

# THE INFLUENCE OF THE MANAGER'S ROLE ON PERFORMANCE (Case Study on Micro, Small and Medium Enterprises Assisted by the WestJava Chamber of Commerce and Industry in Bandung)

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**ABSTRACT**

This study aims to determine the effect of the manager's role on the performance of Micro, Small and Medium Enterprises (MSMEs) assisted by the West Java Chamber of Commerce and Industry (Kadin Jabar) in Bandung. The research method applied is in the form of a descriptive analytical survey method, while the sample used is 32 SMEs respondents. The variables studied from each respondent are the role of managers and performance. The type of data collected is primary data. The results of the study identify that the role of managers has a significant effect on performance. The object of this research is the sample of respondents used which is still limited to SMEs assisted by the West Java Chamber of Commerce in Bandung, therefore it is necessary to do further research based on more varied sampling with a longer duration, so that generalizable results are obtained.

**Keywords:** manager's role; performance; company

**Introduction**

Regionally in Indonesia, especially in West Java, the growth map for Micro, Small and Medium Enterprises (MSMEs) provides a strategic value, in the sense of being able to make a significant contribution to economic development in their respective regions. MSME data in West Java according to the Cooperatives and Small Business Office dataset as of September 16, 2021, as shown in Figure 1 as follow

**Figure 1**  
Number of Micro, Small and Medium Enterprises (MSMEs) Based on Regency/City and Business Category in Bandung

kode_provinsi	nama_provinsi	kode_kabupaten_kota	nama_kabupaten_kota	kategori_usaha	jumlah_usaha
32	JAWA BARAT	3273	KOTA BANDUNG	AKSESORIS	859
32	JAWA BARAT	3273	KOTA BANDUNG	GATEK	859
32	JAWA BARAT	3273	KOTA BANDUNG	KORSI	121
32	JAWA BARAT	3273	KOTA BANDUNG	CRAFT	30384
32	JAWA BARAT	3273	KOTA BANDUNG	FASHION	29435
32	JAWA BARAT	3273	KOTA BANDUNG	KORVEKSI	18997
32	JAWA BARAT	3273	KOTA BANDUNG	KULINER	133887
32	JAWA BARAT	3273	KOTA BANDUNG	MANKONAN	95586
32	JAWA BARAT	3273	KOTA BANDUNG	MINUMAN	17723
32	JAWA BARAT	3273	KOTA BANDUNG	JABATAN/PAKIA	41295

Source: Bandung KUMKM Service

**Figure 2**  
Number of Micro, Small and Medium Enterprises (MSMEs) Based on Regency/City and Business Category in Bandung

nama_provinsi	kode_kabupaten_kota	nama_kabupaten_kota	bentuk_usaha	jumlah_usaha	satuan	tahun
JAWA BARAT	3273	KOTA BANDUNG	PERKERAWAN	56	UNIT	2020
JAWA BARAT	3273	KOTA BANDUNG	CV	335	UNIT	2020
JAWA BARAT	3273	KOTA BANDUNG	PT	31	UNIT	2020
JAWA BARAT	3273	KOTA BANDUNG	KORSI	0	UNIT	2020

Source: Bandung KUMKM Service

As an illustration in Bandung City, the largest MSMEs are in the culinary and food business category which dominates in Bandung City as a Flower City as well as an Educational Tourism City with 130,687 units and 95,586 units respectively, this is the largest business opportunity that will contribute significantly to Gross Domestic Product. for the development of the Bandung City area, then other services, Craft and Fashion followed each other with data on other services of 41,295 units, Craft and Fashion which competed with 30,384 units

and 29,635 units, while Convection and Beverage followed each other at 18,097 units. and 17,733 units, while accessories and batik were quite low, with 850 units in demand each, and what was more affected was the Embroidery business category, which was pioneered in a number of only 121 units.

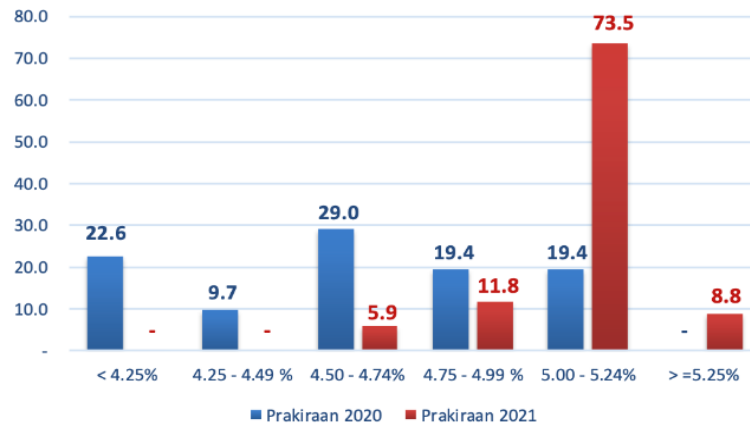
Based on the form of business, Commanditaire Venootschap (CV335 units and the largest number, while the second place is far below that of individuals with 56 units, followed by Limited Liability Companies (PT) with 31 units while other forms of business do not exist.

As for what is meant by MSMEs according to **Law No. 20 of 2008** concerning the criteria for MSMEs, they are different from Large Enterprises which are productive economic businesses with a form of business in the form of a Business Entity, as long as their net equity or net sales must be greater than MSMEs, it can be in the form of a business. a foreigner who conducts its business activities in the territorial area of the Unitary State of the Republic of Indonesia, or a joint venture, or other national business, whether owned by the state or the private sector. Meanwhile, Medium Enterprises are in the form of productive economic businesses, can be owned by individuals, can also be in the form of a Business Entity that is not a subsidiary, or a branch office or is a part either directly or indirectly from a Large Business or Small Business, whose net equity excluding land and business buildings is valuable. more than Rp. 500,000,000, - (five hundred million rupiah) to Rp. 10,000,000,000, - (ten billion rupiah), with sales of more than Rp. 2.500,000,000, - (two and a half billion) up to Rp. 50,000,000,000,- (fifty billion, and according to the World Bank the maximum number of employees employs 300 (three hundred) people, and the annual income is US\$ 15,000,000 (fifteen million dollars) with equity owned can amount to US \$ 15,000,000, - (fifteen million dollars).

For Small Businesses, the same as only medium-sized businesses, are in the form of businesses that are economically and productive that stand alone, can be owned by individuals or business entities that are not subsidiaries, nor are branches that are directly or indirectly part of large businesses or medium-sized businesses, with net assets are more than Rp. 50,000,000, - (fifty million rupiah) up to Rp. 500,000,000, - (five hundred million rupiah), with net sales results above Rp. 300,000,000, - (three hundred million rupiah) to Rp. 2,500,000,000, - (two billion five hundred million rupiah), and according to the World Bank, the number of employees is under 30 (thirty) people, with annual sales in the US. \$. 3,000,000,- (three million dollars) and the equity held is not more than US\$. 3,000,000,- (three million) dollars. And Micro Enterprises in the form of productive businesses owned by individuals or business entities but are individuals, with net equity excluding land and building ownership used for business with a value of not more than Rp. 50,000,000,- (fifty million) rupiahs, with net sales under Rp. 300,000,000,- (three hundred million) rupiah, and the World Bank provides criteria for employees not exceeding 10 (ten) people, with annual sales below US\$. 100,000,- (one hundred thousand) dollars, and the equity held is less than US\$ 100,000,- (one hundred thousand) dollar.

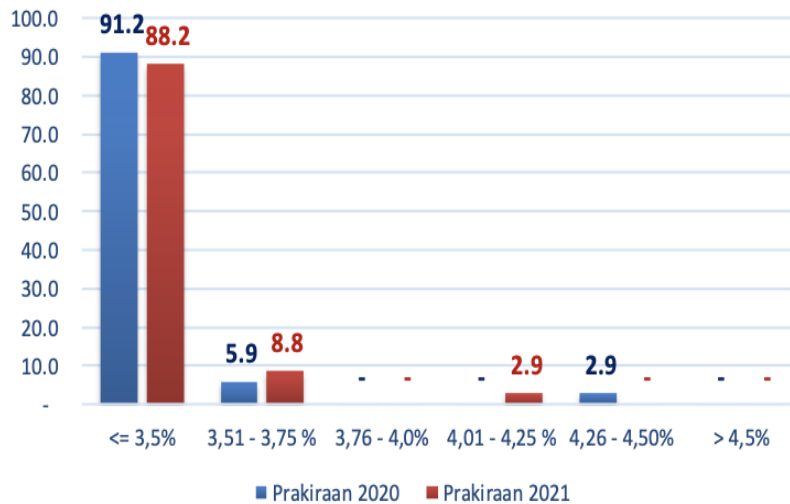
On a macro basis, based on Bank Indonesia, the overall forecast for the Gross Domestic Product (Gross Domestic Product) in Indonesia in 2020 is US\$ 4.56 and US\$ 5.09 in 2021, higher than the forecast for inflation in 2020 of US\$ 3.08 and in 2021. 2021 US\$ 3.09, MSMEs have an influence on GDP growth, as [1-3] According to the Central Statistics Agency (BPS) in 2019 illustrates, that MSMEs control 99% of Indonesia's economic structure, by controlling nearly 63 million workers in 2018 which is equivalent to 97% of the national workforce. and is predicted to increase to 65 million people in 2020, thus contributing 61% of GDP or Gross Domestic Product (GDP), as shown below:

Figure 3.  
GDP Forecast for 2020 and 2021



Source: Bank Indonesia

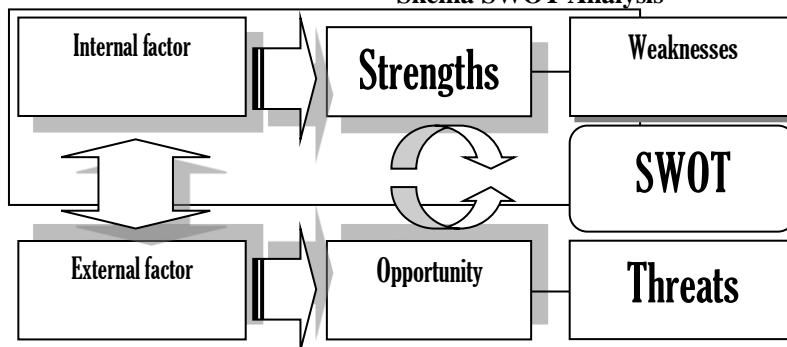
Figure 4.  
Inflation Forecast in 2020 and 2021



Source: Bank Indonesia

MSME performance can be measured by a combination of external and internal factors within an organization. The two factors are combined in a SWOT analysis where external factors represent Opportunities and Threats while internal factors represent Strengths and Weaknesses. The performance indicators of research results according to [4-6] include sales growth, labor capital, marketing and profits

Figure 5.  
Skema SWOT Analysis



### Internal Factor

Internal factors represent the fields of human resources, production, marketing and product development that provide an overview of the company's condition. Positive internal factors can be used by the company to achieve its mission, goals, and objectives. These factors include skills or knowledge, a positive public image, experienced salespeople, loyal customers, and other factors. On the other hand, negative internal factors must be avoided by the company because it will hinder the company in achieving its goals, for example lack of capital, shortage of skilled workers, inability to master technology, and non-strategic locations [7]. Internal factors cover the functional areas of the business, including management, marketing, finance/accounting, production, operations, and management information systems. Internal factors become the basis for building goals and strategies in creating strengths and overcoming organizational weaknesses [8, 9]. Dimensions of internal factors include: (1) aspects of human resources; (2) financial aspects; (3) technical and operational aspects; and (4) market and marketing aspects [5, 10, 11].

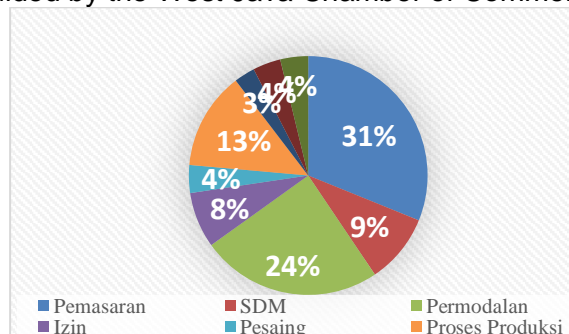
### External Factor

[12] explain that external factors influence a company in determining the direction and actions that the company will take. External factors will affect the organizational structure and internal processes of the company. External factors are divided into 3 interrelated sub categories, namely: (1) Remote environment (economic, social, political, technological, ecological); (2) Industry environment (barriers to entry, strength of suppliers, power of buyers, availability of substitute products, competitive competition; and (3) Operational environment or operating environment (competitors, lenders, customers, labor market, suppliers). A positive external environment will help the company achieve its goals. The company analyzes the factors that have the most influence on the company by looking at opportunities in the external environment, and making adjustments taking into account the circumstances and core competencies of the company to achieve goals [7, 13].

The problems that can be recorded according to Figure 1 below, starting from the largest to the smallest problems are as follows:

MSMEs assisted by the West Java Chamber of Commerce and Industry have a proportion of problems, where the biggest problems experienced by MSMEs are related to performance issues in digital marketing with the largest portion of the problem at 31%, the next is regarding the lack of performance in terms of preparing financial reports based on SAK EMKM, including the application of digital applications which of course have an impact. in terms of calculating tax obligations outside the normal calculation, which results in difficulties in accessing financing from banks by 24%, compared to the overall weakness of MSME performance, the next is the weakness of performance in terms of calculating production costs, starting from calculating material costs, labor costs and costs. overhead to the calculation of the cost of goods sold which has an impact on the inability to compete due to the lack of accounting information for its production, in the next sequence of performance problems is the inability to have standard competencies in its business products. a and its resources by 9%, which is no less important is the weakness of performance in the field of food certification both product halal, product standards SNI and Patents, Intellectual Property Rights, and others by 8%, lack of market control including sales which is a performance weakness of 4% , the remaining 3% is a combination of various other performance deficiencies, as shown in the following figure

Figure 6.  
Pie Chart Weaknesses in the Performance of MSMEs  
Guided by the West Java Chamber of Commerce



Source: Processed from various sources

Weaknesses in the performance of MSMEs assisted by the West Java Chamber of Commerce and Industry include the ability to manage the company, both in terms of marketing, human resources, and other management functions. Based on the description above, the authors are interested in conducting a study entitled **"The Influence of the Manager's Role on Performance (Case Study on SMEs assisted by the West Java Chamber of Commerce in the city of Bandung)**.

### Restricting the problem

Based on the description, background, background of the problems previously stated, the identified problems can be described as follows:

1. During the COVID-19 pandemic that is still hitting, the role of managers is very much needed in the company, both in managing its human resources, marketing, and financial management including compliance with implementing tax provisions, but in reality this condition is constrained by position competence, experience that is still lacking. insufficient, the division of labor is not adequate,
2. Good performance is needed to make various breakthroughs, but due to limited resources, many companies have not shown good performance.
3. The implementation of the survey is still limited to MSMEs assisted by the West Java Chamber of Commerce and Industry, companies in the West Java Chamber of Commerce and others in Bandung.
4. This study uses primary data in the form of questionnaires distributed to 32 MSME companies assisted by the West Java Chamber of Commerce in Bandung, so that respondents' responses to the manager's role and performance can be known.

### Formulation of the problem

Based on the identification of the problem as described above, the problem can be formulated as follows:

1. What are the responses of respondents to the role of managers in MSMEs fostered by the West Java Chamber of Commerce in Bandung?
2. What is the respondent's perception of the performance of the MSMEs fostered at the West Java Chamber of Commerce in Bandung?
3. How is the influence of the manager's role on the performance of MSMEs assisted by the West Java Chamber of Commerce in Bandung?

### Literature

Contributions to economic growth in each country in the form of an increase in Gross Domestic Product (GDP), many of which come from the important role of MSMEs (Micro, Small and Medium Enterprises, as stated [2, 14, 15]. According to Statistics Local

Government Economics (SE, 2017) published information, Business units in the structure of the Indonesian economy, 99.9 percent are controlled by MSMEs which absorb about 97 percent of the entire national workforce, the contribution of MSMEs to Gross Domestic Product (GDP) has achieved an achievement of 61.41%. MSMEs, which achieved so many achievements of 62.9 million units in 2018 and are forecasted to increase again, can reach 65 million units in 2020 [16, 17]. From the 2016 business scale category, that of 26.71 million businesses/non-profit companies agriculture is clustered into 15 categories of business fields, 98% more or more than 26 million business units are Micro and Small Enterprises (UMK) the remaining 1.6% more or 0.4 million more units for companies in the category of Medium and Large Enterprises (UMB), most

of which carry out their business in the wholesale and retail trade sector, in the form of car and motorcycle maintenance services with achievements above 12 million or above 46%; the accommodation and food and beverage business sector is at the level of more than 4.4 million businesses or more than 16.7% capacity and the rest is not less than 4.4 million businesses or no more than 16.6% doing business in the manufacturing sector.

According to [15], MSMEs must be stimulated again to face a test that is still very large, because the MSME non-oil export container in the form of the processing sector has not yet reached 16%. Degradation is experienced by small and medium size processing industries. The production development of the micro and small business processing industry in the second quarter of the year in 2017 was around 2.5%. This actual achievement fell drastically from the growth achievement in the first quarter of 2017 of around 6.6% and this is smaller than the same period in the previous year which was around 6.5%. The state of the MSME business in 2017 did not show good performance, due to the decline in MSME performance as a result of being triggered by the sluggish trade sector and the industrial sector. Furthermore, data from the Central Statistics Agency [17], states that during August, the development of MSMEs was not very contributive, this resulted in economic growth, a recession in achieving the target, which only reached 5.2% although there was an increase in 2018 to 5,4%. Furthermore [12, 18] in her research entitled A MODEL OF BUSINESS PERFORMANCE IMPROVEMENT THROUGH ENTREPRENEURSHIP COMPETENCE, ENTREPRENEURSHIP ORIENTATION, AND INNOVATION, at the Indonesian University of Education repository.upi.edu Library.upi.edu, it turns out that the existing strength of MSMEs is not supported or accompanied by with the ability or strength to increase performance and competitiveness both at the local and foreign levels, then [10, 19-23]. describes the inability of MSMEs due to the constraints of various classical conditions, namely the limited equity and access to financing to banking financial institutions, as well as the obstacles to adjustment to dynamic conditions, and lack of aggressiveness when getting business opportunities, lack of creativity and innovation power when crushing various obstacles. Business; The government's attention regarding financing via the MSME empowerment program remains intense.

Bank Indonesia educates and socializes so that the achievement of MSME financing distribution by deciding and determining the achievement of targets in shaping the proportion of MSME loans in banking financing returns to its milestones. Bank Indonesia at the opening of 2013 issued **PBI Number 14/22/PBI/2012** along with the amended PBI Number 17/12/PBI/2015 which stipulates the obligation for conventional banks to disburse loans to MSMEs, in the 5% range for the 2015 period; 10% 2016 period; 15% in the 2017 era; and a minimum of 20% for 2018 conditions. The injection of financing is expected to further stimulate the performance of MSMEs to be more free to activate their business. However, MSMEs, which in turn have obtained credit, in general still do not increase sales and equity levels which are not significant. This MSME business performance is hindered due to structural deficiencies in the form of managerial incompetence, both in managing marketing, managing production and managing finances [14, 24, 25] Then in addition to financing problems, MSME barriers, especially in relation to the existence of a business horizon that is still unclear, both in terms of planning, vision and mission that is not yet strong, and due to weak competitiveness due to quality and product style, especially with price fluctuations which are mostly out of sync with buying interest and buyer capacity. Through research [2,

15], MODEL OF BUSINESS PERFORMANCE IMPROVEMENT THROUGH ENTREPRENEURSHIP COMPETENCE, ENTREPRENEURSHIP ORIENTATION, AND INNOVATION Universitas Pendidikan Indonesia repository.upi.edu Library.upi.edu, that this condition results in MSME products having no good selling value. local market and foreign market. In line with the monitoring, "Asia SME Finance Monitor" explains that the contribution of MSMEs to Indonesia's exports is still at 15%, which is still much lower than other countries such as Thailand, which is more than 25%, China is above 41% and India is not less than 43% [17].

Another basic performance problem that plagues the majority of SMEs in countries whose economies are still in a developing status on a global, regional and national scale, which is suspected to be running their business is still holding traditional customs from generation to generation [16] as a result there is a weakness in management and has not reached any changes at any time in its environment due to the scarcity of innovation [5, 9]. of

business initiation, then competence and capabilities are still inadequate [24] helplessness of MSMEs results in the lack of performance of SMEs, due to the following reasons, firstly, the inability of entrepreneurship (entrepreneurism) of SME activists is still below the standard and has not enriched innovation, secondly, the level of expertise is still insufficient, let alone reliable when dealing with matters related to organization and the role of business management, As a result, SMEs cannot carry out their business activities more efficiently, effectively and flexibly, then thirdly, networking is still scarce and this greatly hampers access to information, markets and inputs when compared to SMEs abroad, and fourth, linkage is still few and rare so it is not can make the best use of the national and regional markets. And fifth, access to finance is less in favor of the SME world, because there are obstacles when upgrading from small businesses to a wider scale [17], This deficiency is not only an inhibiting factor for the development of the performance of SMEs, but increasingly empowers the competitiveness of SMEs [20].

In the Report [17] starting from the various problems of MSMEs, APINDO is more aggressive in encouraging and guiding so that MSME human resource management can become competitive and ready to create innovative products. APINDO observes, where the decline in labor-intensive industries along with the strengthening of capital-intensive industries will further increase the burden on the lower middle class. APINDO proposes that the government opens the recruitment of prospective workers at the middle lower community level by protecting and maintaining the SME and MSME industries. Furthermore, [19] in her research entitled THE MODEL OF IMPROVING BUSINESS PERFORMANCE THROUGH ENTREPRENEURSHIP COMPETENCE, ENTREPRENEURSHIP ORIENTATION, AND INNOVATION, stated that West Java is one of four provinces in Indonesia, which shows a decline in the growth of its IKM production in addition to Riau, West Nusa Tenggara and the Bangka Belitung Islands. For the highest development achieved by North Kalimantan amounting to more than 29%. Furthermore, West Java stated that the inequality ratio or Gini ratio starting in 2011 turned out to be above the national average. This illustrates that the lower class of society is getting less and less affected by development. West Java's highest position is after the Special Region of Yogyakarta and Gorontalo with the highest Gini Ratio in Indonesia in September 2016. Compared to the National Gini Ratio of more than 0.39, the Gini Ratio is more than 0.4, equivalent to East Java Province, [8] .

In the West, the economy slowed down in the second quarter of 2017 by 5.29 percent, the same thing as IKM production in West Java where there was a negative growth of more than 1.5%. This reduction is because SMEs have various obstacles when carrying out their business, so it is not strange anymore when we hear about IKM bankrupt. So that the government is asked to always create opportunities to boost lower economic income, namely by penetrating small and medium industries [23] The manufacturing industry is grown to stimulate economic growth which is a priority sector [8] The processing industry sector of the West Java Government through the increase in the financing sector is a priority to continue to develop the role of MSMEs, so that they can have competitive power both locally and globally. Based on the 2016 Economic Census, the position of the processed industry in West Java is in the third rank of more than 13.2%, where previously it was occupied by wholesale



and retail trade of above 47.2%; furthermore, the provision of accommodation and supply of food and drink is not more than 18.8%. The rest are other business fields which are above 20.8%. **And (Erna [19]** through a study entitled BUSINESS PERFORMANCE IMPROVEMENT MODELS THROUGH ENTREPRENEURSHIP COMPETENCE, ENTREPRENEURSHIP ORIENTATION, AND INNOVATION, explained that the percentage of Businesses/Companies by Category of Business Fields in West Java in 2016, based on the conditions of financing delivery, explained that MSMEs in the sector processing industry 2017, there has been a slowdown in credit distribution of less than 0.35% if a comparison is made with 2016, the same thing if a comparison is made with the average credit absorption three years ago below 0.11%.

Based on [10] it is explained that performance is the success of individuals when carrying out tasks, or the results of work achieved by individuals or groups of people per person in the organization based on their respective authorities and responsibilities or how each person is relied on. to be able to carry out functions and behave based on the tasks they carry out as well as the quantity, quality and use of time to carry out these tasks. Meanwhile [22] provides limits on performance, namely the successful impact on employee achievement when carrying out their duties, based on certain conditions imposed in a job. Then [10] explains that employee performance is the result of quality

work and meets a certain quantity produced by employees when carrying out their obligations based on the responsibilities assigned to them. Added by [9] which states that performance is the work output that has been achieved by a person or group of people in the organization, based on their respective authorities and responsibilities, in order to achieve what the organization aims for legally, meaning that there is no violation. law, does not conflict with morals and ethics. Thus it is increasingly clear that employee performance is the impact of work in quality and quantity, so that employees when carrying out their work do not conflict with their responsibilities, in order to achieve organizational goals.

Aspects of employee performance according to [21], is a performance measurement based on: a. Quality of work, namely how employees should do what should be done. b. The quantity of work is how long an employee works every day. through the work speed of each employee. c. Implementation of tasks the extent to which employees are able to work accurately without making mistakes. d. Job responsibilities where he is aware of what his obligations are to carry out the work assigned by his company. There are various other indicators according to [22], aspects of measuring individual employee performance are: a. Quality as measured by employees' perceptions of the quality of their work as well as task perfection on the skills and abilities of employees. b. The quantity expressed in terms of units is the number of units, the number of cycles of activity completed. c. Timeliness is the level of activity completed at the beginning of the stated time, from the point of view of coordinating with the output results and maximizing the time available for other activities. d. Effectiveness is the level of use of organizational resources (manpower, money, technology, raw materials) that is optimized which aims to increase the results of each unit of resource use. e. Independence is the level of employees who in the future can carry out their work functions. f. Work commitment is a level of work commitment in the agency and employee responsibilities to the office. Based on concerning PNS Work Performance Assessment, SKP Assessment consists of the following aspects: a. Quantity is a measure of the amount or amount of work achieved. b. Quality is a measure of the quality of each work achieved. c. Time is a measure of the length of the process of each work achieved. d. Cost is the amount of the budget used for each work. Based on some of the opinions above, to measure employee performance in this study refers to the theory [4], which includes quality, quantity, timeliness, effectiveness, independence, and work commitment.

According to [10], Fundamentals of Management (Jakarta: Bumi Aksara, cet. 11, 2010), Management is a process or framework, which links the role of guiding groups of people towards various organizational goals or various clear meaning. Those who carry out management functions are called managers. According to [4], of Management (Bandung: Alumni, 2012, ed. 7), A person who becomes a manager acquires new obligations, which are entirely "managerial". For example, in the form of a process of eliminating the tendency to

carry out all affairs on their own, while various technical tasks are obtained through the work efforts of their subordinates, so in fact, the task of a manager will involve his subordinates to work efficiently.

According to [23], Principles of Management, certain activities carried out by managers, should carry out management functions, including: a. Planning, namely determining the various goals to be achieved for the future and what to do in order to achieve the goals. b. Organizing, namely grouping and determining various activities that are considered important and providing a mandate for the implementation of these various activities. c. Staffing, namely determining the various needs of human resources, recruitment, screening, training and development of the workforce. d. Motivating, namely giving direction to achieve various goals. e. Controlling, namely the measurement of implementation with various objectives, as well as the process of determining the various causes of deviations and determining the steps for various actions.

Decision makers reflect the general characteristics of a manager, a manager must be able to make decisions on the various goals that will be carried out in order to achieve these goals, a manager must also be able to make decisions and the specific actions needed, new ways to be introduced, and how to so that satisfactory work results can be maintained, the decision-making process will take place in every line of the company. Decision making by choosing one or more alternatives, for determining the opinion of an action, which gathers thoughts, feelings or knowledge, to carry out an action. This generally covers uncertainty, in every decision-making process, what a manager must face in his role dealing with various values in the future, are Management Principles the existence of an option based on various factors including cost savings, time savings or improving the quality.

For human resource managers, according to [19] argues that human resource management is a combination of science and art to regulate the relationship and role of the workforce to be effective and efficient in helping the realization of the goals of the company, employees, and society. Meanwhile, states that human resource planning, performance management, learning and human resource development are the scope of human resource management relating to all aspects of how people work and are managed in organizations, as well as the views of [25] () states that human resource management is a general management branch consisting of aspects of planning, organizing, implementing and controlling, human resources in an organization

For marketing management according to [2] includes the process of planning and implementing the conception, pricing, promotion and distribution of ideas, goods, and services, to produce exchanges that satisfy individuals and meet organizational goals. According to [22], marketing management is a total system of business activities designed to plan, set prices, and distribute products, services and ideas that are able to satisfy the desires of the target market in order to achieve organizational goals. According to [15] the 13th edition of Marketing Management book, marketing management is defined as a combination of the art and science of choosing target markets and achieving, retaining, and growing customers by creating, delivering, and communicating general customer value..

The role of the manager cannot be separated from the ability to prepare business financial reports, which will also have an impact on compliance with tax payments. The definition of financial statements according to the Indonesian Accounting Association through "is stated in the basic framework for the preparation and presentation of financial statements in paragraph 7 as follows: "Financial statements are part of the reporting process. Complete financial statements, usually including a balance sheet, income statement, statement of changes in financial position (presented in various ways such as a cash flow statement or fund flow statement), notes or other reports and explanatory material that are an integral part of the financial statements. In addition, it also includes schedules and additional information related to the report, such as financial information, industry and geographic segments as well as disclosure of the effect of price changes.

Effective managers according to [10] have the ability to solve problems that plague organizational units, especially conflicts that plague organizational units are not getting closer to performance targets, but on the other hand can create conflicts that have the aim of making

the organization more dynamic. . The characteristics of conflict, according to [2]Wirawan (2013; 79), include: a. Attention to the essence of conflict is increasing. b. the power to be victorious becomes the driving force behind increased personal desire, making the opponent's face less likely to be defeated becomes important in conditions of higher conflict. c. be wary of pleasant people who may be harmful to others. d. the implementation of conflict management strategies at low levels of conflict, but at high levels of conflict it becomes less effective and even in the extreme does not mean anything. e. conflict that goes beyond the usual circumstances. f. When there is a conflict, difficulties arise because of the individualistic attitude he shows, it is better if the conflict can be identified at every level of the organization. The start of a conflict will be felt when the other party begins to influence it negatively.

Performance problems are caused by whether or not managers play a role in an entrepreneurial organization called a company. Broadly speaking, the company has the understanding as a group of several individuals who establish an agency or organization, to produce goods and services in the form of output for consumers, who process raw materials. , labor. . ([http://carapedia.com/pengertian\\_company\\_definition\\_info2035.html](http://carapedia.com/pengertian_company_definition_info2035.html)). In every company there will be a manager, so the role of this manager is expected to affect performance, so the role of the manager must be a good person, have character, because this will make the company increasingly have good performance. And entrepreneurship itself according to [24], is a process of producing something different, where there is time, activity, capital, risk, reward, personal freedom and satisfaction, according to **Coulter** that entrepreneurship is not infrequently based on the process of creating or building a new business, which is oriented towards profit generation, value creation, and the formation of unique and innovative new products or services. Even [14]states that entrepreneurship is a process of applying creativity and innovation in solving problems and finding opportunities to improve life (business).

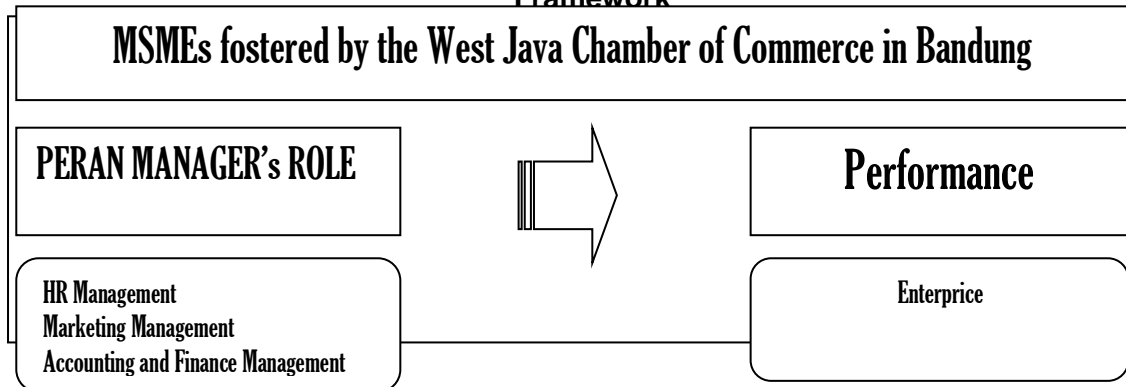
[21] ANALYSIS OF THE EFFECT OF LEADER ROLE ON THE PERFORMANCE OF BUMI SURABAYA HOTEL EMPLOYEES, Informational leader role variables and decisional leader roles have a positive but not significant effect on employee performance, while the results of

[22] entitled THE ROLE OF LEADER IN IMPROVING EMPLOYEE PERFORMANCE THROUGH THE ABILITY TO MOTIVATE, BUILD EFFECTIVE RELATIONSHIPS, PLAN AND IMPLEMENT CHANGE IN THE ORGANIZATION, where the success of leaders in carrying out these three roles will affect the success of the organization in maintaining its existence, as well as the results of research by [20] with the title ANALYSIS OF EMPLOYMENT ANALYSIS ON JOB SATISFACTION CV. SUSTAINABLE MEKAR. Universitas Buana Perjuangan Karawang, Journal of Management & Business ISSN 2528-0597 Vol, 1 No, 1, 2015, where the role of leadership has a significant partial effect on job satisfaction,

**Framework**

On the basis of the literature above, there is a framework of thought, as follows::

**Figure 7.**  
**Framework**



*Source: Processed from various sources*

**Hypothesis**

Based on the framework of thinking above, the following hypotheses are formulated:

H1: The role of managers has an effect on performance,

H0: The role of managers has no effect on performance,

**Implementation Method**

**Object of research**

The sample of UMKM Kadin Jabar is 32 respondents from a population of 53 UMKM companies assisted by Kadin Jabar in Bandung City, with the sampling method that will be used is purposive sampling technique.

**Data analysis technique**

**Descriptive Analysis Test**

The quantitative approach through this study uses a survey method, through primary data questionnaires on the basis of the Lickert scale, while the responses from respondents are summarized by tabulation. The description uses exogenous variables of the manager's role, while the endogenous variables are performance,

From [5], that the independent variable will affect the dependent variable, whether positive or negative. This means that every independent variable that appears, then it can be ascertained that the dependent variable will also appear, for every increase or decrease in the independent variable. and according to [24], that the dependent variable is a variable that is under the influence of other variables, so in other words the main variable is suitable for research material, Exogenous and endogenous variables are operationalized as research variables, which consist of main variables, definitions or concepts, dimensions, indicators and measurement scales. The operational details of the variables are shown as follow

Table 1

Operationalization of Variables

Variable	Concept	Dimension	Indicator	Scale
Manager's Role (X).	[4, 8, 19, 20]	HR : Resources	Labor optimization	Ordinal
		HR: Task success	Work success	Ordinal
		HR : management branch	Management function	Ordinal
			Satisfaction	Ordinal
		Marketing: Process	Provide market	Ordinal
		Marketing : Business activity	satisfaction	Ordinal
		Marketing: Market selection	Creating customer value	Ordinal
			Business transparency and tax compliance	Ordinal
		Accounting: Process and art	Managing conflict	Ordinal
			Attention and strength	Ordinal
			Precautions and Strategy	Ordinal
		Manager's Role: Effective	Levels and Attitudes	Ordinal
		Manager's Role: Resolve conflict	Time	Ordinal
			Activity	Ordinal
	Capital	Ordinal		
	Risk	Ordinal		
	Entrepreneurship: Different creation process	remuneration	Ordinal	
		Personal freedom	Ordinal	
Performance (Y)	[14, 22, 23]	Success	Carry out tasks	Ordinal
		Achievement	Employee performance	Ordinal
		Work result	Quality work	Ordinal
		Performance aspect	Quality	Ordinal
			Quantity	Ordinal
			Task execution	Ordinal
			Responsibility	Ordinal
		Employee Performance Measure	Perfection quality	Ordinal
			Cycle quantity	Ordinal
			Punctuality and	Ordinal
			Effectiveness	Ordinal
			Independence and	Ordinal
			Commitment	Ordinal

**Data Collection and Processing Techniques**

The data were collected from field research sources (field research), and library research (library research), while the results of the data processing test were compiled on the basis of the Lickert scale with the following set of responses: strongly agree (5), agree (4), undecided. (3), disagree (2), strongly disagree (1)

**Data Testing Method**

**Validity test**

Validity test was conducted based on ordinal measurement scale using Spearman rank correlation

**Reliability test**

While the reliability test is used so that it can be seen whether the results of these measurements are consistent, when repeated measurements are made with the same variables. The results of this data test use the Spearman Brown technique of half (Split-half), to be able to observe how the same reliability coefficient also uses the Spearman Brown formula. Tes Analisis Deskriptif

This test was carried out in order to obtain responses through questionnaires from distributing questionnaires to get responses from MSME companies assisted by the West Java Chamber of Commerce, using the variables of manager's role and performance.

**Data analysis technique**

Analysis is used in the form of: (1) descriptive analysis with qualitative variables and (2) quantitative analysis with path analysis, as well as determinant coefficients to determine how much influence exogenous variables have on endogenous variables. And the verification method uses path analysis. Through the use of this combination of analytical techniques, what we want to know is an integrated generalization between

The role of managers on performance. Researchers distributed questionnaires regarding respondents' responses to this study, where 17 statement items for the manager's role variable and 17 statement items for the performance variable, these various statements will be taken 5 alternative answers that must be chosen

**Hypothesis Test (t Test)**

In order to obtain an overview, whether there is an effect of exogenous variables on endogenous individually (partial), including to determine their significance.

**Coefficient of Determination Test**

This test is a quantity that describes the percentage of the influence of the independent variable on the dependent variable. With a range of values between 0 to 1 (0% - 100%), then the values in the range close to one indicate a very strong influence of exogenous variables.

**THE RESULTS ACHIEVED****Object of research**

From this study, a survey or questionnaire was conducted on respondents of MSME companies assisted by the West Java Chamber of Commerce in the city of Bandung, with a total sample of 32 respondents.

**Descriptive Analysis Test**

The research locus was carried out in the city of Bandung on respondents from MSME companies assisted by the West Java Chamber of Commerce in the city of Bandung, through a request for responses through a survey to distribute questionnaires so that it could be seen how the respondents responded to MSME companies assisted by the West Java Chamber of Commerce in Bandung, while the variables installed were the role of managers and performance.

**Data analysis technique**

On the basis of the research that has been done with the questionnaire instrument distributed to the respondents, the results of the calculation of the percentage score for each statement that become a measuring tool in the manager's role and performance variables are based on the indicators described as follows:

a. The description of the results of the questionnaire on the manager's role variable whose percentage answered strongly agree (5) from each statement is as follows:

1. Optimization of workforce 79.25%, 2. Work success, 56.60%, 3. Characteristics of conflict, 66.04%, 4.. Satisfaction 77.36%, 5.. Management function 69.81%, 6 .Provide market satisfaction 58.49%, 7. Create customer value 56.60%, 8. Business transparency and tax compliance 56.60%, 9. Manage conflict 60.38%, 10. Attention and power 18.87%, 11. Alertness and Strategy 35.85%, 12 Levels and Attitudes 69.81%, 13 Time 35.85%, 14 Activities 52.83%, 15 Capital 60.38% 16 Risk 79.25% and 17 Rewards 60,38%

so that an average of 52.83% is in good category, while the highest score is in statement number 1 Optimizing workforce and 16 statements about risk of 79.25% meaning that the role of managers in optimizing resources is agreed upon as a priority in the assignment, while the lowest is in the statement number 10 attention and power of 18.87%, where there is an indifference of employees to the attention of their managers.

b. The results of responses to respondents' observations regarding performance variables that provide a level of strongly agree are contained in the following statements: 1. Carrying out tasks 75.47%, 2. Employee achievements 66.04%, 3. Quality work 58.49%, 4 Quality 47.17%, 5. Quantity 67.92%, 6. Task execution 20.75%, 7. Responsibility 86.79%, 8. Quality of perfection 73.58%, 9. Quantity of cycles 75.47%, 10. Punctuality and Effectiveness 58.49%, 11. Independence and Commitment 39.62% .. so that the average is 60.89% good category, while the highest score is at number 7 86.79% responsibility, meaning that employees agree to have sense of responsibility, while the lowest is in statement number 6 on the implementation of tasks by 20.75%, meaning that employees do not have attention to the implementation of daily tasks in the field..

**Hypothesis test**

The t-test described in this study is to obtain test data whether there is an effect and the level of significance of each independent variable on the dependent variable. The hypotheses used in this study are:

H1: 0 Where the role of managers affects performance

Test criteria: Reject H0 if, tcount > ttable or reject H0 if, p-value < . Where = 0.05 Pengujian Hipotesis

The t-test described in this study is to obtain test data whether there is an effect and the level of significance of each independent variable on the dependent variable. The hypotheses used in this study are:

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Table 2

**Coefficients**

Model		Unstandardized Coefficients		Standardize d Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant )	22.265	4.758		4.679	.001					
	Manager; s role	-.099	.232	-.141	-.426	.680	-.141	-.141	-.141	1.000	1.000

a. Dependent Variable: Variabel Y

Based on the above output, it is interpreted as follows:

**T test for manager role variable**

Based on the results of the analysis of the t-test table, it shows that the manager's role variable has a significance value of (0.680 > 0.05), which means that the manager's role variable has no effect and is not significant on performance, besides that it is also seen that t count is greater than t table, namely (- 0.426 < 2.26216). It means that the manager's role on performance has no effect and is not significant. With the formula t table:  $Df = n - 2$ ,  $Df = 11 - 2$ ,  $Df = 9$ . Value  $\alpha/2 = 0.05 / 2 = 0.025$ , so T table = 2.26216

**Coefficient of Determination**

Based on the table below, it can be seen that the value of R Square is 0.020. This shows that 1% of the variation in the dependent variable, namely performance, can be explained by variations in the manager's role. While the remaining 99% is explained by other factors outside the study.

Table 3

**Koefisien Determinan**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.141 <sup>a</sup>	.020	-.089	.83071	.020	.182	1	9	.680	2.221

*a. Predictors: (Constant), Variabel X*

*b. Dependent Variable: Variabel Y*

**CONCLUSION**

Based on the results of research and discussion, it can be concluded that the influence of the manager's role on performance is as follows:

1. The manager's role variable is at a good level, because the MSMEs fostered by the West Java Chamber of Commerce in Bandung have the potential to be able to manage the company well...
2. The performance variable is also at a good level, this shows that employees' perceptions of the company's performance have a good level of awareness to advance their business.
3. The role of the manager has no effect and is not significant on performance. This illustrates that employees' awareness of the potential performance of their business progress cannot be driven by awareness of existing roles in managing their business, even with very small determinant coefficients, so researchers must look for other variables to find out how much influence the manager's role has on performance



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