

Influence of Innovation, Market Orientation, Entrepreneurial Orientation, On Managerial Skills and Marketing Performance on Umkm Fish Bandeng in South Sulawesi

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Abstract

The role of Small and Medium Enterprises (MSMEs) in the Indonesian economy is not yet optimal. MSMEs are a source of production and technological innovation, creative and innovative entrepreneurial growth, creation of skilled workers and flexibility of production processes to deal with changing market demands. According to Drucker (2012), innovation is a specific tool for companies where innovation can explore or take advantage of changes that occur as an opportunity to run a different business. Even according to Kotler stated that the average return on innovation reaches 50 percent or more of a company's total revenue. Hypothesis testing is a test between variables with a moderating effect on the managerial ability variable. The market orientation of milkfish SMEs in South Sulawesi has been highlighted by respondents, especially on several indicators, including those related to the Value Orientation indicator (X2.4). Leadership style has a positive but significant effect on the marketing performance of milkfish SMEs in South Sulawesi. This study provides theoretical implications in understanding the role of market orientation on marketing performance. The higher the managerial ability of MSMEs, the better their marketing performance will be.

Keywords: Innovation, Market Orientation, Entrepreneurship Orientation, Ability and Performance

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I. Background

Some MSMEs still have various external weaknesses such as lack of ability to adapt to strategic environmental influences, lack of deft in business opportunities, lack of creativity and innovation in anticipating various challenges as a result of a prolonged economic recession. . Experience in developed countries shows that MSMEs are the source of production and technology innovation, creative and innovative entrepreneurial growth, skilled workforce creation and the flexibility of production processes to deal with changing market demand that is increasingly diverse and increasingly specific. Not optimal role of Small and Medium Enterprises (MSMEs) in the Indonesian economy plays a very central role, because of government policies and supporting regulations. So that in the implementation of Small and Medium Enterprises (MSMEs) still face various problems. According to Urata (2000) the problems faced by Small and Medium Enterprises (MSMEs) can be grouped into two, namely financial problems and non-financial problems (management organizations).

Kuncoro (2006) stated that the problems of Small and Medium Enterprises (MSMEs) can be grouped into two, namely internal problems and external problems. Internal problems faced by Small and Medium Enterprises (MSMEs) are: Low quality of human resources such as lack of skilled human resources and lack of entrepreneurial spirit, low mastery of technology and management and market information. Now the development of a very dynamic business environment affects every company, both large and medium-sized companies, and small companies. Rapid technological changes and product variations are two factors that significantly influence business development, so often the pre-selected flagship strategy is no longer adequate. Therefore the selection and determination of new strategies is necessary for more competitive companies.

The competitive advantage factors that must be owned by every company to be able to compete in the world market are mainly: mastery of technology, human resources (workers, managers) with quality and have a high work ethic, creativity and motivation; high efficiency and productivity in the production process; good quality and quality of goods produced, good management system and organizational structure; High level of entrepreneurship, an entrepreneur who is very innovative, creative and has a broad vision of his products and the environment around his business (economic, social, political, etc.) and how to be right (effective and efficient) in the face of tight competition in the global market. Furthermore, from a resource-based strategy point of view, emphasizing the importance of resources and the ability to develop the competitiveness of the company

According to Drucker (2012) innovation is a specific tool for companies where with innovation can explore or utilize the changes that occur as an opportunity to run a different business. It can be presented as a discipline, learning, and practiced.

In fact, according to Kotler, the average return on innovation reaches 50 percent or more of the company's total revenue. More specifically in relation to innovation and marketing performance some researchers have also proven the positive influence of innovation with marketing performance. Agarwal et al., (2003) examined the influence of innovation on objective performance as measured by occupancy and market share rates, and objective performance measured using service quality and consumer satisfaction. Agarwal et al., (2003) research found that innovation has an influence on marketing performance both as measured by an objective approach (occupancy and market share) and with a subjective approach (quality of service and consumer satisfaction).

By making innovations, companies hope to be able to create completely new products or others from the previous one or make products that are improvements of existing products. In consuming a product, consumers are not only limited to looking at the value or function of a product needed, but consumers also pay attention to whether the selected product has added value or advantages compared to other similar products.

This desire must be understood by the manufacturer as a foundation for the innovation process. The development of successful innovation will be the right strategy to maintain the position of the product in the market, because most of the competing products appear static from year to year. (Steve Kensinger, 2000,).

Related to the problem of innovation in SMEs, some studies found that innovation has an influence on the marketing performance of Prajogo (2006), Jimenez & Valle (2011) and Rofiaty (2011). Innovation itself is divided into: product innovation, process innovation and managerial innovation (Jimenez & Valle, 2011). Kamhawi's research results (2010) also resulted in findings that innovation has an effect on organizational performance. Rhee et al., (2009) and Hilmi et al. (2010) found that there was no influence between innovation and marketing performance. But some other studies actually give different results, namely Mavondo et al., (2005) states that product innovation does not have a significant influence on marketing effectiveness. In addition to Mavondo et al., (2005), Darroch (2005) in his research on industry in New Zeland also found that innovation has no influence on performance both as measured by financial performance and non-financial performance, namely market share and sales growth. The current state of the business world requires companies to take strategic steps in the future after the economic crisis. Crisis conditions are characterized by conditions of high environmental uncertainty and turbulence (Govindarajan, 2000). Facts show that despite having a number of advantages that allow small and medium-sized micro enterprises (MSMEs) to survive the storm of crisis, not all small businesses can escape the adverse consequences of the economic crisis (Handoyo, 2011). This is because MSMEs have a dynamic and uncertainty business environment (such as competitors, customers, suppliers, regulators and business associations), as well as a fairly high competitive intensity.

It cannot be denied that this is a trigger that causes the emergence of performance and productivity inequality between MSMEs and large-scale businesses. The cause of weak performance and productivity of MSMEs is suspected to be strong because of the weak character of entrepreneurship and not optimal managerial role in managing business in the fast-changing business environment as it is today. Small and Medium Enterprises have an important and strategic role for the economic growth of countries, both developing and developed countries. At the time of the economic crisis in Indonesia, Small and Medium Enterprises are the sectors of the economy that have the best resilience. The ability of Small and Medium Enterprises needs to be empowered and developed continuously by trying to reduce the constraints experienced by Small and Medium Enterprises, so as to make a maximum contribution to the improvement of community welfare.

In addition to business strategy, the company's entrepreneurial orientation also plays a role in achieving success. The entrepreneurial orientation is known as a new approach in the renewal of company performance. Entrepreneurial orientation is touted as a spearhead (pioneer) to realize sustainable and highly competitive corporate economic growth. Entrepreneurial-oriented companies will always strive to produce innovative new products and have the courage to face risks. Entrepreneurial orientation and business strategy are seen as having the ability to improve a company's performance.

For informal sector actors as self-employed people it is not enough to just have courage, creativity, dynamic and understand needs, but they need to get protection in wisdom. An entrepreneur is not a printed human being but someone who has prominent personal qualities that appear to be the attitudes, motivations and behaviors underlying Tarmudji (2010). The entrepreneurial spirit cannot stand only within itself, but the entrepreneurial spirit has to do with the economic system as a whole. Therefore, entrepreneurial creativity in order to develop must require a supporting environment in the form of business facilities of coaching and development.

MSMEs who strive to improve their company's performance need to pay attention to two things, namely entrepreneurial orientation and business strategy. Entrepreneurial orientation is a creative and innovative ability that serves as the basis, tips and resources to look for opportunities for success. While the business

strategy is the way the company wins the competition. Both are seen as the foundation in creating better company performance. Given the importance of the role of entrepreneurial orientation and business strategy for MSMEs, an adequate understanding of it is needed in order to improve the performance of MSMEs. Market orientation is a popular term used by practitioners in the field of marketing as an implementation of the marketing concept. Over four decades, market-oriented corporate strategies are seen by academics and practitioners as a key pillar for achieving superior corporate performance both in manufacturing companies and in service companies, Kara (2015).

According to Nilawati (2015), market orientation is a process and activity related to the creation and gratification of customers how to continue to value the needs and desires of customers. Satwika (2018) defines market orientation as the most effective and efficient organizational culture for creating the behaviors needed to create superior value for buyers and generate superior performance for companies. Companies that have made market orientation as an organizational culture will be based on external basic needs, market wants and demands as the basis in the preparation of strategies for each business unit in the organization, and determine the success of the company. Most empirical research on market orientation generally only links market orientation to one dependent variable. Empirical research linking market orientation to multiple performance measurements so as to form interconnected models is still very rare (Baker and Sinkula, 2005).

Empirical research on market orientation generally has two tendencies. First, several studies have shown that measurement of organizational performance between tends to mediate the relationship between market orientation and final organizational performance. Second, some empirical research has identified the role of mediating new product innovations to the relationship between market orientation to organizational performance. The use of aggregate final organizational performance in market orientation research causes the role of mediation variables to become unclear.

Market orientation research has been conducted from various backgrounds of profit oriented companies, as well as non-profit oriented (Kara, 2004) research with the background of manufacturing companies and research with the background of research service companies with a background in developed countries (Castro et al., 2005) and research with a background in developing countries (Ngansathil, 2001; Zebal, 2003), research on companies that do domestic marketing (Narver, 2000) and on companies that do export marketing (Workman, 2004) and research on small companies (Blankson et al., 2005; Duncan, 2000; Choi, 2002). Research on market orientation with various backgrounds has generally proven that market orientation will improve marketing performance (Castro et al., 2005; Kirca et al., 2005; Jain and Bhutia, 2007), but some studies have been unsuccessful in proving that market orientation improves marketing performance (Deshpande et al., 2000, Harris, 2002). In addition, research that tests the direct relationship between market orientation and organizational performance has also not been able to provide clarity on how to convert market orientation into organizational performance (Langerak, 2003). Although some researchers have conducted research on market orientation in small businesses, the research is still very limited especially with a background in developing countries (Kuada and Buatsi, 2005).

Companies that have a high level of market orientation will have high marketing performance. This is because companies that have a high degree of market orientation will have a competitive advantage in terms of; product quality, service quality, product innovation and cost. According to Nerver and Slater (2000) presented the finding that market orientation has a positive effect on marketing performance, while Greenley (2000) found that the relationship between market orientation and marketing performance is less significant. Jain and Bhutia (2007) conducted a study of 600 chief executive officers, chief marketing officers, or senior officers at manufacturing companies in New Delhi India found that market orientation has a positive influence on sales growth, market share and consumer satisfaction. While Castro et al., 2005 conducted a study of 319 financial institutions in two provinces in Spain, from his research obtained that market orientation has an influence on the quality of service, while the quality of service affects consumer satisfaction. Kirca et al., (2005) conducted a meta-analysis of all findings in the market orientation literature. Kirca research (2005) was conducted using two stages of research, namely: the first stage conducted a bivariate analysis of quantitative summary related to the consequences of market orientation, the second stage conducted a multivariate analysis of the overall research to identify the significance of market orientation antecedents and variable processes that mediate the relationship between market orientation and performance. Kirca et al., (2005) research also found that market orientation has an influence on consumer loyalty.

In addition to market orientation, innovation can also be used as one of the strategies in achieving competitive advantage. The main purpose of innovation is to meet market demand so that the innovation product is one that can be used as a competitive advantage for wahyono company (2002). Customers generally want innovative products to their liking. For the company, its success in making innovation means that the company is one step ahead of its competitors. This requires the company's cleverness in recognizing the tastes of its customers so that the innovation it does is ultimately in accordance with the wishes of its customers. Thus innovation must be thoroughly planned and done carefully.

On the other hand, the business world is now starting to embrace new thinking, where entrepreneurship is cited as one of the factors to realize sustainable and highly competitive corporate economic growth. Self-employment means a human activity by exerting the energy of the mind or body to create or achieve a work that can realize the noble human being of Weerawerdena (2003). According to frees (2002) entrepreneurial orientation is the key to improving marketing performance. Companies whose leaders are entrepreneurial oriented have a clear and bold vision to face risks so as to create good performance. Nasir and Handoyo (2003) stated that organizations with entrepreneurial types are associated with low marketing performance. The results showed that companies whose top managers were entrepreneurs turned out to be more low-performance than peak managers who were not entrepreneurs.

Some previous studies have shown that the role of resources as determinants of marketing performance has been well proven by Noe et al., (2006) Ainuddin et al., (2007), and Nasution et al., (2011). Furthermore, Zufadil (2010) explained the results of his research findings that business success certainly requires the ability of an entrepreneur (entrepreneur) in running his business. In order for the business to be successful, an entrepreneur is expected to have the ability to apply management functions (entrepreneur skills) in line with the concept of entrepreneurial orientation.

The act of entrepreneurship has been believed to be an additional capability that can provide diversity and value for the company, as well as contribute to the creation of barney company competitive advantage (2011). At the core of this conception, that companies that have been entrepreneurial-oriented always innovate products, processes and managerial consistently, be autonomous, dare to take business risks and be proactive in the face of competition. also added that entrepreneurial-oriented companies always successfully find new opportunities in their business activities and strengthen their competitive position in the market.

Marketing performance is a measure of the success that a company can achieve in marketing its products in the market (Mulyani, 2015). According to Han et al. (2000) The factors that affect marketing performance consist of environmental factors, product inov, and market orientation. According to Mulyani (2015) innovation is a new process that can be created by companies to develop products, create new products, or update the production and distribution process so that it can compete for new market segments. Suendro (2010) states that product innovation is needed to meet market demand, so that product innovation can be used as a competitive advantage of the company.

Another internal problem that is often faced by SMEs and is a concern for researchers today is market orientation. Davis et al. (2010) states that the growth rate and level of profitability that the company expects can be achieved through improving customer satisfaction, maintaining customer loyalty, attracting new customers, which is reflected through the company's tendency towards market orientation. According to Pramesti (2016) market orientation is the tendency of companies to meet the needs and desires of consumers in order to gain a competitive advantage. Market orientation has three dimensions: customer orientation, competitor orientation, and interfunctional coordination that describes a marketing strategy by focusing its attention on customer and competitor orientation (Aji, 2014).

To explain the factors that affect marketing performance in MSMEs, some researchers use the Resource Based View (RBV) approach. RBV stated that if the company has diverse resources, the company will benefit based on rare resources. Kuncoro (2006) provides answers in creating competitive advantages for a company.

Zimerrer (2005) also added that entrepreneurial-oriented companies can potentially produce more profitable variations of work in the long run. Given the importance of the implementation of orientation in achieving competitive advantage and business success, SME processing needs to develop an entrepreneurial orientation in its business activities. Entrepreneurial orientation can also directly impact the improvement of marketing performance of Wiklund & Shepherd, (2003), Lumpkin et al., (2005); Li et al., (2008); and Nasution ef al., (2010). Many studies have been conducted with the aim of proving whether market orientation results in kara's superior organizational performance (2005). Some research results have proven a strong relationship between market orientation and performance but in general the results of research that tests the causal relationship between market orientation and organizational performance provides the conclusion that market orientation has an influence on the performance of matzuno and Mentzer organizations, 2000; Pitt et al., 1996; Selnes et al., 1996). This is in accordance with what Ellis (2006) put forward in his research entitled "Market Orientation and Performance: A Meta-Analysis and Cross-National Comparisons", states that quantitative evidence obtained from meta-analysis of 56 studies (58 samples) conducted in 28 countries proves that in general market orientation determines the performance of companies. Ellis's findings (2006) support the findings of Kirca et al., (2005) who conducted a study entitled "Market Orientation: A Meta-Analytic Review and Assessment of Its Antecedents and Impact on Performance". Kirca's research (2005) states that market orientation has an influence on overall organizational performance. However, research that tests the relationship between market orientation and organizational performance using marketing performance indicators such as market share, sales growth, consumer satisfaction and consumer loyalty still provides contradictory results.

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II. Rivew Literature

According to Law No. 19 of 2002, Innovation is a research, development, and/or engineering activity conducted with the aim of developing the practical application of new scientific values and contexts, or new ways to apply existing science and technology into the product or production process. Stephen Robbins: Innovation is a new idea that is applied to initiate or update a product or process and service. Everett M. Rogers is an idea, idea, ojek, and practice that is based and accepted as a new thing by a certain person or group to be applied or adopted. Kuniyoshi Urabe Innovation is not a one-time phenomenon, but a long and cumulative process that includes many decision-making processes in and by organizations from the discovery of ideas to their implementation in the market. Van de Ven, Andrew H, Innovation is the development and implementation of new ideas by people over a period of time that are carried out with various transaction activities within a given organizational order. Sa'ud (2014),

Innovation is the creative choice, setting and set of new human and material sources or using unique means that will result in the improvement of the expected goals. Nurdin (2016) Innovation is something new that is by introducing and doing new practices or processes (goods or services) or it can also be by adopting new patterns that come from other organizations According to Rheinald Kasali (2010) said that Innovation is the ability to see things in new ways and sometimes out of the box thinking. While Anshori (2010) argues that Innovation is a summation of the question of why and how. If it is stated in the formula to be "Innovation = Why (Why) + How (How)" or $I = W + H$, where $I =$ Innovation; $W=$ why (Why); and $H=$ How. From some of the above definitions we can see that the definition of innovation given by O'Regan and Ghobadian (2005) tends to emphasize operational management, Kasali's definition focuses more on marketing (Marketing), while Anshori leans more towards strategy management with a wider scope. O'Regan and Ghobadian (2005), define innovation as implementing new ideas that create value. O'Regan and Ghobadian (2005) saw innovation as a new idea that could create added value for the company. A new idea but does not add added value, the results of research on the interconnectedness of entrepreneur competence in innovating with performance until now are still not consistent. Lawless and Anderson's (2000) research found that innovation strategies influence a company's performance, but that influence depends on the complexity of the market at hand. Technology-based innovation and market-based innovation both directly affect organizational performance. Lee and Badri (2007) found that the power of innovation has a positive influence on performance.

In another study conducted by Ayda Eraydin and Bilge Armatli-Korogu (2005), it was found that innovation is important for the successful growth of industrial clusters. Similarly, kirca, jayachandran & bearden (2005) found that innovation has an influence on organizational performance, but this research is not supported by empirical data. Innovation is the successful exploitation of a new idea. Partners, 2001 and the British Council, 2000), or in other words the mobilization of knowledge, technological skills and experience to create new products, processes and services; Innovation is a major function in the entrepreneurial process. According to Prakosa (2005) Innovation is a way to continue to build and develop organizations that can be achieved through the introduction of new technologies, new applications in the form of products and services, the development of new markets and introducing new forms of organization, the fusion of various aspects of

innovation in turn forms the arena of innovation. According to Han et al. (2000) suggests that innovation is not only fixated on technical problems but also related to aspects of organizational administration. But the ideal company becomes an institutionalized place for people who gather to exploit new ideas. (Myers and Marquis, 2003).

Kotler (2007) defines product innovation as a combination of a wide variety of processes that influence each other. Kojo and Lintong (2018) innovation management is a tool used by organizations or companies to develop organizational products and innovations or in other words innovation management is the management and organization of a process. Nasution (2005) stated that product innovation is a new product or service introduced to the market. Product innovation is categorized as a new product for the world According to Rizki Zulfikar (2018: 292) presents an important statement about market orientation:

Market orientation is seen as an organizational culture that has an efficient impact on shaping the periilaku to create a superior nilai for the performers in this way as a whole making for superior business performance. Luke & Ferrell in Bagas Prakosa (2005), that "market orientation is a process of generating and providing information for the purpose of creating superior value for consignments." According to Narver and Slater in Bagas Prakosa (2005) "Market orientation is an orientation concept that focuses on creating high values for consumers." Amrulloh (2017) defines the orientation of entrepreneurship is a reflection of the inherent nature of entrepreneurs or the character and characteristics that exist in entrepreneurs and are strong-willed to realize the ideas or thoughts they have.

Lumpkin et al., (2005) distinguish between entrepreneurial orientation and entrepreneurship (entrepreneurship Wiklund & Shepherd (2005) concluded that knowledge-based resources and entrepreneurial orientation positively affect business performance in SMEs. Research Li et al. (2008) concluded that entrepreneurial orientation has a strong relationship with business performance. This research uses the concept of measurement of variable entrepreneurial orientation in reference to the research of Fairoz & Hirobumi (2010). According to Latif (2008) define managerial skills related to conceptual skills, human skills, technical skills and political skills. Several empirical studies show results that managerial ability is examined for increased innovation in UMKM Populova & Mokros (2007).

In explaining about management abilities, the researchers used different perspectives. The Liang Gie in Maman (2000) states managerial competence is the ability to move people and move facilities in an organization. In another part

Winardi (2005: 94) defines managerial ability is the ability to take actions – planning, organizing, implementation, and supervision actions carried out to determine and achieve the goals that have been set. Furthermore, Latif 2002 stated that although researchers have different thoughts in determining the various attributes of managerial effectiveness, there are basically 3 important components, namely appropriate behavior, motivation and ability (skill). Almost the same as Winardi's opinion, according to Siagian P. Sondang (2007) that: "Managerial ability is the ability to manage businesses such as planning, organizing, motivating, supervision and assessment".

Furthermore, according to B.S. Wibowo (2002: 14) stated that: "If we want to succeed, then we must have "managerial skills" including spiritual energy, emotional skills, intellectual strength, physical qualities and mastery of applied technology. A simpler and more practical concept is also explained by Ferdinand (2002) who states that good marketing performance is expressed in three main quantities: customer growth, sales growth, and market portion, which ultimately boils down to the company's profits.

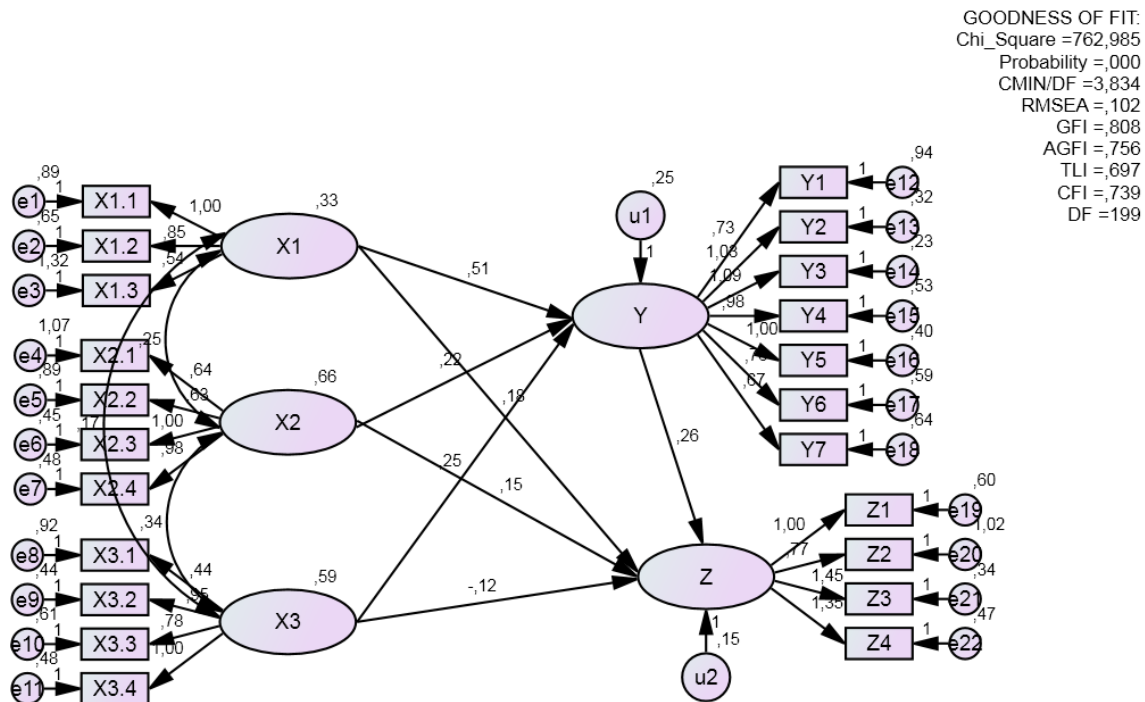
III. Research Methods

The research approach is a thorough plan of research covering the things that researchers will do ranging from making hypotheses and implications operationally to the final analysis of data that is further concluded and given advice. A research design states, both the structure of the research problem and the investigation plan that will be used to obtain empirical evidence about the relationships in the problem. This study uses explanatory research that is causality describes a relationship between variables through hypothesis testing (Ghozali, 2004). The location of the search in the province of south Sulawesi is a small business in the city of Makassar. As for the population of 910, many numbers of samples then researchers use the formula slovin in this formula with a precision of 5% then the number of samples as many as 271 samples. Data analysis using SEM analysis

IV. Results and Discussions

Based on the way of determining values in the model, the first model testing variable is grouped into exogenous variables and endogenous variables. Exogenous variables are variables whose values are determined outside the model while endogenous variables are variables whose values are determined by equations or from the model of relationships formed. Including exogenous variables are; innovation, market orientation,

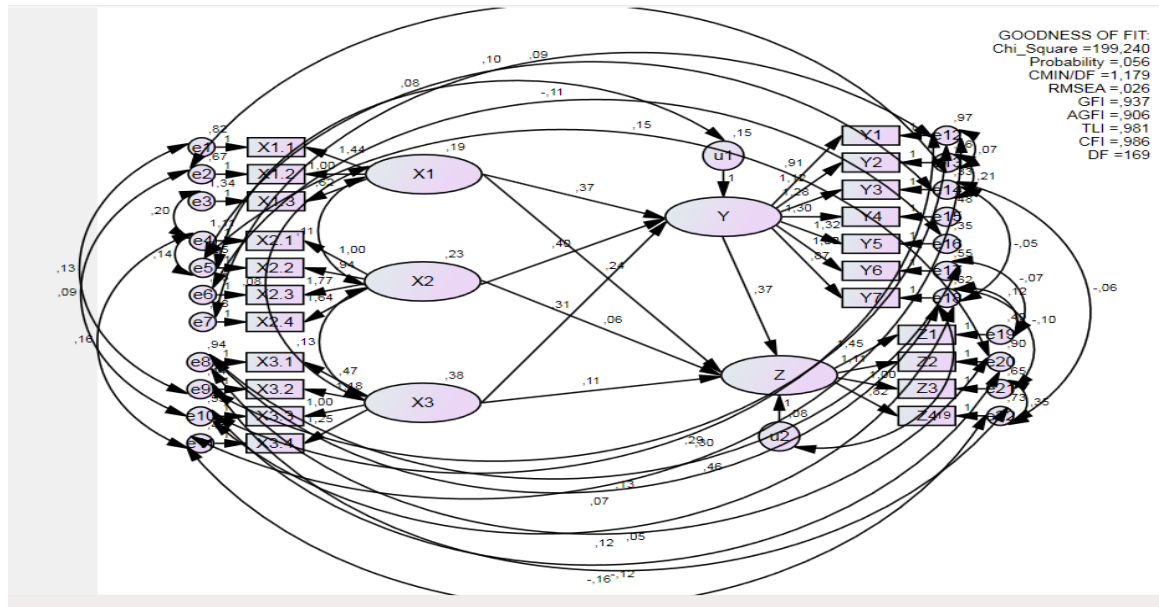
entrepreneurial orientation while those that include endogenous variables are; managerial skills, marketing performance. The model is said to be good when the development of the hypothetical model is theoretically supported by empirical data. The results of the structural equation modelling (SEM) analysis are in full seen in the following image



From the results of the model shows from eight criteria goodness of fit indices seen chi-square value is still too large from the overall criteria has not matched the specified cut off value (seen in Table 21) so it is necessary to do correlation between error indicators in accordance with the instructions of modification indices. Here is the Evaluation table of Goodness of Fit Criteria INITIAL MODEL by Including All Indicators That Measure Variables / Constructs in The Analysis Model

Goodness of fit index	Cut-off Value	Model Results	Information
Chi_square	Expected to be small	762,985 <(0.05: 199 =232,911)	Marginal
Probability	≥ 0.05	0.000	Marginal
CMIN/DF	≤ 2.00	3.834	Marginal
RMSEA	≤ 0.08	0.102	Marginal
GFI	≥ 0.90	0.808	Marginal
AGFI	≥ 0.90	0.756	Marginal
TLI	≥ 0.94	0.697	Marginal
CFI	≥ 0.94	0.739	Marginal

The results of the analysis after the final model obtained are as follows;



The results of the suitability of the evaluation of the initial model in the early stages are seen from the eight criteria of goodness of fit indice, the existence of a model that is quite fit or marginal between the data and the model. This is evident from the delapn index values, the marginal ones are chi-square, probability, CMIN/DF, RMSEA, and TLI. While GFI, AGFI, and CFI have met the established standards and need to be modified models in accordance with the instructions of modification indices. Modification indices is a calculation to make changes to the number where the number below indicates the minimum value of chi-square that will decrease if the corresponding variable is connected. After modification of the model, the final stage obtained has shown that all the criteria of goodness of fit indices have met the cut-off value, so that the model can be said to have conformed to the criteria of goodness of fit indices for further analysis. Based on the empiric model proposed in this study, testing of hypotheses submitted through coefficient testing on structural equation models for direct influence and indirect influence (through moderation) path coefficients in smartPLS applications. Then explained also the direct influence and positive / negative influence directly between variables, the indirect influence is the moderating effect of existing variables.

	Variable			Direct	Indirect	Total	P-Value	Ket
Hip	Independent	Intervining	Dependent					
1	Innovation (X1)	-	Managerial Ability (Y)	0,279	-	0,279	0,018	(+) Significant
2	Market Orientation (X2)	-	Managerial Ability (Y)	0,329	-	0,329	0,000	(+) Significant
3	Entrepreneurial Orientation (X3)	-	Managerial Ability (Y)	0,332	-	0,332	0,000	(+) Significant
4	Innovation (X1)	-	Marketing Performance (Z)	0,235	-	0,235	0,038	(+) Significant
5	Market Orientation (X2)	-	Marketing Performance (Z)	0,060	-	0,060	0,489	(+) Insignificant
6	Entrepreneurial Orientation (X3)	-	Marketing Performance (Z)	0,150	-	0,150	0,023	(+) Significant
7	Managerial Ability (Y)	-	Marketing Performance (Z)	0,484	-	0,484	0,000	(+) Significant
8	Innovation (X1)	Managerial Ability (Y)	Marketing Performance (Z)	0,279	0,135	0,414	0,796	(+) Insignificant
9	Market Orientation	Managerial	Marketing	0,329	0,159	0,488	0,006	(+)

	(X2)	Ability (Y)	Performance (Z)					Significant
10	Entrepreneurial Orientation (X3)	Managerial Ability (Y)	Marketing Performance (Z)	0,332	0,161	0,493	0,001	(+) Significant

Furthermore, the following hypothesis testing is a test between variables with the effect of moderating managerial sustainability variables (Y) the values analyzed are values on t-statistics resulting from the output of AMOS software by comparing with the values of t-tables. AMOS software output is an estimate of latent variables that are linear aggregates of indicators. Discussion in research The influence of innovation has a positive and significant effect. This is in line with the results of research Aditya Halim, M.Anshor, Akmal Abdullah (2018) Innovation, Market Orientation, Competence and entrepreneurial orientation influence on competitive excellence and marketing performance in seaweed processing MSMEs in South Sulawesi with the results of leadership strategy, knowledge management and business orientation has a significant effect on the performance of SMEs. The influence of market orination, Intelectual Capital and learning orientation towards innovation with research results There is a significant influence between market orientation, intellectual capital, and manager learning orientation towards innovation and performance of four- and five-star hotels in East Java. The market orientation in the bandeng fish MSMEs in South Sulawesi has been highlighted by respondents, especially on several indicators, including those related to the Value Orientation indicator (X2.4) which is on average rated high with a mean value of 3.79, meaning that by providing the same opportunity to all MSME actors to conduct Market Orientation can be one way to improve the orientation of the market. This will have an impact on the increasing managerial ability. Entrepreneurial Orientation is a reflection of the inherent nature of entrepreneurs or the character and characteristics that exist in entrepreneurs and willpower to realize ideas or thoughts that they have according to Amirulloh (2017). Research conducted by Agesti Wulandari (2013) Influence of customer orientation, competitor orientation and innovation on managerial capabilities with the results of customer orientation research has a positive and significant effect on the performance of cigarette MSMEs in Jepara. This is in line with the research presented by respondents where the orientation of entrepreneurship has a significant effect on managerial ability can be seen from the test results with a value of 0.329. This research provides theoretical implications in understanding innovation based on respondents' responses to the marketing performance of bandeng fish MSMEs in South Sulawesi. Based on the results of the research, it was proven that the leadership style had a positive but significant effect on the marketing performance of msme fish bandeng in South Sulawesi. This positive influence gives the meaning that the more innovation applied to msme fish bandeng in South Sulawesi, then marketing performance will also increase, although the increase is relatively small or less meaningful to changes in performance. The findings of this study showed a significant influence of innovation on marketing performance, especially MSMEs in South Sulawesi, because respondents viewed that the innovation applied within the scope of bandeng fish MSMEs in South Sulawesi was in line with consumer expectations. This research provides theoretical implications in understanding the role of market orientation based on respondents' responses to marketing performance, especially msme fish in South Sulawesi. This research has theoretical implications in understanding the role of entrepreneurial orientation to marketing performance. Based on the results of research, it is proven that the orientation of entrepreneurship has a positive and significant effect on marketing performance that is, the higher the entrepreneurial orientation towards marketing performance, which is increasing. This research provides theoretical implications in understanding the role of managerial abilities based on respondents' responses to marketing performance, especially msme actors in South Sulawesi. Based on the results of research, it is proven that managerial ability has a positive and significant effect on marketing performance. That is, the higher the managerial ability in UMKM fish bandeng, then marketing performance will also increase. The results of research that has been conducted on MSMEs in South Sulawesi, prove that the influence of innovation does not have a positive and insignificant effect on performance improvement if dimedasi by job satisfaction factors. The results of research that has been conducted on msme players in South Sulawesi, prove that market orientation has a positive and significant effect on improving performance if it is enhanced by marketing performance through managerial capabilities. This significant result means that the influence of market orientation on marketing performance through managerial ability.

V. Conclusion

Leadership Strategy research, management insights and business directions have an important influence on the ability of SMEs. Market Direction which are found in milkfish MSME actors in South Sulawesi, have been highlighted by respondents in particular on some markers, including those related to the Directional Number marker (X2.4).

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