# Entrepreneurship Behavior and Performance Factors of Local Cassava *Enbal* Food Agroindustry

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**Abstracts:** This study was conducted to describe individual, socioeconomic entrepreneurial behavior, and performance factors of local cassava enbal food agro-industry. It also aims to analyze the influence of behavior on performance of local cassava enbal food agro-industry. The focus on entrepreneurs is due to their importance in the development of agro-industry businesses. The results showed that all the indicators measured namely individual and socioeconomic factors greatly influenced entrepreneurial behavior in the development of cassava enbal processing business. This business was considered a regional local food that holds significant importance as an asset, requiring maintenance and preservation. Entrepreneurial behavior indicators had a significant influence on performance of local regional Home Food Industry with a critical ratio (CR) value of > 2.00, meaning that all indicators formed had a significant effect. The entrepreneurs of cassava enbal home industry showed great enthusiasm in developing their business by offering a variety of processed products with significant selling value. Therefore, it can be concluded that cassava enbal food is a regional food requiring maintenance and preservation for the future of the younger generation.

Keywords: Behavior, Entrepreneurship, Performance, Enbal, Agroindustry, Local Food.

#### 1. INTRODUCTION

Functional food is a new paradigm in the development of science and technology, achieved through various product modifications [1]. This food not only provides additional benefits but also offers basic nutritional functions in a group of people. Cassava is considered a functional food because it is a versatile plant and is used in various industries. Furthermore, cassava finds application in diverse sectors including seeds for cultivation, particle board, crafts, charcoal, and briquettes from its stalk, leaves used for food, animal feed, pharmaceuticals [2], and even its seeds serve as oil producers [3]. This crop can grow in soil conditions with low fertility levels and produces adequately in sub-optimal environments compared to other crops [4].

Approximately 71.69% of cassava is consumed as direct or processed food, while 13.63%, 2%, and 12.66% are for non-food industry needs, feed, and land waste respectively. Local food commodity is used as a source of carbohydrates, providing diversification in consumption and acting as a substitute for rice. The Susenas survey found that consumption of cassava/capita/year for five years fluctuated and even decreased. Fresh cassava spoils quickly and can only be stored for 1-2 weeks after harvest [5]. Therefore, farmers rarely harvest all of their planted cassava at once, opting to harvest in stages and sell directly to consumers except for wholesale sales.

The role of technology is paramount to fully harness the potential of cassava as a raw material for agroindustry and to create value-added processed products with high selling value. Efficient production and information technology play crucial roles in enhancing the quality of processed products. Agroindustry cannot grow and develop optimally without the help of other parties such as supply partners, distributors, and consumers. Therefore, partnerships are expected to be beneficial to all parties involved, and the government with its regulations must be able to guarantee optimization and effectiveness [6]. Effective agroindustry management is needed starting from planting, fertilizing, weeding, and harvesting, alongside good marketing to increase the income of farmers [7].

The majority of Indonesian farmers have always been at a disadvantage, with their crops being often purchased at low prices, coupled with concerns about rapid spoilage. By processing cassava into value-added derivative 829

products such as flour and others, farmers can overcome these hurdles, as processed products have a longer shelf life. It is crucial for the government and companies engaged in food industry to pay attention to and support farmers. This will facilitate the achievement of enhanced added and selling value of cassava, ultimately leading to increased income [8].

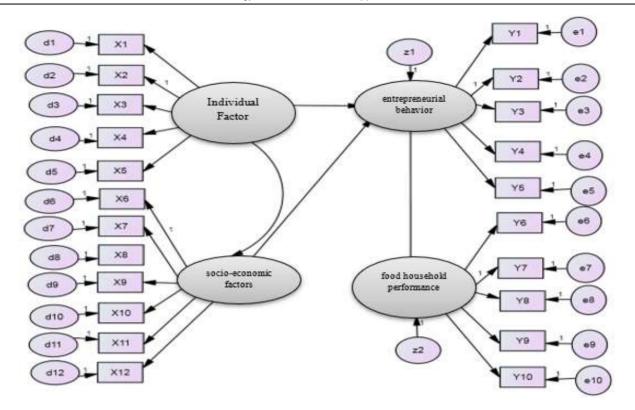
Southeast Maluku Regency, located in Maluku Province, is widely known for prioritizing cassava as a staple food. The specific type cultivated is Bogor, which contains a significant amount of HCN ranging from 50 to 100 kg/tuber. Due to its high HCN content, this type of cassava cannot be consumed directly, thereby requiring further processing. It is processed into ready-to-consume and ready-to-sell food, locally known as "enbal", which is utilized as a staple food for the people of Southeast Maluku and serves as a source of family income [9].

The processing of cassava into enbal is managed by home industries, which face various kinds of problems including small business capital, difficult marketing, and low entrepreneurial spirit. Despite these challenges, there is a strong need for small businesses to become more independent, support the expansion of employment opportunities, be competitive, and develop maximally to increase economic growth [10]. Carayannis and Stewart [11] introduced the concept of "distinguished entrepreneur" referring to a visionary and innovative individual who takes initiative, accepts failure, embraces risk, as well as adapts and re-organizes economic and social mechanisms [12], [13]. This drive for innovation is crucial for successful entrepreneurship, regardless of gender. Therefore, behavior plays a vital role, where an entrepreneur must possess the ability to foresee future challenges and solve problems using various alternative, creative methods, fostering innovation in their business. A person's entrepreneurial behavior is influenced by both individual and socio-economic factors. Based on the description above, this study aimed to describe individual, socio-economic, entrepreneurial behavior, and performance factors. It also analyzed the influence of entrepreneurial behavior on performance of local cassava enbal food agroindustry.

#### 2. MATERIEL AND METHODS

This study was conducted in Southeast Maluku Regency, Maluku Province, which was determined deliberately because it is a center for the development of local cassava *enbal* household food industries. The total number of entrepreneurs who were managing cassava *enbal* was 205. The samples in this study were engaged in the processing of cassava *enbal* into salable products. Sampling was determined using the Slovin formula, resulting in 135 people being selected as participants. Data analysis was carried out qualitatively and quantitatively with SEM (Structural Equation Modeling). A theoretical model within the conceptual framework of the study was used, and its validity was tested against empirical data to evaluate the goodness of fit. The acceptance of the model was determined based on specific criteria [14], namely: 1) P ≥ 0,05; 2) RMSEA ≤ 0,08; 3) GFI ≥ 0,90; 4) AGFI ≥ 0,90; 5) CMIN/DF ≤ 2,00; 6) TLI ≥ 0,95; and 7) CFI ≥ 0,95. The SEM conceptual framework of home industry entrepreneurship for local cassava *enbal* is shown in Figure 1.

Data retrieval was conducted using a structured questionnaire administered through an interview process. The questionnaire was designed with a seven-point Likert scale to facilitate the ease of answering questions. Respondents responded with the terms strongly disagree (1), disagree (2), somewhat disagree (3), neutral (4), somewhat agree (5), agree (6), strongly agree (7); very unimportant (1), unimportant (2), somewhat unimportant (3), neutral (4), somewhat important (5), important (6), very important (7); very bad (1), not good (2), rather bad (3), neutral (4), rather good (5), good (6), and very good (7).



Information: Individual Factors (X1 = business experience, X2 = entrepreneur perception, X3 = entrepreneur education, X4 = business motivation, X5 = ownership of business facilities and infrastructure); socioeconomic factors (X6 = income level, X7 = venture capital, X8 = availability of production inputs, X9 = product market, X10 = training for entrepreneurs, X11 = government support, X12 = entrepreneurial work ethic); entrepreneurial behavior (Y1 = innovative, Y2 = dare to take risks, Y3 = independent, Y4 = business perseverance, Y5 = responsive and creative); performance of local Home Food Industry (Y6 = operating profit, Y7 = business productivity, Y8 = increase in sales volume, Y9 = increase in market share, Y10 = business efficiency).

Figure 1. Structural Equation Model Concept of Entrepreneurial Behavior of Local Food Household Cassava Enbal.

#### 3. DISCUSSIONS

## 3.1. The Indicators of Individual and Socioeconomic Factors, Entrepreneurial Behavior, and Performance of the Household Food Industry of Cassava Enbal

#### 3.1.1. Individual Factors

Individual entrepreneurial factors include experience, perceptions, education, motivation, as well as ownership of facilities and infrastructure. Table 1 shows that the individual factors index numbers were in the high category, at 70.35%. The average experience of doing business in cassava *enbal* food home industry ranged from 10-15 years. At the beginning of starting a business, entrepreneurs processed cassava *enbal* products which were traditional, and relatively few. Self-confidence plays a crucial role in creating quality products and is an important criterion according to Alma [15]. It influences decisions making while running a business, and in the case of cassava *enbal*, entrepreneurs exhibited substantial confidence, perceiving the product as a means to support the household economy. The extraordinary confidence fueled the desire to develop better products that are acceptable in the market.

The results also showed that the level of education among entrepreneurs varied, comprising both formal and informal. The majority of the participants completed SD (elementary school), accounting for 62%, followed by SMP (junior high school) at 30%, and SMA (senior high school) at 8%. The dominance of elementary school education was attributable to the age when starting their business, which averaged 45-63 years. Therefore, primary education was more predominant because employers did not wish to continue to the next level. Cassava *enbal* food home 831

industry does not require a higher level of education but basic non-formal education in the form of training and apprenticeships.

Entrepreneurs have been actively participating in the non-formal education conducted by various institutions, including Pattimura Ambon University, the Southeast Maluku Industry and Trade Service, and the Southeast Maluku Food Security Agency. These programs offer counseling and training activities for new products, such as quality packaging, and designing effective product labels to enhance visibility and market value. Participation in such non-formal education will enable entrepreneurs to increase their business knowledge and skills crucial in supporting the development of cassava *enbal* food home industries. These skills include the ability to adapt to technological developments, be open-minded, and multitask [16].

Motivation, which drives entrepreneurs to run their business was found to be influenced by several factors including self-will, encouragement from friends/relatives, profits, inheritance (hereditary), and needs. Among these factors, the intrinsic motivation to continue a family heritage business emerged as the most dominant. Cassava *enbal* food home industry is a family business that cannot be abandoned because it serves as a source of income.

	Sco	ore						Index
Category	1	2	3	4	5	6	7	
Individual Factors	•							
Business experience	0.0	5.2	6.5	28.3	20.3	19.7	20.0	71.83
Entrepreneur perception	0.0	4.3	4.5	30.4	25.5	23.2	12.1	70.73
Entrepreneur education	2.1	3.7	6.6	30.3	30.3	14.4	12.6	68.09
Motivation to try	0.0	4.3	6.4	12.4	48.2	19.3	9.4	71.43
Ownership of facilities and infrastructure	0.0	2.1	5.3	40.3	20.3	19.2	12.8	69.66
70.35								
Socioeconomic Factors			1					
Income level	0.0	4.3	5.4	39.1	24.4	15.6	11.2	67.89
Venture capital	0.0	3.4	4.6	32.6	37.5	15.5	6.4	68.04
Availability of production inputs	0.0	4.3	4.2	30.5	25.2	17.2	18.6	71.80
Product market	0.0	4.6	5.3	23.3	44.6	12.0	10.2	69.24
Training for entrepreneurs	0.0	4.8	6.2	28.5	35.2	17.0	8.3	68.33
Government support	0.0	3.5	7.4	39.4	26.7	10.5	12.5	67.26
Entrepreneurial spirit	0.0	2.2	5.3	24.6	40.3	10.5	17.1	71.84
69.69								
Entrepreneurial Behavior			1	T	T	r		n
Innovative	0.0	2.0	1.4	25.4	27.7	18.3	25.2	76.36
Dare to take risks	0.0	4.2	6.5	36.2	26.5	11.3	15.3	68.59
Independent	0.0	2.5	3.2	29.2	31.2	22.3	11.6	71.77
Persistence effort	0.0	2.2	1.2	3.5	24.6	45.4	23.1	82.73
Responsive and creative to opportunities	0.0	2.1	1.5	22.0	40.4	20.3	13.7	73.77
74.64								
Food Industry Performance	1		1	I	1	I		
Business profit	0.0	0.0	3.4	43.2	26.2	16.2	11.0	69.74
Business product	0.0	0.0	5.2	45.2	28.4	11.2	10.0	67.94
Increase in sales volume	0.0	0.0	6.5	45.3	20.9	14.2	13.1	68.87

### Table 1. Description of Indicators regarding Individual and Socioeconomic Factors, Entrepreneurial Behavior, and Food Household Performance.

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Increase in market share	0.0	0.0	7.4	42.5	26.0	10.4	13.7	68.64
Business efficiency	0.0	0.0	8.5	38.6	24.6	10.5	17.8	70.07
69.05								

Source: Study data

Entrepreneurs with adequate supporting facilities and infrastructure can significantly increase their business turnover. By owning the facilities outright, rather than leasing, entrepreneurs can ensure the long-term sustainability of their ventures. Facilities and infrastructure include production house buildings, sufficient business equipment, and supplies, as well as various kinds of raw and supporting materials for the smooth running of the business.

#### 3.1.2. Socioeconomic Factors

Socioeconomic factors include income, capital, availability of production inputs, product markets, training, government support, and work ethic. As shown in Table 1, the socioeconomic factors index value of 69.69% was in the moderate category, indicating their importance in spurring the entrepreneurial spirit. One of the primary motivations for entrepreneurs is the desire to generate net income from their business, achieved by striving to increase production. Income is the main goal of entrepreneurship alongside maximizing customer satisfaction.

The availability of capital is a driving factors in starting a business, but with support from family and friends, entrepreneurs do not need large capital to develop their business. However, there has been no extension from any party to provide capital assistance. This was primarily due to the complex and convoluted requirements posed by financing and credit institutions, deterring entrepreneurs from seeking loans.

The availability of production inputs such as raw and supporting materials was in the very good category at 71.80%. Many entrepreneurs manage their cassava plantations independently to ensure the sustainability of their agro-industrial business. The raw cassava is processed into semi-finished goods, namely *enbal*, which then undergo further modifications with additional materials to make finished goods ready for consumption. These supporting materials including sugar, salt, butter, eggs, peanuts, food coloring, seaweed, cocoa powder, and cheese are available at sales stalls and even at grocery stores. The affordability of the materials simplifies the procurement process.

In terms of product marketing, the options include traditional markets in Tual City (Masrum) and Southeast Maluku Regency (Langur), as well as a modern market, called Gota Swalayan, located centrally in the Regency. This modern market gives entrepreneurs access to showcase processed products. There was previously difficulty supplying processed *enbal* products to Gota Supermarkets due to the failure to acquire IRT permits and halal brands (MUI permits). However, the acquisition of these permits has prompted entrepreneurs to be very active in producing and displaying their processed products. This has not only increased sales values but also facilitated healthy competition with other processed products made from wheat flour.

Training activities play a crucial role in empowering entrepreneurs and fostering the growth of their businesses. The significance of these activities lies in providing knowledge and skills to keep up with developments in science and technology. This ranges from processing new cassava-based products to using packaging and labels, selling value of branded products, processes and criteria involved in applying for PIRT and Halal Permits, preparing household business bookkeeping, tips for obtaining assistance capital from financial institutions, and becoming a successful entrepreneur. These training activities were obtained from the Department of Industry and Trade, Food Security Agency, and the Faculty of Agriculture, University of Pattimura.

Government supports in the form of mentoring and coaching were also identified as important factors for home industry entrepreneurs. Although providing assistance in the form of business machinery and equipment is useful, it becomes only beneficial when accompanied by instructions on proper utilization. Entrepreneurs have received materials and moral assistance from the Industry and Trade Office, Food Security Agency, and higher education institutions. This assistance ranged from production machinery and equipment to product packaging, and labels, as

well as training and mentoring. To further promote the growth of their business, an extension of the government's support is needed to promote processed cassava *enbal* products to various groups for increased visibility. This effort should not be limited to the district but also include support from the provincial and central governments. With continued support, training, and government promotion, the reach of the product will extend across Southeast Maluku Regency, as well as all areas in Maluku Province and beyond.

Work ethics, involving mental activity that drives entrepreneurs to work according to standards was found to include setting targets, time discipline, enthusiasm, and high confidence in achieving maximum results. Entrepreneurs paid good attention to cassava *enbal* food home industry, evidenced in their activeness and creativity in developing the business. Therefore, the development of local cassava *enbal* food home industries is very promising and helps in increasing family income.

#### 3.1.3. Entrepreneurial Behavior

According to Werotaw [17], entrepreneurship is increasingly being recognized as a key component of education and is widely practiced today. Every learner should be allowed to acquire the knowledge, skills, and attitude required to make an innovative and creative contribution within their field. Having a creative, innovative, dynamic, and independent indigenous solution-seeking young generation is crucial to ensuring a country's progress [18].

Woollard et al., [19] and Low [20] stated that entrepreneurship skills and competencies can be obtained from formal education and training. Entrepreneurship education is an aspect that familiarizes learners with the needed attributes and instills the intention to take risks of creating an enterprise by applying knowledge and skills [21]; [22].

Entrepreneurial behavior includes being innovative, daring to take risks, independent, persistent in trying, responsive, and creative towards opportunities. In this study, the entrepreneurial behavior index score was in the high category, at 74.64% (Table 1). Innovative entrepreneurs are often open to accepting innovations in the development of modern products. These individuals are always in constant search of information about new technological developments to improve their production process activities. Innovation in entrepreneurship means utilizing the ability to create a new object for increased profits and to maintain business continuity. Therefore, cassava *enbal* entrepreneurs are expected to be innovative.

The seaweed *enbal* sticks are a new product developed by cassava *enbal* entrepreneurs, and its development requires the ability to create shapes and models appealing to consumers. Initially, *enbal* mix sticks were created, before the modification to seaweed sticks. This product is in great demand by consumers, reaching approximately 72%. However, delays in accessing raw materials due to the uncertain climate, sometimes cause entrepreneurs to experience difficulties in increasing production.

Innovative entrepreneurs are characterized by their willingness to take calculated risks, especially in the face of potential product failures, and delays in accessing raw materials due to uncertain climate, price risk, and income risk. When developing a new product, failures are common, as entrepreneurs iterate and refine their offerings to meet the demands of consumers effectively. This is in line with Hairunnisa et al, [23] highlighting that the taste of food is determined by the ingredients. Furthermore, food with good taste and attractiveness is preferred by consumers.

An independent entrepreneur is an individual who can effectively manage their business, generate income, and operate without external pressure. To achieve this, it is important to apply management principles namely planning, organizing, implementing, directing, and supervising.

Accessing business capital remains a challenge for home industry entrepreneurs, necessitating independent efforts in carrying out their business. Despite these challenges, local cassava *enbal* household food industry entrepreneurs have continued to display remarkable independence in managing their businesses. This success is attributed to their self-confidence, as well as the ability to focus on targets, work hard, overcome risks, persist, be innovative, and take responsibility.

Perseverance in business refers to a person's ability to carry out various activities in a disciplined manner, manage time appropriately, and have a high commitment to work. Disciplined employees thrive to complete the work according to the targets or goals set, and are always responsive to potential risks. Therefore, entrepreneurs are expected to be diligent and work towards creating a sustainable agro-industry.

Entrepreneurs who possess unwavering commitment tend to exhibit greater resilience in the face of various obstacles or problems. These include a lack of business capital, insufficient technological resources for product processing, limited skills and knowledge to create new products, low socialization activities with related agencies, lack of market information, as well as low motivation and enthusiasm to develop a business. Entrepreneurs must have a high commitment to increase company turnover.

Before embarking on a business venture, the most important task is being responsive and creative toward recognizing opportunities. According to Widodo (2015), seven sources of innovation opportunities exist within and outside the company. Four sources within the company comprise 1) unexpected circumstances, including success, failure, or just unexpected events, 2) misalignment between the assumed and actual reality, 3) process requirements that follow the dynamics of change times, as well as 4) changes in industrial, market, and economic structures unknown to many people. Meanwhile, the three opportunities from outside the company include: 1) demographic changes (population and density), 2) changes in values, perceptions, and norms of life, as well as 3) new knowledge, both scientific and non-scientific. Kasmir [24] further explained several determinants that aid in identifying opportunities before starting a business, including interest or talent, capital, time, profits, and experience.

Businesses founded based on one's interests or talents proved to be a good determinant in running a successful venture. Possessing expertise in a particular field, whether acquired through learning or inheritance enables entrepreneurs to adapt easily and quickly in developing their business. Capital in the form of financial resources is also one of the determinants in seizing opportunities. Entrepreneurs can engage in collaborations or partnerships with those possessing expertise and financial means to foster growth.

There is also a need for taking advantage of business at every level of time namely short, medium, and long term. In addition, profitability considerations play a significant role in the decision-making process, as potential profits serve as a foundation for guiding business endeavors. Opportunities can also be viewed from the entrepreneur's experience or other successful people. Experience often serves as a guide, preventing avoidable mistakes in business. This aligned with Timisela et al, [25], which emphasized the need to build an entrepreneurial character with a business spirit to advance local sago food agroindustry.

#### 3.1.4. Food Household Performance

Food household performance includes productivity, profit, increase in sales volume, efficiency, and significant market share. Performance index for the Household Food Industry was found to be in the medium category, at 69.05%. However, several areas need to be addressed to improve performance of the Home Food Industry. Entrepreneurs must work hard to improve their business performance and achieve better results. The majority presently work only to support their families but with proper management, the business has the potential to generate large profits with improved productivity, sales volume, and market share.

#### 3.2. Structural Equation Model Of Entrepreneurial Behavior Impacts On Performance Of Local Cassava Enbal Food Agroindustry.

Figure 2 shows that the structural equation model of entrepreneurial behavior impact on performance of local cassava enbal agro-industry with a loading factors value for each indicator was  $\geq$  0.5. This indicated that the overall value was accepted in the study.

The loading factors value for each indicator includes individual factors consisting of X1 = experience (0.75), X2 = perception (0.72), X3 = education (0.81), X4 = motivation (0.83), X5 = ownership of facilities and infrastructure (0.61). Socioeconomic factors consist of X6 = income level (0.68), X7 = venture capital (0.80), X8 = availability of 835

production inputs (0.84), X9 = product market (0.62), X10 = training (0.63), X11 = government support (0.61), X12 = work ethic (0.58). Entrepreneurial behavior factors include Y1 = innovative (0.70), Y2 = dare to take risks (0.66), Y3 = independent (0.58), Y4 = persistence in trying (0.66), and Y5 = responsive and creative (0.74). IRTP performance factors comprised Y6 = profit (0.71), Y7 = productivity (0.60), Y8 = increase in sales volume (0.55), Y9 = increase in market share (0.66), and Y10 = efficiency (0.55). Individual entrepreneur factors consisting of experience, perceptions, education, motivation, as well as ownership of business facilities and infrastructure proved to be important for building entrepreneurial spirit. Socio-economic factors, namely income, capital, availability of production inputs, product markets, training, government support, and work ethic were found to be crucial in increasing enthusiasm and high concern for building and developing entrepreneurs.

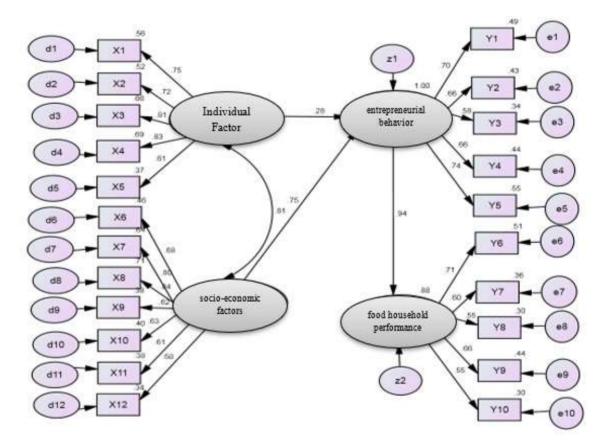


Figure 2. Structural Equation Model of Entrepreneurial Behavior Impact on Performance of Local Food Agroindustry of Cassava Enbal

Factors of entrepreneurial behavior namely innovation, risk-taking, independence, persistence, responsiveness, and creativity were identified as intrinsic characteristics needed to be loyal and highly dedicated to creating a dignified business. Performance factors, such as productivity, profits, increased sales volume, and market share, as well as efficiency, are the final results expected while running a business. The success of an entrepreneur's performance is gauged by the positive progress in these performance factors. Furthermore, each indicator's value shows that an increase in one independent variable unit will lead to an equivalent change in the dependent variable as per its coefficient value. This positive relationship signified that as the independent variable increased, it positively influenced performance factors.

Table 2. Summary of Structural Equation Model Analysis of Entrepreneurial Behavior Impact on Performance of Local
Food Agroindustry of Cassava Enbal.

Description			Estimate	S.E.	C.R.	Р	Label
Entrepreneurial behavior	<	Socioeconomic factors	.755	.294	4.807	***	par_13
Entrepreneurial behavior	<	Individual factors	.283	.161	2.630	.009	par_21
food household performance	<	Entrepreneurial behavior	.939	.082	5.312	***	par_14
Y7	<	Food household performance	.599				
Y8	<	Food household performance	.549	.184	4.607	***	par_1
X6	<	Socioeconomic factors	.678				
Y6	<	Food household performance	.712	.210	5.669	***	par_2
Y9	<	Food household performance	.664	.338	5.349	***	par_3
Y10	<	Food household performance	.551	.297	4.580	***	par_4
Х7	<	Socioeconomic factors	.801	.161	7.090	***	par_5
X2	<	Individual factors	.723				
X1	<	Individual factors	.745	.146	7.142	***	par_6
X4	<	Individual factors	.832	.147	7.684	***	par_7
Х3	<	Individual factors	.814	.280	7.498	***	par_8
Y2	< 	Entrepreneurial behavior	.657				
Y3	<	Entrepreneurial behavior	.581	.125	5.434	***	par_9
Y1	<	Entrepreneurial behavior	.698	.125	6.308	***	par_10
Y4	<	Entrepreneurial behavior	.662	.131	5.991	***	par_11
Y5	<	Entrepreneurial behavior	.743	.168	6.586	***	par_12
X12	<	Socioeconomic factors	.580	.261	5.436	***	par_16
X11	<	Socioeconomic factors	.615	.175	5.642	***	par_17
X9	<	Socioeconomic factors	.616	.172	5.850	***	par_18

X10	<	Socioeconomic factors	.630	.196	5.704	***	par_19
X5	< 	Individual factors	.608	.107	5.661	***	par_20

Source: Study data

The critical ratio (CR) value of > 2.00 (Table 2) means that all the indicators formed in this study had a significant effect. These indicators encompassed socio-economic and individual factors, which greatly influenced entrepreneurial behavior in the development of cassava *enbal* processing business. The maintenance and preservation of this food are important as regional assets. Business behavior indicators had a significant influence on performance of regional and local food home industries. Furthermore, entrepreneurs demonstrated a high level of activity in developing their household businesses, creating various processed products with significant selling value. *Enbal* food was considered a regional food that needs to be maintained and preserved for the future of the younger generation. To enhance the reliability of the frameworks, SEM testing incorporated the goodness of fit value, which indicated whether the hypothesized model fits the sample data. The goodness of fit values including CMIN/DF, GFI, CFI, AGFI, TLI, and RMSEA showed that the model created was very suitable for the sample data as shown in Table 3.

### Table 3. Feasibility Test Results from the SEM Model of Entrepreneurial Behavior Impact on Performance of Local Food Agroindustry of Cassava Enbal.

The Goodness of Fit Index	Cut-off Value	Analysis Results	Model Evaluation		
X <sup>2</sup> chi-square	$\leq$ chi-square table	125,135	Good		
Probability	≥ 0,05	0,746	Good		
RMSEA	≤ 0,08	0,06	Good		
CFI	≥ 0,95	0,965	Good		
GFI	≥ 0,90	0,913	Good		
AGFI	≥ 0,90	0,905	Good		
CMIN/DF	≤ <b>2,00</b>	1,054	Good		
TLI	≥ 0,90	0,938	Good		

Source: Study data

As shown in Table 3, the Goodness of Fit value with an RMSEA of 0.06 ( $\leq$  0.08) indicated good suitability as an empirical model. The CFI value of 0.965 ( $\geq$  0.95) implied that the SEM model had a good fit, while the GFI value of 0.913 ( $\geq$  0.90) indicated good suitability. The AGFI value of 0.905 ( $\geq$  0.90), represented the development of the GFI which had been adjusted to the degree of freedom ratio. Moreover, the CMIN/DF value of 1.054  $\leq$  2.00 showed that the model had a very good fit. The TLI value of 0.938 ( $\geq$  0.90) served as an incremental suitability index to compare the tested and the baseline model. Based on the results, this value indicated that the model was very good and suitable.

#### CONCLUSIONS

1. Individual entrepreneurial factors include experience, perceptions, education, motivation, as well as ownership of facilities and infrastructure with an individual factors index number in the high category, at 70.35%. Socioeconomic factors identified were income, capital, availability of production inputs, product markets, training, government support, and work ethic with a socioeconomic factors index value of 69.69%, in the moderate category. Entrepreneurial behavior includes being innovative, daring to take risks, independent, persistent in trying,

responsive, and creative towards opportunities with an entrepreneurial behavior index number in the high category, at 74.64%. Additionally, performance factors of the home food industry including productivity, profits, increased sales volume, efficiency, and significant market share had a household performance index number in the medium category, at 69.05%.

2. All indicators measured comprising socioeconomic and individual factors greatly influenced entrepreneurial behavior in the development of cassava enbal processing businesses as regional local food that needs to be maintained and preserved. Business behavior indicators had a significant influence on performance of local regional Home Food Industry with a CR > 2.00, meaning that all indicators formed had a significant effect. Entrepreneurs were found to be very active in developing their household businesses, creating various processed products with high selling value. Cassava enbal food was considered a regional food that needs to be maintained and preserved for the future of the younger generation.

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