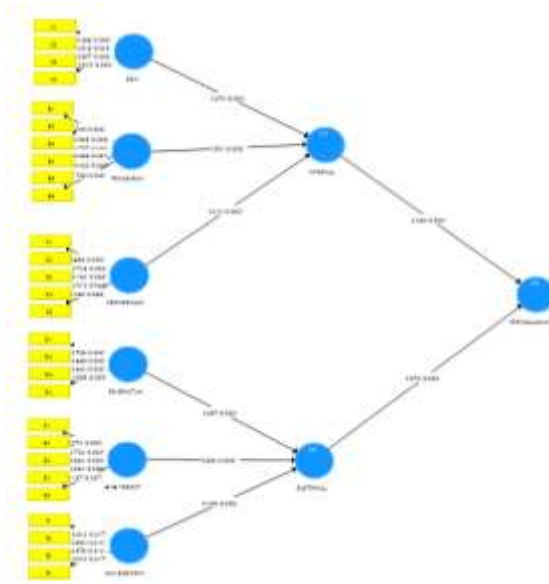


Figure 1. Structural Research Model

4.3 Test the Good of Fit Outer Model

The outer model feasibility test is conducted to find out the validity and reliability of the indicators of the construct. Outer model test is carried out through the Convergent Validity test by looking at the loading factor. Criteria or conditions of the outer model can

make the construct indicator variable is the value of the loading factor above 0.5. Based on the results of testing the good of fit outer model three times, from 27 indicators produced 19 indicators that are able to reflect the construct variable. The nine indicators are as follows:

Tabel 3 Loading Factor (good of fit outer model)

No.	Code	HR	Marketing	Finance	Government Policy	Related Institutional	Economy Climate
1	A3	0.904	-	-	-	-	-
2	A4	0.947	-	-	-	-	-
3	B1	-	0.799	-	-	-	-
4	B2	-	0.613	-	-	-	-
5	B3	-	0.759	-	-	-	-
6	B6	-	0.816	-	-	-	-
7	C1	-	-	0.958	-	-	-
8	C2	-	-	0.888	-	-	-
9	D1	-	-	-	0.698	-	-
10	D2	-	-	-	0.860	-	-
11	D3	-	-	-	0.841	-	-
12	D4	-	-	-	0.569	-	-
13	E1	-	-	-	-	0.806	-

14	E2	-	-	-	-	0.695	-
15	E3	-	-	-	-	0.779	-
16	E4	-	-	-	-	0.869	-
17	F2	-	-	-	-	-	0.900
18	F3	-	-	-	-	-	0.894
19	F4	-	-	-	-	-	0.943

Source: data processed, 2019

4.4 Test the Good of Fit Inner Model

Good of Fit Inner Model Test or Evaluation of structural models is done through testing the construct validity and reliability. construct validity and reliability are indicated by Composite

Reliability (CR) value and AVE value. the model is said to be good if it has Composite Reliability above 0.6 and AVE value of not less than 0.5. Here are the results of the inner model good of fit test:

Tabel 4 Uji Good of Fit Inner Model

	Composite Reliability	Average Variance Extracted (AVE)
Economy Climate	0.778	0.694
Related Institutional	0.817	0.502
Marketing	0.525	0.392
Government Policy	0.836	0.566
Finance	0.537	0.302
Human Resource	0.773	0.576

Source: data processed, 2019

Based on the test results as the table above, most composite reliability values are more than 0.6 and AVE values are mostly more than 0.5. So it can be

concluded that the data is feasible for testing at a later stage. The coefficient values of each variable can be chosen in the following table:

Table 5 Path coefficients

CONSTRUCT	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Coefficients	P Values
Economy Climate -> Problem	0.612	0.612	0.018	0.570	0.000
Economy Climate -> External	-0.356	-0.285	0.213	-0.408	0.095
Internal -> Problem	0.416	0.414	0.020	0.439	0.000
Related Institutional -> External	0.424	0.422	0.029	0.390	0.000
Pemasaran -> Internal	0.521	0.514	0.038	0.531	0.000

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Government Policy -> External	0.373	0.370	0.034	0.357	0.000
Finance -> Internal	0.311	0.309	0.034	0.214	0.000
HR -> Internal	0.375	0.375	0.031	0.370	0.000

Source: data processed, 2019

From the table above shows that the external variable has a coefficient value of 0.570 with a P-value of 0.000. P-value less than 0.05 indicates the significance of the relationship between internal factors and problem variables. This means that the problem of beginner entrepreneurship is influenced by internal factors. The magnitude of external factors on the problems faced by novice entrepreneurs is shown by the coefficient value, which is equal to 0.570. An external factor that is a problem for beginner entrepreneurs is the agency variable associated with government policy variables because it has a p-value below 0.05.

While the economic climate factor does not influence the problems faced by novice entrepreneurs, because it has a value of 0.095 greater than 0.05. This finding is not in line with Crijns and Ooghi (2000) which states that this economic climate is a factor influencing the problems of new entrepreneurs.

The magnitude of the role factor of related institutions (banking) and government policies in influencing the problems of beginner entrepreneurs can be seen from the coefficient values, namely respectively 0.390 and 0.357. This result is in line with Munizu (2010), that the role of related institutions and government policies is an important factor in improving the performance of small and medium enterprises. Also in line with Maupa

(2004) which states that small businesses will grow if supported by government rules or policies.

The related institutions in this study are institutions that support the creation of new entrepreneurs, namely financial institutions, both banks and non-banks. This fact is important for beginner entrepreneurs, especially related to capital. For beginner entrepreneurs, access to capital to financial institutions is difficult because the requirements are not fulfilled. For example the existence of guarantees and business reputation. Start-up businesses usually do not have sufficient financial literacy, making it difficult to assess eligibility by banks so that it has not been considered feasible. Some respondents did not really mind the interest set by banks for loans. For them the most important thing is the ability to pay. Moreover, the capital needed to start a business is still relatively low, which is still under Rp. 100 million. This finding is in line with Munizu (2010) which states that related institutional factors are factors that are a problem for beginner entrepreneurs

While government policies related to government support for beginner entrepreneurs. This support can be in the form of direct capital assistance or in kind (in the form of goods), as well as technical assistance or training. Related to this government policy, the entrepreneurs who were respondents in this study have not yet received

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assistance from the government in any form. This condition indicates that the government program that is run to give birth and increase entrepreneurship in Indonesia is still limited, not yet fully accessible to entrepreneurs in the City of South Tangerang. The results of the study are in line with Munizu (2010) and Purwidiyanti (2007) which state that government policy is an important factor in the growth of new entrepreneurs.

Table 5 shows the significant value or p-value and the coefficient value of internal factors in influencing beginner entrepreneurial problems in South Tangerang City. The coefficient value of the internal factors on entrepreneurial problems is 0.439 with a p-value of 0.000. So it can be stated that internal factors are capable of factors that can influence the problems of beginner entrepreneurs in the City of South Tangerang. This internal factor consists of marketing, human resources, and capital problems.

The main obstacle in marketing is the low or no specific costs for marketing. This constraint is related to limited business capital. Nevertheless, the marketing that has been done is quite good because it already utilizes internet media. The results of this study can also be found or support the research findings of Munizu (2010) and Crijns and Ooghi (2000).

The human resource factor is particularly related to the absence of employees and unstable business motivation. The low start-up entrepreneur utilizes employee services because of the still limited business

capital. Though employees have an important role in business development. Business owners who have employees will have more time to conceptualize business development. In addition to motivation and experience employees also have a stake in business development. For beginner entrepreneurs, motivation is important because in these business conditions the business is not yet stable and requires extra hard work and stable motivation to make it happen. At the age of novice business managers also do not have enough experience so it needs to be improved both through his own experience and through activities outside of his business. This finding is in line with Munizu (2010) and Adawiyah (2013).

The capital factor is the highest factor which becomes the obstacle for beginner entrepreneurs. For them, business capital is important for business development both for marketing, employees and for increasing business through the addition of raw materials. The majority of new entrepreneurs in South Tangerang City still use private capital in running their businesses. This is due to the difficulty of access to capital to financial institutions. This finding is in line with Munizu (2010), Adawiyah (2013), Okpara (2011) and Mansur and Sulistio (2010).

5. Conclusion

Problems faced by novice entrepreneurs in South Tangerang City consist of internal and external problems. Internal problems consist of HR (entrepreneurial motivation is unstable and has no

experience), marketing (still done conventionally, not using technology/internet, no special marketing costs), and capital/finance (still using own capital, not utilizing banking, and Capital to run a limited business).

While external factors consist of Government Policy (There is no capital assistance (in-kind) from the government directly, there is no technical assistance (such as training)

from the government, there is no business assistance, and there is no policy in favor of business actors), Related Institutions (There is no technical and financial support/assistance from financial institutions/other parties, loan requirements are difficult to fulfill, loan collateral from banks is difficult to fulfill, there is no business assistance from banks/other parties).

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