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# THE INFLUENCE OF ENTREPRENEURIAL INTERNAL AND EXTERNAL FACTORS ON THE SUSTAINABILITY OF THE ORGANIC VEGETABLE BUSINESS DURING THE COVID-19 PANDEMIC

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## *ABSTRACT*

*The organic vegetable business is a business that has high opportunities. The real conditions experienced during the Covid-19 pandemic harmed farmers who were also in the organic vegetable business, namely a 50 percent decrease in sales. A sustainable agricultural business depends on the entrepreneurial spirit possessed by agribusiness actors. This study aims to analyze the influence of entrepreneurial internal and external factors on the sustainability of the organic vegetable business with business performance as an intervening variable. This research was carried out from October to December 2022 in Batur Village, Getasan District. The type of research used in this research is descriptive quantitative, with primary and secondary data types. The sample used is 100 respondents, taken by nonprobability sampling with the purposive method. Data analysis techniques used by researchers are structural equation modeling (SEM) and partial least squares path modeling (PLS-SEM). The results of this research are entrepreneurial internal factors (X1) with p-value 0,003 and entrepreneurial external factors (X2) with p-value 0,000 have a significant and significant positive effect on the sustainability of the organic vegetable business (Y2). But entrepreneurial internal factors (X1) with p-value 0,117 and entrepreneurial external factors (X2) with p-value 0,122 have no significant effect on business sustainability (Y2) through business performance (Y1) as intervening variables. Therefore, if everyone improves business performance personally it will distrupt business performance in the group.*

***Keywords: entrepreneurship, organic vegetable business, sustainable business***

## INTRODUCTION

The spread of the Covid-19 virus, which has hit the entire world, has caused changes in all aspects of human life. Indonesia is one of the countries affected by the Covid-19 virus. The WHO (World Health Organization) (2020) stated that on March 2, 2020, the Covid-19 virus was confirmed to have entered Indonesia. All sectors that contribute to economic growth are affected by the pandemic, causing economic instability. The agricultural sector is one of the sectors affected by the spread of the Covid-19 virus, however, the agricultural sector can support the Indonesian economy by contributing 13.28 percent to Gross Domestic Product (GDP) in 2021 (BPS, 2022). Khairad (2020) stated that the agricultural sector has an important role in meeting the community's priority needs, including providing food, both before and even during the Covid-19 outbreak. This is reinforced by research by Kusumaningrum (2019) explaining that the agricultural sector has multi-functional value with an optimal agricultural land program that provides growth in the Indonesian economy. SPOI data (2019) shows that organic vegetables are organic products that are widely consumed by the public during the Covid-19 pandemic.

The ability to meet demand and produce local commodities that are not dependent on imports has enabled the agricultural sector to survive during the Covid-19 pandemic. Resilience in the agricultural sector has helped restore the economic situation during a pandemic, marked by high employment absorption so that business opportunities in the agricultural sector have increased. The abundance of natural resources, especially in agricultural inputs, can be utilized as a business opportunity that is oriented towards the welfare of business actors, especially farmers.

BPS data (2021a) records the workforce in the agricultural sector as the main occupation of 28,33 percent, this shows that greater business opportunities in the agricultural sector can increase public interest in doing this business. Arsanti (2013) argues that the agricultural sector has enormous entrepreneurial potential, indicated by the abundance of human resources and various commodities. Various existing local potentials are developed to support increased productivity which is useful as an attraction for the younger generation. Encouraging agriculture-based entrepreneurs is an effort to increase agricultural development. According to the Directorate of Statistical Analysis and Development (2021) businesses that did not experience changes during the activity restriction period during the pandemic, namely the agricultural business, amounted to 83.49 percent. Sustainable agricultural business is an important thing to pay attention tu because it has an impact on economic, environmental, and social (Wardie and Tri, 2016).

Commodities that are used as businesses are commodities that have business prospects and are in demand by consumers. According to Haryani et al. (2018) horticultural commodities in Indonesia have high

business development prospects and even have open market opportunities both domestically and abroad. One part of the horticultural commodity is vegetable plants, which have utility as a support for nutrition and to help increase people's income. Workers who switch to the agricultural sector take advantage of existing opportunities, but the increasing number of agricultural business actors means that there are more competitors that must be faced to win the market.

Therefore, agribusiness actors need to produce profitable and sustainable businesses. The organic vegetable business is a business that has high and sustainable opportunities. The ability of a business to achieve a sustainable agricultural business depends on the entrepreneurial spirit possessed by agribusiness actors. The increase in entrepreneurial ability is determined by two factors, namely internal and external entrepreneurial factors. Farmers who have entrepreneurial traits will use their expertise to improve sustainable businesses, be able to manage capital and land, and adapt to changes in nature and the surrounding environment (Mukti et al., 2016). The benefits of business continuity include providing a comparative advantage, protecting the reputation of business actors and business image, minimizing risks, and reducing costs (Agustina et al., 2022).

One of the sub-districts in Semarang Regency that has the potential to run vegetable entrepreneurship is the Getasan sub-district, which produces various organic vegetable commodities. Most people who work in the Getasan sub-district, especially in Batur village, Tajuk village, and Wates village, are organic vegetable farmers. This makes the three villages the center of organic vegetables. However, during the Covid-19 pandemic, marketing of organic vegetables was only carried out in the Salatiga City and Semarang Regency areas, meaning that business actors could not export. Before Covid-19, organic vegetables were exported to Singapore and Malaysia.

The real conditions experienced during the Covid-19 pandemic hurt farmer groups, namely a 50 percnt decline in sales due to the large number of business competitors and restrictions on people's movement by the government. The low level of innovation of farmer groups in developing products and their lack of attention to consumer desires such as the need for product packaging, product type, and product quality cause consumers to be attracted to competing products.

The Batur Village, Tajuk Village, and Wates Village formed farmer groups as a platform to develop organic farming entrepreneurship. Organic vegetable commodities cultivated by farmer groups include broccoli, Japanese spinach, chicory, cabbage, green beans, carrots, cabbage, and others. Vegetable products cultivated by farmer groups in Getasan, especially in the three villages above, have received organic certificates from the Indonesian Organic Farming Certification (INOFICE).

Based on the description above, this study seeks to fill the existing research gaps in the

agricultural sector, especially regarding the importance of the sustainability of the organic vegetable farming business, which is influenced by entrepreneurial internal and external factors. This study aims to analyze the influence of entrepreneurial internal and external factors on the sustainability of the organic vegetable business, with business performance as an intervening variable.

## METHODS

This research was carried out from October 2022 to December 2022. The research location was chosen purposefully because Batur Village is one of the villages in the Getasan sub-district that has potential in the organic vegetable business, the availability of land, water, and human resources, as well as being a supplier for local and overseas areas. The type of research used is quantitative-descriptive. The data source in the research is primarily interviews, while secondary data is obtained from journals, the Central Statistics Agency (BPS), and electronic media through literature studies.

The sampling technique is non-probability sampling with a purposive sampling method, with the criteria being that the respondent is a good organic vegetable farmer who is part of an organic vegetable farmer group. Then, the sample used consisted of 100 respondents from the Tranggulasi, Mekar Asih, Bangkit Merbabu, and Phala Tani farmer groups located in three villages, namely Batur Village, Tajuk Village, and Wates Village. The data analysis techniques used by researchers are structural equation modeling (SEM) and partial least squares path modeling (PLS-SEM).

Hypothesis testing in this research uses the bootstrapping function with the SmartPLS 3.0 program. Irwan and Khaeryna (2015) stated that from the results of the bootstrapping test, t-statistical values will be obtained and then compared with the t-table values. If the t-statistic value > t-table, then the proposed research hypothesis is accepted, and vice versa. The confidence level used is 95 percent, meaning the inaccuracy limit is 5 percent.

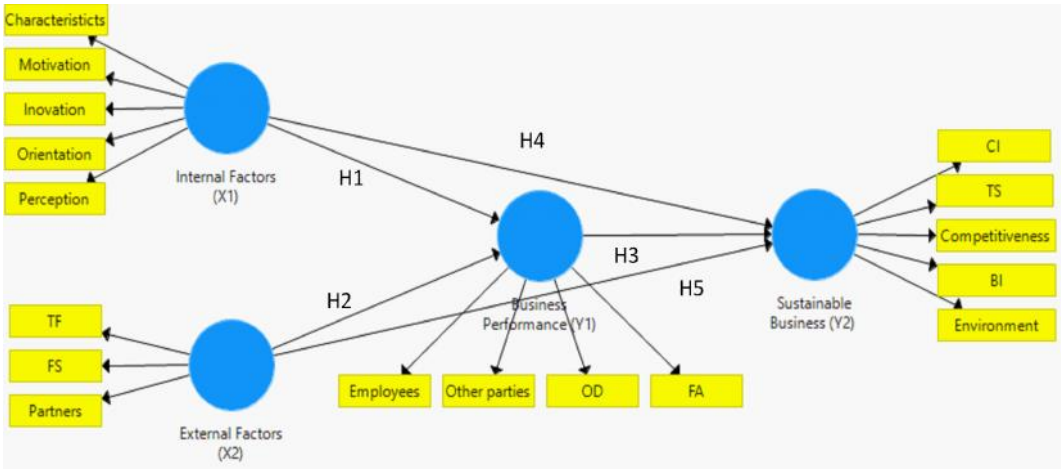



**Figure 1** Research Model

Explanation:

Indicator = ▭

Latent Variable = ◯

Impact =

$X_1$ Variable = Entrepreneurial Internal Factors (entrepreneurial characteristics, motivation, innovation, business orientation, and perceptions of agribusiness actors)

$X_2$ Variable = External Entrepreneurship Factors (Utilization of Technology Facilities (TF), Family Support (FS), and Work Partners)

$Y_1$ Variable = Business Performance (ability to communicate with employees, ability to communicate with parties other than employees namely work partners, ability to make own decisions (OD), and ability to solve business problems both from marketing and financial aspects (FA))

$Y_2$ Variable = Sustainable Business (continuous improvement (CI), thinking system (TS), competitiveness, business income (BI), and business environmental conditions)

## RESULT AND DISCUSSIONS

### Variable Indicator of Internal Entrepreneurship Factors (X1)

**Table 1** Indicators of internal entrepreneurial factor variables

| Indicator Name | Research Indicators | | Mean | TCR (%) |
|---|---|---|---|---|
| | Indicator Statement | | | |
| Characteristics of entrepreneurship | X1P1 | I am confident in running an agricultural business even though there are many obstacles to farming during the Covid-19 pandemic | 4.4 | 87.8 |
| | X1P2 | I can lead myself and others in running an agricultural business, even during the Covid-19 pandemic | 4.1 | 81.8 |
| | X1P3 | I dare to take risks in the decisions I make, even though there are many obstacles that must be faced during the Covid-19 pandemic. | 4.2 | 83 |
| | X1P4 | I am responsible for the tasks assigned to me during the Covid-19 pandemic | 4.1 | 81.8 |
| | X1P5 | I can do everything without depending on other people during the Covid-19 pandemic even though my farming business is experiencing many problems. | 4.1 | 82.6 |
| | X1P6 | I have an honest and diligent attitude in running an agricultural business during the Covid-19 pandemic | 4.3 | 85 |
| | X1P7 | I have a future vision in planning business goals in the agricultural sector, even during the Covid-19 outbreak. | 4.2 | 83.4 |
| | X1P8 | I was able to respond to the opportunities that existed during Covid-19 | 4 | 70 |
| | X1P9 | I still have a strong determination to pay attention to the business carried out during the Covid-19 pandemic. | 4.1 | 82.6 |
| **Average** | | | **4.1** | **82.52** |
| Motivation | X1P10 | I continued to be an agricultural entrepreneur during the Covid-19 pandemic because I wanted to be a role model | 3.5 | 70.8 |
| | X1P11 | I became an agricultural entrepreneur so that I could lead and motivate other people, even during the Covid-19 pandemic | 3.8 | 75.6 |
| | X1P12 | I became an agricultural entrepreneur during the Covid-19 pandemic because I wanted to have my own business | 4 | 79.4 |

| Research Indicators | | | Mean | TCR (%) |
|---|---|---|---|---|
| **Indicator Name** | | **Indicator Statement** | | |
| | X1P13 | I became an agricultural entrepreneur so that I could implement new ideas for business, even though during the Covid-19 pandemic I faced various obstacles | 3.9 | 77.6 |
| | X1P14 | I became an agricultural entrepreneur to get a better income, even during the Covid-19 pandemic. | 3.9 | 78 |
| **Average** | | | **3.8** | **76.28** |
| | X1P15 | I was able to create new ideas for agricultural businesses during the Covid-19 pandemic | 3.8 | 76.4 |
| Innovation | X1P16 | I can produce products that are superior to other producers, even during the Covid-19 pandemic | 3.9 | 77.2 |
| | X1P17 | I have a special technique for marketing products during the Covid-19 outbreak | 3.8 | 76 |
| **Average** | | | **3.8** | **76.53** |
| | X1P18 | I can accept criticism and suggestions from other people during the Covid-19 pandemic | 4.2 | 83.8 |
| | X1P19 | Since the Covid-19 pandemic took place, I have always tried to look for potential new markets | 4.1 | 82.2 |
| Business orientation | X1P20 | I was able to produce quality products even during the Covid-19 pandemic | 4.2 | 83.2 |
| | X1P21 | I have a reliable market network even during the Covid-19 pandemic | 4 | 80.6 |
| | X1P22 | During the Covid-19 pandemic, I tried to work together with my work partners | 4.1 | 82 |
| **Average** | | | **4.1** | **82.36** |
| | X1P23 | I have confidence that a horticultural business can improve the family's economy, even during the Covid-19 pandemic | 4 | 80.4 |
| Perceptions of agribusiness actors | X1P24 | I have skills in managing risky situations during the Covid-19 pandemic. | 3.7 | 73.2 |
| | X1P25 | A career as an agricultural entrepreneur is very interesting to me, even during the Covid-19 pandemic | 4 | 80.8 |

Source: Processed data 2023

Based on the table above, the indicators used to describe the internal factors of entrepreneurship (X1) consist of 5 indicators, namely entrepreneurial characteristics, motivation, innovation, business orientation, and perception of the actor in agribusiness. Apart from that, to describe each indicator of internal entrepreneurial factors (X1), 25 statements, or sub-indicators, are used. All sub-indicators or statements used to describe X1 in the research have mean and TCR numbers in the high to very high category.

Table 2 shows that the variable indicator for the external factor of entrepreneurship (X2) in this study consists of three indicators, namely the use of technological facilities, family support, and work partners. Each indicator is supported by 11 statements, or sub-indicators, that can draw the X2 variable. Each statement or sub-indicator to describe X2 has a mean value and TCR value in the high to very high category.

Based on the table above, the business performance variable (Y1) has 4 indicators with 9 statements or sub-indicators that can describe the business performance variable (Y2) on the sustainability of an organic vegetable business. All sub-indicators used to describe Y1 have high to very high mean and TCR values.

## Variable Indicators for External Entrepreneurship Factors (X2)

**Table 2** Indicators of external entrepreneurial factor variables

| Research Indicators | | | Mean | TCR (%) |
|---|---|---|---|---|
| **Indicator Name** | **Indicator Statement** | | | |
| Utilization of technological means | X2P1 | My business experienced an increase in sales during the Covid-19 pandemic after using technology tools | 3.8 | 76 |
| | X2P2 | My entrepreneurial skills have increased in the agricultural sector due to the availability of technological facilities, especially social media, during the Covid-19 pandemic. | 3.9 | 77.8 |
| | X2P3 | I was helped by the existence of technological facilities during the Covid-19 pandemic, especially in buying and selling online | 3.8 | 76.4 |
| | X2P4 | I used technological tools during the Covid-19 pandemic to make it easier to get new consumers | 3.9 | 78.4 |
| | X2P5 | I was helped by the technological means to promote products during the Covid-19 pandemic | 4 | 80.8 |
| **Average** | | | **3.8** | **77.88** |
| Family support | X2P6 | I received informational support (providing solutions, advice, etc.) during the Covid-19 pandemic from my family as an entrepreneur | 4.2 | 83.4 |
| | X2P7 | I got financial support, time, and facilities from my family to open an agricultural business even during Covid-19 | 4.1 | 81.2 |
| | X2P8 | I was encouraged by my family to become an agricultural entrepreneur even during the Covid-19 pandemic | 4.3 | 85.4 |
| **Average** | | | **4.1** | **83.33** |
| Work partners | X2P9 | I was assisted by work partners in dealing with product shortages during the Covid-19 pandemic | 3.8 | 76.8 |
| | X2P10 | I am more confident in running an agricultural business during the Covid-19 pandemic, if there are supportive work partners | 4 | 79.6 |
| | X2P11 | I got more innovation during the Covid-19 pandemic when I had a work partner | 4 | 80.6 |
| **Average** | | | **3.9** | **79** |

Source: Processed data 2023

## Business Performance Variable Indicators (Y1)

**Table 3** Indicators of business performance variables

| Research Indicators | | | Mean | TCR (%) |
|---|---|---|---|---|
| **Indicator Name** | **Indicator Statement** | | | |
| Ability to communicate with farmer group members | Y1P1 | I discussed with members of the farmer group to solve a problem at work even during the Covid-19 pandemic | 3.8 | 75 |
| | Y1P2 | I gave directions to farmer group members during the Covid-19 pandemic for work to be completed immediately | 3.7 | 73.2 |
| | Y1P3 | I gave warnings to members of farmer groups, especially during the Covid-19 pandemic, when they were negligent in the work, they were given | 3.7 | 73.2 |
| **Average** | | | **3.6** | **73.8** |

| Research Indicators | | | Mean | TCR (%) |
|---|---|---|---|---|
| **Indicator Name** | | **Indicator Statement** | | |
| Ability to communicate with farmer group members | Y1P1 | I discussed with members of the farmer group to solve a problem at work even during the Covid-19 pandemic | 3.8 | 75 |
| | Y1P2 | I gave directions to farmer group members during the Covid-19 pandemic for work to be completed immediately | 3.7 | 73.2 |
| | Y1P3 | I gave warnings to members of farmer groups, especially during the Covid-19 pandemic, when they were negligent in the work, they were given | 3.7 | 73.2 |
| **Average** | | | **3.6** | **73.8** |
| Ability to communicate with work partners | Y1P4 | I always receive feedback when discussing with work partners, especially when facing the Covid-19 pandemic | 3.9 | 77 |
| | Y1P5 | I have an agricultural business that is increasing even during the Covid-19 pandemic with various obstacles faced, when I can negotiate with work partners | 3.8 | 76.9 |
| **Average** | | | **3.8** | **76.9** |
| Ability to make your own decisions | Y1P6 | I did not consult anyone in managing agricultural businesses during the Covid-19 pandemic | 3,2 | 63.2 |
| | Y1P7 | I prefer to make decisions with my own thoughts in improving my agricultural business, especially during the Covid-19 pandemic | 3.3 | 67.6 |
| **Average** | | | **3,2** | **65.4** |
| Ability to solve business problems from both financial and marketing aspects | Y1P8 | I can provide optimal solutions, especially during the Covid-19 pandemic, if the agricultural business you are running is experiencing financial problems so that you do not experience losses. | 3.7 | 74.6 |
| | Y1P9 | I can overcome problems that occur in marketing aspects during the Covid-19 pandemic, such as decreased demand, less effective promotional activities, inappropriate marketing times and others. | 3.8 | 76.4 |
| **Average** | | | **3.7** | **75.5** |

Source: Processed data, 2023

## Business Sustainability Variable Indicators (Y2)

**Table 4** Indicators of business sustainability variables

| Research Indicators | | | Mean | TCR (%) |
|---|---|---|---|---|
| **Indicator Name** | | **Indicator Statement** | | |
| *Continuous improvement* | Y2P1 | I carry out continuous development such as packaging, promotion, quality, and other things for various organic vegetable products for my business because the Covid-19 pandemic has affected various aspects of the farming business I run, so | 4 | 79.4 |
| | Y2P2 | I can identify/predict customer needs even during the Covid-19 pandemic | 3.7 | 74.8 |
| | Y2P3 | I studied the use of time in running a business during the Covid-19 pandemic | 3.9 | 77.2 |
| | Y2P4 | I can limit or group the problems found so that they are easy to resolve, even during the Covid-19 pandemic | 3.7 | 75.4 |
| **Average** | | | **3.8** | **76.7** |

| Research Indicators | | | Mean | TCR (%) |
|---|---|---|---|---|
| **Indicator Name** | | **Indicator Statement** | | |
| **Average** | | | **3.8** | **76.7** |
| *Thinking systems* | Y2P5 | I was able to improve the work system to be more systematic and measurable, especially during the Covid-19 pandemic by implementing Standard Operational Procedures (SOP) in running the business | 3.8 | 76.8 |
| | Y2P6 | I plan, organize, and control the production process in managing an organic vegetable farming business, especially during the Covid-19 pandemic | 4.1 | 81.2 |
| | Y2P7 | I think about the supply of production infrastructure, production processes, marketing, and finance as a unit in managing this horticultural business, especially during the Covid-19 pandemic. | 3.9 | 78.2 |
| **Average** | | | **3.9** | **78.73** |
| Competitiveness | Y2P8 | My business can adjust product prices to general prices on the market during the Covid-19 pandemic | 3.9 | 78.2 |
| | Y2P9 | I try to ensure that the products I sell are not easily damaged and are of high quality, especially during the Covid-19 pandemic, so that they can provide benefits to consumers | 4.1 | 81.8 |
| | Y2P10 | I made several efforts to run a farming business during the Covid-19 pandemic, namely continuing to improve product quality to gain consumer trust in the products I sell. | 4.2 | 83.8 |
| **Average** | | | **4** | **81.26** |
| Operating revenues | Y2P11 | I earn an income that meets expectations and can meet my daily needs even during the Covid-19 pandemic. | 3.6 | 71 |
| | Y2P12 | I earned increasing income over time even during the Covid-19 pandemic | 3,4 | 67.8 |
| | Y2P13 | The proceeds from selling my organic vegetable products can meet my family's needs and planting capital for the next season even during the Covid-19 pandemic | 3.6 | 72.6 |
| | Y2P14 | I was able to save from the income from the agricultural business I ran even during the Covid-19 pandemic | 3.6 | 72 |
| **Average** | | | **3.5** | **70.85** |
| Business environmental conditions | Y2P15 | My business was able to adapt to digital transformation during the Covid-19 pandemic, | 3.8 | 6 |
| | Y2P16 | I was helped by structured organizational conditions to improve business, especially during the Covid-19 pandemic | 3.9 | 77.4 |
| | Y2P17 | I was able to overcome obstacles in the organic farming business during the Covid-19 pandemic | 3.9 | 77.2 |
| **Average** | | | **3.8** | **76.86** |

Source: Processed data, 2023

Table 4 shows 5 research indicators used to describe the business sustainability variable (Y2), accompanied by 17 statements or sub-indicators. All statements or sub-indicators used have mean and TCR values in the high-to-very high category.

## Evaluation of the Outer Model

### Measurement Model

The evaluation of the outer model measurement model in this study is divided into three parts. The first measurement of convergent validity is seen from the value of the loading factor and the Average Variance Extracted (AVE). The second measurement is discriminant validity seen from the communality value of the AVE root and the latent variable correlation. Then the measurement of the third part, namely reliability, is seen from the results of the composite reliability value for confirmatory research. This study measures the structural model of organic vegetable business farmer groups. The indicators used in this study are indicators that have passed the validity and reliability tests.

The results of the data that have been processed with the help of Smart PLS software for the respondents of the Tranggulasi farmer group can be seen in Figure 1 and Table 5. Before getting the final indicators that are ready to be tested, the data processing in the study went through the indicator elimination stage. The indicator elimination stage in this study is the process of removing indicators with a loading factor value below 0.5 or eliminating indicators that do not meet the requirements. So that only valid indicators are maintained. This statement is reinforced by Safari research (2019) where invalid indicators were removed from the model. After removing these invalid indicators, the model was returned to calculated to produce new outer loading values.

Based on Figure 1 and Table 5, the loading factor values for the indicators used in the study have exceeded the requirements because all final indicators have a value of > 0.5. The stage for obtaining the final indicator value in this study is the process of eliminating invalid indicators. Furthermore,

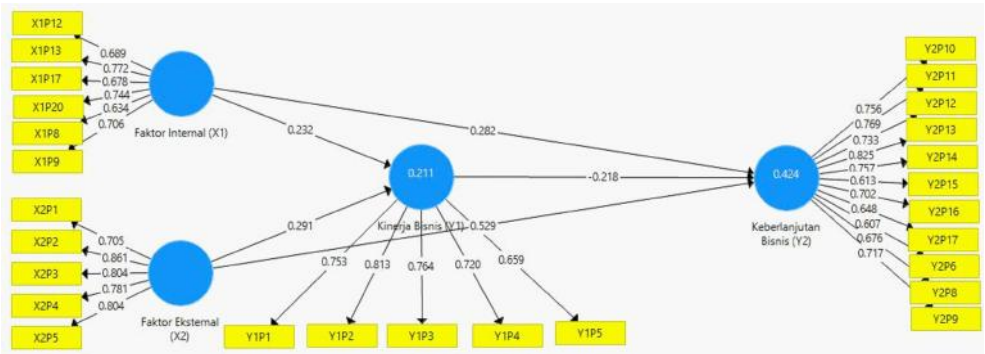



**Figure 2** Structural Model of Research Algorithm Testing

in recalculating, we obtained 27 indicators that can describe the constructs in the model.

## Convergent Validity

### *Loading Factor*

Convergent validity testing on research data aims to see how big the relationship is between indicators and latent variables. Jogiyanto (2009) in Jansen (2019) states that an indicator can be said to be good if the loading factor value is > 0.5. The results of the loading factor in this study can be seen in the figure and table below.

The results of the data that have been processed with the help of Smart PLS software for the respondents of the Tranggulasi farmer group can be seen in Figure 1 and Table 5. Before getting the final indicators that are ready to be tested, the data processing in the study went through the indicator elimination stage. The indicator elimination stage in this study is the process of removing indicators with a loading factor value below 0.5 or eliminating indicators that do not meet the requirements. So that only valid indicators are maintained. This statement is reinforced by Safari research (2019) where invalid indicators were removed from the model. After removing these invalid indicators, the model was returned to calculated to produce new outer loading values.

Based on Figure 1 and Table 5, the loading factor values for the indicators used in the study have exceeded the requirements because all final indicators have a value of

**Table 5** Loading Factor Value of Research Data

| Construct | Indicator | Indicator Name | *Loading Factor* | *Rule of Thumb* | Conclusion |
|---|---|---|---|---|---|
| Internal Factors (X1) | X1P8 | Entrepreneurial characteristics | 0,634 | > 0,5 | Valid |
| | X1P9 | | 0,706 | > 0,5 | Valid |
| | X1P12 | Motivation | 0,689 | > 0,5 | Valid |
| | X1P13 | | 0,772 | > 0,5 | Valid |
| | X1P17 | Inovation | 0,678 | > 0,5 | Valid |
| | X1P20 | Business orientation | 0,744 | > 0,5 | Valid |
| External Factors (X2) | X2P1 | Utilization of business facilities | 0,705 | > 0,5 | Valid |
| | X2P2 | | 0,861 | > 0,5 | Valid |
| | X2P3 | | 0,804 | > 0,5 | Valid |
| | X2P4 | | 0,781 | > 0,5 | Valid |
| | X2P5 | | 0,804 | > 0,5 | Valid |
| Business Performance (Y1) | Y1P1 | Ability to communicate with employees | 0,753 | > 0,5 | Valid |
| | Y1P2 | | 0,813 | > 0,5 | Valid |
| | Y1P3 | | 0,764 | > 0,5 | Valid |
| | Y1P4 | Ability to communicate with partners | 0,720 | > 0,5 | Valid |
| | Y1P5 | | 0,659 | > 0,5 | Valid |
| Sustainable Business (Y2) | Y2P6 | *Thinking system* | 0,607 | > 0,5 | Valid |
| | Y2P8 | Competitiveness | 0,676 | > 0,5 | Valid |
| | Y2P9 | | 0,717 | > 0,5 | Valid |
| | Y2P10 | | 0,756 | > 0,5 | Valid |
| | Y2P11 | Operating revenues | 0,769 | > 0,5 | Valid |
| | Y2P12 | | 0,733 | > 0,5 | Valid |
| | Y2P13 | | 0,825 | > 0,5 | Valid |
| | Y2P14 | | 0,757 | > 0,5 | Valid |
| | Y2P15 | | 0,613 | > 0,5 | Valid |
| | Y2P16 | Business environmental conditions | 0,702 | > 0,5 | Valid |
| | Y2P17 | | 0,648 | > 0,5 | Valid |

Source: Processed data, 2023

> 0.5. The stage for obtaining the final indicator value in this study is the process of eliminating invalid indicators. Furthermore, in recalculating, we obtained 27 indicators that can describe the constructs in the model.

***Average Variance Extracted (AVE)***

The AVE value obtained in the study aims to describe the results of convergent validity.

It is known from Table 6 that there is one construct that has a poor AVE value, namely the internal factor (X1) of 0.498, which is less than 0.5. According to Jansen (2019), an AVE value of 0.4 is considered acceptable if the composite reliability value is greater than 0.6, ensuring that the convergent validity test meets the required standards. But this value is still acceptable because the composite reliability value in this study is greater than 0.6. Meanwhile, the value of the external factor construct (X2), business performance (Y1), and business continuity (Y2) can be said to be good because it has a value of more than 0.5.

**Discriminant Validity**

The results of data processing to determine the value of discriminant validity with Smart PLS are obtained by looking at the cross-loading value, the root of the Average Variance Extracted (AVE) and the correlation of latent variables.

***Cross Loading.*** The following are the cross-loading results of data processing with the help of the Smart PLS software on the sustainability of the organic vegetable business in the Getasan sub-district.

The numbers in bold in the table above show the correlation between the indicator and the construct, which is higher than the relationship with the other constructs. However, there are several indicators that have values below 0.7, namely the internal factor construct (X1) with indicators X1P8 0.634, X1P12 0.689, and X1P17 0.678. On the other hand, the business performance construct (Y1) is the Y1P5 indicator of 0.659. In the business sustainability construct (Y2), there are four indicators, including Y2P6 0.607, Y2P8 0.676, Y2P15 0.613, and Y2P17 0.648. The results of this study were reinforced by Effendi (2019) who stated that a cross-loading value of 0.5–0.6 is still acceptable. The cross-loading value > 0.6 in this study is still acceptable. It can be concluded that all the indicators used have a higher value than the other constructs, so these indicators can work in the measurement model.

***Average Variance Extracted* (AVE) Root and corelation latent variable**

The value of discriminant validity can be assessed by comparing the AVE roots for each construct with the correlation between

**Table 6** AVE Value of the Vegetable Business in Getasan District

| Construt | AVE | *Rule of Thumb* | Conclusion |
|---|---|---|---|
| Internal Factors (X1) | 0,498 | 0,5 | Mediocer |
| External Factors (X2) | 0,628 | 0,5 | Good |
| Business Performance (Y1) | 0,553 | 0,5 | Good |
| Sustainable Business (Y2) | 0,508 | 0,5 | Good |

Source: Processed data, 2023

the construct and the other constructs used in the model. The discriminant validity model is said to be good if the AVE root is greater than the correlation between the construct and other constructs (Fornell and Lacker (1981), Ghozali (2008) and Saputra (2020) in Fazriansyah et al., 2022).

Following are the results of the AVE root test and the correlation of latent variables with the Fornell-Larcker criteria using the Smart PLS 3.0 software tool. In Table 4, the AVE root value for the internal factor variable (X1) is 0.705, the external factor variable (X2) is 0.793, the business performance variable (Y1) is 0.743, and the business sustainability variable (Y2) is 0.713. It is known that the correlation value of each AVE root is higher than the correlation between other constructs, so the data used in this study has good discriminant validity.

**Table 7** Value of Cross Loading Vegetable Business in Getasan District

| Indicator | Internal Factors (X1) | External Factors (X2) | Business Performance (Y1) | Sustainable Business (Y2) |
|---|---|---|---|---|
| X1P8 | **0,634** | 0,329 | 0,225 | 0,298 |
| X1P9 | **0,706** | 0,399 | 0,210 | 0,371 |
| X1P12 | **0,689** | 0,391 | 0,340 | 0,291 |
| X1P13 | **0,772** | 0,362 | 0,404 | 0,260 |
| X1P17 | **0,678** | 0,390 | 0,263 | 0,433 |
| X1P20 | **0,744** | 0,395 | 0,179 | 0,374 |
| X2P1 | 0,396 | **0,705** | 0,169 | 0,511 |
| X2P2 | 0,435 | **0,861** | 0,340 | 0,495 |
| X2P3 | 0,348 | **0,804** | 0,405 | 0,449 |
| X2P4 | 0,473 | **0,781** | 0,414 | 0,433 |
| X2P5 | 0,479 | **0,804** | 0,295 | 0,459 |
| Y1P1 | 0,328 | 0,324 | **0,753** | 0,061 |
| Y1P2 | 0,346 | 0,289 | **0,813** | 0,059 |
| Y1P3 | 0,252 | 0,258 | **0,764** | 0,041 |
| Y1P4 | 0,261 | 0,392 | **0,720** | 0,198 |
| Y1P5 | 0,243 | 0,244 | **0,659** | 0,017 |
| Y2P6 | 0,383 | 0,401 | 0,132 | **0,607** |
| Y2P8 | 0,380 | 0,411 | 0,143 | **0,676** |
| Y2P9 | 0,425 | 0,386 | 0,020 | **0,717** |
| Y2P10 | 0,365 | 0,445 | 0,014 | **0,756** |
| Y2P11 | 0,200 | 0,455 | 0,001 | **0,769** |
| Y2P12 | 0,220 | 0,434 | 0,110 | **0,733** |
| Y2P13 | 0,395 | 0,481 | -0,046 | **0,825** |
| Y2P14 | 0,336 | 0,404 | -0,029 | **0,757** |
| Y2P15 | 0,299 | 0,448 | 0,241 | **0,613** |
| Y2P16 | 0,331 | 0,401 | 0,221 | **0,702** |
| Y2P17 | 0,423 | 0,354 | 0,175 | **0,648** |

Source: Processed data, 2023

**Table 8** Roots of AVE and Correlation of Latent Variables in the Vegetable Business in Getasan District

| Indicator | Internal Factors (X1) | External Factors (X2) | Business Performance (Y1) | Sustainable Business (Y2) |
|---|---|---|---|---|
| External Factors (X2) | **0,793** | | | |
| Internal Factors (X1) | 0,537 | **0,705** | | |
| Business Performance (Y2) | 0,590 | 0,482 | **0,713** | |
| Sustainable Business (Y1) | 0,415 | 0,388 | 0,112 | **0,743** |

Source: Processed data, 2023

## Reliability Test Results

The SEM-PLS model uses a reliable test as one of the evaluations to determine the measurement model (outer model). According to Ghozali and Latan (2015) the latent variables used in research are said to be reliable or good, if the composite reliability value is > 0.7. Apart from being seen from the composite reliability value, a variable can be said to be reliable when it has a Crobach's alpha value > 0.7 (Ahardianto, 2020). The results of the reliability test with the Smart PLS software in this study are shown in Table 5 below.

Table 9 is the result of the reliability test after going through the process of eliminating indicators that do not comply with the criteria indicators < 0.7 are eliminated. Then the results of the reliability test for each construct, namely internal factors (X1), external factors (X2), business performance (Y1), and business sustainability (Y2), have a reliability value and Crobach's alpha > 0.7. From these results, it can be concluded that all constructs used in this study are reliable.

### *Evaluation of the Inner Model Measurement Model*

The $R^2$ value is seen from the range 0 to 1, the higher the value, the greater the number of variants of each dependent variable that can be explained by the independent variables. The R2 criterion is used to determine the strength of the variance of the variables used as follows (Adhardianto, 2020) in Table 10.

**Table 9** Reliability Value of the Vegetable Business in Getasan District

| Construct | Cronbach's Alpha | rho_A | Composite Reliability | *Rule of Thumb* | Conclusion |
|---|---|---|---|---|---|
| Internal Factors (X1) | 0,797 | 0,800 | 0,855 | >0,7 | Reliable |
| External Factors (X2) | 0,851 | 0,854 | 0,894 | >0,7 | Reliable |
| Business Performance (Y1) | 0,797 | 0,806 | 0,860 | >0,7 | Reliable |
| Sustainable Business (Y2) | 0,902 | 0,907 | 0,918 | >0,7 | Reliable |

Source: Processed data, 2023

**Table 10** Criteria for R2 Value Used in Research

| Nilai $R^2$ | Information |
|---|---|
| 0,67 | Substantial (strong) |
| 0,33 | Moderate |
| 0,19 | Week |
| >0,7 | Very Strong |

Source: Adhardianto, 2020

Based on the results of the tests that have been carried out, the value of R2 is obtained in the table of the coefficient of determination after eliminating the data below.

**Table 11** Coefficient of Determination After Indicator Elimination

| Construct | R Square |
|---|---|
| Business Performance (Y1) | 0,211 |
| Sustainable Business (Y2) | 0,424 |

Source: Processed data, 2023

The table above shows the value of R2 in the farmer group in Getasan obtained a value of 0.211 for the business performance construct (Y1). This shows that 21.1 percent of internal factors (X1), external factors (X2), and business performance (Y1) can explain the business sustainability construct (Y2), while 78.9 percent can be explained by variables not used in this study. The R2 value obtained for the business sustainability construct (Y2) of 0.424, or 42.4 percent, can be explained by the dependent variable used in the study, but the remaining 57.6 percent can be explained by variables outside this study. The Y1 construct in this study has an R2 value in the weak group. Meanwhile, the R2 value for the Y2 construct is included in the moderate group.

Model evaluation is not only seen in the magnitude of the R2 value but also in the magnitude of the predictive relevance (Q2) value. Observations with a Q2 value > 0 as evidence of the value of the observations have been reconstructed properly, meaning that the model has predictive relevance. Conversely, if the value of Q2 < 0, there is no predictive relevance. The value of Q2 shows the relative influence of the structural model on observational measurements for endogenous latent variables. The Q2 value is obtained by the formula Q2 = 1- (1-R12) (1- R12).(1-Rp2) (Octaviani, 2016). The following is the calculation of the Q2 value:

a. Q2 value calculation

Q2 value = 1- (1-R12) (1- R22)….(1-Rp2)

Q2 value = 1- (1-0.211) (1- 0.424)

Q2 value = 1- (0.789 x 0.576)

Q2 value = 1- 0.45

Q2 value = 0.55

Information:

Q2 = Predictive Relevance Value

R12 = Business Performance R-Square Value (Y1)

R22 = Business Continuity R-Square Value (Y2)

The results of the calculations above show that the Q2 value is 0.55 > 0, or 55 percent of the diversity of the data in this study can be explained by the designed structural model, while the remaining 45 percent can be explained by the design of other factors outside the model. It is concluded that the structural model in this study has good goodness of fit. Hypothesis testing is done to find out whether a hypothesis can be accepted or not. The hypothesis testing in this study was carried out through the bootstrapping function of the Smart PLS 3.0 program, the results of the bootstrapping test, t-statistical values will be obtained and then compared with the t-table values. If the t-statistic value > t-table, then the proposed research hypothesis is accepted, and vice versa.

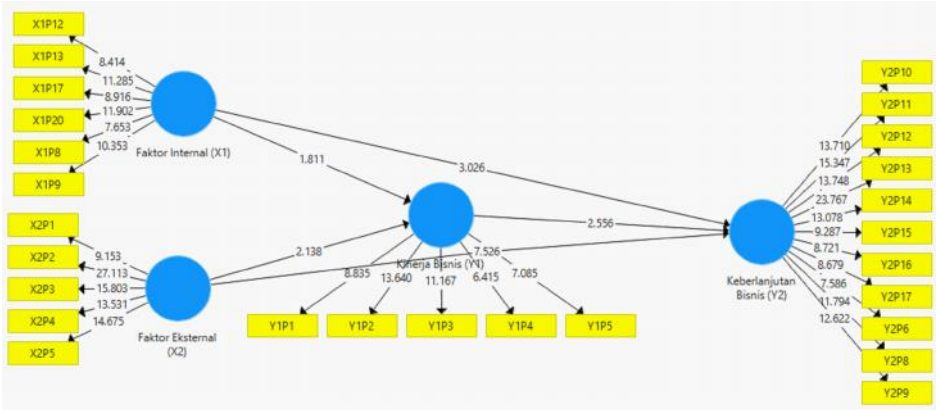



**Figure 3** Structural Model After Indicator Elimination (Bootstrapping)

Based on Table 12 of the results of hypothesis testing, the hypothetical decisions in this study are as follows:

**The first hypothesis (H1).** From Table 12, it appears that the entrepreneurial internal factor variable (X1) on business performance (Y1) has an original sample value (O) of 0.232. This indicates that the direction of the relationship between X1 and Y1 is positive. In addition, the variable X1 to Y1 has a t-statistical value of 1.977 > t-table 1.661 with a p-value of 0.041 <0.05. So, it can be concluded that H0 is rejected and H1 is accepted, meaning that there is a significant influence of internal factor variables (X1) on business performance (Y1).

**The second hypothesis (H2).** Based on the table above testing the hypothesis above, the entrepreneurial internal factor variable (X1) on business continuity (Y2) has a positive relationship direction, this can be seen from the original value or original sample (O) of 0.282. The variable X1 has a significant effect on Y2 with a t-statistic value of 3.014 > t-table of 1.661 and a p-value of 0.003 <0.05. This means that if H0 is rejected and H2 is accepted, there is a significant influence in the direction of a positive relationship between the entrepreneurial internal factor variable (X1) and business sustainability (Y2).

**The third hypothesis (H3).** It can be seen in Table 8 that the entrepreneurial external factor variable (X2) has a significant effect, with a positive relationship to the business performance variable (Y1). The original sample value (O) shows a positive direction with a value of 0.291. On the other hand, the t-statistic value is 2.223 > t-table 1.661, as can be seen from the p-value of 0.027 < 0.05. This means that if H0 is rejected and H3 is accepted, there is a significant influence in the direction of a positive relationship between the external entrepreneurial factor variable (X2) and business performance (Y1).

**Fourth hypothesis (H4).** It can be seen from the results of testing the hypothesis from Table 8 that the external entrepreneurial factor variable (X2) to the business continuity variable (Y2) obtained the original sample value (O) of 0.529, so the

direction of the relationship X1 to Y1 is positive. While the variable X2 to Y2 has a t-statistic value of 7.640 > t-table 1.661 with a p-value of 0.000 <0.05. Thus, H0 is rejected and H4 is accepted, meaning that there is a positive relationship with a significant influence between external entrepreneurial factor variables (X2) and business sustainability (Y2).

**Fifth hypothesis (H5).** The table above shows that variable business performance (Y1) and business continuity (Y2) have a negative relationship. Judging from the original value or original sample (O) - 0.218. However, the variable Y1 has a significant effect on Y2 with a t-statistic value of 2.409 > t-table of 1.661 and a p-value of 0.016 <0.05. This means that if H0 is rejected and H5 is accepted, the direction of the variable relationship is negative, but there is a significant effect between business performance variables (Y1) and business sustainability (Y2).

**The sixth hypothesis (H6).** Based on the results of testing the hypothesis of the indirect effect of the entrepreneurial internal factor variable (X1) on business continuity (Y2) through the business performance variable (Y1) it has an insignificant value. This can be seen from the t statistical value of 1.351 < t table 1.661 with a p-value of 0.177 > 0.05, and a negative relationship direction indicated by the original sample value (O) – 0.051, which means that H0 is accepted and H6 is rejected.

**The seventh hypothesis (H7).** Based on the table above, it shows that the indirect effect of the entrepreneurial external factor variable (X2) on business continuity (Y2) through business performance (Y1) has an insignificant value, and the direction of a negative relationship is seen from the original sample value (O) - 0.063. The t statistical value is 1.548 < t table 1.661, and the p-value is 0.122 > 0.05, meaning that H0 is accepted and H5 is rejected. To test the indirect effect hypothesis above, enter the business performance variable (Y1) as a mediating variable. In the table, the internal factor variables of entrepreneurship (X1) and the external factor variables of entrepreneurship (X2) do not have a significant influence on

**Table 13** Results of Indirect Influence Hypothesis Testing

| Variable Relations | Original Sample (O) | Means Sample (M) | Standard Deviation (STDEV) | T Statistict (\|O/STDEV\|) | P Values | Decision |
|---|---|---|---|---|---|---|
| Internal Factors (X1) -> Business Performance(Y1) -> Sustainable Business (Y2) | -0,051 | -0,058 | 0,037 | 1,351 | 0,177 | Rejected |
| External Factors (X2) -> Business Performance (Y1) -> Sustainable Business (Y2) | -0,063 | -0,062 | 0,041 | 1,548 | 0,122 | Rejected |

Source: Processed data, 2023

business sustainability (Y2). It can be concluded that business performance (Y1) does not have a mediating effect on business continuity (Y2).

**The Influence of Entrepreneurial Internal and External Factors on Organic Vegetable Business Performance**

The results of the study show that entrepreneurial internal and external factors have a direct influence on business performance variables. Table 12 shows that the influence of internal entrepreneurial factors (X1) on business performance variables (Y1) has a positive direction, meaning that when internal entrepreneurial factors (X1) increase, business performance (Y1) also increases for organic vegetables. The internal factors in this study that were tested consisted of entrepreneurial characteristics, motivation, innovation, and business orientation. A significant value is obtained, namely 0.041 < 0.05, meaning that there is a significant influence between internal entrepreneurial factors (X1) and business performance (Y1). Good business performance can be achieved when the entrepreneurial characteristics, motivation, innovation, and business orientation of business actors are also good. Jatmiko (2018) explains that entrepreneurial business orientation has a partial and positive effect on business performance.

The Covid-19 pandemic has encouraged business people to survive uncertain conditions for their businesses. Even though the Covid-19 pandemic has affected the businesses they run, business people have strong determination and are able to seize opportunities to optimize performance. When farmers have the will to maintain the business, the action taken is to look for market opportunities with group members. Soputan et al. (2021) states that business performance is all work results achieved within a certain period by business people. This is measured through business growth and development, usually measured through income. Business performance is a business achievement over a certain period that reflects the health of the business being run. When in the field, it was shown that the results of the business being carried out were obtained in groups. Farmers who become business actors carry out agricultural activities from upstream to downstream in groups. Business performance in the organic vegetable business can be seen from the growth and development of farmer groups. The results of Table 8, the internal entrepreneurial factor variables affect business performance.

This research is in line with the research conducted Sari et al. (2022) explains that entrepreneurial characteristics have a positive influence on business performance. Business actors who have entrepreneurial characteristics will be able to face the problems and obstacles they face. The importance of entrepreneurial characteristics is that they can form a mental attitude, innovativeness, morale, skills, a synergistic fighting spirit, courage, and others. The strongest internal entrepreneurial factor (X1) is shown by the business orientation

indicator, namely the statement X1P13 with a loading factor value of 0.772. The process of achieving a business orientation for organic vegetables in Getasan District during the Covid-19 pandemic involved trying to maintain the existing market network. Business performance will increase if business people are proactive, have high enthusiasm, and dare to face existing risks. However, the results of research in the field found that business actors had not been able to maximize these three things during the Covid-19 pandemic.

Besides that, Deviantri and Diamonds (2022) innovation has a positive influence on business performance. High innovation from the process stage to product marketing will increase the company's ability to create higher quality processes or products so that business performance increases. Besides that, Machmud and Iwan (2016) revealed that entrepreneurial motivation has a dominant influence on business performance. Aspects of entrepreneurial psychology play an important role in the formation of motivation. A good level of business performance can be achieved if an entrepreneur has strong motivation to develop the business he is running. Business performance is not only influenced by internal factors, but also by external factors.

The external factors referred to in this study are the use of technological facilities, family support, and the existence of work partners. Table 12 shows that external factors (X2) affect business performance (Y1), with a significance value of 0.027 < 0.05. This means that there is a real influence between external factors, in this case the use of technological facilities on improving the performance of the organic vegetable business in Getasan District. The strongest indicator of the forming factor of X2 is the indicator of technology utilization. This is indicated by the loading factor value in the X2P2 indicator statement of 0.861. Utilization of technological facilities by organic vegetable businesses in Getasan District in carrying out entrepreneurial activities, namely in coordinating with farmer groups online (online), happened because of the limitations of meeting physically during the pandemic. Apart from that, it also promotes vegetable commodities to suppliers and strengthens communication and negotiations with partners. In accordance with the research conducted Widagdo and Retno (2023) the Covid-19 pandemic has had an impact on business performance marked by a decrease in turnover, raw materials, and product distribution. However, ente`ring the digital era with the use of technology, namely social media, can maximize business achievement, unlike when doing conventional marketing.

The Covid-19 pandemic has become a catalyst for soaring technological developments. All fields, including the agricultural business, carry out a series of marketing activities through technology. During the pandemic, there were restrictions on all human activities. This is also experienced by the organic vegetable business farmer group in Getasan District. Indirectly, this changes the behavior

of business people to maintain the business that has been built so far. One of the technological advancements utilized by business people to maximize performance is using social media. Widagdo and Retno (2023) explained that social media provides facilities for consumers to obtain the latest information, participate, interact, and collaborate online. In addition, marketing products through social media provides a space for two-way communication between consumers and companies, and vice versa.

Social media is a product of technological advances, most business people do marketing through social media. Through social media, organic vegetable businesses can present and offer products to consumers more specifically, not even being limited by space and time. Each organic vegetable business farmer group has a social media account, including Instagram, WhatsApp, Facebook, and Shoppe. During the Covid-19 pandemic, organic vegetable farmers in Getasan District experienced a decline in sales. Every farmer has strong motivation and determination to continue to maintain and develop the business that has been run. Changes in circumstances due to the pandemic are a challenge, while at the same time encouraging farmers to be more adaptive, including with technological advances. The business being run is not only a source of income for farmers, but the production results are also used to fulfill needs as food ingredients. In addition, farmers become entrepreneurs because they want to have their own business without depending on other people, which is a strong motivation to survive during the pandemic.

**The Influence of Entrepreneurial Internal and External Factors on the Sustainability of the Organic Vegetable Business**

The results of the analysis in Table 12 show that internal entrepreneurial factors (X1) have a real and significant effect on business sustainability (Y2), as indicated by the results of the t-statistic value of 3.014 > t-table of 1.661 and a p-value of 0.003 < 0.05. In addition, variable X1 has a positive relationship with variable Y2, with an original value or original sample (O) of 0.282. The internal factor (X1) used in this study was selected after selecting indicators using the Smart PLS version 3.0 application, namely entrepreneurial characteristics, motivation, innovation, and business orientation.

The strongest influence of the X1 forming factor is shown by the business orientation indicator, namely the statement X1P13, with a loading factor value of 0.772. This means that when farmers have a reliable market network during Covid-19, they will be a force in the organic vegetable business. Proactiveness is one of the dimensions that reflect a business orientation. In addition, the market network owned by farmers is one of the attitudes or behaviors of proactivity. Proactive behavior, or being able to overcome threats by taking advantage of market opportunities, namely by forming market networks to market products. This supports the business being carried out in the face of competitors.

When viewed from the perspective of the forming factors of the business sustainability variable (Y2), the Y2P13 statement on the operating income indicator has the strongest influence on the Y2 variable, with a loading factor value of 0.825. This means that when farmers have a wide market network, it will help in business development, one of which is increasing sales. The expansion of the market network during the Covid-19 pandemic made it easier for farmers to sell the products they produced, which had an impact on the income received by the farmers. Thus, it can meet the needs and become capital for the next planting season.

Entrepreneurial orientation indicators have a significant effect on the sustainability of entrepreneurial businesses. Entrepreneurial orientation is about the desire to be innovative. The purpose of innovative activities carried out by an entrepreneur is related to efforts to maintain and develop the business and ensure its sustainability (Kusnilawati et al., 2020). In addition, business people have several entrepreneurial characteristics possessed by vegetable business people in Getasan District, in accordance with the theory put forward by Insana and When farmers have the characteristics of entrepreneurs, it has an impact on their competitiveness in the face of business competitors.

Besides that, farmers have good planning and management in the process of controlling the business being carried out, meaning that there is systematic and regular planning. Farmers, as business people dealing with the Covid-19 pandemic, can respond to opportunities that arise during this situation. For example, farmers learn to use social media to reach consumers without being limited by space. Besides that, even though Covid-19 affects all aspects of life, farmers still have a strong determination to pay attention to the continuity and sustainability of the business. Apart from having a strong character, each farmer has the motivation to develop the business he has started to survive under any circumstances.

According to Reuther et al. (2023) motivation can be applied as a concept or strategy in business continuity, and motivation determines actions in a sustainable business. The results of this study are strengthened by Fidelis (2019) explains that motivation is something that must be owned by individuals when running a business. The form of motivation for everyone varies according to needs, but it is undeniable that motivation has a real influence on business sustainability. The real proof of motivation for organic vegetable business people is consistently running a business, even though it is limited by circumstances. Business actors are still experiencing problems increasing the attractiveness of their products. Before the pandemic, business people bought and sold using a bulk system or not packaged with an attractive design.

This is due to the low innovation of business actors to increase the attractiveness of the product. During the Covid-19 pandemic, business actors must meet consumer needs, namely prioritizing cleanliness, and good

quality for health. This situation encourages business actors to increase innovation, especially in product packaging, each farmer group leader or farmer group administrator attends seminars and even learns about increasing innovation for entrepreneurs. The knowledge gained is then transferred to all members through regular meetings. Study Heryanto et al (2023) explained that innovation in agribusiness is a necessity aimed at producing products that can get a place in the eyes of consumers and provide optimal added value for business people.

Several members of the farmer group as organic vegetable business actors have implemented innovations for packaging, several packing models used, namely cardboard boxes, using plastic wrapping mixed with a variety of containers according to consumer demand. However, the product innovation that has been implemented has not been optimal. From the discussion above, it shows that if the internal factors of entrepreneurship have increased, business sustainability has also increased.

The sustainability of the organic vegetable business is not only influenced by internal entrepreneurial factors but is also influenced by external entrepreneurial factors (X2). Entrepreneurship indicators that have an impact on business sustainability (Y2) are the use of technological means. The highest loading factor value of 0.861 is indicated by the statement X2P2. The technological means used are by utilizing social media such as WhatsApp, Instagram and Facebook as marketing media. In addition, the use of technological facilities is also used to map production processes such as planning, regulating, and even controlling. Utilization of technological facilities supports business continuity, especially to increase revenue and competitiveness during a pandemic. During the pandemic, businesses run by farmer groups were able to adjust product prices to general prices on the market so that this attracted consumer interest. In addition, improving quality and gaining consumer confidence to buy products on an on going basis.

The value of variable X2 to Y2 has a t-statistical value of 7.640 > t-table of 1.661 with a valuep-values0.000 <0.05 with an original sample value (O) of 0.529. This means that external entrepreneurial factors (X2) significantly affect business continuity (Y2) with a positive relationship direction. So if X2 has increased, business continuity will also have increased. The digital era during the Covid-19 pandemic made all marketing activities, two-way communication between producers and consumers switch to digital media. This phenomenon has become a trigger for farmer groups to carry out marketing activities personally to consumers. When conducting research in the field, product orders received by business actors are through social media. Marketing using social media has the advantage that consumers who are interested in the products being sold will provide feedback with fast responses. In addition, the use of open social media produces effective two-way communication so that relationships are formed between

consumers and sellers. Every use of social media in marketing aims to enable consumers to re-purchase the products being marketed.

The sustainability of this business is measured as a group, not only individually. Group knowledge of digital literacy must be continuously improved to support business growth and sustainability. It can be concluded that a business is sustainable when business actors optimize internal and external entrepreneurial factors within themselves. The results of this study are in line with previous research. According to Yanti et al (2018), it is explained that the use of communication technology facilities directly affects business sustainability because it is more effective.

**The Effect of Business Performance on the Sustainability of the Organic Vegetable Business**

Based on the results of the analysis in Table 8 above, it shows that the business performance variable (Y1) directly has a significant effect on business sustainability (Y2), with a t-statistic value of 2.409 > t-table of 1.661 and a p-value of 0.016 < 0.05. If you look at the original value or original sample (O) - 0.218, it shows a negative relationship. The highest indicator value as a factor forming performance indicators is an indicator of the ability to communicate with other people, or Y1P2, with a loading factor value of 0.812. This means that 81.2 percent of the Y1P2 indicators used have a strong influence on performance variables.

Communicating with other people is very important to note, good communication will also give good results. Having good communication skills in a business will certainly build relationships or interactions with colleagues or consumers. However, if the interactions carried out by everyone in the business as a group are too excessive, it will cause a feeling of lack of trust between members. When a business network outside the group is built without prioritizing common goals, the group's business will not run optimally. When business performance increases, business sustainability decreases.

Business performance is a measuring tool for determining business sustainability. Business performance can be measured using business income, but the indicators used in this study are communication skills, decision-making skills, and problem-solving skills. Vegetables are products whose prices tend to fluctuate because they depend on market needs. Based on phenomena in the field, during the Covid-19 pandemic, most of the sales of vegetables were made at traditional markets. However, when the farmer's communication skills with employees and partners, the ability to make decisions, and the ability to solve business problems increase, this will not change the price determined by the market.

Besides that, when group members prioritize personal performance without regard to group performance, it will have an impact on the sustainability of the business being carried out. There is an agreement used in running an organic vegetable business in groups, including that members have the same opportunity to receive vegetable orders

because it has been regulated by mutual agreement with group influence. So far, there has been no theoretical statement that reinforces the finding that business performance as a group has a negative relationship with business sustainability. The references found only reveal that personal business performance will affect business continuity. Individual business performance in both financial and non-financial aspects will increase the sustainability of a business.

**The Influence of Entrepreneurial Internal and External Factors on Organic Vegetable Business Sustainability Through Business Performance**

A mediating variable is a variable that explains a relationship or provides a causal relationship between other variables. The mediating variable is a variable that influences the relationship between the independent variables and the dependent variable to become an indirect relationship (Ngatno, 2015). The relationship between internal entrepreneurial factors (X1) and external entrepreneurial factors (X2) and business sustainability (Y2) needs to be explained because if you only look at internal and external factors, you will not be able to describe business sustainability without business performance. Business performance (Y1) is measured from non-financial aspects, and financial aspects, in this case, are the turnover earned. The strongest forming factor for variable X1 is the business orientation indicator, with a loading factor value of 0.772 in the statement X1P13.

In addition, the strongest X2 forming factor is the indicator of utilization of technological facilities, with a loading factor value of 0.861 indicated by the X2P2 statement. While the most dominant business performance forming factor is shown by communicating with other people, or Y1P2, with a loading factor value of 0.812. Based on the conditions above, it shows that the indicator of the ability to communicate with other people on the business performance variable (Y1) cannot strengthen the business orientation indicator on the internal entrepreneurial factor variable (X1) and the utilization of technological facilities on the entrepreneurial external factor variable (X2) in influencing business sustainability (Y2). From Table 9, internal entrepreneurial factors (X1) and external entrepreneurial factors (X2) have no effect on business sustainability (Y2), with business performance (Y1) as the intervening variable. The results of the analysis show that the indirect variable internal entrepreneurial factor (X1) on business continuity (Y2) through the business performance variable (Y1) has an insignificant value. This can be seen from the t statistic value of 1.351 < t table of 1.661 with a p-value of 0.177 > 0.05, and a negative relationship direction indicated by the original sample value (O) – 0.051.

Meanwhile, the indirect effect of entrepreneurial external factors (X2) on business continuity (Y2) through business performance (Y1) is seen from the original sample value (O) - 0.063, the t statistic value of 1.548 < t table 1.661, and the p-value of

0.122 > 0.05, meaning that it has no significant effect and has a negative direction. The indirect influence of entrepreneurial internal factors (X1) and entrepreneurial external factors (X2) does not affect business sustainability (Y2), this occurs because business performance (Y1) is used as an intervening variable. Indirectly, business performance (Y1), based on research results, has no real effect on business sustainability because if everyone improves business performance personally, it will disrupt business performance in groups. Meanwhile, the forming factor is the income indicator of 0.825, or 82.5 percent, in the Y2P13 statement. This means that 82.5 percent of organic vegetable sales statements can meet needs and provide capital for planting in the next season. Income indicators in this study are only seen through communication.

## CONCLUSION

Based on the results of research that has been conducted on organic vegetable business people in Getasan District, Semarang Regency, it can be concluded that entrepreneurial internal factors (X1) with p-value 0,003 and entrepreneurial external factors (X2) with p-value 0,000 have a significant and significant positive effect on the sustainability of the organic vegetable business (Y2). There is an indicator forming the variable X1 that most strongly influences business continuity (Y2), namely business orientation with a loading factor value of 0,772. While the variable X2 is an indicator of the utilization of technological facilities with a loading factor value of 0,861. The business performance variable (Y1) has a significant influence on the sustainability of the organic vegetable business (Y2) with p-value of 0,016, but has a negative direction with original sample value -0,218. The strongest indicator for forming the Y1 variable is the ability to communicate with other people is a loading factor value of 0,812. Entrepreneurial internal factors (X1) with p-value 0,117 and entrepreneurial external factors (X2) with p-value 0,122 have no significant effect on business sustainability (Y2) through business performance (Y1) as intervening variables.

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