

Identification Of The Sustainability Of Culinary SMEs During The Covid-19 Pandemic

Widji Astuti^{1*}, Fajar Supanto², Bambang Supriadi³

¹²³University Of Merdeka Malang

^{*1} widji_asttk@yahoo.com

Abstract

Business sustainability is entrepreneurial success. Measurement of business sustainability is social, economic and environmental. This study aims to identify determinants of business sustainability, especially in culinary SMEs during the COVID-19 pandemic. The Data collected using questionnaires from surveys were analyzed using quantitative descriptive statistics. The results show that millennials are culinary entrepreneurs. Successively, business sustainability is shaped by economic, social and environmental. The most appreciated is the economy through a statement of in the midst of the Covid 19 pandemic, being able to provide welfare to staff. Culinary SME managers in the study are still weak in paying attention to the environment in building sustainable businesses, through use of ecogreen materials and products.

Keyword : *Entrepreneurial, Business Sustainability, Culiner SMEs, Covid-19*

Introduction

Ensuring business development and sustainability is a success as an entrepreneur. Entrepreneurship was studied in management disciplines many years ago, because a great business is built on piles of effort. Schumpeter (1952) has laid the foundations of entrepreneurship with ideas that are still proven consistent today by building on three concepts namely market, enterprise and evolution. The market is where supply and demand meet, companies are entrepreneurs who implement innovations to produce products offered in order to meet needs; Evolution is change that is made and inevitable. The key word of the three concepts is entrepreneurship. Entrepreneurship studies have contributed significantly to many management studies exploring how in economic, social, organizational, and institutional contexts. However, it is important to evaluate entrepreneurship (Jones and Daniel, 2006) from the perspective of entrepreneurial needs. This is an opportunity to renew the research agenda for entrepreneurship studies, build on existing strong roots, and take advantage of the progress made in the study of entrepreneurial competencies (Entrepreneurial skills) from the perspective of entrepreneurs.

There have been many efforts by the government and entrepreneurship observers in ensuring the development and sustainability of small and medium enterprises through capital assistance programs (Widji, 2009), technology grant programs (Widji, 2009), technology skills training programs (Widji, 2006), etc. However, not all efforts can be absorbed by SMEs and succeed as programmed. The main weakness is that this program

is top-down and not bottom-up, not participatory, so it is necessary to evaluate the program from the perspective of the needs of small and medium enterprises.

On the other hand, the presence of the COVID-19 pandemic has tested the resilience of culinary SMEs. Policies on reducing community mobility, transportation, social distancing, health protocols and the implementation of PPKM have implications for low dine-in in culinary SMEs. Thus, it is necessary to study culinary SMEs that have survived during the COVID-19 pandemic to determine the shape of the sustainability of culinary SMEs.

Literature Review

Sustainability, despite its inherent difficult to be properly defined (Lélé, 1991; Glavič and Lukman, 2007), has become a major issue when seen from an organisational perspective. As previously pointed out by several authors (e.g. Atkinson et al., 1997; Neely et al., 2002; Epstein and Roy, 2003), since sustainability has had its role increased in several aspects of management, one issue has arisen: how to better understand the way sustainability has been taken into account in terms of performance measurement by the firms. There is no single definition of sustainable business, as there is for sustainable development (Azapagic, 2003). A lack of a common accepted definition of sustainable business is the most critical problem because the definition is a fundamental tool to carry out new policies and actions. Coml (2009) says that sustainable business is a business that contributes to an equitable and ecologically sustainable economy. Sustainable business is a new, radical paradigm that considers the ecological, social, and economic Triple Bottom Line (TBL), impacts in a way that will not compromise the needs of future generations (Azapagic & Perdan, 2000; Welford, 2000). The environmental area consists of environmental impacts related to an organization's diverse activities, products, and services. The economic area includes an organization's economic values. The social area is related to wider responsibilities that business has to communities within which it operates and to society in general, including both present and future generations.

An indicator is a measurement that shows the status of an environmental, economic, or social system over time. The goals of indicators are: (1). to monitor and evaluate effectiveness and performance of goals and targets of sustainable business (Bennett & James, 1999; Parris & Kates, 2003); (2). to communicate to diverse stakeholders (Thompson, 2002). Indicators can help stakeholders, including the public, decision makers, and managers, to assist in decision making about sustainable business (Kuhndt & Geibler, 2002); and (3). to compare actions and performance of firms that may or may not be implementing sustainable business (Kuhndt & Geibler, 2002).

Method

The questionnaires were applied to collect the data on this study. The data collected from the survey were analyzed statistically using Statistical (SPSS) 20.0. The descriptive statistics (i.e., frequency distributions, means, and standard deviations) develop respondent's profiles to summarize the variables. Random sampling applies as a sampling technique. Research respondents are the managers of culinary SMEs in Malang-

East Java, 110 respondent.

Result

Characteristics of respondents in terms of age to describe the management of culinary SMEs are as follows:

Table 1. Respondent's age

No	Age (year)	Σ	%
1	25 – 31	26	23,6
2	32 – 38	51	46,4
3	39 – 44	33	30,0
TOTAL	110	100	

The majority of respondents are aged 32-38 years (46,4%), meaning that the most This means that the majority of culinary SMEs managers are of productive age and new ventura. This shows that the millennial generation has entrepreneurial intentions, interests and motivation.

Descriptive Statistics

The sustainability of culinary SMEs is identified from indicators that refer to the 3 sustainability's pillars, namely social, economic and environmental giving results :

Table 2. Customer Engagement Descriptive

Items	Respondents Answer										Mean
	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		
	F	%	F	%	F	%	F	%	F	%	
The managers builds relationship with customer	34	30,9	58	52,7	18	16,4	0	0,0	0	0,0	4,15
Harmonious relationship between staff and the customer	44	40,0	53	48,2	13	11,8	0	0,0	0	0,0	4,28
The interaction occurs among the hotel customer	33	30,0	60	54,5	17	15,5	0	0,0	0	0,0	4,15
The culinary manager here is the product's responsibility	49	44,5	50	45,5	11	10,0	0	0,0	0	0,0	4,35
Social											4,23
The information presented on social media drives purchases	41	37,3	52	47,3	17	15,5	0	0,0	0	0,0	4,22
In the midst of the Covid 19 pandemic, being able to provide welfare to staff	53	48,2	49	44,5	8	7,3	0	0,0	0	0,0	4,41
The PPKM policy does not change the direction of the culinary business	30	27,3	66	60,0	14	12,7	0	0,0	0	0,0	4,15
The diversity of services and products provides a new experience at every visitor arrival	42	38,2	53	48,2	15	13,6	0	0,0	0	0,0	4,25
Economy											4,26
Reduce employee stress by caring about health	35	31,8	57	51,8	18	16,4	0	0,0	0	0,0	4,15
Reduce consumpti pressure by focusing on service delivery	34	30,9	64	58,2	12	10,9	0	0,0	0	0,0	4,20
Use of ecogreen materials and products	30	27,3	63	57,3	17	15,5	0	0,0	0	0,0	4,12
Stay committed to cleanliness, health, hygiene, safety and green products	34	30,9	60	54,5	16	14,5	0	0,0	0	0,0	4,16
Environment											4,16
Business Sustainability											4,18

The average for *social* is 4.23, which means that respondents agree that it contributes to *business sustainability*, especially The culinary manager here is the product's responsibility. *Economy* obtained by 4.26 means that respondents agree it contributes to *business sustainability* from In the midst of the Covid 19 pandemic, being able to provide welfare to staff. The average *environment* of 4.16, indicates that respondents agree that *environment* contributes to *business sustainability* through a statement of reduce consumption pressure by focusing on service delivery that can describe *business sustainability*. Overall, business sustainability obtained an average of 4.18 which means social, economic and environmental are indications of business sustainability. Successively, business sustainability is shaped by economic, social and environmental. Culinary SME managers in the study are still weak in paying attention to the environment in building sustainable businesses. This can be seen from the lowest mean value in building business sustainability compared to other indicators and below the mean value of business sustainability. Thus, the most appreciated by respondents is the economy through a statement of in the midst of the Covid 19 pandemic, being able to provide welfare to staff. Overall, Use of ecogreen materials and products is the weakest statement appreciated by culinary SME managers.

Conclusion

The results study are in line with the indicators used by Azapagic, A. and Perdan, S. (2000). that explain the measurement of business sustainability consisting of social, economy, and environment. Building a business sustainability is using TBL methods. Economy is a determinant of business sustainability in this study. On the other hand, this research data collect during the Covid-19 Pandemic where customers weakest appreciated ecogreen materials and products is cleanliness, hygiene, health, safety, and environment (CH2SE) are the essential concerns. The main thing that CH2SE is needed to contribute is for the business to be sustainable. The economy reflects the diversity of services and products by providing a new experience at every visit that customers feel after using the services and products offered is a priority for the sustainability of the welfare of staff and companies. The results of this study support the results of research conducted by Parris, T. M. and Kates, R. W. (2003), Epstein, M.J. and Roy, M.J. (2003), and Kuhndt, M. and Geibler, J. V. , (2002), prove that Business sustainability is determined from the resulting economic, social and environmental.

The implication of the findings of this study is that it is very important for the management of Culinary SMEs so that guests are willing to pay more in the midst of the Covid 19 pandemic, so that they are able to provide welfare to staff. This study investigates business sustainability during the Covid-19 pandemic, which still requires the development of studies related to diversity of services and products provides a new experience at every visitor arrival.

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