

ENTREPRENEURIAL ORIENTATION OF LOCAL HANDICRAFTS PRODUCERS IN MANADO*ORIENTASI KEWIRAUSAHAAN PRODUSEN KERAJINAN TANGAN LOKAL DI MANADO*

By:
Nifia Gratia Simbala¹
James D.D. Massie²
Maria V.J. Tielung³

¹²³International Business Administration, Management Program,
Faculty of Economics and Business,
Sam Ratulangi University Manado

E-mail:

[1nifiasimbala16@gmail.com](mailto:nifiasimbala16@gmail.com)

[2jamesmassie@unsrat.ac.id](mailto:jamesmassie@unsrat.ac.id)

[3mariatielung@unsrat.ac.id](mailto:mariatielung@unsrat.ac.id)

Abstract: Entrepreneurial orientation plays an important role in development and improving business. Most of the SMEs in Manado, they have a strong enough the entrepreneurial orientation in their own business especially in handicrafts business sector. The purpose of this study was to analyze the importance of three main entrepreneurial orientation's indicators (innovativeness, proactiveness, risk-taking) in handicrafts business sector and how to see the opportunities that caused by Entrepreneurial orientation on local handicrafts producers in Manado. This study uses an exploratory approach with in-depth interview to collecting all the data from ten informants. The qualitative approach used in this study illustrates the importance of Entrepreneurial orientation for Local handicrafts producers in Manado. The result of this research shows that entrepreneurial orientation are closely related with handicrafts businesses especially for local handicrafts producers because the indicators from entrepreneurial orientation are really needs to be applied in business development to support businesses get more profit. Based on the findings, the recommendations of this study are for craftman in Manado, especially local handicrafts producers, North Sulawesi government and next researcher to develop and maintain these 3 indicators to become successful handicrafts producers, become a responsible government, and the next researcher should expanding the research area.

Keywords: *handicrafts, entrepreneurial orientation, inovativeness, proactiveness, risk-taking.*

Abstrak: *Orientasi wirausaha memainkan peran penting dalam pengembangan dan peningkatan bisnis. Sebagian besar UKM di Manado, mereka memiliki orientasi kewirausahaan yang cukup kuat dalam bisnis mereka sendiri terutama di sektor bisnis kerajinan. Tujuan dari penelitian ini adalah untuk menganalisis pentingnya tiga indikator orientasi kewirausahaan utama (inovasi, proaktif, pengambilan risiko) di sektor bisnis kerajinan tangan dan bagaimana melihat peluang yang disebabkan oleh orientasi kewirausahaan pada produsen kerajinan lokal di Manado. Penelitian ini menggunakan pendekatan eksplorasi dengan wawancara mendalam untuk mengumpulkan semua data dari sepuluh informan. Pendekatan kualitatif yang digunakan dalam penelitian ini menggambarkan pentingnya orientasi Wirausaha untuk produsen kerajinan tangan lokal di manado. Hasil penelitian ini menunjukkan bahwa orientasi kewirausahaan sangat erat kaitannya dengan bisnis kerajinan khususnya untuk produsen kerajinan lokal karena indikator dari orientasi kewirausahaan sangat perlu diterapkan dalam pengembangan usaha untuk mendukung bisnis mendapatkan keuntungan lebih. Berdasarkan temuan, rekomendasi penelitian ini adalah untuk pengrajin di Manado, terutama produsen kerajinan lokal, pemerintah sulawesi utara dan peneliti selanjutnya untuk mengembangkan dan mempertahankan 3 indikator ini untuk menjadi produsen kerajinan tangan yang sukses, menjadi pemerintah yang bertanggung jawab, dan peneliti berikutnya harus memperluas area penelitian.*

Kata kunci: *kerajinan tangan, inovatif, proaktif, berani mengambil resiko.*

INTRODUCTION

Research Background

Economics is one of studies human activities that related to production, distribution, and consumption of goods and services. Economic growth is increase in the production of goods and services over a specific period. It can be concluded that economics is the study of economic problems as a whole, some of them are studying the behaviour of individuals and society in meeting their needs by utilizing limited resources by producing, and then channeling back to the individuals in society.

In this current situation economy is very important thing for us to learn, by studying economics we can analyze the behavior of each consumers and society. From the results of consumer behavior analysis we can estimate or known what consumers will do in the future so that it can be used as a basis for business planning, pricing, marketing policies, and human resource policies in order to improve people's welfare. The global economy refers to an economy based on the national economy of each country in the world. The phenomenon of global crisis shows the uncertainty starting from 2008's global crisis that occurred in several countries. The global economic conditions in 2014 were still flare up, marked by the prospect of US monetary policy, the economic recovery of developed countries, and fluctuating on world commodity price.

After the financial crisis, it took 10 years for the global economy to recover the global condition. This is indicated by an increase trading activity and improvement in commodity price because in global crisis the world was faced commodity price were still in low place, and financial market uncertainty was still high. However, as the increasing manufacturing and trade sectors, market confidence and increasingly stable global commodity price makes the world economic growth strengthen in 2017. The International Monetary Fund (IMF) has noted that in 2017 after showing some weak performances, the global economy managed to grow 3.8 percent because of supported by strong economic performance in European and Asian regions to make the global economy in stable position. Global trade has grown very rapidly in past few years, because the global trade has been supported by developed countries and asia regions to increase the investment and manufacturing output. Because with a strong market confidence, it surely will drive to a greater final demand (IMF, 2018).

The Southeast Asia region already have increased economic growth that supported by increased investment, exports and infrastructure investment that took a huge role for the economy in Indonesia, Philippines and Thailand, because improved economic performance of developed countries has an impact on trading partner countries that impact in Indonesia. Indonesia's economy is growing supported by investment, trade and government consumption. The Minister of Finance (2017) mention that Indonesia's economic growth target of 5.4 percent can be achieved by reducing poverty and unemployment, increasing productivity, increasing fiscal capacity, and encouraging disruptive innovation that will change people's consumption patterns. In 2018, the economy is projected to strengthen in both developed and developing countries. The economy will be further supported by investment, manufacturing, and trade, along with the increase in commodity exports from developing countries and supported by strengthening commodity prices. There are risks that affect the weakening of economic performance in developed countries in 2019.

In April 2018 based on World Economic Outlook Database publication, the IMF projects Indonesia's economic growth trend to increase 5.3 percent in 2018 and in 2019 is 5.5 percent. Similar to the IMF, ADB in the publication of the Asian Development Outlook (ADO) 2018 projects Indonesia's economic growth in 2018 to be 5.3 percent and remains at the same rate in 2019. Meanwhile, the projection of inflation produced by the IMF tends to be lower than ADB where the IMF projects Indonesia's inflation in 2018 to be 3.5 percent and a slight decline 3.4 percent in 2019. In contrast to the IMF, ADB projects Indonesia's inflation has increase where 2018 is projected at 3.8 percent and increase 4.0 percent in 2019. The outlook for the Indonesian economy in 2018 and 2019 is expected to continue well that marked by increased economic growth, controlled inflation, and maintained external balance. Indonesia is not immune from risks that can affect economic performance. Because at present, countries in the world, namely, developed and developing countries, are facing a trade war between the United States and China that can weaken the country's economy including indonesia.

Entrepreneurship in Indonesia can be regarded as one of the factors that can support healthy national economic growth because it can increase people's creativity and capability in channeling their ideas and creations so that people not only depend on the government which is civil servants, but also with entrepreneurship people can attract many foreign investors to invest their capital in Indonesia. Similary, Covin and Slevin (1991) further elaborate that business organizations involve entrepreneurs to innovation, risk-taking, and show proactive behavior for seizing the opportunities for being a success in the business in Gautam, 2016. However, the number of entrepreneurs in Indonesia is still very small. Based on the Global Entrepreneurship Index report, Indonesia is

ranked 94 far below other ASEAN countries such as Singapore, Malaysia, Thailand and the Philippines, which are respectively ranked 27, 58, 71, and 84. This is due to the lack of innovation and creativity of the Indonesian population in the utilization of abundant natural resources in Indonesia and the education system does not encourage or recommend students to develop into entrepreneurship and most people in Indonesia are prefer to work on government and private offices, because entrepreneurship is still considered a less promising profession and requires considerable time to achieve success. If this is continuously allowed, entrepreneurship in Indonesia will not experience an increase and will not be able to advance. Therefore, it is expected that special attention from the government and also need an awareness from the people themselves to develop the economy in the field of entrepreneurship.

At present the development of entrepreneurship in Indonesia, especially SMEs sector are growing very rapidly. Yusuf and Albanawi (2016) state that entrepreneurship is the key to economic growth, and it is responsible for the expansion and promotion of all types of productive activities in the world economy in Kumar, Mamun, Ibrahim and Yusoff, 2018. In modern time, SMEs is a sector that plays a significant role which is now SMEs are more able to produce goods and services in many ways that are using the main raw materials based on utilization natural resources, talents, and traditional artwork from the local area. To develop SMEs the government also gave a very big attention because the number of SMEs in Indonesia was very dominating. Various initiatives have always been sought by the government through the State Ministry of Cooperatives and Small Medium Enterprises and also the government has coordinated with the banks to conduct trainings, seminars and provides funding assistance to the public or small business actors in directly so that more individuals will pursue the world of entrepreneurship in the form of the establishment of SMEs. It can be seen from the development of SMEs in North Sulawesi province, the SMEs unit activities in sub-district shows that the rapid growth in the field of SMEs makes North Sulawesi especially in the Manado city are very attractive to the business world and investment.

In Manado city, there are also innovative Handicrafts SMEs ranging from shapes, materials used and colors that have high artistic and selling value. Handicrafts are also very influential in the tourism sector due to their uniqueness, and most are seen also from high levels of distress in the process of making handicrafts that can creates highly attraction for tourists to buy. To support regional income, the North Sulawesi government makes a program that opened a direct flights from abroad to North Sulawesi, till now foreign tourists who arriving in North Sulawesi is experiencing an increases and decreases in every month. In order for businesses to be more advanced and makes the tourists who came could be more comfortable, satisfied and happy to visit all destination or buy local product in North Sulawesi, there needs to be entrepreneurial characteristics in each of business people or actor by applying entrepreneurial orientation that include innovativeness, Pro-activeness and Risk-taking. Especially in for Local Handicrafts Producers they need entrepreneurial orientation because orientation means that creative and innovative abilities that are used as the basis for getting new ideas and creating a new product. Manado City is a strategic place to conduct research. The unit of analysis of this research is Local Handicrafts Producers in Manado because many of uniqueness creation from them deserves to be lifted.

Research Objective

This Research paper aims: To analyze the Entrepreneurial Orientation of Local Handicrafts Producers in Manado.

THEORETICAL REVIEW

Entrepreneurship

In UAJY Journal, Zimmerer (2008) states entrepreneurship is the application of creativity and innovation to solve problems and efforts to take advantage of opportunities faced by people every day

Krizner (1983) defined the entrepreneurship as the process of perceiving profit opportunities and initiating actions to perceive currently unsatisfied market needs or doing more efficiently what is already being done in Mokaya, Namusonge, Sikalieh, 2012.

Entrepreneurial Orientation

Entrepreneurial orientation refers to processes, practices and decision-making that encourage new input and have three aspects of entrepreneurship: always innovative, acting proactively and taking risks (Lumpkin and Dess, 1996) in Tresna and Raharja, 2019.

Small Medium Entreprises

SMEs is firms or businesses arising as a result of entrepreneurial activities of individuals who was built based on their own desires or decisions.

Previous Research

Pollanen (2015) the main of this study are to depict the elements reported to enhance well-being in the descriptions of craft-making participants and to describe the meanings behind crafting. The elements which are the raw materials, the artefacts, the sense of achievement, the possibilities for personal growth, the development of physical and cognitive skills, the control of feelings, and the social and cultural dimensions of craft.

Shafariah, Edison, Mattajang (2016) this study aimed to examine the relationship between entrepreneurial orientation (EO) with of SMEs growth, and capital factors and government support as a moderator. The implication of these findings is that the government and financial institutions as the two institutions need to increase their role to encourage the growth of SMEs in terms of information provision, access to markets, capital, and training needs so it can serve as a reference for determining the development strategy of SMEs in the future. From the business owners or SMEs themselves, this research can be used as guidelines for business performance improvement through entrepreneurship-oriented behavior.

Utama, and Nadi (2017) creativity is one of the most important parts of entrepreneurial research to know its impact on business performance. This study discusses the variables of entrepreneurship orientation used as a mediation variable to give a better influence on business performance. So the entrepreneurship orientation is not a variable of mediation but gives positive relation on business performance and creativity giving direct influence to business performance positively and significantly.

Conceptual Framework

This part discuss about the conceptual framework from the variable of this study

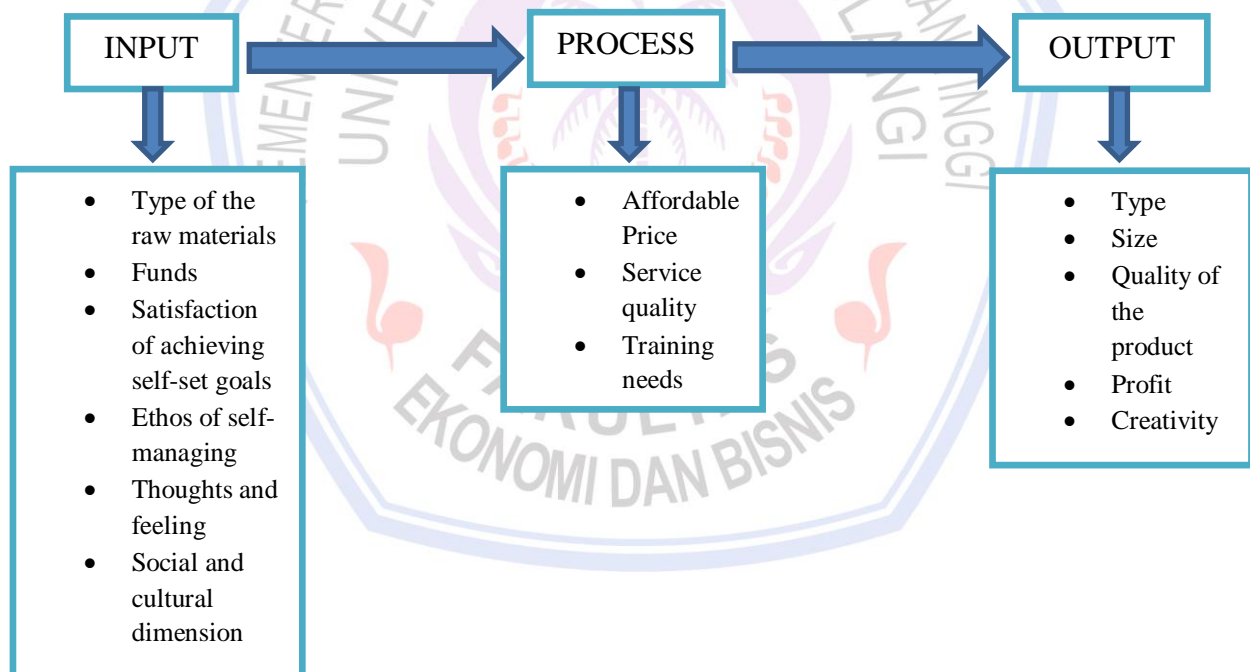


Figure 1. Conceptual Framework

Source: *Data Analysis Method, 2019.*

RESEARCH METHOD

Research Approach

This research used qualitative method. Qualitative data which is a descriptive research that used to know the entrepreneurial orientation. In qualitative research involves the studied use and collection of a variety of

empirical materials case study, personal experience, introspective, life story interview, observational, historical, interactional, and visual texts that describe routine and problematic moments and meaning in individuals' lives (Denzin and Lincoln, 1994) in Hashemnezhad, 2015. This research will analyze the entrepreneurial orientation of local handicrafts producers in Manado, the data will be collected from 10 handicrafts producers in the city of Manado. The data from the informants has been analyzed in order to give the final conclusion of the research.

Population

The population in this research is the Local handicrafts producers in Manado city

Sampling Technique

This study uses purposive or judgmental sampling as the technique sampling

Sample

In this research uses 10 informants of local handicrafts producers in the city of Manado

Data Collection Method

The data collection method collected by two types. First is primary data, it was collected through In-depth interview or face to face interview. Second is secondary data, it was taken from books, journals, articles, and internet.

Table 1. Operational Definition of Research Variables

Variables	Definition	Indicator
Entrepreneurial Orientation	Entrepreneurial orientation is closely related o handicrafts business because there are three main indicators of entrepreneurial orientation are very much needed for local handicrafts producers to develop their businesses. And also the government and banks must know the importance of entrepreneurial orientation to be applied to small medium enterprises such as handicrafts sector to get more benefits	<ol style="list-style-type: none"> 1. Innovativeness 2. Proactiveness 3. Risk Taking

Source: *Author's note, 2019.*

RESULT AND DISCUSSION

Result

Informant 1: Agus Palit (Pamor Ebony)

Entrepreneurial orientation is very important thing to use for business development especially in handicrafts businesses. The entrepreneurial orientation includes innovativeness, proactiveness, and risk-taking. Where informant has innovated product so that the functional products are the most preferred by customer and has innovated technologies. To knowing the customer needs, the informant looking at market demand, giving bonuses and trainings. The informant implement convection work system and taken a capital risk from banks.

Informant 2: Hans Pandelaki (Lansia Kreatif)

Entrepreneurial orientation is needed by the business actor or craftsman because they have to be entrepreneurial characteristics to get more profit. the informant has innovated many products and all the innovation products that are preferred by customer. The informant also knew the customer need through exhibition and training so that the informant must takes a capital assistance from banks.

Informant 3: Marla Rende (Marla Decoration)

The entrepreneurial orientation must be applied by business actors because it has proven that it makes businesses more advanced. The informant has doing innovation every month and there are one product namely rosy wood vases are the most attracted by customers. The informant also knew the customer needs by asking them in directly what their concepts, giving a discounts, and helping customer to find out the ideas for their events but the informant still afraid to take a capital risk for its business.

Informant 4: Pingsan Pandy (Flamboyan)

The entrepreneurial orientation is very important because it increasing business actor's creativity to get more benefits in business. The informant has making innovation product so that all the product has preferred by customers and there is a machine that has assembled, namely lathe. The informant attends a exhibitions and bazaars to knowing what customer needs because the informant could asking customer in directly based on market demand but still uses own funds to running business.

Informant 5: Michael Rusly (Daur Ulang)

The entrepreneurial orientation is very important role for handicrafts producers because it makes business to get success. The informant has produced 5 innovation products that there are 2 products are most preferred by customer. The informant find out the customer needs are seeing from the best-selling product that will be produced in large quantities and to take the risk the informant implement convection work system but never receive a capital assistance.

Informant 6: Mila Amelia (Liz Craft)

The difference that is felt when using entrepreneurial orientation because it can bring many benefits for business actor and customer too. The informant has produced innovative products and all the product are from fabric waste that ethnic wooden necklaces with brooches are the most preferred by customer. The informant are also promote all products with social media or attending in exhibitions to knowing customer needs according to market demand. The informant makes workshop to select people who are able to working together as team when getting lot of orders so that capital risk taking has been done with the state bank of Indonesia and Jasa raharja to develop business.

Informant 7: Indriani Contesa (Silalei Macrame)

Entrepreneurial orientation makes businessman or craftsman are more able to produce high quality product for national and international tourists to support regional income. The informant has been successfully innovated five products since 2017 and to find out customer needs the informant ask to customers what their needs or desires in directly for always provide quality products. The informant said that she implementation a convection work system when getting a lot of orders from customers and she also never take any capital risk to develop her business but the funds are facile from participating in competition.

Informant 8: Tjahyani (Yannie Handicraft)

Entrepreneurial orientation is entrepreneurial characteristics applied by business people especially local handicrafts producer to make businesses more advanced in order to getting new ideas or creating new products. The informant has innovating many products so that could get benefits from customer through fish scales combined with knitted copper as best seller product. The informant uses Instagram, Facebook and Whatsapp as a tool to promote product because the model must always be new and quality of the goods have to be guarded or need to be improved therefore informant must limited the order because quality is the main priority. The informant also has partnering with BRI and Pertamina to get capital assistance.

Informant 9: Oscar Raming (OKA Craft)

Entrepreneurial orientation are the important things to be successful business because according to informant entrepreneurial orientation makes businesses become more organized. The informant having a lot of innovation product and two products became best-selling product that are attracted by customer. The informant has also made technological innovation to running its business. To find out the customer needs, informant sees from market demand and creating products based on customer desires that have high degree of difficulty. The informant never took any capital assistance but have received equipment assistance. Over all, only use own funds or capital to develop its business

Informant 10: Bertha Mansauda (Betriska Craft)

Entrepreneurial orientation has big impact for the businessman to running its business because it could bring some benefit for business continuity. The informant's innovation products are countless because every day innovating its products and three types of product are the most attracted to customer attention because its uniqueness. The informant has made a technological innovation to get high quality products and can fulfill the customer needs. To find out customer needs the informant always looking at market demand through customer

ordering and by giving bonuses it can increasing customer loyalty. The informant uses media social as a tool to promote its business. The informant has implementation a convection work system because always getting a lot of orders and has received financial assistance from BRI for business development.

Discussion

The purpose of this research is to know the entrepreneurial orientation of local handicrafts producers in manado. Based on the interview from all the informants in this case 10 informants that are 4 males and 6 females to be interviewed. The entrepreneurial orientation also known as a strategy process that support an organization with a basis for entrepreneurial and action decisions. Orientation means a creative and innovative abilities that are used as the basis for getting new ideas and creating a new product. It similar with creativity is one of the most important parts of entrepreneurial research to know its impact on business performance Utama, and Nadi (2017). Entrepreneurial Orientation have three main indicators which are innovativeness, proactiveness and risk taking that are very important for craftman to develop their business to be more advanced. All informants from informant 1 up to 10 almost have the similarity answer when the researcher asked the questions because entrepreneurial orientation in which there are three main indicators was very helpful for them in running their businesses. They are the local handicrafts producers in manado that had been implementation the entrepreneurial orientation into their business especially to improving the quality of their products and services. Through interviews from all informants the researcher sees that all the handicrafts producers as informant of this research have innovated many times on their products, because they have innovated too much so that there are some informants who have forgotten how many products they have produced. But there are also some informants who have made technological innovations to produce quality products.

All the informants said that they have also received input and criticism from customers, families, and friends about their products and services so that it is used as an encouragement for them to be more struggling and further improve the quality of products and services to achieve the expected success. The proudest thing is those innovative products have been exhibited nationally and internationally so that it having a very large sales turnover and the opportunity in tourism sector is more rapidly developing in increasing regional income for the community welfare. Some of the informants said that before their getting a special attention from the government or banking on their own business, the days they lived were very heavy and could only be wished because they have many limitations for the development of their business. limitations that are owned by handicraft producers such as improvised equipment, raw materials are still very difficult to obtain, lack of innovations, don't have communication tools to promote their products, also limited funds that cause unable to develop wider businesses so that many of entrepreneurs handicrafts in Manado that went bankrupt. Based on Knight (1921) that proposed the role of the entrepreneur as someone who transforms uncertainty into a calculable risk in Braunerhjelm, 2010. It is unfortunate that the government did not pay attention to the handicraft entrepreneurs. Whereas many of the results of handicraft businesses have ethnic or cultural elements that make the province of North Sulawesi better known into the world. However, the government is only paying more attention to culinary entrepreneurs, maybe they think that culinary business could have a higher potential to advance the economy in North Sulawesi because of the highest enthusiasm of the Manado society in culinary businesses. The causes of high enthusiasm in community for culinary business is because people see there is a uniqueness in serving food, a unique building structure, good and polite service, payment by cash system and affordable prices that make people feel comfortable and satisfied to use culinary services.

Very different from a handicraft business place which is often found dirty, narrow, hard to reach and sometimes their service is less pleasant. Keep in mind that many culinary business owners in Manado are not from North Sulawesi but many of them are from Java, Sumatra, Kalimantan and even culinary businesses in Manado whose owners are foreigners who came from Europe and Southeast Asia. In contrast to the handicraft business in Manado, it is certain that the producers are mostly from North Sulawesi because the raw materials obtained are mostly from the natural wealth of North Sulawesi and the handicrafts products are included ethnic or cultural elements of North Sulawesi by local handicraft producers in Manado. Seeing current conditions, there has been very significant progress and changes shown by the North Sulawesi government which gives serious attention to the local handicraft business, seen from all the efforts and assistance that the government's working with banks to develop innovative handicraft products and also the potentials exist in the community, especially handicraft entrepreneurs so that the business can run as it should and can be developed throughout the world it similarity with Shafariah, Edison, Mattajang (2016) that aimed to examine the relationship between entrepreneurial orientation (EO) with of SMEs growth, and capital factors and government support as a moderator. North

Sulawesi is increasingly recognized as one of the provinces in Indonesia and the Asia Pacific that deserves to be a destination for investment and tourism because of its location, potential and political stability and security.

At present, the handicraft business is very supportive of the North Sulawesi tourism sector because handicraft is one of the attractions for tourists who can encourage the level of regional income. With the handicraft, tourists can also know the characteristics and uniqueness of North Sulawesi, because handicraft is more valuable to be stored compared with food, although typical from North Sulawesi are only food. To knowing the customer needs researcher was found that businesses need to do to determine customer behavior especially their needs because customer are the important things that need to be take care of when businessman doing its business for profit so that businesses especially in handicrafts business sector are more able to improve their products and services. The actions had taken by handicraft producers as informant to find out the customer needs was found by researcher when conducting interview. The informant attending in some events or exhibitions to interact directly with customer to knowing what their needs or desires in accordance with market demand because according to informant's experience a product who only made based on their desire doesn't make customer satisfied so that informant should ask customer face to face to find out what customer needs and desires and informant be able to create more innovative products easily to get more profit in running their business.

The result of interview the researcher was found that handicrafts producers taking strategies to make their business different than other competitors such as giving bonuses or discounts to customer in holiday season and when customer make purchases in large quantities. Based on the interview result, there are several local handicrafts producers as informant implement a convection work system by making a training to the community and recruit them as team to work together in completing all customer orders. There are several informants who take capital risk from banks, government agencies and BUMN because there have been many customer requests that require handicrafts producers to ask for financial assistance to fulfill all customer requests. And also there are several informants that only using their own capital without receiving any capital assistants because of excessive fear of having a lot of debt or the business they run does not require very large capital and still covered with their own capital.

CONCLUSION AND RECOMMENDATION

Conclusion

Based on the result and discussion for the previous chapter it can be concluded that the entrepreneurial orientation of local handicrafts producers was stable and there is no problem indeed. Although there are some producer who not really understand yet the importance of entrepreneurial orientation for their business continuity but it doesn't matter because they will learn more about handicrafts business as long as their business are still running in the market.

The entrepreneurial orientation have a big impact to the SMEs in manado especially for the local producers handicrafts because the entrepreneurial orientation encourage entrepreneurs to innovate, the desire to excel and bear the risk. To run a handicraft business is not as easy as people think, there are many challenges that come, however as long as it does not harm the other side the producers continue to pursue what has been their blessing for the welfare of their own families and communities in the Manado City.

Craftsmen still need more help from the government because there are a number of handicraft craftsmen in Manado whose businesses have only been established for less than 1 year and some are only 1-2 years so that they still really need some guidance or direction and capital assistance from the government and banks to develop their businesses.

Recommendation

This research has been conducted in order to explore generally about the advantages of the use entrepreneurial orientation of local handicrafts producers in Manado. Here are some recommendations from the research result for the local handicrafts producers, government, customers and for the future researcher are purposed as follows:

1. For the local handicrafts producers should understand or learn more about the importance of entrepreneurial orientation to improve their innovation of product and machine, service to the customers, timeliness, product quality, dan price.
2. For the customers hopefully could become a good helper for the local handicrafts producers that is always giving a good and constructive inputs and criticism to local handicraft producers so that they could more

motivated to make high quality products with high competitiveness and also can change their mindset so that they become more directed and organized for the sustainability of their business both in present as well as in the future to get more profit and could support the regional income for community welfare.

3. For the government hopefully can supporting more the handicraft business in all districts and cities in North Sulawesi province, because through these handicraft products can provide enormous opportunities for North Sulawesi tourism sector and can increase the regional income to create community welfare because handicraft business products have a value ethnic or regional culture.
4. For the next researcher should developing the topic of this handicraft, not only taking the research studies in Manado City but in North Sulawesi because many handicraft businesses in North Sulawesi are still lacking in the attention of government and other parties.

REFERENCES

- Braunerhjelm, P. 2010. Entrepreneurship, Innovation and Economic Growth. *Working Paper 2010:02*. https://entreprenorskapsforum.se/wp-content/uploads/2013/03/WP_02.pdf. Accessed on May 20th, 2019.
- BPS-Statistics Indonesia, 2018. Laporan Perekonomian Indonesia. <https://www.bps.go.id/publication/2018/09/17/bae4f1fa633a50bac480775b/laporan-perekonomian-indonesia-2018.html>. Accessed on May 27th, 2016.
- Gautam, P.R. 2016. Entrepreneurial Orientation and Business Performance of Handicraft Industry: A Study of Nepalese Handicraft Enterprises. *International Journal of Small Business and Entrepreneurship Research Vol. 4, No. 2, pp.48-63*. <https://www.eajournals.org/wp-content/uploads/Entrepreneurial-Orientation-and-Business-Performance-of-Handicraft-Industry1.pdf>. Accessed on May 22nd, 2019.
- Hashemnezhad, H. 2015. Qualitative Content Analysis Research: A Review Article. *Journal of ELT and Applied Linguistics (JEL TAL) Vol. 3, Issue-1*. <https://pdfs.semanticscholar.org/eb79/0d12b813076402e0f63c46ac7635ffb07b7.pdf>. Accessed on May 18th, 2019.
- Kumar, N., Mamun A.A., Ibrahim M.D., and Yusoff M.N.H.B. 2018. Entrepreneurial Orientation and Antecedents of Low-Income Household Heads in Kelantan, Malaysia. *Journal of International Studies, 11(1), 140-151*. http://www.jois.eu/files/10_432_Kumar%20et%20al.pdf. Accessed on October 22nd, 2019.
- Mokaya, S.O., Namusonge, M., and Sikalieh D. 2012. The Concept of Entrepreneurship; In Pursuit of a Universally Acceptable Definition. *International Journal of Arts and Commerce Vol. 1 No. 6*. <https://www.ijac.org.uk/images/frontImages/gallery/Vol. 1 No. 6 /13.pdf>. Accessed on May 21st, 2019.
- Pollanen, S. 2015. Elements of Crafts That Enhance Well-Being. Textile Craft Makers. Descriptions of Their Leisure Activity. *Journal of Leisure Research 2015, Vol. 47, No. 1, pp. 58-78*. <https://www.nrpa.org/globalassets/journals/jlr/2015/volume-47/jlr-volume-47-number-1-pp-58-78.pdf>. Accessed on October 22nd, 2019
- Shafariah, H., Edison, and Mattajang R. 2016. Hubungan Orientasi Kewirausahaan Dengan Pertumbuhan UMKM: Peran Aspek Permodalan dan Pemerintah Sebagai Moderator. *Jurnal Riset Manajemen dan Bisnis Vol. 1, No. 1*. https://www.researchgate.net/publication/335105607_HUBUNGAN_ORIENTASI_KEWIRAUSAHAAN_DENGAN_PERTUMBUHAN_UMKM_PERAN_ASPEK_PERMODALAN_DAN_PEMERINTAH_SEBAGAI_MODERATOR. Accessed on August 12st, 2019.

- Tresna, W. P., and Raharja S. J. 2019. Effect of Entrepreneurial Orientation, Product Innovation and Competitive Advantage on Business Performance in Creative Industries in Bandung City, Indonesia. *Review of Integrative Business and Economics Research* Vol. 8, Supplementary issue 3. http://buscompress.com/uploads/3/4/9/8/34980536/riber_8-s3_05_t19-123_51-60.pdf. Accessed on August 15th, 2019.
- Utama, L., and Nadi J.K. 2017. Pengaruh Kreativitas Terhadap Kinerja Usaha Dengan Orientasi Kewirausahaan Sebagai Mediasi Pada Wirausaha di ITC Cempaka Mas. *Conference on Management and Behavioral Studies*. <http://cmbs.untar.ac.id/images/prosiding/2017/p/Louis-utama-dan-jeremy-kristanto-nadi.pdf>. Accessed on August 10th, 2019.
- Zimmerer. 2008. Tinjauan Pustaka Definisi dan Pengertian Entrepreneurship. *Journal UAJY*. <http://e-journal.uajy.ac.id/492/3/2MTS01575.pdf>. Accessed on June 16th, 2019.

