



## The Influence of Entrepreneurial Mindset, Attitude, and Knowledge on Business Success among MSME Entrepreneurs in Jabodetabek

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### Abstract

This study aims to analyze the influence of Entrepreneurial Mindset, Attitude, and Knowledge on Business Success. This type of research is descriptive quantitative research. The variables linked in this study are the variables of Mindset (X1), Attitude (X2) and Entrepreneurial Knowledge (X3) and Business Success (Y). The types of data used consist of primary data, namely data obtained directly from respondents through questionnaires, questions and answers, observations and secondary data, namely data obtained in a finished form, such as data obtained from internet sites and company documents directly related to the object being studied. This study used a sample of 100 MSMEs in Jabodetabek. The results obtained from this study indicate that simultaneously Entrepreneurial Mindset, Attitude and Knowledge have a positive and significant effect on the Success of Small and Medium Enterprises. Partially, it shows that Entrepreneurial Attitude, Mindset have a positive effect and Knowledge have a positive and significant effect.

**Keywords:** Attitude; Business Success; Entrepreneurial Mindset; Knowledge; MSMEs

### INTRODUCTION

Micro, small, and medium enterprises (MSMEs) play a strategic role in national economic development. According to the Ministry of Cooperatives and SMEs (2024), the number of MSMEs in Indonesia has reached around 64.2 million business units, contributing 61.07 percent to the national Gross Domestic Product (GDP) and absorbing more than 97 percent of the workforce. However, despite this significant contribution, the success rate of MSMEs in Indonesia is still relatively low. Data from the Ministry of Cooperatives and SMEs and Central Bureau of Statistics (2023) shows that around 50-60 percent of MSMEs cease operations within the first three years. This phenomenon indicates fundamental problems in entrepreneurial capacity, particularly those related to entrepreneurial mindset, attitude, and knowledge.

Entrepreneurial mindset plays an important role in determining business resilience and sustainability. Dweck (2006) states that individuals with a growth mindset tend to see failure as a learning opportunity, not as an obstacle. In the context of MSMEs, an adaptive mindset enables business actors to survive market dynamics and innovate continuously (Sharma, 2024). Conversely, a fixed mindset makes business actors tend to be stagnant and resistant to change. A positive entrepreneurial attitude also contributes to the ability to make decisions and build productive business relationships (Ajzen, 1991; Soegoto, 2018).

According to research conducted by Bahri (2019), MSME entrepreneurs who have high entrepreneurial knowledge tend to have a higher success rate compared to those with low knowledge. This is because entrepreneurial knowledge helps entrepreneurs identify and take advantage of opportunities, as well as plan the right strategies to overcome challenges.

In this digital era, knowledge related to technology, online marketing, and digital financial literacy is an absolute necessity. However, a BRIN (2024) survey revealed that most MSME players in Indonesia are still at the 'learner' level of digital readiness. The Ministry of Communication and Information Technology (2024) targeted 30 million MSMEs to have adopted digital technology by 2024, but by the end of the year, only around 27 million had done so. This shows a gap between the great potential of MSMEs and their entrepreneurial capacity,



which still needs to be strengthened through the development of the right mindset, attitude, and knowledge.

**Table 1. Empirical Data on MSMEs in Indonesia (2024–2025)**

No	Indicator	Current Data	Source
1	Number of National MSMEs	64.2 million business units	Ministry of Cooperatives and SMEs (Antara, 2024)
2	Contribution to National GDP	61.07% of total GDP	Bisnis.com (2024)
3	Employment Absorption	97% of the national workforce	Bisnis.com (2024)
4	Digital Readiness of MSME Actors	'Learner' level	BRIN, Kompas.com (2024)
5	MSMEs Adopt Digital Technology	27 million out of a target of 30 million	Ministry of Communication and Information Technology, Menpan.go.id (2024)
6	Business Failure Rate in the First 3 Years	50–60%	Central Bureau of Statistics & Ministry of Cooperatives and SMEs (2023)

Source: Compiled by authors from various sources (2025)

Through this research, several main questions were formulated, namely: 1) how does entrepreneurial mindset influence the success of MSMEs in Indonesia, 2) how does entrepreneurial attitude influence the success of MSMEs in Indonesia, 3) how does entrepreneurial knowledge influence the success of MSMEs in Indonesia, and 4) what is the mutual influence between entrepreneurial mindset, attitude, and knowledge on the success of MSMEs in Indonesia. Therefore, this study has several objectives, including: 1) analyzing the influence of entrepreneurial mindset on the success of MSMEs in Indonesia, 2) to analyze the influence of entrepreneurial attitudes on the success of MSMEs in Indonesia, 3) to analyze the influence of entrepreneurial knowledge on the success of MSMEs in Indonesia, and 4) to reveal the mutual influence between entrepreneurial mindset, attitude, and knowledge on the success of MSMEs in Indonesia.

The results of this study are expected to benefit various parties. For science, this study is expected to add insight in the field of entrepreneurship, particularly regarding the influence of mindset, attitude, and character on business success, as well as contribute to business development theories. For the community, the results of this study are expected to provide a deeper understanding, especially for MSME entrepreneurs, regarding the importance of psychological factors such as mindset, attitude, and character in running a successful business. For related parties, this study is expected to serve as evaluation material for the government and entrepreneurship training institutions in designing better entrepreneur capacity building programs, as well as for developing policies that can support MSMEs in overcoming existing challenges.

**LITERATURE REVIEW**

**Theoretical Review**

***Growth Mindset Theory***

According to Dweck (2006), *"in a growth mindset, challenges are exciting rather than threatening."* This theory explains that individuals with a growth mindset will find it easier to



adapt to challenges and failures. In the context of entrepreneurship, this kind of mindset enables MSMEs to innovate and survive in a dynamic market (Sharma, 2024). Dweck identifies several indicators of a growth *mindset*: 1) accepting challenges and working hard to overcome them, 2) thinking ahead and learning from failure, 3) having a positive outlook on work, 4) finding lessons and inspiration from the success of others.

### ***Theory of Planned Behavior***

According to Duckworth et al. (2007), theory of attitude states that perseverance and optimism, known as "grit," have a significant influence on a person's ability to survive and succeed in running a business. An entrepreneur is someone who creates a new business by taking risks and uncertainties in order to gain profit and growth by identifying opportunities and combining the available resources they have.

Ajzen (1991) asserts that a person's behavior is determined by intentions that are influenced by attitudes, subjective norms, and perceptions of behavioral control. A positive attitude toward entrepreneurship will increase intentions and actions for successful entrepreneurship. The indicators of entrepreneurial attitude are as follows: 1) vision, 2) planning, 3) motivation, 4) innovation, 5) opportunity, 6) confidence, 7) risk-taking, and 8) adaptation

### ***Entrepreneurial Knowledge Theory***

Schumpeter (1934, cited in Croitoru, 2012) proposed the concept of innovation as 'the carrying out of new combinations', while Kirzner (1973) introduced the term entrepreneurial alertness or the ability to recognize new opportunities in the market. Entrepreneurial knowledge encompasses technical, strategic, and innovative capabilities that are key to the success of MSMEs (Yansyah & Dahmiri, 2024).

According to Suryana (2017), entrepreneurial knowledge is an individual's ability to think creatively and innovatively as a foundation, method, and resource that is utilized in identifying opportunities for success. Several experts have stated that entrepreneurial knowledge is a useful component for interpreting the success of a business, accompanied by creative and innovative steps with the hope of creating targeted opportunities.

According to Suryana (2017), there are several points that individuals must pay attention to and possess in applying entrepreneurial knowledge, including: 1) knowledge related to the business being run. 2) knowledge related to roles and responsibilities. 3) knowledge related to personal abilities and personality. 4) knowledge related to business organization and management.

### ***Business Success***

According to Noor (2013) the indicators of business success are as follows: 1) an increase in the number of customers, 2) an increase in consumer demand, 3) an increase in the number of employees running the business, 4) an increase in profits, 5) the ability to open branches Micro, small, and medium enterprises (MSMEs) are businesses that only have a small market scope, a small workforce, and are managed independently by the business owner (Simmons et al., 2008). According to the World Bank, MSMEs are businesses that meet two of three criteria, namely workforce size, asset size, or annual sales (Das, 2017, cited in Yansyah & Dahmiri, 2024).

### ***Previous Research***

Much research has been conducted on the factors that influence the success of MSME businesses, focusing on the psychological and cognitive dimensions of entrepreneurs, such as entrepreneurial mindset, entrepreneurial attitude, and entrepreneurial knowledge. The results of these studies show that these three variables simultaneously become important determinants of business success, both in the national and international contexts.



First, Entrepreneurial Mindset and Business Success. Entrepreneurial mindset is a mental orientation that encourages individuals to think creatively, innovatively, and be resilient to uncertainty. Sienatra (2020) found that entrepreneurial education plays a role in shaping an adaptive and visionary entrepreneurial mindset. Education not only builds technical knowledge, but also a way of thinking that encourages the courage to start a new business. Ahimbisibwe (2023) research in Sub-Saharan Africa shows that an implemental mindset has a positive and significant effect on the internationalization of small businesses. This means that an action-oriented mindset is key to converting ideas into tangible results.

Furthermore, Sharma (2024) introduces the concept of a sustainable mindset that places sustainability at the core of business decision-making. This mindset fosters a long-term orientation and innovation that supports sustainable competitiveness. In Indonesia, Bella & Maichal (2018) show that family mindsets and values shape the organizational culture of family businesses, although their influence on performance is mediated by leadership style and organizational values. This shows that an entrepreneurial mindset needs to be supported by attitudes and knowledge in order to have a real impact on business success. Research by Karácsony et al. (2023) in Eastern Europe adds that experiences with organizational change shape positive attitudes toward innovation, which ultimately strengthens organizational adaptation. This shows a close relationship between mindset, attitudes toward change, and business success.

Second, Entrepreneurial Attitude and Business Success. Entrepreneurial attitude describes a tendency to think and act positively towards risk, opportunity, and market change. A study by Filda et al. (2023) found that attitude and future orientation have a significant effect on sustainable entrepreneurial intention. Pro-innovation and future-oriented attitudes have been proven to increase sustainable entrepreneurial intention. Research by Karepesina et al. (2022) adds that positive attitudes are the main drivers of productive entrepreneurial behavior, especially when accompanied by high self-efficacy and self-control. In the context of organizational behavior, Monoarfa et al. (2025) found that financial literacy and attitudes significantly influence the financial management behavior of MSMEs. This confirms that good managerial knowledge and skills can improve the quality of business decisions and strengthen business success.

Meanwhile, a study by Jan et al. (2023) in Pakistan, using the Theory of Planned Behavior (TPB) framework, found that attitudes and perceptions of control significantly influence women's entrepreneurial intentions. In the Indonesian context, Soegoto (2018) also emphasized the importance of communication and entrepreneurial attitudes in improving the performance of MSMEs in Bandung. This shows that positive attitudes not only shape entrepreneurial intentions but also have an impact on operational effectiveness and business resilience in the long term.

Third, Entrepreneurial Knowledge and Business Success. Entrepreneurial knowledge is the ability to understand and apply effective management, finance, innovation, and business strategy concepts. Research by Yansyah & Dahmiri (2024) found that entrepreneurial knowledge has a positive and significant effect on the success of MSMEs in North Musi Rawas Regency. This finding is in line with Karepesina et al. (2022), who found that increased entrepreneurial knowledge and skills strengthen adaptation and innovation capabilities. Furthermore, Sienatra (2020) emphasized that the process of learning and increasing knowledge can strengthen the psychological effects that encourage individuals to implement their business ideas. International research by Wang Laidi et al. (2024) also found that digital knowledge orientation and social awareness influence the intention to adopt technology in SMEs in China. These findings confirm that knowledge readiness is an important component for business



success in the digital era. Thus, entrepreneurial knowledge relevant to technology and innovation is a major driver of MSME success today.

Overall, previous research shows that entrepreneurial knowledge, attitudes, and mindset are interrelated and reinforce each other in determining business success. Knowledge provides a rational basis and technical capabilities, attitudes encourage courage and perseverance, while mindsets provide a mental framework for adaptive decision-making. This indicates that a simultaneous approach to these three main variables provides a more comprehensive understanding of the factors for SME success.

The research gap that this study aims to fill is that most previous studies have examined the variables of mindset, attitude, or knowledge partially. Studies that examine the simultaneous influence of all three on the success of MSMEs in Indonesia are still limited. In addition, most previous studies were conducted on students or prospective entrepreneurs, not on active MSME actors who have run real businesses. Thus, this study attempts to fill the gap by empirically analyzing the influence of mindset, attitude, and entrepreneurial knowledge on business success among MSME entrepreneurs in Indonesia.

### **Conceptual Framework**

The development of micro, small, and medium enterprises (MSMEs) in Indonesia is an important factor in driving national economic growth. However, the main challenges faced by MSME players are not only limited capital and market access, but also entrepreneurial capacity, which includes entrepreneurial mindset, attitude, and knowledge. These three factors represent the psychological and cognitive aspects that shape the behavior of entrepreneurs in running and developing their businesses.

According to Dweck (2006), entrepreneurial mindset is an internal belief that influences how individuals view failure, risk, and opportunity. Entrepreneurs with a growth mindset are more adaptable to change, learn from mistakes, and continuously seek new innovations to maintain business continuity. In the context of MSMEs, this mindset is important for business actors to survive amid market uncertainty.

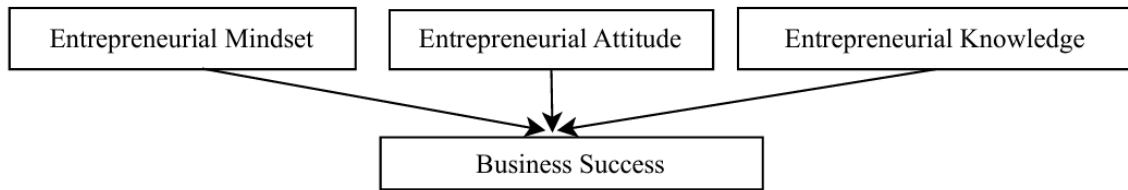
Furthermore, an entrepreneurial attitude reflects behavioral tendencies in facing business challenges. A positive attitude towards risk, responsibility, and the courage to innovate are among the main determinants of business success McClelland, 2013. Entrepreneurs with a never-give-up attitude, high commitment, and optimism about the future of their business tend to have better business performance.

Meanwhile, entrepreneurial knowledge acts as a cognitive factor that strengthens decision-making, planning, and resource management capabilities. This knowledge covers conceptual aspects (such as business strategy and financial management) and practical aspects (such as digital marketing and product innovation) (Wahyu & Siwi, 2024). Entrepreneurs who have adequate knowledge will be better able to recognize opportunities and reduce the risk of business failure.

Business success is essentially the result of the integration of these three aspects. An open entrepreneurial mindset will shape a positive attitude, while entrepreneurial knowledge strengthens the ability to implement ideas into concrete actions. All three synergistically drive improved performance and business success for MSMEs. Thus, this research framework places entrepreneurial mindset, attitude, and knowledge as independent variables, and MSME business success as the dependent variable. Conceptually, the relationship between variables can be illustrated as follows:



Figure 1. Conceptual Framework



Source: Processed by authors (2025)

The three independent variables are assumed to not only directly influence business success but also reinforce each other in improving the performance of SME entrepreneurs in Indonesia.

### Research Hypothesis

Based on the above conceptual framework and theoretical review, the research hypotheses are formulated as follows:

H1: Entrepreneurial mindset has a positive and significant effect on the success of MSME businesses in Indonesia.

The relationship between mindset and business success is based on the entrepreneurial mindset theory, which emphasizes the importance of internal beliefs in overcoming failure and creating added value (Dweck, 2006).

H2: Entrepreneurial attitudes have a positive and significant effect on the success of MSMEs in Indonesia.

The relationship between attitude and business success is in line with McClelland's (2013) achievement motivation theory, which states that attitudes toward risk, responsibility, and initiative have a direct effect on business success.

H3: Entrepreneurial knowledge has a positive and significant effect on the success of MSMEs in Indonesia.

The relationship between knowledge and business success refers to human capital theory (Becker & Gary, 1993), in which an increase in the cognitive and managerial competence of entrepreneurs will increase productivity and business performance.

H4: Mindset, attitude, and entrepreneurial knowledge simultaneously have a positive and significant effect on the success of MSMEs in Indonesia.

The interrelationship between independent variables shows that a positive entrepreneurial mindset can shape a more adaptive attitude, while entrepreneurial knowledge strengthens self-confidence and concrete actions in business.

### METHODS

This study uses a quantitative approach because it applies numbers as statistical analysis to measure and obtain research results through the distribution of questionnaires. This study uses a descriptive approach that aims to describe the results of the research or research objects. According to Sugiyono (2018), descriptive is a method that serves to provide an overview or describe the object being studied through data or samples that have been collected as they are without conducting analysis and making general conclusions. In this study, the population to be studied consists of entrepreneurs and MSMEs in Indonesia with a minimum number of respondents of 100 respondents. The data analysis technique used is multiple linear regression analysis to test the influence of each variable on business success.



## RESULT AND DISCUSSION

### Overview of Respondents

This study involved 146 respondents who were micro, small, and medium entrepreneurs (MSMEs) spread across various business sectors in Indonesia. All data were obtained through an online questionnaire using a four-point Likert scale (1 = strongly disagree to 4 = strongly agree).

Based on the survey results of MSME entrepreneurs, the following profile descriptions were obtained: (1) based on gender, the majority were male (55%); (2) based on length of business, the majority had been in business for 2-5 years (52%); (3) based on type of business, the majority were in the culinary sector (58%). See Table 2 below for details.

**Table 2. Respondent Profile**

Profile		Freq.	%	Profile		Freq.	(%)
Gender	Male	65	45%	Business Duration	2-5 years	76	52%
	Female	81	55%		More than 5 years	39	27%
					Less than 2 years	31	21%
Total		146	100%	Total		146	100%
Type of Business	Culinary	84	58%	Age	18 - 25 years	18	14%
	Fashion	26	18%		26 - 35 years	55	43%
	Services	8	5%		36-45 years	45	35%
	Craft	10	7%		46 - 55 years	23	18%
	Others	18	12%		56 years	5	4%
Total		146	100%	Total		128	100%
Number of Employees				Business Location	Jakarta	50	34%
	Self-employed	47	32%		Banten	20	14%
	1-3 people	38	26%		West Java	31	21%
	3-5 people	42	29%		Central Java	9	6%
	6-10 people	13	9%		Yogyakarta	5	3%
	11-20 people	4	3%		East Java	11	8%
	> 20 people	2	1%		Outside Java	8	5%
					Online	12	8%
Total		146	100%	Total		146	100%

Source: Processed by authors (2025)

### Validity Test

The validity test was conducted using item-total correlation analysis to measure the extent to which each question item was able to reflect the construct it represented. The general criterion used was an item-total correlation value  $> 0.20$ . The results showed that most items in each variable had an item- -total correlation value above this threshold, and were therefore declared valid. As an illustration, the following are some of the results of the validity test for the Entrepreneurship Knowledge construct (X3):

**Table 3. Validity Test**

No	Item Staatement	Item-Total Correlation
1	I have knowledge of how to manage teams/employees in my workplace	0,233
2	My business has experienced an increase in the number of customers	0,296
3	My business has experienced an increase in turnover	0,414
4	My business has experienced an increase in profit	0,330



No	Item Statement	Item-Total Correlation
5	My business has experienced an increase in cash flow	0,420

Source: Processed by Authors (2025)

All correlation values are greater than 0.20, so the items are declared valid and can proceed to reliability analysis.

### Reability Test

The reliability test was conducted using Cronbach's Alpha coefficient to assess the internal consistency between items in a single construct. An  $\alpha$  value  $\geq 0.6$  is considered sufficiently reliable for social research. The test results are shown in Table 4 below:

**Table 4. Instrument Reliability Test Results**

Variable	Number of Items	Cronbach's Alpha	Criteria
Thinking Pattern (X1)	4	0.276	Low
Attitude (X2)	4	0.366	Low
Entrepreneurial Knowledge (X3)	4	0.592	Moderate
Business Success (Y)	7	0.651	Suitable

Source: Processed by authors (2025)

Interpretation: The Entrepreneurial Knowledge and Business Success constructs show adequate reliability ( $\alpha > 0.59$ ). Meanwhile, Mindset and Attitude have low  $\alpha$  values ( $< 0.4$ ), indicating the need for editorial revisions or additional items to improve internal consistency.

### Descriptive Statistics

Descriptive statistics are used to describe respondents' perceptions of each variable. The results of data processing are shown in Table 5.

**Table 5. Descriptive Statistics of Research Variables**

Variable	N	Mean	Std. Dev	Min	Median	Max
Thinking Pattern (X1)	146	3.52	0.33	2.50	3.50	4.00
Attitude (X2)	146	3.38	0.37	2.25	3.50	4.00
Entrepreneurship Knowledge (X3)	146	3.32	0.46	2	3.50	4.00
Business Success (Y)	146	3.22	0.59	1	3.14	4.00

Source: Processed by Authors (2025)

The average response for all variables is above 3, indicating that respondents tend to agree with the statements in the questionnaire.

### Intervariable Correlation Test

Pearson's correlation analysis was conducted to examine the linear relationship between the main variables of the study. The results are shown in Table 6.

**Table 6. Correlation Between Variables**

Variable	X1	X2	X3	Y
Thinking Pattern (X1)	1,000	0.425	0.274	0.232
Attitude (X2)	0.425	1.000	0.545	0.256
Knowledge (X3)	0.274	0.545	1.000	0.319
Business Success (Y)	0.232	0.256	0.319	1

Source: Processed by authors (2025)

According to Table 6 above, all correlations are positive, with the highest value between Attitude and Knowledge ( $r = 0.545$ ), indicating a close relationship between the two aspects. The correlation with Business Success is also positive, albeit moderate, indicating a direction of influence consistent with the hypothesis.



### Multiple Linear Regression Analysis

Regression analysis was conducted to determine the effect of Mindset (X1), Attitude (X2), and Entrepreneurial Knowledge (X3) on Business Success (Y). Data analysis for multiple linear regression was performed using Ms Excel.

**Table 7. Results of Multiple Linear Regression Analysis**

Variable	Coefficient B	Calculated-t	Sig. (p)	Description
Constant	0.954	1.706	0.090	Not significant
Entrepreneurship Knowledge (X3)	0.318	2.637	0.009	Significant
Mindset (X1)	0.246	1.590	0.114	Not significant
Attitude (X2)	0.101	0.629	0.530	Not significant

Source: Processed by authors (2025)

$R^2 = 0.127$  Adj.  $R^2 = 0.108$   $F = 6.874$   $p < 0.001$  (simultaneously significant)

The resulting regression equation:

$$Y = 0,954 + 0,318X_3 + 0,246X_1 + 0,101X_2$$

According to the regression equation above, simultaneously, the three independent variables have a significant effect on business success ( $p < 0.001$ ). Partially, only Entrepreneurship Knowledge (X3) has a significant effect ( $p = 0.009$ ), while Mindset and Attitude do not have a significant effect. The positive coefficient value indicates that an increase in entrepreneurial knowledge tends to increase business success. The  $R^2$  value of 0.127 means that 12.7% of the variation in business success can be explained by the three independent variables, while 87.3% is explained by other factors outside the model.

### Discussion

The results of this study confirm that Entrepreneurial Knowledge is the most influential factor on the Success of MSME Businesses. The higher the entrepreneur's knowledge of finance, marketing, and business management, the greater the chances of their business success. These results are consistent with previous studies such as Ahimbisibwe (2023) and Sharma (2024), showing that mindset and knowledge are the main determinants of business success. In line with the research by Yansyah, et al. (2024) and Hanisa & Malik (2021), entrepreneurial knowledge has a positive and significant effect on the success of MSME businesses. Karepesina et al. (2022) proving that entrepreneurial knowledge and skills strengthen adaptation and innovation, Siendra (2020) found that the process of learning and increasing knowledge can strengthen the psychological effects that encourage individuals to implement their business ideas. Finally, research by Wang Laidi et al. (2024) shows that knowledge readiness is an important component for business success in the digital era.

Meanwhile, although Mindset and Attitude have a positive relationship with business success, their effects are not statistically significant. The low reliability values of these two variables ( $\alpha < 0.40$ ) indicate that the items in these constructs are not yet fully capable of capturing the psychological dimensions being measured. This is in line with the findings of Bella & Maichal (2018) that the effect of mindset on business performance can be mediated by values and leadership factors.

Overall, the regression results show that cognitive factors (knowledge) are more dominant than affective factors (attitude) and conative factors (mindset) in explaining the success of MSME businesses. This finding has important implications for entrepreneurship training programs to place more emphasis on increasing practical knowledge, not just mindset formation.

According to this study, increasing entrepreneurial knowledge capacity—particularly in the areas of finance and marketing—is a top priority for improving business performance. For



policymakers: MSME assistance programs should focus on technical and managerial training, not just entrepreneurial motivation. For Future Researchers: the low reliability of the Mindset and Attitude constructs needs to be improved by revising items or adding new indicators to make them more representative.

Data analysis shows that Entrepreneurial Knowledge has a positive and significant effect on the Success of MSMEs in Indonesia. Although Mindset and Attitude show a positive relationship, their effect is not yet significant. With an  $R^2$  value of 0.127, this model can explain a small portion of the variance in business success, so further research is recommended to include additional variables such as capital, policy support, or business digitalization.

## **CONCLUSION**

### **Research Implications**

This study provides empirical contributions to strengthening entrepreneurship theory in the context of Indonesian MSMEs, namely that business success is the result of the integration of mindset, attitude, and entrepreneurial knowledge. Therefore, MSME empowerment strategies should focus on entrepreneurial human capital development in order to create MSMEs that are resilient, innovative, and sustainably competitive.

### **Conclusion**

The Entrepreneurial Mindset variable (X1), which includes creative and innovative thinking, confidence in facing risks, positive thinking, perseverance, and courage in seizing opportunities, together with the Entrepreneurial Attitude variable (X2) and Entrepreneurial Knowledge variable (X3), have a positive and significant effect ( ) on Business Success (Y). This is evidenced by the significance value of the F test of  $0.000 < 0.05$ , which means that the three variables simultaneously play an important role in determining the business success of MSME players.

Partially, the Entrepreneurial Mindset variable (X1) has a positive but insignificant effect on business success. These results show that a good entrepreneurial mindset, such as creative thinking and opportunity orientation, is possessed by some business actors, but has not been consistently applied in daily business practices. Several indicators, such as "never giving up when facing obstacles" and "thinking innovatively in seeking new opportunities," have low scores compared to other indicators.

The Entrepreneurial Attitude variable (X2) also has a positive but insignificant effect on business success. This means that positive attitudes such as perseverance, responsibility, and courage to take risks are already possessed, but have not become the main differentiator of business success among MSME entrepreneurs. The average results of the statements show that the indicator "perseverance in facing challenges" has the highest score, while the indicator "initiative to take new business risks" is still relatively low.

The Entrepreneurship Knowledge variable (X3) has a positive and statistically significant effect on Business Success (Y) with a p-value of 0.009 and a coefficient of 0.318. This indicates that the higher the level of entrepreneurship knowledge, the greater the chances of business success. The indicators "knowledge of financial management" and "marketing management" have the highest scores, while the indicator "understanding of business law and licensing" is the lowest. Therefore, Entrepreneurial Knowledge (X3) is the most dominant variable and a major factor in determining the success of MSME businesses.

### **Recommendations**

Based on the results of the research on the Entrepreneurial Mindset (X1) variable, it is recommended that business actors cultivate a more positive mindset and be open to change. Business actors should strengthen their creative and innovative thinking habits in facing



competition and develop strategic thinking skills to respond to the rapidly changing market dynamics.

The Entrepreneurial Attitude (X2) variable shows potential that needs to be developed, particularly in terms of initiative and the courage to take new business risks. Therefore, MSME entrepreneurs are expected to be more courageous in stepping out of their comfort zone and trying new innovations in business models. Local governments and entrepreneurial training institutions should provide training on strengthening entrepreneurial mindset, leadership, and business risk management for MSME entrepreneurs.

The Entrepreneurship Knowledge variable (X3) as the most dominant variable for business success needs to be the main focus in MSME development. Business actors need to increase their knowledge in the fields of financial management, business planning, digital marketing, and business law. The government and universities are expected to provide entrepreneurship training and mentoring programs based on field practice and real case studies so that this knowledge can be applied effectively.

It is hoped that future research can expand the research model by adding variables such as entrepreneurial motivation, product innovation, business experience, and business environment support to explain business success more comprehensively. In addition, future researchers are advised to use more complex analysis techniques such as Structural Equation Modeling (SEM) to describe the relationship between variables more accurately.

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