

STUDY DETERMINANTS FACTOR OF SMALL BUSINESS SUCCESS THROUGH BUSINESS STRATEGY AND INNOVATION AT GOWA REGENCY

HAMSYAH *)

*) The Candidate Doctor of economic in Hasanudin University in Macassar Indonesia

Prof. Siti Haerani, Ph.D (Promotor)

Muhammad Ismail P, Ph.D (Co Promotor)

Yansor Djaya, Ph.D (Co Promotor)

ABSTRACT

The research is aimed to analyzed a direct effect of access to information, the level of competition and business characteristics to Small Business Success and indirect effect through Business Strategy And Innovation At Gowa Regency.

The approach of this research is a quantitative approach and this study using a method of surveying. The location study performed in Gowa Regency in South Sulawesi Province, Population sampling in this study are all small businesses registered in the Department of Cooperatives and SMEs Gowa. Samples were selected randomly (simple random sampling). The determination of this sample using a model using maximum likelihood estimation (ML) . Based on the criteria for determination of the total sample of 140 samples of small businesses. Data analysis was done using structural equation model Structural Equation Modeling or (SEM)

The results of the analysis show that: access to information, the level of competition and business characteristics positive and significant influenced on business strategy and innovation, level of competition negatively affect the success of small industries and information access and business characteristics significant positive effect on the success of small industries

Keyword : *Access To Information, The Level Of Competition, Business Characteristics, Business Strategy, Innovation And Small Business Success*

INTRODUCTION

SME sector has also proven to be a resilient type of business. When the economic crisis hit Indonesia in 1998, SMEs have proved their toughness that was less affected by the crisis. Similarly, when the earthquake struck Yogyakarta in 2006, immediately they can bounce back.

Until now the employment outlook is still fairly promising SMEs so as to arouse people to participate dabbling in the business world. Society as talkative and flocked pioneering entrepreneurs, even for the people in Gowa. According to BPS data Kab. Gowa, the development of small and medium enterprises for four consecutive years experienced a significant development, where the number of SMEs in the district. Gowa in

2009 was 3340 units to 4970 units in 2009, as shown in the table below

Table Reports Growth of SMEs In 2009 - 2013 Gowa Regency

	DESCRIPTION	2009	2010	2011	2012	2013
1	2	3	4	5	6	7
1	MICRO	2024	2215	2150	2327	2327
2	SMALL	1266	1382	1490	2396	2396
3	MEDIUM	50	71	90	247	247
	TOTAL	3340	3668	3730	4970	4970

Source: Ministry of Cooperatives and SMEs Kab. Gowa 2014

Based on the results prasurvey in Gowa district found that 90 percent of small and medium micro enterprises is very difficult to develop their business because of the capital difficult. Besides the low level of education of small businesses have an impact on the various problems encountered. These problems are: (a) incapacity of access and expansion of market share; (b) incapacity access to sources of finance, especially bank; (c) limited access to information; (d) are less able to utilize the technology and transfer of technology; and (e) the weaknesses in the management of the organization and management, and ultimately the quality of the resulting product can not compete with similar products from either by local or from outside the province. In fact, judging from the development of small businesses each year has increased significantly, especially in the years 2011 to 2012. On the basis of this that the authors are interested in taking locations in Gowa regency of South Sulawesi.

Lack of ability to access information resulting in difficult small entrepreneurs to create business strategies and product innovations that have an impact on the success of the business is practiced. As Grant (1995) stated that the main source of internal excellence will be donated by the ability to produce innovation. Thus, the ability to innovate is especially important on market conditions or a high level of competition for a new company. Added by Grant (1995) that in today's era of innovative strategies tend to be the basis and the most successful business organization. According to Tidd, Bessant and Pavit (1998) the company must be aware that the success of the companies affected by the innovations made. Innovation is needed because the environment is always changing. If competitors introduce new products to meet

market demand exists, then the company must respond to the situation. One way to innovate in order not to be abandoned by consumers (Tidd, Bessant, and Pavit, 1998).

Facing the challenges of the future need to improve the ability of small businesses that have a competitive edge, because in today's era of trading each business organization will always be faced with the complexity and uncertainty as a consequence of the changing business environment. Rapid environmental change requires every organization to be responsive and able to adapt to changes in the business environment continuously that can still exist. It required a strategy of empowerment and small business development in a sustainable manner in the solution to the problem of internal and external.

In the increasingly fierce competition and technological advances that can not be dammed, a product the company will grow to a point, where these products will be difficult to distinguish between one another. In order to win in a competition then in today's market the products manufacturers are not only based on product quality, but also depend on the strategy adopted by the company. Related to that there are two strategies that are generally used by the company is a market orientation (Narver and Slater, 1995, p. 134) and innovation (Han et al, 1998, p 35).

The main characteristics of the Micro, Small and Medium Enterprises (SMEs) according to Gunawan (2007) are: 1) generally in trying not to separate managerial position with the owner; 2) using its own workforce; 3) relied on their own capital; 4) partially berbeda not legal and have a relatively low level of entrepreneurship. Another criterion according to Bank Indonesia, namely: 1) ownership by individuals and families; 2) utilize simple technology and labor intensive; 3) the average

level of education is low; 4) most are not officially registered or have not been incorporated as well; 5) does not pay taxes. In the development of these businesses face obstacles or limitations such as: 1) access to the market development, 2) access to sources of capital and financing, and, 3) access to information.

METHODS

This study categorized in terms of its goal of deductive study also called explanatory research which only test the hypotheses developed from the study of theory. This type of research uses a priori hypothesis (based on theory, not based on facts). Furthermore, the data collected and analyzed in this study used a survey method approach. This study in addition to using primary data survey on small businesses, also utilizes secondary data. This research was conducted in the area of Gowa in South Sulawesi. Population samplings in this study are all small businesses registered in the Department of Cooperatives and SMEs Gowa. Criteria for small businesses based on criteria according to Law No. 20 of 2008 on Micro, Small and Medium Enterprises (SMEs). The target population in this study is as much as 5028 small businesses. The research sample will be selected by simple random sampling. To obtain the amount of sample that can be representative of the population, then as an alternative to sampling this study used a minimum sample size of the analysis of Structural Equation Modeling (SEM). With the estimated model using maximum likelihood (ML), is based on the criteria on the number of samples it is $28 \times 5 = 140$ samples of small businesses. The data used in this study are primary data and secondary data. A data collection procedure in this study, using a questionnaire survey and research that has been designed based on the variables of research to achieve the goal of the research is expected. All the variables in this study both independent variables (independent variables) and the dependent variable (dependent variable) was measured using a Likert scale of five gradations. Test to test the validity of the questionnaire that (test of validity) and reliability test (test of realibility). The analysis model is Structural Equation Modeling (SEM) of AMOS statistical software package version 20.

RESULT

Effect of Access To Information (X_1) to Business Strategy (Y_1)

Coefficient of influence variable Access To Information (X_1) to Business Strategy (Y_1) amounted to 0.210 with t value of 4.704 at the significance level 0,000. The coefficient indicates that variable Access To Information (X_1) positive effect on Business Strategy (Y_1). This means that increasing Access To Information (X_1), will be followed by increasing Business Strategy (Y_1) assuming other factors that affect the size Business Strategy (Y_1) considered constant. The correlation value of Access To Information (X_1) with Business Strategy (Y_1) is 0.542 which gives the interpretation that the relations between These two positive variables included in the category of medium.

Effect of Access To Information (X_1) to Innovation (Y_2)

Coefficient of influence variable Access To Information (X_1) to Innovation (Y_2) amounted to 0.344 with t value of 2.634 at the significance level 0,008. The coefficient indicates that variable Access To Information (X_1) positive effect on Innovation (Y_2). This means that increasing Access To Information (X_1), will be followed by increasing Innovation (Y_2) assuming other factors that affect the size Innovation (Y_2) considered constant. The correlation value of Access To Information (X_1) with Innovation (Y_2) is 0.539 which gives the interpretation that the relations between These two positive variables included in the category of medium.

Effect of Access To Information (X_1) to Small Business Success (Y_3)

Coefficient of influence variable Access To Information (X_1) to Small Business Success (Y_3) amounted to 0.172 with t value of 1.916 at the significance level 0,050. The coefficient indicates that variable Access To Information (X_1) positive effect on Small Business Success (Y_3). This means that increasing Access To Information (X_1), will be followed by increase Small Business Success (Y_3) assuming other factors that affect the size Small Business Success (Y_3) considered constant. The

correlation value of Access To Information (X_1) with Small Business Success (Y_3) is 0.496 which gives the interpretation that the relations between These two positive variables included in the category of medium.

Effect of The Level Of Competition (X_2) to Business Strategy (Y_1)

Coefficient of influence variable The Level Of Competition (X_2) to Business Strategy (Y_1) amounted to 0.142 with t value of 3.676 at the significance level 0,000. The coefficient indicates that variable The Level Of Competition (X_2) positive effect on Business Strategy (Y_1). This means that increase The Level Of Competition (X_2), will be followed by increasing Business Strategy (Y_1) assuming other factors that affect the size Business Strategy (Y_1) considered constant. The correlation value of The Level Of Competition (X_2) with Business Strategy (Y_1) is 0.439 which gives the interpretation that the relations between These two positive variables included in the category of medium

Effect of The Level Of Competition (X_2) to Innovation (Y_2)

Coefficient of influence variable The Level Of Competition (X_2) to Innovation (Y_2) amounted to 0.351 with t value of 3.238 at the significance level 0,001. The coefficient indicates that variable The Level Of Competition (X_2) positive effect on Innovation (Y_2). This means that increase The Level Of Competition (X_2), will be followed by increase Innovation (Y_2) assuming other factors that affect the size Innovation (Y_2) considered constant. The correlation of value The Level Of Competition (X_2) with Innovation (Y_2) is 0.542 which gives the interpretation that the relations between these two positive variables included in the category of medium

Effect of The Level Of Competition (X_2) to Small Business Success (Y_3)

Coefficient of influence variable The Level Of Competition (X_2) to Small Business Success (Y_3) amounted to -0.152 with t value of -1.951 at the significance level 0,049. The coefficient indicates that variable The Level Of Competition (X_2) negatively affect Small Business Success (Y_3). This means that with increase of The Level Of Competition (X_2),

will be followed by decrease of the Small Business Success (Y_3) assuming other factors that affect the size Small Business Success (Y_3) considered constant. The correlation value of The Level Of Competition (X_2) with Small Business Success (Y_3) is -0.478 which gives the interpretation that the relations between these two negative variables included in the category of medium.

Effect of Business Characteristics (X_3) to Business Strategy (Y_1)

Coefficient of influence variable Business Characteristics (X_3) to Business Strategy (Y_1) amounted to 0.168 with t value of 3.768 at the significance level 0,000. The coefficient indicates that variable Business Characteristics (X_3) positive effect on Business Strategy (Y_1). This means that increasing Business Characteristics (X_3), will be followed by increasing Business Strategy (Y_1) assuming other factors that affect the size Business Strategy (Y_1) considered constant. The correlation value of increasing Business Characteristics (X_3) with Business Strategy (Y_1) is 0.441 which gives the interpretation that the relations between These two positive variables included in the category of medium

Effect of Business Characteristics (X_3) to Innovation (Y_2)

Coefficient of influence variable Business Characteristics (X_3) to Innovation (Y_2) amounted to 0.259 with t value of 2.168 at the significance level 0,030. The coefficient indicates that variable Business Characteristics (X_3) positive effect on Innovation (Y_2). This means that dengan meningkatnya The Level Of Competition (X_3), will be followed by increasing Innovation (Y_1) assuming other factors that affect the size Innovation (Y_2) considered constant. The correlation value of increasing Business Characteristics (X_3) with Innovation (Y_2) is 0.428 which gives the interpretation that the relations between These two positive variables included in the category of medium

Effect of Business Characteristics (X_3) to Small Business Success (Y_3)

Coefficient of influence variable Business Characteristics (X_3) to Small Business Success (Y_3) amounted to 0.117 with t value of 2.166 at the significance level 0,021. The coefficient

indicates that variable Business Characteristics (X_3) positive effect on Small Business Success (Y_3). This means that increase Business Characteristics (X_3), will be followed by increase Small Business Success (Y_3) assuming other factors that affect the size Small Business Success (Y_3) considered constant. The correlation value of increasing Business Characteristics (X_3) with Small Business Success (Y_3) is 0.420 which gives the interpretation that the relations between these two positive variables included in the category of medium

Effect of Langsung Business Strategy (Y_1) to Innovation (Y_2)

Coefficient of influence variable Business Strategy (Y_1) to Innovation (Y_2) amounted to 0.967 with t value of 2.353 at the significance level 0,019. The coefficient indicates that variable Business Strategy (Y_1) positive effect on Innovation (Y_2). This means that increasing Business Strategy (Y_1), will be followed by increasing Innovation (Y_2) assuming other factors that affect the size Innovation (Y_2) considered constant. The correlation value of increasing Business Strategy (Y_1) with Innovation (Y_2) is 0.768 which gives the interpretation that the relations between These two positive variables included in the category of strong.

Effect of Business Strategy (Y_1) to Small Business Success (Y_3)

Coefficient of influence variable Business Strategy (Y_1) to Small Business Success (Y_3) amounted to 0.300 with t value of 2.189 at the significance level 0.026. The coefficient indicates that variable Business Strategy (Y_1) positive effect on Small Business Success (Y_3). This means that increasing Business Strategy (Y_1), will be followed by increase Small Business Success (Y_3) assuming other factors that affect the size Small Business Success (Y_3) considered constant. The correlation value of increasing Business Strategy (Y_1) with Small Business Success (Y_3) is 0.858 which gives the interpretation that the relations between These two positive variables included in the category of very strong.

Effect of Innovation (Y_2) to Small Business Success (Y_3)

Coefficient of influence variable Innovation (Y_2) to Small Business Success (Y_3) amounted to 0.671 with t value of 4.053 at the significance level 0,000. The coefficient indicates that variable Innovation (Y_2) positive effect on Small Business Success (Y_3). This means that increase Innovation (Y_2), will be followed by increase Small Business Success (Y_3) assuming other factors that affect the size Small Business Success (Y_3) considered constant. The correlation value of Innovation (Y_2) with Small Business Success (Y_3) is 0.84 which gives the interpretation that the relations between These two positive variables included in the category of very strong.

DISCUSSION

Effect of Access To Information to Business Strategy

Effect of variable Access To Information to Business Strategy is positive. This means that increase of Access To Information will be followed by increasing Business Strategy assuming other factors that affect the size Access To Information considered constant. These results indicate that Access To Information significant effect on Business Strategy, This result supports the research Turban (1997) in Herman (2008), explains that the company may benefit from the utilization of strategy. For example, how companies use information technology support (Information Technology / IT) in the preparation of the strategy: (1) leadership cost (cost leadership), (2) differentiation (differentiation) and (3) growth (growth). Besides According to Gibson et al (1997: 210) organization / company must receive effective, processes and information in order to achieve pempraktekkan. Conditions in Gowa which is adjacent to the city of Makassar in general Access To Information tends smoothly for both the flow of information through telecommunications such as mobile phone, landline, radio, television, the Internet and information from print media such as newspapers, magazines and other easily in get by businesses that have a positive impact on the small business corporate strategy formulation. Generally, the

information needed by small businesses is related to the trend products more attractive to consumers. And based on the data in the field found that most small businesses do not know the use of electronic media as a medium for mengaccess To Information the update. Generally they get a product model from its competitors (follower), so as to establish an appropriate strategy is still lacking due to Access To Information earlier.

Effect of The Level Of Competition to Business Strategy

Effect of variable The Level Of Competition to Business Strategy is positive. This means that increase The Level Of Competition will be followed by increasing Business Strategy assuming other factors that affect the size The Level Of Competition considered constant. These results indicate that The Level Of Competition significant effect on Business Strategy, Machaba (2003) stated that the competition may affect small and medium business strategy by generating jiwa kewira-usahaan the attitude to melakukan predictions and take action with respect to environmental changes. Davidsson (1989) stated that in the case the conditions of competition will motivate SMEs to plan a strategy to put a stronger personnel to conduct market share. McCarthy, et al., (1993) said for in entering the competition, SMEs can make a differentiation strategy to survive dalam market share.

Effect of Business Characteristics to Business Strategy

Effect of variable Business Characteristics to Business Strategy is positive. This means that increase Business Characteristics will be followed by increasing Business Strategy assuming other factors that affect the size Business Characteristics considered constant. These results indicate that Business Characteristics significant effect on Business Strategy, This is consistent with the results of research conducted by Maupa (2004), that the characteristics of the individual manager / owner, the characteristics of the company, the external environment of business, and the impact of economic and social policies have a direct impact, positive and significant impact on Business Strategy and business growth. Bairds, et al (1997) revealed that its characteristics such as type of business, company size (number of workers), age enterprise planning system of formal and

available resources to test whether the choice of international strategies adopted by small and medium enterprises exporters effect on export performance.

Effect of Access To Information to Innovation

Effect of variable Access To Information to Innovation is positive. This means that increase Access To Information will be followed by increase Innovation assuming other factors that affect the size Access To Information considered constant. De Meyer and Garg (2005) states that information is an essential resource for the effectiveness of Innovation. Information is very important because information and ideas is the raw material that will be transformed into products. For that there are four actions that need to be considered in order to acquire the Access To Information, namely (1) Access To Information with direct contact (face-to-face contact) by placing the relevant people in the same location or nearby. Another way is to use information technology and communication technology to ensure effective communication with the rest of the organization; (2) Designing the physical structure of the organization such that the placement of people and teams in a place or office support communication among team members and between members of another unit; (3) Designing the organizational structure supporting the communication patterns, integration and openness; and (4) Choosing a reliable gatekeeper who can get the latest and Access To Information relevant for innovative projects.

Effect of The Level Of Competition to Innovation

Effect of variable The Level Of Competition to Innovation is positive. This means that increase The Level Of Competition will be followed by increase Innovation assuming other factors that affect the size The Level Of Competition considered constant. These results indicate that The Level Of Competition significant effect on Innovation, Everett M. Rogers (2003) states that one of the benefits of Innovation is to allow a company to increase sales and profits can be obtained. Innovation undertaken by entrepreneurs intended that the resulting product can truly meet customer satisfaction, both in terms of

production and marketing so as to create a more open opportunities. Entrepreneurship should be eager to Innovation is based on market demand, because the wants and needs of today's consumers are often fickle. Innovation company that is going to be old, ancient, brittle, and can not last long because they can not follow the wishes of the market. With berInnovation, entrepreneurs can adjust to the changes that occur in the market competition.

Effect of Business Characteristics to Innovation

Effect of variable Business Characteristics to Innovation is positive. This means that increase Business Characteristics will be followed by increase Innovation assuming other factors that affect the size Business Characteristics considered constant. Innovation in Business Characteristics of an enterprise is a mechanism for companies to adapt to the dynamic environment in the form of special characteristics that the company viewed from various aspects, so that the company differs from its peers in managing their business. Therefore it is required to create new ideas, new ideas by offering innovative products and increase of services that can satisfy the customer. Relation to the Innovation in Business Characteristics of a company, Fontana (2009) revealed that Innovation is fixing something that already exists, referring to increasing the goods or services for the production of large-scale or commercial production or increasing the system, besides Innovation is adopting something new have been tried successfully elsewhere, referring to the adoption of something new or significantly improved, which is carried out by the organization to create added value, either directly to the organization and indirectly to consumers.

Effect of Access To Information to Small Business Success

Effect of variable Access To Information to Small Business Success is positive. This means that increase Access To Information will be followed by increase Small Business Success assuming other factors that affect the size Access To Information considered constant. Small Business Success in accessing information is the ability of small industries such as the ability to access information technology so as to improve its performance. According

Roosdhani, Wibowo and Widiastuti (2012), Use of Information Technology in mengaccess To Information is still on the things that are general yet synergistically to improve performance or to support the business management efficiently, then the perception of SMEs to the benefit of Information Technology in mengaccess To Information on the business carried on high and in general SMEs have great interest in utilizing information technology in mengaccess to Information required to support the business being operated.

Effect of The Level Of Competition to Small Business Success

Effect of variable The Level Of Competition to Small Business Success is negative. This means that increase The Level Of Competition will be followed by decrease Small Business Success assuming other factors that affect the size The Level Of Competition considered constant. These results indicate that The Level Of Competition negatively affect Small Business Success, bility of small industries in competitiveness (the intensity of competition) in the business market in the face of its competitors is not necessarily successful, in addition to compete with other small industries, small businesses also face competition from big industry. In relation to the intensity of the competition is to increase the success of small businesses, according to Chris Manning, et al (1991) SME sector is part of the economic system of towns and villages that have not received economic assistance from the government or have not been able to use the assistance that has been provided or has received assistance but have not been able developed. SME sector in Indonesia, generally has the characteristics as follows: The business activities are not organized properly, because of the emergence of a business unit does not use the facility / institutional available, does not have a business license, the pattern of the business activities of irregular both in terms of location and hours of work, the general policy of the government to help the economically weak groups do not get to this sector. In general, SMEs in Indonesia is still faced with various problems that hinder business activities. Various obstacles include the difficulty of marketing, financial limitations, limitations of qualified human resources, raw material problems, the limitations of the technology,

supporting infrastructure and lack of government commitment.

Effect of Business Characteristics to Small Business Success

Effect of variable Business Characteristics to Small Business Success is positive. This means that increasing Business Characteristics will be followed by increase Small Business Success assuming other factors that affect the size Business Characteristics considered constant. Business Characteristics Small Industry business is in the form of special features that businesses owned Small Industries seen from various aspects, so that different Small Industry business to its peers in managing their business and ultimately able to improve the company's assets outside loans. Business Characteristics includes four aspects, business stability, capital, type of business and sales targets. Business Characteristics kestabilan expressed at the level of business conditions. the level of capital structure that depends on the company's assets, or perhartian promosi support the government against the type of business carried on, and the achievement of the target set by the company (Herman, 2011). Reviews These results indicate that Business Characteristics significant effect on the Small Business Success, according Payaman J.Simanjuntak (1985: 145) that: the success of the business or the business world is highly dependent on the ability of managerial and entrepreneurial, corporate leaders are taking advantage of opportunities and manage all the resources optimally and productive.

Effect of Business Strategy to Innovation

Effect of variable Business Strategy to Innovation is positive. This means that increasing Business Strategy will be followed by increase Innovation assuming other factors that affect the size Business Strategy considered constant. Business Strategy small industry is the direction and scope of the small industry in the form of long-term mechanism for the company to adapt to a dynamic environment. Therefore it is required to create new ideas, new ideas by offering innovative products and increase of services that can satisfy the customer. Reviews These results indicate that significant effects on Business Strategy Innovation, this results in accordance with Jaruzelski and DeHoff study (2008) showed that there are two factors that affect the company's performance that is strategic alignment and customer focus. Strategic

alignment between strategy refers to the suitability of Innovation to the overall corporate strategy. Customer focus while referring to the company's efforts to give attention to the needs of consumers at every circuit in every phase of the value chain Innovation is on the stage of excavation of ideas, the development of ideas to the marketing. According Rothaermel and Hess (2007), the most effective strategy to achieve sustainable Innovation is to recruit, cultivate, and retain talented employees-Karawan so as to spearhead Innovation. This strategy, in addition to allowing the company to not depend on outsiders in berInnovation, it is also difficult to be imitated by competitors. Could become a mainstay if the company has been able to implement the management of human resources (HR) is superior.

Effect of Business Strategy to Small Business Success

Effect of variable Business Strategy to Small Business Success is positive. This means that increasing Business Strategy will be followed by increase Small Business Success assuming other factors that affect the size Business Strategy considered constant. Business Strategy for Small Business Success is the application of Business Strategy is the direction and scope of long-term small industries to obtain excellence so as to boost the company's assets outside of the loan, in the application of Business Strategy for achieving business success; small industries need to maintain the stability of its business. Business stability is a condition in which the company's activities for the maintenance of state stressed that stable in contrast to growth. Culture of stability is usually oriented regulations, bureaucracy, and predictable. When the environment is stable and certainly, this culture can help companies to become more effective by providing constant and stable results. Stability prevent the resulting act quickly there may be a mismatch for the environment is always changing (dynamic). Hill and Jones (1998) which states that the success of such a strategy is often built on existing capabilities and resources (existing distinctive competency) within the company. Build capabilities and additional resources (develop new competency). Moreover, Singla (2009) states that every company requires an organization to work successfully. Various business activities are divided into departments, sections, and jobs. An

organization creates a framework and strategy for managerial performance and assist in coordinating various business activities. A proper organization is to assist in the smooth running of the business and helps to achieve its objectives.

Effect of Innovation to Small Business Success

Effect of variable Innovation to Small Business Success is positive. This means that increase Innovation will be followed by increase Small Business Success assuming other factors that affect the size Innovation considered constant. Application of Innovation appropriate in enhancing the Small Business Success is a mechanism for companies to adapt to the dynamic environment so as to boost the company's assets outside loans, therefore it is required to create new ideas, new ideas by offering innovative products and increase of services that can satisfy the customer. According Plotkin in Benedicta Concerned Dwi Riyanti (2003: 29) argues that the success of enterprises, small businesses succeed as entrepreneurs have a smart brain, the creative, keep up with technology and can implement a proactive and innovative. They also have abundant energy and the drive and ability assertive. Fontana (2009) revealed that the Innovation in relation to the company is economic success thanks to the introduction of a new way or a new combination of old ways in transforming inputs into outputs that creates a major change in the relationship between use value and the price offered to consumers and / or users

CONCLUSION

Based on the existing problems in the research and the data analysis and discussion of the results of the analysis, it can be concluded as follows:

1. Access To Information, The Level Of Competition dan Business Characteristics positive and significant impact on the Business Strategy small businesses in Gowa. These results indicate that Business Strategy small businesses in Gowa in always access the information for its business success, in addition to the small businesses in Gowa district in the competition may affect small business strategy. Then Business Characteristics such as the stability of the business,

capital structure, type of business and sales targets is a long-term strategy of small industries in managing their business.

2. Access To Information, The Level Of Competition dan Business Characteristics positive and significant impact on the Innovation on small industrial enterprises in Gowa. These results indicate that proses Innovation process on small industry in Gowa is determined by Access To Information small industry players, The Level Of Competition and Business Characteristics of small industries in Gowa.
3. Access To Information dan Business Characteristics positive and significant impact on the Small Business Success. These results indicate that to improve the performance of small businesses in Gowa much needed access to information and Business Characteristics that have characteristics that mendukung Small Business Success. But The Level Of Competition negatively affects the Small Business Success, Reviews These results indicate that the SME sector has not received economic assistance from the government or have not been able to use the assistance that has been provided or has received assistance but have not been able to be developed.
4. Business Strategy positive and significant impact on the Innovation dan Small Business Success in Gowa. These results indicate that Business Strategy The most effective is to Innovation of products and services. Then, with the application of Business Strategy that focus on competitive advantage is the direction and scope of long-term small industries to gain business success.
5. Innovation positive and significant impact on the Small Business Success di Kabupaten Gowa. These results indicate that small businesses in Gowa can be said as a company in the market of products Innovation, risk-taking, proactive in Innovation.

SUGGESTION

Based on the conclusions, some suggestion from this study are as follows: (1) Several factors are thought to influence the Small Business Success has not been accommodated in this study, so it is suggested

for further research to add variables such as competitive strategy, market orientation, internal and external environment of the company, cultural barriers and others are also a determining factor in the increase of some Small Business Success thus enrich the study of management science; (2) The findings of this study can be the basis for further research that examines the Small Business Success in the future.

BIBLIOGRAPHY

1. Baird, Inga S ,et al. 1997. The Choices of International Strategies by Small Business, Dalam Strategic Management in the Global Economy, 3rd edition, Vernon Heidi 1997, John Wiley & Son ,Inc.
2. Benedicta Prihatin Dwi, Riyanti. 2003. Kewirausahaan Dari Sudut Pandang. Psikologi Kepribadian. Jakarta : Grasindo.
3. De Meyer, Arnoud & Garg, Sam. 2005. Inspire to Innovate: Management Innovation in Asia. Palgrave Macmillan.
4. Fontana, Avanti (2009) Manajemen Inovasi dan Penciptaan Nilai. Jakarta: Gramedia Widiasarana Indonesia.
5. Gibson, Ivancevich, Donnelly. 1997. Organisasi: *Perilaku, Struktur, Proses Jilid 1 dan 2*. Binarupa Aksara: Jakarta.
6. Grant, Robert. 1995, Contemporary Strategy Analysis, Massachusetts.
7. Han et al. 1998. "Market Orientation, Innovativeness, Product Innovation and Performance in. Small Firm". Journal of
8. Hermanto, Bambang. 2011. Pengaruh Lokasi Usaha, karakteristik bisnis terhadap strategi bisnis dan Kinerja Usaha Industri Kecil di Sulawesi Utara. Jurnal Aplikasi Manajemen, Volume 9, Nomer 3, Mei 2011.
9. Hill, CW and G.R Jones. 1998. Strategic Management, An Integrated Approach. Fourth Edition. Houghton Mifflin Co., New York . 119
10. Jaruzelski B, Dehoff K. 2008. "Customer Connection: The Global Innovation 1000". Strategy+business, Special Issue, Autum, 108-123
11. Maupa, Haris. 2004. Faktor-Faktor yang Menentukan Pertumbuhan Usaha Kecil di Sulawesi Selatan. Disertasi Program Pascasarjana Unhas. Tidak dipublikasikan.
12. Narver, J.C., dan Slater, S.F. 1995. "Market Orientation and the Learning Organization". Journal of Marketing 59. July, p.63-74.
13. Rogers, Everett M, (2003). Diffusion of Innovation. 5th Edition. New York : Free Press
14. Roosdhani, Wibowo dan Widiastuti. 2012. Analisis Tingkat Penggunaan Teknologi Informasi Dan Komunikasi Pada Usaha Kecil Menengah Di Kab. Jepara.
15. Rothaermel, Frank T & Hess, Andrew M. 2007. Building Dynamic Capabilities: Innovation Driven by Individual, Firm, and Network. Paper forthcoming in Organization Science. Georgia Institute of Technology.
16. Simanjuntak, Payaman J, 1985. Pengantar Ekonomi Sumber Daya Manusia, BPFE UI, Jakarta.
17. Singla, R. K. 2009. Business Organisation (for BBA). Maharishi Dayanand University, Rohtak. V. K. (India). Enterprices, New Delhi.
18. Tidd, J. Bessant, J and Pavit, K. 1998. Managing Innovation Integrating Technological, Market, and Organisational Change. John Wiley and Sons, Chichester
19. Turban, D.B dan DW Greening. 1997, "Corporate social performance and organizational attractiveness to prospective employees", Academy of Management Journal, Vol. 40 No.3, pp.658-72

Appendix Table Relationship Between Functional Variable

Independent Variable		Dependent Variable	estimates	T Value	Prob	des
Access To Information (X1)	1	Business Strategy (Y1)	0.210	4.704	0.000	Sig
	2	Innovation (Y2)	0.344	2.634	0.008	Sig
	3	Small Business Success (Y3)	0.172	1.916	0.050	Sig
The Level Of Competition (X2)	1	Business Strategy (Y1)	0.142	3.676	0.000	Sig
	2	Innovation (Y2)	0.351	3.238	0.001	Sig
	3	Small Business Success (Y3)	-0.152	-1.951	0.049	Sig
Business Characteristics (X3)	1	Business Strategy (Y1)	0.168	3.768	0.000	Sig
	2	Innovation (Y2)	0.259	2.168	0.030	Sig
	3	Small Business Success (Y3)	0.117	2.166	0.021	Sig
Business Strategy (Y1)	1	Innovation (Y2)	0.967	2.353	0.019	Sig
	2	Small Business Success (Y3)	0.300	2.189	0.026	Sig
Innovation (Y2)	1	Small Business Success (Y3)	0.671	4.053	0.000	Sig

Appendix Figure Estimation results in the form of Scheme

