

Effect of Self-Efficacy and Locus of Control on Small and Medium Entertainment Small Scale

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ABSTRACT

This study aims to analyze the effect of cell-eficacy and locus of control on the performance of small and medium scale enterprises. The problem is whether the cell-eficacy and locus of control affect the performance of small and medium scale businesses either partially or simultaneously. To test the hypothesis of small and medium scale entrepreneurs in Kecamatan Medan Perjuangan was asked to answer questionnaires about how they respond about cell-eficacy, locus of control and performance of small and medium enterprises using a sample of 58 respondents. The data obtained were analyzed using SPSS Program Version 1.6. The result of regression analysis is $= 2,845 + 0,497 X1 + 0,315 X2 + \epsilon$. The results showed that cell-eficacy and locus of control have a positive and significant influence on the performance of small and medium scale enterprises in Kecamatan Medan Perjuangan.

Keywords: *Self-Eficacy, Locus Of Control, Small and Medium Scale Business Performance*

1. INTRODUCTION

The role of human beings as human resources is very important and necessary. Seeing the progress of the era that brought us to the era of globalization then we are required to compete in order to seize the position as a determinant of the current economy. Thus the growth of human resources is also required to be more advanced for the better, given the technological advancements are also growing rapidly. The world of business and commerce is determined by human resources as the prime mover of a business.

Micro Small and Medium Enterprises (MSMEs) is one of the backbones of the Indonesian economy. This is evident when Indonesia was able to face the economic crisis of 1997/1998. Large companies that are expected to survive at that time, it turns out that many failed. MSMEs are small-scale economic sectors with local scale, local resources and simple production processes whose products are sold locally has been able to make UMKM able to keep moving in the middle of crisis. This condition indicates that MSMEs have better resilience to crisis, which is possible because UMKM has characteristic such as organizational structure and UMKM labor which is more flexible in adjusting with market changes.

In addition, this capability also becomes the basis that the development of MSMEs can be a major program in the development of the community economy. Based on the level of productivity and the need to increase the population of small and medium enterprises, the increase of productivity of micro business is used as the target of UMKM empowerment in the

future (Ministry of Cooperatives and SME of Republic 2015: 7).

Improving the capacity and productivity of micro enterprises can be achieved through strengthening of assets, skills and linkages with business networks and marketing in an established business system. Increasing the capacity of micro-enterprises is also expected to increase public incomes in general which will further contribute to the reduction of poverty rates. The role of small and medium enterprises also needs to be improved in strengthening the domestic production base, and participation in export and investment markets. The policies, programs and activities to improve the competitiveness of MSMEs in the future also need to include the implementation of the mandate of Law no. 20/2008 in a plenary manner, supported by the synergy of various stakeholders and available resources. The implementation of the policy also needs to be supported by structural and systematic MSME empowerment pattern, so that the strategic issues faced by UMKM can be handled effectively. The importance of the empowerment of MSMEs, as stated in the Strategic Plan (Renstra) of the Ministry of Cooperatives and SMEs of the Republic of Indonesia Year 2015-2019, Empowerment of Cooperatives and Micro, Small and Medium Enterprises (UMKM) is one of the efforts to achieve the goals of the state and nation of Indonesia in accordance with the Preamble Act The Basic (UUD) of the State of the Republic of Indonesia Year 1945 is to promote the general welfare. Its implementation uses the basic principles of kinship (article 33 verse 1) and the implementation of a national economy based on economic democracy (article 33, paragraph 4).

UMKM in North Sumatera Province in 2015 reached 2.5 million business. 40 percent of medium businesses, 30 percent of medium enterprises and 30 percent of small businesses. Then for SMEs Medan as much as 222,000 (Tribune Medan, 2015). Industrial companies in Medan Struggle already crowded. Industrial companies in the urban village of Medan Perjuangan are more dominated by home industry. Recorded in 2016 there are 6 medium large industries, 18 small industries and 58 household industries in Medan district struggle (Central Bureau of Statistics Medan Perjuangan Dalam Angka, 2017).

There are three reasons underlying developing countries view the importance of the existence of SMEs: First, because the performance of SMEs tend to be better in terms of producing a productive workforce. Second, as part of its dynamics, SMEs often achieve increased productivity through investment and technological change. Third, it is because it is often believed that SMEs have an advantage in terms of flexibility rather than big business.

According to Winarni in Usman (2013), identifying the common problems faced by MSMEs is lack of capital, difficulties in marketing, tight business competition, raw material difficulties, lack of technical production and skills, lack of managerial skills, lack of financial management knowledge, and business climate less conducive (permits, rules / regulations).

One of the factors that influence the performance of UMKM entrepreneurs is Self-efficacy. Self-efficacy is one of the important internal factors that can affect a person's performance. According to Bandura in Hanny (2011), self-efficacy is a person's assessment of his ability to develop the actions required to accomplish the specific tasks he or she faces.

Self efficacy is one of the discussions of the social learning theory of Albert Bandura which emphasizes the cognitive component of the mind, understanding and evaluation, self efficacy arises from one's ability to influence how to think, how to motivate oneself and how to act, individuals who have high self efficacy will be able to complete the work or achieve the goals of its performance (Ghufron & Rini, 2010: 73).

Self efficacy itself has little effect to the performance of entrepreneurs. As already explained that when a person has a high self efficacy then he will have a good ability in completing the task. Likewise, those with low self efficacy will have little difficulty to complete the tasks they have.

The researchers found that individuals with high self efficacy were better able to deal with difficult situations than individuals with low self efficacy (Heuven et al. In Mustafa and Oya,

2012: 370). In some academic studies it is well known that self efficacy has a strong relationship with self-control, mental resilience or resilience in the face of failure risk, performance in task completion and also effort in problem solving (Cherrian and Jolly, 2013: 80).

Self efficacy can be a determinant for a person's performance, when the individual has a high self efficacy then he will have a satisfactory performance that helps the company in achieving its goals. In a study conducted by Ratno Purnomo (2010), explaining that self-efficacy has a significant and positive influence on the performance of entrepreneurs, he explained that the performance of SMEs is also determined by self-efficacy or known as a person's confidence in running a job. That is, the entrepreneurs who have the confidence that he is capable of running a particular business or he is convinced that his ability can be used to run the business will tend to be able to achieve success in the business it runs it.

Every individual has an immediate effect as a substantive effect in his views and reactions to the environment. This substantive effect according to Rotter is called locus of control or a person's belief in the source that controls the events in his life (Ridwan, 2013: 73).

Locus of control affects performance and satisfaction. Locus of control itself is divided into two types: internal and external locus of control, in the internal way of believing that the factors within the self have a strong influence in determining the process and the results of work, like to work hard, have a high initiative, always trying to find solving problems, always try to think as effectively as possible and have the perception that effort must be done if it wants to succeed. While the external viewpoint believes that external factors such as the influence of others, the environment or the pressure that determines the process and the results of work, the characteristics include lack of initiative, easy surrender, less like trying to assume external factors that control, less seeking information, have hope that there is little correlation between effort and success, as well as being more easily influenced and dependent on the direction of others.

Locus of control has a control function in each individual role, the involvement of the work role of the entrepreneur will be greatly influenced by the locus of control itself. This determines how leaders should give direction to employees according to their individual inclinations. Entrepreneurs who tend to have internal potential should be encouraged by internal style motivation as well as entrepreneurs with external trends are also motivated with external forces. This will have an impact on optimizing the performance of entrepreneurs as the company's target. Locus of

control affects performance in the process of a company's continuity. Performance is the result obtained by a good organization organization is profit oriented and non profit oriented generated during one period of time (Fahmi, 2011: 25).

Performance is generally defined as a person's success in performing a job. Performance is the work achieved by a person in carrying out the tasks assigned to him to achieve the work target. Entrepreneurs can work well if have a high performance so as to produce good productivity. Performance of entrepreneurs is one of the determinants of business success in achieving its objectives.

Based on the above description, the authors are interested to examine the performance of small and medium scale entrepreneurs as one form of business organization can be influenced aspects of human resources. More specifically, the performance of small and medium-sized entrepreneurs can be influenced by the self-efficacy and locus of control involved in the business organization. Therefore, it is necessary to conduct a research to empirically test the influence of self-efficacy and locus of control on the performance of small and medium scale entrepreneurs in Kecamatan Medan Perjuangan.

2. THEORETICAL BASIS

Understanding Self-Efficacy

According to Albert Bandura in Hanny (2011), defining that self-efficacy is a person's assessment of his ability to develop the actions required to accomplish the specific tasks faced. Self-efficacy is not directly related to the skills that the individual possesses, but rather the self-assessment of what can be done, regardless of the skills it possesses.

In addition, Schultz in Hanny (2011) defines self-efficacy as our sense of adequacy, efficiency and our ability to overcome life. Baron and Byrne in Ghufron & Rini (2010), defines self-efficacy as an evaluation of a person's ability or competence to perform a task, achieve a goal, and overcome obstacles.

Based on the above definitions, it can be concluded that self-efficacy is an individual's belief or confidence in his ability to carry out and complete the tasks he faces, so as to overcome obstacles and achieve the goals he hopes.

Factors Affecting Self-Efficacy

Bandura in Hanny (2011), suggests that there are several factors that affect one's self-efficacy, namely:

1. Performance achievement (performance attainment).

The expected results are obviously an important source of self-efficacy information because it is based on authentic experience that has been mastered. Success will bring one to a higher level of self-efficacy, while failure will undermine self-efficacy, especially if the failure occurs at the beginning of the task and is not caused by a lack of effort or also from the constraints of external factors. Success resulting from the assistance of external factors or the success achieved is considered not as a result of the ability itself is not too an effect on the increase in self-efficacy. The magnitude of the value given from the new experience depends on the nature and strength of the previous self-perception. After self-efficacy is formed due to repeated success, failure arises to its ability.

2. Experience of others (Vicarious experience)

Self-efficacy can also be influenced by the experience of others. Individuals who see or observe others who achieve success can generate their self-efficacy perceptions. By seeing the success of others, the individual can convince himself that he can also achieve the same with the person he or she observes. He also assures himself that if others can do it, he should also be able to do so. If one sees that another person who has the same abilities fails even if he has tried hard, it can lower his judgment on his own ability and will also reduce the effort that will be done (Brown, Inonye and Bandura in Hanny, 2011).

There are conditions under which an assessment of self-efficacy is particularly sensitive to information from others. First is the uncertainty about the capabilities of the individual. Self-efficacy can be changed through the effect of relevant modeling when a person has little experience as a basis for the assessment of his abilities. Since the knowledge possessed about self-efficacy is very limited, the individual is more dependent on the indicator being exemplified (Tataka and Tataka in Hanny, 2011). Second is self-efficacy assessment always based on criteria where ability is evaluated (Festinger; Suls and Miller in Hanny, 2011).

Activities that can provide external information about performance levels serve as a basis for assessing a person's ability. But most performance does not provide sufficient information to meet,

so self-efficacy assessment is measured by comparing it with the performance of others (Bandura in Hanny, 2011).

3. Verbal persuasion (Verbal persuasion)
Verbal persuasion is used to give a belief to someone that he or she has an adequate ability to achieve what is desired. A person who is verbally convinced will show a tougher endeavor when compared to an individual who has doubts and thinks only of shortcomings when facing a difficulty. However, an unrealistic increase in individual beliefs about self-efficacy will only fail. This can eliminate the confidence of self-persecuted people.
4. Physical state and reaction (Physiological state).
A person makes his physiological state as a source of information to provide an assessment of his ability. Individuals feel somatic symptoms or tensions that arise in pressing situations as a sign that he or she is unable to control the situation or fail and this can degrade its performance. In activities that require strength and stamina, one feels that the fatigue and pain he experiences are signs of physical weakness and this lowers his belief in his physical abilities.

Understanding Locus Of Control

The concept of locus of control was first developed by Julian Rotter in 1966 that illustrates one's beliefs about the source of behavioral determinants. Rotter itself has asserted the concept of locus of control, that the locus of control is not a typology or proposition, since the locus of control is a common hope that will predict anonymous behavior.

Dufty and Atwarer in Patricia, et al (2009: 88), proposed the definition of locus of control is a source of confidence that is owned by the individual in controlling events that occur either from themselves or from outside himself. Locus

of control refers to the extent to which an individual links his personal life events to external or external factors or to their own internal deposition (Amanda Stake in Usman 2013). While rotter in Usman (2013), locus of control refers to the extent to which individuals believe that they can control the events that affect them.

Locus of control is a term used to refer to individual perceptions of personal control, particularly with regards to control over important results. (Eric Benson and Steele, G Ric in Usman, 2013). In the locus of control is divided into two categories namely locus of control internal and external locus of control. Internal-external control refers to the extent to which one expects that the reinforcement or outcome of their behavior depends on their own behavior or personal characteristics, on the other hand the extent to which one expects that a reinforcement or result is a function of chance, luck, or fate is under the control of a person's power other or unexpected (Rotter in Usman, 2013).

According to Rotter in Ghuftron and Rini (2010: 67) people who have internal locus of control feel confident that they have the ability to control the reinforcement they receive, whereas people with external locus of control perceive both good and bad events caused by chance factor factors, luck, fate, and other powerful people and conditions that they are not good at. For someone who has an internal locus of control will see the world as something predictable, and individual behavior plays a role in it. In individuals who have external locus of control will view the world as unpredictable, as well as in achieving goals so that individual behavior will have no role in it.

According to Philip Zimbardo in Usman (2013), that the locus of control orientation is a belief about the outcome of our behavior is dependent on what we do (internal orientation) or about events outside of our personal control (external orientation).

Table 1: Orientation External-Internal Locus Of Control

<i>External locus of control</i>	<i>Internal Locus Of Control</i>
One believes that his behavior is controlled by fate, fortune or other external circumstances.	One believes that his behavior is controlled by his personal decisions and efforts.

The results have proved that the orientation of internal locus of control proved more positive consequences. Socioeconomic status, confidence, aspirations, and expectations in those with internal locus of control are higher. In addition, internal people are more actively seeking information and use it to control the environment and prefer to oppose external influences, while

those with external locus of control are more conforming to those influences (Lao, Parvin in Ghuftron and Rini, 2010: 67).

According to Crider in Ghuftron and Rini (2010: 68) says that the difference in characteristics between the locus of control internal with the locus of control external is as follows:

Table 2: Characteristic Differences Between Locus Of Internal Control With Locus Of External Control

No	Internal Locus Of Control	External Locus Of Control
1.	Likes to work hard	Less initiative
2.	Have initiative	Having expectations that there is little correlation between effort and Success
3.	Always trying to find solution to problem	Less like to try because believe that the outside factor is control
4.	Always try to think as effective as possible	Less search for information for solve the problem
5.	Always have perceptions that effort must be done if you want to succeed.	

Locus of control is not static, but it can change, so that if the internally oriented individual can turn into an external-oriented individual. Similarly, it is due to the circumstances that accompany it, ie where the individual lives and often perform their activities. In addition, the aspects affecting the locus of control are:

1. The potential behavior (behavior potential) in which certain behaviors will occur in certain situations.

2. *Expectancy (expectancy), which events will occur and experienced by someone.*
3. *Reinforcement value (reinforcement value), level of choice for one reinforcement as another substitute.*
4. *The psychological situation (psychological situation), the form of stimulation both internally and externally received by someone at a certain moment.*

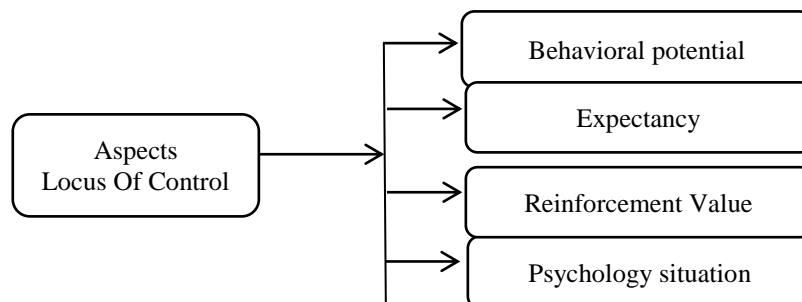


Figure 1 Aspects of Locus Of Control

Small and Medium Scale Business Performance

Measurements on performance need to be undertaken to determine whether during the performance execution there is a deviation from a predetermined plan, or whether performance can be performed within the specified time schedule, or whether performance results have been achieved as expected.

Performance measure is a measuring instrument that must be objective so that the same criteria are required. With the same criteria are expected to give comparable results objectively and fairly. According to Armstrong and Baron in Wibowo (2012: 233), the criteria of a performance measure are as follows:

1. Be associated with strategic goals and measure what is organically important and drive business performance.

2. Relevant to the goals and accountability of the teams and individuals concerned.
3. Focus on measurable output and task completion and how people act and how they behave.
4. Indicates the data to be available as a measurement basis.
5. Can be differentiated by seeking information that will confirm the extent to which expectations can be met.
6. Be as accurate as possible in relation to the intent and data availability.
7. Seek the groundwork for feedback and action.
8. Be comprehensive, covering all aspects of performance so that family size is available.

According Wibowo (2007: 235-237) actually many factors that can be used as a measure of performance, but the performance measure must

be relevant, significant, and comprehensive. Family size relates to the type of size that can be classified as follows:

1. **Productivity**
Productivity is usually expressed as the relationship between the physical input and output of a process. Therefore, productivity is the relationship between the amount of output compared to the resources consumed in producing the output.
2. **Quality**
The quality usually includes both internal sizes such as shrinkage, number of rejected, and defects per unit, as well as external rating measures such as customer satisfaction or customer order reordering frequency.
3. **Timeliness**
Timeliness concerns the percentage of on-time delivery or the percentage of orders shipped as promised. Basically a measure of timeliness measures whether people do what it says it will do.
4. **Cycle time**
Cycle time indicates the amount of time it takes to advance from one point to another in the process. Cycle time measurements measure how long something is done.
5. **Utilization of resources**
The resource utilization is the measurement of resources used against the resources available for use. Utilization of resources can be applied to machines, computers, vehicles, and even people.
6. **Fees**
Cost sizes are particularly useful when calculated on a per unit basis. However, many companies have little information about cost per unit. In general, the overall cost calculation.

Operational performance is the conformity of the process and performance evaluation of the company's internal operations on conditions or meet the requirements in terms of cost, customer service, delivery of goods to customers, quality, flexibility and quality of product / service process. Company performance is closely related to the company's management control system concerned. The accuracy of the performance measures used in a study depends on the situation and the uniqueness of the conditions in a study. It is very difficult to establish a single measure of business success. Therefore, the linkage between manufacturing to all available sizes and generally accepted needs to be analyzed (Demeter in Usman 2013).

3. RESEARCH METHODS

Types of research

The type of research used in this study is a quantitative research method. Quantitative research method is a research method based on positivism philosophy, used to examine on a particular population or sample, data collection using research instrument, quantitative / statistical data analysis, with the aim to test the predefined hypothesis. This method is called a positivistic method because it is based on the philosophy of positivism. This method as a scientific method because it has encountered scientific principles that are concrete / empirical, objective, measurable, rational and systematic. This method is called quantitative method because the research data in the form of numbers and analysis using statistics (Sugiyono, 2011).

Population and Sample

Population is a generalization area consisting of objects/subjects that have certain qualities and characteristics set by the researchers to be studied and then drawn conclusions (Sugiyono, 2011: 72). The population in this study of small and medium entrepreneurs in the District of Medan Perjuangan is as many as 58 people. The sample is part of the population taken as a data source and can represent the entire population (Riduwan, 2013: 48). Because the population is less than 100 people, the sampling in this study uses saturated sample / census, that is the entire population is taken as a sample of 58 entrepreneurs.

Operational Definition of Variables

1. **Self-efficacy**
Scores obtained from measurements on the scale of self-efficacy that includes dimensions of level, strength, and generality
2. **Locus of control**
Scores obtained from measurements of the locus of control scale include the extension of the locus of control and the internal locus of control.
3. **Performance of Small and Medium Scale Businessmen**
Scores obtained from measurements on a performance scale that includes dimensions of productivity, cost, quality, flexibility, and delivery capability.

Data Collection and Analysis Techniques

Data collection techniques conducted in this research is to disseminate a research questionnaire consisting of three scales, namely the scale to measure self-efficacy, locus of control and employer performance. To answer the research question is whether there is a significant influence between self-efficacy and locus of control on the performance of small and medium scale entrepreneurs and to find out how much contribution given self-efficacy and locus of control to employer performance, using statistical method because the data is the numbers that are the result of measurement or calculation. In this case based on the hypothesis that will be measured using multiple regression analysis techniques or multiple regression analysis to determine the effect between self-efficacy and

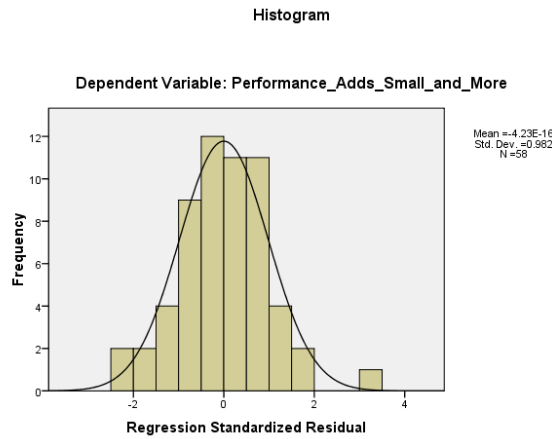
locus of control on employee performance. Multiple regression analysis is a method to examine the consequences and magnitude of the effect of one more independent variable on one dependent variable, using correlation and regression principles (Sevilla in Hanny, 2011).

4. RESEARCH RESULTS AND DISCUSSION

Classical Assumption Testing

a. Test Data Normality

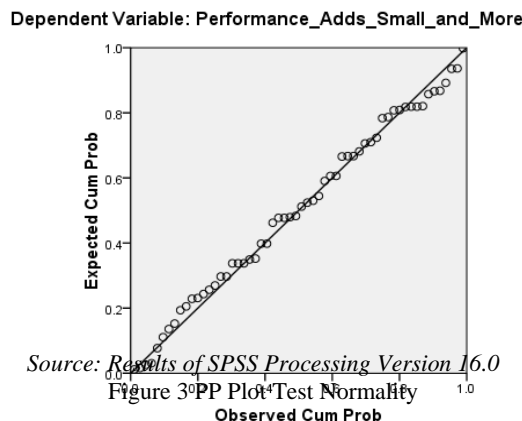
The normality test aims to test whether in a regression, the disturbing or residual variable is normally distributed or not. A good regression model distributes normal or near-normal data.



Source: Results of SPSS Processing Version 16.0
Figure: 2 Histogram Test Normality

Based on figure 2 above, the results of normality test data known that the data has been distributed normally, where the image histogram has a line forming a bell and has a balanced baldness in the middle

Normal P-P Plot of Regression Standardized Residual



Source: Results of SPSS Processing Version 16.0
Figure 3 P-P Plot Test Normality

Based on Figure 3 above, then for the results of normality data testing using PP Plot images seen spots of data spread around the diagonal line so that the data has been distributed normally.

From the two images above, it can be concluded that after the data normality test, the data for the self-efficacy, locus of control and the

small and medium enterprise are normally distributed.

b. Multicollinearity Test

The multicollinearity test of the questionnaire that has been distributed to the responder can be seen in the following table.

Table 3: Multicollinearity Test Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.845	1.287		2.211	.031		
	Self_Efficacy	.497	.089	.568	5.613	.000	.566	1.767
	Locus_Of_Control	.315	.096	.333	3.289	.002	.566	1.767

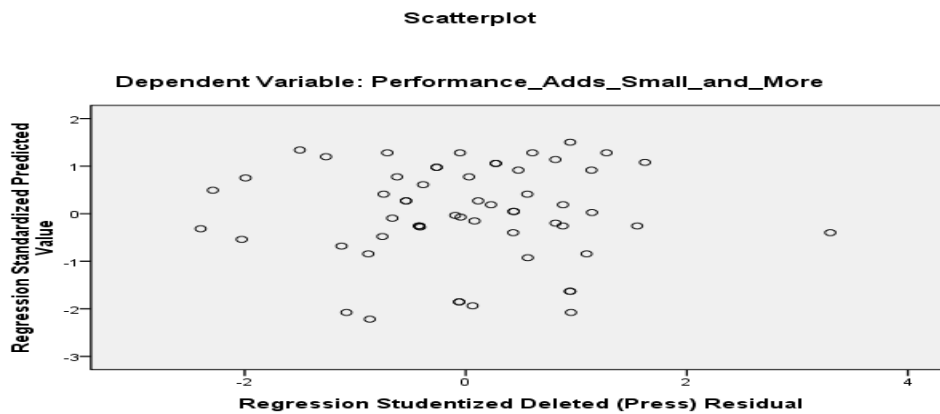
a. Dependent Variable: Performance_Adds_Small_and_More

Source: Results of SPSS Processing Version 16.0

Based on table 3 above it can be seen that the Variance Inflation Factor (VIF) number is smaller than 10, among others, self-efficacy is 1.767 <5,

locus of control 1,767 <5, and Tolerance self-efficacy 0.566 > 0.10, locus of control 0.566 > 0.10, so it is free from multicollinearity.

c. Heteroscedasticity Test



Based on Figure 14 above, the scatterplot image shows that the resulting spots are randomly distributed and do not form a certain line pattern or trend. The image above also shows that the distribution of data is around zero. From the results of this test shows that this regression model is free from the problem of heteroskedastisitas, in other words: the variables to be tested in this study are homoscedasticity.

Multiple Linear Regression

The formula for multiple regression analysis is as follows:

$$Y = \alpha + b_1X_1 + b_2X_2 + \epsilon$$

Table4: Multiple Linear Regression Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	2.845	1.287		2.211	.031		
Self_Efficacy	.497	.089	.568	5.613	.000	.566	1.767
Locus_Of_Control	.315	.096	.333	3.289	.002	.566	1.767

a. Dependent Variable: Performance_Adds_Small_and_More

Source: Results of SPSS Processing Version 16.0

Based on table 4 the obtained multiple linear regression as follows $Y = 2,845 + 0,497 X_1 + 0,315 X_2 + \epsilon$

Interpretation of multiple linear regression equation is:

1) If everything on the free variables is considered zero then the value of the performance of small and medium enterprises (Y) is 2,845.

2) If there is an increase in self-efficacy of 1, then the performance of small and medium enterprises (Y) will increase by 0.497.

3) If there is an increase of locus of control of 1, then the performance of small and medium enterprises (Y) will increase by 0.315.

Simultaneous Significant Test (F Test)

Table 5: Simultaneous Significant Test (F Test) ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	283.639	2	141.820	58.892	.000 ^a
	Residual	132.447	55	2.408		
	Total	416.086	57			

a. Predictors: (Constant), Locus_Of_Control, Self_Efficacy

b. Dependent Variable: Performance_Adds_Small_and_More

Source: Results of SPSS Processing Version 16.0

Based on table 5 above can be seen that Fcount of 58.892 and significance value significantly smaller than 0,05 $0.000 < 0,05$, then regression model can be said that in this research

self-efficacy and locus of control simultaneously have positive effect and significant to the performance of small and medium enterprises.

Partial Significant Test (t test)

Table6: Partial Significant Test (t test) Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	2.845	1.287		2.211	.031		
Self_Efficacy	.497	.089	.568	5.613	.000	.566	1.767
Locus_Of_Control	.315	.096	.333	3.289	.002	.566	1.767

a. Dependent Variable: Performance_Adds_Small_and_More

Source: Results of SPSS Processing Version 16.0

Based on table 1.6 above can be seen that:

1) Effect of self-efficacy on the performance of small and medium enterprises.

t count is 5,613 and significant is 0.000, $<0,05$, H_0 is rejected and H_a accepted, self-efficacy affects partially on small and medium business performance.

- 2) The influence of locus of control on the performance of small and medium enterprises.

t count of 3.289 and significant by 0.002 $<0,05$, then H_a accepted and H_0 rejected, which states locus of control

partially affect the performance of small and medium enterprises.

Coefficient of Determination

Determination coefficient analysis is used to determine the percentage of the variation of the influence of independent variables on the dependent variable.

Tabel 7: Coefficient of Determination Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.826 ^a	.682	.670	1.552

a. Predictors: (Constant), Locus_Of_Control, Self_Efficacy

b. Dependent Variable: Performance_Adds_Small_and_More

Source: Results of SPSS Processing Version 16.0

Based on table 7 above can be seen that the number Adjusted R Square 0.670 which can be called the coefficient of determination in this case means 67.0% performance of small and medium enterprises can be obtained and explained by self-efficacy and locus of control. While the remaining $100\% - 67.0\% = 33.0\%$ is explained by other factors or variables outside the model.

5. DISCUSSION

Effect of Self-Efficacy Variable on Small and Medium Business Performance

The self-efficacy variable is the variable that partially influence the performance of small and medium business with t calculate 5,613 and sig = 0,000 $<0,05$, so there is significant influence between self-efficacy with the performance of small and medium business in Kecamatan Medan Perjuangan. Self-efficacy owned by individuals becomes the determinant of one's business success. That is, UMKM entrepreneurs who have confidence that he is able to run his business well will determine the success of his business. Individuals with high self-efficacy will be confident and able to overcome various problems faced in running their business. In addition, entrepreneurs with high self-efficacy are also convinced that their skills and abilities will facilitate the achievement of its business targets. Thus, the entrepreneur's self-confidence in his ability to run his business is an important initial capital to achieve business success.

The results of this study show that self-efficacy is an important determinant for one's success, supporting the theory and results of previous research. For entrepreneurs, self-efficacy means related to the process of running their business such as the ability to understand the

business, the ability to solve various business problems and the ability to carry out the responsibility in their business activities. Entrepreneurs who have confidence in their abilities will tend to achieve success in their business. Individuals with high self-efficacy tend to be happy in their work and life in general. In addition, the individual is also more often innovate in his work. In the context of the business world, entrepreneurs with high self-efficacy will tend to feel happy and enjoy the business they run. The entrepreneur will be easier and more confident in solving various business problems that he faced with various initiatives and innovations. In addition, prior empirical research has indeed supported that self-efficacy is the determinant of one's success, both in career (Strauss, 2005), work (Pillai and Williams, 2004) and manager effectiveness (Luthans and Peterson, 2002).

The Influence of Locus Of Control Variable On The Performance Of Small and Medium Enterprises

The locos of control variable is a variable that partially affect the performance of small and medium enterprises with t calculate 3,289 and sig = 0,002 $<0,05$, so there is significant influence between locus of control with performance of small and medium business in Kecamatan Medan Perjuangan. A well managed locus of control by the individual will be able to improve the performance of his previous business which has been good will be better, this is supported by the performance measurement of entrepreneurs that increasingly good influence the measurement of the performance of small and medium enterprises in this study. Overall the locus of control

contributes positively to improving the performance of small and medium enterprises. This means that the higher the locus of control a person the higher the performance of his business. This finding is in line with the statement of Ivancevich, et.al (2007) that locus of control is one of the factors affecting performance because when they perform well they are convinced that it is due to their effort or skill. So the conclusion is the locus of control is the effort that is issued by someone in accordance with the ability that is owned, so that the entrepreneur will produce the best performance.

6. CONCLUSION

Based on the research that has been done about "The Effect Of Self-Efficacy And Locus Of Control To The Performance Of Small And Medium Scale Enterprises", it can be concluded as follows:

1. Based on the results of the overall regression shows that self-efficacy has a positive and significant effect on the performance of small and medium enterprises. These results provide empirical evidence that the higher levels of self-efficacy clearly stated and specific can improve the performance of small and medium enterprises in Kecamatan Medan Perjuangan. That is, the entrepreneurs who have the confidence that he is capable of running a particular business or he is convinced that his ability can be used to run the business will tend to be able to achieve success in the business it runs it.
2. Based on the results of the overall regression shows that the locus of control has a positive and significant impact on the performance of small and medium enterprises. These results provide empirical evidence that the higher levels of locus of control are clearly stated and specific can improve the performance of small and medium enterprises. This is in line with the locus of control theory which enables the behavior of entrepreneurs in conflict situations to be influenced by the internal locus of control characteristic in which the internal locus of control is a way of viewing that all good or bad results are due to capacity actions and factors in themselves. The internal innate locus of control features are those who believe that an event is always within its control span and is likely to take a more ethical and independent decision.

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