

This book tries to pick the actual problems in the implementation of the government's guidance to small industries. The rationale is that in the implementation of small business development for the success and failure has been experienced. Such failures, still commonly encountered inconsistencies among policy-makers, many of the patterns that technical assistance is less effective, yet effective bottom-up mechanism in the field. Particularly education and training activities much less meet the real needs of the target object in the field, the existing incentive systems are often less touching the real sector needs, there is still reluctance in most small industrial employers to make changes that are due to the modernization of cultural barriers and level of education. On the other hand a very important role of small industries. In the implementation of Indonesia's economic development, small industrial sector turned out to be high enough to contribute in the formation of Gross Domestic Product (GDP) and employment in Indonesia. Aware of the realities that exist in small industry, the government waged against the empowerment of small industries is needed.



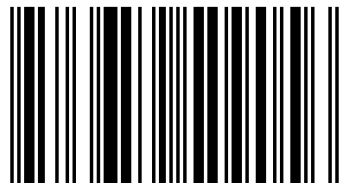
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Empowering Small Industry in Improving Business Success



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Chapter I

Introduction

1.1. Background

1.1.1. Role of Industrial Sector in Development

During the long-term development (LTD) industry sector in Indonesia has increased Gross Domestic Product (GDP). In 1971, the agricultural sector's contribution to GDP is about 34% and in 1992 decreased to 19%, while the industrial sector increased from 6.2% in 1971 to 21% in 1992 and even in 1994 it increased again to 23%. Achievement of national development that has been achieved in first long term development seems inseparable from the process of industrialization that took place in that period. Industrial sector's contribution to Gross Domestic Product(GDP) increased sharply. The industrial growth led to the economic transformation of the dominance of the agricultural sector to switch to the dominance of the industrial sector (Ramelan, 1996).

During long term development (LTD) from 1969 to 1994 Indonesia also has managed to lift itself from the position of poor countries become middle-income country with a per capita income of the real population increased four times (Mubyarto, 1999, Tjiptoherijanto, 1997). Similar expression delivered by Mudrajad (1997) that along 30 years starting from 1967, Indonesian per capita income has increased from U.S. \$ 75 to U.S. \$ 1,023.

Both informations indicate the results of economic development in Indonesia at that time are generally quite successful. However, with the monetary crisis in mid-1997 that evolved into a multidimensional crisis (economic, political , and leadership) have an impact on GDP growth

which fell to 5.3% in 1997 and even in 1999 reached 0.35% as at table 1 below.

Table 1: GDP Growth In1994 -1997 (Beyond Oil and Gas)

Description	Year 1994	Year 1995	Year 1996	Year 1997
GDP Growth	7.5%	8.2%	8.3%	5.3%

Source: Department of Trade and Industry (2005)

Description: Year 1994 -1999 based on constant prices of 1993

By the multidimensional crisis, the value of the rupiah against foreign currencies was going to be depressed. In this case, particularly against the U.S. dollar of approximately USD 2.500/US \$ 1 (before the crisis) to the highest reaches approximately USD \$ 1 15.000/US which occurred in June 1998 (Tambunan, 1998).

This situation caused companies got difficulties in repaying the loan, the import of raw materials, equipment and others. So many big companies in Indonesia had collapsed. In terms of employment, the development outcomes still leave opened unemployment. In general, the unemployment rate in Indonesia was increasing from 4.68% in 1997 to 5.46% in 1998 and even in 1999 it increased again to 6.36%

An increasing number of unemployment is in a row with the total of labor that has always increased and prolonged economic crisis. High levels of unemployment will be a source of problems for the Indonesian state, even on the political, security, social and other. While on the other hand to solve the high unemployment, the government will not be able to complete their own due to limited state budget, personnel and supervision.

Therefore, one of the breakthroughs is empowering entrepreneurship throughout society (Zain, 2002).

In the implementation of Indonesia's economic development, the industrial sector has a very important role, as shown in table 2.

Table 2: Industry Sector Role of Export in 1996 -2003

Descripti on	Year 1996	Year 1997	Year 1998	Year 1999	Year 2000	Year 2001	Year 2002	Year 2003
Industry Sector	64,49%	65,46 %	70,81 %	68,49 %	67,61 %	66,68 %	67,74 %	66,95 %

Source: Department of Trade and Industry(2005)

From table 2 can be explained in 1996 to 2003, the industrial sector contributed toward the export which its number is quite high, ranging from 64.46% to 70.81% of the total Indonesian export. This study also reinforced Widodo (1997:65) who said “for the country who wants to move forward and increase per capita income society, like it or not, the industrialization must go on“.

1.1.2. Role of Small Business in the Development

The role of small business in the economic growth of Indonesia is very large. During the economic crisis years 1997 - 2001 role of small business are very significant in the formation of Indonesia's GDP, which in 1999 reached 43.08% of the total GDP of Indonesia. Contribution of small business in GDP formation can be seen in table 3.

In 2000, there was a shift in the structure of GDP by large business, which contribution of large business in 1999 was 41.27% increased to 44.84% in 2000 and moreover became 45.26% in 2001, while the

contribution of small business decreased 43.08% in 1999 to 39.93% in 2000 and even fell further to 39.40% by the year 2001.

Table 3: Role of Small, Medium and Large business toward forming of GDP Year 1997-2001

Year	Small Business	Medium Business	Large Business
1997	40.45%	17.41%	42.14%
1998	41.83%	16.03%	42.15%
1999	43.08%	15.65%	41.27%
2000	39.93%	15.23%	44.84%
2001	39.40%	15.34%	45.26%

Source: Department Statistics Center (2000)

The role of small business in the formation of national export is also not as big as large business, however, export growth continues to increase. At the beginning economic crisis of the 1997, for example, export of small business are still very small, only amounting to 2.17 % and 23.82% for medium-sized business. Accumulation of both cannot equals the total export that contributed by large business which reached 74.01% in 1997. The role of small business toward the export can be seen in table 4.

However, the depreciation of the rupiah against the U.S. dollar in 1998 contributed big enough toward the export small to medium business. Export have increased by five times. Small business export reached 15.003 trillion dollars, while medium business reached 114.579 trillion. Unfortunately, surprised U.S. dollar toward the rupiah continued to get correction, so that it influenced toward export of small, medium and large business in 1999.

Table 4: Goods Export of Small, Medium and Large Year 1997 -2001

Year	Economic Actors	Export	
		(Million)	%
1997	Small Business	Rp 3,285,203	2.17%
	Medium Business	Rp 35,991,862	23.82%
	Large Business	Rp 111,846,424	74.01%
Amount		Rp 151,123,489	100.00%
1998	Small Business	Rp 15,003,306	3.25%
	Medium Business	Rp 114,579,587	24.79%
	Large Business	Rp 332,634,003	71.96%
Amount		Rp 462,216,896	100.00%
1999	Small Business	Rp 12,470,902	3.47%
	Medium Business	Rp 40,418,749	11.25%
	Large Business	Rp 306,331,951	85.28%
Amount		Rp 359,221,602	100.00%
2000	Small Business	Rp 18,052,663	3.47%
	Medium Business	Rp 53,420,014	11.25%
	Large Business	Rp 418,976,270	85.28%
Amount		Rp 490,448,947	100.00%
2001	Small Business	Rp 23,261,207	3.37%
	Medium Business	Rp 75,468,981	10.93%
	Large Business	Rp 591,528,189	85.70%
Amount		Rp 690,258,377	100.00%

Source: Department Statistics Center (2002)

Stability of security after May 1998 and 1999 followed by the improving macro economic made the improvement of the export potential of small and medium business. Recorded in 2001, the contribution of small

business export estimated at 23.261 trillion, while medium business reached 75.468 trillion dollars. From these data can be illustrated that small business respond it well and active toward export market conditions compared to medium and large business. In Indonesia, the economic society is the largest population of entrepreneurs. A small business, for example which is also a part of economic society is the largest proportion (99.85%) of the business population in Indonesia. While the number of medium business (0,14%) and a large only 0.005% (table 5). This indicates that small business are the main pillars of the Indonesian economy.

Since the economic crisis, almost of all small, medium and large population was getting decline. However, three types or levels of those businesses was success to come up although Indonesian economic condition was going worse. Population growth of small and medium business from 1998 to 2001 stood at 14.45% or for three years, the average of small and medium business grew about 4.82% a year, while large-business was success to grow 4.6% a year.

When compared with the number of small and medium business in neighboring countries, the population of small and medium business in Indonesia ranks 2nd after the Philippines from five countries in Southeast Asia. In the Philippines, small and medium business reached 99.5% (1996) while Indonesia reached 98.0% in the same year. Meanwhile, the population number of small and medium business in Thailand in third place, followed by Singapore and Malaysia where the population amounted to 95.8% (1997), 91.5% (1995) and 84.0% (1997). More about the comparison of the population of small and medium business can be seen in table 6.

Table 5: The number of small, medium and large 1997-2001

Year	Small Business		Medium Business		Large Business		Total
	Units	%	Units	%	Units	%	Units
1997	39.704.661	99.84%	60.449	0.15%	2.097	0.005%	39.767.207
1998	36.761.689	99.85%	51.889	0.14%	1.831	0.005%	36.815.409
1999	37.859.509	99.86%	52.214	0.14%	1.885	0.005%	37.913.608
2000	39.121.350	99.85%	55.437	0.14%	2.005	0.005%	39.178.792
2001	40.137.773	99.85%	54.743	0.14%	2.095	0.005%	40.197.611

Source: Department of Statistics Center (2002)

Table 6: Comparison of the Population and the Role of SMEs in the Countries Economic in Southeast Asia

Country	Number of SMEs / Total of Business Unit		SMEs Labor / Total of Labor	
Philippines	99.5%	1996	66.2%	1996
Indonesia	98.0%	1996	88.3%	1996
Thailand	95.8%	1997	18.1%	1997
Singapore	91.5%	1995	51.8%	1995
Malaysia	84.0%	1997	12.3%	1997

Source: Basri and Putra (2003).

Although its population is smaller than the Philippines small and medium business, but the views of its contribution in the economy especially the field of employment, Indonesia small and medium business

is the largest. From the table above shows that the contribution of Indonesian small business in providing employment opportunities is more larger reached 88.3%, while the Philippines is only 66.2%. Meanwhile, although the number of small and medium business in Thailand occupied the third largest, but its contribution is very small only 18.1%. While Singapore is larger, more than half (51.8%) from the total of Singapore labor, while Malaysia is only 12.3%.

Contribution of small and medium business in employment recruitment showed significant increase, which the employment growth average of small business over the years 1997-2001 reached 0.28%. While medium and large business experiencing growth rates decreased by -2.02% during the economic crisis (1997-2001). From Table 7, the following:

Table 7: Distribution of Labor Force by Economic Actors 1997-2001 (%)

Economic Actors	1997	1998	1999	2000	2001	Rate of Per-plant
Small Business	87.62%	88.66%	88.75%	88.79%	88.59%	0.28%
Medium Business	11.78%	10.78%	10.71%	10.67%	10.85%	-2.02%
Large Business	0.60%	0.56%	0.54%	0.54%	0.55%	-2.02%

Source: Darto (2004)

Seen that the small business sector is able to absorb the 63.5 million workers, or 88.79% of the total employment of around 71.52 million in 2000 (Minister SMEs, 2001).

Absorptive capacity of small business to the total labor force also continued to increase in 1997 amounted to 87.62%, in 1998 amounted to 88.66%, in 1999 amounted to 88.75% and 88.79% in 2000. From Table 7 also seen indications of a decrease or reduction of labor in the group of medium and large business. Thus small business serves as a life buffer of most population and as social unrest silencer all at once.

1.1.3. Role of Clothing Small Industry in Development

Comparison of the number of small, medium and large industrial business unit from 1998 to 2001 are presented in Table 8.

Table 8: Number of Industrial Business Unit 1998 - 2001

Year	Small Industry		Medium Industry		Large Industry		Total
	(Thousand units)	%	(Thousand units)	%	(Thousand units)	%	
1998	2.104.86	99.51%	9.54	0.45%	0.63	0.029%	2.115.03
1999	2.526.16	99.57%	10.06	0.39%	0.67	0.026%	2.536.89
2000	2.713.86	99.57%	10.81	0.39%	0.71	0.026%	2.725.38
2001	2.874.38	99.57%	11.44	0.39%	0.76	0.029%	2.886.58

Source: Department of Trade and Industry (2002)

From table 8 can be explained that in 1998 and 2001, small industry showed its business unit number is the largest as compared to medium and large industry with a proportion of 99.51% to 99.57% of the population of industry in Indonesia. While the number of medium industry was 12.39% to 0.45% and large industry only 0.026% up to 0.029%.

While the contribution of small industry in employment absorption showed significant improvement during the year 1998-2001 as presented in table 9.

Table 9: Number of Industry Labor in 1998 - 2001 (Thousand Society)

Description	1998	1999	2000	2001	Growth in average / Year (%)
Small Industry	4.986,16	6.771,88	7.154,65	7.592,51	15,86%
Medium Industry	3.343,37	3.363,64	3.553,77	3.771,25	4,13%
Large Industry	220,97	222.31	234,88	249,25	4,13%
Total	8.555,50	10.357,83	10.943,30	11.613,01	10,97%

Source: Department of Trade and Industry (2002)

From table 9 can be explained that, in general, the number of industrial workers from 1998 to 2001 increased by an average of 10.97% per year. While the number of small industrial workers increased since 1998 with an average growth rate of 15.86% per year, medium industry 4.13% per year and the number of large industrial workers amounted an average of 4.13% per year up to 2001.

While the role of small industry in the formation of national export is also not as big as large industry. In 1998, for example, a small industry export is still very small only 2.63%, medium industry amounted to 28.27% and 69.09% for large industry. In 1999 there was a shift in the small industry at 2.85% and 12.81% of medium industry and large industry

amounted to 84.33%. Until in 2001 the contribution of small industry export amounted to 2.84% of medium industry 12.68% and 84.48% for large industry. The role of small industry export can be seen in table 10.

Table 10: Export of Small, Medium and Large Industry Year 1998 -2001 (%)

Description	1998	1999	2000	2001
Small Industry	2,63%	2,85%	3,68%	2,84%
Medium Industry	28,27%	12,81%	10,89%	12,68%
Large Industry	69,09%	84,33%	85,43%	84,48%

Source: Department of Trade and Industry (2002)

The performance development of small industrial commodity export in 1999 -2001 illustrated in table 11.

Table 11: Small Industry Export Performance 1999 - 2001 (%)

Description	1999	2000	2001
Food	3,11%	2,67%	2,64%
Clothing	71,26%	72,04%	72,29%
Chemical and Building Materials	5,89%	5,81%	5,78%
Craft	19,74%	19,48	19,08%
Total	100%	100%	100%

Source: Department of Trade and Industry(2002)

From table 11, it is seen that the clothing commodities which include apparel, batik, leather goods, showed a large export ratio which means the level of self sufficiency is pretty good. While for food commodities, chemical and building materials and craft shows small export ratio.

In terms of export, clothing commodities demonstrated the superiority from 1999 to 2001 range of 71.26% to 72.29% of the total value of small industry export. It is contrast with the ability of high employment absorption, small industry is only able to export around 2.63% to 3.68% of the total export value of the industry in 1998 to 2001. While the medium industry of 10.89% to 28.27% and the large industry is able to export 69.09% to 85.43% of the total value of industrial export. This suggests that the ability of small industry export is still very low when compared to medium and large industry. Most small industrial products was marketed to the domestic market. For the clothing industry groups (textiles, leather goods and footwear) is closer to skill-based and knowledge-based, the ability to export their products still dominated by the magnitude of the industry. The export value of the small industry entirely is only 6.1% of the total non-oil export (1999), who in 2001 slightly increased to 6.9%.

1.1.4. The Important of Small Business Empowerment by Government

Actually, small business can grow when there is adequate support. Their potential in various types of business activities can grow as an independent small business, interact with the market directly also in the pattern of sub-contracting of larger business. Even small business could be a modern and competitive small business potentially, both in the domestic and international markets. Although it is undeniable that small business faces a variety of problems that hamper its development.

According Sasono (2001:67) the major and fundamental issues for the development of small business can also be viewed from the external and internal aspects. External factors which be the main of small business development problem are:

First, the limited recognition and guarantee of the small business existence. In practice, small business do not get adequate attention because of the strong presumption that the development of the national economy is mainly determined by large business. This view is not appropriate due to large business acts as a driving force of economic growth indeed, but growth will not be sustainable if it is not supported by the toughness of medium and small business.

Secondly, the difficulty to obtain a clear and definite data about the number and distribution of small business. Often the limitations of the data support and the distribution of small business hamper the efforts of training and development. Although attention to the small businesses have given more by the private sector, government and the public, but until now has not been done. In fact it is impressed on their own ways.

Third, the credit allocation as aspects of financing (funding) is still very unequal between groups, sectors, regions and rural and urban areas. In addition, a variety of unusual bureaucratic hurdles faced by small business to obtain the credit, has caused difficulties for small business to grow. Therefore, without violating the principles of healthy credit, the requirement to obtain credit needs to be simplified. In addition banks also cannot often reach the existence of small business which are distributed very wide. Magnificent bank building and its lowest existence in district level, making small entrepreneurs were afraid. So, we need to find an alternative as other financial institutions which are close to the conditions at lower levels. Often happens to small business development program is being misused for other business activities.

Fourth, most of the small industry product has feature and characteristics as fashion and crafts products with a short life time.

Because of that, along with the development of consumer tastes, products designs innovative that suitable with the tastes of consumers are needed in the fast period. Delays to anticipate this market demands hamper the carrying capacity of economic development.

Fifth, the low exchange value of commodities which is produced by society business. Society industrial products always judged inferior quality. It is wrong because it is not necessarily the view of the traditional production patterns will produce low-quality products. Lots of society handicraft industry products which can compete in export markets.

Sixth, limited access to markets. Access issues in this market is more difficult by the widespread of domestic and foreign major capital reaching which broke through market segmentation previously controlled by small business units.

Seventh, the presence of levies or hidden costs that is not proportional. Uncertainty of bureaucratic, connected with small and medium business primarily often cause problems in the development of small industry. Because of this, various letters of bureaucracy that associated with small business, either in the form of issuance of the business license and tax ID, business license, annual tax payment letter, and various other letters, should be downsized.

Eighth, the economic crisis. It affects seriously to the economic development of the society. The fall of the large business that resulted in termination of employment and rising unemployment, and declining purchasing power, has positioned the small business as a container load of the crisis that many society who then attempted in this sector. This situation indicates that small business are able to become a deterrent in a

crisis, but on the other hand, small business more competitive. Ironically, on normal conditions, small business do not get a lot of attention.

The internal problems that hinder the economic development of the society are:

First, the limited control and ownership of production assets, especially capital. Although the capital factor can often be solved, for example in the form of loans that traditionally apply with relatives, friends or neighbours, but on the level of competition and expansion, capital is often be a major obstacle.

Second, the low human resource ability, including the low level of skills, which include production technique skills and business management. Lack of human resources can be seen from the level of education of the workers. This resulted uncompetitive of small industrial commodities in export markets. The causes besides raw materials are expensive, also inefficient handling, inventory control and quality is not optimal. Labor used are unskilled, so much wasted product. This low quality of human resources has also resulted in the level of competition which is very tight due to the absence of entrybarriers to anyone.

Third, in terms of the concentration of economic resources of the society (workers), the economic development of the society in the rural areas, is on the agricultural sector. Though other sectors are opening vast opportunities, such as sub-contracting industry, trade and services. The expansion of the economic society also makes the process of improving the business bigger and broader, especially in the form of a business network. This will stimulate business growth in the number and quality of society bigger and better.

Fourth, the institutional of business society is not optimal in facilitating an society economic activity which is hindering the relationship between small business, usually is the reluctance to get small benefit. Such this view is not always true because a lot of cooperation that enhances the role collectively. Therefore, the function of institutional which is developed in the form of cooperation network need to get attention.

From all the obstacles above, the government needs to do a little empowerment for small business because it essentially has the potential to develop. It is proven that small business is the most powerful safety valve in reducing the economic upheavals that occurred now especially when the economy is hit by the economic crisis pathetic puddle. When big business ravaged economy was hit by the storm, small business can still turn the wheel of his efforts. Of course, when the protracted crisis such as this, is amazing for the informal sector and small business to grow.

Experience of small business empowerment by the government in some countries shows that small business can develop into a competitive and integrated by the modern economy. Here are the results of research in several countries.

Research conducted in Russia by Irina (2005), entitled *Effects of assistance in Russian dairy farming*, research was conducted to squeeze milk factory which is located in the Moscow area data taken from 1995-2001. Research to see how the role of government assistance in the form of low-interest loans to the allocation of inputs, outputs and profits. The results showed that the government assistance influences positively toward technological improvement, cost reduction, increasing output and improving profits.

Research in Northern Ireland that done by Harris (2005), entitled *Capital assistance and their impact on total factor productivity: Firm-level evidence from Northern Ireland*. Research conducted on companies in Northern Ireland which receives financial assistance from the government with the aim to improve the performance of the company. The research found that government financial aids a positive effect on the company's productivity and growth.

Research conducted in Malaysia by Rasiah (2002), entitled *Government coordination and small enterprise business performance in the machine tools sector in Malaysia*, this study compares the success of small and medium companies in the machine tool industry conducted in two cities results show that the city which the autonomy government is proactive in supporting the empowerment by developing small and medium business in the form of training to employers and provide market information has been successfully developing small and medium industry, and the city which is not active on empowerment is not growing.

Research in the United States conducted Sullivan (2002) in his study entitled *Local governments as risk takers and risk reducers. An examination of business assistance and subsidy control*. In this survey conducted on 1,600 local government, this survey results found that the majority of companies who obtain assistance and risk control by the government was obtaining positive results by making a lot of employees and beneficial in the development and regulation of its business aggressively.

Considering the tendency as above, it is imperative for the government to provide guidance for the development of small business,

both in the form of education and training, business partnership, government assistances and government regulations.

1.1.5. Small and Medium Enterprises Development Efforts In Indonesia and The Result

Globalization of trade starting in 2003 for the ASEAN countries through AFTA (ASEAN Free Trade Area), followed by 2010 for North American countries through NAFTA (North American Free Trade Agreement), and in 2020 for the Asia Pacific region through APEC (Asia Pacific Economic Cooperation). In the globalization of trade which will come soon, will create two possibilities.

First, the globalization of trade will be “opportunities“ for small entrepreneurs in Indonesia. It is created if small entrepreneurs in Indonesia are ready to compete in the international market in accordance with the expression of Aharoni that small and medium business have a strong influence on the economy of a country, especially in the face of rapid change and increasing global market competition (Lin, 1998).

Secondly, the opposite is “threat” will appear when the small entrepreneurs in Indonesia are not ready to compete in international markets. And if the second alternative is the case, Indonesia with a very large population and a potential for any such trade, it will only be a spectator of every game of foreign business in Indonesia. Seeing the importance of the role of small and medium business in this development, the small and medium business in Indonesia needs to be cultivated and grown/

Effort to empower small and medium business, has essentially done by the Indonesian government began at least 1993. In the Indonesian society through the State Policy Guidelines to the government mandates

such as the following. "Small and Medium Industry including Industrial craft and home industry, needs to be more effort in building a more efficient and able to evolve independently and have greater ability to increase incomes, create jobs and have greater ability to increase its role in providing goods and services as well as various components of both for both domestic and overseas markets" (TAP MPR No. II/MPR/1993).

This message indicates the importance of small and medium industry, handicraft industry and cottage industry to support the acceleration of the achievement of development goals in Indonesia. In an effort to realize the mandate, various development policies have been carried out by the Indonesian government. For example 1994 decision letter was made by the Finance Minister of Indonesia Republic Number: 316/KMK/O16/1994 on Guidelines for Small Business Development and Cooperation through the utilization of funds from the profit of the State Owned Business (SOEs). This policy confirms that the SOEs are required to provide guidance for small business and cooperation to use government part funds of the profits of SOEs by 1% - 5% of the company's profit after tax (Chapters 2 and 3).

From that SOEs development funds each year, at least 50% must be used for the development of small business (Article 5.1 a), which include: (a) education, training, research and apprenticeship to improve entrepreneurship, management and technical skills, (b) working capital and investment loans with an interest rate that is adjusted to the ability of the partners to increase production and sales / turnover set by the Board of Directors of SOEs, (c) marketing and promotion of production, (d) the provision of collateral in order to obtain bank credit and or transactions with third parties, and (e) investments in venture capital firms in the

province's capital and loans to help small business and cooperations (Section 4).

In order to realize the mandate of the 1993 Guidelines, the Indonesian government also followed up by making a law number 9 of 1995 about Small Business. It suggests that government, business and communities to provide guidance and development of small business in the areas of: (a) production and processing, (b) marketing, (c) human resources and (d) technology (Article 14). So through this law the government hinted that the training and development of small business is not only the task of the government, but also the business community and society.

By the letter of the Minister of Finance number: 316/KMK/016/1994 and Law No. 9 of 1995, indicating the seriousness of the government to carry out the mandate of the Guidelines in 1993 in fostering small business, which includes the small industry. With the training, it is expected to accelerate the possibility of growth and development of small business which are moving towards self-realization of a just and prosperous society to the purpose of Indonesia countries listed in Article 33 of the Constitution of 1945.

To follow-up of the seriousness of the government to empower small business is also done through a variety of other policies, such as:

- a. Indonesia Republic Presidential Decree No. 4 of 1995 dated June 10, 1995 about the National Movement Promoting and Cultivating Entrepreneurship.
- b. Bank of Indonesia Directors Decree No.: 30/4/Kep/Dir 1997 on Small Business Lending.

By these policies have spurred an increase in the number of small industry as shown in table 12. The number of business units SME (small and medium business), as well as the number of business units of small and medium trade, from 1998 to 2001.

Table 12: Number of Business Unit Industry and Trade 1998 -2001 (Thousand Units)

Description	1998	1999	2000	2001	Grow To Flatten (%)
1. Industry	2.115,03	2.536,89	2.725,38	2.886,58	11,10
a. Small Industry	2.104,86	2.526,16	2.713,86	2.874,38	11,12
b. Medium Industry	9,54	10,06	10,81	11,44	6,24
c. Large Industry	0,63	0,67	0,71	0,76	6,45
2. Trade	8.347,85	8.710,48	9.236,51	9.698,67	5,13
a. Small Trade	8.325,35	8.688,21	9.212,90	9.673,87	5,13
b. Medium Trade	22,08	21,85	23,17	24,33	3,34
d. Large Trade	0,42	0,42	0,44	0,47	3,86
Total	10.462,88	11.247,37	11.961,89	12.585,25	6,35

Source: Department of Trade and Industry (2002).

Generally, small industry and small trade increased since 1998. The number of small industry increased by an average growth rate of 11.1% per year, and medium industry 6.2% annually, while the number of small

trade drove an average of 5.1% per year and medium trading of 3.3% per years up to 2001.

A small number of industry representing 20.2% of total trade industry are small in 1998, and then in 2001 the ratio had grown to 22.9%. This is a positive indication that the number of units of production of small and medium business to go faster than the number of business units trade. In 2001 the number of small and medium-sized industrial business unit reached 2,885,827, or 99.9 % of the total number of industry throughout Indonesia there were 2,886,583 units.

Of the 2,874,383 total number of industrial units belonging to small industry (99.6%), 11,444 units classified as medium industry (0.4%), and the remaining major industry amounted to only 756 units (0.1%).

Besides these policies also spawned various forms of small business development activities, whether conducted by the government, business, and communities such as business partnership ships, small business loans, venture capital, training, mentoring and other types of training.

In order to realize the goal of the state as described earlier, the mandate of empowering small business in the Guidelines are followed up in 1993 with the mandate of the Guidelines and the 1998 Guidelines 1999-2004 Chapter IV-b (economic policy) mandates for point 1: "Developing a democratic economic system rests the fair market mechanism with the principles of fair competition and pay attention to economic growth, the values of justice, social interest, quality of life, environmentally sound and sustainable development to guarantee the opportunity to try and work out facilities, protection of consumer rights and fair treatment for the whole society " (No. IV/MPR/1999 MPR).

In developing this democratic economic system, among other society expects it empowers small business by providing a conducive business climate and business opportunities in the broadest such mandated by the Guidelines in 1999-2004 Chapter IV point 11 are:

“Empowering small business, medium business and cooperation to be more efficient, production and competitiveness by creating a favorable business climate and the widest opportunities. Assistance facility of state given selectively, especially in the form of protection from unfair competition, education and training, business and information technology, capital and business location (TAP MPR No.: IV/MPR/1999).

With this policy, the small entrepreneurs in Indonesia will gain the attention and the facilities of the government more than the previous state, which includes the aspect of protection from unfair competition, education and training, business information, technology, capital and business location. Through this policy of small entrepreneurs in Indonesia can succeed in the conduct of its business.

In order to empower small industry, and the attention of the various facilities provided by the government as described above, education and training, assistance (management, technology and capital), a partnership of business and government regulation will enhance the business capabilities (knowledge, attitudes and skills) a person related with the success of his efforts. Here are the results of research from several experts on education and training, government assistance, business partnership and government regulations.

First, in terms of education and training of any kind and the full resources of the company, if it does not have the human resources business capabilities in accordance with the needs of the company, then the

resources will not be beneficial to the progress of the company. While on the other hand the education and training programs, will provide assistance enhance the ability of the business in accordance with the required time. This is in line with research conducted Gimin (2002) study examines the extent to which the implementation of the training, mentoring, experience and education level affect the success of a small business, research was conducted on a sample of 25% or 94 small business in the province of Special Region of Yogyakarta skin, the results showed that the success business is directly affected by the work motivation and clarity of the role of entrepreneurs and work motivation is influenced by training, relevant experience and business capability

As another indication of the importance of this aspect of training is the result of research following some experts. Cosh, et al (1998) in his study entitled *investing in training and small firm growth and survival: An empirical analysis for the UK from 1987 to 1997* find there is a positive relationship between training and business development. Research results Likewise Whilock(1995),entitled *An analysis of small bussinestraningevaluation and transfer (entrepreneur education)* found that training is generally accepted as something of value, increase the knowledge of participants, and there is a positive correlation between the variable post-test with the follow-up of the implementation of the training. Research carried Antonio, Isabel and Raquel (2003), entitled *Effects of training on business results* conducted on 457 small and medium business in Spain, found that training has a significant impact on performance Improvement Company. Eaglen, Lashley and Thomas (2000) in his study entitled *Modeling the benefits of training to business performance in leisure retailing*, stating that the benefits of training can be beneficial to

change employee behavior (attitudes knowledge and skills) to employee performance as related to customer satisfaction. Research carried David, et al., (1996) entitled Management training and small firm performance indicates that training to small and medium entrepreneurs clearly significantly affect the acceptance of the company's success. Research conducted Dwijanto (2002) stated that the development of human resources through education and experience have a significant influence on employee performance.

Secondly, in terms of government assistance as an indication of the importance of the subsidy is the result of research following some experts. Empirical studies conducted by Dimitris (2004) entitled *the effects of the regional capital Assistance on firm performance* proves that capital assistance significant effect on four dimensions, namely efficiency, profitability, capital structure and firm productivity growth. Fredrik (2000) study entitled Capital Assistance and the performance of firms, this study examines the effect of capital assistance on the number of Swedish companies began production in 1987 until 1993 and distinguished between companies that receive assistance to companies who do not receive assistance. The results of this study state that increasing assistance can affect the growth of the company.

Third, in terms of business partnership as an indication of the importance of the partnership is the result of research following some experts. Research conducted by Chen, Tseng (2005), entitled *The performance of marketing alliances between the tourism industry and credit card issuing banks in Taiwan*, in this study aim to determine the factors that affect the performance of the marketing of the tourist industry and the bank that issued the card credit, research was conducted on

managers at four different tourist companies, namely: hotels, restaurants, travel agencies and entertainment. The discovery shows that business partnership influence significantly toward mutual resources perfection, increasing promotionchannels, reducing costs and achieving corporate performance. Stuart (2000) in her study Interorganization alliance and the performance of firms, this study investigated the relationship of technology cooperation between large firms and small firms stated that cooperation can build public confidence in the products and services produced making it easier for companies to attract customers, which in turn can increase sales and product innovation. Research Zaheer (2004) on the impact of the partnership is the company gain the knowledge and skills, the study was conducted on 249 companies that conduct business cooperation for the period 1985-1998 the results of this study stated that the partnership, the company will acquire knowledge about the technology and how setting the best technology. Further stated that in order to acquire knowledge and skills can be acquired either by formal and informal means.

Fourth, in terms of government policy as a further indication of the importance of government policy is the result of research following some experts. Research conducted Rasiah (2002), entitled *Government coordination and small enterprise business performance in the machine tools sector in Malaysia*, this study compares the success of small and medium companies in the machine tool industry conducted in two cities of Penang and Kelang Valley, the results showed that Penang has managed to develop small and medium industry Kelang Valley city was not. This difference is due to the policy of the local government to the company. Kelang Valley cities of different status with the City government of Penang, the Penang State government autonomy proactive in supporting

developing small and medium business in the form of public training and provide market information. Sullivan (2002) in his study entitled Local governments as risk takers and risk reducers: An examination of Business Assistance and subsidy control, local governments to promote economic development by providing assistance to companies and reduce the uncertainties. The main concern in companies that receive assistance in the form of either the cost or the risk of uncertainty. In this survey conducted on 1,600 local government, the survey results found that the majority of companies who obtain assistance and control the risk of getting a positive result of which tend to hire a lot of employees and beneficial in the development and regulation of its business aggressively. Research conducted Dwijanto (2002) states that government policies have a significant influence on employee performance.

From the research results inform that the success of small business in some countries as described above were not separated in the form of training training, business partnership ships, assistance and government policy. In particular the implementation of small business empowerment program in Indonesia, the last few years this has been done many business and communities in various parts of the country. Even sometimes the small business development activities followed by a program of government assistance. Through the process of empowerment in the form of education and training, business partnership ships, assistance and government policy is expected to improve its performance is reflected in the ability of business which in turn can enhance the business success of the company.

However, despite the various training to empower small business has been made as described above, but when viewed from the reality on the

ground, a small industry in Indonesia could be said has not progressed as expected. Some indications are as follows.

First, its role in economic development is still low compared to medium and large industry as in table 13.

Table 13: Comparison between Business Unit, Labor and GDP 2001 (%)

Description	UnitBusiness	Labor	GDP
Small Industry	99,57%	65,39%	16,96%
Medium Industry	0,39%	32,45%	16,54%
Large Industry	0,026%	2,16%	66,48%

Source: Department of Trade and Industry (2002)

Table 13. Showed in 2001, in terms of the number of its business units, a small industry has a significant role compared to medium and large industry, amounting to 99.57%. So also can be seen from the side of labor, in which small industry can create jobs by 65.39% compared to medium and large industry. However, when seen from the value of production, the number of small industrial business units account for about 99.57% which is only able to provide the role of the production value of 16.96% compared to medium and large industry. A similar indication can be seen from the export capabilities of small industry at the beginning of the economic crisis (1997), for example, export of small business are still very small, only 3,285 trillion rupiah and medium business 35 991 trillion rupiah. The accumulation of both total export have not been able to match donated large business which in 1997 reached 111 846 trillion rupiah. (Never seen table 4)

Second, the low contribution of the small business sector to GDP, amounting to 6.8% in 1989 (Sutojo, et al., 1994). This is in line with the

results of the study Tambunan (1994), especially in West Java who discovered the role of small industry in employment is greater than the medium and large industry, but in terms of contribution to GDP is very small.

The first and the second information shows the unsuccessful of various forms of small business empowerment that has been carried out by governments, companies and communities.

Third, particularly related to the implementation of training as a means of fostering small business, Zain who is in cooperation with one of the charity trustees empowerment fund small business in East Java. In the evaluation, of the 100 respondents trainee program first group (Voucher Junior Swisscontact), among others, concluded : (1) general (51% of participants) are not satisfied with the training, (2) although there are 735 who agreed that the agency future given the opportunity to come again to do the training, but with a few notes. And having studied more in depth than that agreed, it appeared that 43% of professional requires implementing agencies, (3) of all respondents only 22% who felt the training received to benefit himself, (4) of the 33 respondents who have started business independently after training, only 22% of whose business is closely related to the training materials. And of these 22%, amounting to 50% of his effort failed states, while the remaining states his business not so good with marketing issues and capital constraints (Zain, 2000).

The results of the implementation of research training programs that both small business (SMEs Voucher Swiss contact), concluded: (1) out of 50 respondents, the majority (50%) were disappointed with the training that reflected the issues of cost and suitability of the material is expected, (2) through analysis and cluster multidimensional by 80.09% of

respondents gave ratings less useful training, (3) of the respondent's status as owner of the company, 11% felt that the training provide additional benefits, especially in the financial aspect (capital and financial administration), (4) while the status of the respondent is not the owner of the company, the benefits are just developing insight in the work (ideas at work) (Zain, 2000).

The evaluation results of government policy about development of small industry done by the Ministry of Industry and Trade (2002) stated that in the implementation of the development of small and medium industry had been experienced successes and failures, this experience is very valuable as a lesson for the future development of remedial measures. Some introspective observations that need to be addressed include:

- a. There is often encountered inconsistencies among policy-makers, namely the Political commitment to develop small industry with concrete steps at the level of the operational programs of various parties / relevant authorities include: Supportresources, infrastructure / facilities support, technical assistance, incentives, ease of treatment (facilitation), and so on.
- b. Many of the patterns are less effective technical assistance, among others due to the application of the general pattern is top-down did not consider the feasibility aspects of objects built according to the specific conditions in the field, as well as the lack of resources and lack of support inconsistency management.
- c. Lack of problem-solving approaches in a comprehensive development, with consequent importance of coherence in the implementation.
- d. The ineffectiveness of the mechanism of bottom-up in the field.

- e. Many empowerment programs, especially education and training activities much less meet the real needs of the target object in the field.
- f. Government intervention, including the existing incentive systems often lack the need to touch the real sector. Development of a new incentive system is often constrained by the narrow perspective and short-term interests, as well as concerns about abuse because of the weak aspects of supervision.
- g. There is still a reluctance on the part of the population of small industry to make changes that are due to the modernization of cultural barriers, and level of education.
- h. Often the falling into oblivion of social engineering approach (socialengineering) in conducting social transformation activity against the target object in a small industrial area.
- i. The lack of a comprehensive conceptual mindset in programming and problem solving, so much less successful training move-to.

Aware of the realities that exist in small industry, the government waged against the empowerment of small industry is needed. Basic process of empowerment is the experience and knowledge of the public about its existence very broad and useful as well as their willingness to become better. The community development process starting point for the community in order to improve self-supporting life level. Optimize local resources as possible, both natural resources and human resources. Furthermore, the expectations of the empowerment process are the establishment of a dignified society.

1.2. Problem Formulation

From the discussion above should be recognized for developing small industry still faces many obstacles constraints that are having the character of both internal and external constraints or that are beyond the reach of small industry, including clothing small industry.

Thus there should be a small industry research on issues related to the empowerment of the government of the clothing small industry in order to enhance the business capabilities that could ultimately increase the success of small business clothing industry. This empowerment is empowerment studied by the government in the form of education and training, assistance (management, engineering, finance, direction and guidance), a partnership of business and government regulation.

The analysis is intended to describe the form of empowerment among the government which is more important in improving the ability of business (knowledge, attitudes and skills) entrepreneurs of clothing small industry.

Besides, this study also analyzes the relationship between variables kualitas. Independent variables of education and training by the government, government assistance (financial, management and engineering), a partnership effort by the government and government regulation and the ability of small business to the success of industrial entrepreneurs of small industry clothing in East Java. Therefore, on the basis of the above reasoning can be formulated several problems, namely:

1. Do the education and training by the government influence toward the ability of business of clothing small business entrepreneur in East Java?

2. Does the government assistance (financial, management and engineering) influence toward the ability of business of clothing small business entrepreneur in East Java?
3. Does the government's business partnership influence toward the ability of business of clothing small business entrepreneur in East Java?
4. Does government regulation influence toward the ability of business of clothing small business entrepreneur in East Java?
5. Do the education and training by the government influence toward the success of business of clothing small business in East Java?
6. Does the government assistance (financial, management and technical) influence toward the success of business of clothing small business in East Java?
7. Does the government's business partnership influence toward the success of business of clothing small business in East Java?
8. Does the government regulation influence toward the success of business of clothing small business in East Java?
9. Does the ability of business influence toward the success of business of clothing small business in East Java Province?

1.3. Research Objectives and Purpose

Based on the formulation of the problem posed above objectives of this study were to determine:

1. Influence of education and training of the government's to the ability of business of clothing small business entrepreneur in East Java
2. Influence of the government assistance (financial, management and engineering) to the ability of business of clothing small business entrepreneur in East Java

3. Influence of business partnership to the ability of business of clothing small business entrepreneur in East Java?
4. Influence of government regulations to the ability of business of clothing small business entrepreneur in East Java?
5. Influence of education and training of the government's to the success of business of clothing small business in East Java?
6. Influence of the government assistance (financial, management and engineering), to the success of business of clothing small business in East Java?
7. Influence of the government's business partnership to the success of business of clothing small business in East Java?
8. Influence of government regulations to the success of business of clothing small business in East Java?
9. Influence the ability of the business to the success of business of clothing small business in East Java?
10. Influence of empowerment that done by government most dominant toward the ability of business and the success of business of small industry in east Java Province?

Besides to want to achieve goals above, it is expected that this research has usability:

1. By knowing the theoretical implications, it is expected that the research findings would be useful for the development of economics, especially economic empowerment of small producers.
2. Practically expected to be useful for the policy makers at both central and local government as scientific input in decision making, especially small industry development programs, poverty reduction and improvement of the economic society.

Chapter II Literature Review

Before verifying the existing variables in the study, first, it should be noted that the concept or theory relating to the empowerment of small industry by the government, some of the results of previous studies relevant to the empowerment of small industry, review past research and future research directions. In connection with the consecutive explained about 1) review the theory of empowerment of small industry by the government which include; community economic development theory, the theory of production, the definition and scope of small industry, small industrial business success, business capabilities, empowerment of small industry, policy and government guidance and 2) review the results of previous studies which include: education and training, government assistance, partnership, governmental regulations, the ability and success of the business venture.

2.1. Review of Theory

The theory is structured as sketch thoughts that may explain the relationship between the factors associated with a problem. In theory, the relationship and the symptoms expressed in empirical science described a sketch with basic idea of cause and effect as a measure to control the activity so that desired results can be achieved.

The theory did not only explain the explanations of reality which is experienced, but also serve as an important source for the new hypothesis. The theory has obvious advantages in stimulating research and providing valuable hypotheses.

Due to the importance of theory in the research and preparation of the hypothesis, it is necessary to put forward some theories that are relevant to their topic, among others: the theory of community economic development, government policy and program development of small industry, the definition and scope of small industry, production theory, the success of small industry, capability and empowerment of small industrial business.

2.1.1 Overview of the Government Role in Economic Development

Government policies in national development of Indonesia during the New Order, which is encapsulated in long-term development program, has raised the rate of economic growth is assured at it. But on the other hand, both in the public involvement process and the utilization of the results have not yet reached the level of equitable (fair). In contrast, the development process and the results are still highly concentrated in a small group of society, especially the owners of capital. The condition is very possible, considering the development model that made more oriented to the achievement of economic growth, with the consequence of making money or capital as the most basic. Thus, the society who are involved in the process and the utilization of the results, limited to those who are economically strong.

Community development as a paradigm, emerging and lively debate since the early 1990s. Topic of debate not only limited to the substance, but also about the terminology that is considered more appropriate to represent the new ideas. There are several terms that are offered, among others, the development of alternative, folk-based development, and participatory development. The central issue of this idea is to look for

alternatives for development that focuses growth, which puts the most money as the principal (capital centered development), transformed into human development as a process (society centered development). The fact that the development of highly focused growth has indeed succeeded brilliantly prosperity, but failed to deliver prosperity more evenly, even reverse many brought difficult problems be solved (Tangdilintin: 1999).

Some formal definition of the development community, one of which is fairly representative of the dominant ideas about community development and many referred is the definition of JFX. According to Paiva (1977) in Jojo (2002), society development is “development of the capacity of people to work continuously for their own and society’s welfare”. This definition represents the ideas of individual empowerment that ultimately is widely known by society centered development.

Society development as an alternative paradigm, placing society at the center of the process of economic development and as a way to serve human needs. The government must respect the meaning of human life globally responsible for the next generation and protecting environmental sustainability. According to Hardiman and Midgley (1982) model of community development is essentially emphasizes the importance of poverty reduction through empowerment of marginalized groups, namely the improvement of society's living agony who lack the economic capacity in a sustainable manner. The object is achieved by (1) efforts to develop self-potential (productivity of society) who are economically weak labor as an asset, (2) provide and deliver public services , especially education and training, government assistance, housing and services that enable them to improve productivity and participation in community life. The first efforts led to the creation of opportunities for economically weaker groups. The

second effort leads on the increase their ability to seize and exploit the opportunities that have been created earlier.

To realize these two things, government intervention are required, for example through government assistance, business partnership and legislation governing the quota (community representation) in the fields of economics, education and employment for the population group that is weak in the face of such a situation the government is required to create, raises its own optimism, optimize the resources owned by the government and society to be cultivated in accordance with the requirements (Drucker). To cultivate these resources need to be grown:

1. Some Ideals

Ideals target is to formulate government programs, as motivation to improve the economy, which includes:

- a. Create sustainable economic growth. Sustainable economic growth is defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs (Brundtland Commission). The concept of sustainable economic growth is very relevant to the development of Indonesia, which has 60% of all tropical forests in Asia, and 90% of them are virgin forests.
- b. The transformation of the economic structure towards industrialization. The tendency of declining terms of trade of primary products relative to the commodities industry, to drive the importance of industrialization agenda. In the setting of the global economy, commodity export industry with value added and high competitiveness, is a bridge towards improving the welfare of society.
- c. Solving the unemployment problem as the problem of macro-economic, unemployment potentially serious backwash effect,

therefore, the expansion of industrial capacity should be linear with increasing absorption of labor directly or indirectly. On the other hand, equitable access to resources and equal opportunity effort stimulation can be effective for the growth of entrepreneurship layer. Global orientation among entrepreneurs is the key to the success of industrialization. To the market oriented entrepreneurship is an analysis that distinguishes global growth in the Asian newly industrialized countries to other developing countries (Rachbini, 1995:19).

- d. Solving the problem of poverty and inequality, inequality both strata (rich-poor), between spatial (village-town) and regional inequality. Elimination of poverty and inequality, very strategic in terms of consolidation of internal resources in order to take advantage of external opportunities that arise in the era of globalization. Elimination of poverty and inequality is believed to be one of the problem solvers of rising social unrest that has spent a lot of “energy“to unite nationwide.

2. Dimensions of Economic Stability

The dimensions of ability are built in order to meet the next steady economy day, with expected growth to improve the economic development of integrity, the integrity of the robustness of internal stability and external stability robustness integrity.

a. Integrity Internal Stability.

The economy will be internally stable if :

1) Good and clean governance.

According to the World Bank said that “in a good and clean government, power is exercised in the management of economic and social resources for the advancement of a country“. Good and clean governance will be a pillar in the framework even effective, transparency of information and educated workforce. When the

government held up well, with the government itself became cleaner. Government is increasingly free from distortion authority, and then the authority of the government before the public will increase. This will have implications for increasing the credibility and capability of government policies that can influence the level of participation in development society.

2) Positive implications for political democracy to economic democracy.

The success of development is also influenced by the success of the democratization of political economy rolling. Equitable development will be able to run well, when rolled over the socio-political structure of democratic, because the social structure of democratic politics over the smooth promises equality of access and opportunities for the poor. Without political democratization, then the poor just become an object of poverty alleviation program for credit point of certain parties.

3) The main social maturity is a situation which economic decisions can be made rationally by any member of the public.

Such a situation shows that the culture of consumerism of the imported goods can be controlled, otherwise oriented society began to increase productivity, including utilizing economic globalization by exploiting the unlimited global market.

b. External Integrity robustness

Ability in the face of any threat, as well as take advantage of opportunities credibility of external changes. The economy could be considered to be solid if the perpetrator is able to run private external concrete benefit from interaction with foreign parties. The benefits can be in the form of foreign exchange earnings, foreign capital, as well as more intense cooperation in the sphere of international relations.

Solid economic externally, when able to go beyond the transition period in the process of integration into the global system. At each change will cause excess, the economy will be considered to be solid from the external side, if able to overcome the excesses of economic integration into the global system.

Idealism can sustain economic stability dimensions, there needs to be political and economic restructuring will be an urgent need, so it's worth poured concrete agenda. One is the political reform agenda. Political reform can be viewed from various aspects, namely:

- 1) Openness. Climate of openness to encourage more rapid acceleration towards democratization. Political deregulation is expected to spur competitiveness in the era of globalization, is able to create a creative ability to multiply productivity.
- 2) The management economy which is oriented to a rigid stability, towards the management which is oriented to the dynamics. Management as practiced ruler economic stability of the new order which turns out to curb the resource allocation should take place naturally. The low economic creativity community, as well as due to the stability pattern is restrictive management.
- 3) Repositioning role of government in economic development. The role of government is done through a process that can take philosophy *ing ngarso sung tulodho, ing madyo mangun karso, tut wurihandayani*.

The absence of domestic capital will lead to national brogues weakness, lack of business class capable make interference run economic rehabilitation is vital to maintain political stability and stimulate economic development (Claman, 1998:19). Currently it's about time the government took on the role of middle to release the dominance of the economy either

directly or indirectly, or as an extension of certain private parties. The government is required to be *tut wurihandayani* taking initiatives to the private sector as an engine of growth of the national economy.

Shifting the role of government into the role of locomotive dynamic factor, where this shift will be done through the instrument budget and policy instruments, while formatting the government through a comprehensive deregulation of its role in the economy of the regulator towards administrator.

Globalization is expected to trigger in optimizing all resources and cultivation owned by a state, in order to obtain concrete benefits from economic integration into the global system. The deployment of resources and the cultivation of society as a whole are on the agenda.

The process of deregulation and reformation need continued in a comprehensive scheme and not independent of the other means, it will take a good and clean government, as a guarantee of the product creation policies are good and fair decision making process.

Awareness of the private sector and the public to participate, is very important. Participation was not merely obedience pay taxes, but constructive engagement to eliminate distortions and all participating pathology that weakens the competitiveness of a country's economy.

c. Government Policy Factor

Government action can also affect the business world due to the actions can increase business opportunities or obstacles, sometimes even both. Governments can influence the company either directly or indirectly, because the government can regulate a variety of issues that affect the company, for example, controlling the level of wages and prices, equal

employment opportunity, occupational health and safety, credit arrangements, the location of the plant, the type of advertisement and media as well as permitted guidance-guidance to employers and others. Laws and regulations can change day-to- day activities of the company, and often can influence the selection of its business strategy. The central government and local governments will affect the activities of the company either directly or indirectly with the publication of laws and government regulations.

The government manages the various issues affecting the company. But government action can affect the selection of a business strategy. The government can create opportunities and constraints of a business or both. Opportunities that can be generated by the government include:

- 1) The government is a major purchaser of goods and services.
- 2) Government policies can create new business and opportunities.
- 3) Government assistance to the company or industry can help companies survive and prosper.
- 4) Protection of domestic producers against competition that is not feasible with overseas production.
- 5) Regulatory changes could create new business opportunities.

d. Supplier

Porter (1991: 22-23) argues that the relative power of suppliers can be summarized as follows:

- 1) Power supplier to increase the price and the buyer's profit is pressed depending on the extent to which the supplier with the model of perfect competition. The further with the model means that the supplier has greater strength.

- 2) Power supplier to increase the price and the buyer's profit pressing minimized if the firm is a monopolist or oligopolistic buyers.
 - 3) Power supplier to increase prices and suppress large profits if the buyer is not important or the lack of consumer goods that cost a reasonable substitution or no acceptable substitutes in the industry.
 - 4) Strength is a major supplier if the supplier can integrate the fore.
 - 5) Threats of suppliers in point 4 can be offset if the buyer can integrate backwards and in an industry that is highly profitable, or control of suppliers.
- e. Competitors

Competitive environment will determine whether a company will remain in business are now and what strategies need to hunt in the business. Of understanding will arise a question as follows:

- 1) Who are the company's competitors
- 2) How does the company compare
- 3) How does the company compete
- 4) Does competition allow the entry of new firms into the industry

2.1.2. Review about Government Policy and Guidance Program of Small Industry

The nation's economic history during 3.5 century of the colonial period illustrates liberal capitalist system of economy is resulted the exploitation of the society impoverishment and the distribution of income and wealth of the society is very lame. Socio-economic structure that is not social justice, through determination sublime declaration of independence, was about to be transformed into a fair and prosperous society based on Pancasila: Belief in God Almighty, just and civilized humanity, the unity of Indonesia and Democracy guided by the inner wisdom of the

Consultative / representatives and by creating social justice for all Indonesian society.

With a legacy of dualistic economic system and socio-cultural pluralistic system, the Indonesian nation build through "experiments" of the socialist system and the capitalist system in the global economic system atmosphere instincts predator (predator). The first experiment a socialist economic system (1959-1966) failed because it did not conform with moral pluralism Pancasila and the nation, while the second experient the "democratic" system based on free-market capitalism (1966 -1998) excessive liberalism as understood internationally cum increasingly aggressive neoliberal economic master Indonesia in the fierce spirit of globalization. The monetary crisis that strikes in 1997 eroded economic Indonesian banking sector because of its porous - modern capitalist sector is overly relying on foreign capital. Foreign debts growing, both government and private debt, the more difficult the Indonesian economy since the economic recovery prescriptions of neoclassical economic doctrine such as the International Monetary Fund (IMF) not only does not strengthen, but weaken the economic life of the society. Economic Sector of the society themselves, especially outside Java shows a very high durability facing prolonged financial crisis. Economy resilient society who have saved the national economy from the threat of bankruptcy.

Economic ethics of the society who are honest, open and democratic, which emphasizes the collective action and cooperation, is the key to national economic recovery and the recovery from a prolonged crisis. This is the moral development that believes in the power of national and economic security of the nation itself.

Based on the constellation above and society's economic role that includes small industry, it is necessary partiality and protection of the

economic society, and therefore it will be explained in the section on government policies and programs on the development of small industry.

1. Government Policy

Whatever policy is chosen by the government to do or not do, Whatever government chooses to do or not to do, in this sense, it is the center of attention of policy not only on all the government, but instead on what was not done by the government which will have a significant impact to the community, as well as the actions undertaken by the government, one example of a policy that should be done by the government is spatial and transport, Dignity (1994:2) argues that: government can be seen as an organization formed as a result of deliberation or consensus of all political actors both individual actors and groups and organizations. The government's task is to absorb all the demands and interests of political actors, brought together the resources of these actors, and meet the demands and interests. Because not all demands can be met at the same time, mainly due to the quantity and quality of resources is less than the demand, the government is always doing the screening and selection of the demands or interests. There are demands that can be met immediately, but not the least that should be suspended or removed. The results of this screening and selection are formulated as public policy.

With the necessity to conduct the screening and selection of interests makes political actors dominate each other in order to influence the attitude of the government, the power struggle sometimes lead to competition for control or be the government itself. For a policy that contains a strong political aspect, so it is necessary to have the balance of power to compensate and correct government policies that do not favor one party to the detriment of the other parties. Balance of power can be

done by a political organization other than the government or by the organizations that have very strong roots in the community.

If more scrutiny then the sense of the state policy can be interpreted to give directions to a destination that has directed that can be categorized into several sections as follows:

- a. The purpose of the policy (policy demands), which in a political system, the process of formulating a state policy, or a variety of demands and urging the government and private actors to a government official to perform or not perform a particular action on a problem. Insistence or demand varies, in the sense that there is general up until the proposal-proposal certain to take concrete action against something that happens in a society problem.
- b. Policy decisions, are decisions made by officials, government with the intent to give validity, authority or provide direction on the implementation of the state policy.
- c. The policy statement is an official statement or explanation of the policy of one official by another official. On this aspect is needed each other about the policy statement will always match or sync. Because if not, then the society who will suffer the consequences.
- d. Output policy that form the country's most policies can be seen and felt by as it concerns the actual hat is done in order to realize what has been outlined in state policy decisions and statements .
- e. The end result policy (policy outcomes), where after the policy has been completed, it would appear, the final result of the consequences or impact was felt by a large community, whether expected or not expected as a consequence of government action in the fieldareas or specific issues.

Furthermore Wibawa (1994:1) suggests that the policy always contains at least three basic components, namely:

- Large goals
- Specific target and
- How to achieve these goals

From the three basic components of the policy means that the policy must have a real purpose to what the policy is made otherwise it public policies also need to have specific targets in terms of which the target or the society which is the target of the policy, as well as finding a way how in order to achieve the policy objectives. Miracle (1995:8) argues that: public policy issues tend to be much more chaotic and difficult to be formulated rather than military issues and industry that depend on machinery and technology that is formulated with quantitative methods in finding a solution. To solve social problems one must find a way to bring social change to encourage more society to behave in contrast to their previous behavior, so it is felt that an effective policy analysis rather high quality is still a rare thing.

Policy is an effort to meet the demands or needs of a particular group or community organization, so that the policy, sometimes compromising the needs of the community group or other organization. Often another organization or society are becoming victims because they have provided a lot of assistance in the form of certain resources for implementing the policy but the policy does not emphasize the organization or community organization or community that does not obtain anything from him.

In an effort to achieve its objectives, the policy calls for the mobilization of resources for the policies also govern the behavior of actors including community popularly called regulatory policies, while

policies that govern the distribution of resources is called a locative policy. In order to run a government regulatory policy does not direct specific resources except civil servants and bureaucratic machinery to suppress the target group in order to comply with regulations. Instead the government's policy of a locative must mobilize community resources, to achieve the objectives of the policy.

A policy may be regulatory or a locative distributive and redistributive. Import policy for example is a regulatory policy that is distributive, while the tax laws for example an a locative policies that are redistributive. In order to achieve the policy objectives of government to act as a resource mobilization policy input, and management of a limited resource that can be referred to as a process (implementation) policy. In the process of these policies is administrative and organizational behavior (Dunn, 1990:282).

In the process of the implementation, the government bureaucracy interpret policy into programs that can be viewed as a “bureaucratic policy“ as formulated by the bureaucracy and make policies more operational and ready to be implemented. So, in order to be more operational then the program formulated into the process which the implementers at the field level have been able to act.

Casley and Kumar (1987) cited by Wibawa (1994:16) argues that the policy would be required to implement a six step method as will be mentioned as follows:

- a. *First*, identify the problem. Limit the problem to be solved or managed and separate problem from the symptoms that support it. Formulate a hypothesis.

- b. *Second*, determine the factors that make the existence of the problem. Collect quantitative and qualitative data that strengthens the hypothesis.
- c. *Third*, review the bottlenecks in decision making. Analyze situations and organizations that advance political influence policy making. Consider a variety of variables such as the composition of the staff, morale and staff capabilities, political pressures, cultural sensitivity, the willingness of the population and management effectiveness. Avoid discussions unrealistic.
- d. *Fourth*, develop alternative solutions.
- e. *Fifth*, estimate the most comfortable solution. Define clear criteria and apply (aplicable) to examine the advantages and disadvantages of each alternative solution.
- f. *Sixth*, continue to monitor the feedback on the actions that have been performed in order to determine the next action to be taken.

While the effectiveness of policy implementation is determined by the implementation of bureaucratic behavior, if the behavior of the policy implementing both the results of the implementation of the policy will be good also. Based on some of the opinions expressed by the experts above policies can be concluded that the state's policy is a set of actions specified and implemented or not implemented by the government which has the purpose or goal-oriented in the interest of the whole society.

Moreover, it can be concluded also that public policy not only in the form of statements and determination, but also the need for the implementation of policy or implementation. It is important from a public policy that is should always intended for the benefit of all members of society not only in the interests of the political elite.

An effective policy would be visible or not, when the policy was implemented. While the implementation itself has a meaning as a process of implementation of the decision, it refers to the opinion of Wahab (1997:64) who argued that the reference to the implementation of the policy (policy implementation) is a process of implementation of policy decisions, usually in the form of laws, regulations judicial decisions, executive order, or presidential decrees. Further Wahab (1997:59) argues that policy implementation is an important aspect of the overall policy process. For this reason experts tried researching more on policy implementation issues, especially after the discovery of the evidence reveals ineffectiveness policies adopted by many countries (UK and USA). Wahab (1997:61) argues that many of the events, which clearly indicates that the implementation of the policy is not effective in many areas it is increasingly open to the eyes of policy experts examine what caused the ineffectiveness of the policy.

Wahab (1997:110) argues that: In the understanding of policy implementation issues at once also need to improve the effectiveness of policy implementation that relies on top-down approach can be reached by a variety of approaches, one of which is the structural approach, he said are organizational analysis, organizational forms suitable for the planned change can be a bit bureaucratic, as in the model of Weber, where tasks and duties another relationship with clearly defined and arranged in a hierarchical structure.

Implementation of a public policy is nothing but the application and the program is mandated in public policy (Jones, 1991:297). The application is an activity that is intended to operate a program. One of the cornerstones of the program is the implementation of an organization,

namely the establishment or realignment of resources, work units, as well as a method for making a program run well. Jones considers critical review of the organization in reviewing the implementation of a public policy.

An organization in the government has been synonymous with the term bureaucracy. About what it is bureaucracy, there is no complete answer without referring to the writings of Max Weber who saw bureaucracy as a means to overcome the difficulties and demands of the task of modern government. One form of bureaucracy is organized supervised activities needed to achieve the goals of the government bureaucracy to be distributed as a permanent way of implementation of official obligations. Bureaucracy in general can be regarded as a tool of government to implement policies that have been made, for the term bureaucracy is more attached to the interests of the government or even can be said to have fused with the government.

2. Government Guidance Program toward Small Industry

Indonesian national economic system is economic democracy system. Economic society is "a lot of society's economic activities" (Krisnamurthi, 2001). If related to trading activity, industry, and the services, then the aims are small industry, cottage industry, small traders, small retail, the city's informal sector, micro finance institutions, and not a large industry, formal banking, conglomerate, and so on. It is understood that what is meant by "the economic society " is an economic activity that is carried out by society with small , and not economic activity that is controlled by a few society with enterprise and large , although the later is also essentially the 'society' of Indonesia.

In Indonesian economic society in 2000 covering 99% of the total number of business units (business entities), providing about 80% of

employment, doing more than 65% of the distribution, and production activities for approximately 55% of products and services that community needs, 60% of which are in rural areas, 65% in agriculture and sought other related activities, and became the basis of 63% of domestic consumption, as well as evenly spread across Indonesia (Krisnamurthi, 2002). However, unequal distribution of productive assets (formal) which approximately 65% is controlled by 1% of perpetrators cause the greatest business value contribution of production (GDP) and export economic activities are relatively smaller.

However, the perspective above also provides an economic dismal picture of the society in Indonesia. Tenure and access to resources by the society (many) are still very much in trouble. Legal protections of the business is still weak, the right to land is still something very coveted, take bargaining position (bargaining position) in the control of resources is almost always located at the lowest point. Even the resources that had been dominated by the society, easily changing hands. Comparison of resource availability 'public' such as electricity, water, and telephone were not balanced between the allocation to the economic activities and non economic society, also described the situation grim aspect "of the society" is.

Society also often limited its ability to make decisions. Physical and institutional infrastructure that is built is likely to lead to the unification of the decision-making process designed not by the society themselves. Society also have very limited access to information and technology, which in turn makes decision-making ability to be much more limited. In essence, there are inequities in economic development. Non-economic-folk have got a lot of convenience and support, as deemed more suitable to

particular interests. The "non-economic-folk" have a lot of support from the government elite, and have developed a dependence on the group so that it becomes the "ruling elite-entrepreneurs". In this case the group of "non-economic-society" becomes vulnerable to changes in the ruling elite. Sarna At full development system "distorting support" has been made "non-economic-society" become more associated with the global economy. Linkage to the world market, both the goods market, money market and capital market; has led to the "non-market economy" into activities with "a lot of decision-makers" in the world that is not limitless and is still vulnerable. Instead, "economic society" is not got a chance for it, did have very much trouble to grow and provide welfare for the culprit. Relatively little support from the government / ruling has been made popular economic actors are not very dependent on the conditions of the elite. Conditions "limited" on access to the global market at the same time also provide 'immunity' to economic society are not susceptible to the condition of the world is happening internationally, or even nationally happened. thing is then a basic proposition in view of the economic position of the society in the financial crisis that has not long ago and is still felt till today.

Based on the description above it can be concluded that the Indonesian National Economic System Economic Democracy is a system of economy from democratic and moral kinship with society taking sides on the economic sector which includes the small industry. Partiality and protection strategies in small industry is enabling and empowering the society of economic actors that since colonial times, and half a century of independent Indonesia is always in a position of helplessness.

The major role of small industry in the development, particularly in expanding employment opportunities, reduce urbanization, as well as

supporting the efforts of equity, the government has made determined efforts to develop small industry through improvement, setting, training and business development, as well as improve productivity and product quality improvement. Development efforts have been underway since the beginning of the Five Year Development Plan I to V and continue to be implemented until now.

The experience of some countries, training programs provided by the government can be a positive influence on policy making and determination of functional strategies (Edwards, 1994:14). Training function of government is to make healthy condition and improve the competitiveness of companies that seemed to be slumped today (Ministry of Industry and Trade of the Republic of Indonesia, 1996:1) the guidance given in the form of capital that can serve to overcome and reduce the difficulty in trying. Development of the external factors should be translated into opportunities and opportunities. Employers should be able to fix weaknesses and develop strengths possessed (Apibunyopas, 1983:24).

External support, both technical and non-technical, such as the creation of industrial climate, should have a lot to give meaning to the operating company (Apabunyopas, 1983:17). The government itself obliged to create a climate that encourages active participation of business, in addition to providing direction and guidance (Werdaya, 1995:3). Guidance to small companies is necessary, because the aid is expected to produce momentum that will appeal to more similar business thinking towards the future (Kadinda, 1995: 14). In addition, it is also intended to make the company more independent and have better prospects. The above problem has been getting attention that serious enough given the company

currently has a limitation in general management and finance. With the training program, expected problems could be solved, so the company better able to compete, especially if it is associated with free trade (Fisseha, 1994:3). Government development programs embodied in its provision should be a unified concept, starting from planning, financing, production, marketing and other activities related to the business activities to be able to meet the market. These problems have been recognized by the government for this, so the problem is the existence of small companies still needs to be considered (Wardaya, 1995:15). Policies to improve small business into a formidable businessman remains programmed, although policy development seems to have not shown optimal results, so the goal of providing assistance to small companies still need to be improved from year to year (Regional Kop. KDP and East Java, 1996: 6).

Since the development of the first long term, the Indonesian government has based its economic development strategy on three objectives, namely economic growth, equity and stability, with emphasize on equity aspects. Aspects equalization in question is the result of development, equitable regional development, as well as equal opportunity employment and business opportunities for all society. Equal employment opportunities and the sought are especially for the economically weak and small entrepreneurs.

The structure of the Indonesian business by Suharto and Johnson, (1994:79) still form the pyramid that the bottom layer is occupied by a small group (98%) and the topmost layer by large employers group (1%) and the rest is occupied by middle-class entrepreneurs. Although the number of small business with a lot is compare groups' large and medium business, but the contribution to the GDP of most small. With so many

economic problems and gaps in various walks of life. It is not only in Indonesia, but also outside the country are economic disparities. From this fact many experts concerned about the presence of a small industry, by conducting research and generating some conclusions, at least hypotheses have been raised about the existence of small industry such as:

In Japan, rapid economic growth is associated with small industrial business, as well as the pattern of the relationship between industrial subcontracting small to medium or large industrial subsectors.

Similarly, in the United States (U.S) since World War II, a small industrial donations it cannot be ignored by Birch, (1979), the results of research on small industry in the United States (Peter Buxbaum, 1995:1) demonstrate the success of small industry, in marketing products for export, from the number of respondents who thought sampled (66%) the number of small industrial business will increase the value of its export this year, and is expected to increase to be 80% within the next 5 years, 33% of companies doing business or opening new markets to China, South Africa, and Vietnam, more than 40% believe will do the trade with that country in 10 years to come.

In Indonesia, the research of Idrus (1988) says that the views of a small industrial sector output (value of production and net income) showed improved results (increasing returns) to input changes (capital and labor).

These results are also in line with the results of Hill research (1990), namely the analysis of data in 1985 about the industry in which the industrial sector still contributes significantly to the formation of the total output.

Husien (1994:41) the success in assessing development of small industry, through quantitative and qualitative data. Quantitative measure of labor progress and financial development, while the qualitative measure of the characteristics of leadership in the organization of small industry.

If seen from business partnership (HutabaratJemsly, 1996:9), showing the development of business partnerships (alliance) between small industry with their business partnerships (medium and large industry) each year has increased 38.9%.

Djumiaty (1996:197), explaining also that the value of output (production) of small industry is significantly affected by the amount of raw material usage, labor usage amount, the amount of production equipment usage, level of education and experience as well as the employers pay the amount given. From the results of these studies also conclude that small industry in East Java need to be given more intensive training.

Mudrajad, (1997:91), examines the existence of a small industry by sales value approach says that the value of sales (turnover) is affected positively by the workforce, the network (network of excellence in business), the capital, cooperative and price.

From the search results of a small industry research there are some similarities and differences in the starting point (viewpoint) between researchers on the existence of small industry. This occurs because a small industry has various drawbacks and advantages characteristics, so it gets special attention for examination. Thus the phenomenon is not due to small industrial backwardness and weaknesses that promote small industry are not growing, but rather the presence of small industry as a result of efficiency and modernization.

From the explanation above we can conclude that, given the guidance that can serve to overcome and reduce the difficulty in trying. Development of the external factors should be translated into opportunities and opportunities. Small industrial entrepreneurs should be able to fix weaknesses and develop strengths possessed. Training is an effort by the government; business and society through support (management, technical and financial) for grow and improve the ability of small business to be resilient company. Partnership is joint ventures between business are small with medium or large company, taking into account the principle of mutual need, strengthen and profitable (Department Of Trade And Industry, 1996:8). The purpose of training is a partnership of government and in order to empower the business. Empowerment is an attempt to grow the business and strengthen itself into a formidable effort. Government shall provide assistance and human resource development areas (Act-RI, 1995; chapter 14 verse 9) with;

- a. Socializing and cultivate entrepreneurship
- b. Increasing the technical and managerial skills
- c. Shaping and developing the educational training and consulting institutions
- d. Providing extension workers and consultants

2.1.3. Definition of Small Industry and its Scope

Small industry is part of a small business, so any talking of small business, it includes the small industry. Field of small business activities can be classified as: manufacturing, wholesaling, retailing, mining and finance service (Pickle, 1989). Meanwhile, according to Justis (1981) in addition to the 6 areas that still another one that is agriculture. The seven fields of activity of this small business, Justis said the first four fields as

industrial groups. Here, manufacturing (factory) serves as producer (manufacturer), wholesaling (wholesale) as an intermediary from the factory to retailing (retailers) that will be sold directly to consumers, while the services are companies that do not produce a product, but provide capabilities (is services and skills) to both factories, wholesalers, retailers, and consumers. Furthermore, this section will explain, the notion of small industry and scope.

Definition of Small Industry

Speaking about small industry, of course, be related to small business because small industry are part of a small business.

The definition of small business, each country imposes limits different. Anyone seen from the amount of labor, capital and or property owned by the company. Malaysia, for example, defines a small business as a business that has net assets of less than US \$ 500,000. (Usman, 1997), or by changes in the monetary unit of dollars into ringgit Malaysia, where the value of the exchange rate 1 Euro is equal to Rp 2,700 (Reuters, 25 February 2002), it is equivalent to Rp 1,350,000,000. In France, it is considered as a small business if it has 10-40 employees (Sutojo, et al., 1994). While the Small Business Administration (SBA) as a special agency created by the Small Business Act in the United States in 1988 to deal with problems of small entrepreneurs, provides a definition of small business using the measure of the amount of sales or number of employees by differentiating its business as in table 14.

However, according to this definition Steinhoff always adjusted to the level of economic and other factors are thought to affect. While the Committee of Economic Development (CEO) in the United States provide a qualitative definition of small business. According to the CEO of a

company referred to as a small business if it meets two of the following four criteria: (a) independent of management and the manager is also the owner, (b) sector and capital owned by a person or a small group, (c) give priority to the local operating area, (d) relatively small size when compared with large companies (can be seen from the number of sales, number of employees, other comparisons were significant) (Pickle, 1989; Steinhoff, 1982).

Table 14: Definition of Small Business According to the Small Business Administration (SBA)

No	Line Of Business	Total Sales Maximum (U.S. \$Million)	Number Of Employees Maximum (Society)
1	Retailers	2 – 22	25-100
2	Company services	2 – 8	25-300
3	Wholesaler	9,5 – 22	<500
4	Processing	-	250-1500
5	Transportation Warehousing	1 – 10	500-1500
6	Development (mean 3th)	7,5 – 12	-
7	Contractors	<17	-

Source: Pickle (1989)

Particularly in Indonesia until now this small industry limits still do not have a definite default between institutions or agencies, each agency provides definitions of a small business varies according to his interests. Anyone seen from the financial aspect, labor, and other, different views about the limitations and understanding of small industry still cannot be integrated by default. Here are a few criteria for small companies in Indonesia.

1. Law of the Republic of Indonesia No. 9/1995, the company;

- a) Has a net worth < 200 million rupiah excluding land and buildings.
 - b) It has annual sales < 1 billion rupiah
 - c) Belongs to Indonesian citizens.
 - d) Stand alone not subsidiaries or branches of companies owned, controlled or affiliated
 - e) Directly or indirectly with medium or large business.
 - f) Form of individual business, a business entity that is not a legal entity or legal entity, including cooperation.
2. Bank of Indonesia and Department of Industrial and Trade, defining companies that are based on property value < 600 million rupiah, out of the building and land.
 3. Financial Department basing the amount of wealth and sales turnover < 300 million rupiah / year).
 4. Department Statistics Center defines based on the number of employees that the company, amounting to between 5-19 society and have a fixed capital < 100 million rupiah.

Based on a few small industry criteria above, the criteria intended small industry in this study was small industry according to the criteria of the Ministry of Industry and Trade (Ministry), a company based wealth at score < 600 million rupiah, out of the building and land. According UURI 1995 having an annual sales turnover < 1 billion rupiah and according to the number of employees in Department Statistics Center 5-19 society including businessmen. This is done with consideration of the initial information is difficult to obtain some of the following, namely: (a) the number of employees per-unit small business, (b) the percentage ownership for indigenous capital, (c) the maximum annual sales results. On the other hand, East Java Regional Office Department of Trade And

Industry and small industry have grouped into the report, where one of them is a report of data centers of East Java Province. In addition the Department Of Trade And Industry is one of the government agencies that participate responsible to the development of small industry in Indonesia. While Department Statistics Center is a government agency that serves as a source of information for both national and international interest.

Scope of Small Industry

Grouping small industry can be seen from various aspects. *First*, based grouping, according to Saleh (1986), a small industry can be divided into three categories, namely: (1) local industry, (2) Industrial Center, (3) Industry Self.

Local industry is a lucrative industry group survival is limited to the local market, and is scattered relatively. The group is seen from the of its business in general is very limited, so that in general only use simple means of transportation, such as bicycles, carts, and yoke. And because the marketing of their products in general handled themselves, the less prominent role of merchant services.

Industry Center is a group of industry that have business units in terms of small-, but to form a group or production area consisting of a collection of business units that produce similar goods. Targeted marketing of this group generally reaches a wider market than the local industry groups, so that in this group the role of middlemen become quite prominent.

Independent industry this group because it is basically the type of industry including small group (small business , and management systems that are used or are still relatively simple), but was capable of adapting

fairly sophisticated production technology. Marketing of products of this group is relatively independent of the role of middlemen.

Second, based on its uniqueness compared to medium and large companies, small business have the following characteristics: (1) capital comes from individuals or small groups, (2) the relatively small size; (3) the company is run by the owner as a manager, and (4) the location priority to local business (Carson and Cromie in Luke, 1996). Meanwhile, according Bumback (1985) include: (1) managed by the owner, (2) high personality, (3) most of the local operating area, and (4) most of the internal sources of capital.

In general, the Ministry of Industry was grouping includes small industry; craft industry, household industry, informal business and traditional business. But technically, a small grouping of industrial activities in the four groups, namely:

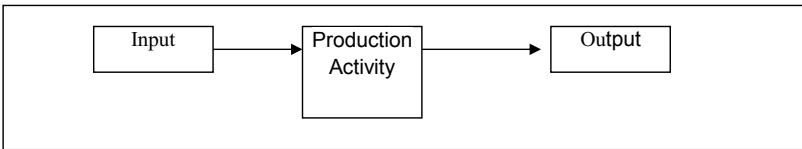
1. Food industry group consisting of fish processing industry and snacks.
2. Clothing industry group consists of the apparel industry, textile finished goods, shoes leather footwear, leather goods and batik finished.
3. Chemical industry groups and building materials consist of furniture, rattan goods and wood charcoal / shell.
4. Craft Industry Group consists of industrial webbing, gold jewelry, silver jewelry, wood crafts, children's toys and needle work embroidery.

2.1.4. Overview about Productivity

In production activities, small industrial company combining the factors of production is owned to produce goods and services to be sold to consumers. Thus the activities of production by a small industrial company are a small industrial business activity in incorporating some of the factors of production to produce goods and services.

Definition of production activities undertaken by small industrial companies not only from the business of making new goods or services, but more emphasis on the notion that the production is an activity that can enhance the benefits of a good or service. Any activity that creates value is production. (Thomson and Formby, 252). Production is the concept of flow (flow concept). Understanding the concept of current production is that the production activity was measured from the amount of goods and services produced in a given time period, while the quality of the goods or services produced is unchanged. (Miller and Meiners, 250). In the process input is absolutely necessary. The following figure gives a simple illustration of the production activity, which stems from determining what inputs are used and in what amounts, and the final stage of the process is the result in the desired output, both the type and quantity of output.

Figure 1: Schematic of the Production Process



Source: Micro Economic Theory, Algifari (2003)

Based on figure 1, at an early stage in the production process is the company determines what input is needed and how many inputs used to produce the desired output at a certain amount. Input is specified, both the number and the type incorporated into the production process. The results of the production process are the output desired by the company at a certain amount. Based on the above description it will be described in this section that includes the company's behavior, the functions of production, productivity, rationality production levels, poses Effect of technological

progress on production, production function with two input variables and isoquant curve.

1. Production Function

In introductory microeconomics Sukirno (2002:192) mentions that the nature of the production function shows the relationship between the factors of production and the level of production. The factors of production are also known by the terms input and output quantity is referred to as the output.

In analyzing the functional relationship between the number of inputs used by the amount of output produced can be used a mathematical model called the production (production function). Or in other words, the production function (input) used the number of goods or services (outputs) generated.

Based on the efficiency of the production process. The efficiency of a production process can be divided into two kinds, namely technical efficiency and economic efficiency. Technical efficiency (technical efficiency) implies that in a production process can utilize more little input to produce output in the same amount a lot. For example, to produce an output of 100 units, the production process first requires the input of 20 units, while the second production process requires input 15 units. This means that the second production process more efficient technically than the production process I. Economic efficiency (economic efficiency) implies that to produce a given amount of output using the most inexpensive cost. That is, the production process is said to be economically efficient if the production process using a resource with the cheapest cost for each unit of output produced.

Furthermore Algifari (2003: 119), the micro-economic analysis explains that, the functional relationship between the numbers of inputs used by the amount of output produced is called the production function. Or in other words, the production function is a mathematical model that shows the relationship between the amounts of output that is used with the amount of output that will be generated. To explain the mathematical model of the functional relationship between inputs and outputs in a production process used examples of the production process which uses two kinds of inputs, i.e., inputs of labor and capital inputs. If labor input is given the symbol Q , then the mathematical model that shows the functional relationship between inputs used and outputs produced is $Q = f(L, K)$.

Based on a production function can be obtained the production curve. Production curve is a line (curve) which shows the amount of output produced at various levels (amount) of input variables used. For example, following the production processes that uses the two kinds of input, namely labor (L) and capital (K). In this production process, for example, L is the input variable, while K is a fixed input. If the amount of output produced given the symbol Q , then the production function is

$$Q = f(L, K)$$

In connection with this research the understanding of production efficiency described above is used further as an indicator variable that is one indicator of the variable success of small industrial business.

2. Productivity

Studies using variable labor productivity (the ability of business) have been carried out by various groups. This is partly due to knowing

management / service a unit of work that can be seen from the productivity of work performed by the existing workforce resources. In this study, labor productivity in the context of the impact of the government's empowerment that includes education and training, assistance, partnerships and government regulations on productivity (operating capability) of small industrial entrepreneurs.

For more understanding of the concept of labor productivity is to be observed from various opinions as follows. Production is a process of transformation of resources into products, coupled with technological resources produce output. Productivity measures how efficiently resources are used. In other words, the productivity can be defined as the ratio between the size of certain output is compared with the size of the input (resource) specific (McEachern, 2000:105).

In order to produce goods and services used through the production function approach is expressed by the formula $Q = f(L, K)$, where the number of results produced (Q), the amount of labor (L) and the amount of capital (K) This function can also be developed that as follows:

$$Q = f(K, L, R, T)$$

Where:

Q = Output / Number of Products

K = Total capital

L = number of workers

R = the natural wealth

T = level of technology

The equation is a mathematical statement which basically is used to calculate the level of productivity, which means that the rate of production

of an item depends on the amount of capital, number of employees, the amount of natural resources and the level of technology used. Give SA (in Kussriyanto, 1991), an independent research institute in California reveals that labor productivity is a comparison between the results achieved with the participation of labor per unit of time specified. While Latham and Wexley (1982:2) says that the productivity of the individual can be judged from what is done by the individual in his. In other words, the productivity of an individual is how a person carrying out or performance of the job (job performance). Mitchell and Larson (1987:474) states that a good performance can be affected by proficiency and motivation. They explained that without motivation skills, or motivation without skills, they cannot produce a high output. Furthermore, Mitchell and Larson in to see the effectiveness of the work proposed several theories, including a contingency approach (contingency approach) which is a combination of a variety of other approaches.

Basically the performance will depend on the existence of the right blend between the individual and his work. So to achieve maximum productivity, organizations need to ensure it chooses the right society with the right job, along with the conditions that allow them to work optimally. This is consistent with the idea Gilmore (1974) which looked at the productivity of the corner of one's personal potential by saying that society are productive society who can provide real and meaningful contribution to the surrounding environment, imaginative and innovative in approaching the problem of life as well as having intelligence (creative) in achieving his goals. Maslow (1975:91) suggests that society are able to actualize itself will affect the productivity of the work they produce. This relates also to

individuals who are creative, have a knack for using his thoughts and feelings in generating an activity.

There are various kinds of productivity that can be distinguished based levels (strata) and factorial. In the discussion of productivity factorial generally focused on productivity, since it relates directly to the company and its usefulness is very important for the company. Productivity based factorial can be distinguished among others (Krajewski, Ritzman, 2002:24).

- a. Total factor productivity, the productivity shows the productivity of all factors of production used to produce the output. These factors are the raw materials, labor, energy, equipment and other production.
 - b. Multi-factor productivity. Shows the productivity of several factors that are used to produce output, among others; capital and labor.
 - c. Partial productivity. Shows the productivity of certain factors that are used to produce output, for example, only the form factor: raw materials, labor, energy and other
3. Influence of Empowerment and Human Resources Technology to Production Process

Small industrial entrepreneurs through its performance is a more important factor than the other resources of the company. But with the development in the aspects of technology, culture, and other, sometimes the performance of small business do not conform to the standard (time and or quality) of a given company. Such a situation means that small business have a problem in doing its job.

To find out if a small businessman having a problem related to his duties identified through three questions: (1) can they do properly if they work? (2), do they have ability to perform the task correctly? And (3)

whether they know the standard of expected work? And when the three questions answer is "No", means that there are problems on the employees themselves (Laird, 1983). Meanwhile, when viewed from the side facing the source of the problem can be classified into three, namely: (1) performance issues, namely individual differences in knowledge, attitudes, and skill, (2) management issues, i.e. differences in the way of managing resources, and (3) organizations of the problem, namely the difference in the design of the structure, authority, and duties within the organization (Pace, et al., 1991).

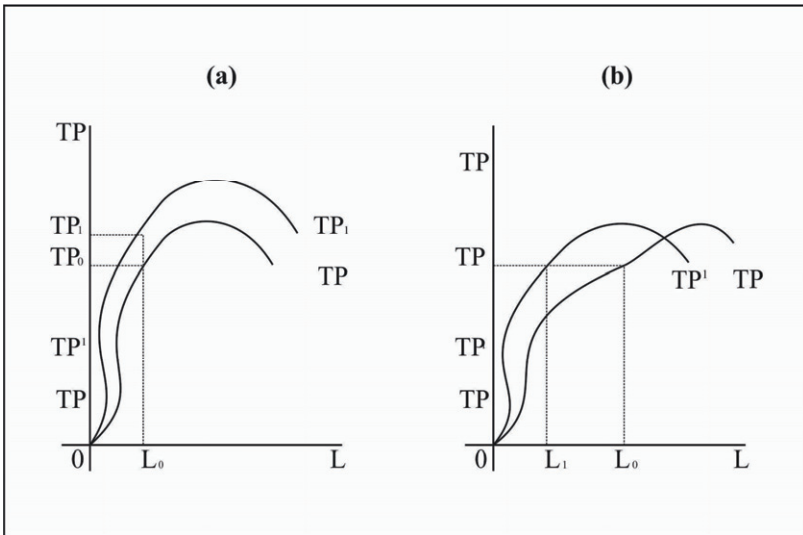
The problem faced by a small businessman in connection with the implementation of this task can resolved through human resource development program, because the main function of the human resource development is to improve the effectiveness of the work of individuals, groups, and organizations (Pace et al., 1991). Likewise Mody (1990) which states that the purpose of implementation of human resource development is done by a company is to: (1) improving productivity, (2) prevent obsolescence, and (3) preparing a higher duty.

In addition the technology is also an important factor compared to other resources owned by the company. But in its development in a small industrial entrepreneurs technological factors do not correspond to a given standard production process of the company. Such a situation means that small business have problems in the production process.

Referring to the description above, the performance of the small entrepreneurs who reflected on the ability of efforts should be fostered and developed through human resource development and technologist. This is similar to the Beach (1980) which states to operate an organization, whether large or small, competent employees required.

In connection with the empowerment of small industry and technology human resource development can affect the production process. Human resource development and technological progress can lead to more efficient production processes. Understanding more efficient in the production process has two kinds. Firstly, the production process can be said to be more efficient if the number of outputs to produce a number of inputs that can use less. Second, the production process can be said to be more efficient when using a number of inputs that same can produce more output. In this study expected by the empowerment through human resource development and production technology can be more efficient, changes in the production curve in figure 2 below.

Figure 2: Human Resources Development, Technology and Production Curve Change



Source: Theory of Econometrics, Koutsoyiannis (1976)

Production curve in figure 2 shows the production curve changes as a result of government empowerment which transactions are carried out

through the development of human resources and technology. In Figure 2a, the production curve shifts upwards, of the total production TP curve into TP1. Changes in the production curve shows the empowerment of the government after getting the production process more efficient, because by using the same input L, namely L_0 can increase the output generated from the TPO into TP1. In Figure 2b, the government's empowerment through human resource development and technology led to the production curve shifts to the left of the TP into TP1. Changes in the production curve shows the production process more efficient, to produce as much output as TP can be done by reducing the input L of L_a into L_0 .

From the pictures and the description can be inferred by empowering the government to small industrial business will increase production efficiency

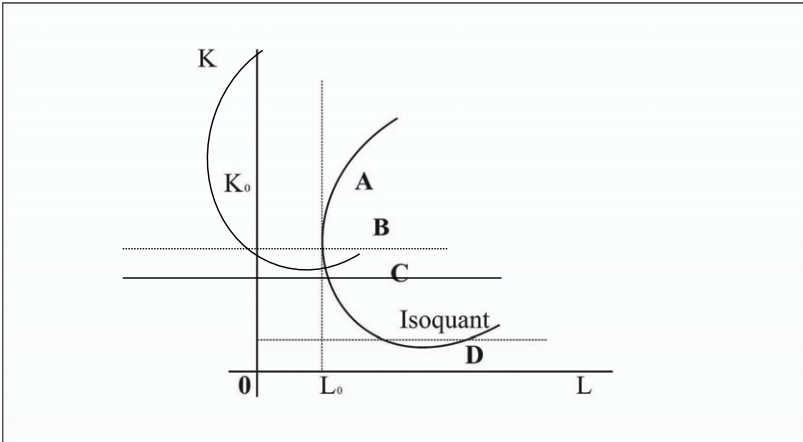
4. Isoquant and Isocosts Curves

Many empirical studies have been done to create a model that shows the relationship between inputs and outputs in a production process. However, the results difficult to generalize. That is, the model of the production process can be obtained only explain specific characteristics of the production process.

In a study of empowerment that government transactions are carried out through the development of the resources of a production process that uses more than one kind of resource, the level of technology that has not changed, the government has the discretion to choose the most advantageous combination of resources (most efficient) to the government. The combination of resources that can be chosen by the government is described mathematically into a curve called isoquant curve. Algifari (2003:134) explained that isoquant curve is a curve (line) that connects the

dots combination of resources to produce a level of output that same, can be expressed as follows in figure 3.

Figure 3: Curves Isoquant



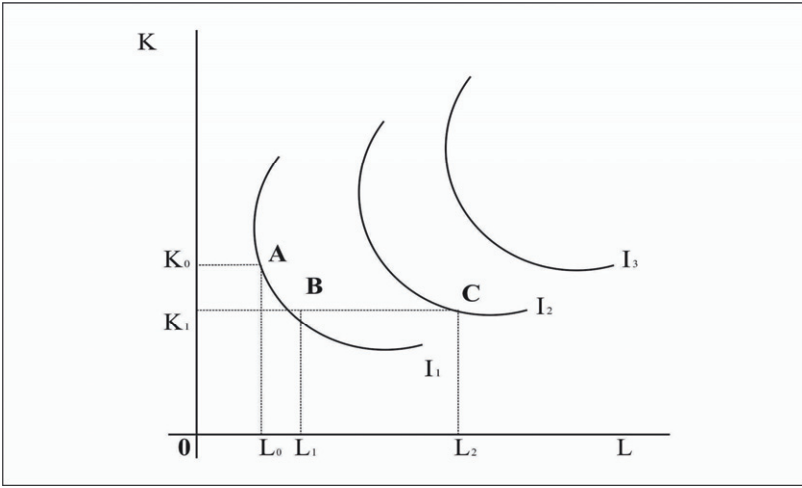
Source: Koutsoyiannis (1976)

Based on the graph in Figure 3 can be explained that, every point of the combination of resources and resource K L at the same isoquant curve will produce a number of outputs (goods or services) as much. Points A, B, C and D are points of K and L combination of resources that can produce the same output number. A point on the isoquant curve shows the minimum amount of resources L (L_0) so that the production process can be dilaksanakn. While the point D on the isoquant curve above shows the minimum amount of resources K (K_0) for the production process can be carried out.

In conjunction with this research empowerment by the government is expected to choose which one of empowerments needs to be improved in order to produce a higher output level (more) as expected. The following

figure shows the various combinations of resources that are expected to produce output at a certain amount.

Figure 4: Various Possible Combinations Resources at Curves Isoquant



Source: Theory of Econometrics, Koutsoyiannis (1976)

Based on the graph in figure: 4 isoquant curve I₁, I₂ and I₃, are three of the many isoquant curves that can be selected by the government to determine the combination of resources in a production process. Isoquant curve I₃ shows the level of output produced more than I₂ isoquant curve and more than curves isoquant I₁. The combination of resources at point A, namely resources and resource K₀ K as much as L₀ L will produce the same amount of output with the use of resources and the number of resource combinations at point B, namely resources and resource K L K₁ as much as L₁. Why? Due to the combination of resources and the point A combination of resources at point B lies on the same isoquant curve. The combination of resources at point C, i.e. K as K₁ resources and resource L as L₂ will produce the same amount of output number with the use of

resources with a combination of resources at point B, the resource and resource K L K1 as much as L1. Why? Due to the combination of resources at point C lies on a higher isoquant curve (further from the center point axis) compared with the combination of resources isoquant curve at point B.

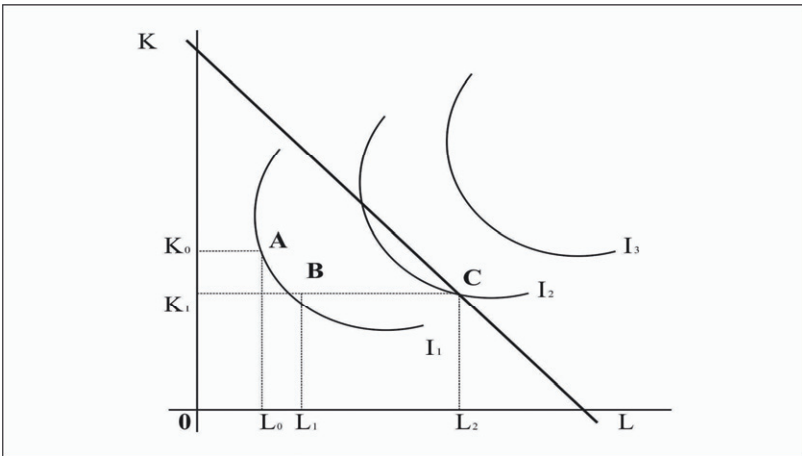
In the experiment conducted Pingle (2000), entitled The effect of the decision costs on the formation of market-making intermediaries explained that to overcome the risk of substantial costs can be chosen through some combination of alternative production options available and find the best option if the cost of the most lower.

An isoquant curve contains a wide selection of combinations to produce a given level of output, while the isocost shows the maximum ability of government to provide the resources needed by employers in the manufacturing process. The combination of resources used to produce a certain level of output occurs when the curve is tangent to the isocost isoquant means it occurs at the point of optimal empowerment as figure 5.

Based on the combination of the best images that can minimize the cost is a combination of the point E on curve 12, K and L of resources with the lowest cost occur in resource use K and L at point E.

With the production grounded in theory, the study was conducted in order to empower the government on the development of resources in the form of education and training, government assistance, business partnership, government regulatory with the resources that have been budgeted, but the maximum amount of production so that the profits of the company will increase the mean increase the success of small industrial business.

Figure 5: The Combination of Resources With the Lowest Cost



Source: Theory of Econometrics, Koutsoyiannis (1976)

2.1.5. Overview of the Small Industrial Business Success

The success of small industry is influenced by various factors and therefore described in this section (1) understanding the success of small industrial business and (2) critical success factors of small companies as follows.

1. Definition of small industrial business success

Small entrepreneurs (*small business owner*) that includes a small industrial entrepreneurs that are basically also the entrepreneur is someone who organizes a business venture and to consume risk for the sake of profit (Pickle, 1989). Small businessSMEn and entrepreneurs play a management role in identifying new ideas and new products, which generate new business opportunities. The difference between them is the view of the term profit. In the psychological satisfaction for his efforts entrepreneur is always in shadow by the ever-increasing profits satisfaction, whereas the

small businessman, is more focused on goods and services in order to serve the needs of the community.

Business performance of the company is one of the goals of every entrepreneur. Performance of small industry can be defined as the degree of success in achieving the purpose / goals expected. As a measure of the success of the business of an enterprise can be viewed from various aspects, such as financial performance, corporate image, and others. Especially as a measure of financial performance of the company's success can be calculated by comparing a range of variables that exist in the financial statements in accordance desired objectives such as liquidity ratios, leverage ratios, productivity ratio, and the ratio of competition.

Liquidity ratio used to measure a company's ability to meet short-term obligations. Leverage Ratio is used to measure the use of debt in an effort to fund a portion of corporate assets. Productivity ratio is used to measure the operational performance of the company in utilizing company assets. While the competition ratio is used to measure the conditions of competition for market share in the company. Through measuring the financial performance of various kinds of company success can be measured. But here requires detailed bookkeeping system and good company. While according Marbun (1986) and Sutojo, et al (1994), the weakness of small business include: (a) no / rarely have a written plan, (b) irregular bookkeeping system, (c) tends to run a business with a family pattern sentries. With this situation it's hard to measure financial performance as described above is used for small industry. On the other hand pickle (1989: 311) states *"the rate of return on assets ratio is a measure of profitability of the firm. It indicate the amount of assets necessary to produce the current level profit"*.

Based on the description above, then profitability is measured from the level of the rate of return on assets for use as one measure of the success rate of small industrial business in this study. However, because smaller companies generally do not separate building with a residence place of business, the assets referred to in the measurement of the rate of return on assets in this study did not include the land and buildings. Furthermore, the use of land and buildings will be calculated the value of the rent. Although small industry accounting systems are less / not good, researchers believe through small notes of the company and to deliver information to employers about the recording, some of the aspects necessary to measure the success of the company can be obtained. Starting from a small industrial bookkeeping system conditions which are generally poor, then to dig total tangible assets owned small industry will be done through the identification of the liabilities on the balance sheet in accounting.

Of the balance sheet can be explained that the assets on the balance sheet equal the liabilities side. Total assets include tangible assets side plus intangible assets. While the amount of the liabilities include debt plus equity capital. From the description it can be concluded that the "tangible property" (tangible assets) is basically the amount of the "liabilities" (debt + equity) "intangible assets". Through this way (a) psychological, employers do not feel its excavated material possessions, (b) does not require information details of the company's assets are many and (c) does not involve a lot of estimates of the balance sheet is required for the identification of variable success of the business.

2. Success Critical Factors for Small Business

The considerations that underlie the success of the business are the ability and motivation, business success as a function of the interaction between. Ability and motivation; namely success effort = $f(A, M)$. If there is not adequate, the success of the venture will be affected negatively. It helps explain, for example. Athletes or students who work hard with the simple ability to consistently outperform its competitors are talented but lazy. So as we often consider the intelligence and skill (which fall under the label 'ability') should be considered in addition to motivation if it will explain and accurately predict the performance. (Robbins, 2001:187).

In an action, emotional problems themselves can be seen as an effective reaction (effecting reaction) arising from the person's perception of a particular situation and it is a fundamental motivation. (Kartajaya, 2000:2). Essentially, emotion is referring to feelings and thoughts typical, and psychologist a biological state, and a series of propensity to perform certain actions (Goleman, 1995:411). Because emotions (Emotional Intelligence) of each individual which include the ability to incrementally frustration, self-motivation, impulse control and not exaggerate the pleasure, regulate feelings and moods, keeping stress loads do not cripple the ability to think, to empathize and pray. This essential emotional ability can be learned will be developed through education and life experiences since ended early.

Emotional Intelligence (EQ) helps a person to think rationally or use in a healthy sense, in the situation of experiencing emotional disturbances it is impossible to think or use ratio is well. Emotional intelligence (EQ) gives us the ability and the responsibility for pricing and self-awareness, social sensitivity, and adapt to the situation and social conditions

encountered, including the ability to explore the feelings that arise so that they can control and how to put yourself in the best possible environment.

Emotional intelligence (EQ) plays an important role for a person when they are at work, in families and in society, to accept the reality and experience of life even in one's spiritual life. Motivation is associated with positive emotions are indeed also the background on the ability to control emotions or to what extent emotional intelligence in a person. This emotional intelligence that will eventually determine the best option to us, for which we work and what work we can do and how we maintain the balance between the needs and personal interests with the interests and needs of others. (Goleman, 1995:45).

Robbins (2001: 42) in his explanation of the fundamentals of individual behavior, outlining the basics of these behaviors into 4 (four) variables: biographical characteristics, ability, personality, and learning can be considered its impact on employee performance. He classifies the various issues related to one's self: age, sex, marital status, family responsibilities and working life is into what he describes as biographical characteristics. Biographical information or data about it is objective and can be easily obtained from records or personal data. In general, the same as on the existing capabilities in human beings is also one of the foundations of individual behavior in a person. Scientifically Everyone will have their strengths and weaknesses are not the same, because not all created equal.

The ability of an individual is defined by Robbins (2001:46) as the capacity of an individual to perform various tasks in a job. Overall ability of an individual is essentially composed of two (2) devices that factor:

intellectual abilities and physical abilities, ability (abilities) in the person in a job is composed of two (2) basic skills. Namely:

1. Intellectual ability is the ability to work on the mental activity and physical ability to perform specified tasks demanding stamina, dexterity, and similar skills. This intellectual ability can be measured through the 7 (seven) dimensions of human intellectual abilities, namely: numerical, verbal, perceptual, inductive, deductive, and memory abilities that can be known through an IQ test (Intelligence Quotient). This ability is a lot more stress to the human brain's ability to work.
2. Physical abilities containing 9 (nine) basic physical abilities are strength and flexibility that dynamic strength, body, statistics, energy, flexibility and dynamic extent, body coordination, continuity and stamina. This capability emphasizes the body's ability to perform a variety of jobs.

Intellectual ability is an ability that is treated to perform tasks demanding stamina, dexterity, strength, and similar skills. Intelligence test such as: test IQ (Intelligence Quotient), and the entrance examination for higher education that is popular is a test that is designed to ensure the general intellectual ability of a person. Intellectual abilities play a greater role in the intricate work on the condition that the information processing demands intelligence capabilities to it.

The ability of Intelligence (IQ) and consisted of an employee should be measured based on the intelligence of math, verbal, perceptual, inductive, deductive, and memory space contained within 7 (seven) dimensions of intellectual ability. However Ganzach (1998:529) only use 4 (four) dimensional measurement of intelligence is simply referring to the

AFQT (Armed Forces Quality Test) containing arithmetic ability, math, and writing comprehensive paragraphs. The use of measurement of intelligence as this seems too simple and thorough than 7 (seven) standard IQ actual measurement.

Intellectual Quotient (IQ) actually represents only one of the ability in man and is still treated other capabilities (Robbins, 2001:46). Besides, the employees are also given the ability of the things that still need to be considered, namely the willingness and mental and emotional readiness of each individual who will be closely linked with the will and the desire, attitude and motivation to learn, be trained and developed in order to accept the burden of duties and responsibilities greater job responsibilities. On emotional Quotient (EQ) determines our potential to learn practical skills based on five elements: self-awareness, motivation, self-regulation, empathy, and skills in developing relationships with others. Emotional skills we showed how much we have the potential to translate into the ability in the workplace. (Goleman, 2001:39). Go dimensions most commonly used to formulate intellectual abilities are: numeracy skills, verbal comprehension, perceptual speed, inductive reasoning, deductive reasoning, visualization and memory space or memory. The more the information processing demands in a job, then the more general intelligence and verbal skills necessary to do the work in order to succeed successfully. A variety of evidence from a review of the trials that assess the ability of numerical, verbal, and perceptual space is a valid indicator at all levels of employment (Hunter, 1984:72). Unlike the physical abilities required and held meaning to do with successful jobs that require less skill and more towards the work that has been standard. The job requires stamina, dexterity of the hand, leg strength or talents that are similar to it.

Various equipment to identify the presence of 3 (three) factors containing 9 (nine) basic physical abilities involved in the performance of duties in physical work are: 1). Factors that includes dynamic strength, body, static and explosive strength, 2). Flexibility factors include muscle flexibility (extents) and velocity (dynamic), and 3). Other factors include the coordination of the body, balance, and stamina.

Meanwhile, according to Mondy and Noe (1993:132), the ability of employees is everything that is the potential that exists within the person an employee, has the ability and requirement to be trained to enable them to be able to adjust to a job assignment. The ability of employees must be composed of a variety of things that can be considered more widely include bleak: age, gender, level of intelligence, level of education and knowledge, the type and amount of skills, experience and period of employment is concerned.

The efficiency of an organization is dependent on the quality of human resources of the organization itself. Not only the company aims for profit organization but the government / public sector is also influenced by the good quality of manpower that support the achievement of organization to get good quality resources necessary to have a training for employees in the organization.

In this case Duchesneau (1990) identified fifth categories of factors that influence the success of small business, namely:

First, characteristics, characteristics associated with entrepreneurs, start behavior and corporate strategy. Meanwhile, according to Steinhoff (1982), some of the requirements necessary for the performance of small business are:

- a. Personal characteristics; according to William James Philosophy America include: the ideas, the act, and the will to act.
- b. A good relationship with the customer and knowledge of consumers.
- c. Business ethics and social responsibility.
- d. Comply with the rules of government.
- e. Willingness to complete company rules.

Particularly with regard to personal characteristics, Pickle (1989) in his study conducted on 97 small business managers, generating 5 personality characteristics that contribute to the success of small business, namely: (1) drive, (2) mental ability, (3) human relations abilities, (4) communications abilities, and (5) technical knowledge.

Second, in addition to the success of Integration is also determined by the mental abilities which include: IQ, creative thinking ability and analytical thinking skills. But in this mental ability Pickle (1989:6) further explained. "This is not to imply that a person with a high IQ will automatically be a success". So there is no guarantee when someone with a high IQ certainly succeeded in conducting its business activities.

Third, human relations abilities will provide an important contribution to the success of the business. This capability is shown through personality factors, such as emotional stability, personal relationship skills, social skills, other considerations, wisdom and empathy.

Fourth, the need for communication skills is a skill to convey information both in writing and oral effectively; making it easy and understandable by a receiver in this case is the subscription.

Fifth, knowledge engineering. This capability will assist in the smooth working of small business in an effort to achieve business success, which includes: preparation, use of equipment and other supplies sources.

With regard to the critical success factors of small business, the results of Bird study found that small business performance success is characterized by innovations, risk-averse behavior (Luke, 1996). So is Murphy's research results in the same source found that the success of small business contributed by hard work, dedication and commitment to service and quality.

Meanwhile, Luke (1996) through studies that are content analysis of 52 case reports on the results of two local magazines, found 19 critical success factors of small business in Hong Kong of 40 factors were identified). Nineteenth factors are as follows. First, personal factors 6 include: good decision-making skills, willingness to work hard, good personal relationship skills, relevant education and good analytical skills. Secondly, 6 factors management, include: good marketing technique, a good selling techniques, the use of good quality raw materials, good product management skills, management system advantages of China, can motivate workers and pleased with the level of low labor turnover. Thirdly, 7 product and market, and company factors, include: reaching the target, forming a corporate image, a future special and unique products, to respond to market changes, establish and maintain good relations with subscription, pay attention to the needs of the subscription, the subscription service skills with good. But in the Luke study has some limitations as follows: (1) showing the editorial policies permit from the owner of the company has made many more positive reports than was the case, (2) the possibility that the number of encoding bias thus reducing the reliability of

the findings, and (3) sample small so as not to allow the use of statistical analysis. That For, Luke suggested that similar studies with more samples.

Various success critical factors of small business performance results of the study identified the Luke is basically a reflection of the ability of a business (knowledge, attitudes and skills), relevant experience, motivation, and education level of one's employer. For further various aspects of the critical success of small business is a Luke identification result in the adoption of a research instrument making reference variable attitudes and skills of small entrepreneurs in this study.

2.1.6. Review about the Ability of Business

In achieving something someone usually motivated by the ability of the business. Motivation is an important element that should be owned by everyone. There are three elements of motivation that motivation is a function of the driving ability, effort and determination. Ability is the capacity of a person to perform or complete a task. Effort is the time, energy; movement issued a person to achieve his will.

While the will is the hope, desire, impulse, the urge to achieve something. Willpower is defined as an attitude (accepts / reject) related to interest, ability, skill, or strength (TPKP3B). In relation to small business owners, then the will is intended as ability, skill, or force employers to perform tasks become responsibilities.

The ability of a person that is basically the result of the learning process, which covers aspects of knowledge (knowledge), attitude (attitude) and skills (skills) (Nadler, 1982, and Thonthowi, 1991) or cognitive, attitude and psychomotor (Gagne, et al, 1992). Likewise with Krathwohl, et al (1964); Grounlund (1977) which states that learning outcomes (learning outcomes) that include three domains, namely: (a)

cognitive, (b) affective, and (c) psychomotor, which is often called the taxonomy of education objectives.

Capability which includes three aspects will affect the performance of small business which in turn will affect the level of success of the company.

Based on the description above, it will be described in this section (a) knowledge, (b) attitude, and (c) skills as follows.

a. Knowledge.

Luke (1996) in his research determining several important factors determining the success of "Small Business" in Hong Kong, among others: a good marketing technique, a good selling technique, using good quality ingredients that book, which is classified as a management factors; specific future products and unique, the company's willingness to form images grouped as product and market, and company factors. Some of these variables are basically mindset viability (knowledge). This suggests that aspects of knowledge related to the task of an entrepreneur who became his responsibility are an important factor that will determine the success of small business through its performance. It is as stated Pickle (1989) that "performance on many tasks and jobs in Organizations is strongly affected by the job-relevant knowledge and skills of the individuals do the work".

According to Krathwohl, et al., (1964), the cognitive domain (knowledge) focuses on a recall or reproduction of something that has been studied. Similar delivered Thonthowi (1991) that the aspect of knowledge as a result of learning, behavior change is expected to become aware of not knowing, of not understanding be understood, of not understanding be understood.

b. Attitude.

Person's attitude toward his business entrepreneurs are important factors that need to be measured level. Therefore, in this section will describe (1) understanding the attitudes and (2) the characteristic attitudes of small business as follows.

1) Understanding Attitudes

Luke (1996) in his research found some important variables determining the success of "Small Business" in Hong Kong, among others, are happy with the level of low labor turnover is classified as a management factors; establish and maintain good relations with the subscription, pay attention to the needs of subscriptions, which are grouped as product and market, and company factors. This suggests that aspects of an employee's attitude are an important factor in determining the success of a small business in Hong Kong. The same thing is the result of Lin's research (1998) which found that the success of SMEs in Taiwan is more determined by the human attitude towards his business than his attitude towards technology and structure. The above information is also in line with Herzberg that "one's relationship with work is very basic and therefore a person's attitude toward his work was very likely determine the success and failure".According to Gagne, et al (1992), attitudes are formed and the internal state that influences the choice of personal action against a group of objects, society or events. Meanwhile, according to Thurstone "attitude is (1) Affect for or against, (2) evaluation of (3) like or dislike of or (4) positiveness or negativeness toward a psychological object" (Mueller, 1986:3). So the attitude is a response tendencies "like / dislike", "accept / reject" the object, the specific event as its object nor Mr. Attitude will give direction to the actions or actions of a person, or in other words

sikaplah that will direct every human action. In conjunction with this action, Krathwohl, et al (1964) stated in attitude (affective) emphasis on a feeling, emotion, or a degree of acceptance or rejection. While Grounlund (1977), expressed in another form, namely that the domains of interest and attitudes related to the establishment.

From the description of some experts as mentioned above it can be concluded that the interests and attitudes with regard to the establishment of a person to accept or reject an object. This is in line with the concept Thonthowi (1991), that the attitude of the heart as a result of learning, behavior change is expected from a negative attitude into a positive attitude, the wrong attitude into a good attitude.

2) Characteristics of a Small Business Attitude

According Justis (1981) commitment in a small business will be stronger than large business, as well as in the development of attitudes. In the small business owner's attitude is more personal than the big companies. These small entrepreneurs indicated attitude towards subscriptions, as well as the efforts of labor itself. First, in terms of the attitude of the owner of the subscription Justis says "the customer is always right". This is partly due to a small business is highly dependent on the local market is very possible that his customers are his friends. Secondly, the workers declared "the employees will be friends" is shown in the form of policies and rules against a more flexible, thus helping employee satisfaction. Third, attitudes toward business, small business owners generally have an attitude towards a higher effort than the other aspects.

Referring to the above description is the attitude in this study is the internal state of the individual to accept or reject some of the critical success factors of small business.

c. Skills

A skill is an important aspect for small business that need to be measured level. Therefore, in this section will describe (1) the understanding of skills, and (2) the following characteristics such skills.

1) Nature and Understanding Skills

Luke (1996) in his research found some important variables determining the success of "Small Business" in Hong Kong, among others, is a good decision-making skills, good personal relations skills, good analytical skills, which are classified as personal factors, skills (preneurial skills) such as: discipline, innovative, change-oriented, hard-hearted, has a vision, the ability to manage change.

According to Krathwohl, et al., (1964), psychomotor (skills) emphasizes on a muscle or motor skills, or a manipulation of material or purpose, or an action that requires a coordination of the muscles. Meanwhile, according Grounlund (1977), psychomotor domain associated with the motor skills (motor skills). Skills as a result of learning, behavior change is expected from the unskilled, than not be able to do, make, make up and so turned into can do, to make and can form (Thonthowi, 1991).

2) Characteristics of Skills

According Harrow (1972) includes the psychomotor domain classification levels; reflex, basic movements, perceptual abilities, physical abilities, motor skills, and communicates with the right (non-discursive communication). But further Harrow (1972) states act as the basis of all the actors in motion is the first category (reflex) and the second (basic movement patterns). The combination of these two movements will be creating habitual patterns of movement (inherent).

According to Harrow, basically reflex will be responded through basic movement patterns over time will become a nature towards motor skills. Through some experience will hone one's ability and use in a variety of activities. It can be concluded that if a person has the skills to work tasks, then they will be able to complete any responsibilities appropriately and in a faster time than the other.

According to the above description is a skill in this study is the level of speed and accuracy in performing a variety of individual factors in the success of small industrial business.

2.1.7.Overview of the Small Industry Empowerment and Human Resource Management

Seeing small industrial journey as one of the "parts" that was involved small communities (the bottom layer of society), which have a role in the development community, which has the prospect to be developed, it is necessary to get a touch better development in order to make them have more power to realize its objectives. Because in reality sector which is very close to the grassroots is still too far from the "professionalism" and the continuity of its business is still faltering and it is unfortunate that until dropping out in the middle of the road (bankruptcy).

Aware of the realities that exist in small industry, the empowerment of the small industry is needed. Basic process of empowerment is the experience and knowledge of the public about its existence very broad and useful as well as their willingness to become better. The community development process starting point for the community in order to improve independent life, optimize local resources as possible, both natural resources and human resources. Departed from the description above, this

section will describe the sense of empowerment of small industry and human resource management (HRM).

1. Empowerment of Small Industry

Empowerment is the translation of the word empower, which is derived from the word empower containing two senses: (i) to give power to (give power, transferring power or delegate authority to other parties). (ii) to give the ability to, enable (attempt to provide the ability) (Oxford English Dictionary). Implicitly, the meaning stated that the concept of empowerment was born as antithetical to the model development and industrial models that are less in favor of the majority of the society.

Community empowerment (Community Empowerment) is embodiment nuanced community capacity building in human resources empowerment through institutional development ranging from the center to the countryside along with the socio-economic development of society's systems, infrastructure and facilities, as well as the development of the Three-P; mentoring that can drive participation total society, education can respond to and monitor changes-changes that occur in the community and services that serve as the controlling element of the accuracy of the distribution of assets of physical and non-physical resources required community. (Vitayala, 2000).

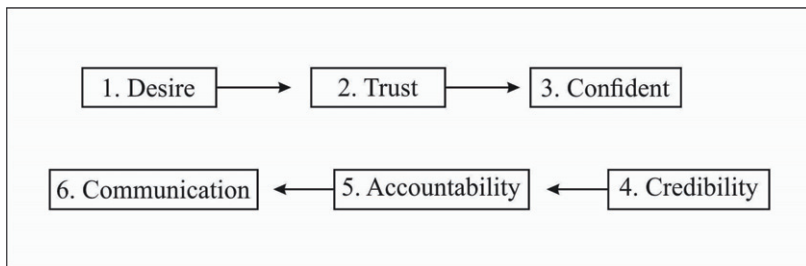
Khan (1992:44) argues that empowerment is an ongoing relationship between the personnel to build trust between employees and management between the public and the government, while according to Byars and Rue (1997) suggested that empowerment is a form of decentralization that involves giving responsibility to subordinates in making decision.

From these definitions can be taken a few important things about the sense of empowerment related to the empowerment of small industry, which include:

1. Giving responsibility and authority to the small industrial entrepreneurs
2. Building the utility conditions of mutual trust between the government and entrepreneurs of small industry
3. The existence of employee involvement small industrial entrepreneurs are involved in decision making.

Khan (1997:57) expressing the model of empowerment that can be developed in an organization to ensure the success of organizational empowerment process includes: 1. Desire 2. Trust 3. Confident 4. Credibility 5. Accountability 6. Communication. Khan (1997:57) offers a model of empowerment that can be developed in an organization to ensure the success of the empowerment process as illustrated by the following organizations:

Figure 6: Model Empowerment



Source: Journal for Quality and Participation (Khan, 1995:49)

A description of the model and the stages in the empowerment padagambar 6 are as follows:

1. Desire

Empowerment of the first stage is the stage of desire (delegation) is where there is delegation from management in this case the government to delegate and involve the community (small industrial entrepreneurs), among other things:

- a) Small industrial entrepreneurs are given the opportunity to identify emerging issues.
- b) Reduce government directive personality and expand the involvement of small industrial entrepreneurs.
- c) The government encourages the creation of new perspectives and rethink labor strategies.
- d) The government developed the expertise and training to supervise small industrial entrepreneurs (self control).

2. Trust

The second stage is the stage of trust (building trust) which is where the desire of the management in this case the government to build trust between the government and entrepreneurs of small industry. The existence of trust between the government and entrepreneurs of small industry in order to create good conditions for the exchange of information and advice without fear. The actions included in this phase include:

- a. The government gave the opportunity for the use of adequate resources for entrepreneurs of small industry.
- b. Governments provide timely and adequate resources for entrepreneurs of small industry in completing job.
- c. Governments provide adequate training for the needs of small industry entrepreneurs.
- d. The government provides enough information

3. Confident

The third stage is the stage confident (mutual trust) which is where the action is to develop a sense of trust between the government and entrepreneurs of small industry with respect to the capabilities of the small industrial entrepreneurs. Actions may cause confident that include, among others:

- a. Government delegate tasks to small industrial entrepreneurs.
 - b. Government explores ideas and suggestions of small industrial entrepreneurs.
 - c. Government expands duty and builds a network with small industrial entrepreneurs.
 - d. The government provides training schedules and encourages good settlement.
4. Credibility

The fourth stage is the stage where credibility is no desire on the part of management in this case the government to maintain credibility by way of reward and encourage business development become even larger medium-sized business, which are included in this action include:

- a. The Government views the small industrial entrepreneurs as a strategic partner in developing national development.
 - b. Government initiatives to introduce small industrial employers to make changes through their participation.
 - c. Government help resolve differences in the determination of goals and priorities.
5. Accountability

The fifth stage is the stage where the accountability is the desire of the management in this case the government to hold accountable the small industrial entrepreneurs, it is a means of evaluating the performance of

small industrial entrepreneurs in completing and responsibilities of the authority given, which include accountability, between Other:

- a. The government uses the training track in evaluating the achievements of small industrial business.
 - b. Government provides advice and assistance to entrepreneurs in running their small industry.
 - c. The government provides the period and timing of feedback or add help.
6. Communication

The sixth stage is the stage where there is communication from management activities in this case the government to hold open communication with each other to create an environment of mutual understanding between entrepreneurs of small industry and government. This openness can be realized with the criticisms and suggestions of the results and achievements of entrepreneurs who do small industry, which include communication, among others:

- a. The government sets the open door policy of communication.
- b. Government provides time to obtain information and discuss issues openly.
- c. The government created the opportunity for cross-training.

The model above illustrates that empowerment is a series of processes carried out in stages in an organization or government in order to achieve optimal in building awareness of the importance of small industrial entrepreneurs empowerment process, so there needs to be a commitment from the government and entrepreneurs of small industry.

From the explanation above it can be concluded that empowerment is a small industry efforts to provide the industry's ability to run small business through control of distribution factors of production (through appropriate economic policy conditions and socio-cultural level).

2. Human Resource Management

Human (employers) through its performance is a more important factor than the other resources of the company. But with the development in the aspects of technology, culture, and other, sometimes the performance of small business do not conform to the standard (time and or quality) of a given company. Such a situation means that small business have a problem in doing its job.

To find out if a small businessman having a problem related to his duties can identify through three questions: (1) can do if they work properly? (2) the ability to perform tasks well, do exactly? and (3) whether they know the standard of work expected? And when the three questions answer is "No", means that there are problems on the employees themselves (Laird, 1983). Sedangkan when viewed from the side facing the source of the problem can be classified into three, namely: (1) performance issues, namely individual differences in terms of knowledge, attitudes, and skills, (2) management issues, i.e. differences in the way of managing resources, and (3) organizations of the problem, namely the difference in the design of the structure, authority, and duties within the organization (Pace, et al., 1991).

The problem faced by a small businessman in connection with the implementation of this task can handle through human resource development program, because the main function of the human resource development is to improve the effectiveness of the work of individuals,

groups, and organizations (Pace et al., 1991). Likewise Mody (1990) which states that the purpose of implementation of human resource development is done by a company is to: (1) improving productivity, (2) prevent obsolescence, and (3) preparing a higher duty.

Referring to the above description, the performance of the small entrepreneurs who reflected on the ability of efforts should be fostered and developed through human resource development. This is similar to the Beach (1980) which states to operate an organization, whether large or small, competent employees required. To further described in this section: (a) the nature and meaning of human resource development, (b) factors affecting the success of human resource development, (c) the selection of human resource development programs, (d) approach to human resource development, (e) training and mentoring programs as human resource development in small business training.

a. The Nature and Definition of Human Resource Development

Speaking about the development of human resources, some experts give different concepts. Mondy (1990) for example, provide a definition of human resource development as the planning, and the ongoing efforts of management to improve employee competency levels and organizational performance. According to Pace, et al., (1991), human resource development is a field that utilizes professional development implementation manager to bring employees and members of other organizations toward higher quality, more productive, and have a higher satisfaction. Meanwhile, according to Buford (1982), is the process of developing a skill, knowledge, and attitudes of individuals to improve their performance today and for the future. From the opinion of the experts concluded that the development of human resources in basically makes an

effort to develop an individual's ability to improve the performance of organizations today and the future.

Governmental activities in the human resource development can be done through training programs, education, and development (Mondy, 1990; Laird, 1987). This is similar to Nadler (1982) which states the terms of three main types of learning programs. So the government's program in human resource development it can be done in basically three forms of training, education and development. The differences among the three forms of government programs in human resource development are as follows. First, training is a learning process in relation to the actual work being done at the time the individual. So in this training program, the material is given in order to improve the performance of employees for the task at that time it is responsibilities. Second, education is a learning process with regard to future work in which the individual is being prepared. So in this educational program material given in order to prepare the individual to occupy a particular job in the future. Suppose an employee is nominated to occupy a certain position. Third, development is a Learning process.

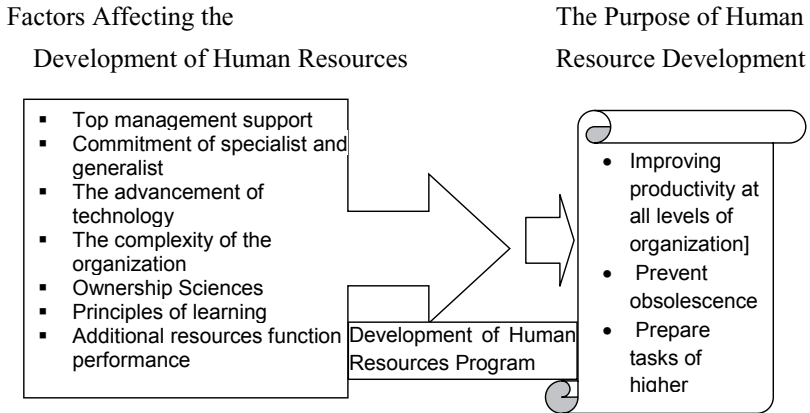
Learning process separately the general growth of individuals and organizations. So in this development program materials provided to participants of a general nature for the development of the organization.

b. Factors Affecting the Success of Human Resource Development.

Implementation of human resource development is done by a government has three objectives, namely (1) improving the productivity, (2) prevent obsolescence, and (3) prepare a higher duty. In the implementation of human resource development as an effort to achieve

these goals, according to Mody (1990) will be affected by seven factors that are described as follows.

Figure 7: Factors Affecting the Development of Human Resources



Source: Mody (1990)

c. Election Form Human Resources Development Program

There are three forms of government programs in the development of human resources, i.e. training, education, and development. Especially given the development program not to address a particular problem, but to the development of the organization of a general nature, then when it will not be a problem given to human resource development manager at the company. Unlike the other two programs (training and education) which has the goal to address specific issues to determine when an employee requires training or education as a form of human resource development.

Government in the development of human resources through education programs (education) must be done if the question "Can it be enhanced businessman?", The answer is "yes". Or in other word human resource development program in the form of education will be given the

businessman if an employer can be eligible to be upgraded. And if the answer to that questions "no", then the employer should be terse but retest to be upgraded at a later time is given by way of entrepreneurship training.

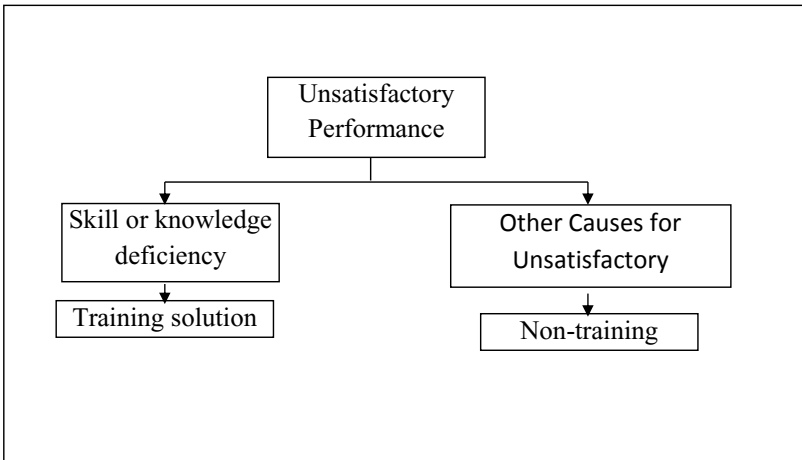
Development of human resources through training programs (training) should be done if the question "Can entrepreneurs working according to standards?", The answer is "no", or in other words the employer is not able to work in accordance with the standards expected in government. And if the answer is "yes", then the employer and the job is assigned a given time and materials as needed. Similar questions will be done in the event of changes in technology, to determine the need / absence of a provision of training to the entrepreneurs. And if it does not require training, then the employer must be given a re-strengthening to work well.

In this case the development of human resources, Deegan (1998) gives a different term, namely "three types of development needs" with a more modest stage and there are three types of human resource development needs, namely: type (type I and type II, These stages can be described as follows: First, the development of human type I (unsatisfactory performer) given to an entrepreneur who has two requirements, namely: (a) the performance is not satisfactory, and (b) have the ability to be repaired. When an entrepreneur performance not satisfactory, but does not have the ability to be repaired, then the action against the employer is repaired. Secondly, human resource development of type II (career person), made to a businessman whose performance is satisfactory but does not have the ability to be upgraded. Against this type of entrepreneur required planning and maintenance work at the same level. Thirdly, human resource development of type III (upward mobile), made

against employers whose performance is satisfactory, cannot be improved, but has the ability to be repaired towards improvement.

Especially to analyze whether or training in relation to the performance discrepancy (performance discrepancy) entrepreneurs, Leap (1990:283) described in the schema as follows.

Figure. 8: Determination of Training



Sources: Leap (1990:283)

From figure 8 can be explained that training can only be done if the non-compliance with the prescribed standards of performance is caused by a deficiency or aspects of knowledge and skills rather than by other causes.

d. Human Resource Development Approach

Talking about the development of human resources, the experts explained the two approaches, namely (1) on the job, and (2) off the job. Approach on the job is a system of human resource development is done outside the workplace. So in this approach to capacity building efforts of the participants carried out the actual work.

e. Training and Mentoring Program as Human Resource Development in Small Industry Development.

In this paper distinguished between the terms "training" and "training". The term "training" is used as a form of implementation of human resource development programs that are the subject of this study. While the term is used as a discussion of the theoretical training, which is one form of implementation of human resource development.

The term training has been much discussed in books human resource development (HRD), while the term mentoring by writer yet discovered. Training programs and mentoring small business is basically a chain of small business training program activities with the goal of improving the ability of same participants in doing his job at the company.

Processes of these two programs, first of all the participants are given a training program in general is classical (as a group) and conducted outside the actual workplace. And after the completion of the training program then implemented mentoring programs as a follow up of the implementation of the training program.

In this mentoring program participants directly involved in each work place and are expected to apply various knowledge, skills, and experience gained from the training program, the program will periodically come supervising instructors to provide guidance to the various problems faced.

Assistance derived from the basic accompaniment means accompany, accompanies, close-close. Referring to the concept, then the small guidance program business can be defined as a small business training system approach as a friend or a partner in the effort to address the

problems faced by the participants related to the tasks become responsibilities.

Because in this mentoring program instructors only as a friend, then the system is more learner-centered learning. Here is more instructors waiting to see what the problems faced by participants (small business), a new guidance or direction is given as consideration in making a decision.

The difference between the two programs lies in how to perform the following activities. First, in the training program implementation of teaching is generally done in the classical or group, whereas in the mentoring program conducted individually (i.e. each participant). Second, mentoring programs conducted as a result of evaluation of the implementation of the training program, for further guidance and direction is given on an individual basis when dealing with problems. Third, because of the mentoring program activities conducted through individual training, both in terms of material and learning methods used for each participant will be different according to the problems it faces. From the description indicates that these two programs have a strong bond to empower small business through the performance of small business.

By looking at some of the criteria that owned both the small industry development program, when we associate with human resource development system shows that both are human resource development program in the form of training. This means of course that characterize both equally which aims to address the problems faced by the participants over the duties at that time.

When viewed from the side of the approach used, indicate that the implementation of small business training is basically a program training with pendektan off the job. It departed from the characteristics of the

implementation of the training program is conducted outside the workplace. While the implementation of small business assistance is basically a training program with an approach on the job. It departed from the characteristics of the implementation of the mentoring program is conducted at the actual job (in the company of each). So from this description it can be concluded that the training program and mentoring small business is basically a system of human resource development in the form of training.

3. Training

Effort to empower small business through training that has been done is essentially a human resource development program in the form of training with the approach of off-the-job and on the job. In each of these approaches can be done through various methods according to their end can be efficiently managed. Therefore, in this section explain (a) the nature and definition of training, (b) training method, and (c) following the implementation of such training.

a. Understanding the nature and Training

Training is the process of improving knowledge, skills and attitude of a person to be able to do its job more effectively (Torrington, 1994). This is in line with the results of the study Whilock (1995) who found the training received as a den which has a value increase knowledge trainers. Thus the essence of the training is to enhance the mindset, attitudes or skills of the participants and to improve its performance. Because as disclosed Hamalik (2000) and Pickle (1989), one of the functions of the training is to improve the performance of the participants. From the description indicates the importance of training and mentoring. If these activities are not carried out the company, then the situation will affect the

performance of the employees, which in turn will affect the success of their business.

Training is defined as the development of society as individuals and help them become more *confident* and *competent* in life and his job (Pont, 1991). According Rothwel (1998), training is organizing learning activities that can improve individual performance through changes in knowledge, skills or attitudes. Likewise Jacius (1979) which states training is used to identify some of the processes in which the attitudes, skills, and abilities manpower to do special work improved. From some of these concepts demonstrate that the training is done in order to improve the performance of the participants over the assignment of work when it was its responsibility, not for any other purpose. With insolvency problems of shortage level of knowledge, attitudes and skills encountered or employees facing skills will improve its performance, which in turn will enhance the company's business success.

Training can be viewed from all sides, by the time the implementation of the work-related training its responsibility, the training is divided into pre-service training, and in-service training. First, pre-service training is training given to a person in accordance with the duties and responsibilities to be entrusted after training ends. Second, in-service training is a training that is given to a person when they are taking office or employment.

Based on where the implementation, training is divided into on-the-job training and off the job training as described earlier. First, on the job training is a training where the implementation is carried out in the workplace itself. The method of implementation in the form of *seperli*: job rotation, training. Second, of the job training is training where the

implementation is done outside the workplace. This can be done by methods such as: case study, classroom lecture.

b. Training Methods

Training is basically a learning process. It disclosed Pont (1991:1), that "the learning process is at the core of the training and the ways of and opportunities for; learning are numerous and varied". Because it is a learning process, the rate of successful implementation of the training is determined by many factors, of which one of them is a technique or method used. This is as stated Leap (1990) that all training objectives are set, then the technique should be determined and the society (personnel) are used, because these decisions can directly affect the achievement of the charter purposes.

Each of these training methods or techniques that can be explained like follows.

Methods Approach Training with *Off the Job*

Several methods of training with off-the-job approach are explained in table 2.4 below seperli. First, Methods lecture (classroom lecture) is a training method by providing the material through the classical lecture. Against this method Laird (1983) suggests peserla used if more than 25 society in a voice quite clearly. Meanwhile, according to Torrington (1994), besides many participants the method normally used in conjunction with a method along with other methods. Second, the method of discussion (conference or discussion) is a training method by bringing participants to discuss a business problem as a group. Third, the case study method (case study) is a form of training using simulation business problems to be solved by individual participants. Fourth, the method of playing a role

(role playing) is a method of training where participants are given a special role corresponds to the perceived purposes of training and doing an action on some of the events given. Fifth, the method of simulation (simulation) is a method of training in the form simulation business situations by placing multiple participants at different positions to relate as real business. Sixth, programmed instruction method (programmed instruction) is a training method by providing a method of teaching without the intervention of an instructor. Here participant's duties reading books and solving a given problem based on the theory of reading. Seventh, method group (group methods) is a method of training that is done through seminars, group discussions, and case studies. Here trainers can learn from each other through the exchange of views and experiences. Eighth, behavior modeling (modeling behavior) is a method of training is done using tape video illustrating various functions in different situations. Here the task is to determine the actions that participants considered most appropriate to various reasons. Ninth, a business game (games bussines) is a simulation that delivers actual business situations. Simulation here is a copy from selected factors in the specific situation in which further manipulate by the participants. Here the participants are designed to act as a leader, supervisor or others to make a decision and the subsequent impact on the price level, the volume of production, inventory levels, or other. Their decisions are manipulated through a computer program that participants can see how the impact of the decisions that have been taken. Tenth, vestibule training is a training system by providing equipment similar to that used in the actual work. For example, a group of center lathe placed on training where participants will be asked to use it. So in this method the equipment will be used by many participants. The emphasis of this method is learning the skills required by the job.

Training Methods to Approach On the Job.

Several methods of training with on the job approach can be explained as follows. First, the method in the work (on the job training) is an informal approach to training that allows employees to learn job tasks through actual activities in the workplace. In this method the material is learner-centered initiatives that will gain the knowledge as required. However, in this case required the recognition that management and employees on the job training is a joint effort. Therefore, on the job training in order to be effective, the manager must create an open climate situation. Second, holding (apprentice training) is a combination of classroom lecture with on the job training. Third, internships and assistantships is a training method by placing the part-time participants to use a variety of theories that have been obtained are integrated into practice, e.g. as an assistant or helper instructor. Fourth, (job rotation) job rotation is a training system by moving one job to another in the workplace. Fifth, extension (training and counseling) is a method of training where coaches provide individual instruction. In this method the trainer explained to the participants of what the problems are and how they should be solved so that the matter is teacher centered initiatives. In this method, participants receive guidance and feedback from the instructor fixed.

Based on the above description, training and mentoring programs for small business is basically a system of human resource development in the form of training, the training methods that can be used in training programs and mentoring small business appropriate place and purpose of each. E.g. mentoring program, because the program is basically a system of human resource development in the form of training approaches on the

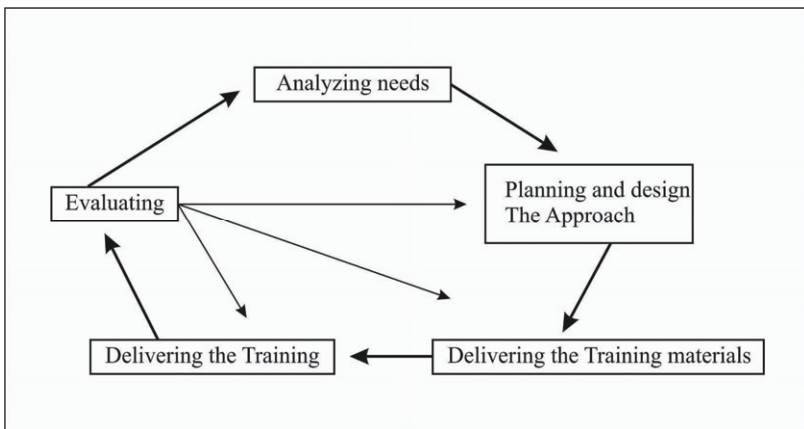
job, then the implementation may use the apprentice method of training, internships and assistantships, job rotation, training and counseling, or on the job training as appropriate.

To choose engineering or appropriate training methods to be used, then the training objectives must be clear and unequivocal, e.g.: changes in knowledge, changes in participant attitudes, problem solving skills, personal relationship skills and so on. In this case Stephen, et al cited Leap (1990) describes the use of multiple ranking effectiveness of training methods in the opinion of experts and researchers. If the training program has the goal of increasing participants' knowledge aspect, a method that should be used is programmed instruction (programmed instruction) or case studies (case study). Because this method was also ranked first and second. If the goal of training is to change the attitude of the participants, the training method that should be used is sensitivity method (sensitivity training) or plays a role (role playing). If the purpose of training for the participants skilled in problem solving, the training method that should be used is the case study method or a business game (business games). If the purpose of training to get participants skilled in personal relationships, the training method that should be used is the method sensitivity or play a role. If the purpose of training in order to get a high response from the participants, the training method that should be used is the method of the conference (conference or discussion) or case studies. As for training purposes concerned with the amount of knowledge that can remembered and stored by the participants, the training method should be used is a programmed teaching method or case studies.

c. Process Implementation Training.

Training is fundamentally a learning process, so that its implementation has certain steps that must be passed. In this case many experts give his views on the implementation of the training process. Pont (1991), for example, looking at training as a cyclical process with five pases, namely: (1) analyzing training needs, (2) planning approach to planning and training, (3) the development of training materials, (4) the implementation of the training, and (5) training evaluation as illustrated in Figure 9.

Figure 9: The Training Cycle



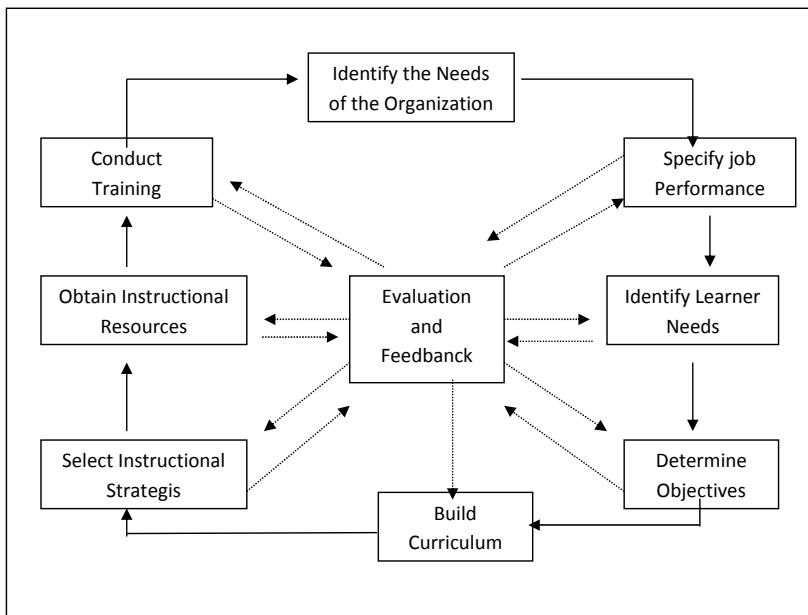
Source: Pont (1991)

From figure 9, it appears that an evaluation of all stages. Through this comprehensive evaluation, the successes and shortcomings of each stage will be known for the next repair. In this particular model of needs analysis (analyzing needs). Conducted on the three areas as follows. a) The need at the organizational level, which is intended to determine where the needs of the organization are considered more important. b) The need for the job level, which is intended to determine the level of need in the job in relation to the needs of the organization, namely: aspect of skill, knowledge, and or

attitude. c) The need at the individual level, intended to find out who is in need of training and competency gaps which occur.

Meanwhile, according to the well-known Nadler CEM model (Critical Events Model), when eight steps in training, namely (a) the identification of the needs of the organization, (b) the performance of a specific job, (c) identification of the needs of the participants, (d) determining the objectives, (e) development of the curriculum, (f) choosing teaching strategies, (g) determining the source of teaching, (h) conduct training, and (i) evaluation and feedback, which can be described as in Figure 10.

Figure 10: The Critical Events Model



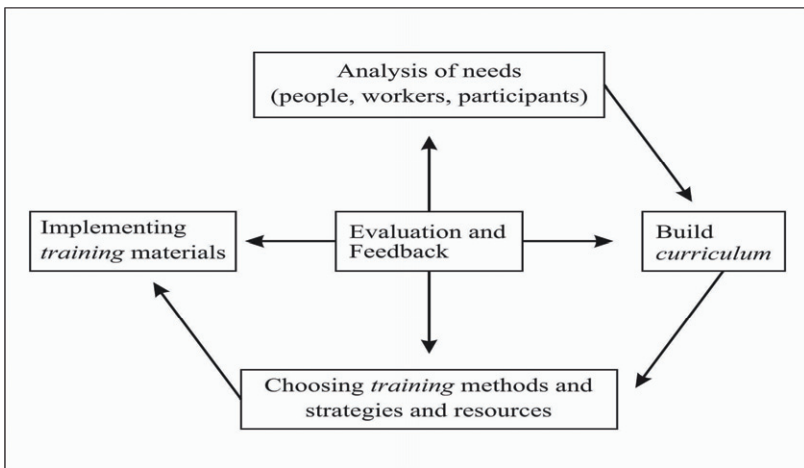
Source: Nedler (1982)

From figure 10 can be explained that in order to conduct a training, should first identify the needs of the organization activities (identify the

needs of the organization) to the performance of a specific job (specify job performance). In this particular type of work is to identify the needs of employees (identify learner needs) related to the job duties responsibility, and so on in order of the arrow (→) until the training is held (conduct training). And to control the success of each part, each step is always to be an evaluation of (→).

From the expert second opinion, we can conclude: 1) an evaluation in every steps taken in the implementation of training activities, 2) the training requires at least five stages, namely: a) the analysis of needs (both for the level of organization, work, and participant), (b) developing curriculum / training materials (in accordance with the needs of grain, (c) selecting training methods and strategies (as appropriate), (d) carry out training, and (e) evaluation and feedback can either be described as follows.

Figure 11: Cycle Training



2.2. Overview of Previous Research Results

To understand the development of theories related to this study it is necessary in order to explore the previous research pointed about information related theories. As for some of the research that has been done by previous scholars related to education and training, government assistance (aid), a partnership of business, government regulation, the ability, the success of small industry and review past research and future research directions as follows.

2.2.1. Education and Training

Apibunyopas (1983:5) in a small industrial research in Thailand see educational factors significantly influence the ability of business (business abilities). The education level of entrepreneurs (educational level of proprietor) is part of the characteristics of firms, and factors include firm size and age of firm. Edwards (1994:14) see the variable level of education (education levels) and training (trainings) have been followed, the results are quite terse but significant positive effect on the ability of the business. While Fisseha (1994:15) who studied tiny padaindustri training in Jamaica include variables as independent variables and significant effect on the ability of business.

Research carried Antonio, Isabel and Raquel (2003), entitled Effects of training on business results conducted on 457 small and medium business in Spain, found that training has a significant impact on performance improvement company. Eaglen, Lashley and Thomas (2000) in his study entitled Modeling the benefits of training to business performance in leisure retailing, stating that the benefits of training can be beneficial to change employee behavior (attitudes, knowledge and skills) to employee performance as related to customer satisfaction. The study by

David, et al., (1996) entitled Management training and small firm performance showed that training to small and medium sized business with a clear influence significantly to the success of the company's revenue. The ability of a good business plan and will be able to conduct surveillance. With a good business ability, one can determine the amount of production capacity that must be performed, the distribution channels used, making proper market area, and determine the capital structure efficiently.

Wijaya (1995:70) says the problem is the ability of efforts need to be developed in order to facilitate the management system and development of employees is generally reflected from a lot of training have been followed, and the level of entrepreneurship. According to Dale (1992:5), the training will have a positive influence on the improvement of effective performance. Carrel (1995:251) states: education and training frequency tends to influence significantly in improving the business skills or abilities. According to Santoso (1991:6) stated, the prospective entrepreneur's participation in education, training and experience affect the formation of the nature of the entrepreneur. Entrepreneurship here is intended as an effort for someone to be able to accept the risks of innovation and change (Knight, 1992:2; Schumpeter, 1984:23). Omrel (1995:23) confirms the spirit of entrepreneurship is someone who loves business development. Entrepreneurial attitude is determined by character traits (talents) a person, while many established business capabilities through education or training (science). Hinterhuber (1992:105) refer to the two types above as a strategist and as a manager.

The ability of efforts intended as the ability to use existing norms, such as planning, monitoring, efficiency and strategic action, while entrepreneurial intuition as the ability to conduct an analysis of the

business. Thus, there is an element of entrepreneurship; persons (understanding of self and skills), task (able to define the vision of the business), organization (organizational tasks and understand the best decision) and the environment (able to take advantage of capital, labor and infrastructure). They are better able to manage the business will be able to provide higher performance (Fisseha, 1994:3), and is said to also be influenced by the ability of business entrepreneurs own background, include; levels of education, training, business experience, culture and entrepreneurship.

2.2.2. Government Assistance

In the research company that has given government assistance has a better performance than without given government assistance (Edward, 1994:9). Another factor that supports the company's business capacity is characteristic. By Fisseha (1994:6) the elements referred to as; longer standing, geography, working area, which is owned business unit, and product patents. It said further that the characteristics of the company, the level of wages and government assistance all have a significant effect on performance. Although training programs should the government (government assistance programs) will be able to benefit the company, but the implementation could be just the opposite. Conditions detrimental to the company could be a mistake of implementation and there is a possibility because the company is still in early stages of the learning process. The success of a company is generally determined more by internal forces that are owned by the respective companies (Edward, 1994:1). While weaknesses can be reduced by the provision of government assistance.

The experience of several countries, aid programs provided by the government can be a positive influence on policy making and determination of functional strategies (Edwards, 1994:14). The function of government is to help make healthy condition and improve the competitiveness of companies that seemed to be slumped today (Department of Trade and Industry, 1996:1) Capital provided can serve to overcome and reduce the difficulty in trying.

External support, both technical and non-technical, such as the creation of industrial climate, should have a lot to give meaning to the operating company (Apabunyopas, 1983:17). The government itself obliged to create a climate that encourages active participation of business, in addition to give direction and guidance (Werdaya, 1995:3). Assistance to small business is very necessary, because the aid is expected to generate a momentum that will appeal to more similar business thinking towards the future (Department of Trade and Industry, 1995:14). In addition, it is also intended to make the company more independent and have more good prospects. The above problem has been getting attention yaang serious enough given the company currently has a limitation in general management and finance. With the help of the program, expected problems could be solved, so the company better able to compete, especially if it is associated with free trade (Fisseha, 1994:3). Assistance programs embodied in its provision should be a unified concept, starting from planning, financing, production, marketing and other activities related to the business activities to be able to meet the market (Burgelman, 1985:23). Empirical studies conducted by Dimitris (2004) entitled the effects of the regional capital Assistance on firm performance proves that capital assistance significant effect on four dimensions, namely efficiency,

profitability, capital structure and firm productivity growth. Fredrik (2000) study entitled Capital Assistance and the performance of firms, this study examines the effect of capital assistance on the number of Swedish companies began production in 1987 until 1993 and distinguished between companies that receive assistance to companies who do not receive assistance. The results of this study stated that the subsidy may affect the growth of the company.

These problems have been recognized by the government for this, so the problem is the existences of small companies still need to be considered (Wardaya, 1995:15). Policies to improve small business into a formidable businessman remains programmed, although policy development seems to have not shown optimal results, so the goal of providing assistance to small companies still need to be improved from year to year (Department of Trade and Industry, 1996:6)

2.2.3. Business Partnership

As an indication of the importance of business partnership ship is the result of research following some experts. Research conducted by Chen and Tseng (2005), entitled The performance of marketing alliances between the tourism industry and credit card issuing banks in Taiwan, in this study aim to determine the factors that affect the performance of the marketing of the tourist industry and the bank that issued the card credit, research was conducted on em pat managers in different tourist companies, namely: hotels, restaurants, travel agencies and entertainment. The discovery shows that significantly influence business partnership s perfection mutual resources, increasing promotion channels, reducing costs and achieving corporate performance. Stuart (2000) in her study organization alliance and the performance of firms, this study investigated

the relationship of technology cooperation between large firms and small firms stated that cooperation can build public confidence in the products and services produced making it easier for companies to attract customers, which in turn can increase sales and product innovation. Research Zaheer (2004) on the impact of the partnership is the company gain the knowledge and skills, the study was conducted on 249 companies that conduct business cooperation for the period 1985-1998 the results of this study stated that the partnership, the company will acquire knowledge about the technology and how setting the best technology. Further stated that in order to acquire knowledge and skills can be acquired either by formal and informal means. When viewed from the partnership (Hutabarat and Jemsly, 1996:9), showing the development of business partnership s (aliansl) between small industry with their business partnership s (medium and large industry) each year has increased 38.9%. Mudrajad, (1997:91), examines the existence of a small industry by sales value approach says that the value of sales (turnover) is affected positively by the workforce, the network (network of excellence in business), the capital, cooperative, and price.

From the search results of a small industry research there are some similarities and differences in the starting point (viewpoint) between researchers on the existence of small industry. This happens because small industry have different characteristics and advantages of weaknesses, so it gets special attention for examination. Thus the phenomenon is not due to small industrial backwardness and weakness that led to a small industry does not evolve, but rather the presence of small industry as a result of efficiency and modernization (Staley and Morse, 1965:8). For it can be

concluded that the presence of small industry can grow there needs to be a partnership.

2.2.4. Government Regulation

As an indication of the importance of government policy is the result of research following some experts. Research conducted Rasiah (2002), entitled Government coordination and small business business performance in the machine tools sector in Malaysia, this study compares the success of small and medium companies in the machine tool industry conducted in two cities of Penang and Kelang Valley, the results showed that Penang has managed to develop small and medium industry Kelang Valley City was not. This difference is due to the policy of the local government to the company. Different Kelang Valley City government status with Penang, the Penang government autonomy proactive in supporting developing small and medium business in the form of public training and provide market information. Sullivan (2002) in his study entitled Local Governments as risk takers and risk reducers: An examination of Business Assistance and subsidy control, local governments to promote economic development by providing assistance to companies and reduce the uncertainties. The main concern in companies that receive assistance in the form of either the cost or the risk of uncertainty. In this survey conducted on 1,600 local government, the survey results found that the majority of companies who obtain assistance and control the risk of getting a positive result of which tend to hire a lot of employees and beneficial in the development and regulation of its business aggressively.

Dwijanto do research (2002) that government policies have resulted in a significant influence on employee performance, while the government's

policy on the quality of individual products or every area not have a significant effect, but together or overall government policy has a significant influence on the quality of the prod UK. This suggests that government policy is not focused on certain areas, but the policy is more likely for the entire region, so that areas less able to accept a policy that does not comply with the conditions of each area.

2.2.5. Small Industry Capability

The structure of the Indonesian business by Suharto and Johnson, (1994:79) still form the bottom layer of the pyramid is occupied by a small group (98%) and the topmost layer by large employers group (1%) and the rest is occupied by middle-class entrepreneurs. Although the number of small business with those of many large and medium-sized business, but the contribution to the GDP of most small. With so many economic problems and gaps in various walks of life. It is not only in Indonesia, but also outside the country are economic disparities. From this fact many experts concerned about the presence of a small industry, by conducting research and generating some conclusions, at least hypotheses have been raised about the existence of small industry.

In the United States (U.S.) since World War II, a small industrial contribution turned out to not be ignored from the results of research on small industry in the United States (Peter, 1995:1) demonstrate the success of small industry, in marketing their products for export, from the number of respondents who assume sampled (66%) the number of small industrial business will increase the value of export this year, and is expected to increase to 80% within the next 5 years, 33% of companies doing business or opening new markets to Gina, South Africa and Vietnam, more of 40% believes will trade with that country in 10 years to come.

In Indonesia, the research of Idrus (1988) says that the views of a small industry output (value of production and net income) showed improved results (Increasing Return) to changes in inputs (capital and labor). These results are also in line with the results of the research Hill (1990), namely the analysis of data in 1985 about where the industry is still a small industry has contributed significantly to the formation of the total output. Hussein (1994:41) in assessing the success of small industry development, through quantitative data and qualitative and quantitative by measuring workforce development and financial development, while the size of the qualitative characteristic of leadership in the organization of small industry.

2.2.6. Previous Research Review and Future Research Direction

This latest development in the direction of government policies favoring small business, the small entrepreneurs in Indonesia will gain the attention and the facilities of the government more than the previous state, which includes the aspect of protection from unfair competition, education and training, business information, market information, technology, management, capital and business location. Through this policy of small entrepreneurs in Indonesia can succeed in the conduct of its business. However, the issue that often arises is the limited human resources and ability to work in executing its business. Human resources are factor more important in determining the success of small industrial business than other resources of the company. These factors include human resource managers and employees of the company, which will affect the success of small business through its performance. One of the characteristics of a small business is that the company is run by the owner as the manager (Bum back, 1985; Carson and Cromie in luk, 1996). Similar delivered

Committee for Economic Development (CED) that one of the characteristics is small effort "(usually the managers are also the owners)". With this position, means that the performance of a small company entrepreneur is a dominant factor in determining the success of small industrial business.

In this regard the study Luke (1996), entitled Success in Hong Kong: Factors Self-Reported by Successful Small Business Owners, found 19 small business success factors of 40 factors were identified as follows. First, 6 of 14 personal factors, that are good decision-making skills, willingness to work hard, relevant work experience, strong will to achieve the goal, a good personal relationship skills, relevant education, good analytical skills, good business relations, would come under pressure, creative society, the support of family, personality fit with the job, excellent communication skills, high educated. Second, 6 of 14 management personnel factors namely: good marketing technique, a good selling techniques, the use of good quality raw materials, good product management skills, management system advantages of China, can motivate workers and happy with a low turnover rate, material production is assured, can negotiate to get a good condition, can conduct market research to identify customer needs, the tendency to recruit society with the right, preparing business plans, budgets properly supervise, oversee inventory, and manage cash flow. Third, 7 of the 12 product, market and company factors namely: achieving the target, forming a corporate image, a future special and unique products, to respond to market changes, establish and maintain good relations with the subscription, pay attention to the needs of the subscription, the subscription service skills with good, pleased with cost-efficient, constantly innovate products, flexible, precise

market expansion, want to invest into resources & development. However, in this study have the following limitations: (1) showing the editorial policies permit has made many more positive reports than was the case, (2) then the number of encoding bias, thereby reducing the reliability of the findings, and (3) small sample that does not allow using statistical analysis. For Luke suggested that similar studies with more samples.

The results of research related to factors that include the ability of the business aspects of knowledge, attitudes and skills as described above is as follows. As described Gagne and Nadler et al that the human factor of business capabilities (knowledge, attitudes and skills) is essentially the result of learning. Therefore, the success rate is influenced by three factors, namely: raw input, input instrumental and environmental inputs (Tirtarahardjo, 1994). First, the raw input is a manager or entrepreneur small industrial business in the training and mentoring of the government, such as: motivation, relevant experience, and education level. Second, as instrumental inputs include teachers or lecturers of training and mentoring programs from the government (such as material suitability to the needs of the participants). Third, while the environmental inputs include entrepreneurship culture and society, and government policies relating to small business. However, especially on the third aspect, in general it is difficult to be controlled by the small industry development program organizers.

Research conducted Gimin (2002) suggests that training programs, mentoring programs, relevant experience and education level of entrepreneurs have a positive influence on the success of small business business in Yogyakarta province as follows. The success of the small company's business is affected by motivation, ability and clarity of the role

of business entrepreneurs. On the other hand the high work motivation and the ability of business entrepreneurs donated from the implementation of relevant training and experience. Meanwhile, the high clarity is affected by the implementation of the mentoring role and relevant experience entrepreneurs have a significant role in increasing the success of small business business. However, ads are some limitations of this study are: First, this study is an ex post facto, that involves some training and mentoring program execution is possible to use a model that does not same. Second, sampling proportional quota sampling method, with the following procedure: Identify the name and address of the skin through small offices economy / industry, each region (district / city). To these names randomly in doing an interview to meet the required quota as per the requirements (i.e.: never attend a training program). Therefore, before an interview conducted prior to the selected respondents were asked "if this company ever conduct a training program?", and if the answer is "not yet", then replaced with others. Third, the interviewer (interviewer ') is in general service industry employees / local economy, so it is in the possible disturbing psychological entrepreneurs. Due to this study have various limitations as described above, it is recommended to further researchers to conduct similar studies with experimental methods, so do not use sample data and found no missing data.

Research conducted Priyanto (2003) describes the relationship between entrepreneurship and capacity management on the performance of the business by using a multilevel model states that business performance is affected by complex factors, where one another same interconnected either directly or indirectly. Exploitation of the model is able to explain the relationship of entrepreneurial and management capacity on the

performance of the business has resulted in the conclusion that the multilevel model using environmental factors, organization, individual characteristics, entrepreneurial, management capacity is an appropriate model to describe the performance of the business. Results of studies using multilevel models demonstrate that business performance is affected by complex factors, which are related one another same (interrelated) either directly or indirectly. Stages of the influence of each factor that runs recursive, i.e. external factors such as individual characteristics, physical environment, economic environment and positively affects the organizational environment to variable entrepreneurship. Variables influencing variables entrepreneurial management capacity. Variables affecting the management capacity of variable productivity and subsequent price variable productivity and the price will form the advantages. This research has not been able to produce the form factor of business performance. Latent variable performance of the business in the form of productivity, profitability and the price factor has been modified into a measurable variable (observed variable) using the variable (moderator variable) productivity and price factors interrelated with profits. Each of these variables was not able to show the variable constructs that are unique. Validity and reliability indicators are also low and are unable to explain the variation in business performance with latent variables accurately.

Therefore future research directed longitudinally to explain the behavior of business society who have a high entrepreneurial. Aspects that could be further investigated, for example: how parenting parents, how the role of environment in shaping personality and so on. This research includes studies yet to cross culture and cross-national. For the model

needs to be tested is applied in other cultures or countries that were able to get a picture of this theory to be general for coverage.

Based on the above theory, results, referrals and crannies of previous research in this study raised the government's empowerment that includes the variables of education and training, support, business partnership ships, business capabilities and business success. The difference from previous studies lies in several things. First, the incorporation of empowerment variables that have not been done by previous investigators. Second, the shape effect between independent and dependent variables are uniquely linking either directly or indirectly between the dependent variable using multilevel analysis. Third, add the attitude indicator variables and emotional intelligence in business capability variables, researchers considers it necessary to add here attitude with regard to the attitude or willingness of employers to the work which they are responsible. However economic empowerment but if society who do not have the will then empowered empowerment will not succeed. Ability must go hand in hand, there are no willingness capabilities without an activity cannot be carried out effectively and conversely there is a will without any ability of an activity could not be carried out effectively. While the intelligence for the indicator variable emotional researchers consider it necessary to add this variable, because emotional intelligence helps a person to think rationally or use a healthy sense of emotion in the situation. The intelligence emotional gives the ability and the responsibility for pricing and self-awareness, social sensitivity and adapt to situations and environmental conditions encountered, including deep feelings that arise so that they can control and how best to put yourself in entrepreneurship.

Chapter III

Conceptual Framework and Hypotheses

Based on the formulation of the problem, the purpose of the study and review of the literature that has been described in the previous section, then this section can be expressed in a conceptual framework and research hypotheses below:

3.1. Research Conceptual Framework

3.1.1. Conceptual of Thinking Process

Based on a review of theory and the results of previous studies as noted in chapter II, it can be argued that this study sought to determine the effect of empowering by the government to the ability of business and the success of business of small industry in the province of East Java.

The starting point of the discussion in this study based on the theory of empowerment by the government as noted by Vitayala (2000), which stated that, community empowerment which includes small industrial entrepreneurs (Community Empowerment) is embodiment nuanced community capacity building in human resources empowerment through the development of small industries development in line with the people's socio-economic development of the system, infrastructure and facilities, as well as development. Mentoring can move a total participation of communities, Extension can respond to and monitor changes - changes that occur in the community and service to function as a controlling element of asset distribution accuracy of physical and non-physical resources necessary hat society in this small industrial entrepreneurs.

Indonesia economic system is a democratic economic system that is based on kinship democratic economy and moral kinship with people

taking sides on the economic sector which includes small industry entrepreneurs. Partiality, protection and strengthening of the small industry is a strategy of enabling and empowering the people of economic actors since colonial times, and half a century of independent Indonesia is always in a position of helplessness.

Khan (1992:44) argues that empowerment is an ongoing relationship between the personnel to build trust between employees and management between the people and the government, while according to Byars and Rue (1997) suggested that empowerment is a form of decentralization that involves giving responsibility to subordinates in making decision.

From these definitions can be taken a few important things about the sense of empowerment related to the empowerment of small industries, which include:

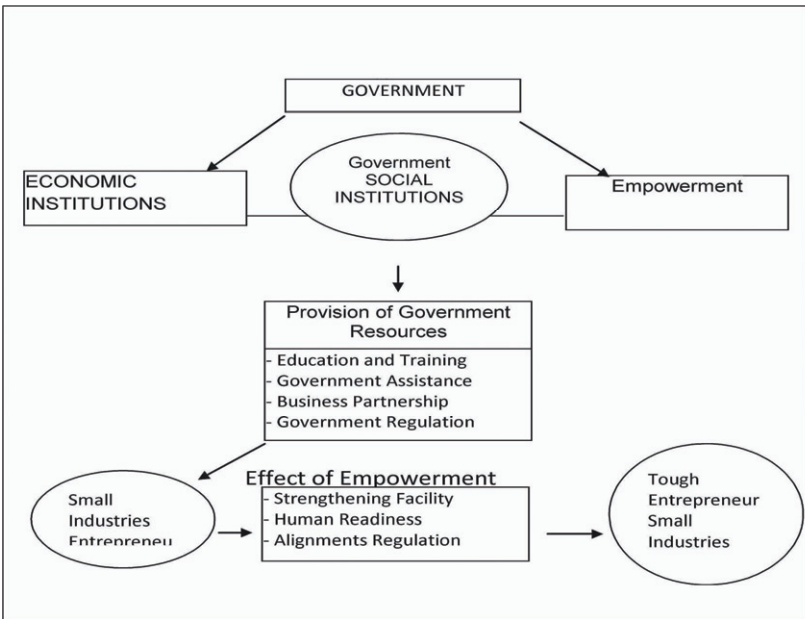
- a. Giving responsibility and authority to the small industrial entrepreneurs
- b. Create conditions of mutual trust between the government and entrepreneurs of small industries
- c. The existence of employee envelopment which involved small industrial entrepreneurs in decision making.

While if saw the small industry as one "part" where they small society work, which have a role in the development community, which has the prospect to be developed, it is necessary to get a touch better development in order to make them more has power to realize its objectives . Because in reality sector which is very close to the grassroots is still too far from the "professionalism" and the continuity of its business is still faltering and it is unfortunate that until dropping out in the middle of the road.

Aware of the realities that exist in small industry, the government committed to the empowerment of small industries is needed. Basic process of empowerment is the experience and knowledge of the public about its existence very broad and useful as well as their willingness to become better. The community development process starting point for the community in order to improve the standard life, optimize local resources as possible, both natural resources and human resources.

Based on a review of theory and problems that have been raised also the purpose of the government's empowerment as above then this will be mentioned in the framework of the process of thinking about the importance of empowering the government to influence the ability and success of small industrial business.

Figure 12: Framework for Thinking Process



3.1.2. Conceptual Framework

The conceptual framework of the study is intended to illustrate how the relationship between the study variables based on theory and previous studies experts.

In this study, there nine conceptual frameworks, namely 1) The effect of education and training to Business Capability, 2) The effect of the government's assistance (financial, management and engineering), the ability of efforts, 3) Effect of partnership effort the ability of government to business, 4) the effect of government regulation on the ability of business, 5) Effect of education and training to business success, 6) Effect of support (financial, management and engineering), the success of the business, 7) Effect of partnership efforts towards the success of the business, 8) the effect of government regulation on business success and 9) ability Effect effort towards the success of the business. As follows:

1. Influence of Education and Training to Business Ability.

Performance of small industrial business are also determined by the human aspects of technology as well as the structure apart. Manager or entrepreneur as enterprise resource will affect the success of small industrial business through its performance. However, due to technology, culture and others have led to a manager or entrepreneur has the optimal performance. It therefore requires the development of human resources, because the main function of the human resource development is to improve individual performance. Human resource development can be done formally (such as education programs conducted by the government) or informally as training programs conducted by the government.

Education and training activities by the government to small industries is basically a chain of activities of small industries development

program with the goal of improving the ability of participant's in doing his job at the company. In this activity, first of all the participants are given a training program in general is classical (as a group) and conducted outside the actual workplace.

Capability (ability) of someone is basically the result of a learning process that includes aspects of knowledge, attitude, and skill. Aspects of knowledge, attitudes, and skills that one of them will be generated through training activities. It is also in tune with the sound of Act no. 2 of 1989 that the process of learning to do in school, and the school or outside. Especially outside of school education, among others, can be done through training, coaching and experience. While learning in school can be done through formal education i.e. primary school to university.

Can be concluded that the training activities are carried out in the form of education and training by the government to small industries will directly affect the ability of the business.

2. The Influence of the Government Assistance (financial, management, engineering, direction and guidance) to the Ability of Business

The government assistance program is basically a program implementation of of small industrial capacity building by financial assistance, management, technical direction and guidance, as it has the purpose of improving the ability of small industrial business.

The ability of the control effort in the company's operations can be defined as the ability to utilize factors of production efficiently. While Ramelan (2004) defines the ability of the industry is the mastery of skills, technical knowledge, and organizational capabilities necessary for industrial production factors to function properly.

The function of government is to help make healthy condition and improve the competitiveness of companies that seemed to be slumping at the moment. Capital assistance provided can serve to overcome and reduce the difficulty in trying.

In addition, it is also intended to make the company more independent and have better prospects. The above problem has been getting attention which serious enough given the company currently has a limitation in general management and finance. With the help of the program, expected problems could be solved, so that the company be more competitive.

According to Law no. 9 year 1995 chapter 14 coaching areas that must be done by governments, business, and communities in an effort to empower small business include: production and processing, marketing, human resources, and technology. Based on the above description, then as a government subsidy program implementers in choosing between one of the forms of such assistance should consider the purposes of the entrepreneur.

From the description above it can be concluded that government assistance (financial, management, technical direction and guidance) will affect the ability of business.

3. The Influence of Business Partnerships to Business Ability

The business partnership is a collaboration effort between small companies and the government through a medium or large company on the principle of mutual need, strengthen and profitable (Department of Trade and Industry, 1996:8). The purpose of this partnership is in order to empower the business. Empowerment is an attempt to grow the business and strengthen itself into a formidable effort.

In this study raised the coaching partnership is a trading partnership, subcontracting, vendors, technology cooperation, business networks and capital. Trade partnership is an amazingly good trade relation in the form of the provision and procurement of goods for the purposes of small industries and business in the form of small markets for its industrial production. Partnership subcontracting is a manifestation of cooperation that produces a product or service; some of the components of the purposes of the company's products are made by small industries. Partnership vendor is a manifestation of the relationship in an effort to meet the operational needs of industrial companies to small purchases. Technology cooperation is cooperation embodies the company's production techniques. A business network is an embodiment of good business cooperation in marketing, distribution and pricing. Capital is a manifestation invested joint ventures with government or state-owned business to small industries

Employers involved in the partnership usually has a strong desire to move forward. According to Longenecker (2001), a person who wants to maintain and improve the knowledge, which is characteristic of the willingness and ability of business, will try to find any resources information wherever he could get. Meanwhile, according to Lee and Tsang (2001), employers who enter into a cooperative network of business partners will be able to improve their ability and add insight. Often deals with the other person (frequency of external communication) and the extent of external communication is done (the breadth of external communication) is very closely related to the growth of the business.

With frequent touch with people or other parties, insight (stock of knowledge and stock of information) someone will grow wide, his confidence will increase and can increase motivation so that they will find

ways to improve their skills. This means that other people relate individually or in groups' can improve one's business capabilities.

Can be concluded that the partnership efforts of the government in the form of trade partnership, subcontracting, vendors, technology cooperation, networking and business capital of the small industry will directly affect the ability of the business.

4. Effect of Government Regulations on The Business Ability.

Government regulation in this study is a decision issued by the government, especially relating to the ease of licensing, tariff setting, the provision of quotas, market information and infrastructure development. Governments can influence the company either directly or indirectly, because the government can regulate a variety of issues that affect the company, for example, controlling the level of wages and prices, equal employment opportunity, occupational health and safety, credit arrangements, the location of the plant, the type of advertisement and media as well as permitted guidance-guidance to employers and others. Laws and regulations can change day-by-day activities of the company, and often can influence the selection of its business strategy, in addition to the political influence of government includes the influence of government and regulations. The central government and local governments will affect the activities of the company either directly or indirectly. In a monopolistic competitive market conditions, the government's role in the small business industry is still efficient and effective clothing. Intervention that can be done is in licensing, tariff determination, the provision of quotas, access to market information and infrastructure.

Can be concluded that the ease government regulation in the form of licensing, tariff setting, the provision of quotas, market information and

infrastructure development will directly influence the ability of the business.

5. Influence of Education and Training to Success of Small Industrial Business

As outlined in pain 1, explained that the implementation of education basically an exercise training program, each with its approach to the off - the-job and on the job. Through this activity is expected to improve the performance of the participants.

On the other hand the performance of a small industrial entrepreneurs are reflected in the ability of efforts will affect the success of the company's business as described of this section. Thus either directly or indirectly the implementation of education and training industry will affect small business success.

6. Effect of Government Assistance (financial, management, technical direction and guidance) to the Success of Small Industries.

Empowerment by assistance provided by the government even financial, management, technical direction and guidance can serve to overcome and reduce the difficulty in trying. Sometimes it is difficult in a small industrial entrepreneurs manage their business efficiently. They are often difficult to make a business plan, especially if associated with marketing planning. In such conditions, it takes the role of a third party to assist small entrepreneurs clothing industry in addressing these managerial problems. Direction and guidance in doing the extension are able to increase the willingness and ability of business which ultimately can improve the success of small business entrepreneurs clothing industry. The activities extension undertaken is also in response to small entrepreneurs

clothing industry in a positive way so that productivity can be increased, the quality increases so prices could also raise, which in turn will also increase profits. Companies that use appropriate capital sources can result in low capital costs. Such conditions also can reduce the total cost, because if the cost of capital is low, then the interest paid would be lower anyway. If low interest rates, expected profit production will also increase.

From the description above it can be concluded that the government assistance will affect the success of small industrial business.

7. The Influence of the Business Partnerships to the Success of Small Industries

The business partnership is a collaboration effort between small companies and the government through a medium or large company on the principle of mutual need, strengthen and profitable (Department of Trade and Industry, 1996:8). The purpose of this partnership is in order to empower the business. Empowerment is an attempt to grow the business and strengthen itself into a formidable effort.

In this research program the government appointed business partnership is partnership trade, subcontracting, vendors, technology cooperation, business networks and capital. Trade partnership is an amazingly good trade relation in the form of the provision and procurement of goods for the purposes of small industries and business in the form of small markets for its industrial production. Partnership subcontracting is a manifestation of cooperation that produces a product or service; some of the components of the purposes of the company's products are made by small industries. Partnership vendor is a manifestation of the relationship in an effort to meet the operational needs of industrial companies to small purchases. Technology cooperation is a

technical cooperation manifestation production company. Business networks are a embodiment of good business cooperation in marketing, distribution and pricing. Capital is a manifestation invested joint ventures with government or state-owned business to small industries.

From the description above it can be concluded that the government's business partnership (partnership trade, subcontracting, vendors, technology cooperation, business networking and co-operation of capital) will affect the success of small industries

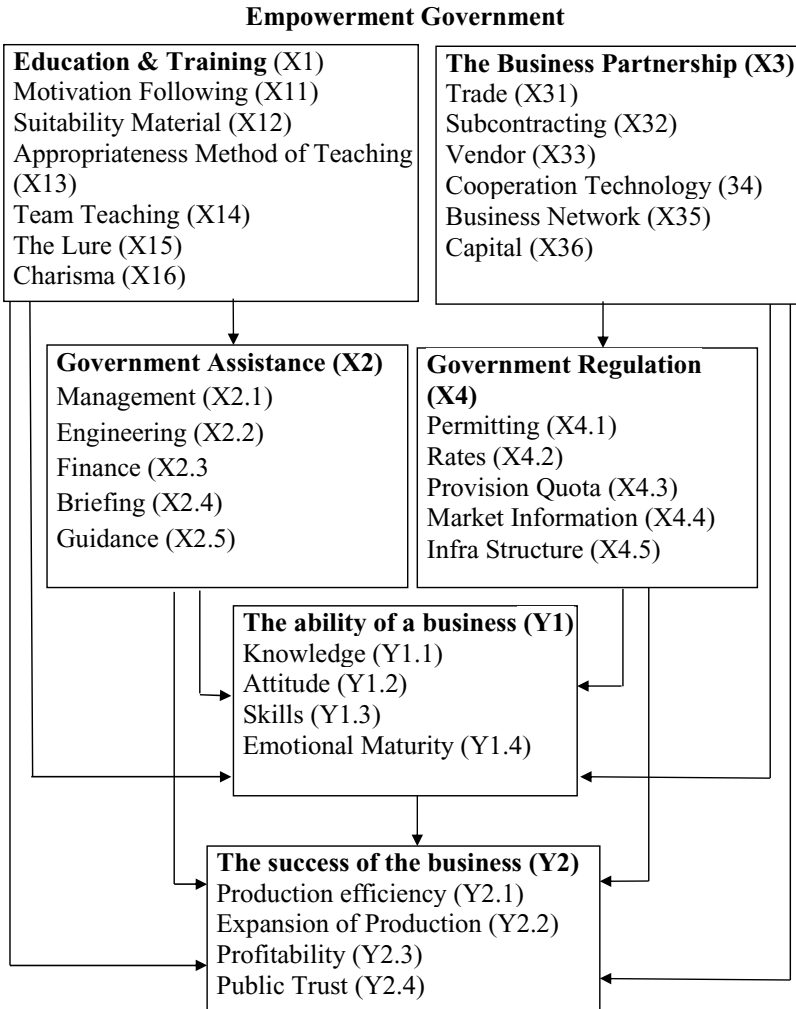
8. Effect of Government Regulations on The Success of Small Industries

Government regulation in this study is a decision issued by the government, especially relating to the ease of licensing, tariff setting, the provision of quotas, market information and infrastructure development. Governments can influence the company either directly or indirectly, because the government can regulate a variety of issues that affect the company, for example, controlling the level of wages and prices, equal employment opportunity, occupational health and safety, credit arrangements, the location of the plant, the type of advertisement and media as well as permitted guidance - guidance to employers and others.

Laws and regulations can change day-by-day activities of the company, and often can influence the selection of its business strategy, in addition to the political influence of government includes the influence of government and regulations. The central government and local governments will affect the activities of the company either directly or indirectly. Government policy is also intended to make the company more independent and have better prospects. The above problem has been getting serious attention given the company's current management and in common have limited funding. With the ease of government policy in the

form of licensing, tariff reduction, the provision of quotas, market information and infrastructure, expected problems could be solved.

Figure 13: Conceptual Framework for Research



From the description above it can be concluded that the ease of government regulation in the form of licensing, tariff reduction, the provision of quotas, market information and infrastructure will directly affect the success of small industrial business.

9. Influence the Ability of The Business to the Success of Small Industries.

One of person's performance reflection is the ability of the business. The ability of one's business is basically learning outcomes include the aspects of knowledge, attitudes, and skills. Thus it can be explained that the aspects of knowledge, attitudes, and skills of a manager of a small industrial business will affect the success of small industrial business.

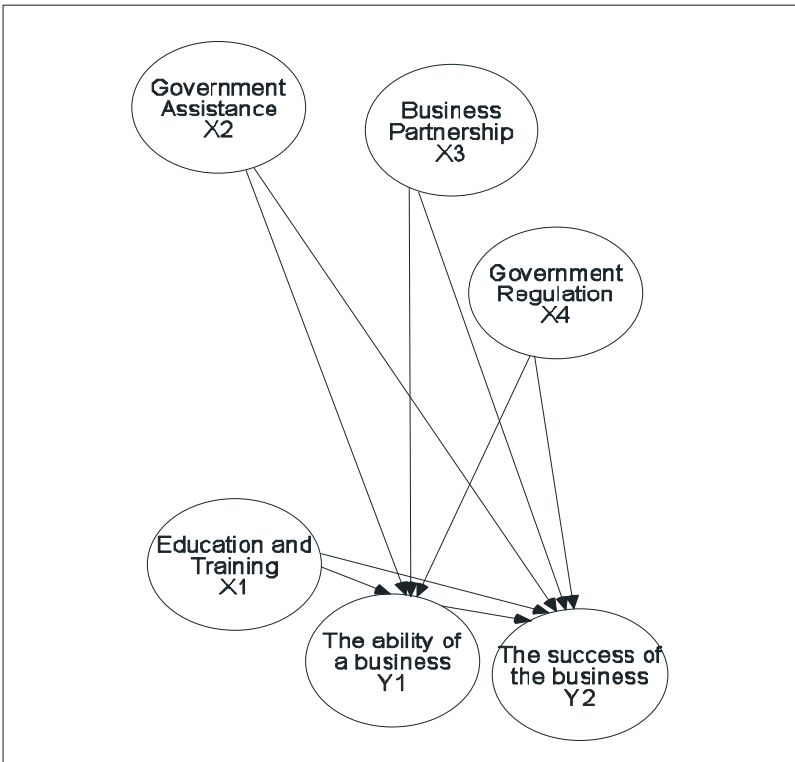
Based on the conceptual framework of items 1 through 9 above, the conceptual framework model of the relationship between variables in this fieldwork can be presented in the figure 13.

3.1.3 Development of Theory Model

Based on the conceptual framework of this research in the first step, researchers conducted a search or the development of a model that has a strong theoretical justification. Dimensions which will be observed in study of the theoretical model as shown in figure 14.

In the second step, a theoretical model has been built in the first step will be described in a model of conceptual framework that will be used as a reference in making questionnaire and analyzing the data, as shown in figure 15:

Figure 14: Theoretical Model Development



Source: Of Several Theories

Description:

(X1) = Education and Training

(X2) = Government Assistance

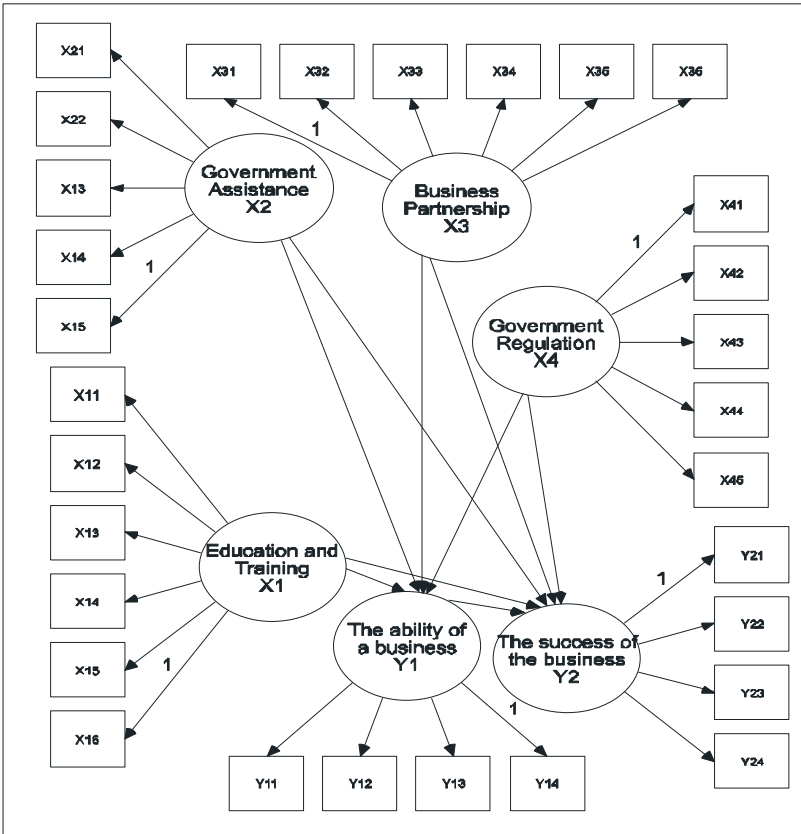
(X3) = Business Partnership

(X4) = Government Regulation

(Y1) = The Ability of a Business

(Y2) = The Success of the Business

Figure 15: Conceptual Model Development Questionnaire



Source: Of Several Theories.

Description of the model:

(X1) = Education and Training

(X2) = Government Assistance

(X3) = Business Partnership

(X4) = Government Regulation

(Y1) = The Ability of a Business
(Y2) = The Success of the Business
(X11 = Motivation Following)
(X12 = Conformity Material),
(X13 = Accuracy Teaching Methods)
(X14 = Team Teacher)
(X15 = Lure) and
(X16 = Charisma)
(X21 = Management)
(X22 = Technique)
(X23 = Finance)
(X24 = Direction) and
(X25 = Guidance)
(X31 = Trade)
(X32 = Subcontract)
(X33 = Vendor)
(X34 = Cooperation Technology)
(X35 = Business Network) and
(X36 = Cooperation Capital)
(X41 = Licensing)
(X42 = Rate)
(X43 = Provision of quotas)
(X44 = Market Information)
(X45 = Infra Structure)
(Y11 = Knowledge)
(Y12 = Attitude)
(Y13 = Skills) and
(Y14 = Emotional maturity)
(Y21 = Efficiency of production)

(Y22 = Expansion of Production)

(Y23 = Profitability) and

(Y24 = Public Trust)

3.2. Hypothesis

Based on the conceptual framework of the above research hypothesis can be formulated below:

1. First hypothesis

The government empowering by education and training i.e.; motivation to follow, the suitability of the material, the accuracy of the method of teaching, team teaching, the allure and charisma influence significant toward the ability of business of clothing small industries entrepreneurs in East Java.

2. Second Hypothesis

The government empowerment by assistance: financial, management, engineering, direction and guidance significantly influence the ability of business of clothing small industry entrepreneurs in East Java.

3. Third Hypothesis

The government empowerment by business partnership: trade, subcontracting, vendors, business networks and capital significantly influence the ability of business of clothing small industry entrepreneurs in East Java.

4. Fourth Hypothesis

Government regulations such as: licensing, tariffs, supply quotas, market information and infra structure significantly influence the ability of business of clothing small industry entrepreneurs in East Java.

5. Fifth Hypothesis

The government empowerment by education and training: motivation to follow, the suitability of the material, the accuracy of the method of teaching, team teaching, the allure and charisma significantly influence on influence the success of business of clothing small industry entrepreneurs in East Java.

6. Sixth Hypothesis.

The government empowerment by financial assistance, management, engineering, direction and guidance significantly influence on influence the success of business of clothing small industry entrepreneurs in East Java.

7. Seventh Hypothesis

The government empowerment in the form of business partnership: trade, subcontracting, vendors, business networks and capital significantly influence on influence the success of business of clothing small industry entrepreneurs in East Java.

8. Eighth Hypothesis

Government regulations such as: licensing, tariffs, supply quotas, market information and infra structure significantly influence on influence the success of business of clothing small industry entrepreneurs in East Java.

9. Ninth Hypothesis

The ability of business units including: knowledge, attitudes, skills and emotional maturity significantly influence on influence the success of business of clothing small industry entrepreneurs in East Java

Chapter IV

Methods

The research method is an important aspect of doing some research, because accuracy in choosing research methods will greatly affect the validity of the research results obtained. This section will successively described in the study design, limiting the scope of the research, identification of variables, operational definitions of variables, population and sample, data collection procedures, research instruments and data analysis techniques.

4.1. Research Design

Generally, this study aims to describe and analyze the effect of the government empowering which includes education and training, government assistance, business partnerships and government regulations on the ability and success of business of and small industry entrepreneurs. In accordance with its objectives, the study was designed as an explanatory research. The results obtained in this study are expected to provide an explanation of how the ability of business and employment success is influenced by several factors, namely: education and training, government assistance, business partnerships and government regulations.

In terms of subject matter, the study was designed as a research and action orientation. Data were extracted from the target or subject of research is the data on the orientation of the individual, such as education and training, assistance received, a partnership of business, government regulation, the ability of business and success of the business. Action research design has advantages compared to research the characteristics of the principal problems related to the individual character data, such as age,

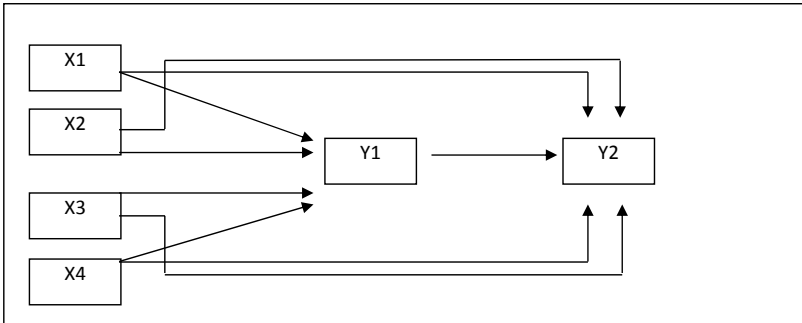
duration of work, gender and so on. By because they study the orientation and action plan provides an opportunity to provide a solution which suggests a change. On the characteristics of the study because it is not done basically the characteristic variables are static variables are unlikely to be changed. (Babbie, 1986:79).

Judging from the time dimension, the study was designed as a cross-sectional study. Although the cross-sectional design typically used in a descriptive and explanatory research, and this research is explanatory research, but adapted to the inherent nature of its subject matter and is not associated or affected by the dimension of time, the use of cross-sectional design will not affect the validity and reliability data collected (Babbie, 1986: 80).

Judging from the nature of the relationship between variables, this study was designed as a research with the type of correlation. One variable with the other variables described the correlation relationships, more than that will be described and analyzed and compared its effect by variable category. In accordance with the formulation of the problem and research objectives and hypotheses, in this study identified a total of six variables to be studied, include: 1) Education and training. 2) Government assistance, 3) Business partnership, 4) government regulation, 5) The ability of business and 6) The success of the business. The relationship between these variables can be described figure 16.

From the design of the relationship between the variables above, the label can be specified for each of the following variables: 1) the independent variables: education and training, government assistance, business partnerships and government regulations 2) the dependent variable: the ability and success of business of small industry.

Figure 16: Relationship between Research Variables



Description:

X1 = Education and Training

X2 = Government assistance

X3 = Business Partnership.

X4 = Government Regulation

Y1 = The Ability of Business

Y2 = The Success of Business

4.2. Research Scope Restrictions

Development of the government that is a government policy is issued by the government's decision, especially relating to the empowerment of small industries. Government action can also affect the business in his actions caused to increase business opportunities or obstacles, sometimes even both. Governments can influence the company either directly or indirectly, because the government can regulate a variety of issues that affect the company, for example, controlling the level of wages and prices, equal employment opportunity, occupational health and similarity, credit arrangements, the location of the plant, the type of advertisement and media as well as permitted guidance - guidance to employers and others.

Empowerment is the government's efforts through education and training, to help grow and enhance the business capabilities of small industrial business to be resilient company. Partnership is a cooperative effort between small companies with medium or large company, on the principle of mutual need, strengthen and benefit (Department Of Trade And Industry, 1996:8). The purpose of this empowerment is in order to empower the business. Empowerment is an attempt to grow the business and strengthen itself into a formidable effort.

In this study raised the government 's empowerment is empowerment in the form of education and training, government assistance, business partnerships and government regulations with the goal of improving the ability of business of small industries entrepreneurs. Also aimed to increase the success of business of small industries entrepreneurs.

1. Education and Training

Human resources have the ability to grow without limit, but ability, knowledge and skills can be measured by achievements or results obtained in performing the work (Silalahi, 1983:33).For more details, definitions of education and training in accordance with the instructions of the President nomor 15 year 1974, about the implementation specifics of coaching education expressed as follows: education is everything to nurture and develop human personality Indonesia, physical and spiritual that lasts a lifetime, both inside and outside of school. While training is a part of education involves learning to acquire and improve skills outside of the education system prevailing in a relatively short time and method of the relative priority of the theory practices.

Education is essentially a continuous line and level that shows improvement and development of human resources that include:

- a. General education or elementary education is the provision that the human resources (HR) has an adequate knowledge base and is ready to be trained.
- b. Technical skills training (technical know-how) or professionalism to certain areas of both low-level intermediate or high. Qualification training for personal development, preparing human resources (HR) to be more creative, not only has the technical ability, but also has the managerial capacity, develop themselves to be leader in its field elements are capable of being expanded.

In this research, education and training, education and training are appointed to provide a stock of knowledge, attitudes and skills in trying to acquire business skills, which in turn can increase the success of small industrial business. While the indicators examined included: the motivation to follow, material suitability, appropriateness of teaching methods, teaching teamwork, charisma and charisma of the teacher.

2. Government Assistance

Empowerment is the government's efforts through assistance (management, engineering, finance, direction and guidance) to foster and enhance the ability of entrepreneurs to venture into a formidable businessman and can increase the success of small industries. In this study raised the government assistance is a management, engineering, finance, direction and guidance.

Management assistance is to increase managerial capacity or managerial assistance regarding all aspects of business management such as planning, finance, logistics, business administration and marketing.

Technical assistance is the provision of assistance to small industries by introducing applied technology that can improve mobility and continuity of production.

Financial assistance is to provide the necessary raw materials or connect with suppliers, giving advance work or to pay a direct purchase of goods.

Direction assistance is to provide guidance that management, engineering and marketing.

Guidance assistance is by guiding in implementing management information systems.

3. Business Partnership

The business partnership is a collaboration effort between small companies and the government through a medium or large company on the principle of mutual need, strengthen and profitable (Department Of Trade And Industry, 1996:8). The purpose of this partnership is in order to empower the business. Empowerment is an attempt to grow the business and strengthen itself into a formidable effort.

In this study raised the coaching partnership is partnership trade, subcontracting, vendors, technology cooperation, networking and business capital.

Trade partnership is an amazingly good trade relations by the provision and procurement of goods for the purposes of small industries and business in the form of small markets for its industrial production.

Partnership subcontracting is a manifestation of cooperation that produce a product or service, some of the components of the purposes of the company's products are made by small industries.

Partnership vendor is a manifestation of the relationship in effort meet operational needs of industrial companies to small purchases.

Technology cooperation is an embodiment of company production technique cooperation.

Business networks is an embodiment of business cooperation in marketing, distribution and pricing.

Capital cooperation is a manifestation by investing business cooperation of the government or state-owned business to small industries

4. Government Regulations

Government regulation in this study is a decision issued by the government, especially relating to the ease of licensing, tariff setting, the provision of quotas, market information and infrastructure development

Governments can influence the company either directly or indirectly, because the government can regulate a variety of issues that affect the company, for example, controlling the level of wages and prices, equal employment opportunity, occupational health and safety, credit arrangements, the location of the plant, the type of advertisement and media as well as permitted guidance - guidance to employers and others.

Laws and regulations can change day-to-day activities of the company, and often can influence the selection of its business strategy, in addition to the political influence of government includes the influence of government and regulations. The central government and local governments will affect the activities of the company either directly or indirectly.

Supriyono (1989:76) argues that as a consequence of the increase in goods and services, then realized the greater the political influence in the

achievement of corporate objectives and the formulation of corporate strategy.

5. The Ability of Business

The ability is defined as an attitude (accepts / reject) related to interest, ability, skill, or strength. In relation to small business, the ability intended as ability, skill or force employers to perform tasks become responsibilities.

The ability of a person that is basically the result of the learning process, which covers aspects of knowledge, attitude and skills (Nadler, 1982, and Thonhowi, 1991) or cognitive, attitude, and psychomotor (Gagne, et al., 1992). Likewise with Krathwohl, et al., (1964); Grounlund (1977) which states that learning outcomes (learning outcomes) that includes three domains, namely: (a) cognitive, (b) affective and (c) psychomotor, which is often also referred to the taxonomy of education objectives.

Capabilities covering the three aspects of knowledge, attitude, skills and emotional maturity will affect the performance of small business which in turn will affect the company's business success.

6. The Success of Business

The success of small industries is influenced by various factors. Business performance of the company is one of the goals of every entrepreneur. Performance of small industries can be defined as the degree of success in achieving the purpose / goals expected. As a measure of the success of the business of an enterprise can be viewed from various aspects, such as financial performance, corporate image, and others. Pickle (1989) in his study conducted on 97 small companies to conduct manager,

generating 5 personality characteristics that contribute the success of small business, namely: (1) drive, (2) mental ability, (3) human relations abilities, (4) communications abilities, and (5) technical knowledge.

With regard to the critical success factors of small industrial business, the results of Bird study found that small business success is characterized by innovations, risk-averse behavior (Luke, 1996). So is Murphy's research results in the same source found that the success of small business contributed by hard work, dedication, and commitment to service and quality.

Various critical success factors studies on identification of small industries that Luke is basically a reflection of the ability of a business (knowledge, attitudes and skills), relevant experience, work motivation and level of education a person's employer. According Algifari (2003:118) the success of the business can be seen from the efficiency of the production process are grouped based on technical efficiency and economic efficiency. Meanwhile, Jane (1997:22) says that the assessment of the capabilities can be measured using several dimensions of effectiveness, efficiency and equity / fairness of the price. To further determine the success of the various aspects of small business identification results Algifari, Jane Orpah and Luk the adoption as a reference in the instrument-making variable production efficiency, the expansion of production, profitability and public trust.

4.3. Identification of Variables

In this study there was a model that used the theoretical concepts: The concept of government empowerment influence on the ability of business (to improve knowledge, attitudes, skills and emotional maturity to be responsible on the job) and concept of empowerment government

influence on the success of business (for the purpose of regional development) because the study variables were classified according to the theoretical model to be tested which are:

1. Based on the Concept of improving the ability of business:
 - a. The independent variable of government empowerment through education and training (X1), government assistance (management, engineering, finance, direction and guidance) (X2), business partnership (X3) and government regulations (X4)
 - b. The dependent variable is the ability of business (Y1)
2. Based on the Concept of Interests the Success of Business:
 - a. The independent variable is the government's empowerment through education and training (X1), government assistance (management, engineering, finance, direction and guidance) (X2), business partnership (X3) and government regulations (X4) as well as the ability of a business (Y1)
 - b. The dependent variable is the success of business of small industry (Y2)

4.4 Operational Definition of Variables

Based on the above definitions, it can be expressed as follows:

1. Education and Training (X1)

Education and training of a total measured respondents' opinions about respondents about the importance of education and training with regard to developing and growing a small industry to the indicators of (Antonio, Isabel and Raquel, 2003) and (Eaglen, Lashley and Thomas, 2000) below:

X11: Motivation follow

X.12: Suitability of Material

X13: The Accuracy of the Method of Teaching

X14: Team Teaching

X15: The Attraction

X16: Charisma

The measurement used is Likert by scale 1 (one) to 5 (five) and the grading scale, value of 1 (one) if it does not agree (almost absolutely do not agree) what is stated in the question, value of 2 (two) if less agree (less likely to agree than disagree) value of 3 (three) if enough (between agree and disagree), the value of 4 (four) if agreed (likely to agree than disagree) and 5 (five) if strongly agree (almost absolute agree or absolutely agree). For the overall scoring is determined based on the sum of the values of these entire variables question.

2. Government Assistance (X2)

Assistance (management, technology, finance, direction and guidance) measured by value or quantity emitted by such activities is calculated in money to the indicators of (Dimitris, 2004 and Fredrik, 2000) below:

X21: Management Assistances

X22: Technology Assistances

X23: Financial Assistances

X24: Briefing Assistances

X25: Guidance Assistances

The measurement used is Likert by scale 1 (one) to 5 (five) and the grading scale, value 1 (one) if it does not agree (almost absolutely do not agree) what is stated in the question, value 2 (two) if less agree (less likely to agree than disagree) value of 3 (three) if enough (between agree and disagree), the value of 4 (four) if agreed (likely to agree than disagree) and 5 (five) if strongly agree (almost absolute agree or absolutely agree). For the overall scoring is determined based on the sum of the values of these entire variables question.

3. Business Partnership (X3)

Partnership is doing the work together with the government or government-appointed companies as measured by total respondents opinion of the respondents about the importance of cooperation in order to develop and grow a small industrial business to the indicators of the modification (Chen and Tseng, 2005, Stuart, 2000 and Zaheer, 2004) below:

X31: Trade Cooperation

X32: Subcontractors

X33: Vendor

X34: Technology Cooperation

X35: Network Business

X36: Cooperation Capital

The measurement used is Likert by scale 1 (one) to 5 (five) and the grading scale, value 1 (one) if it does not agree (almost absolutely do not agree) what is stated in the question, value 2 (two) if less agree (less likely to agree than disagree) value of 3 (three) if enough (between agree and

disagree), the value of 4 (four) if agreed (likely to agree than disagree) and 5 (five) if strongly agree (almost absolute agree or absolutely agree). For the overall scoring is determined based on the sum of the values of these entire variables question.

4. Government Regulation (X4)

Government regulations relating to policies issued by the government ever associated with the small industrial sector indicators modifications (Sullivan, 2002 and Rasiah, 2002) below:

X41: Ease of Licensing

X42: Tariff Setting

X43: Provision of Quota

X44: Market Information

X45: Development of Infrastructure

The measurement used is Likert by scale 1 (one) to 5 (five) and the grading scale, value 1 (one) if it does not agree (almost absolutely do not agree) what is stated in the question, value 2 (two) if less agree (less likely to agree than disagree) value of 3 (three) if enough (between agree and disagree), the value of 4 (four) if agreed (likely to agree than disagree) and 5 (five) if strongly agree (almost absolute agree or absolutely agree). For the overall scoring is determined based on the sum of the values of these entire variables question.

5. The Ability of a Business (Y1)

The ability of the business is an attitude or interest and ability in carrying out job responsibilities of small industries measured from the total respondents to the opinion of the indicators (Pickle, 1989) below:

Y11: Knowledge

Y12: Attitudes

Y13: Specific to the Skills

Y14: Emotional Maturity

The measurement used is Likert by scale 1 (one) to 5 (five) and the grading scale, value 1 (one) if it does not agree (almost absolutely do not agree) what is stated in the question, value 2 (two) if less agree (less likely to agree than disagree) value of 3 (three) if enough (between agree and disagree), the value of 4 (four) if agreed (likely to agree than disagree) and 5 (five) if strongly agree (almost absolute agree or absolutely agree). For the overall scoring is determined based on the sum of the values of these entire variables question.

6. The Success of Small Industrial Business(Y2)

The success of the business is a success in growing and developing small industries from the total measured respondents' opinion of the outcome indicators of a modified opinion (Luke, 1996 and Lin, 1998) are as follows:

Y21: Production Efficiency

Y22: Expansion of Production

Y23: Profitability

Y24: Public Trust

The measurement used is Likert by scale 1 (one) to 5 (five) and the grading scale, value 1 (one) if it does not agree (almost absolutely do not agree) what is stated in the question, value 2 (two) if less agree (less likely to agree than disagree) value of 3 (three) if enough (between agree and

disagree), the value of 4 (four) if agreed (likely to agree than disagree) and 5 (five) if strongly agree (almost absolute agree or absolutely agree). For the overall scoring is determined based on the sum of the values of these entire variables question.

4.5. Population and Research Sample

The study population and sample size determination technique are an important aspect that must be considered by a researcher. Therefore, this section will describe the study population and the study sample as follows.

4.5.1. Population Research

This study was designed to study the effect of empowering small business to the ability of the business industry that can ultimately increase the success of small industries which are become the object of study is the clothing small industry entrepreneur in East Java.

Population is defined as a generalization region consisting of the subject that has the quantity and characteristics defined by the researchers to learn and then be deduced (Sugiyono, 1994:57). In connection with the concept as subjects in this study were small clothing industry business in the region of East Java Province consists of 38 regions Regency / City Government, namely (Regency Bangkalan, Regency Banyuwangi, Regency Blitar, Regency Bojonegoro, Regency Bondowoso, Regency Gresik, Regency Jember, Regency Jombang, Regency Kediri, Regency Lamongan, Regency Lumajang, Regency Madiun, Regency Magetan, Regency Malang, Regency Mojokerto, Regency Nganjuk, Regency Ngawi, Regency Pacitan, Regency Pamekasan, Regency Pasuruan, Regency Probolinggo district, Regency Sampang, Regency Sidoarjo, Regency Sitobondo, Regency Sumenep, Regency Tuban, Regency Tulungagung, Batu City, Blitar City, Kediri City, Madiun City, Malang City, Mojokerto

City, Pasuruan City, Probolinggo City and Surabaya City) that have gained government empowerment, with the following criteria.

1. Small industrial companies according to the criteria of the Ministry of Industry and Trade (Ministry) is a company based on the value of wealth < ID Rp. 600 million, out of the building and land. Have annual sales revenue < ID Rp. 1 billion (according to Republic Act 1995).
2. Processing activities of basic goods into finished or semi- finished goods, intermediate goods into finished goods or of less value to a higher value, the number of workers between 5 -19 people including businessmen (Department Statistics Center).
3. Entrepreneur is the owner also acts as a manager. Usually the managers are also the owners; the management of the Firm is Independent (Pickle, 1989).

Restrictions on population criteria is one thing that is very important because quite a lot of effort variation. Small industry is still subdivided into classifications that each business included in ISIC (group undertaking of Indonesia), so this problem should be a restriction of business to be investigated. As described earlier, this study discusses the role of empowering the government to the company. The role of empowerment will appear (can be felt) for companies that produce goods which are sensitive to changes in technology and market demand.

4.5.2. Sample Research

The sample is representative of the population subgroups examined, so that the study did not use all of the individuals in the population as a respondent, but quite take a representative sample of the population. By researching the part of the population, are expected to obtain results that can describe the nature of the population. This study is a sample of the units

of the company. As the survey respondents is the owner / manager of a small industrial business clothing that will represent the company as a research sample. Therefore in this study to consider the magnitude of the sample and its acquisition techniques.

In connection with the determination of the amount of samples to be taken, many experts give different formulas. Karlinger (1992) for example suggests that the sample size of more than 30 cases. In contrast to Ferdinand (2002:47) and the sample size should be adjusted by means of analysis, while the corresponding SEM analysis is about 100 -200 respondents or at least as much as 5 to 10 times the number of indicators in variabelaten.

While the Arikunto (1995:120), to distinguish subjects less than 100 to more than 100, by stating as follows, if the subject is less than 100, better taken all of that research is the study population . Furthermore, if a large number of the subject can be taken between 10%-15% , or 20% -25% or more depending on the ability of researchers views of time, effort and funds, narrow breadth of observations from each subject area and the size of the risk borne by the researcher .

Basically these formulas are designed in order to achieve representation sample data in the data representing the characteristics of the population. It's as expressed Arikunto (1995:120), that no one rule that can be used to determine the amount of sample, however representation remains a paramount consideration.

Based on the description above, then before the formula for determining the amount of sample to be used, it would need to be delivered a few hat on the homogeneity of the population characteristics in relation to the implementation of development programs (as independent

variables), which is expected to affect the success of business of clothing small industry (as a variable dependent).

Empowerment programs are generally conducted at the district / city level, then on up to the level of empowerment programs conducted by the government will always be followed by a group of small companies in the area. Thus to the extent Regency / City Government, some things are relatively the same for study respondents (fairly homogeneous) as the process of implementing empowerment through education and training, delivery patterns and materials. For example, the government will implement a program of education and training to a group of participants that are representative of a small company. Here, the government itself will use a poll implementation relatively the same for all participants cultivated. Under these conditions, then each participant (other small industrial business) will have the same perception relative to the implementation of the training that they have attended.

Starting from these conditions, the 174 small business units clothing industry as the research sample, for more details, the following will be presented 1) sampling method, 2) the determination of the sample area, and 3) the determination of the amount of sample respondents

1. The Sampling Method

In this study using a sample set of sampling (stratified cluster sampling) that the population is divided into clusters of elements with a set of stratified based on criteria (Cooper and Emory, 1996:238). The criteria set elements for small industrial clothing are:

- a. Small clothing manufacturing industries (not services), because they are generally more evident in the use of management strategies function to process the inputs into output.
- b. Small clothing industry which has received empowerment from the government at least one year in advance. It is intended to be perceived and easy to see the impact of empowerment during the period.

2. Determination of the Sample Area

Selection of sample areas is based on the areas that have the potential of industrial development (industrial district). Ministry has set and small industries for the entire region, which can be used as a basis for determining the sample area. Prepared in accordance directory, industry development center in the area, a group of small business field Indonesian clothing industry in East Java consists of 5 regions namely Tulungagung, Bangkalan, Mojokerto, Sidoarjo and Mojokerto.

3. Number of Sample Respondents

Determination of the number of respondents correctly will help the quality of the analysis, so that the necessary steps are systematic. Total sample of respondents as the statistical methods used to estimation sampling error. According to Ferdinand (2002:47) and the sample size is appropriate in the analysis of SEM is about 100 - 200, further suggested a minimum sample size of as much as 5 to 10 times the number of indicators in the latent variables. While the sample of respondents in this study is 29 multiplied by an indicator variable 6 respondents totaling 174 companies. The number of samples taken proportionately in order to obtain sufficient reliable analysis and representative of the population. Based on the above data and using cluster sampling, sample allocation respondent companies each region is determined as a table 15.

Table 15: Respondents by Region East Java

Region	Area	Sample Company
	Population (Units)	Respondents W/P X S
Tulunggagung Regency	78	43
Bangkalan Regency	96	53
Mojokerto Regency	55	20
Mojokerto City	20	11
Sidoarjo Regency	68	37
Total	317	174

Source: Department of Trade and Industry(1998)

Description:

W = population of Region

P = Number of Population

S = Number of Samples

4.6. Procedures of Data Collection

This study uses primary data from questionnaires and secondary data from the companies concerned. Besides, it also can use the data from research reports, journals and other library materials obtained from various libraries.

The data collected through interviews questionnaires, data recording documentation and literature, in addition to the information services used

also to obtain data relating to the business of small clothing and leather industries that exist in the area of East Java.

By the large number of respondents and the distribution of its location, the data collection techniques that will be in use in this study was a questionnaire. Distributing questionnaires to collect data in this research will be done directly with the involvement of a number of field officers. Determinations of how the spread of this questionnaire to be considered by the weakness in the mail questionnaire returns were low.

Based on the technique of sample selection or determination of respondent which will be the subject of research, the data collection procedure will follow the following steps: (1) the maintenance of a permit to the local office of the Ministry of Industry. (2) Management of research permits to companies selected as a sample group, (3) Preparation of a list of names of companies and owners of the company was selected as a sample group, (4) Identification of the condition of the company owners through biographical data stored by the personnel (from this process is expected to be determined respondents predicted to be able to understand the questionnaire and field workers who need help to understand it), (5) Training of field staff as well as guidelines and procedures for distributing questionnaires (including notification of respondents who need to attend and helped to understand the questionnaire), (6) the spread of the questionnaire respondents were conducted in the company, (7) the collection of the completed questionnaires by the respondents through the personnel / public relations.

4.7. Research Instruments

The research instrument as a means of data collection is an important factor for the success of the study. Therefore, the development of appropriate research tools is indispensable.

In this study data collection tool or instrument used was a questionnaire, a questionnaire is an instrument that is considered more effective and practical to collect research data on the specific conditions that do not require the presence of the researcher, data collection was done through personally administered questioners allowing researchers relate directly and provide an explanation as necessary with the relevant parties (respondents) that is the primary data source (sample).

Questionnaires are used as a tool to extract data on the respondents. Measurements for each variable in the form of twigs graphic (Hair, et al., 1998:28). Graphic twigs is a method of measuring attitudes agree with or disapproval of the subject, object, or specific events, described in the statements in the questionnaire with a score of 1 to 5 to allow obtaining a score that is continuous.

Further primary data obtained through this questionnaire because it is often necessary to test the data is not in accordance with our desire. From the test data is expected to improve the quality of data to be in though and analyzed. The initial phase is to check whether the data that we want is already filled all or there are some empty (not filled).

The study included four independent variables (education and training, government assistances, business partnerships and government regulations) and two dependent variables (ability and success of the business). For education and training variables consisted of six sub-variables / indicators i.e.: motivation to follow, the suitability of the

material, provision of teaching methods, teaching team, the attractiveness and charisma. Variable government subsidy consists of five sub-variables / indicator variables: management, engineering, finance, direction and guidance. Variable partnership consists of six sub-variables / indicators, namely: trade, subcontracting, vendors, technology cooperation, business networks and capital. Government regulation consists of five sub-variables / indicators are: licensing, tariffs, supply quotas, market information and infrastructure. Variable operating capability consists of three sub-variables / indicators namely: knowledge, attitude and skills. The variable success of the business consists of four sub-variables / indicators namely: production efficiency, the expansion of production, profitability and public trust.

In this study, the data is not in the expected empty so that if there is an empty data then the data of the respondents can not be used. Test the quality of the data is done using validity and reliability testing. In order to believe that the instrument is valid (valid) and reliable (consistent) should be tested for validity and reliability. A total of 30 questionnaires distributed for initial testing, if the 30 questionnaire data are valid and reliable, it will be used for next.

4.7.1. Testing Validity of Research Instruments

Valid instrument means a measuring tool used to obtain the data is valid. Valid means that the instrument can be used to measure what is to be measured by using a valid and reliable instrument in data collection, research results are expected to be valid and reliable. Valid and reliable instrument which is the main requirement to obtain valid and reliable results.

The validity of the research data is determined by accurate measurement process. Therefore, the essence of validity is accuracy. A

measuring instrument is said to be valid if the instrument measure what should be measured. The instrument can measure variables as expected by researchers. There is a possibility of research data has a high level of reliability, but less valid. A valid research data must be reliable because the accuracy however requires consistency (Indrianto and Supomo, 1999:181).

Validity has meaning the extent to which the precision and accuracy of a measuring instrument in performing the function of its size. A test or measuring instrument can be said to have a high validity when the tool size, function, or provide an appropriate outcome measure for the purpose of doing these measurements. Tests that produce data that is not relevant to the purpose of measurement is said to be a test that has low validity. The validity of a measuring instrument depends on the ability of the tool reaches the desired destination with the exact measurements.

A valid measurement tool, not just being able to express the data correctly, but also must provide a thorough overview of the data. Meticulously means that the measurement was able to provide a picture of the smallest differences between subjects with each other. Using a measuring instrument that aims to measure a certain aspect but can not measure the results carefully and thoroughly will give rise to a variety of errors. The error may be a result of too high (overestimation) or too low (underestimation). The diversity of these errors in terms statistika called error variance or error variance. Valid measuring instrument has a small error variance (small measurement error), so that the resulting figures can be trusted as an actual number or numbers that approach the real situation.

The definition of validity is very closely related to the issue of measurement purposes. There is no generally accepted validity for all

purposes of measurement, a measuring instrument is a measure usually only valid for a specific purpose (Anwar, 1997:58).

This study used a questionnaire as the main instrument for data collection of primary research in the form of respondents to the questions related to the study variables. In order to believe that the instrument is valid (valid) validity should be tested first. A total of 30 questionnaires distributed for initial testing, if the 30 questionnaire data are valid then can be used.

4.7.2. Reliability Testing Research Instruments

Understanding reliability and the reliability of the results of measuring instruments are usually considered equal measure. However, the use of each note. The concept of reliability in terms of the reliability of the measuring instrument is closely related to the problem of measurement error (error of measurement). Error of measurement refers to the extent to which the results of the measurement inconsistency occur when repeated measurements were performed on the same group of subjects. The concept of reliability in terms of the reliability of the results of the measuring instrument is closely related to the sampling error (sampling error) that refers to the inconsistency of the results of measurement when repeated measurements were performed on different groups of individuals (Anwar, 1997:45).

The concept of reliability can be understood through the basic idea of the concept, namely consistency. Researchers can evaluate research instruments based on different perspectives and techniques, but fundamental questions to measure the reliability of the data are "how the consistency of the data collected?" Use your numeric measurement reliability index called coefficient (Indriantoro and Supomo, 1999:180).

The instrument is not necessarily valid reliable. Instrument reliability is a requirement for testing the validity of the instrument. Therefore, though certainly valid instrument generally reliable, but reliability testing instrument needs to be done (Sugiyono, 1994:98).

This study used a questionnaire as the main instrument for data collection of primary research in the form of respondents to the questions related to the study variables. In order to believe that the research instruments reliable (consistent) should be tested reliability. A total of 30 questionnaires distributed for initial testing, if the 30 questionnaire data are reliable, will be used for next.

4.7.3. Interpretation of Measurement Variables

Doing the interpretation of the latent variable measurement based on the is based on (λ) significance level loading factor or koefision lambda, were considered significant if (ρ) is less than (ρ) the probability value or equal to 0.05 subsequent to exam complete model of significant variables and indicators, which examines relationships, empowering the government which includes education and training, support, partnerships and governmental regulation and the ability of the business to the success of small industrial business will use the path coefficients (regression), good direction, magnitude, and significance. Limitation is less than or equal (ρ), the limit value ρ assessment of significance based on the probability value to 0.05

4.7.4. In the Questionnaire Instrument

In making the research instrument there are some theoretical basis that the base be made by the author are listed in table 16.

After understanding the theoretical basis of each variable, then developed into such instruments as in table 17.

As a means of collecting data of each of these variables, use an instrument like questionnaire in detail as follows:

Table 16: Basis Theory Making Questionnaire

No	Variable		Basic Theory
1	Education and Training	Independent Variables	1) Antonio, Isabel dan Raquel (2003) 2) Eaglen, Lashleydan Thomas (2000)
2	Government Assistance	Independent Variables	1) Dimitris (2004) 2) Fredrik (2000)
3	Business Partnership	Independent Variables	1) Chen dan Tseng (2005) 2) Stuart (2000) 3) Zaheer (2004)
4	Government Regulation	Independent Variables	1) Rasiah (2002) 2) Sulivan (2002)
5	The Ability of Business	Independent Variables	1) Pickle (1989)
6	The Success of Business of Small Industrial	Independent Variables	1) Luk (1996) 2) Lin (1998)

1. Elements in Education and Training Questionnaire (X1)

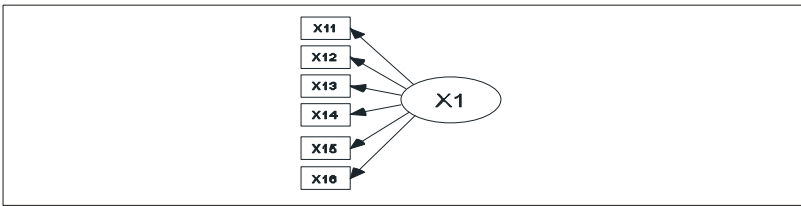
Education and training are all things related to education and training as well as the potential obtained by small entrepreneurs clothing industry to be able to face the tasks and work in her charge as a businessman.

Table 17: Grating Instrument Development

Variable	Indicator	Description	Amount
Education and Training	1.Motivation Following 2.Material Suitability 3.Accuracy Teaching Method 4.Teamteachers 5.Appeal 6.Charisma	Alexander (2005), Antonio, Isabel and Raquel (2003) and Eaglen, Lashley and Thomas (2000) For questions	18 question items
Government Assistance	1.Management 2.Technique 3.Finance 4.Briefing 5. Guidance	Dimitris (2004) and Fredrik (2000) for inquiries	15 question items
Business Partnership	1.Trade 2.Subcontracting 3.Vendor 4. Technology Cooperation 5. Business Network 6. Capital	Chen and Tseng (2005), Stuart (2000) and Zaheer (2004) for inquiries	18 question items
Government Regulation	1.Permitting 2.Fare 3.Provisionquota 4.Market Information 5.Infra Structure	Sullivan (2002) and Rasiah (2002) for inquiries	15 question items
The Ability of a Business	1.Knowledge 2.Attitude 3.Skills 4. Emotional Maturity	Pickle (1989) for inquiries	12 question items
Success of Business of Small Industrial	1.Production Efficiency 2.Expansion of Production 3.Profitability 4. Public Trust	Luke (1996) and Lin (1998) for inquiries	12 question items

This factor has 6 indicator as shown in figure 17.

Figure 17: Indicators of Education and Training (X1)

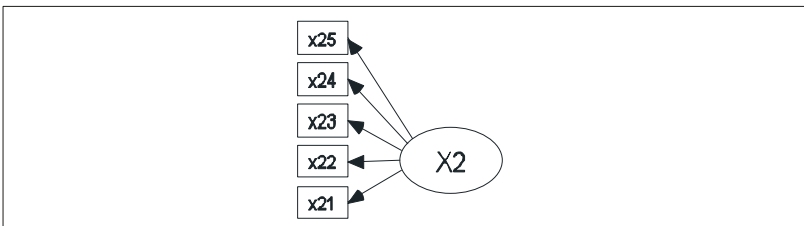


To obtain data about the respondents made education and training a questionnaire designed by element-element itself and the education, training items in the form of questions referring to Antonio, Isabel and Raquel (2003) and Eaglen, Lashley and Thomas (2000). As a questionnaire for the education and training consists of the following indicators: 1). Motivation Following (X11), 2). Suitability Material (X12), 3). Appropriateness Method of Teaching (X13), 4). Team Teaching (X14), 5). The Attraction (X15), and 6). Charisma (X16)

2. Elements in Government Assistance Questionnaire (X2)

Government subsidies are all things related to government subsidies obtained by small entrepreneurs clothing industry to be able to face the tasks and work in her charge as a businessman. This factor has 5 indicators as shown in figure 18 below:

Figure 18: Government Assistance Indicator (X2)

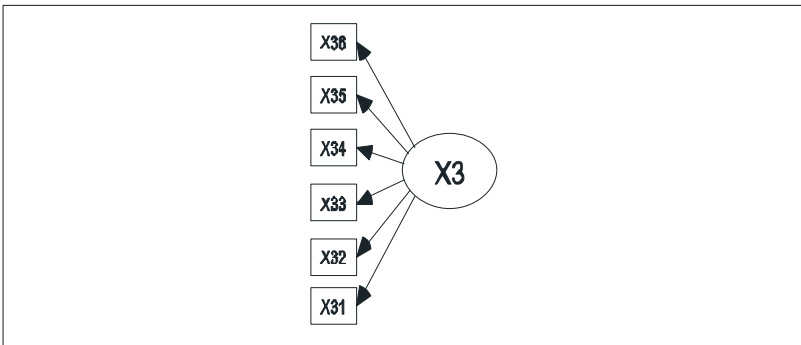


To obtain data about the respondents' answers Government Subsidies made a questionnaire that was designed separately based on the elements of government subsidies in the form of question items that refer to Dimitris (2004) and Fredrik (2000). As a questionnaire for the motivation contains the following elements: 1). Management (X21), 2). Engineering (X22), 3). Finance (X23), 4). Briefing (X24) and 5). Guidance (X25)

3. Elements of Business Partnership Questionnaire (X3)

The business partnership is all things to be able to face the tasks and work in her charge as a businessman. This factor has indicators: 1). Trade (X31), 2). Subcontracting (X32), 3). Vendor (X33), 4). Cooperation Technology (X34) and 5). Network Business (X35) shown in figure 19 below:

Figure 19: Indicators of Business Partnership (X3)



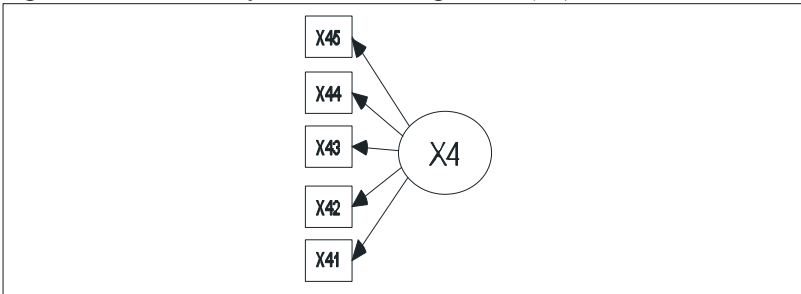
To obtain data about the respondents' answers organizational climate created a questionnaire that was designed separately based on the elements of a business partnership in the form of question items that refer to Chen and Tseng (2005), Stuart (2000) and Zaheer (2004). As a questionnaire for business partnerships variables are divided into six sub-variables: 1). Trade

(X31), 2). Sub Contract (X32), 3). Vendor (X33), 4). Technological Cooperation (X35) and 5). Business Networks (X36).

4. Elements in Government Regulation Questionnaire (X4)

Government regulations are all things relating to government regulation obtained by small entrepreneurs clothing industry to be able to face the tasks and work in her charge as a businessman. This factor has 5 indicators as shown in figure 20 below.

Figure 20: Indicators of Government Regulation (X4)

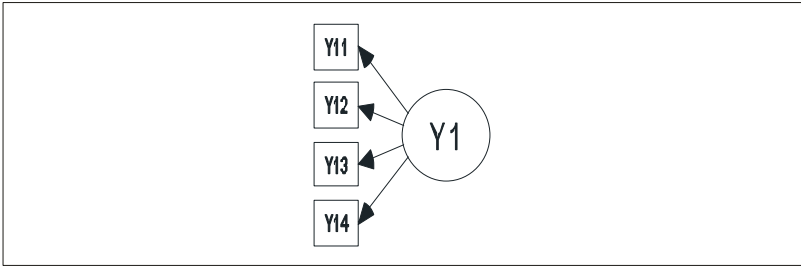


To obtain data on Government Regulation of respondents made a questionnaire that was designed separately based on the elements of government regulation in the form of question items that refer to Sullivan (2002) and Rasiyah (2002). As a questionnaire for the regulation contains the following elements: 1). Permitting (X41), 2). Rates (X42), 3). Provision Quota (X43), 4). Market Information (X44) and 5).Infra Structure (X45)

5. Elements of the Ability of A Business Questionnaire(Y1)

The ability of a business is causing spirit or impulse to do a job. This factor has 3 indicators as shown in figure 21.

Figure 21: Indicators of the Ability of a Business (Y1)

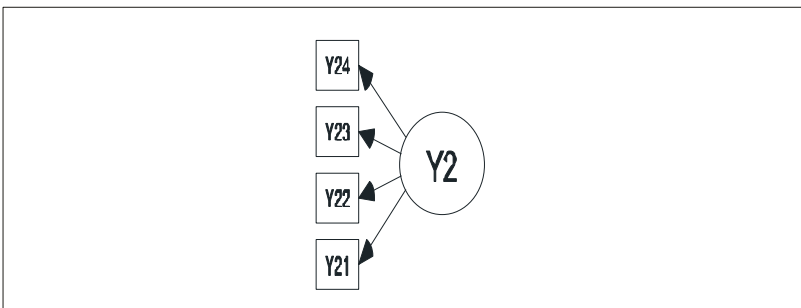


To obtain data about the motivation of respondents made a list of questions or questionnaires designed separately by elements motivation in the form of the items referred questions at Pickle (1989). The list of questions or questionnaires for this motivation contains the following elements: 1). Knowledge (Y11), 2). Attitude, (Y12), 3). Skills (Y13) and 4). Emotional Maturity (Y14).

6. Elements in the Business Success of Small Industry Questionnaire (Y2)

Small Industries business success is the result of which is a manifestation of the work done by the employer or organization that is usually used as the basis of assesSMent of the job or work organization. This factor has 4 indicators as shown in figure 22.

Figure 22: Indicators of Business Success Small Industries (Y2)



To obtain data about the success of the business respondents made a list of questions or questionnaires designed separately based on the employee's performance elements in the form of question items referring to Luke (1996) and Lin (1998). The list of questions or questionnaires for this employee's performance contains the following elements: 1). Production Efficiency (Y21), 2). Expansion of Production (Y22). 3). Profitability (Y23), and 4). Public Trust (Y24).

4.8. Data Analysis

Selection of the proper type of data analysis is an important factor in answering the research problem. For that after considering the issues and hypotheses proposed objectives and available data, in this study used two kinds of analysis, namely: 1) descriptive analysis and 2) factor analysis and regression analysis with the model SEM (Structural Equation Modeling).

4.8.1. Descriptive Analysis

Descriptive analysis was intended to get the dissemination of research findings in each variables categorically. This is contrary to the concept of Anwar (1995) that when the total score is the more individualized approach ideal total score can be interpreted more positive or more favorable, otherwise if at least getting closer to the ideal score, it means more negative or not favorable.

As a standard measurement of each variable empowering government, the conversion is done from the data base into 5 (five) categories using the following formula

$$\text{Interval} = \frac{\text{The highest total score} - \text{lowest total score}}{\text{Number of categories}}$$

The highest total score is obtained by altering the number of question items with the highest score of the alternative answers, whereas the lowest total score is obtained the number of items by altering alternative answers questions with the lowest scores on each latent variable / indicator variable. Furthermore, based on the total score of the highest and lowest base of each variable, and the number of categories, the range of scores of each variable of empowerment can be shown in table 18 as follows.

Table 18: Categories and Measurement of the Variables of Empowerment

No.	Variable	Category and Measurement		
		Low	Enough	High
1.	Education and Training	59-68	69-78	79-88
2.	Government Assistance	41-52	53-64	65-76
3.	Business Partnership	40-54	55-69	70-84
4.	Government Regulation	46-55	56-65	66-75

While the other variables such. Age variable will be categorized into 5 categories according to age level with scores as follows: 24-30 years, 31-37 years, 38-44 years, 45-51 years and 52-58 years. Variable length will stand firm categorized into 5 categories according to the length of the company stands with a score as follows: 3-8 years, 9-14 years, 15-20 years, 21-26 years and 27-32 years. For education level will be categorized into seven categories according to the level of formal education with a score just as follows: Primary School = 0-6, Yuniior = 7-9, 10-12 High School, Academy = 13-15, Degree = 16-24

4.8.2. Analysis of SEM (Structural Equation Modeling)

In accordance with the purpose of research, data analysis will be done using Equation Models SEM (Structural Equation Modeling) which is a

collection of statistical techniques that allow the testing of relatively complex set of relationships and simultaneous.

1. Data Analysis Techniques

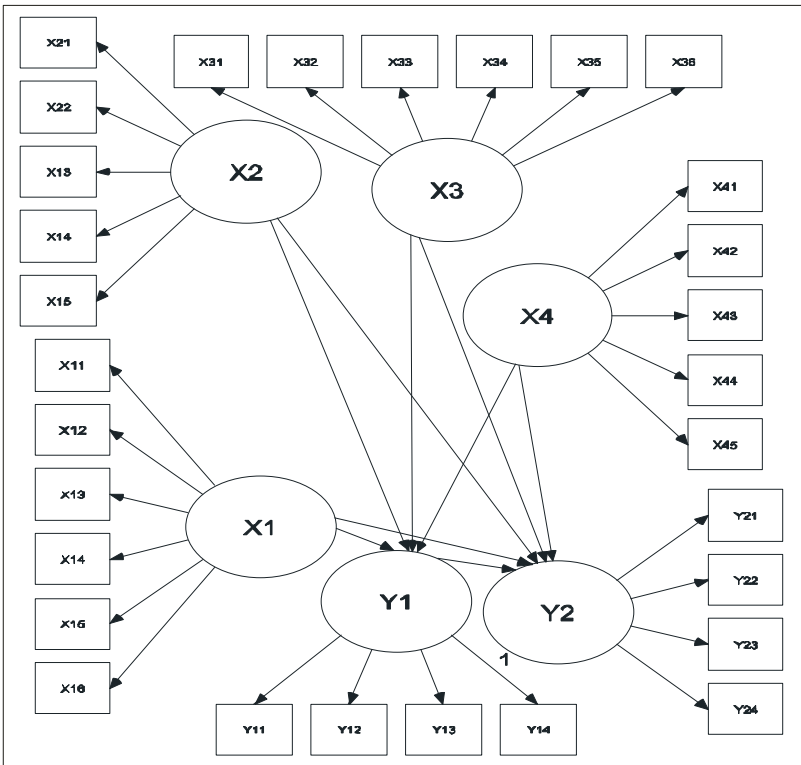
Based on the conceptual framework and research design, this study used the analytical techniques of SEM (Structural Equation Modeling), through the program AMOS (Analysis of Moment Structure) 4.0. The SEM technique, Ferdinand (2000:2) allows researchers to test several independent variables / independent. SEM is a complete modeling essentially consists of the Measurement Model and Structural Model (Ferdinand, 2000:30). Measurement model or measurement model proposed to confirm the dimensions that will be developed on a fact. While SEM (Structural Equation Modeling) is a model of the structure of relationships that form or explain causality between factors.

This study uses primary data and secondary data, which are collected and arranged in cross section. Hypothesis testing is performed using inferential statistical tools on the degree of accuracy $\alpha = 0.05$ level.

2. Model Analysis of Data

In the SEM analysis, the first thing to do is to create a model in which the proposed models of this study are as follows. Researchers conducted a search or development of a model that has a strong theoretical justification. After the model was validated through programming SEM. Variables and dimensions will be investigated from a theoretical model will be described in a model of conceptual framework that will serve as a reference in analyzing the data, as shown in figure 23 below.

Figure 23: Model Analysis of Data



Source: Of several theories

Description of the model analysis:

(Y2) = The Success of Small Industrial Business

(Y1) = The Ability of a Business

(X1) = Education and Training

(X2) = Government Assistance

(X3) = Business Partnership

(X4) = Government Regulation

Structural equation models in use are:

$$Y_1 = f(\beta_1 X_1 + \beta_3 X_3 + \beta_2 X_2 + \beta_4 X_4) + \zeta_1$$

$$Y_2 = f(Y_1 + \beta_1 X_1 + \beta_3 X_3 + \beta_2 X_2 + \beta_4 X_4) + \zeta_2$$

Description:

Y_1 = The Success of Small Industrial Business

Y_2 = The Ability of the Business

X_1 = Education and Training

X_2 = Government Assistance

X_3 = Business Partnership

X_4 = Government Regulations

$\beta_1, 2,3,4$ = Path Coefficients that Describe the Influence of the Independent Variables to the Dependent Variable

$\zeta_1, 2,3,4$ = Error Factor Associated With the Independent Latent Variables.

The variables in the wake of the linear regression model of the conceptual framework will be divided into two independent variables and the dependent variable. Independent variables (exogenous variable) are known as a source of independent variables, or variables that are not in known by other variables in the model. In diagrammatic independent variable is the variable that is in line with one headed by an arrowhead. While the dependent variable (*Exogenous Variable*) are factors in known by one or several variables. The dependent variable can known one or several variables depend en other, but only the independent variables can be causally related to the dependent variable. Classification variable dependent and independent variables has been reviewed in section identification and operational definition of variables.

In the third step the model will be tested through the goodness of fit criteria. In this step the suitability of the model evaluation, through study of the various criteria of goodness of fit. It is necessary to evaluate whether the data are used to meet the assumptions of SEM. If the assumption has been fulfilled, then the model can be tested through a variety of test methods, namely: SEM Assumption test, test and test the suitability of statistical models / significance test, and evaluation of SEM assumptions, which are described as follows:

3. Test Assumptions SEM (Structural Equation Modeling)

Prior to data analysis using a structural equation model, it will first do a test on assumptions that include:

a) Minimum Sample Size

The minimum sample size according to Hair, which are quoted Ferdinand (2000:43) the size of the data sample corresponding observation is between 100-200 or at least for the next use ratio of 5 to 10 observations for each of the estimated parameters. A sample of respondents in this study is 174 respondents, which means assumptions for the sample size has been met.

b) Normality Assumptions

For the data is done by observing the critical value of the test results of the assesSMent of normality of the program AMOS 4.0. if the value of Critical Ratio $> +2.58$ then categorized the data distribution is not normal, therefore, for cases that do not meet these assumptions is not included in subsequent analyzes.

c) Evaluation of Outliers

Evaluation of Outliers is done by observing the data that has more than 3 Z score. If there is a case of the observations which has a Z Score > 3, then it will not be included in the subsequent analysis, but if the sample over the span of 80 respondents Z score value between 3 and 4 in this study means that the sample size is 174 respondents said it happens outliers when indigo Z score > 4 (Ferdinand: 2000)

4. Compliance Test and Test Statistics

In the SEM analysis, no single statistical test to measure or test hypotheses about the model (Hair, 1995; Joresjog&Sorbom, 1989; Long, 1983; Tambachick&Fidell, 1996). Here are some indices suitability for use in testing whether a model can be accepted or rejected.

Test the model is done by comparing the value of the Goodness of Fit Indices with the cut off value as can be seen in table 19 below:

Table 19: Goodness of Fit Indices

Goodness of Fit Index	Cut off Value
X ² Chi Square	The smaller the better
Signifianceed Probability	≥0,05
RMSEA	≤0,08
GFI	≥0,90
AGFI	≥0,90
CMIN/DF	< 2,00
TLI	≥0,95
CFI	≥0,95

Source: Ferdinand (2000:30)

Description:

Chi Square = Independence gauge if non-significant X^2 , X^2 that is, if the value of count $< X^2$ table at $\alpha = 0.05$. Indications fashion Good if non-significant X^2 or Probability $p > 0.05$

RMSEA = The Root Mean Square Error of Approximation compensation Index Chi- Square statistics in large samples. Indication of good model if the index RMSEA between 0.03 to 0.08.

GFI = Goodness of Fit Index is a weighted calculation tools proportion of the variance in the covariance matrix, as a test of the suitability of the model.

AGFI-Adjust Goodness of Fit Index GFI is an analogue of R^2 in multiple regressions. This index can fit adjust the digress of freedom available to test whether the model is accepted (Arbuckle, 1999) this index is obtained by the following formula: Acceptance rate is recommended when the AGF has a value equal to or greater than 0.90 (Hair, 1995; Hulland, 1996). Please know that both GFI and AGFI is the weighted criteria that take into account the proportion of the variance in a sample covariance matrix.

CMIN / DF, the minimum sample discrepancy function (CMIN) divided by its degree offreedom will be generated index CMIN / DF is generally reported by researchers as one of the indicators to measure its degree of fit of a model. In this case CMIN / DF is none other than Chi-square statistic, X^2 DF divided his so called X^2 relative. X^2 relative value of less than 2.0 or less

than 3.0 is indicative of acceptable fit between the model and the data (Arbuckle, 1997).

TLI = Tucker Lewis Index is a means of comparison with the baseline model tested models. Indication of good model if the magnitude of this index > 0.95

CFI = Comparative Fit Index is a tool to measure the level of acceptance of a model, the magnitude of this index between 0 s / d 1 which is getting close to 1 indicates the highest degree of fit. A good indication if the model is also massive index > 0.95 .

5. Top Evaluation Assumptions SEM (Structural Equation Modeling)

Once the model is qualified, then you need to do next is to evaluate the assumptions of SEM. SEM evaluation of the assumptions made at the time of surgery AMOS runs, assumptions that need to be evaluated as follows:

- a. Loading factor or value of Lambda, is the lambda value is required to be reached > 0.40 . When the requisite Lambda value or factor loading lower than 0.40 was regarded dimensionless variables the same as the other variables to explain a latent variable.
- b. Regression Weight Estimate or weighting factor, is how strong the dimensions that form the latent factors can be analyzed using the t test on regression weight generated by the model.
- c. CR, Critical Ratio Lambda Coefficient (Coefficient) (identical to the t value). T test against lambda done to reject the null hypothesis which states that the value of lambda coefficient is equal to zero can be expressed as follows: $H_0: \alpha = 0$, $H_a: \alpha > 0$, Therefore CR greater than

2.0 indicates that the variables that are significant dimension of the latent factors in shape.

- d. Probability, probability is owned variable rate equal to or less than 0.05. Note, as in Confirmatory Factor Analysis, Structural Equation Model testing was also performed with two kinds of testing are: test the suitability of the model goodness of fit, as well as significant causality test through regression weight.

One method of data analysis more efficient and effective for the purpose of research is the statistical technique. This technique provides a systematic structure for organizing data and objective answers as long as its use is appropriate. The data obtained from the study were processed using statistical analysis tools to obtain a conclusion about the condition and the results of the research data that was obtained.

In pursuit of research and testing hypotheses, the data obtained subsequently processed in accordance with the needs analysis. For the sake of discussion, if the data and lay out based on the principles of descriptive statistics. As for the interest in the analysis and testing hypotheses using inferential statistics variables approach.

Chapter V

Results and Discussion

The results of this study provide information and discussion on the research findings in the field covering a small clothing industry overview, description of empowerment by the government, a general description of the respondents, the personal aspect of the respondents, test results and discussions.

5.1. Preview about Clothing Small Industries in East Java

In 1998 the export of small industry is very small just by 2.63%, secondary industry amounted to 28.27% and 69.09% for large industry. In 1999 there was a small shift in the industry at 2.85%, secondary industry 12.81% and 84.33% for large industry. Until 2001 export industry contributed 2.84% of small and medium industries amounted to 12.68% and 84.48% for large industry. Recorded in 2001, the contribution of small industrial export estimated at 23.261 trillion while the medium industry reached 75.468 trillion dollars. From these data illustrate that small industries and better respond actively to the export market compared to medium-sized business. But the numbers show that the export capabilities of small industry is still very low when compared to medium and large industrial industries, the role of small industries on export can be seen in table 20.

As for the small clothing industry, in terms of the value of commodity export showed superiority prominent clothing from 1999 to 2001 range of 71.26% to 72.29% of the total value of export of small industries. Most small industrial products marketed to the domestic market. For the clothing industry groups (textiles, leather goods and footwear)

closer towards skill - based and knowledge-based, the ability to export their products still dominated by the magnitude of the industry. The export value of the industry as a whole is only a small 6.1% of the total non-oil export (1999), who in 2001 slightly increased to 6.9%.

Table 20: Export of Small, Medium and Large Year 1998 -2001

Description	1998 (Millions of Dollars)	1999 (Millions of Dollars)	2000 (Millions of Dollars)	2001 (Millions of Dollars)
Small Industries	15.003.306	12.470.902	18.052.663	23.261.207
Medium Industries	114.578.587	40.418.749	53.420.014	75.468.981
Major Industries	332.634.003	306.331.951	418.976.270	591.528.189

Source: Department of Trade and Industry (2002)

The development of small industrial commodity export performance in 1999 -2001 illustrated in table 21.

Table 21: Small Industries Export Performance Year 1999 -2001

Facts	1999 (Millions of Dollars)	2000 (Millions of Dollars)	2001 (Millions of Dollars)
Food	387.845	482.2006	617.096
Clothing	8.886.765	13.005.138	16.815.527
Chemical and Building Materials	734.536	1.048.860	1.344.498
Craft	2.461.756	3.516659	4.438.238
Total	12.470.902	18.052.663	23.261.207

Source: Department of Trade and Industry (2002)

The table shows that commodities covering clothing apparel, batik, leather finished goods, showed a large export ratio, which means the level of self-supporting is pretty good. As for food commodities, chemical and building materials and craft shows export ratio is small. Until 1997, the industry's profile in the province of East Java tends to be dominated by small industry. Dominance can be seen from the percentage of small industrial business reached 97.7% while the number of large and medium industrial business in East Java is less than 3% of the 113 726 units.

While the number of small industrial centers of 3,595 centers that includes 5 commodities (food / drinks, clothing and leather, chemicals and building materials, general crafts, and metal), the number of centers is dominated by small industrial clothing and skin as many as 2,452 centers (68.2%). Comparison of small industries in East Java can be seen in table 22 below.

Table 22: Small Industry Centers of East Java 1997

N	Commodity	Number Sentra	Business Unit
1.	Food and Beverage	507	40.823
2.	Clothing and Leather	2.452	35.922
3.	Chemistry & Buildings Material	230	11.433
4.	Common Craft	296	24.360
5	Metal	50	1.188
	Total	3.595	113.726

Source: Department of Industry, East Java (1999).

The table shows that commodities covering clothing apparel, batik, leather finished goods, showed the greatest number of the central which

means the level of potential to be developed from very high commodity clothing. As for commodities food and beverages, chemicals and building materials, general crafts and metal shows a small amount.

Based on the above information, researchers interested in conducting research in the industrial sector of small clothing.

5.2. Preview about Government Empowerment

5.2.1. Empowerment in East Java

Empowerment as an approach to people-centered development (people centered development). Paradigms demands to put a small industrial / folk as the center of attention and the target is a major player in development. For that development efforts must be aimed at creating conditions and opportunities that enable small industries can improve their business better, while providing greater opportunity for them to make choices according to the needs, potential and characteristics they have.

This approach emerged as a reaction to the emergence of disparities, both inter- regional disparities progress, the gap between the progress of the sector and the gap between industrial progress and prosperity of small and large industries as a result of the development approach is top down with more priority to economic growth.

Therefore, this approach taking strategy by giving more attention to the lower layers are still left with the opportunity, power and full potential so that they can survive better run the business independently.

1. Vision and Mission Empowerment

Vision is a picture of the desired future state, ideal and realistic. In accordance with the understanding and empowerment purposes, as noted earlier, the vision of empowerment is the creation of an advanced society,

independent and prosperous life in the field so that they are able to solve and meet their needs independently without depending on the other party.

In the context of economic development, independence here means the authority to plan, establish, implement and control programs - economic development programs in accordance with the essence of their needs and priorities. With such a vision, it is the mission of empowerment is to develop and utilize all the potential of the community to the fullest, good natural resources and social resources.

It is expected to improve the defense community, both in the field of ideology, political, economic, social, and cultural and security resilience so that they can maintain a better life. This resistance is not resistance but rather something meaningful approach to security dynamics of a society that is able to process quality improvement self development.

2. Strategies for Community Empowerment

There are several strategies related to community development of small industries in the management of resources that are considered effective and efficient enough to be applied and developed.

These strategies are among the strategies:

- a. Group Approach
- b. Institutional Strengthening
- c. Assistance
- d. Development of Human Resources
- e. Giving Stimulants

The fifth strategy has a strong bond with each other, because the fifth is a package that must exist in every community empowerment programs.

- a. Group Approach.

Group approach is community empowerment strategies in relation to small industries that are considered still relevant to the weak economy that most entrepreneurs are economically in a relatively weak position to solve tough problems they face individually. They have the potential of individually small would seem to be a very significant potential if accumulated into strength and empowerment group would be too broad and is not effective if it is done individually. Because the group approach is the most efficient strategies in an effort to empower the potential and capabilities of small industries. With the approach of this group is also expected to be small industry possessed a strong bargaining position and balanced if it had to relate to large industries stronger. The approach will also foster a sense of group solidarity among small industries in the same boat.

Through this same group approach, there will be unity and shared responsibility in solving various problems faced. This approach does not mean demanding the formation of a new group in a small industry.

b. Institutional Strengthening

In addition to the strategy group approach, institutional strengthening is also a fairly effective strategy in the management of small industrial potential. And institutional strengthening strategies can also provide opportunities to small industries to make the process of learning by organizing capabilities and their potential to be developed to the maximum in an effort to manage the potential of small industries. This learning process is an integral part of the development process in general. Institutional strengthening will also increase the capacity and position of citizens in interacting with others in economic interactions.

Furthermore, the institutional strengthening, it will increase the confidence of small industries in overcoming various problems that will simultaneously protect small industries from the actions of other parties that may harm their interests. Assistance strategy is a strategy that is commonly used in programs of empowerment and small business development. This is based on the premise that a small industry in general are in a weakened condition. Such conditions, often times be one serious problem for the implementation of programs and activities should involve the development of small industries to participate actively.

Through the mentoring process, is expected to provide learning and awareness to small industries to identify yourself, explore the potential and capabilities they have, identify obstacles and drawbacks that become an obstacle and to formulate alternative plans and solutions they need to take. Thus the main task is to conduct a dialogue companion to explore the needs of small industry, explore potential sources are available and identify problems that can be solved specifications and organizing small industries to make decisions appropriately. Thus, the necessary assistants are workers who act as entrepreneur trained, recruited both from within and outside the government. Assistance strategy is an option that should be accompanied by a certain time limit. Assistance is not intended to create dependency, but it is expected to speed up the process of independence of small industries, because it's the pattern of facilitation strategies that are designed to be able to foster self-reliance within a certain time period in addition to directly support the achievement of business goals.

c. Human Resource Development

In principle, the process of empowerment is a process of human resource development of various aspects of a comprehensive and

integrative. Therefore, the development of human resources is integral part of the process of empowerment of small industries. Human resource development is an effort to develop the resources of small industrial entrepreneurs, whether in relation to knowledge, attitudes, skills, as well as their performance. This is a necessity in any community development program undertaken by the public and of the human resource development strategy is a strategy that led to the creation of pre-conditions so that in the future people can establish it independently.

The consequence of the use of human resource development strategy has required programs that are educational and training systematically. Programs and activities thus bringing consequences and also to the need for the provision of supporting infrastructure is not small, even though the results of these activities will not be enjoyed directly in the near future. Human resource development is a long-term infestation that requires patience.

d. Giving Stimulants.

Another strategy is the provision in the empowerment of stimulants. Stimulants are usually given in the form of grants, either grants or grants pure rolling (revolving fund). Stimulant fund is intended only as an entry point to dig and move the existing potentials. Thus giving and stimulant intended not to provide financing of all components of the program, but only provide matching funds that can not be provided by a small industry.

Because it is a stimulant funding strategy must be accompanied by the availability of small industries to do this can be self-funding, time, energy or thought of other things that support the achievement of program activities. Indeed, in practice often the dilemma.

On the one hand, if either, approach and socialization stimulant funding it will create a dependency society but on the other hand without stimulants funding difficult to grow the motivation and success of small industry in general because people often pragmatic view and not easy to believe or moved only with verbal motivation educational benefits that sometimes can not be directly perceived and real.

5.2.2. Empowering Small Industries Clothing in East Java

In the framework of the promotion and development of small industries in East Java has implemented the guidance that refers to the Master Plan Development and Small Industries Development Phase II the period of 1999/2000 s / d 2009/2010.

1. System enhancement and development of small industries in East Java are implemented using 8 (eight) pattern formation.

a. Pattern Business Group

This pattern is used for the new villages growing industry with many outstanding amount as well as the natural resources have the potential to be developed further. So with this pattern of development is expected to be done together other sectors will be able to further enhance the added value of a sizable contribution to the economy and increase rural.

At the macro level can develop the industrial structure in rural areas (initial equity rural industries). Pattern Business, pattern is fostered for a period of 1 (one) year.

b. Patterns Working Group

This pattern is used for the villages that have been established with well KUB pattern further directed to form industry working group that focused on a variety of industry types. So with the formation of the

working group is expected to increase the contribution to the economy is higher than in the industrial sector in particular KUB pattern. With the formation of the objectives of this working group will be more focused coaching which in turn will encourage more rapid growth of the industry. Patterns Working Group was scouted for a period of 2 (two) years.

c. Central Pattern

This pattern is used for the villages that the Working Group has been developing its industrial units directed to establish an industrial district with members of the group consisting of industrial units similar. With this pattern of development is more focused on coaching commodity. Pattern executed dive centers 3 (three years)

d. Village Craft Patterns

Coaching with patterns that have a craft village level skilled human resources focused on developing simple technology / to mechanical and began to focus on the level of understanding of business -oriented, the increase in profits due to increased quality. The pattern directed at the craft village craft village self- implemented 3 years immersion.

e. Independent Village Craft Patterns

Development of craft villages pattern is more focused on business management principles of independence characterized by the use of intermediate technology that maximum usage of their own capital. The pattern of self- directed craft village at independent craft villages held strong for three (3) years.

f. Village Craft Pattern Tough

Coaching is a tough craft village pattern is an increase of pattern formation independent village. Which focused on the development of

intermediate technology and characterized by the awareness of the need for competition (competitive). Pattern formidable craft village which is directed at the pre-industrial craft villages held for 3 (three) years.

g. Patterns Pre Village Industries

The pattern of pre-industrial village is an increase of pattern formation craft villages tough. This pattern fostering a culture focused on understanding the behavior of the industry which is characterized by an efficient and effective industry. Development patterns of pre-industrial village is geared toward industrial village held for 2 (two) years.

h. Pattern of Rural Industries

The pattern of this industrial village is an improvement of pre-industrial village pattern. This pattern is more focused on fostering the implementation of public behavior that has characterized the culture industry application of the principles of industrial management, fostered for 2 (two) years.

2. Strategy development and development of small clothing industry in East Java are implemented using eight (8) coaching strategies, namely:

- a. Creation of a conducive business environment, through:
 - The use of monetary policy instruments
 - Fiscal Policy
 - Administrative Policy
- b. Human Resources development includes increased entrepreneurship, skills, techniques and managerial through some form of planned programs clearly.
- c. Increased mastery of technology and industrial culture. Mastery of technology both hardware technology and equipment machinery facility

also includes standardization of software technology and quality management. Increased industrial culture is an attempt to improve the attitudes and behavior of productive and innovative.

- d. Improved linkages and mutually beneficial cooperation and mutual support between small - medium industries and large as well as other economic sectors through contracting sub patterns, patterns of vendors, trade patterns and patterns of pure coaching.
- e. Improved information services both business information and administrative information to develop an information system.
- f. Increasing the role of the public and business community in the development of small industries, improvement of coordination from the central level down to the local level resulting in synergies in achieving the objectives set.
- g. Small industrial development of environmentally sound directed to securing environmental functions, mutually supportive and reinforcing development. Other sectors and create an environment that is free of pollution as far as possible, so that the industries can live in harmony with nature and society. Efforts to develop environmentally sound industrial industry in order to position a small industry in the global market changes.
- h. Compiling pattern formation and development of small industries and crafts that will be applied in East Java.

While the system of coaching and development of small industries clothing (clothing, batik, shoes, handbags, luggage and footwear) conducted in East Java by using the pattern approach industrial centers. The need for training and development system with the pattern of the industrial district approach to be developed due to the consideration of

many small industrial entrepreneurs or micro and limitations of the government's ability to touch each one of these industries, the industrial district approach would be able to bridge the coaching function and development functions of government, so that the scope will be broader. The approach centers will also encourage the development of integrated business systems, making the industry more efficient and has the ability competitiveness. In terms of quantity, the number of industrial centers in East Java Province, there are 2,452 small industries (68.2 %) were divided into 5 groups of commodities (food and beverages, chemicals and building materials, general crafts and metal). While the number of small industrial business units of clothing as much as 39,522 units.

5.3. Description of Respondents and Research Variables

In order to clarify and gain an overview of the data sample, then of the 174 respondents in get personal data about respondents include: age, duration of standing firm and level of education. In addition, respondents raised about the government's empowerment results that include education and training, government subsidies, business partnerships, government regulations. The data collected from employers of small industrial business clothing in East Java on the characteristics in question will be described sequentially.

5.3.1. Age

Data on the age of the respondents indicated that the minimum age of 24 years and maximum age 54 years with a mean age of 38.2 years. Frequency distributions of the age of the respondents are listed in table 23. By looking at the composition of the respondent's age, it can be concluded that all respondents are in the most productive age and the respondents were 31-44 years old respondents (51%). With the age range of more

mature minded businessman, more creative, more motivated and have high operating capability.

Table 23: Age of Respondents

No	Age	Frequency		
		F	%	% Cumulative
1	24-30	31	17.82	17.82
2	31-37	63	36.21	54.02
3	38-44	43	24.71	78.74
4	45-51	22	12.64	91.38
5	52-58	15	8.62	100.00
Total		174	100.00	

Sources: Data Processing Results Appendix 2

5.3.2. The Duration of the Company Gaining Empowerment of Government

The duration of the empowerment of government companies get at least 1 year and a maximum of 3 years, the length frequency distribution companies gain empowerment from the government, according to the data collected can be tabulated in table 24.

By looking at the composition of the company ever get the empowerment of the government, it can be concluded that the length of getting the empowerment of government most is from 2.5 to 2.9 years. This means that the length of the gain empowerment of government companies have started to feel the benefits of empowerment on the ability of the business and its business success.

Table 24: The duration of the Company Gaining Empowerment of the Government

No	The length of Empowerment	Frequency		
		F	%	% Cumulative
1	1-1,4	9	5.17	5.17
2	1,5 – 1,9	36	20.69	25.86
3	2 – 2,4	46	26.44	52.30
4	2,5 – 2,9	73	41.95	94.25
5	≥ 3	10	5.75	100.00
Total		174	100.00	

Sources: Data Processing Results Appendix 2

5.3.3. Level of Education

The level of education of respondents collected showed that the minimum score of 1 and a maximum score of 7 (as for the data used here are nominal data with scoring, for the elementary education level marked 1, Junior 2 marked, high school marked 3, Academy/D3 given mark 4, Bachelor labeled 5), with a mean of 2.66 (this means that the average respondent is having a high school education level). Frequency distribution and bar charts respondent's educational level, according to data collected successfully tabulated in table 25.

By looking at the education level of the respondents, it can be concluded that the majority of respondents have a level of education is high school, because if an entrepreneur with this level of education is expected to have a better business capabilities and easy to be developed again.

Table 25: Level of Education of Respondents

N	Level of Education	Frequency		
		F	%	% Cumulative
1	Primary School	22	12.64	12.64
2	Junior High School	39	22.41	35.06
3	Senior High School	51	29.31	64.37
4	Academy/D3	43	24.71	89.08
5	Bachelor	19	10.92	100.00
	Total	174	100.00	

Sources: Data Processing Results Appendix 2

5.3.4. Empowerment by the government

Empowerment by the government to small clothing industry in order to improve the ability of efforts and increase the success of small business clothing industry in the form of education and training, support, business partnerships and government regulations.

Frequency distribution of each of the forms of empowerment, according to the data collected can be successfully tabulated in table 26. By looking at the composition of the respondents' answers about the benefits of empowering the government for its efforts, it can be concluded that all respondents said the government's empowerment that includes education and training, support, business partnerships and government regulations beneficial to their business which means it will have an impact on the ability of the business. With good business ability it will impact the achievement of business success businessman high. However, when compared to the empowerment of the fifth form most useful for employers is empowering the government in the form of business partnership of 75 small industrial entrepreneurs respondents claimed to benefit from

business partnerships in the high category, while stating the education and training of government benefit in the high category at 35 small industrial entrepreneurs respondents, followed by the variable government subsidies and government regulations are expressed in a high category, respectively by 34 and 29 respondents small industrial entrepreneurs. This means that of the four empowerment that made the government the most influence on the ability of efforts and success of small business and clothing industry in the province of East Java is a business partnership.

Table 26: Empowerment by the Government

N	Empowerment Variable	Low		Medium		High	
		Total	%	Total	%	Total	%
1	Education and Training	77	44.3%	62	35.6	35	20.1
2.	Government Assistance	67	38.5%	73	42.0	34	19.5
3.	Business Partnership	24	13.8%	75	43.1	75	43.1
4.	Government Regulation	59	33.9%	86	49.4	29	16.7

Sources: Data Processing Results - Appendix 2

From table 26 above it appears that, the government's empowerment variables that include includes four variables, namely 1. Education and training, 2. Assistance, 3. Business partnerships and. Government regulations.

First, education and training variables, the indicators used to measure the variables of education and training includes six indicators that

comprise: 1. Motivation to follow, 2. Suitability of the material, 3. The accuracy of the method, 4. Teaching team, 5. Attraction and 6. Charisma. From table 26. seemingly that respondents who have noticed the government's empowerment program in the form of education and training from the government, 77 (44.3%) of small entrepreneurs clothing industry in East Java states to benefit from education and training in the category of "low", and amounted to 62 (35.6%) said "enough". While stating high minimum number of 35 (20.1%). By looking at the composition of the respondents' answers about the benefits of education and training by the government for its efforts, it can be concluded that the respondents considered the government's empowerment is needed but the benefits are low means of education and training provided to entrepreneurs of small industry as a whole has not met the needs of the small industrial entrepreneurs.

Second, variables include indicators aid; 1. Management support, 2. Technical assistance, 3. Financial assistance, 4. Guidance and assistance 5. Help guidance. From table 26 looks compositions respondents about the benefits of government aid for his business, it can be concluded that the respondents considered the government's empowerment was considered quite useful means of assistance provided to entrepreneurs of small industries as a whole is sufficient to meet the needs of small industrial entrepreneurs. Of the 174 entrepreneurs who have gain empowerment programs conducted by the government in the form of assistance from the government, 73 (42.0%) of small entrepreneurs clothing industry in East Java states to benefit from such assistance in the category of "pretty", and by 67 (38.5%) stated "low". While stating high minimum number of 34 (19.5%).

Third, the variable business partnership which includes: 1. Trade cooperation, 2. Subcontracting cooperation, 3. Teaching vendor cooperation, 4. Technology cooperation, 5. Cooperative business network and cooperation 6. Capital. From table 26 seen that respondents who have noticed the government's empowerment program in the form of partnership with the government, 75 (43.1%) of small entrepreneurs clothing industry in East Java states to benefit from business partnerships in the category of "high", and by 75 (43.1%) declare "enough". While the low number of very small states by 24 (13.8%). By looking at the composition of the respondents' answers about the benefits of a partnership effort by the government for its efforts, it can be concluded that the respondents considered the government's empowerment are crucial and beneficial business partnership is of great significance given to entrepreneurs of small industry as a whole has met the needs of industry employers small.

Fourth, government regulations covering variable 1. Licensing policy, 2. Tariff policy, 3. Provision of quota policy, 4. Market information policy, 5. Infrastructure policy. From table 26 looks compositions respondents about the benefits of government regulation for their business, it can be concluded that the respondents considered government regulations that are considered useful means of government regulation made enough pro-industry entrepreneurs of small and overall is sufficient to meet the needs of small industrial entrepreneurs. Of the 174 employers who have taken advantage of government regulation, 86 (49.4%) of small entrepreneurs clothing industry in East Java states to benefit from the government regulations in the category of "pretty", and by 59 (33.9%) stated "low". While stating the "high" number is very small by 29 (16.7%).

5.4. Results of Testing Research Instruments

In this study data collection tool or instrument used was a questionnaire, a questionnaire is an instrument that is considered more effective and practical to collect research data on the specific conditions that do not require the presence of the researcher, data collection was done through personally administered questioners allowing researchers relate directly and provide an explanation as necessary with the relevant parties (respondents) that is the primary data source (sample).

Questionnaires are used as a tool to extract data on the respondents. Measurements for each variable in the form of twigs graphic (Hair et al., 1998:28). Graphic twigs is a method of measuring the attitude of the states agrees or disapproval of the subject, object, or specific events, described in the statements in the questionnaire with a score of 1 to 5 to allow obtaining a score that is continuous (allowing obtained scores in the form of a decimal fraction).

Further primary data obtained through this questionnaire because it is often necessary to test the data is not in accordance with our desire. From the test data is expected to improve the quality of data to be in though and analyzed. The initial phase is to check whether the data we want filled all or there are some empty (not filled).

In this study, the instrument used to determine the effect of independent variables which include: Education and Training (X1), Government Subsidies (X2), Business Partnership (X3) and Government Regulation (X4) on the dependent variable that include: Business success (Y2), The ability of business (Y1) is test the quality of the data is done using validity, reliability testing, test for normality and outliers test.

5.4.1. Validity of Research Instruments Testing Results

Validity test is done to obtain a conviction on the extent to which the measuring instrument used to measure what is really being measured. The validity of the instrument in this study was tested by calculating the Pearson correlation score of each item of the question with the total score, the instrument is valid if the item questions in the questionnaire were able to reveal something that will be measured by the questionnaire (Santoso, 2000:270). Testing the validity of the instrument is done by seeing if each item correlated with the total score of greater than 0.40.

A question is considered valid if the correlation coefficient is greater than the critical value. If otherwise, then the question to be invalid or disqualified. Question the validity of the items can also be determined based on the value of its significance. If the value of the Pearson significantly smaller than the value of α (level of significance) was determined (5% or 0.05), then the instrument is considered valid. If instead, the instrument is considered invalid (Singarimbun and Effendi, 1989:132).

Test results question the validity of all items (instruments) research collected from a sample of 30 and processed using SPSS 11:00 analysis tools proves that the entire item is a valid question. Results of the analysis showed that all items have questions Pearson correlation greater than 0.40 and has a significant value of Pearson smaller than α (0.05). Thus, all the indicators are used to probe respondents on variables of education and training, support, business partnerships and government regulations on the ability of efforts and success of the business is valid for further analysis. More results are presented in table 27.

The results of the validity test items of education and training are all variables are valid, it can be seen in table 27a.

Table 27a: Results of Test Validity Variable Education and Training Correlations

Indicators	Correlations	Education and Training (X1)
Motivation Following (X11)	Pearson Correlation	0.737
	Sig. (2-tailed)	0.000
Suitability Material (X12)	Pearson Correlation	0.912
	Sig. (2-tailed)	0.000
Appropriateness Method of Teaching (X1.3)	Pearson Correlation	0.918
	Sig. (2-tailed)	0.000
Team Teaching (X14)	Pearson Correlation	0.948
	Sig. (2-tailed)	0.000
The Attraction (X15)	Pearson Correlation	0.781
	Sig. (2-tailed)	0.000
Charisma (X16)	Pearson Correlation	0.946
	Sig. (2-tailed)	0.000

Source: Result of Data Processing Attachment 3

From the table it appears that all the items of education and training is valid. This is consistent with the statement Santoso (2000:270) who argues that: Testing the validity of the instrument is done by seeing if each item correlated with the total score of greater than 0.40. A question is considered valid if the correlation coefficient is greater than the critical value. If otherwise, then the question to be invalid or disqualified. Also according to the statement Singarimbun and Effendi (1989:132) the validity of the question items can also be determined based on the value of its significance. If the value of the Pearson significantly smaller than the value of α (level of significance) was determined (5% or 0.05), then the

instrument is considered valid. If instead, the instrument is considered to be invalid. Validity test results to items of education and training variables known that the Pearson correlation of each indicator is greater than 0.40 at a significant level (α) < 0.05 so that it can be concluded that these items are valid.

The results of the validity test items from all government subsidies variables are valid, it can be seen in table 27 b:

Table 27b: Results of Test Validity Variables Government Assistance

Indicators	Correlations	Government Assistance (X2)
Management (X21)	Pearson Correlation	0.918
	Sig. (2-tailed)	0.000
Engineering (X22)	Pearson Correlation	0.786
	Sig. (2-tailed)	0.000
Finance (X23)	Pearson Correlation	0.880
	Sig. (2-tailed)	0.000
Briefing (X24)	Pearson Correlation	0.790
	Sig. (2-tailed)	0.000
Guidance (X25)	Pearson Correlation	0.919
	Sig. (2-tailed)	0.000

Source: Result of data processing attachment 3

From the table 27 b it appears that all the items of government subsidy is valid. This is consistent with the statement Santoso (2000:270) who argues that: Testing the validity of the instrument is done by seeing if each item correlated with the total score of greater than 0.40. A question is considered valid if the correlation coefficient is greater than the critical value. If otherwise, then the question to be invalid or disqualified. Also according to the statement Singarimbun and Effendi (1989:132) the validity of the question items can also be determined based on the value of

its significance. If the value of the Pearson significantly smaller than the value of α (level of significance) was determined (5% or 0.05), then the instrument is considered valid. Because the validity of the test results to items of government subsidies variable is known that the value of the Pearson correlation of each indicator is greater than 0.40 at a significant level (α) < 0.05 so that it can be concluded that these items are valid. Validity test results to items of business partnerships all variables are valid, it can be seen in table 27c:

Table 27c: Variable Validity Test Results The Business Partnership

Indicators	Correlations	Business Partnership (X3)
Trade (X31)	Pearson Correlation	0.732
	Sig. (2-tailed)	0.000
Pearson Correlation (X32)	Pearson Correlation	0.777
	Sig. (2-tailed)	0.000
Vendor (X33)	Pearson Correlation	0.793
	Sig. (2-tailed)	0.000
Cooperation Technology (X34)	Pearson Correlation	0.790
	Sig. (2-tailed)	0.000
Business Network (X35)	Pearson Correlation	0.795
	Sig. (2-tailed)	0.000
Capital (X36)	Pearson Correlation	0.701
	Sig. (2-tailed)	0.000

Source: Result of Data Processing Attachment 3

From the table it appears that all the items of business partnership is valid. This is consistent with the statement Santoso (2000:270) who argues that: Testing the validity of the instrument is done by seeing if each item correlated with the total score of greater than 0.40. A question is considered valid if the correlation coefficient is greater than the critical value. If otherwise, then the question to be invalid or disqualified. Also

according to the statement Singarimbun and Effendi (1989:132). The validity of the question items can also be determined based on the value of its significance. If the value of the Pearson significantly smaller than the value of α (level of significance) was determined (5 % or 0.05), then the instrument is considered valid. While the result testing of items of variable business partnership known that the Pearson correlation of each indicator is greater than 0.40 at a significant level (α) < 0.05 so that it can be concluded that these items are valid.

The results of the validity test items from all government regulation variables are valid, it can be seen in table 27 d:

Table 27d: Variable Validity Test Results Government Regulation

Indicator	Correlations	Government Regulation (X4)
Permitting (X41)	Pearson Correlation	0.950
	Sig. (2-tailed)	0.000
Rates (X42)	Pearson Correlation	0.665
	Sig. (2-tailed)	0.000
Provision Quotas (X43)	Pearson Correlation	0.967
	Sig. (2-tailed)	0.000
Market Information (X44)	Pearson Correlation	0.956
	Sig. (2-tailed)	0.000
Infra Structure(X45)	Pearson Correlation	0.985
	Sig. (2-tailed)	0.000

Source: Result of data processing attachment 3

From the table it appears that all the items of government regulation is valid. This is consistent with the statement Santoso (2000:270) who argues that: Testing the validity of the instrument is done by seeing if each item correlated with the total score of greater than 0.40. A question is considered valid if the correlation coefficient is greater than the critical

value. If otherwise, then the question to be invalid or disqualified. Also according to the statement Singarimbun and Effendi (1989:132). The validity of the question items can also be determined based on the value of its significance. If the value of the Pearson significantly smaller than the value of α (level of significance) was determined (5 % or 0.05), then the instrument is considered valid.

Because the validity of the test results to items of government regulation variables known that the Pearson correlation of each indicator is greater than 0.40 at a significant level (α) < 0.05 so that it can be concluded that these items are valid.

Validity test results to items of business capabilities all variables are valid, it can be seen in Table 27e:

Table 27e: Variable Validity Test Results The ability of business

Indicators	Correlations	Business Capability (Y1)
Knowledge (Y11)	Pearson Correlation	0.828
	Sig. (2-tailed)	0.000
Attitude (Y12)	Pearson Correlation	0.754
	Sig. (2-tailed)	0.000
Skills (Y13)	Pearson Correlation	0.878
	Sig. (2-tailed)	0.000
Emotional Intelligence (Y14)	Pearson Correlation	0.853
	Sig. (2-tailed)	0.000

Source: Result of data processing attachment 3

From the table it appears that all the items of business capability is valid. This is consistent with the statement Santoso (2000:270) who argues that: Testing the validity of the instrument is done by seeing if each item correlated with the total score of greater than 0.40. A question is considered valid if the correlation coefficient is greater than the critical value. If otherwise, then the question to be invalid or disqualified. Also according to the statement Singarimbun and Effendi (1989:132) the validity of the question items can also be determined based on the value of its significance. If the value of the Pearson significantly smaller than the value of α (level of significance) was determined (5% or 0.05), then the instrument is considered valid. Validity test results to items of variable operating capability in mind that the value of the Pearson correlation of each indicator is greater than 0.40 at a significant level (α) < 0.05 so that it can be concluded that these items are valid. Validity test results to items of business success all variables are valid, it can be seen in table 27 f:

Table 27f: Variable Validity Test Results The success of business

Indicators	Correlations	Business Success (Y2)
Production Efficiency (Y21)	Pearson Correlation	0.774
	Sig. (2-tailed)	0.000
Expansion of Production (Y22)	Pearson Correlation	0.667
	Sig. (2-tailed)	0.000
Profitability (Y23)	Pearson Correlation	0.727
	Sig. (2-tailed)	0.000
Public Trust (Y24)	Pearson Correlation	0.809
	Sig. (2-tailed)	0.000

Source: Result of data processing attachment 3

From the table it appears that all the items of business success is invalid. This is consistent with the statement Santoso (2000:270) who argues that: Testing the validity of the instrument is done by seeing if each item correlated with the total score of greater than 0.4. A question is considered valid if the correlation coefficient is greater than the critical value. If otherwise, then the question to be invalid or disqualified. Also according to the statement Singarimbun and Effendi (1989:132). The validity of the question items can also be determined based on the value of its significance. If the value of the Pearson significantly smaller than the value of α (level of significance) was determined (5% or 0.05), then the instrument is considered valid. While the validity of the test results to items of variable success of a business venture in mind that the Pearson correlation value of each indicator is greater than 0.40 at a significant level (α) < 0.05 so that it can be concluded that these items are valid .

5.4.2. Research Instrument Reliability Testing Results

Reliability test was conducted to determine the extent to which a measuring instrument that is used to provide consistent measurement results if the measurements were taken back (Malhotra, 1999:281). A measuring instrument is said to have a high reliability or trustworthiness, if the instruments are not steady or capricious and reliable measurement, although measurement many times giving similar results. High reliability means that the measure obtained by using the measuring tool is the actual size of the object (Nazir, 1999:172). "Reliabilities less than 0.60 are Generally Considered to be poor, those in the 0.7 range, to be acceptable, and those over 0.8 to be good" or " alpha value lower than 0.60 is generally said to be the low reliability, the value of alpha 0.7 is said to be acceptable

ranges, and alpha value greater than 0.80 is quite good" (Sekaran, 2000:287).

Based on the results of the reliability test was performed using SPSS 11:00 analysis tool of data that can be collected from a sample of 30, it is known that Chronbach alpha values of all variables in this study is greater than 0.70 so it can be said that reliability was acceptable even better. Thereby, it can be concluded that the results of measurements that have been made are reliable for further analysis. More results all items are presented in Table 28.

Table 28: Reliability Test Results

No	Variable	Alpha
1	Education and Training (X1)	0.9357
2	Government Assistance (X2)	0.9117
3	The Business Partnership (X3)	0.8555
4	Government Regulations (X4)	0.9482
5	The Ability of a Business (Y1)	0.8440
6	The Success of the Business (Y2)	0.7283

Source: Result of Data Processing Attachment 3

5.4.3. Normality Test Result Data Research Instruments

Data normality test was conducted to observe the critical value that is considered abnormal distribution, assesSMent of normality test results of the program AMOS 4.0. If the value of $c.r > +2.58$ then categorized the data distribution is not normal, therefore, for cases that do not meet these assumptions is not included in subsequent analyzes.Count the results of normality test can be seen in table 29 below:

Table 29: Normality Test Results

AssesSMEnt lity	Min	max	Skew	c.r.	kurtosis	c.r.
X21	4.000	7.000	-0.533	-1.873	-0.8	-1.153
X22	3.000	7.000	-0.504	-1.715	-0.897	-1.416
X36	3.000	7.000	-0.506	-1.723	-0.8	-1.154
X35	3.000	7.000	-0.612	-1.298	-0.708	-1.907
X16	3.000	7.000	-0.496	-1.67	-0.681	-1.835
X34	3.000	7.000	-0.266	-1.43	-0.741	-1.994
Y11	3.000	7.000	-0.256	-1.378	-0.991	-1.668
Y12	3.000	7.000	-0.375	-1.021	-0.95	-1.557
Y13	3.000	7.000	-0.472	-1.542	-0.679	-1.827
Y14	3.000	7.000	-0.548	-1.949	-0.832	-1.24
Y22	3.000	7.000	-0.411	-1.211	-0.503	-1.356
Y21	3.000	7.000	-0.394	-1.122	-0.973	-1.221
X11	3.000	7.000	-0.235	-1.267	-1.098	-1.957
X12	3.000	7.000	-0.253	-1.365	-1.202	-1.237
X13	3.000	7.000	0.122	0.657	-1.053	-1.835
X14	4.000	8.000	-0.624	-1.362	-0.813	-1.188
X15	4.000	7.000	-0.612	-1.296	-0.7	-1.884
X44	3.000	7.000	-0.534	-1.875	-0.769	-2.07
X43	3.000	7.000	-0.462	-1.489	-1.056	-1.842
X42	3.000	7.000	-0.531	-1.86	-0.894	-1.407
X41	3.000	7.000	-0.459	-1.47	-0.928	-1.499
X25	3.000	7.000	-0.25	-1.345	-1.079	-1.642
X24	3.000	7.000	-0.52	-1.799	-0.715	-1.926
X23	3.000	7.000	-0.656	-1.534	-0.658	-1.771
X33	3.000	7.000	-0.23	-1.239	-0.721	-1.942
X32	3.000	7.000	-0.26	-1.398	-1.219	-1.283
X31	3.000	7.000	-0.729	-1.928	-0.279	-0.751

Sources: Data appendix 4

From the above calculation results in this study all data qualified assesSMent of normality test is cr no exceed 2.58. So it can be categorized as normal data distribution.

5.4.4.Results of Testing Research Instruments Data Outliers

Table 30: Test Results of Zscore

Descriptive Statistics				
Indicator	No	Minimum	Maximum	Std. Deviation
Zscore: Motivation Following	174	-1.905398112	1.38531426	1
Zscore: Material Compatibility	174	-1.706101802	1.247746094	1
Zscore: Teaching Methods	174	-1.678075901	1.63053834	1
Zscore: Teacher Team	174	-1.858304193	1.890622526	1
Zscore: Attractiveness	174	-2.029796576	1.023672625	1
Zscore: Kharisma	174	-2.196399022	1.141360191	1
Zscore: Management	174	-1.860765431	1.109630762	1
Zscore: Engineering	174	-1.891718753	1.191738512	1
Zscore: Finance	174	-2.495576322	1.013355234	1
Zscore: Briefing	174	-2.303584542	1.114954565	1
Zscore: Guidance	174	-1.885002012	1.261188397	1
Zscore:	174	-2.471355548	1.089852447	1

Trade				
Zscore: Subcontract	174	-1.990985583	1.239144874	1
Zscore: Vendor	174	-2.049258413	1.437988177	1
Zscore: Technology Cooperation	174	-2.075432172	1.482451551	1
Zscore: Business Network	174	-2.290251343	1.072649363	1
Zscore: Capital	174	-2.179624143	1.111088229	1
Zscore: Licensing	174	-2.077071021	1.135465492	1
Zscore: Rate	174	-1.939399005	1.142385715	1
Zscore: Providing quotas	174	-1.945595202	1.097403136	1
Zscore: Market Information	174	-2.175863361	1.145191243	1
Zscore: Infra structure	174	-2.059364486	1.258500519	1
Zscore: Knowledge	174	-2.167050137	1.575547618	1
Zscore: Attitude	174	-2.004284223	1.27802594	1
Zscore: Skills	174	-2.291922344	1.213963263	1
Zscore: Emotional Intelligence	174	-2.09743296	1.089932411	1
Zscore: Production Efficiency	174	-2.220820728	1.229382903	1
Zscore: Production Expansion	174	-2.493968645	1.52409195	1
Zscore: Profitability	174	-2.333748976	1.236117589	1

Zscore: Public Trust	174	-2.312290564	1.413066456	1
Zscore: Education and Training	174	-2.501206708	1.850892964	1
Zscore: Government Assistance	174	-2.288344098	1.55177041	1
Zscore: Business Partnership	174	-2.46302432	1.790734803	1
Zscore: Government Regulation	174	-2.401208329	1.694970585	1
Zscore: O perating Capability	174	-2.401481841	1.578116638	1
Zscore: Business Success	174	-2.581576488	1.903466535	1
Valid N (list wise)	174			

Sources: Data Appendix 4

Evaluation of Outliers is done by observing the data that has more than 3 Z Score. The results of testing the Z Score can be seen in Table 30. If there is a case of the observations which has a Z Score > 3 , then it will not be included in the subsequent analysis, but if the sample over the span of 80 respondents Z score value between 3 and 4 in this study means that the sample size is 174 respondents said it happens outliers when indigo Z score > 4 (Ferdinand: 2000). Based on the above table 22 there is an indicator variable that its value Z Score > 4 , so that from the 29 indicator variables no outliers.

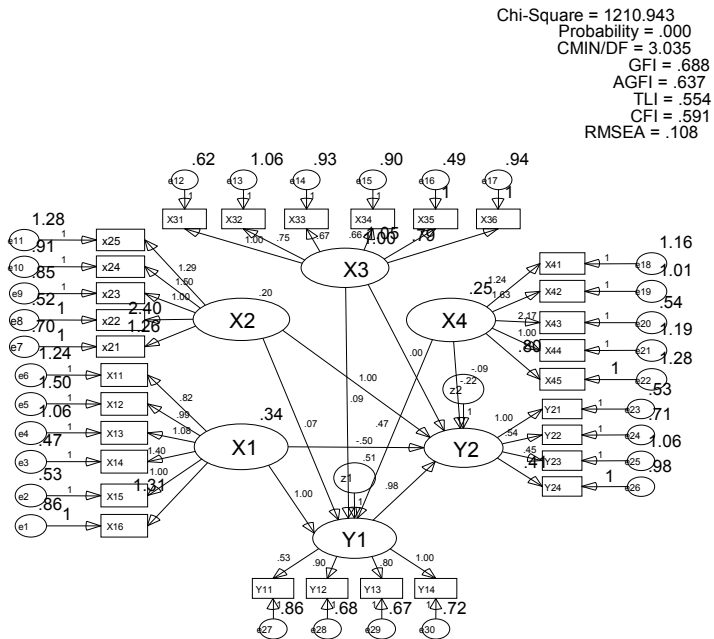
5.5. Testing the Conceptual Model

Test the conceptual model is intended to determine whether the conceptual model that has been developed by researchers based on theoretical studies and past research there is alignment with empirical

reality. When the test results analysis produces a model that is not aligned, it will be done step by first simulation model of attention modification indices (index modification) and correlated errors (error correlation between covariance). Thus the model simulations are intended to generate empirical models that have the best degree of alignment.

Test the initial model according to the conceptual model of the research, the results can be seen in figure 24 this follows.

Figure 24: Results of Initial Fit Model Conceptual Model



Sources: Appendix 5

Based on these early models, the structural equation is obtained as follows:

Table 31: Structural Equation Model Appropriate Initial Conceptual Model

No	Structural Equation
1	The ability of a business = 1 Education and training + 0,065 Government Assistance + 0,09 The business partnership + 0,469 Government regulations
2	The success of small business = 0,982 The ability of a business - 0,498 Education and training + 1 Government Assistance - 0,004 The business partnership - 0,218 Government regulations

Table 32: Results of Initial Test Match Alignment Model Conceptual Model

Model Alignment	Criteria	Coefficients
Chi Square	Small	1210,943 Oversized
Significance Probability	$\geq 0,05$	0,000 Not Fulfilled
CMIN/DF	$< 2,00$	3,035 Not Fulfilled
GFI	$\geq 0,90$	0,688 Not Fulfilled
AGFI	$\geq 0,90$	0,637 Not Fulfilled
TLI	$\geq 0,95$	0,554 Not Fulfilled
CFI	$\geq 0,95$	0,591 Not Fulfilled
RMSEA	$\leq 0,08$	0,108 Not Fulfilled

Sources: Appendix 5

Based on the test results of the initial model is not yet fully qualified coefficients obtained. The results of a detailed model of alignment can be seen in table 32.

Table 32 having regard to the above table clearly seen there are many models that alignment test requirements cannot be met. Thus the initial model tests results in accordance with the conceptual model are empirically not meet the alignment requirements of the model.

The early models were found ineligible alignment models, the researchers conducted a simulation model with a modification which index modification (modification indices), both based on the basic model (base model) and of correlated errors (error covariance between mutually correlated). Requirements have not been fulfilled due to alignment models still appear under the required loading factor is < 0.4 , so there needs to be modified by removing some of the indicator variables . Indicators are not eligible at this early model and need to be removed are as follows: government regulation variable (X4) include; infra structure (X45) and the variable success of the business (Y2) include; profitability (Y23) and public confidence (Y24). The results of the initial model were modified simulated test looks at the first phase, as shown in figure 25.

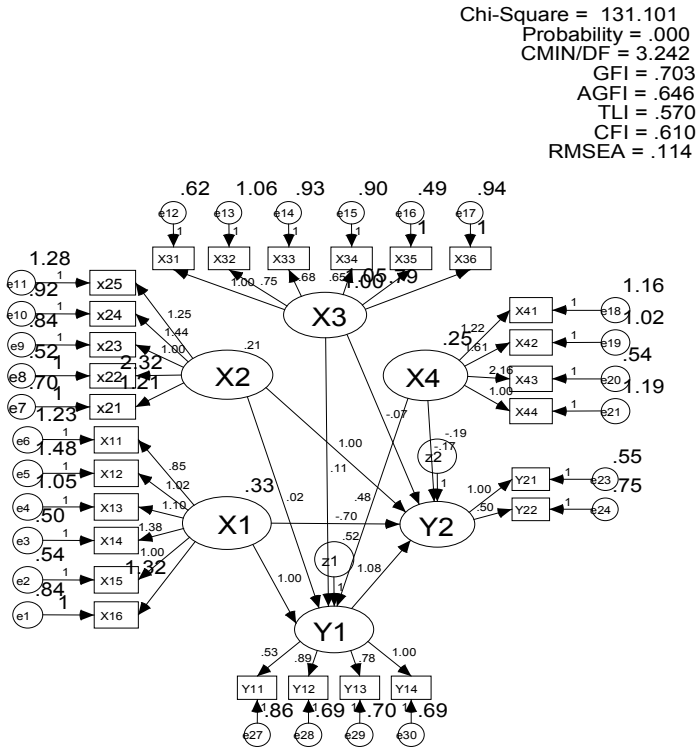
5.6. Simulation Test Alignment Model

In the following simulation test models will be proposed two models. The following will successively presented two models that have been identified. Of these two models will then be compared to determine the model that has the best alignment.

5.6.1. Structural Model of the First Phase of the Simulation Results

The first models were identified by analysis of a structural equation model looks like the picture 25below.

Figure 25: The first Phase Model



Sources: Appendix 5

Under the first alternative model, the structural equation is obtained as follows.

Table 33: First Phase Structural Equation Model

No	Structural Equation
1	The ability of a business = 1 Education and training + 0,025 Government Assistance + 0,105 The business partnership + 0,483 Government regulations
2	The success of small business = 1,081 The ability of a business + 1 Education and training - 0,695 Government Assistance - 0,068 The business partnership - 0,174 Government regulations

Based on the test results of the first phase of the model turned out to have not obtained coefficients Chi - Square (which requires a small or non-significant digits), GFI, AGFI, TLI and CFI (not meet the required more than 90) and the coefficient of P - Value which is still far below the number 0,05 (significance level required). Also there is not fulfilled due to alignment requirements models still appear under the required loading factor is < 0.4, so it needs to be removed ie attractiveness indicator (X15) of education and training variables (X1) and capital cooperation indicator (X36) of the variable business partnership (X3). Alignment of the model test results in detail can be seen in table 34.

By considering table 34, it can be declared a structural model of the first phase of a simulation model have not met the requirements to be regarded as a unified model, the model has not fulfilled the requirements of alignment due to the P-value, GFI, AGFI, TLI, CFI and RMSEA not meet required. This information is then used as the basis for the next phase of the simulation, as shown in figure 26

Table 34: Results of the First Phase Model Compatibility Test

Alignment Model	Criteria	Coefficients
Chi Square	Small	131,101 Fulfilled
Significance Probability	$\geq 0,05$	0,000 Not Fulfilled
CMIN/DF	$< 2,00$	3,242 Not Fulfilled
GFI	$\geq 0,90$	0,703 Not Fulfilled
AGFI	$\geq 0,90$	0,646 Not Fulfilled
TLI	$\geq 0,95$	0,570 Not Fulfilled
CFI	$\geq 0,95$	0,610 Not Fulfilled
RMSEA	$\leq 0,08$	0,114 Not Fulfilled

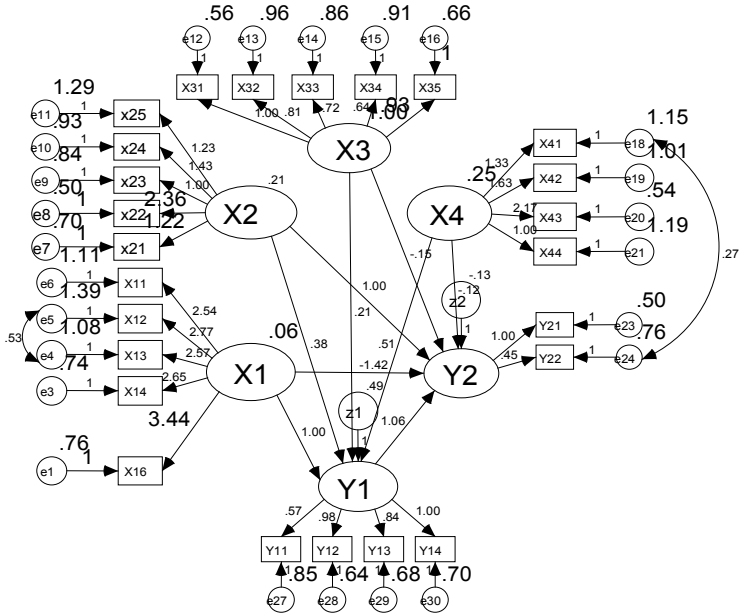
Sources: Appendix 5

5.6.2. Structural Model of the Second Phase of the Simulation Results

The second phase of the simulation result in structural models as shown in Figure 26 below:

Figure 26: Second Alternative Model

Chi-Square = 91.458
 Probability = .052
 CMIN/DF = 1.288
 GFI = .936
 AGFI = .893
 TLI = .919
 CFI = .945
 RMSEA = .041



Sources: Appendix 5

Based on an alternative model of the second phase, the structural equations obtained are as follows.

Table 35: Phase Two Structural Equation Models

No	Structural Equation
1	The ability of a business = 1 Education and training + 0,380 Government Assistance + 0,215 The business partnership + 0,511 Government regulations
2	The success of small business = 1,063 The ability of a business - 1,42 Education and training + 1 Government Assistance - 0,145 The business partnership - 0,120 Government regulations

Based on the test results of the third phase of the model turns out to have been qualified alignment models. Fulfillment detailed alignment of the model can be seen in table 36 following.

Table 36: Results of the Second Phase Model Compatibility Test 1

Alignment Model	Criteria	Coefficients
Chi Square	Small	91,458 Fulfilled
Significance Probability	$\geq 0,05$	0,052 Fulfilled
CMIN/DF	< 2,00	1,288 Fulfilled
GFI	$\geq 0,90$	0,936 Fulfilled
AGFI	$\geq 0,90$	0,893 Fulfilled
TLI	$\geq 0,95$	0,919 Fulfilled
CFI	$\geq 0,95$	0,945 Fulfilled
RMSEA	$\leq 0,08$	0,041 Fulfilled

Sources: Appendix 5

By considering table 36, it can be stated structural model of the second phase of the simulation model does not find any correlation between the error covariance. Thus it can be said that the obtained models have met and fused elements of alignment models and result in a significant influence between variables.

5.7. Comparison of Results of Structural Model Analysis

After showing structural models obtained from the analysis starting from the beginning according to the conceptual models, the simulation model of the first phase to the second phase, it is necessary to set out a model of structural alignment value model (goodness of fit index) is best. In this study, the criteria used as a basis for determining the best model coefficients is the fulfillment of the P- Value, GFI, AGFI, TLI, CFI and the fulfillment of Chi - square with degrees of freedom (Df) is the smallest (Ferdinand, 2002). Table 37, the following is a comparison of the model coefficients alignment of the five selected models.

Noting table 38, it was found that the model has good alignment model, which is the second model. The second model has the best alignment in terms of acquisition of the P - Value largest coefficient, CMIN / Df smallest, largest GFI, AGFI biggest, biggest TLI, CFI and RMSEA smallest largest. Determination of the second model as the best model based on insufficient alignment of the model coefficients and the resulting pattern is a significant relationship between the variables:

Having managed to find a new model of the findings as shown in the second phase of the simulation test, the next step to test the model measurement / confirmatory factor analysis was used to determine how much the relationship between the indicator variables. Factor confirmatory

test is done by comparing the factor loading = 5%, as shown in the α coefficient (lambda) and significant at the following presentation.

Table 37: Comparison of Test Results Alignment Model

Alignment Model	Criteria	Early Model	Models of Phase I	Models of Phase II
Chi Square	Small	1210,943	131,101	91,458
		Too big	fulfilled	Fulfilled
Significance Probability	$\geq 0,05$	0,000	0,000	0,052
		Not Fulfilled	Not Fulfilled	Fulfilled
CMIN/DF	$< 2,00$	3,035	3,242	1,288
		Not Fulfilled	Not Fulfilled	Fulfilled
GFI	$\geq 0,90$	0,688	0,703	0,936
		Not Fulfilled	Not Fulfilled	Fulfilled
AGFI	$\geq 0,90$	0,637	0,646	0,893
		Not Fulfilled	Not Fulfilled	Fulfilled
TLI	$\geq 0,95$	0,554	0,570	0,919
		Not Fulfilled	Not Fulfilled	Fulfilled
CFI	$\geq 0,95$	0,591	0,610	0,945
		Not Fulfilled	Not Fulfilled	Fulfilled
RMSEA	$\leq 0,08$	0,108	0,114	0,041
		Not Fulfilled	Not Fulfilled	Fulfilled

Table 38: Comparison of Results of Structural Equation Models

Model	No	Structural Equation
Early Model	1	The ability of a business= 1 Education and training + 0,065 Government Assistance + 0,09 The business partnership + 0,469 Government regulations
	2	The success of the business = 0,982 The ability of a business- 0,498 Education and training + 1 Government Assistance - 0,004 The business partnership - 0,218 Government regulations
Models of Phase I	1	The ability of a business= 1 Education and training + 0,025 Government Assistance+ 0,105 The business partnership + 0,483 Government regulations
	2	The success of the business = 1,081 The ability of a business- 0,695 Education and training + 1 Government Assistance - 0,068 The business partnership - 0,174 Government regulations
Models of Phase II	1	The ability of a business=1 Education and training + 0,380 Government Assistance+ 0,215 The business partnership + 0,511 Government regulations
	2	The success of the business = 1,063 The ability of a business - 1,421 Education and training + 1 Government Assistance - 0,145 The business partnership - 0,120 Government regulations

5.8. Testing Results (Measurement Model / Confirmatory Factor Analysis)

After doing a test on the above assumptions and found that the model has a good alignment, then analyzed the data to get a clear picture of each variable. The results of the analysis will be undertaken for each variable in the study can be described as follows:

5.8.1. Education and Training (X1)

To get a clear picture of education and training as described in the methods of research, education and training in carefully presented in figure 27 in the following:

Figure 27: Results Confirmatory Factor Analysis of Education and Training (X1)

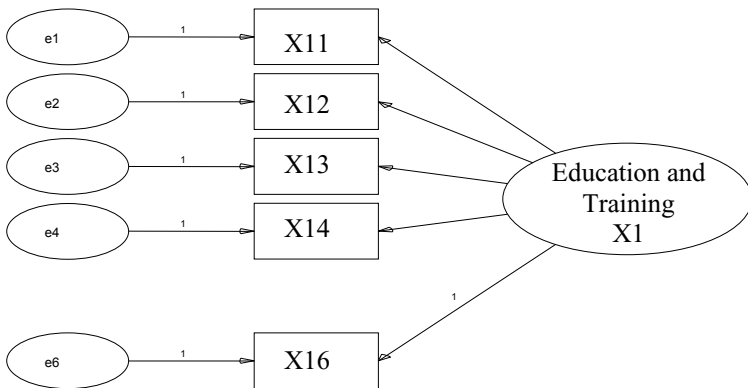


Table 39a: Regression Weight (Loading Factor Confirmatory) Model of Education and Training

No	Indicator	Standardized estimate (Loading Factor) good >0,4	Specification
1	X11 ← Education and Training	0.497	Good
2	X12 ← Education and Training	0.488	Good
3	X13 ← Education and Training	0.506	Good
4	X14 ← Education and Training	0.592	Good
5	X16 ← Education and Training	0.683	Good

Sources: Appendix 5

Table 39b: Critical Ratio Factor Indicators Education and Training

N	Indicator	Estimate	CR Term >1,96	Probability (P) requirement <0,05	Specification
1	X11 ← Education and Training	2.535	2.628	0,009	Good
2	X12 ← Education and Training	2.774	2.608	0,009	Good
3	X13 ← Education and Training	2.569	2.631	0.009	Good
4	X14 ← Education and Training	2.650	2.713	0.007	Good
5	X16 ← Education and Training	3.437	2.753	0.006	Good

Sources: Appendix 5

The test results are presented in Table 39a show that when seen from the large loading factor, that five of the six indicators of the value above 0.4 and when seen from table 39 b shows that the value of its CR fifth significant indicator with CR values > 1.96 and when seen at the level of $\alpha = 0.05$. It can be seen the value of the probability (P) less than 0.05. This means that from the above test results found that only five indicators that can be used as a measure in explaining jointly latent variables, namely education and training:

1. Motivation Following (X11)
2. Material Compatibility (X12)
3. Appropriateness Method of Teaching (X13)
4. Team Teaching (X14)
5. Charisma (X16)

These five indicators are jointly able to explain the variable and of the five indicators are best able to explain the variable is the charisma of a teacher, followed by coordination of the teaching team, then the accuracy of the method of teaching, motivation to follow and the most recent is the suitability of the material, it can be seen from the factor loading values in table 39a.

5.8.2. Government Assistance (X2)

To get a clear picture of the government subsidy as described in the methods of research, government subsidies studied are presented in Figure 28 below:

Figure 28: Results Confirmatory Factor Analysis of Government Assistance(X2)

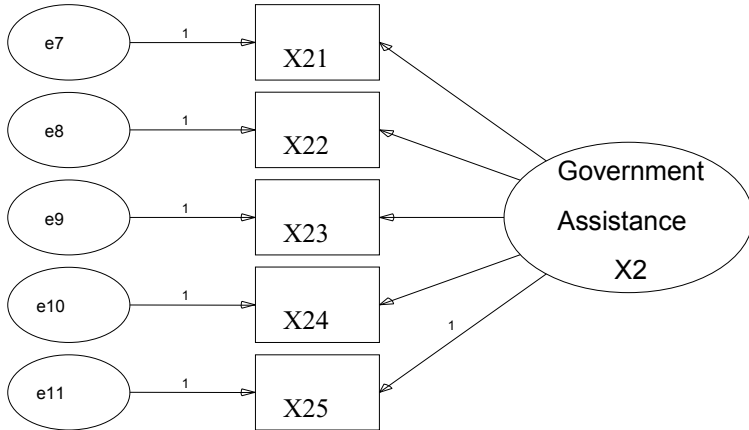


Table 40a: Regression Weight (Loading Factor Confirmatory) model of Government Assistance

No	Indicators	Standardized estimate (Loading Factor) Good > 0,4	Specification
1	X21 ← Government Assistance	0.555	Good
2	X22 ← Government Assistance	0.838	Good
3	X23 ← Government Assistance	0.449	Good
4	X24 ← Government Assistance	0.565	Good
5	X25 ← Government Assistance	0.446	Good

Sources: Appendix 5

Table 40b: Critical Factors Ratio Indicator Government Assistance

No	Indicator	Estimate	CR Term s>1,9 6	Probability (P) requirement<0,05	Specification
1	X21 ← Government Assistance	1.215	5.779	0,000	Good
2	X22 ← Government Assistance	2.355	7.079	0,000	Good
3	X23 ← Government Assistance	1.000			Good
4	X24 ← Government Assistance	1.434	5.858	0.000	Good
5	X25 ← Government Assistance	1.228	4.846	0.000	Good

Sources: Appendix 5

The test results are presented in the table 40a indicates show that when seen from the large loading factor, that five of the five indicators above 0.4 and when seen from table 40 b shows that the value of its CR fifth significant indicator with CR values: 1.96 and when viewed at level $\alpha = 5\%$. It can be seen the value of the probability (P) of 0.00 is smaller than 0.05. From the above test results found that only five indicators that can be used as a measure in explaining together government subsidies latent variables are:

1. Management (X21)
2. Engineering (X22)
3. Finance (X23)
4. Briefing (X24)
5. Guidance (X25)

These five indicators are jointly able to explain the variable and of the five indicators which variables are most able to explain technical assistance, so briefing, followed by management, financial aid and most recently guidance. It can be seen from the factor loading values of each of these indicators in table 40a.

5.8.3. Business Partnership (X3)

To get a clear picture of the business partnership as described in research methods, business partnerships studied are presented in figure 29, the following:

Figure 29: Results Confirmatory Factor Analysis of Business Partnership (X3)

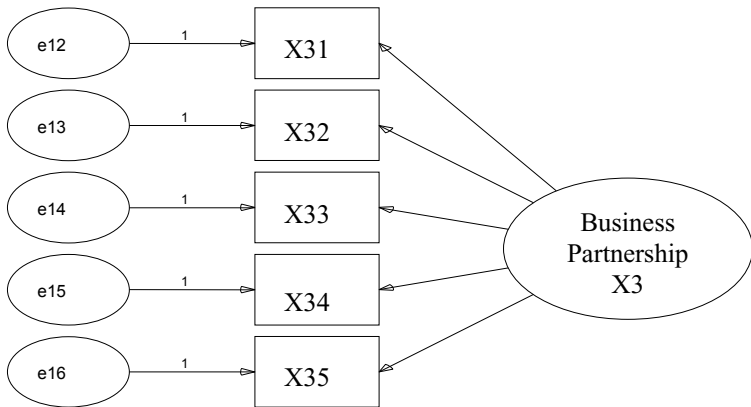


Table 41a: Regression Weight (Loading Factor Confirmatory) Model of Business Partnership

No	Indicator	Standardized Estimate (Loading Factor) Good>0,4	Specification
1	X31←The Business Partnership	0.802	Good
2	X32←The Business Partnership	0.636	Good
3	X33←The Business Partnership	0.612	Good
4	X34←The Business Partnership	0.555	Good
5	X35←The Business Partnership	0.753	Good

Sources: Appendix 5

Table 41b: Critical Factors Ratio Indicator of Business Partnership

No	Indicator	Estimate	CR requirement>1 ,96	Probability(P) requirement< 0,05	Specification
1	X31←The Business Partnership	1.000			Good
2	X32←The Business Partnership	0.809	8.830	0.000	Good
3	X33←The Business Partnership	0.719	8.395	0.000	Good
4	X34←The Business Partnership	0.637	7.433	0.000	Good
5	X35←The Business Partnership	0.932	11.052	0.000	Good

Source: Appendix 5

The test results are presented in the table 41a indicates that when viewed from the large loading factor, that five of the six indicators are above 0.4 and when seen from Table 41b shows that the value of its CR fifth significant indicator of the value of CR 1.96 and when seen on level $\alpha = 5\%$. It can be seen the value of the probability (P) 0.00 is smaller than 0.05. From the above test results obtained that the five indicators, can be used as a measure in explaining jointly latent variable the business partnership:

1. Trade (X31)
2. Sub Contacts (X32)
3. Vendor (X33)
4. Cooperation Technology (X34)
5. Network Business (X35)

These five indicators are jointly able to explain the variable and of the five indicators are best able to explain the variable is a trading partnership, business networking, subcontracting, vendors and the most recent technological cooperation with factor loading values as shown in table 41b.

5.8.4. Government Regulation (X4)

To get a clear picture of government regulations as described in research methods, government regulations on conscientious in the present in figure 30, the following:

Figure 30: Results Confirmatory Factor Analysis of Government Regulation (X4)

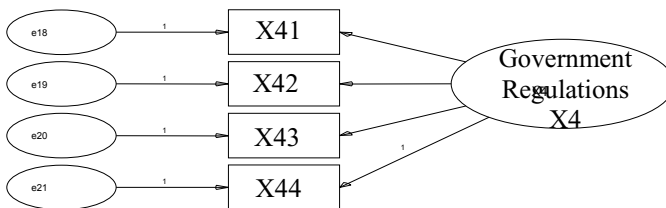


Table 42a: Regression Weight (Loading Factor Confirmatory) Model of Government Regulation

No.	Indicators	Standardized Estimate (Loading Factor) Good>0,4	Specifica tion
1	X41←Government Regulations	0.527	Good
2	X42←Government Regulations	0.63	Good
3	X43←Government Regulations	0.83	Good
4	X44←Government Regulations	0.418	Good

Sources: Appendix 5

Table 42b: Critical Ratio is an Indicator of Government Regulation Factor

N	Indicators	Estima te	CR requir ement >1,96	Probab ility (P) require ment<0 ,05	Speci ficati on
1	X41←Government Regulations	1.326	4.259	0.000	Good
2	X42←Government Regulations	1.626	4.527	0.000	Good
3	X43←Government Regulations	2.169	0.473	0.000	Good
4	X44←Government Regulations	1.000			Good

Source: Appendix 5

The test results are presented in the table 42a indicates that when viewed from the large loading factor, that four of the five indicators are above 0.4 and when seen from Table 42b shows that the value of its CR fourth significant indicator of the value of CR 1.96 and when seen In a level = 5%. It can be seen the value of the probability (P) less than 0.05.

From the above test results obtained that the four indicators, all of them can be used as a measure in explaining variables together government regulations that

1. Permitting (X41),
2. Rates (X42)
3. Provision Quota (X43)
4. Market Information (X44)

These four indicators are jointly able to explain the variable and of these four indicators are best able to explain the variable is the provision of quota, tariff reductions, the conveniences and the most recent licensing is market information, it can see from loading factor value as shown in the table 42b.

5.8.5. The Ability of a Business (Y1)

To get a clear picture of the ability of the business as described in the methods of research, the ability of efforts in meticulously presented in the figure 31.

Figure 31: Results Confirmatory Factor Analysis of the Ability of a Business (Y1)

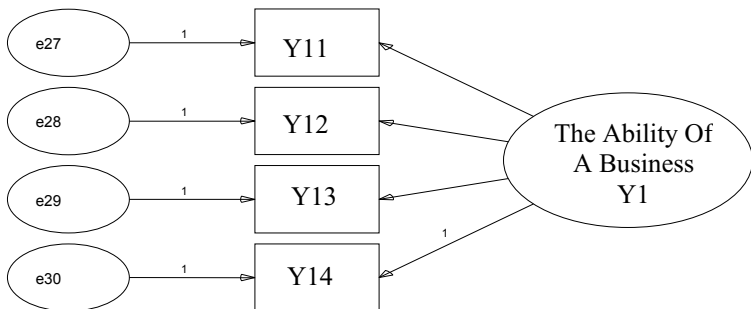


Table 43a: Regression Weight (Loading Factor Confirmatory) the Ability of a Business Models

No	Indicators	Standardized estimate (Loading Factor) Good >0,4	Specific ation
1	Y11←The Ability of a Business	0.456	Good
2	Y12←The Ability of a Business	0.71	Good
3	Y13←The Ability of a Business	0.642	Good
4	Y14←The Ability of a Business	0.704	Good

Sources: Appendix 5

Table 43b: Critical Capability Factor Ratio Indicator of Business

No	Indicator	Estimate	CR requirement >1,96	Probability (P) requirement <0,05	Specificati on
1	Y11←The Ability of a Business	0.572	5.378	0.000	Good
2	Y12←The Ability of a Business	0.978	8.077	0.000	Good
3	Y13←The Ability of a Business	0.838	7.404	0.000	Good
4	Y14←The Ability of a Business	1.000			Good

Source: Primary data on though, Appendix 5

The test results are presented in the table 43a indicates that when viewed from the large loading factor, that the four indicators above 0.4 and when seen from Table 43b shows that the value of its CR fourth significant indicator of the value of CR 1.96 and when seen Inlevel $\alpha = 5\%$. It can be

seen the value of the probability (P) 0.000 less than 0.05. From the above test results obtained that the four indicators, all of them can be used as a measure in explaining variables together business latent capabilities are:

1. Knowledge (Y11)
2. Attitude (Y12)
3. Skills (Y13)
4. Emotional Intelligence (Y14)

These four indicators are jointly able to explain the variable and of these four indicators are best able to explain the variable is attitude, intelligence emotional, skills and knowledge, ha can be seen from the value of the factor loading of each indicator.

5.8.6. The Success of Small Business (Y2)

To get a clear picture of the success of the business as described in research methods, success in business is carefully presented in Figure 32 in the following:

Figure 32: Results Confirmatory Factor Analysis of the Success of Small Business (Y2)

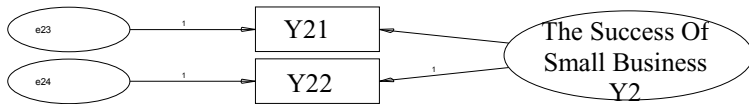


Table 44a: Regression Weight (Loading Factor Confirmatory) Model of the Success of Small Business

No.	Indicators	Standardized Estimate (Loading Factor)	Specification
1	Y21 ← The Success of Small Business	0.801	Good
2	Y22 ← The Success of Small Business	0.437	Good

Sources: Primary Data are Processed, Appendix 5

Table 44b: Critical Success Factor Ratio, an Indicator of the Success of Small Business

No	Indicators	Estimate	CR requirement >1,96	Probability (P) requirement <0,05	Specification
1	Y21 ← The Success of Small Business	1.000			Good
2	Y22 ← The Success of Small Business	0.448	0.078	0.000	Good

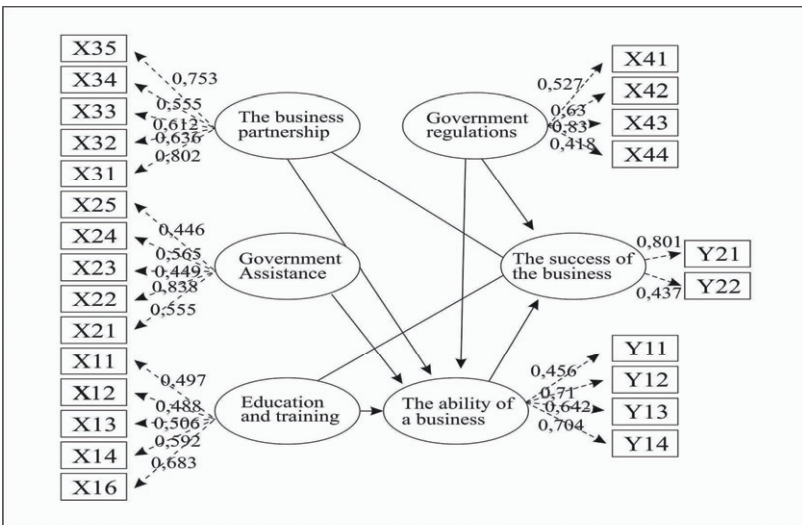
Source: Primary Data on Thought, Appendix 5

The test results are presented in the table 44a indicates that when viewed from the large loading factor, that two of the four indicators value is above 0.4 and when seen from Table 44b shows that the value of its CR second significant indicator of the value of CR 1.96 and if seen in level $\alpha = 5\%$. It can be seen the value of the probability (P) 0.000 less than 0.05. From the above test results obtained that the two indicators, all of them can be used as a measure in explaining together business success latent variables, namely:

1. Production Efficiency (Y21)
2. Expansion of Production (Y22)

Both indicators are jointly able to explain the variable and of the two indicators most able to explain the variable is efisiensi produksi with a value of loading factor of 0.801 is then followed by the expansion of production with a value indicator loading factor of 0.437.

Figure 33: Results Confirmatory Factor Analysis Model End Phase Full Effect Empowerment Government Committed to the ability of a Business and the Success of the Small Industrial Business Clothing in East Java



Source: Primary Data Were Processed (Appendix 5)

Description:

(X1) = Education and Training

(X2)= Government Assistance

(X3)= The Business Partnership

(X4) = Government Regulations

(Y1)= The Ability of a Business

(Y2)= The Success of The Business

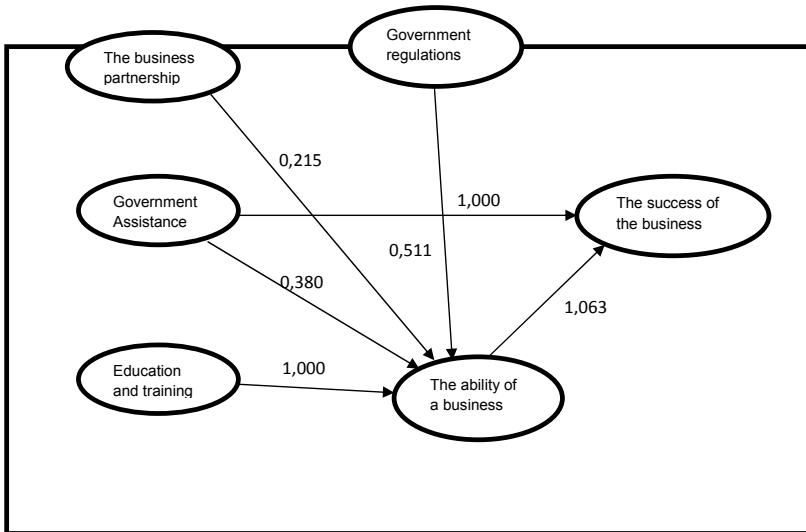
-----▶ = Relationship with Indicator Variables

Furthermore, in the present model test results submitted an outline of the results of the modifications made based on the theoretical framework established thinking and logic. The results of the final modifications resulting in figure 33.

5.9. Hypothetical Testing Results

The results of testing the structural models described in outline by showing the path coefficient with the effect of empowering the government in the form of education and training, government grants, business partnerships, and the ability of government regulation of the ability of a business and the success of the Small Industrial Business Clothing in the province of East Java. The resulting final modified on 34 following image:

Figure 34: Coefficient of Full Path Model End Phase Effect Empowerment Government Committed to the Ability of a Business and the Success of the Small Industrial Business Clothing in East Java



While the results of calculations performed as presented in table 45.

Table 45: Results of Testing the Effect of Empowering the Government to the Business Skills and Success of Small Business and Clothing Industries in East Java

NO	Variable	Path Coefficient	S.E	C.R requirement > 1,96	Probability requirement < 0,05	Significance
1	The Ability of a Business ← Education and Training	1.000				Significant
2	The Success of the Business ← Education and Training	-1.421	0,482	-2.946	0,003	Not Significant
3	The Ability of a Business ← Government Assistance	0.380	0,176	2.156	0,031	Significant
4	The Success of the Business ← Government Assistance	1.000				Significant
5	The Success of the Business ← The Business Partnership	0.215	0,075	2.870	0,004	Significant
6	The Success of the Business ← The Business Partnership	-0.145	0,074	-1.956	0,050	Not Significant
7	The Success of the Business ← Government Regulations	0.511	0,182	2.811	0,005	Significant
8	The Success of the Business ← Government Regulations	-0.120	0,159	-0.753	0,452	Not Significant
9	The Success of the Business ← The Ability of a Business	1.063	0,149	7.141	0.000	Significant

Source: Primary Data on Thought, Appendix 5

Seen from 45 above, the CR value and the probability of significance at a significance level (α) = 0.05. Can be found that the influence of government empowerment variables (education and training, support, business partnerships, government regulation) on the ability of business and government influence empowerment variables (education and training, support, business partnerships, government regulations) and the ability of

the business to the success of small business in the industry East Java, as follows:

1. Education and training that the government has a **positive effect** on the ability of the business, means that the hypothesis is accepted.
2. Education and training does **not affect** the success of the government's industrial business in East Java, means that the hypothesis is rejected.
3. Government aid has a **positive effect** on the ability of the business, means that the hypothesis is accepted.
4. Government assistance has **positive influence** on the success of industrial business in East Java, means that the hypothesis is accepted.
5. Government business partnership a **positive effect** on the ability of the business, means that the hypothesis is accepted.
6. Government business partnership does **not affect** the success of the venture industry in East Java, means that the hypothesis is rejected.
7. Government regulations **positive effect** on the ability of the business, means that the hypothesis is accepted.
8. Government regulations do **not affect** the success of the venture industry in East Java, means that the hypothesis is rejected.
9. The ability of the business has a **positive effect** on the success of industrial business in East Java, means that the hypothesis is accepted.

5.10. Discussion of Results

This section will discuss the research findings described in the previous section. Discussion is done based on empirical and theoretical findings and previous studies relevant to the research conducted. This discussion is intended to explain the appropriateness and relevance of each variable and the dependent variable independent. Of testing using AMOS 4 program through the analysis of SEM (Structural Equation Modeling), the

results of the test overall models through test and measurement test can be drawn that the multilevel model is able to explain the phenomenon of small business success and clothing industry in several important aspects.

The results of this study give an answer that is very good multilevel models to explain the government's empowerment models in an effort to increase the success of small industrial business clothing or accept the hypothesis. By analyzing the empowerment of the government which includes: education and training, government subsidies and government regulation of business partnership and expected us to get an understanding of the process of empowerment by the government and its effect on the ability of business empowerment that can ultimately affect the success of small business clothing industry.

In this study find a model that connects the six variables proposed in the conceptual model. Six of these variables include: education and training by the government, government grants, government business partnership, governmental regulations, the ability of efforts and success of small industrial business, Indicators of the six variables identified, researchers eliminate some indicator because it does not qualify loading factor, which eliminated the indicators are as follows:

- From education and training variables include indicators of attractiveness
- From business partnerships include an indicator variable capital cooperation
- Of the variables include indicators of government regulation and infrastructure
- Of the variables include indicators of business success and profitability of public trust.

So the indicators are still able to be used as a measure of the variable are as follows:

1. Education and training variables were measured through indicators: motivation to follow, material suitability, appropriateness of teaching methods, teacher team and charisma. These five indicators are jointly able to explain the variable and of the five indicators are best able to explain the variable is the charisma of a teacher, followed by coordination of the teaching team, and then the accuracy of the method of teaching, motivation to follow and the most recent is the suitability of the material.
2. Variables that government assistance is measured through indicators: Management, engineering, finance, direction and guidance. These five indicators are jointly able to explain the variable and of the five indicators which variables are most able to explain technical assistance, so briefing, followed by management, financial aid and most recently guidance.
3. Variables that business partnerships is measured through indicators: Cooperation trade, subcontracting, vendors, technology cooperation and Business Network. These five indicators are jointly able to explain the variable and of the five indicators are best able to explain the variable is a trading partnership, business networking, subcontracting, vendors and the most recent technological cooperation.
4. Variables that government regulation is measured through indicators: licensing, tariffs, quotas and provision of market information. These four indicators are jointly able to explain the variable and of these four indicators are best able to explain the variable is the provision of quota,

tariff reduction, ease of licensing and the most recent is the market information,

5. Variable that the ability of a business operating is measured through indicators: knowledge, attitudes, skills, and emotional intelligence. These four indicators are jointly able to explain the variable and of these four indicators are best able to explain the variable is attitude, intelligence emotional, skills and knowledge.
6. Variables the success of the business is measured through indicators: efficiency of production, the expansion of production. Both indicators are jointly able to explain the variables and indicators of both the most capable of explaining variables and the indicator is efficient production expansion of production.

In this research, in addition to finding a new model as mentioned above, also found the influence of empowerment variables that include the government (education and training, support, business partnerships and government regulation) on the ability of business and industry to the success of small business as well as test results hypothesis in table 24.

An explanation of the effect of empowering the government to the business skills and the success of small industrial business are as follows:

5.10.1. The Effect Of Education and Training to the Ability of a Business

From the results of the descriptive analysis found a small clothing industry entrepreneurs in East Java, in general have the ability to attempt the high criteria (95,98%). The high ability of small business entrepreneurs industry is supported by high knowledge effort and a positive attitude and high skills and emotional intelligence as attributes. Through the analysis of SEM (Structural Equation Modeling) found that the ability of small

business entrepreneurs industry is influenced by education and training by the government.

From the above test results found that five of the six indicators that can be used as a measure in explaining variables, namely education and training: Motivation follow, material suitability, appropriateness of teaching methods, teacher team and charisma. These five indicators are jointly able to explain the variables of education and training, of the five indicators are best able to explain is the charisma of a teacher, followed by coordination of the teaching team, then the accuracy of the method of teaching, motivation to follow and the most recent is the suitability of the material.

It can be concluded that the test results with analytical SEM (Structural Equation Modeling) via AMOS 4.0 program shows that education and training has a positive effect on the ability of business. These findings indicate that the results are in line with what is uttered by Eaglen, Lashley and Thomas (2000) which states that the benefits of training can be beneficial to a person's behavior changes employers (attitudes, knowledge and skills) they have include: attitudes in self-development, willingness and readiness to herself in the train and adjust to the job duties, with the condition that an entrepreneur would be easy to evolve and adapt faster to the new innovation. This means that with an adjustment to the new job then the employer has made an effort to support their ability to work. e.g. planning, monitoring, efficiency and strategic action and intuitive ability to conduct an analysis of the business which includes elements; persons (understanding of self and skills), task (able to define the vision of the business), organization (organizational tasks and understand the best decision) and environment (able to take advantage of capital, labor and infrastructure). On the relationship between education

and training with business skills is a correlation relationship. Also in line with Nedler (1982), Gagne, et al (1992) which states that the capability (ability), is basically the result of the learning process, which includes aspects of knowledge, attitudes and skills. Because the learning process can do at school or outside school and as described pads Act No.2 of 1989 on National Education System, especially chapter 9. Through the learning process at school (primary school to university) and outside of school (such as: training, relevant experience), then knowledge, attitudes, and skills of the entrepreneur or small industry as the mirror's ability to grow and expand their business.

In particular the finding that the implementation of the training has a direct influence on the ability of the business, supported by a number of experts in the field of management states that training is the process of improving knowledge, skills and attitude of a person to be able to do its job more effectively (Torrington, 1994; Rothwell, 1988, and Jucius, 1979). With increasing knowledge, attitudes, skills and emotional intelligence are the four attributes of a business capability (Nedler, 1982; Gagne, et al., 1992, Krathwol, et al., 1964; well as Grounlund, 1977), there has been a significant increase in the ability of business entrepreneurs industry small. These findings support the results of research Whilock (1995) who found that training is accepted as a valuable and increase knowledge trainees. With increasing knowledge means that some of the problems faced by small industrial entrepreneurs can be resolved.

In this study, in particular education and training program that has five indicators, namely: Motivation follow, material suitability, appropriateness of teaching methods, teacher team and charisma. These five indicators are jointly able to explain the variables of education and training, of the five indicators are best able to explain is the charisma of a

teacher, followed by coordination of the teaching team, then the accuracy of the method of teaching, motivation to follow and the most recent is the suitability of the material. It is meant to enhance the ability of small business entrepreneurs industry through education and training programs, the instructor should be a priority to the charisma of a teacher, followed by a coordinated team teaching, followed by the teaching methods used must be appropriate to the needs of the participants, the participants must have the motivation to follow and do not overlook the suitability of the material.

These findings are in line with Towler, Annette J. (2003), which is essentially that the charisma of a teacher greatly influences the attitude and performance of the trainees, charismatic communication style which includes; eye contact, facial expressions, body gestures, and said in a tone of voice that lives. Also in line with Alexander, et al (2005), that the collaboration of a team of teachers who are interdependent and controlled instructors can improve the skills of participants, further said that the cooperation of a team of teachers will improve the abilities and skills of the team's bigger than themselves in coordination tasks and planning, collaborative problem solving and communication. Positively influence teamwork coordination and planning tasks, collaborative problem solving and communication skills.

If it is associated with the level of education that education level did not affect the ability of the business, it can be shown the level of education of small entrepreneurs clothing industry in East Java is still low. Field observations showed 75.3% of small clothing industry entrepreneurs in this study had high school education site down, which means significant relationship between education and training with business skills not because of the level of education of small clothing industry employers in the province of East Java. At the bottom level of a high school education in

general have not been taught the science required for an entrepreneur who is also a manager of the company. While as stated Hisrich (1998), that the skills required for an entrepreneur (or on the research called the entrepreneur) can be classified into three, namely: (a) technical skills (technical skills), such as: writing, listening, delivered orally, organizing and training, (b) business management skills (business management skills), such as: decision making, marketing, management, finance, recording, production, watchdogs, negotiation, and (3) personal skills associated with entrepreneurship (personal entrepreneurial skills), such as: discipline, risk-taking, innovative, change-oriented, persevering, fore-sighted. With low education levels, where the level of education has not been taught the various aspects required for an entrepreneur, then this causes the level of education held a small industrial entrepreneurs in East Java less effect on the ability of its business.

While not influential educational level of the ability of the business due to the following circumstances. An entrepreneur requires technical skills, business management skills and personal entrepreneurial skills (Hisrich, 1998). On the other hand 75.3% of small business clothing industry in East Java down high school education are less supportive of the required skills, thus requiring the development of its business capabilities. While the results of observations found the desire to be an entrepreneur is not the first in his life most of the respondents (minded aristocracy who want to get the job fine job and a fixed salary), but rather due to "rather than idle" (not a job).

With these findings, means that the higher one's education level, the lower the need for open your own business (self-employment). Because motivation is related to the needs (Buford, 1988), means that the higher the education level, the lower the person's motivation to become

entrepreneurs. With low motivation to become entrepreneurs will decrease the level of business capability. It can be concluded that in order to improve the ability of business entrepreneurs of small industries related to the education and training of employers, the government in terms of education and training committee to take measures as follows.

First, it takes a charismatic lecturer who has the ability to make participants interested and wants to follow amazed by knowing the will of the participants and added to the increase in the expectations of participants with the use of autobiography, stories, analogies and allegories. Charismatic style of communication is communication that refers to a real presentation of the communication that includes; eye contact, expressive face, body gestures and spoke with a tone of voice that is alive. Charismatic influence will have an impact on the attitudes and knowledge related to the job (Towler, Annette, 2003).

Second, it requires good cooperation between the teaching team. Teaching team cooperation will influence the coordination of tasks and planning, collaborative problem solving and communication skills. Thus increasing needs of the participants. Because after a state participant, instructor / teacher is an important aspect of learning. This is as stated Haris, et al (1992) that teacher education as one component of the relative effect on educational success. Likewise with Djojonegoro (1995:5) stating more explicitly that "the teacher is key in the overall effort to improve the quality of education and education".

Third, using appropriate teaching methods. In the opinion of experts and researchers, to improve speech participants (or in this study motivation training), use the method of discussion and case study ranks the effectiveness of the first and second (Leap, 1990).

Fourth, the instructor explains the importance of beginning teaching materials will be provided to participants so as to increase his needs.

5.10.2. Influence of Government's Education and Training Against the Success of the Business

From the results of the descriptive analysis found that the small entrepreneurs clothing industry in East Java in general (87.9%) states successfully do business in the high category while the remaining low with indicator consists of low production efficiency, expansion of production, profitability, and the Public Trust. Through the analysis of SEM (Structural Equation Modeling) found that, small industrial entrepreneurs business success is not influenced by education and training by the government,

From the results of SEM analysis indicator variables that can explain the success of the business is: Efficiency of production and the expansion of production. Both indicators are jointly able to explain and of both indicators are most able to explain the production efficiency indicators and the indicator of the expansion of production. While the indicators that can be used to explain the education and training variables are five of the six indicators that can be used as a measure in explaining variables, namely education and training: Motivation follow, material suitability, appropriateness of teaching methods, teacher team and charisma. These five indicators are jointly able to explain the variables of education and training, of the five indicators are best able to explain is the charisma of a teacher, followed by coordination of the teaching team, then the accuracy of the method of teaching, motivation to follow and the most recent is the suitability of the material.

It can be concluded that the test results with analytical SEM (Structural Equation Modeling) via AMOS 4.0 program shows that

education and training had no effect on the success of small business clothing industry in East Java.

These findings indicate that the results are not in line with what is uttered by Isabel and Raquel (2003) who states that the training has an influence on its performance improvement company include: the successful receipt of the company, increasing the amount of production capacity, distribution channels are used, the extent of market appropriate and efficient capital structure.

Not unidirectional these findings with data obtained theory are able to describe the lack of education and training in total. Judging from most of the answers given by the respondents' education and training does not give effect to business success, it makes employers consider education and training is just something that does not affect significantly on the success of their business.

Not influential implementation of education and training to the business success of small industrial companies such clothing does not mean it is not useful in increasing the success of small industrial business, but rather caused by programs that affect business success indirectly yet another variable that is channeled through other variables. Some indications are as follows,. First, the implementation of education and training has a direct influence on the ability of business and dominant (check the table 5:24). Second, the implementation of education and training contribute to the ability of the business in which the variable ability of these business has the highest direct effect on the success of small industrial business. The information shows the importance of the implementation of education and training in enhancing the success of small business clothing industry in East Java.

5.10.3. Effect of Government Regulations the Ability of a Business of Small Industries Entrepreneurs

From the results of the descriptive analysis found small clothing industry entrepreneurs in East Java, in general have the ability to attempt the high criteria (89.7%). The high ability of small business entrepreneurs industry is supported by the high business knowledge, positive attitude and high skills and emotional maturity as attributes. In this case only 11.3% of small industrial entrepreneurs who have the knowledge, attitudes, skills and emotional maturity to his efforts in the low category. Through the analysis of SEM (Structural Equation Modeling) found the ability of small business entrepreneurs industry is influenced by government subsidies.

From these findings support the government measured by the indicator: Management, engineering, finance, direction and guidance. These five indicators are jointly able to explain the variable and of the five indicators which variables are most able to explain technical assistance, and guidance, followed by management, financial aid and most recently guidance.

It can be concluded that the test results with the analysis of SEM (Structural Equation Modeling) via AMOS 4.0, indicating that the positive effect of government subsidies to business capabilities. This means that the hypothesis which states that government subsidies affect the ability of small business entrepreneurs clothing industry business in East Java received.

In line with that presented Edward (1994:14) states that the subsidy programs provided by the government can be a positive influence on policy making and determination of functional strategies. The function of government subsidies is to nourish the condition of the company and

improve the competitiveness of companies that seemed to be slumped today (Depperindag, 1996:1) empowerment in the form of capital assistance provided can serve to overcome and reduce the difficulty in trying. Factors subsidies from the government should be translated into opportunities and opportunities. Employers should be able to fix weaknesses and develop strengths possessed (Apibunyopas, 1983:24) such outside assistance from government, both technical and non-technical, such as the creation of industrial climate, a lot should give meaning to the operating company (Apabunyopas, 1983:17). The government itself obliged to create a climate that encourages active participation of business, in addition to providing guidance (Werdaya, 1995:3). Assistance to small business is very necessary, because the aid is expected to generate a momentum that will appeal to more similar business thinking towards the future (Kadinda, 1995:14). In addition, it is also intended to make the company more independent and have better prospects. Above issues have gained attention in the underlying serious enough given the current company generally have limited management and funding. With the help of the program, expected problems can be solved, so the company better able to compete, especially if it is associated with free trade (Fisseha, 1994:3). Assistance programs embodied in its provision should be a unified concept, starting from planning, financing, production, marketing and other activities related to the business activities to be able to meet the market (Burgelman, 1985:23).

Sometimes small industrial entrepreneurs clothing difficult to manage their business efficiently. They are often difficult to make a business plan, especially if associated with marketing planning. In such conditions, it takes the role of a third party to assist small entrepreneurs clothing industry

in addressing these managerial problems. Help management conducted by field personnel will be able to increase the ability of business which in turn can improve the working ability of small entrepreneurs clothing industry entrepreneur.

The activities in these field officers also done in response to a small industrial entrepreneurs positively clothing so that productivity can be increased, the quality increases so prices could also raise, which in turn will also increase profits. It can be concluded that in order to improve the ability of business entrepreneurs of small industries related with the help of the government, the government may take measures as follows.

First, technical assistance from the government with the help of the use of technology in the field of doing government officials will Help management conducted by field personnel will be able to increase the ability of business which in turn can improve the working ability of small entrepreneurs clothing industry entrepreneur.

Second, prioritize management with the help of management can facilitate entrepreneurs in business planning, especially if associated with marketing planning.

Third, financial aid, government assistance in the form of financial assistance provided can serve to overcome and reduce the difficulty in trying.

Fourth, support the direction and guidance of the field officers in the presence of field officers who provide direction and guidance of entrepreneurs will be able to run the business with both.

Sullivan (2002) in his research that the majority of companies are subsidized obtain positive results of which tend to hire a lot of employees

and beneficial in the development and regulation of its business with aggressive and behavioral changes can be beneficial to one's employer (attitudes, knowledge, skills and emotional maturity).

5.10.4. Influence of Government Regulations to the Success of Small Business

From the results of the descriptive analysis found that the small entrepreneurs clothing industry in East Java in general (87.9%) states successfully do business with indicator consists of; efficiency of production, expansion of production, profitability, and the public trust.

Through the analysis of SEM (Structural Equation Modeling) found successful industrial entrepreneurs of small business are affected by government subsidies.

From the results of SEM analysis indicators that can explain the variable success of the business are: Efficiency of production and the expansion of production. Both indicators are jointly able to explain and of both indicators are most able to explain the production efficient indicators and the indicator of the expansion of production. While the indicators that can be used to explain the government's assistance is measured through indicators: Management, engineering, finance, direction and guidance. These five indicators are jointly able to explain the variable and of the five indicators which variables are most able to explain technical assistance, so briefing, followed by management, financial aid and most recently guidance.

It can be concluded that the effect of government subsidies to business success is a significant effect. This means that the hypothesis which states that the government subsidy has positive influence on the success of small business entrepreneurs clothing industry in East Java received.

These findings indicate that the results are in line with what uttered by Dimitris (2004) which states that subsidies have a significant effect on the four dimensions, namely efficiency, profitability, capital structure and firm productivity growth. This means that with the help of management, engineering and finance to entrepreneurs, businessSMEn feel the benefit in running the business. Such as increased production, increased efficiency, increased product types, public trust and increased profits. In line with that presented Edward (1994:14) states that the subsidy programs provided by the government can be a positive influence on policy making and determination of functional strategies. The function of government subsidies is to nourish the condition of the company and improve the competitiveness of companies that seemed to be slumped today (Department Of Trade and Industry, 1996:1) empowerment in the form of capital assistance provided can serve to overcome and reduce the difficulty in trying. Factors subsidy from the government to be translated in carrying opportunities and opportunities. Employers should be able to fix weaknesses and develop strengths possessed (Apibunyopas, 1983:24) Companies that manage resources properly can result in low capital costs. Such conditions also can reduce the total cost, because if the cost of capital is low, then the interest paid would be lower anyway. If low interest rates, expected profit will also increase production, because capital resources are used appropriately (Awat and Moeljadi, 1996:25).

5.10.5. Influence the Government's Business Partnership Against the Ability of a Business

From the results of the descriptive analysis found a small clothing industry entrepreneurs in East Java, in general have the ability to attempt the high criteria (89.7%). The high ability of small business entrepreneurs industry is supported by the high business knowledge, positive attitude and

high skills and emotional maturity as attributes. In this case only 11.3% of small industrial entrepreneurs who have the knowledge, attitudes, skills and emotional maturity to his efforts in the low category.

Through the analysis of SEM (Structural Equation Modeling) found the ability of small business entrepreneurs industry is influenced by the government's business partnerships. From the findings of this partnership is measured through indicators: trade cooperation, subcontracting, vendors, technology cooperation and Business Network. These five indicators are jointly able to explain the variable and the business partnership of five indicators are most able to explain the co-operation of trade, business networking, subcontracting, vendors and the most recent technological cooperation.

It can be concluded that the results of testing with SEM analysis (structural equation modeling) via AMOS 4.0 program shows that, positive effect on the business partnership of business capabilities. This means that the hypothesis which states that the government's business partnership a positive effect on the ability of small business entrepreneurs clothing industry in East Java received.

These findings indicate that the results are in line with what is uttered by Zaheer (2004) on the impact of the co-operation of the company. Zaheer stated that with collaboration, the company will acquire knowledge about the technology and how to set up the best technology. Further stated that in order to acquire knowledge and skills can be acquired either by formal and informal means. Furthermore in line with what is expressed by Chen and Tseng (2005) findings suggest that business partners significantly influence mutual perfection resources, increasing promotion

channel, reducing the company's costs. On the relationship between the ability of a business partnership is a correlation relationship.

Employers involved in the partnership usually have a strong desire to move forward. According to Longenecker (2001), a person who wants to maintain and improve the knowledge, which is a hallmark of business capabilities, will try to find resources wherever he can get. Meanwhile, according to Lee and Tsang (2001), employers who enter into a cooperative network of business partners will be able to improve their ability and add insight. Often associated with other people (frequency of external communication) and the extent of external communication is done (the breadth of external communication) is very closely related to the growth of the business.

With frequent touch with people or other parties, small employers expectation horizons (stock of knowledge and stock of information) someone will grow wide, his confidence will increase and can increase motivation so that they will find ways to improve their skills. This means that other people relate individual or group is able to improve one's business.

5.10.6. Influence Business Partnership Against the Success of Small Business

From the results of the descriptive analysis found that the small entrepreneurs clothing industry in East Java in general (87.9%) states successfully do business in the high category while the remaining low with indicator consists of low production efficiency, expansion of production, profitability, and the Public Trust. Through the analysis of SEM (Structural Equation Modeling) found that, small industrial entrepreneurs business success is not influenced by the business partnership. From the findings of

this partnership is measured through indicators: trade cooperation, subcontracting, vendors, technology cooperation and Business Network. These five indicators are jointly able to explain the variable and the business partnership of five indicators are most able to explain the cooperation of trade, business networking, subcontracting, vendors and the most recent technological cooperation.

It can be concluded that the results of testing with SEM analysis (structural equation modeling) via AMOS 4.0 shows that, the business partnership does not affect the success of the business. This means that the hypothesis which states that the government's business partnership has positive influence on the success of small business entrepreneurs and clothing industries in East Java Province rejected. These findings indicate that the results are not in line with what is uttered by Stuart (2000) in this study to investigate the relationship of technology cooperation between large firms and small firms stated that cooperation, can build public confidence in the products and services produced making it easier for companies to attract customers, which in turn can increase sales and product innovation. Also not in line with the findings of Chen and Tseng expressed (2005) in his study investigating the relationship between corporate business partners large and small companies stated that the business partners significantly influence the cost efficiency of the company's performance.

Not unidirectional these findings with theoretical data obtained is less able to describe a business partnership in total. Judging from most of the answers given by the respondents partnership negatively affect business success, this partnership makes employers consider not just something that is so beneficial that is directly opposite a negative effect on the success of

their business. Not influential partnership implementation efforts towards business success of small industrial companies such clothing does not mean it is not useful in increasing the success of small business, however, affect the ability of the business. Some indications are as follows. First, the implementation of business partnerships that have a positive influence on the ability of the business.

5.10.7. Influence on Government Regulation of the Ability of a Business

From the results of the descriptive analysis found small clothing industry entrepreneurs in East Java, in general have the ability to attempt the high criteria (89.7%). The high ability of small business entrepreneurs industry is supported by the high business knowledge, positive attitude and high skills and emotional maturity as attributes. In this case only 11.3% of small industrial entrepreneurs who have the knowledge, attitudes, skills and emotional maturity to his efforts in the low category. Through the analysis of SEM (Structural Equation Modeling) found the ability of small business entrepreneurs industry is influenced by government regulations. From this finding government regulations are measured through indicators: licensing, tariffs, quotas and provision of market information. These four indicators are jointly able to explain the variable and of these four indicators are best able to explain the variable is the provision of quota, tariff reduction, ease of licensing and most recently was market information.

It can be concluded that the test results with analytical SEM (Structural Equation Modeling) via AMOS 4.0 program shows that the positive effect of government regulation on the ability of business. This means that the research hypothesis stating government regulations affect

the ability of small business and clothing industry in the province of East Java received.

These findings suggest that the results are in line with what is mentioned by Sullivan (2002) in his research that the majority of companies controlling the risk of getting a positive result of which tend to hire a lot of employees and beneficial in the development and regulation of its business with aggressive and behavioral changes can be beneficial to one's employer (attitudes, knowledge and skills). Government support in the form of licensing, tariff, quota provision, policy or other market information for example about the ease of licensing policy permits both business development and delivery of goods is highly motivated entrepreneurs of small clothing industry in the operations. If permits are hard to come, even if there are very complicated and convoluted requirements, causing small clothing industry employers have no need of achievement which is an element of the formation of business capabilities. In a monopolistic competitive market conditions, the government's role in the small business industry is still efficient and effective clothing. Intervention that can be done is in licensing, tariff setting, the provision of quotas and access to market information is needed. This would make an employer want to have the attitude to entrepreneurship.

With these findings, meaning the higher the interference of the government in providing market information, simplify licensing, and provision of quota tariff cut will encourage business to develop the capacity of the (entrepreneurial). Because motivation is related to the needs (Buford, 1988), means that the lower the government's intervention the lower the person's motivation to become entrepreneurs. With low motivation to become entrepreneurs will decrease the level of business

capability. It can be concluded that in order to improve the ability of business entrepreneurs of small industries related to licensing, tariffs, quotas and provision of market information, the government can take measures as follows.

First, the necessary simplification of permits and tariff reduction or elimination of other types of local taxes and levies those are not obvious to the function and purpose of the collection of small industries.

Secondly, necessary to access the market with small industrial employers include clothing participate in overseas trade fairs.

Third, the necessary restrictions on the entry of foreign products and clothing, for example: prohibit importation of used clothing, shoes and restrict the entry of footwear.

With the ease of government policy in the form of licensing, tariff reductions, market information and the provision of quotas in favor of small industrial business, the company is expected to issue needs to be addressed, so that companies are better able to compete, especially if it is associated with free trade (Fisseha, 1994:3). These problems have been recognized by the government for this, so the problem is the existence of small companies still needs to be considered (Wardaya, 1995:15). Policies to improve small business into a formidable businessman remains programmed, although government policy seems not shown optimal results, so the government policy to target small companies still need to be improved from year to year (Regional Kop. KDP and East Java, 1996:6)

5.10.8. Influence of Government Regulation on the Success of the Business

The test results with the program AMOS 4.0 shows that the effect of government regulation on the success of the business is not significant.

This means that the hypothesis which states that government regulation does not affect the success of a small business company employee clothing industry in East Java Province rejected.

These findings indicate that the results are not in line with what is uttered by Rasiah (2002), entitled Government coordination and small enterprise business performance in the machine tools sector in Malaysia, the results indicate that government regulation will distinguish successful small and medium-sized business. Self-government is proactive in supporting developing small and medium business in the form of public training and provide market information greatly affect the success of small and medium-sized business. This means that with the ease of licensing, tariff reduction, the provision of quotas and market information intended for small industrial entrepreneurs, employers will benefit in business. Such as increased production, increased efficiency, increased product type. Not influential government regulations on small business success does not mean the industry is not government regulations beneficial to the company. However, government regulations affecting the ability of the business, which has a positive effect on the ability of business improvement business success, so it can be inferred indirectly, government regulations, will affect the success of the business.

5.10.9. Influence of the Ability of a Business to the Success of the Business

From the results of the descriptive analysis found that the small entrepreneurs clothing industry in East Java in general (98.85%) expressed successfully do business with indicator comprised of efficiency of production and the expansion of production.

Through the analysis of SEM (Structural Equation Modeling) found that, the capacity of the positive effect on the success of small business Industry (through indicators of production efficiency and the expansion of production). While the ability of business is measured through indicators: knowledge, attitudes, skills and emotional maturity entrepreneurs. These four indicators are most able to explain the attitude, emotional maturity, skills and knowledge most recently.

These findings indicate that the results are in line with what is uttered by Pickle (1989) in his research stated that, 5 personality characteristics that contribute the success of small business, namely: (1) drive, (2) mental ability, (3) human relations abilities, (4) communications abilities, and (5) technical knowledge. This finding is also in line with Bufford (1988) and Steers (1991) that performance is influenced by factors of ability, motivation, and role clarity. Because one of the realization of the performance of a small industrial entrepreneurs as managers of the company is its business success.

The findings of these studies demonstrate the capability of the business to have an influence on the success of small business business clothing industry. Behind these findings suggest that aspects of the business's ability to have an important role in influencing the success of small business business clothing industry. This is in line with Steinhoff (1982) and Pickle (1989) who stated one of the requirements of small business success is a personal characteristic that is a strong desire or urge to act and the ability to act. Because all of this is basically a business capability. So is the Beach (1980) which states to operate an organization, whether large or small, competent employees required. Because the

concept of employees, including the small industrial entrepreneurs as manager of his company.

These findings also support the results of the study Luke (1996) who found an important variable determining the success of "Small Business" in Hong Kong, namely: the willingness to work hard, willpower in achieving goals, good decision-making skills, good personal relationship skills, analytical skills well, the so-called personal factors; skills to manage a good product can motivate workers called factors management; willingness achieve same target, can respond to market changes, and the serving skills well, called product and market, and company factors. Due to various aspects of the findings Luke is basically an indicator of ability.

With the possession of adequate capability (the ability of business), the understanding of what the authority and responsibility, as well as the presence of a strong impetus coupled inner small industrial entrepreneurs to conduct their business activities, they will be diligent in work, hard work, full of initiative and creativity as well as responsibility and authority to perform the task. With these conditions will tend to increase customer satisfaction, which in turn is headed towards business success.

With the state means business capability variables has an important role to the success of small business business clothing industry, but in influencing the success of the business should be run together with the three other indicators. Small industrial entrepreneurs have adequate business skills can be difficult to increase the success of its business, without having a strong willingness of the company to carry out its activities in the (attitude). Likewise small industrial entrepreneurs who have the will, it is difficult to increase the success of his company without

a business have the skills and knowledge to work and know what to do according to the task and authority.

These findings are in line with Bufford (1988) which states human motivation based on the strength of impulse, desire, will, and similar powers called needs. Because some of the needs of a small industrial entrepreneur as manager of the company related to the tasks become responsibilities in the company are as follows. First, the ability to perform job duties (business capabilities). Needs ability to perform the job duties include groups of motivation factors in the two-factor theory of Herzberg's needs, self esteem needs in Maslow's theory of needs, and Growth in the need of Aldefer theory ERG needs. Because of these needs include motivation group, then if met will increase his will. Second, clarity about what needs to be done. It's like Bufford stated (1988:145) that "to perform effectively, a person must understand what the job is (role clarity)". By having clarity of what to do, then the employer will not hesitate to act so as to drive his will. With the increase willingness in turn will increase the success of the business as a realization of the performance.

This finding is in line with the Justis (1981) that the development of small industrial business stance on clothing will be more powerful than the big companies. It shows that the small industrial companies clothing entrepreneur attitude how important this aspect of the effort. In this connection further Justis states the customer is always right and the employees will be friends. So as small industrial entrepreneurs must have subscription selfishness than others, and respect as fellow employees (not as a subordinate). According to experts and researchers, for the purpose of enhancement of positive attitudes, manual methods (sensitivity training) and play the role of king-effectiveness rang occupy the first and second

(Leap, 1990). These findings support the results of the study Lin (1998) that the success of small and medium business in Taiwan is more determined by the human attitude towards his business than his attitude towards technology.

Noting the complexity of the problems faced by small business, especially small industry clothing, as described above, then the empowerment of small industries that the government will not be achieved in improving the ability of business and business success, if a low-level concern and their support is half-hearted, as which is reflected by the attitude and actions of the government during this time. Required empowerment that is comprehensive and integrated to solve various problems and obstacles faced by small industrial business which includes a small clothing industry. Such efforts should be directed to the ongoing structural changes (structural transformation) is intended to strengthen the position and role of small industries in the national economy. Such changes include the change from a traditional economy to a modern economy, from subsistence economy to a market economy, from dependence to independence and from the weak economy to a tough economy. In an effort to empower small clothing industry, the required presence of a number of new government policies that favor small industrial business. In connection with government subsidies and a significant positive effect on the ability of efforts and success of small business clothing industry. This means that government subsidy programs have a significant role in improving the ability of efforts and success of small business clothing industry.

5.11. Limitations of Research

There are a number of limitations in this study, are as follows:

1. The relationship between changes in the ability of efforts and success of small industrial business with the government's empowerment as measured by education and training, partnerships and assistances and government regulation, there is also likely influenced by other gauges.
2. This study is only based on a small industrial business and limited clothing in East Java province, so that the results of this study cannot be used as a basis for generalization.
3. The approach used in this study is the collection of quantitative data through questionnaires. Fully realized to obtain data about the activities and attitudes, the quality of the data obtained by questionnaire technique is largely determined by the honesty of respondents in providing answers. The possibility of dishonesty respondents in providing answers.
4. Measurement variables and the business capabilities of business success is based solely on the perception of the entrepreneur alone, not by observation or measurement techniques other more measurements can provide more objective results.
5. Because of his complex analytical methods used then requires each equation needs to be identified in advance and in this study was not able to identify a number of indicators that should be excluded from the model including; attractiveness, capital cooperation, infra structure, profitability and public trust because they do not qualify alignment models.

Chapter VI

Conclusions, Recommendations and Directions for Future Research

In this chapter will be described: (1) conclusions, (2) the suggestions and (3) the direction of the future research as follows:

6.1. Conclusion

Based on the research and discussion that has been done above, it can be concluded as follows:

1. Education and training by the government (as seen from the charisma of a teacher, teaching team coordination, precision teaching methods, motivation and suitability of the material to follow) positive effect on the ability of the business. Thus, to improve the ability of business (knowledge, attitudes, skills and emotional maturity) then the first, required a charismatic lecturer who has the ability to make the participants were amazed, intrigued and wanted to follow him. Second, it requires good cooperation between the teaching team. Teaching team cooperation will influence the coordination of tasks and planning, problem solving and communication skills. So as to meet the needs of the participants. Third, using appropriate teaching methods. To enhance the ability of participants, the use of the method according to the needs of participants is indispensable. Fourth, beginning instructors need to explain the importance of teaching material will be provided to participants so as to increase his needs.
2. Education and training by the government's does not affect the success of business. Education and training here measured through (charisma, a teacher, team teaching, precision teaching methods, motivation and

suitability of the material to follow) while business success is measured through the (efficiency of production and the expansion of production). A not influential partnership implementation effort towards business success of small industrial companies such clothing does not mean it is not useful in increasing the success of small business. But more due to programs that affect the success of small business indirectly (through other variables). Such, the implementation of education and training has a positive effect on the ability of the business, while the business capabilities have a positive influence on the success of the business,

3. Government Assistance (subsidies views of management, engineering, finance, direction and guidance) positive effect on the ability of the ability of a business and also the success of the business. The fifth indicator of the government subsidies are the most capable of representing technical assistance, and guidance, followed by management, financial aid and most recently guidance. To improve the ability of business and industrial entrepreneurs of small business success with regard to assistance from the government, the government may take measures as follows. First, priority to technical assistance from the government with the help of the use of technology in the field of doing government officials will be able to improve the business and are also able to increase the success of small business entrepreneurs clothing industry. Second, management assistance to help management to facilitate entrepreneurs in business planning, especially if associated with marketing planning. Third, financial aid, government assistance in the form of financial assistance provided can serve to overcome and reduce the difficulty in trying. Fourth, support the direction and guidance of the field officers in the presence of field officers who

provide direction and guidance of entrepreneurs will be able to run the business with both.

4. Business Partnership by the government (which is shown by a trade cooperation, subcontracting, vendors, technology cooperation and networking efforts) positive effect on the ability of the business (which is visible from the knowledge, attitudes, skills and emotional maturity). Of the five indicators of the business partnership is best able to explain the co-operation of trade, business networking, subcontracting, vendors and the most recent technological cooperation. Employers who enter into a cooperative network of business partners will be able to improve their ability and add insight. Often associated with other people and the extent of external communication is done very closely related to the ability of the business. With frequent touch with people or other parties, insight will expand an entrepreneur, the higher the emotional maturity, self-confidence will increase and can increase motivation so that they will find ways to improve their skills. This means dealing with other people, both individually and collectively will be able to improve one's business.
5. Government business partnership does not affect on the success of the business, the business partnership of cooperation trade, subcontracting, vendors, technology cooperation and business networking business success was seen from the efficiency of production and the expansion of production. Not influential partnership implementation efforts towards business success of small industrial companies such clothing does not mean it is not useful in increasing the success of small business, however, affect the ability of the business. Some indications are as follows. First, the implementation of business partnerships that

have a positive influence on the ability of the business. Second, an employer considers that the implementation of the partnership only benefit big business because small business owners feel just exploited it.

6. Government regulation (seen from licensing, tariffs, quotas and provision of market information) positive effect on the ability of the business. The fourth indicator of the government regulations that are best able to explain the provision of quota, tariff reduction, ease of licensing and the most recent is the market information, while the ability is measured through indicators of business knowledge, attitudes, skills, and emotional intelligence. These four indicators are best able to explain the variable is attitude, intelligence emotional, skills and knowledge. Government support in the form of ease of licensing, tariff reduction, provision of quotas, market information is very motivating small entrepreneurs clothing industry in business. If licensing is hard to come by or existing conditions, which is very complicated and convoluted, the tariff is too high, there is less market access, this will cause a small industrial entrepreneurs have no need of achievement which is an element of the formation of the ability of a business.
7. Government regulations do not affect the success of the business, governmental regulations with indicators of the ease of licensing, tariff reductions and market information to business success indicator variable production efficiency and expand production. A not influential government regulation on small business success does not mean the industry is not government regulations beneficial to the company. However, the positive effect of government regulation on the ability of business which are intermediate variables, where the capacity of the

positive effect on improvement of business success, so it can be inferred indirectly government regulations will affect the success of the business.

8. The ability of the business (through indicators of knowledge, attitudes, skills and emotional maturity) positive effect on the success of small business industry (the views of the efficiency of production and the expansion of production). Behind these findings suggest that aspects of the business's ability to have an important role in influencing the success of small business clothing industry.
9. The most dominant factor affecting the ability of the business is education and training. Advantage of education and training can be beneficial to a person's behavior changes employers (attitude, emotional maturity, skills and knowledge). Higher education and training role in influencing the ability of business entrepreneurs is determined by five indicators, namely, the charisma of a teacher, teaching team coordination, precision teaching methods, motivation and suitability of the material to follow.
10. The most dominant factor affecting the success of small business is the ability of the business industry. The high ability of business in influencing the success of small industries is largely determined by the four indicators of attitudes, emotional maturity, skills and knowledge.

Based on the above, we can conclude that it is more concise empowerment by the government in the form of (education and training, government assistances, business partnerships and government regulation) have a positive influence on the success of small business clothing industry in East Java as follows.

First, the implementation of the government's empowerment in the form of (education and training, business partnerships and government regulations) affecting the success of small industries indirectly, i.e. through increased business capabilities. Here the ability of business to have a direct influence and the highest total effect on the success of small business clothing industry, while government subsidies have a direct effect and total effect on the second to the success of small industrial business.

Second, Against the ability of business, the empowerment of the government in the form of education and training contributed to the third highest amongst the other variables in this study (government assistances, business partnerships and government regulations), while empowering the government in the form of government regulation which both contribute to the ability of the business, government assistances contributed to third and business partnerships that contribute to the ability of the four business. Judging from the sub-variable (indicator) This study shows the following: First, in an effort to increase the success of small industrial business through business skills, a positive attitude toward his business entrepreneurs have the highest role than the other three indicators (emotional maturity, skills and knowledge), maturity emotional employers to attempt to have the second highest role, while the third has a role skills and who have knowledge of the role of the latter. Meanwhile, in an effort to increase the success of small industrial business through government assistance, technical assistance from the government has a role higher than the other three indicators and followed management assistance, financial assistance, guidance and counseling assistance. Second, in an effort to

improve the ability of business through programs of education and training, and charisma of a teacher teaching teamwork should be a top priority with the second leaving other aspects, the choice of the appropriate method on the selection of training and training materials to suit the needs of the participants (entrepreneurs). Meanwhile, in an effort to improve the ability of efforts by government regulations, the provision of quota, tariff reduction and ease of licensing that a top priority, followed by information about the needs of the market. In an effort to improve the ability of business through government grants, technical assistance from the government has a role higher than the other three indicators followed guidance assistance, management assistance, financial assistance and guidance. Meanwhile, in an effort to improve the ability of business through business partnerships, trade cooperation and business networks have the most important role followed by the sub-contract, vendor and technology cooperation.

6.2. Suggestion

One of the important findings in this study revealed that the empowerment of the government which includes: education and training, support, business partnerships and government regulations are the key factors that affect the ability of the business. While the capacity of the key factors affecting the success of small industrial business. So as to increase the success of small industrial business with indicators of production efficiency and the expansion of much needed empowerment of the government in the form of education and training, government regulation, government assistance and business partnership. With these findings would be useful not only for the development of economic science, especially the theory of empowerment of small producers, but

also can provide a solution that is good enough for the government. To the researchers gave suggestions as follows:

First, the success of small industries and business affected by the ability of government assistance. On the other hand the high ability of business entrepreneurs donated from the government in the form of empowerment (education and training, government regulation, government assistances and business partnerships). This means that government development programs have a significant role in increasing the success of small industrial business. It is therefore recommended to the Government of the Republic of Indonesia to:

1. Consistent in making small business development policies between the political commitment to the implementation of operations among various parties / relevant authorities include: support resources, infrastructure / facilities support, technical assistance, incentives and ease of treatment (facilities)
2. In applying the small industries development programs take into account the feasibility of objects built according to the specific conditions in the field and the resource
3. In making small industry development programs, particularly education and training, assistances, business partnerships and regulations tailored to the real needs of the surrogate object
4. In solving the problems faced by small industries, particularly education and training, assistances, business partnerships and regulations in order to be integrated, so as to provide a more meaningful way out and can be implemented by employers.

5. Monitor, evaluate and in-depth attention to the implementation of empowerment, particularly education and training, assistances, business partnerships and regulations, in order to determine the next action to be taken.
6. Socializing on the usefulness of coaching and mentoring programs in order not to create dependency entrepreneur entrepreneurs.

Second, look to the indicators (education and training, government regulation, government assistance and partnership) on the ability of efforts and success of small industrial business, it is necessary advised to:

1. Business education and training programs to better prioritize and charisma of a teacher teaching teamwork without leaving the other two aspects, namely the selection of appropriate methods in the selection of training and training materials to suit the needs of the participants (entrepreneurs).
2. Regulators in order to prioritize the provision of quota, tariff reduction and ease of licensing then the information needs of the market.
3. Business assistance programs to better prioritize technical assistance and guidance (mentoring) and management assistance, financial assistance and guidance.
4. Business partnership program, in order to prioritize trade cooperation and business networks then sub-contract, vendor and technology cooperation.

6.3 Referrals for Upcoming Research

Based on the research conclusions as well as some limitations of the study as described in the previous chapter, it is expected that future

studies both in terms of the current state of research done and methods used are as follows:

1. This study links between changes in the ability of efforts and success of small industrial business with the government's empowerment is measured only by a factor of education and training, partnerships and assistances and government regulations. Therefore, similar studies need to be done by adding other factors, for example the protection of government and culture, so as to know the role of each of these factors in improving the ability of business and business success.
2. Collecting data in this study through a questionnaire, in this technique the possibility of dishonesty respondents in providing answers therefore need to apply other data collection techniques such as interviews, or observation, so the results can be used as a comparison with the results of this study.
3. For the measurement of the data is not expected to be based on perception alone but uses other measurements, so that the results can be used as a comparison with the results of this study.
4. In this study there are some indicators that cannot be used to explain such variable, the attraction (of the variable education and training), capital cooperation (of variable business partnership), infra structure (of government regulation variables), profitability and public confidence (of variable success of the business). Therefore, further research needs to be done by incorporating these indicators in order to determine its effect on the ability of business and business success.

5. In this study the observations made are cross-sectional. Therefore, future research could be directed to explain in detail and longitudinally about empowering the government's influence on the success of the business.
6. In further research when using the SEM method should wear a complete model and cultivated throughout all incoming indicators, none of which were excluded from the model.

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Appendix 1: Questionnaire

A list of Questionnaires

This questionnaire is used for scientific research related to the development of science because the data is needed then you are asked to provide actual data, with the guarantee that your identity be kept confidential, this questionnaire will not be used for other purposes that may harm you. Thank you for your time and participation request that you provide.

General Instructions:

1. The answer based on the condition of the brothers during the last three years, except for participation in government programs (education, training and development) and education in a state founded on Br since its formation.
2. In particular choice questions, answered by giving a "v"

I. Characteristics Of Respondents

1. Age
2. the duration of the company getting the empowerment of government established in the year
3. Last Education:

II. Education And Training (X1)

Disagree 1. 2. 3. 4. 5. Strongly agree

Answers 1 if it does not agree (almost absolutely do not agree)

Answers 2 if less agree (likely to disagree than agree)

FAQ 3 if enough (between agree and disagree),

Answers 4 if agree (likely to agree than disagree)

FAQ 5 if strongly agree (almost absolute absolutely agree or disagree)

During the education and training activities undertaken by the government, if you often do the following things?

Motivation to Follow (X11)

1. Are you coming?
2. Are you trying to not be late in submitting assignments?
3. Do you follow the activities to complete?

Suitability Material (X12)

4. Is the material provided in accordance with the requirement to perform a task in the company of Mr.?
5. Is the material provided in accordance with the guidance you need to perform the task in the company?
6. Is the material provided you can apply at the company?

Appropriateness Method of Teaching (X13)

7. Do you feel attracted to what is conveyed by the instructor?
8. Are you able to understand what is conveyed by the instructor?
9. Are you interested in how to deliver the material the instructor?

Teacher Teamwork (X14)

10. Whether in teaching, teaching team always arrive on time?
11. Is the training activities, teaching team always arrive on time?
12. Are instructors understand the tasks in charge?

Fascination (X15)

13. Are you interested in the ability of the instructor?
14. Are you interested in the style of delivery of the instructor?
15. Is not long enough meeting time?

Charismatic (X16)

16. Are you interested in instructors who have experienced?
17. Do you prefer the first instructors introduced?
18. Are you interested in the highly educated instructors?

III. Government Assistance

Disagree 1. 2. 3. 4. 5. Strongly agree

Answers 1 if it does not agree (almost absolutely do not agree)

Answers 2 if less agree (likely to disagree than agree)

FAQ 3 if enough (between agree and disagree),

Answers 4 if agree (likely to agree than disagree)

FAQ 5 if strongly agree (almost absolute absolutely agree or disagree)

Management (X21)

1. Is financial planning assistance provided by the government has met the needs of your company?
2. Does logistics planning assistance provided by the government has met the needs of your company?
3. Is the administration planning and marketing assistance provided by the government has met the needs of your company?

Engineering (X22)

4. Is aid the application of a new machine provided by the government has increased the mobility of your company?
5. Is new equipment assistance provided by the government has increased the mobility of your company?
6. Is maintenance and repair assistance given by the government has increased the mobility of your company?

Finance (X23)

7. Is the purchase of raw material aid given by the government to meet the needs of your company?
8. Is the provision of down payment assistance in the purchase of raw materials supplied by government has fulfilled the needs of your company?
9. Is help direct payments payable provided by the government has met the needs of your company?

Briefing (X24)

10. What is the explanation from the government about the importance of beneficial management for your company?
11. What is the explanation from the government on the importance of applied technology beneficial for your company?
12. What is the explanation from the government about the importance of marketing is beneficial for your company?

Guidance (X25)

13. Is the use of the guidance system provided by government organizations have met your needs?

14. Is guidance systems use human resources provided by the government has met your needs?

15. Is the use of the guidance system provided by government organizations have met your needs?

IV. Business Partnership

Disagree 1. 2. 3. 4. 5. Strongly agree

Answers 1 if it does not agree (almost absolutely do not agree)

Answers 2 if less agree (likely to disagree than agree)

FAQ 3 if enough (between agree and disagree),

Answers 4 if agree (likely to agree than disagree)

FAQ 5 if strongly agree (almost absolute absolutely agree or disagree)

Trade (X31)

1. You agree that, cooperation in providing the raw materials that the government has given beneficial for your company?

2. You agree that you are cooperative sales of goods the government has given beneficial for your company?

3. You agree that, the distribution of your goods the government has done beneficial for your company?

Subcontracting (X22)

4. You agree that, cooperation in providing raw materials for the company's government-appointed beneficial for your company?

5. You agree that, cooperation in providing raw materials for the company appointed government always meet their needs?

6. You agree that, cooperation in providing raw materials for the company appointed government always paid in accordance with the agreement?

Vendor (X23)

7. You agree that the finished goods are sold to the partner company to your liking?
8. You agree that payments made timely partner company?
9. You agree that, with a partner company, your products are always increasing?

Cooperation Technology (X24)

10. You agree that, collaboration technology that has been done by the government always meet the needs of your company?
11. You agree that, collaboration technology that has been done by the government to follow?
12. You agree that, collaboration technology that has been done by the government to improve the continuity of your company?

Business Network (X25)

13. You agree that, market information has been provided by the government always meet the needs of your company?
14. You agree that, the price of information has been provided by the government is always in accordance with the needs of your company?
15. You agree that, the distribution of finished goods that have been done by the government is always in accordance with the wishes of your company?

Capital (X26)

16. You agree that, capital division in collaboration with the government always liking your company?
17. You agree that, in cooperation with the profit-sharing government always liking your company?
18. You agree that, in the determination of the amount of capital the government-appointed business partners are always in accordance with the wishes of your company?

V. Government Regulation

Disagree 1. 2. 3. 4. 5. Strongly agree

Answers 1 if it does not agree (almost absolutely do not agree)

Answers 2 if less agree (likely to disagree than agree)

FAQ 3 if enough (between agree and disagree),

Answers 4 if agree (likely to agree than disagree)

FAQ 5 if strongly agree (almost absolute absolutely agree or disagree)

Permitting (X41)

1. You agree that, bureaucratic processing of permits by the government in accordance with your wishes?
2. You agree that you get permission from the government in accordance with the needs of your company?
3. You agree that, human resources support from the government of your company?

Rates (X42)

4. You agree that the tariff set by the government in accordance with your wishes?

5. You agree that the tariff set by the government to support your production?

6. You agree that the tariff set by the government expedite your business?

Provision Quota (X43)

7. You agree that, barring major industrial products are set by the government in accordance with your wishes?

8. You agree that, granting the freedom of small clothing industry set by the government to support your production?

9. You agree that, barring major industrial products are set by the government expedite your business?

Market Information (X44)

10. You agree that, the introduction of your product to the customer by the government in accordance with your wishes?

11. You agree that you always get the customer information from the government?

12. You agree that, information requests from government in accordance with your wishes?

Infra Structure (X45)

13. You agree that, urban planning set by the government in accordance with your wishes?

14. You agree that, transport facilities and infrastructure established by the government in accordance with your wishes?

15. You agree that, market infrastructure established by the government in accordance with your wishes?

VI. The Ability of Business

Very little 1. 2. 3. 4. 5. Numerous

Answers 1 if very little (almost nothing or absolutely no)

Answers 2 if a (likely less than many)

FAQ 3 if enough (the few and many),

Answers 4 if many (likely more than a little)

FAQ 5 if a lot of responsibility (almost all or all absolute)

During empowerment by the government, whether you acquire or do the following?

Knowledge (Y11)

1. Do you have knowledge in accordance with your business?
2. Do you identify problems quickly work?
3. Do you foster employee who made a mistake?

Attitude (Y1.2)

4. Are you in the running of the company, you feel happy?
5. Are you able to receive, when there is a buyer who complained?
6. Are you a buyer when there is chatty, still cheerful?

Skills (Y1.3)

7. Are you seeking a good raw material?
8. Do you make decisions quickly?
9. Are you making the right decisions?

Emotional Intelligence(Y1.4)

10. Are you able to adapt to existing circumstances?
11. Are you able to control the feelings less in accordance with the heart?
12. Are you sensitive to the state of the environment of the company

VII. The Success of Business

Ugly 1. 2. 3. 4. 5. Excellent

Answers 1 if ugly (almost no or absolutely no good)

Answers 2 if bad (there are many who tend ugly than good)

FAQ 3 if enough (between bad and good),

Answers 4 if either (which tend to be much better)

FAQ 5 if either once (almost all either good or absolute)

During empowerment by the government, whether you acquire or do the following?

Production Efficiency (Y2.1)

1. How to achieve production targets your company?
2. How developmental reduction in the amount of raw material needs of your company?
3. How the development needs of the workforce reduction in your company?
4. How is the development of your company's production cost reduction?
5. How to seek the products according to market demands your company?
6. How to adjust the time by a willingness subscription your company?

Expansion of Production (Y2.2)

7. How is the development of your company's production number?

8. How is the development of improvements to your company?
9. How the growing amount of assets your company?
10. How is the development of your company's product sales?
11. How is the development of your company's fulfillment of customer demand?
12. How is the development of your company's own capital improvement?

Profitability (Y2.3)

13. How does the development of an increase in net profits of your company?
14. How to decline a loan company that has not paid off your company?
15. How is the development of your company increased revenue?
16. How is the development of products your company?
17. How does your company cost reduction campaign?
18. How does your company's distribution cost reduction?

Public Trust (Y2.4)

19. How the fulfillment of the customer is needs your company?
20. How does an increase in sales volume of your company?
21. How does an increase in the selling price of your company?
22. How does an increase in demand for your company's products?
23. How to market your company's expansion?
24. How is the increase in the market segment of your company?

Appendix 2: Data Frequency Respondents Answer

EDUCATION AND TRAINING

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	59.00	3	1.7	1.7	1.7
	61.00	4	2.3	2.3	4.0
	62.00	7	4.0	4.0	8.0
	63.00	6	3.4	3.4	11.5
	64.00	5	2.9	2.9	14.4
	65.00	4	2.3	2.3	16.7
	66.00	11	6.3	6.3	23.0
	67.00	9	5.2	5.2	28.2
	68.00	8	4.6	4.6	32.8
	69.00	12	6.9	6.9	39.7
	70.00	8	4.6	4.6	44.3
	71.00	9	5.2	5.2	49.4
	72.00	7	4.0	4.0	53.4
	73.00	9	5.2	5.2	58.6
	74.00	6	3.4	3.4	62.1
	75.00	16	9.2	9.2	71.3
	76.00	15	8.6	8.6	79.9
	77.00	5	2.9	2.9	82.8
	78.00	9	5.2	5.2	87.9
	79.00	4	2.3	2.3	90.2
	80.00	3	1.7	1.7	92.0
	81.00	5	2.9	2.9	94.8
	82.00	6	3.4	3.4	98.3
	83.00	3	1.7	1.7	100.0
	Total	174	100.0	100.0	

Motivation to follow

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10.00	19	10.9	10.9	10.9
	11.00	21	12.1	12.1	23.0
	12.00	30	17.2	17.2	40.2
	13.00	40	23.0	23.0	63.2
	14.00	34	19.5	19.5	82.8
	15.00	30	17.2	17.2	100.0
	Total	174	100.0	100.0	

Suitability Material

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	8.00	10	5.7	5.7	5.7
	9.00	14	8.0	8.0	13.8
	10.00	21	12.1	12.1	25.9
	11.00	24	13.8	13.8	39.7
	12.00	29	16.7	16.7	56.3
	13.00	26	14.9	14.9	71.3
	14.00	31	17.8	17.8	89.1
	15.00	19	10.9	10.9	100.0
	Total	174	100.0	100.0	

Appropriateness Method of Teaching

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	9.00	22	12.6	12.6	12.6
	10.00	28	16.1	16.1	28.7
	11.00	30	17.2	17.2	46.0
	12.00	34	19.5	19.5	65.5
	13.00	21	12.1	12.1	77.6
	14.00	23	13.2	13.2	90.8
	15.00	16	9.2	9.2	100.0
	Total	174	100.0	100.0	

Teacher Teamwork

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	8.00	13	7.5	7.5	7.5
	9.00	15	8.6	8.6	16.1
	10.00	18	10.3	10.3	26.4
	11.00	29	16.7	16.7	43.1
	12.00	27	15.5	15.5	58.6
	13.00	30	17.2	17.2	75.9
	14.00	19	10.9	10.9	86.8
	15.00	23	13.2	13.2	100.0
	Total	174	100.0	100.0	

Fascination

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	8.00	11	6.3	6.3	6.3
	9.00	25	14.4	14.4	20.7
	10.00	24	13.8	13.8	34.5
	11.00	41	23.6	23.6	58.0
	12.00	21	12.1	12.1	70.1
	13.00	20	11.5	11.5	81.6
	14.00	18	10.3	10.3	92.0
	15.00	14	8.0	8.0	100.0
	Total	174	100.0	100.0	

Charismatic

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	7.00	12	6.9	6.9	6.9
	8.00	9	5.2	5.2	12.1
	9.00	11	6.3	6.3	18.4
	10.00	14	8.0	8.0	26.4
	11.00	25	14.4	14.4	40.8
	12.00	30	17.2	17.2	58.0
	13.00	26	14.9	14.9	73.0
	14.00	30	17.2	17.2	90.2
	15.00	17	9.8	9.8	100.0
	Total	174	100.0	100.0	

GOVERNMENT SUBSIDIES

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	41.00	1	.6	.6	.6
	43.00	1	.6	.6	1.1
	44.00	1	.6	.6	1.7
	45.00	2	1.1	1.1	2.9
	46.00	4	2.3	2.3	5.2
	47.00	8	4.6	4.6	9.8
	48.00	1	.6	.6	10.3
	49.00	4	2.3	2.3	12.6
	50.00	9	5.2	5.2	17.8
	51.00	7	4.0	4.0	21.8
	52.00	8	4.6	4.6	26.4
	53.00	6	3.4	3.4	29.9
	54.00	15	8.6	8.6	38.5
	55.00	11	6.3	6.3	44.8
	56.00	14	8.0	8.0	52.9
	57.00	18	10.3	10.3	63.2
	58.00	5	2.9	2.9	66.1
	59.00	12	6.9	6.9	73.0
	60.00	6	3.4	3.4	76.4
	61.00	7	4.0	4.0	80.5
	62.00	10	5.7	5.7	86.2
	63.00	5	2.9	2.9	89.1
	64.00	5	2.9	2.9	92.0
	65.00	5	2.9	2.9	94.8
	66.00	2	1.1	1.1	96.0
	67.00	4	2.3	2.3	98.3
	68.00	2	1.1	1.1	99.4
	69.00	1	.6	.6	100.0
	Total	174	100.0	100.0	

Management

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	8.00	17	9.8	9.8	9.8
	9.00	13	7.5	7.5	17.2
	10.00	25	14.4	14.4	31.6
	11.00	24	13.8	13.8	45.4
	12.00	35	20.1	20.1	65.5
	13.00	31	17.8	17.8	83.3
	14.00	18	10.3	10.3	93.7
	15.00	11	6.3	6.3	100.0
Total		174	100.0	100.0	

Engineering

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	8.00	17	9.8	9.8	9.8
	9.00	18	10.3	10.3	20.1
	10.00	28	16.1	16.1	36.2
	11.00	28	16.1	16.1	52.3
	12.00	27	15.5	15.5	67.8
	13.00	21	12.1	12.1	79.9
	14.00	19	10.9	10.9	90.8
	15.00	16	9.2	9.2	100.0
Total		174	100.0	100.0	

Finance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	9.00	27	15.5	15.5	15.5
	10.00	30	17.2	17.2	32.8
	11.00	28	16.1	16.1	48.9
	12.00	25	14.4	14.4	63.2
	13.00	20	11.5	11.5	74.7
	14.00	22	12.6	12.6	87.4
	15.00	22	12.6	12.6	100.0
	Total		174	100.0	100.0

Briefing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	5.00	8	4.6	4.6	4.6
	7.00	11	6.3	6.3	10.9
	8.00	13	7.5	7.5	18.4
	9.00	16	9.2	9.2	27.6
	10.00	16	9.2	9.2	36.8
	11.00	23	13.2	13.2	50.0
	12.00	37	21.3	21.3	71.3
	13.00	22	12.6	12.6	83.9
	14.00	15	8.6	8.6	92.5
	15.00	13	7.5	7.5	100.0
	Total		174	100.0	100.0

Guidance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	7.00	13	7.5	7.5	7.5
	8.00	18	10.3	10.3	17.8
	9.00	35	20.1	20.1	37.9
	10.00	27	15.5	15.5	53.4
	11.00	33	19.0	19.0	72.4
	12.00	22	12.6	12.6	85.1
	13.00	17	9.8	9.8	94.8
	14.00	3	1.7	1.7	96.6
	15.00	6	3.4	3.4	100.0
	Total		174	100.0	100.0

BUSINESS PARTNERSHIP

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	40.00	1	.6	.6	.6
	45.00	1	.6	.6	1.1
	48.00	1	.6	.6	1.7
	49.00	1	.6	.6	2.3
	50.00	3	1.7	1.7	4.0
	53.00	2	1.1	1.1	5.2
	54.00	2	1.1	1.1	6.3
	55.00	1	.6	.6	6.9
	56.00	4	2.3	2.3	9.2
	57.00	2	1.1	1.1	10.3
	58.00	6	3.4	3.4	13.8
	59.00	8	4.6	4.6	18.4
	60.00	8	4.6	4.6	23.0
	61.00	7	4.0	4.0	27.0
	62.00	9	5.2	5.2	32.2
	63.00	8	4.6	4.6	36.8
	64.00	8	4.6	4.6	41.4
	65.00	10	5.7	5.7	47.1
	66.00	9	5.2	5.2	52.3
	67.00	3	1.7	1.7	54.0
	68.00	5	2.9	2.9	56.9
	69.00	7	4.0	4.0	60.9
	70.00	7	4.0	4.0	64.9
	71.00	12	6.9	6.9	71.8
	72.00	9	5.2	5.2	77.0
	73.00	1	.6	.6	77.6
	74.00	6	3.4	3.4	81.0
	75.00	4	2.3	2.3	83.3
	76.00	8	4.6	4.6	87.9
	77.00	6	3.4	3.4	91.4
	78.00	6	3.4	3.4	94.8
	79.00	3	1.7	1.7	96.6
	80.00	5	2.9	2.9	99.4
	81.00	1	.6	.6	100.0
	Total	174	100.0	100.0	

Trade

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3.00	2	1.1	1.1	1.1
	5.00	12	6.9	6.9	8.0
	6.00	20	11.5	11.5	19.5
	7.00	20	11.5	11.5	31.0
	8.00	17	9.8	9.8	40.8
	9.00	30	17.2	17.2	58.0
	10.00	21	12.1	12.1	70.1
	11.00	16	9.2	9.2	79.3
	12.00	13	7.5	7.5	86.8
	13.00	13	7.5	7.5	94.3
	14.00	5	2.9	2.9	97.1
	15.00	5	2.9	2.9	100.0
	Total	174	100.0	100.0	

Subcontracting

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	5.00	3	1.7	1.7	1.7
	7.00	3	1.7	1.7	3.4
	8.00	9	5.2	5.2	8.6
	9.00	16	9.2	9.2	17.8
	10.00	27	15.5	15.5	33.3
	11.00	26	14.9	14.9	48.3
	12.00	31	17.8	17.8	66.1
	13.00	23	13.2	13.2	79.3
	14.00	22	12.6	12.6	92.0
	15.00	14	8.0	8.0	100.0
	Total	174	100.0	100.0	

Vendor

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	5.00	1	.6	.6	.6
	6.00	2	1.1	1.1	1.7
	7.00	3	1.7	1.7	3.4
	8.00	7	4.0	4.0	7.5
	9.00	14	8.0	8.0	15.5
	10.00	20	11.5	11.5	27.0
	11.00	23	13.2	13.2	40.2
	12.00	21	12.1	12.1	52.3
	13.00	28	16.1	16.1	68.4
	14.00	28	16.1	16.1	84.5
	15.00	27	15.5	15.5	100.0
	Total	174	100.0	100.0	

Cooperation Technology

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3.00	1	.6	.6	.6
	5.00	2	1.1	1.1	1.7
	8.00	3	1.7	1.7	3.4
	9.00	13	7.5	7.5	10.9
	10.00	21	12.1	12.1	23.0
	11.00	30	17.2	17.2	40.2
	12.00	33	19.0	19.0	59.2
	13.00	32	18.4	18.4	77.6
	14.00	23	13.2	13.2	90.8
	15.00	16	9.2	9.2	100.0
	Total	174	100.0	100.0	

Business Network

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	7.00	3	1.7	1.7	1.7
	8.00	4	2.3	2.3	4.0
	9.00	8	4.6	4.6	8.6
	10.00	19	10.9	10.9	19.5
	11.00	9	5.2	5.2	24.7
	12.00	30	17.2	17.2	42.0
	13.00	32	18.4	18.4	60.3
	14.00	37	21.3	21.3	81.6
	15.00	32	18.4	18.4	100.0
	Total	174	100.0	100.0	

Capital

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3.00	9	5.2	5.2	5.2
	5.00	11	6.3	6.3	11.5
	6.00	10	5.7	5.7	17.2
	7.00	9	5.2	5.2	22.4
	8.00	19	10.9	10.9	33.3
	9.00	25	14.4	14.4	47.7
	10.00	21	12.1	12.1	59.8
	11.00	22	12.6	12.6	72.4
	12.00	26	14.9	14.9	87.4
	13.00	11	6.3	6.3	93.7
	14.00	10	5.7	5.7	99.4
	15.00	1	.6	.6	100.0
	Total	174	100.0	100.0	

GOVERNMENT REGULATION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	46.00	2	1.1	1.1	1.1
	47.00	1	.6	.6	1.7
	48.00	3	1.7	1.7	3.4
	49.00	4	2.3	2.3	5.7
	50.00	3	1.7	1.7	7.5
	51.00	8	4.6	4.6	12.1
	52.00	1	.6	.6	12.6
	53.00	2	1.1	1.1	13.8
	54.00	8	4.6	4.6	18.4
	55.00	7	4.0	4.0	22.4
	56.00	4	2.3	2.3	24.7
	57.00	8	4.6	4.6	29.3
	58.00	3	1.7	1.7	31.0
	59.00	5	2.9	2.9	33.9
	60.00	19	10.9	10.9	44.8
	61.00	11	6.3	6.3	51.1
	62.00	10	5.7	5.7	56.9
	63.00	16	9.2	9.2	66.1
	64.00	10	5.7	5.7	71.8
	65.00	10	5.7	5.7	77.6
	66.00	10	5.7	5.7	83.3
	67.00	9	5.2	5.2	88.5
	68.00	5	2.9	2.9	91.4
	69.00	3	1.7	1.7	93.1
	70.00	6	3.4	3.4	96.6
	71.00	2	1.1	1.1	97.7
	72.00	1	.6	.6	98.3
	75.00	3	1.7	1.7	100.0
	Total	174	100.0	100.0	

Permitting

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	5.00	3	1.7	1.7	1.7
	6.00	3	1.7	1.7	3.4
	7.00	9	5.2	5.2	8.6
	8.00	9	5.2	5.2	13.8
	9.00	11	6.3	6.3	20.1
	10.00	22	12.6	12.6	32.8
	11.00	22	12.6	12.6	45.4
	12.00	27	15.5	15.5	60.9
	13.00	28	16.1	16.1	77.0
	14.00	21	12.1	12.1	89.1
	15.00	19	10.9	10.9	100.0
	Total	174	100.0	100.0	

Rates

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	5.00	3	1.7	1.7	1.7
	6.00	2	1.1	1.1	2.9
	7.00	2	1.1	1.1	4.0
	8.00	11	6.3	6.3	10.3
	9.00	11	6.3	6.3	16.7
	10.00	16	9.2	9.2	25.9
	11.00	14	8.0	8.0	33.9
	12.00	26	14.9	14.9	48.9
	13.00	32	18.4	18.4	67.2
	14.00	31	17.8	17.8	85.1
	15.00	26	14.9	14.9	100.0
	Total	174	100.0	100.0	

Provision Quota

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10.00	19	10.9	10.9	10.9
	11.00	23	13.2	13.2	24.1
	12.00	34	19.5	19.5	43.7
	13.00	28	16.1	16.1	59.8
	14.00	37	21.3	21.3	81.0
	15.00	33	19.0	19.0	100.0
	Total	174	100.0	100.0	

InformasiPasar

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	9.00	10	5.7	5.7	5.7
	10.00	15	8.6	8.6	14.4
	11.00	22	12.6	12.6	27.0
	12.00	27	15.5	15.5	42.5
	13.00	36	20.7	20.7	63.2
	14.00	38	21.8	21.8	85.1
	15.00	26	14.9	14.9	100.0
		Total	174	100.0	100.0

Infra Structure

		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	7.00	9	5.2	5.2	5.2	
	8.00	7	4.0	4.0	9.2	
	9.00	15	8.6	8.6	17.8	
	10.00	17	9.8	9.8	27.6	
	11.00	26	14.9	14.9	42.5	
	12.00	32	18.4	18.4	60.9	
	13.00	23	13.2	13.2	74.1	
	14.00	23	13.2	13.2	87.4	
	15.00	22	12.6	12.6	100.0	
		Total	174	100.0	100.0	

BUSINESS SKILLS

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	66.00	2	1.1	1.1	1.1
	67.00	2	1.1	1.1	2.3
	68.00	8	4.6	4.6	6.9
	69.00	1	.6	.6	7.5
	70.00	5	2.9	2.9	10.3
	71.00	7	4.0	4.0	14.4
	72.00	7	4.0	4.0	18.4
	73.00	14	8.0	8.0	26.4
	74.00	17	9.8	9.8	36.2
	75.00	13	7.5	7.5	43.7
	76.00	23	13.2	13.2	56.9
	77.00	10	5.7	5.7	62.6
	78.00	18	10.3	10.3	73.0
	79.00	11	6.3	6.3	79.3
	80.00	10	5.7	5.7	85.1
	81.00	6	3.4	3.4	88.5
	82.00	8	4.6	4.6	93.1
	83.00	5	2.9	2.9	96.0
	84.00	4	2.3	2.3	98.3
	85.00	3	1.7	1.7	100.0
	Total	174	100.0	100.0	

Knowledge

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20.00	18	10.3	10.3	10.3
	21.00	21	12.1	12.1	22.4
	22.00	32	18.4	18.4	40.8
	23.00	39	22.4	22.4	63.2
	24.00	40	23.0	23.0	86.2
	25.00	24	13.8	13.8	100.0
	Total	174	100.0	100.0	

Attitude

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	23.00	4	2.3	2.3	2.3
	24.00	5	2.9	2.9	5.2
	25.00	7	4.0	4.0	9.2
	26.00	10	5.7	5.7	14.9
	27.00	12	6.9	6.9	21.8
	28.00	12	6.9	6.9	28.7
	29.00	20	11.5	11.5	40.2
	30.00	24	13.8	13.8	54.0
	31.00	20	11.5	11.5	65.5
	32.00	20	11.5	11.5	77.0
	33.00	14	8.0	8.0	85.1
	34.00	13	7.5	7.5	92.5
	35.00	9	5.2	5.2	97.7
	36.00	4	2.3	2.3	100.0
	Total	174	100.0	100.0	

Skills

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	9.00	27	15.5	15.5	15.5
	10.00	5	2.9	2.9	18.4
	11.00	54	31.0	31.0	49.4
	12.00	49	28.2	28.2	77.6
	13.00	16	9.2	9.2	86.8
	14.00	13	7.5	7.5	94.3
	15.00	10	5.7	5.7	100.0
	Total	174	100.0	100.0	

Emotional Intelligence

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	9.00	14	8.0	8.0	8.0
	10.00	26	14.9	14.9	23.0
	11.00	33	19.0	19.0	42.0
	12.00	56	32.2	32.2	74.1
	13.00	34	19.5	19.5	93.7
	14.00	11	6.3	6.3	100.0
	Total	174	100.0	100.0	

BUSINESS SUCCESS

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	64.00	2	1.1	1.1	1.1
	65.00	2	1.1	1.1	2.3
	66.00	1	.6	.6	2.9
	68.00	4	2.3	2.3	5.2
	69.00	1	.6	.6	5.7
	70.00	2	1.1	1.1	6.9
	71.00	2	1.1	1.1	8.0
	72.00	2	1.1	1.1	9.2
	73.00	1	.6	.6	9.8
	74.00	4	2.3	2.3	12.1
	75.00	4	2.3	2.3	14.4
	76.00	4	2.3	2.3	16.7
	77.00	7	4.0	4.0	20.7
	78.00	8	4.6	4.6	25.3
	79.00	5	2.9	2.9	28.2
	80.00	7	4.0	4.0	32.2
	81.00	6	3.4	3.4	35.6
	82.00	11	6.3	6.3	42.0
	83.00	12	6.9	6.9	48.9
	84.00	8	4.6	4.6	53.4
	85.00	8	4.6	4.6	58.0
	86.00	6	3.4	3.4	61.5
	87.00	8	4.6	4.6	66.1
	88.00	4	2.3	2.3	68.4
	89.00	5	2.9	2.9	71.3
	90.00	6	3.4	3.4	74.7
	91.00	6	3.4	3.4	78.2
	92.00	6	3.4	3.4	81.6
	93.00	5	2.9	2.9	84.5
	94.00	6	3.4	3.4	87.9
	95.00	3	1.7	1.7	89.7
	96.00	5	2.9	2.9	92.5
97.00	3	1.7	1.7	94.3	
98.00	2	1.1	1.1	95.4	
99.00	1	.6	.6	96.0	
100.00	2	1.1	1.1	97.1	
101.00	1	.6	.6	97.7	
103.00	1	.6	.6	98.3	
104.00	1	.6	.6	98.9	
107.00	2	1.1	1.1	100.0	
Total		174	100.0	100.0	

Production efficiency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10.00	1	.6	.6	.6
	11.00	4	2.3	2.3	2.9
	12.00	2	1.1	1.1	4.0
	13.00	3	1.7	1.7	5.7
	14.00	4	2.3	2.3	8.0
	15.00	4	2.3	2.3	10.3
	16.00	7	4.0	4.0	14.4
	17.00	8	4.6	4.6	19.0
	18.00	10	5.7	5.7	24.7
	19.00	11	6.3	6.3	31.0
	20.00	12	6.9	6.9	37.9
	21.00	22	12.6	12.6	50.6
	22.00	14	8.0	8.0	58.6
	23.00	24	13.8	13.8	72.4
	24.00	9	5.2	5.2	77.6
	25.00	19	10.9	10.9	88.5
	26.00	3	1.7	1.7	90.2
	27.00	10	5.7	5.7	96.0
	29.00	4	2.3	2.3	98.3
	30.00	3	1.7	1.7	100.0
Total		174	100.0	100.0	

Expansion of Production

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	12.00	8	4.6	4.6	4.6
	13.00	20	11.5	11.5	16.1
	14.00	37	21.3	21.3	37.4
	15.00	48	27.6	27.6	64.9
	16.00	28	16.1	16.1	81.0
	17.00	20	11.5	11.5	92.5
	18.00	13	7.5	7.5	100.0
	Total		174	100.0	100.0

Profitability

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	16.00	6	3.4	3.4	3.4
	17.00	5	2.9	2.9	6.3
	18.00	12	6.9	6.9	13.2
	19.00	1	.6	.6	13.8
	20.00	9	5.2	5.2	19.0
	21.00	5	2.9	2.9	21.8
	22.00	19	10.9	10.9	32.8
	24.00	13	7.5	7.5	40.2
	25.00	14	8.0	8.0	48.3
	26.00	19	10.9	10.9	59.2
	27.00	16	9.2	9.2	68.4
	28.00	16	9.2	9.2	77.6
	29.00	2	1.1	1.1	78.7
	30.00	8	4.6	4.6	83.3
	31.00	10	5.7	5.7	89.1
	32.00	4	2.3	2.3	91.4
	33.00	8	4.6	4.6	96.0
34.00	3	1.7	1.7	97.7	
35.00	1	.6	.6	98.3	
36.00	3	1.7	1.7	100.0	
Total		174	100.0	100.0	

Public Trust

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20.00	18	10.3	10.3	10.3
	21.00	19	10.9	10.9	21.3
	22.00	30	17.2	17.2	38.5
	23.00	39	22.4	22.4	60.9
	24.00	42	24.1	24.1	85.1
	25.00	26	14.9	14.9	100.0
Total		174	100.0	100.0	

Appendix 3: Validity and Reliability Test Results

Correlations

		Motivation to follow	Suitability Material	Appropriateness Method of Teaching	Teacher Teamwork	Fascination	Charismatic	Education and Training
Motivation to follow	Pearson Correlation	1	.399	.410	.513	.975	.507	.737
	Sig. (2-tailed)	.	.029	.024	.004	.000	.004	.000
	N	30	30	30	30	30	30	30
Suitability Material	Pearson Correlation	.399	1	.997	.966	.484	.969	.912
	Sig. (2-tailed)	.029	.	.000	.000	.007	.000	.000
	N	30	30	30	30	30	30	30
Appropriateness Method of Teaching	Pearson Correlation	.410	.997	1	.971	.493	.969	.918
	Sig. (2-tailed)	.024	.000	.	.000	.006	.000	.000
	N	30	30	30	30	30	30	30
Teacher Teamwork	Pearson Correlation	.513	.966	.971	1	.546	.997	.948
	Sig. (2-tailed)	.004	.000	.000	.	.002	.000	.000
	N	30	30	30	30	30	30	30
Fascination	Pearson Correlation	.975	.484	.493	.546	1	.540	.781
	Sig. (2-tailed)	.000	.007	.006	.002	.	.002	.000
	N	30	30	30	30	30	30	30

Charismatic	Pearson Correlation	.507	.969	.969	.997	.540	1	.946
	Sig. (2-tailed)	.004	.000	.000	.000	.002	.	.000
	N	30	30	30	30	30	30	30
Education and Training	Pearson Correlation	.737	.912	.918	.948	.781	.946	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.
	N	30	30	30	30	30	30	30

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Management	Engineering	Finance	Briefing	Guidance	Subsidies
Management	Pearson Correlation	1	.479	.980	.485	.979	.918
	Sig. (2-tailed)	.	.007	.000	.007	.000	.000
	N	30	30	30	30	30	30
Engineering	Pearson Correlation	.479	1	.425	.991	.514	.786
	Sig. (2-tailed)	.007	.	.019	.000	.004	.000
	N	30	30	30	30	30	30
Finance	Pearson Correlation	.980	.425	1	.433	.919	.880
	Sig. (2-tailed)	.000	.019	.	.017	.000	.000
	N	30	30	30	30	30	30
Briefing	Pearson Correlation	.485	.991	.433	1	.517	.790

	tion						
	Sig. (2-tailed)	.007	.000	.017	.	.003	.000
	N	30	30	30	30	30	30
Guidance	Pearson Correlation	.979	.514	.919	.517	1	.919
	Sig. (2-tailed)	.000	.004	.000	.003	.	.000
	N	30	30	30	30	30	30
Subsidies	Pearson Correlation	.918	.786	.880	.790	.919	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.
	N	30	30	30	30	30	30

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Correlations

		Trade	Subcontracting	Vendor	Cooperation Technology	Business Network	Capital	Business Partnership
Trade	Pearson Correlation	1	.303	.312	.330	.337	.976	.732
	Sig. (2-tailed)	.	.104	.093	.075	.069	.000	.000
	N	30	30	30	30	30	30	30
Subcontracting	Pearson Correlation	.303	1	.997	.541	.518	.262	.777
	Sig. (2-tailed)	.104	.	.000	.002	.003	.161	.000
	N	30	30	30	30	30	30	30
Vendor	Pearson	.312	.997	1	.568	.546	.272	.793

	Correlation							
	Sig. (2-tailed)	.093	.000	.	.001	.002	.146	.000
	N	30	30	30	30	30	30	30
Cooperation Technology	Pearson Correlation	.330	.541	.568	.1	.971	.272	.790
	Sig. (2-tailed)	.075	.002	.001	.	.000	.146	.000
	N	30	30	30	30	30	30	30
Business Network	Pearson Correlation	.337	.518	.546	.971	.1	.330	.795
	Sig. (2-tailed)	.069	.003	.002	.000	.	.075	.000
	N	30	30	30	30	30	30	30
Capital	Pearson Correlation	.976	.262	.272	.272	.330	.1	.701
	Sig. (2-tailed)	.000	.161	.146	.146	.075	.	.000
	N	30	30	30	30	30	30	30
Business Partnership	Pearson Correlation	.732	.777	.793	.790	.795	.701	.1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.
	N	30	30	30	30	30	30	30

** Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Permitting	Rates	Provision Quota	Market Information	Infrastructure	Government Regulation
Permitting	Pearson Correlation	1	.545	.950	.883	.971	.950

	Sig. (2-tailed)	.	.002	.000	.000	.000	.000
	N	30	30	30	30	30	30
Rates	Pearson Correlation	.545	1	.507	.480	.540	.665
	Sig. (2-tailed)	.002	.	.004	.007	.002	.000
	N	30	30	30	30	30	30
Provision Quota	Pearson Correlation	.950	.507	1	.978	.975	.967
	Sig. (2-tailed)	.000	.004	.	.000	.000	.000
	N	30	30	30	30	30	30
Market Information	Pearson Correlation	.883	.480	.978	1	.958	.956
	Sig. (2-tailed)	.000	.007	.000	.	.000	.000
	N	30	30	30	30	30	30
Infra Structure	Pearson Correlation	.971	.540	.975	.958	1	.985
	Sig. (2-tailed)	.000	.002	.000	.000	.	.000
	N	30	30	30	30	30	30
Government Regulation	Pearson Correlation	.950	.665	.967	.956	.985	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.
	N	30	30	30	30	30	30

** Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Knowledge	Attitude	Skills	Emotional Intelligence	Business Skills
Knowledge	Pearson Correlation	1	.335	.545	.961	.828
	Sig. (2-tailed)	.	.070	.002	.000	.000
	N	30	30	30	30	30
Attitude	Pearson Correlation	.335	1	.721	.350	.754
	Sig. (2-tailed)	.070	.	.000	.058	.000
	N	30	30	30	30	30
Skills	Pearson Correlation	.545	.721	1	.610	.878
	Sig. (2-tailed)	.002	.000	.	.000	.000
	N	30	30	30	30	30
Emotional Intelligence	Pearson Correlation	.961	.350	.610	1	.853
	Sig. (2-tailed)	.000	.058	.000	.	.000
	N	30	30	30	30	30
Business Skills	Pearson Correlation	.828	.754	.878	.853	1
	Sig. (2-tailed)	.000	.000	.000	.000	.
	N	30	30	30	30	30

** Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Production efficiency	Expansion of Production	Profitability	Public Trust	Business Success
Production efficiency	Pearson Correlation	1	.206	.243	.934	.774
	Sig. (2-tailed)	.	.276	.195	.000	.000
	N	30	30	30	30	30
Expansion of Production	Pearson Correlation	.206	1	.514	.239	.667
	Sig. (2-tailed)	.276	.	.004	.203	.000
	N	30	30	30	30	30
Profitability	Pearson Correlation	.243	.514	1	.329	.727
	Sig. (2-tailed)	.195	.004	.	.076	.000
	N	30	30	30	30	30
Public Trust	Pearson Correlation	.934	.239	.329	1	.809
	Sig. (2-tailed)	.000	.203	.076	.	.000
	N	30	30	30	30	30
Business Success	Pearson Correlation	.774	.667	.727	.809	1
	Sig. (2-tailed)	.000	.000	.000	.000	.
	N	30	30	30	30	30

** Correlation is significant at the 0.01 level (2-tailed).

Reliability

***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

		Mean	StdDev	Cases
1.	X11	10.2000	2.4410	30.0
2.	X12	11.9333	2.2118	30.0
3.	X13	11.9000	2.2947	30.0
4.	X14	12.0000	2.2283	30.0
5.	X15	10.1000	2.2947	30.0
6.	X16	12.0333	2.1413	30.0

N of

Statistics for	Mean	Variance	StdDev	Variables
	68.1667	140.4195	11.8499	6

Item-total Statistics

if Item	Corrected			Alpha Deleted
	Mean if Item Deleted	Variance Total	Item- if Item Correlation	
	X11	57.9667	103.7575	
X12	56.2333	97.4954	.8707	.9161
X13	56.2667	95.7885	.8764	.9151
X14	56.1667	95.3161	.9225	.9095
X15	58.0667	103.2368	.6845	.9392
X16	56.1333	97.0161	.9203	.9105

Reliability Coefficients

N of Cases = 30.0 N of Items = 6
 Alpha = .9357

Reliability

***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

		Mean	StdDev	Cases
1.	X21	11.4000	2.6600	30.0
2.	X22	11.7000	2.5346	30.0
3.	X23	11.5000	2.7386	30.0
4.	X24	11.6333	2.6325	30.0
5.	X25	11.3000	2.6929	30.0

N of

Statistics for	Mean	Variance	StdDev	Variables
----------------	------	----------	--------	-----------

57.5333 129.9816 11.4009 5

Item-total Statistics

if Item	Corrected		Item- if Item Correlation	Alpha Deleted
	Mean	Variance		
	if Item Deleted	Total Deleted		
X21	46.1333	81.3609	.8657	.8727
X22	45.8333	90.9713	.6740	.9118
X23	46.0333	82.5161	.8033	.8860
X24	45.9000	89.4724	.6743	.9123
X25	46.2333	80.8057	.8659	.8725

Reliability Coefficients

N of Cases = 30.0

N of Items = 5

Alpha = .9117

Reliability

***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

	Mean	StdDev	Cases
1. X31	11.8000	2.4830	30.0
2. X32	10.1333	2.2397	30.0
3. X33	10.1000	2.2947	30.0
4. X34	12.1000	2.2947	30.0
5. X35	12.0000	2.2283	30.0
6. X36	11.7000	2.5346	30.0

N of

Statistics for Mean Variance StdDev Variables

67.8333 115.3161 10.7385 6

Item-total Statistics

if Item	Corrected		Item- if Item Correlation	Alpha Deleted
	Mean	Variance		
	if Item Deleted	Total Deleted		
X31	56.0333	82.4471	.5922	.8416
X32	57.7000	82.9759	.6697	.8269
X33	57.7333	81.5126	.6887	.8231
X34	55.7333	81.6506	.6848	.8238
X35	55.8333	82.2126	.6963	.8222
X36	56.1333	83.5678	.5465	.8510

Reliability Coefficients

N of Cases = 30.0
Alpha = .8555

N of Items = 6

Reliability

***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

		Mean	StdDev	Cases
1.	X41	10.0000	2.2743	30.0
2.	X42	12.0333	2.1413	30.0
3.	X43	10.2000	2.4410	30.0
4.	X44	10.3000	2.5751	30.0
5.	X45	10.1000	2.2947	30.0

N of

Statistics for Mean Variance StdDev Variables
52.6333 114.3782 10.6948 5

Item-total Statistics

	Mean	Variance	Item-	Alpha
if Item	if Item	Total	if Item	
	Deleted	Deleted	Correlation	Deleted
X41	42.6333	72.8609	.9361	.9227
X42	40.6000	88.5931	.5259	.9868
X43	42.4333	69.3575	.9607	.9171
X44	42.3333	68.5057	.9206	.9250
X45	42.5333	71.4299	.9715	.9162

Reliability Coefficients

N of Cases = 30.0
Alpha = .9482

N of Items = 5

Reliability

***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

		Mean	StdDev	Cases
1.	Y11	18.8333	5.2000	30.0
2.	Y12	21.8000	6.2500	30.0
3.	Y13	22.2000	5.7679	30.0
4.	Y14	19.1000	5.2546	30.0

N of

Statistics for Mean Variance StdDev Variables
81.9333 345.9954 18.6010 4

Item-total Statistics

if Item	Mean if Item Deleted	Corrected Variance Total Deleted	Item- if Item Correlation	Alpha Deleted
Y11	63.1000	211.9552	.7067	.7927
Y12	60.1333	210.1195	.5343	.8724
Y13	59.7333	191.0299	.7633	.7642
Y14	62.8333	205.8678	.7462	.7760

Reliability Coefficients

N of Cases = 30.0 N of Items = 4
Alpha = .8440

Reliability

***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

	Mean	StdDev	Cases
1. Y21	20.2667	4.8347	30.0
2. Y22	22.6000	5.3858	30.0
3. Y23	23.4000	5.0692	30.0
4. Y24	20.4000	4.6208	30.0

N of

Statistics for Mean Variance StdDev Variables
86.6667 219.1264 14.8029 4

Item-total Statistics

if Item	Mean if Item Deleted	Corrected Variance Total Deleted	Item- if Item Correlation	Alpha Deleted
Y21	66.4000	131.4207	.5803	.6319
Y22	64.0667	139.4437	.3984	.7425
Y23	63.2667	138.0644	.4648	.6989
Y24	66.2667	128.7540	.6582	.5904

Reliability Coefficients

N of Cases = 30.0 N of Items = 4
Alpha = .7283

Appendix 4: Test Results Normality and Outliers

AssesSMEnt of normality						
	Min	max	skew	c.r.	kurtosis	c.r.
x21	4.000	7.000	-0.533	-1.873	-0.8	-1.153
x22	3.000	7.000	-0.504	-1.715	-0.897	-1.416
X36	3.000	7.000	-0.506	-1.723	-0.8	-1.154
X35	3.000	7.000	-0.612	-1.298	-0.708	-1.907
X16	3.000	7.000	-0.496	-1.67	-0.681	-1.835
X34	3.000	7.000	-0.266	-1.43	-0.741	-1.994
Y11	3.000	7.000	-0.256	-1.378	-0.991	-1.668
Y12	3.000	7.000	-0.375	-1.021	-0.95	-1.557
Y13	3.000	7.000	-0.472	-1.542	-0.679	-1.827
Y14	3.000	7.000	-0.548	-1.949	-0.832	-1.24
Y22	3.000	7.000	-0.411	-1.211	-0.503	-1.356
Y21	3.000	7.000	-0.394	-1.122	-0.973	-1.221
X11	3.000	7.000	-0.235	-1.267	-1.098	-1.957
X12	3.000	7.000	-0.253	-1.365	-1.202	-1.237
X13	3.000	7.000	0.122	0.657	-1.053	-1.835
X14	4.000	8.000	-0.624	-1.362	-0.813	-1.188
X15	4.000	7.000	-0.612	-1.296	-0.7	-1.884
X44	3.000	7.000	-0.534	-1.875	-0.769	-2.07
X43	3.000	7.000	-0.462	-1.489	-1.056	-1.842
X42	3.000	7.000	-0.531	-1.86	-0.894	-1.407
X41	3.000	7.000	-0.459	-1.47	-0.928	-1.499
x25	3.000	7.000	-0.25	-1.345	-1.079	-1.642
x24	3.000	7.000	-0.52	-1.799	-0.715	-1.926
x23	3.000	7.000	-0.656	-1.534	-0.658	-1.771
X33	3.000	7.000	-0.23	-1.239	-0.721	-1.942
X32	3.000	7.000	-0.26	-1.398	-1.219	-1.283
X31	3.000	7.000	-0.729	-1.928	-0.279	-0.751

Zscore

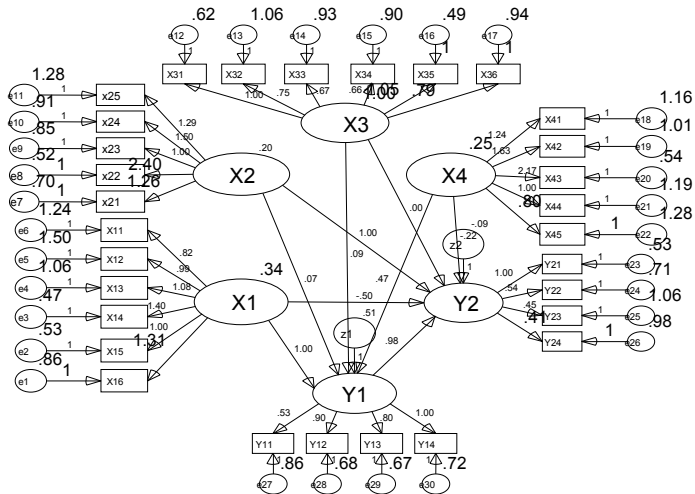
Descriptive Statistics				
Indikator	N	Minimum	Maximum	Std. Deviation
Zscore: Motivation to follow	174	-1.905398112	1.38531426	1
Zscore: Suitability Material	174	-1.706101802	1.247746094	1
Zscore: Appropriateness Method of Teaching	174	-1.678075901	1.63053834	1
Zscore: Teacher Teamwork	174	-1.858304193	1.890622526	1
Zscore: Fascination	174	-2.029796576	1.023672625	1
Zscore: Charismatic	174	-2.196399022	1.141360191	1
Zscore: Management	174	-1.860765431	1.109630762	1
Zscore: Engineering	174	-1.891718753	1.191738512	1
Zscore: Finance	174	-2.495576322	1.013355234	1
Zscore: Briefing	174	-2.303584542	1.114954565	1
Zscore: Guidance	174	-1.885002012	1.261188397	1
Zscore: Trade	174	-2.471355548	1.089852447	1
Zscore: Subcontracting	174	-1.990985583	1.239144874	1
Zscore: Vendor	174	-2.049258413	1.437988177	1
Zscore: Cooperation Technology	174	-2.075432172	1.482451551	1
Zscore: Business Network	174	-2.290251343	1.072649363	1
Zscore: Capital	174	-2.179624143	1.111088229	1
Zscore: Permitting	174	-2.077071021	1.135465492	1
Zscore: Rates	174	-1.939399005	1.142385715	1
Zscore: Provision Quota	174	-1.945595202	1.097403136	1
Zscore: Market Information	174	-2.175863361	1.145191243	1
Zscore: Infra Structure	174	-2.059364486	1.258500519	1
Zscore: Knowledge	174	-2.167050137	1.575547618	1
Zscore: Attitude	174	-2.004284223	1.27802594	1
Zscore: Skills	174	-2.291922344	1.213963263	1
Zscore: Emotional Intelligence	174	-2.09743296	1.089932411	1
Zscore: Production efficiency	174	-2.220820728	1.229382903	1
Zscore: Expansion of Production	174	-2.493968645	1.52409195	1
Zscore: Profitability	174	-2.333748976	1.236117589	1
Zscore: Public Trust	174	-2.312290564	1.413066456	1
Zscore: Pendidikan dan Latihan	174	-2.501206708	1.850892964	1
Zscore: Subsidies	174	-2.288344098	1.55177041	1

Zscore: Business Partnership	174	-2.46302432	1.790734803	1
Zscore: Government Regulation	174	-2.401208329	1.694970585	1
Zscore: Business Skills	174	-2.401481841	1.578116638	1
Zscore: Business Success	174	-2.581576488	1.903466535	1
Valid N (listwise)	174			

Appendix 5: Results Confirmatory Factor Analysis Model End Phase Full Effect Empowerment Government Committed to the Ability of a Business and the Success of the Small Industrial Business Clothing in East Java

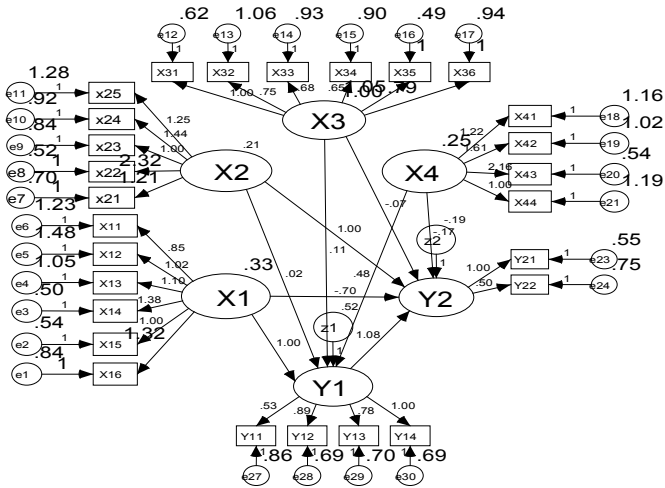
Results of Initial Fit Model Conceptual Model

Chi-Square = 1210.943
 Probability = .000
 CMIN/DF = 3.035
 GFI = .688
 AGFI = .637
 TLI = .554
 CFI = .591
 RMSEA = .108



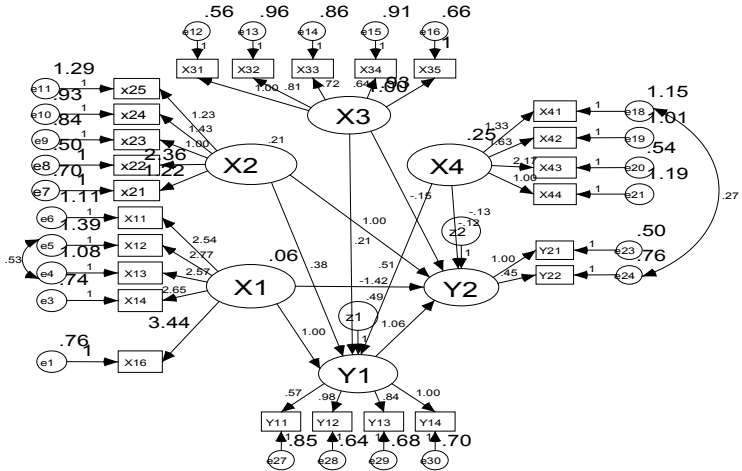
The First Phase Model

Chi-Square = 131.101
 Probability = .000
 CMIN/DF = 3.242
 GFI = .703
 AGFI = .646
 TLI = .570
 CFI = .610
 RMSEA = .114



Second Alternative Model

Chi-Square = 91.458
 Probability = .052
 CMIN/DF = 1.288
 GFI = .936
 AGFI = .893
 TLI = .919
 CFI = .945
 RMSEA = .041



Your model contains the following variables

X31	observed	endogenous
X32	observed	endogenous
X33	observed	endogenous
X23	observed	endogenous
X24	observed	endogenous
X25	observed	endogenous
X41	observed	endogenous
X42	observed	endogenous
X43	observed	endogenous
X44	observed	endogenous
X14	observed	endogenous
X13	observed	endogenous
X12	observed	endogenous
X11	observed	endogenous
Y21	observed	endogenous
Y22	observed	endogenous
Y14	observed	endogenous
Y13	observed	endogenous
Y12	observed	endogenous
Y11	observed	endogenous
X34	observed	endogenous
X16	observed	endogenous
X35	observed	endogenous
X22	observed	endogenous
X21	observed	endogenous

THE SUCCESS OF THE
BUSINESS

unobserved

endogenous

THE ABILITY OF A BUSINESS

unobserved

endogenous

e12

unobserved

exogenous

e13

unobserved

exogenous

e14

unobserved

exogenous

e9

unobserved

exogenous

e10

unobserved

exogenous

e11

unobserved

exogenous

GOVERNMENT

unobserved

exogenous

REGULATIONS

e18	unobserved	exogenous
e19	unobserved	exogenous
e20	unobserved	exogenous
e21	unobserved	exogenous
e3	unobserved	exogenous
e4	unobserved	exogenous
e5	unobserved	exogenous
e6	unobserved	exogenous
e23	unobserved	exogenous
e24	unobserved	exogenous
e30	unobserved	exogenous
e29	unobserved	exogenous
e28	unobserved	exogenous
e27	unobserved	exogenous

GOVERNMENT ASSISTANCE unobserved exogenous

THE BUSINESS PARTNERSHIP unobserved exogenous

EDUCATION AND TRAINING unobserved exogenous

e15 unobserved exogenous

e1 unobserved exogenous

e16 unobserved exogenous

e8 unobserved exogenous

e7 unobserved exogenous

z1 unobserved exogenous

z2 unobserved exogenous

Number of variables in your model: 38

Number of observed variables: 15

Number of unobserved variables: 23

Number of exogenous variables: 21

Number of endogenous variables: 17

Summary of Parameters

	Weights	Covariances	Variances	Means	Intercepts	Total
Fixed	22	0	1	0	0	23
Labeled	0	0	0	0	0	0
Unlabeled	19	4	20	0	0	43
Total	41	4	21	0	0	66

Sample size = 174

Computation of degrees of freedom

Number of distinct sample moments = 120

Number of distinct parameters to be estimated = 49

Degrees of freedom = $120 - 49 = 71$

Minimum was achieved

Chi-square = 91.458

Degrees of freedom = 71

Probability level = 0.052

AssesSMEnt of normality							
	Min	max	skew	c.r.	kurtosis	c.r.	
X21	4.000	7.000	-0.533	-1.873	-0.8	-1.153	
X22	3.000	7.000	-0.504	-1.715	-0.897	-1.416	
X36	3.000	7.000	-0.506	-1.723	-0.8	-1.154	
X35	3.000	7.000	-0.612	-1.298	-0.708	-1.907	
X16	3.000	7.000	-0.496	-1.67	-0.681	-1.835	
X34	3.000	7.000	-0.266	-1.43	-0.741	-1.994	
Y11	3.000	7.000	-0.256	-1.378	-0.991	-1.668	
Y12	3.000	7.000	-0.375	-1.021	-0.95	-1.557	
Y13	3.000	7.000	-0.472	-1.542	-0.679	-1.827	
Y14	3.000	7.000	-0.548	-1.949	-0.832	-1.24	
Y22	3.000	7.000	-0.411	-1.211	-0.503	-1.356	
Y21	3.000	7.000	-0.394	-1.122	-0.973	-1.221	
X11	3.000	7.000	-0.235	-1.267	-1.098	-1.957	
X12	3.000	7.000	-0.253	-1.365	-1.202	-1.237	
X13	3.000	7.000	0.122	0.657	-1.053	-1.835	
X14	4.000	8.000	-0.624	-1.362	-0.813	-1.188	
X15	4.000	7.000	-0.612	-1.296	-0.7	-1.884	
X44	3.000	7.000	-0.534	-1.875	-0.769	-2.07	
X43	3.000	7.000	-0.462	-1.489	-1.056	-1.842	
X42	3.000	7.000	-0.531	-1.86	-0.894	-1.407	
X41	3.000	7.000	-0.459	-1.47	-0.928	-1.499	
X25	3.000	7.000	-0.25	-1.345	-1.079	-1.642	
X24	3.000	7.000	-0.52	-1.799	-0.715	-1.926	
X23	3.000	7.000	-0.656	-1.534	-0.658	-1.771	
X33	3.000	7.000	-0.23	-1.239	-0.721	-1.942	
X32	3.000	7.000	-0.26	-1.398	-1.219	-1.283	
X31	3.000	7.000	-0.729	-1.928	-0.279	-0.751	
Multivariate					41.856	6.976	

Regression Weights			Estimate	S.E.	C.R.	P	Label
THE ABILITY OF A BUSINESS	<--	GOVERNMENT ASSISTANCE	0.380	0.176	2.156	0.031	par-8
THE ABILITY OF A BUSINESS	<--	THE BUSINESS PARTNERSHIP	0.215	0.075	2.870	0.004	par-9
THE ABILITY OF A BUSINESS	<--	GOVERNMENT REGULATIONS	0.511	0.182	2.811	0.005	par-11
THE ABILITY OF A BUSINESS	<--	EDUCATION AND TRAINING	1.000				
THE SUCCESS OF THE BUSINESS	<--	GOVERNMENT REGULATIONS	-0.120	0.159	0.753	-0.452	par-10
THE SUCCESS OF THE BUSINESS	<--	EDUCATION AND TRAINING	-1.421	0.482	2.946	0.003	par-12
THE SUCCESS OF THE BUSINESS	<--	THE BUSINESS PARTNERSHIP	-0.145	0.074	1.956	0.050	par-13
THE SUCCESS OF THE BUSINESS	<--	GOVERNMENT ASSISTANCE	1.000				
THE SUCCESS OF THE BUSINESS	<--	THE ABILITY OF A BUSINESS	1.063	0.149	7.141	0.000	par-27

OF THE BUSINESS							
X41	<--	GOVERNMENT REGULATIONS	1.326	0.311	4.259	0.000	par-1
X42	<--	GOVERNMENT REGULATIONS	1.626	0.359	4.527	0.000	par-2
X43	<--	GOVERNMENT REGULATIONS	2.169	0.473	4.589	0.000	par-3
X44	<--	GOVERNMENT REGULATIONS	1.000				
Y21	<--	THE SUCCESS OF THE BUSINESS	1.000				
Y22	<--	THE SUCCESS OF THE BUSINESS	0.448	0.078	5.768	0.000	par-4
Y14	<--	THE ABILITY OF A BUSINESS	1.000				
Y13	<--	THE ABILITY OF A BUSINESS	0.838	0.113	7.404	0.000	par-5
Y12	<--	THE ABILITY OF A BUSINESS	0.978	0.121	8.077	0.000	par-6
Y11	<--	THE ABILITY OF A BUSINESS	0.572	0.106	5.378	0.000	par-7
X25	<--	GOVERNMENT ASSISTANCE	1.228	0.253	4.846	0.000	par-14
X24	<--	GOVERNMENT ASSISTANCE	1.434	0.245	5.858	0.000	par-15
X23	<--	GOVERNMENT ASSISTANCE	1.000				
X33	<--	THE BUSINESS PARTNERSHIP	0.719	0.086	8.395	0.000	par-16
X34	<--	THE BUSINESS PARTNERSHIP	0.637	0.086	7.433	0.000	par-17
X32	<--	THE BUSINESS PARTNERSHIP	0.809	0.092	8.830	0.000	par-18
X31	<--	THE BUSINESS PARTNERSHIP	1.000				
X14	<--	EDUCATION AND TRAINING	2.650	0.976	2.713	0.007	par-19
X13	<--	EDUCATION AND	2.569	0.976	2.631	0.009	par-20

		TRAINING					
X12	<--	EDUCATION AND TRAINING	2.774	1.064	2.608	0.009	par-21
X11	<--	EDUCATION AND TRAINING	2.535	0.965	2.628	0.009	par-22
X16	<--	EDUCATION AND TRAINING	3.437	1.248	2.753	0.006	par-23
X35	<--	THE BUSINESS PARTNERSHIP	0.932	0.084	11.052	0.000	par-24
X22	<--	GOVERNMENT ASSISTANCE	2.355	0.333	7.079	0.000	par-25
X21	<--	GOVERNMENT ASSISTANCE	1.215	0.210	5.779	0.000	par-26

Standardized Regression Weights			
			Estimate
THE ABILITY OF A BUSINESS	<--	GOVERNMENT ASSISTANCE	0.211
THE ABILITY OF A BUSINESS	<--	THE BUSINESS PARTNERSHIP	0.26
THE ABILITY OF A BUSINESS	<--	GOVERNMENT REGULATIONS	0.31
THE ABILITY OF A BUSINESS	<--	EDUCATION AND TRAINING	0.287
THE SUCCESS OF THE BUSINESS	<--	GOVERNMENT REGULATIONS	-0.064
THE SUCCESS OF THE BUSINESS	<--	EDUCATION AND TRAINING	-0.357
THE SUCCESS OF THE BUSINESS	<--	THE BUSINESS PARTNERSHIP	-0.153
THE SUCCESS OF THE BUSINESS	<--	GOVERNMENT ASSISTANCE	0.486
THE SUCCESS OF THE BUSINESS	<--	THE ABILITY OF A BUSINESS	0.929
X41	<--	GOVERNMENT REGULATIONS	0.527
X42	<--	GOVERNMENT REGULATIONS	0.63

X43	<--	GOVERNMENT REGULATIONS	0.83
X44	<--	GOVERNMENT REGULATIONS	0.418
Y21	<--	THE SUCCESS OF THE BUSINESS	0.801
Y22	<--	THE SUCCESS OF THE BUSINESS	0.437
Y14	<--	THE ABILITY OF A BUSINESS	0.704
Y13	<--	THE ABILITY OF A BUSINESS	0.642
Y12	<--	THE ABILITY OF A BUSINESS	0.71
Y11	<--	THE ABILITY OF A BUSINESS	0.456
X25	<--	GOVERNMENT ASSISTANCE	0.446
X24	<--	GOVERNMENT ASSISTANCE	0.565
X23	<--	GOVERNMENT ASSISTANCE	0.449
X33	<--	THE BUSINESS PARTNERSHIP	0.612
X34	<--	THE BUSINESS PARTNERSHIP	0.555
X32	<--	THE BUSINESS PARTNERSHIP	0.636
X31	<--	THE BUSINESS PARTNERSHIP	0.802
X14	<--	EDUCATION AND TRAINING	0.592
X13	<--	EDUCATION AND TRAINING	0.506
X12	<--	EDUCATION AND TRAINING	0.488
X11	<--	EDUCATION AND TRAINING	0.497
X16	<--	EDUCATION AND	0.683

		TRAINING	
X35	<--	THE BUSINESS PARTNERSHIP	0.753
X22	<--	GOVERNMENT ASSISTANCE	0.838
X21	<--	GOVERNMENT ASSISTANCE	0.555

Covariances							
			Estimate	S.E.	C.R.	P	Label
e4	<-->	e5	0.5250	0.1230	4.2550	0.0000	par-28
e18	<-->	e24	0.2700	0.0780	3.4500	0.0010	par-29
Correlations							
			Estimate				
e4	<-->	e5	0.429				
e18	<-->	e24	0.288				

Variances							
			Estimate	S.E.	C.R.	P	Label
THE BUSINESS PARTNERSHIP			1				
GOVERNMENT REGULATIONS			0.2510	0.1000	2.5170	0.0120	par-30
GOVERNMENT ASSISTANCE			0.2120	0.0540	3.9250	0.0000	par-31
EDUCATION AND TRAINING			0.0560	0.0390	1.4460	0.1480	par-32
z1			0.4850	0.1100	4.4120	0.0000	par-33
z2			-0.1290	0.1250	-1.0350	0.3010	par-34
e12			0.5560	0.0910	6.0970	0.0000	par-35
e13			0.9640	0.1210	7.9780	0.0000	par-36
e14			0.8650	0.1060	8.1400	0.0000	par-37
e9			0.8400	0.0960	8.7960	0.0000	par-38

e10	0.9260	0.1130	8.2130	0.0000	par-39
e11	1.2880	0.1470	8.7480	0.0000	par-40
e18	1.1500	0.1410	8.1310	0.0000	par-41
e19	1.0110	0.1430	7.0660	0.0000	par-42
e20	0.5350	0.1660	3.2210	0.0010	par-43
e21	1.1910	0.1370	8.7040	0.0000	par-44
e3	0.7350	0.1040	7.1050	0.0000	par-45
e4	1.0810	0.1380	7.8470	0.0000	par-46
e5	1.3890	0.1740	7.9670	0.0000	par-47
e6	1.1060	0.1380	7.9930	0.0000	par-48
e23	0.5010	0.1280	3.9020	0.0000	par-49
e24	0.7630	0.0850	8.9280	0.0000	par-50
e30	0.6960	0.0940	7.3900	0.0000	par-51
e29	0.6840	0.0860	7.9610	0.0000	par-52
e28	0.6440	0.0880	7.3210	0.0000	par-53
e27	0.8510	0.0970	8.8120	0.0000	par-54
e15	0.9090	0.1080	8.4400	0.0000	par-55
e1	0.7610	0.1320	5.7590	0.0000	par-56
e16	0.6620	0.0990	6.6880	0.0000	par-57
e8	0.4990	0.1220	4.1040	0.0000	par-58
e7	0.7010	0.0850	8.2730	0.0000	par-59

Sample Covariances - Estimates

	X21	X22	X35	X16	X34	Y11	Y12
X21	1.014	0.647	0.237	0.456	0.161	0.343	0.45
X22	0.647	1.673	0.533	0.753	0.205	0.517	0.759
X36	0.251	0.332	0.834	0.342	0.324	0.346	0.42
X35	0.237	0.533	1.407	0.393	0.667	0.438	0.352
X16	0.456	0.753	0.393	1.428	0.347	0.289	0.651
X34	0.161	0.205	0.667	0.347	1.257	0.176	0.128
Y11	0.343	0.517	0.438	0.289	0.176	1.136	0.601
Y12	0.45	0.759	0.352	0.651	0.128	0.601	1.477
Y13	0.16	0.376	0.29	0.215	0.117	0.352	0.728
Y14	0.283	0.581	0.324	0.416	0.105	0.398	0.801
Y22	0.248	0.396	0.392	0.27	0.236	0.365	0.442

Y21	0.276	0.613	0.268	0.39	0.102	0.525	0.843
X11	0.394	0.471	0.507	0.427	0.303	0.279	0.423
X12	0.256	0.681	0.643	0.511	0.506	0.178	0.34
X13	0.302	0.648	0.341	0.413	0.37	0.227	0.223
X14	0.314	0.514	0.403	0.597	0.155	0.316	0.485
X44	-0.052	0.184	0.315	0.217	0.161	0.131	0.34
X43	0.142	0.408	0.401	0.406	0.176	0.134	0.552
X42	0.045	0.208	0.292	0.437	0.075	-0.031	0.38
X41	0.341	0.481	0.869	0.354	0.362	0.338	0.39
X25	0.197	0.561	0.615	0.456	0.328	0.386	0.221
X24	0.297	0.713	0.29	0.491	0.148	0.32	0.434
X23	0.51	0.829	0.434	0.529	0.236	0.331	0.494
X33	0.37	0.456	0.539	0.324	0.441	0.32	0.339
X32	0.298	0.547	0.577	0.459	0.241	0.468	0.472
X31	0.324	0.498	0.72	0.458	0.466	0.358	0.467

Sample Covariances - Estimates

	Y13	Y14	Y22	Y21	X11	X12	X13	X14
X21	0.16	0.283	0.248	0.276	0.394	0.256	0.302	0.314
X22	0.376	0.581	0.396	0.613	0.471	0.681	0.648	0.514
X35	0.29	0.324	0.392	0.268	0.507	0.643	0.341	0.403
X16	0.215	0.416	0.27	0.39	0.427	0.511	0.413	0.597
X34	0.117	0.105	0.236	0.102	0.303	0.506	0.37	0.155
Y11	0.352	0.398	0.365	0.525	0.279	0.178	0.227	0.316
Y12	0.728	0.801	0.442	0.843	0.423	0.34	0.223	0.485
Y13	1.294	0.726	0.376	0.767	0.191	0.142	0.149	0.39
Y14	0.726	1.566	0.482	0.976	0.162	0.281	0.286	0.442
Y22	0.376	0.482	0.985	0.429	0.175	0.448	0.21	0.215
Y21	0.767	0.976	0.429	1.336	0.186	0.195	0.242	0.429
X11	0.191	0.162	0.175	0.186	1.469	0.781	0.439	0.247
X12	0.142	0.281	0.448	0.195	0.781	1.823	0.928	0.235
X13	0.149	0.286	0.21	0.242	0.439	0.928	1.453	0.466
X14	0.39	0.442	0.215	0.429	0.247	0.235	0.466	1.132
X44	0.216	0.28	0.114	0.201	0.091	0.06	0.04	0.298
X43	0.473	0.492	0.041	0.519	0.077	0.028	0.116	0.383
X42	0.32	0.265	-0.02	0.312	-0.037	0.156	-0.118	0.308

X41	0.26	0.371	0.366	0.37	0.326	0.531	0.288	0.407
X25	0.181	0.261	0.303	0.376	0.128	0.434	0.287	0.311
X24	0.233	0.279	0.296	0.267	0.453	0.572	0.469	0.357
X23	0.291	0.403	0.184	0.457	0.543	0.41	0.378	0.302
X33	0.399	0.324	0.239	0.293	0.257	0.334	0.358	0.466
X32	0.38	0.413	0.356	0.359	0.123	0.35	0.372	0.479
X31	0.327	0.487	0.39	0.422	0.289	0.455	0.139	0.393

Sample Covariances - Estimates

	X44	X43	X42	X41	x25	x24	x23
X21	-0.052	0.142	0.045	0.341	0.197	0.297	0.51
X22	0.184	0.408	0.208	0.481	0.561	0.713	0.829
X35	0.315	0.401	0.292	0.869	0.615	0.29	0.434
X16	0.217	0.406	0.437	0.354	0.456	0.491	0.529
X34	0.161	0.176	0.075	0.362	0.328	0.148	0.236
Y11	0.131	0.134	-0.031	0.338	0.386	0.32	0.331
Y12	0.34	0.552	0.38	0.39	0.221	0.434	0.494
Y13	0.216	0.473	0.32	0.26	0.181	0.233	0.291
Y14	0.28	0.492	0.265	0.371	0.261	0.279	0.403
Y22	0.114	0.041	-0.02	0.366	0.303	0.296	0.184
Y21	0.201	0.519	0.312	0.37	0.376	0.267	0.457
X11	0.091	0.077	-0.037	0.326	0.128	0.453	0.543
X12	0.06	0.028	0.156	0.531	0.434	0.572	0.41
X13	0.04	0.116	-0.118	0.288	0.287	0.469	0.378
X14	0.298	0.383	0.308	0.407	0.311	0.357	0.302
X44	1.442	0.574	0.323	0.337	0.099	0.304	0.148
X43	0.574	1.718	0.878	0.633	0.29	0.187	0.454
X42	0.323	0.878	1.675	0.605	0.111	0.083	0.368
X41	0.337	0.633	0.605	1.541	0.417	0.391	0.499
X25	0.099	0.29	0.111	0.417	1.607	0.5	0.464
X24	0.304	0.187	0.083	0.391	0.5	1.361	0.625
X23	0.148	0.454	0.368	0.499	0.464	0.625	1.292
X33	0.173	0.328	0.313	0.467	0.372	0.159	0.198
X32	0.349	0.338	0.38	0.451	0.361	0.308	0.245
X31	0.306	0.412	0.415	0.666	0.687	0.34	0.281

Sample Covariances - Estimates

	X33	X32	X31
X21	0.37	0.298	0.324
X22	0.456	0.547	0.498
X35	0.539	0.577	0.72
X16	0.324	0.459	0.458
X34	0.441	0.241	0.466
Y11	0.32	0.468	0.358
Y12	0.339	0.472	0.467
Y13	0.399	0.38	0.327
Y14	0.324	0.413	0.487
Y22	0.239	0.356	0.39
Y21	0.293	0.359	0.422
X11	0.257	0.123	0.289
X12	0.334	0.35	0.455
X13	0.358	0.372	0.139
X14	0.466	0.479	0.393
X44	0.173	0.349	0.306
X43	0.328	0.338	0.412
X42	0.313	0.38	0.415
X41	0.467	0.451	0.666
X25	0.372	0.361	0.687
X24	0.159	0.308	0.34
X23	0.198	0.245	0.281
X33	1.308	0.705	0.464
X32	0.705	1.525	0.65
X31	0.464	0.65	1.254

Residual Covariances

	X21	X22	X35	X16	X34	Y11	Y12
X21	0.012	0.05	0.237	0.456	0.161	0.318	0.41
X22	0.05	0	0.533	0.753	0.205	0.467	0.679
X35	0.237	0.533	0.081	0.393	0.027	0.309	0.146
X16	0.456	0.753	0.393	0.017	0.347	0.209	0.209

X34	0.161	0.205	0.027	0.347	-0.052	0.079	-0.027
Y11	0.318	0.467	0.309	0.209	0.079	0.042	0.231
Y12	0.41	0.679	0.146	0.209	-0.027	0.231	0.146
Y13	0.122	0.299	0.093	0.093	-0.032	-0.005	0.16
Y14	0.237	0.488	0.086	0.269	-0.074	-0.032	0.116
Y22	0.104	0.105	0.345	0.262	0.2	0.184	0.153
Y21	-0.024	0.006	0.17	0.374	0.027	0.147	0.241
X11	0.394	0.471	0.507	0.141	0.303	0.204	0.303
X12	0.256	0.681	0.643	0.012	0.506	0.046	0.13
X13	0.302	0.648	0.341	-0.099	0.37	0.092	0.008
X14	0.314	0.514	0.403	0.362	0.155	0.254	0.386
X44	-0.052	0.184	0.315	0.217	0.161	0.062	0.23
X43	0.142	0.408	0.401	0.406	0.176	-0.017	0.312
X42	0.045	0.208	0.292	0.437	0.075	0.017	0.21
X41	0.341	0.481	0.449	0.354	0.362	0.169	0.294
X25	-0.118	-0.077	0.615	0.456	0.328	0.36	0.395
X24	-0.062	-0.013	0.29	0.491	0.148	0.29	0.385
X23	0.257	0.318	0.434	0.529	0.236	0.309	0.46
X33	0.23	0.456	0.042	0.324	0.066	0.181	0.118
X32	0.298	0.547	-0.06	0.459	-0.239	0.29	0.189
X31	0.324	0.498	0.04	0.458	-0.047	0.169	0.165

Residual Covariances

	Y13	Y14	Y22	Y21	X11	X12	X13	X14
X21	0.122	0.237	0.104	-0.024	0.394	0.256	0.302	0.314
X22	0.299	0.488	0.105	0.006	0.471	0.681	0.648	0.514
X35	0.093	0.086	0.345	0.17	0.507	0.643	0.341	0.403
X16	0.093	0.269	0.262	0.374	0.141	0.012	-0.099	0.362

X34	-0.032	-0.074	0.2	0.027	0.303	0.506	0.37	0.155
Y11	-0.005	-0.032	0.184	0.147	0.204	0.046	0.092	0.254
Y12	0.16	0.116	0.153	0.241	0.303	0.13	0.008	0.386
Y13	0.087	0.068	0.098	0.188	0.075	-0.059	-0.058	0.295
Y14	0.068	0.09	0.148	0.278	0.023	0.038	0.037	0.327
Y22	0.098	0.148	0.042	0.046	0.168	0.435	0.197	0.209
Y21	0.188	0.278	0.046	0.027	0.171	0.169	0.215	0.417
X11	0.075	0.023	0.168	0.171	0	0	-0.046	0.024
X12	-0.059	0.038	0.435	0.169	0	0	0.082	-0.153
X13	-0.058	0.037	0.197	0.215	-0.046	0.082	0	0.067
X14	0.295	0.327	0.209	0.417	0.024	-0.153	0.067	0.047
X44	0.11	0.152	0.064	0.095	0.091	0.06	0.04	0.298
X43	0.242	0.214	0.046	0.29	0.077	0.028	0.116	0.383
X42	0.156	0.068	-0.098	0.15	-0.037	0.156	-0.118	0.308
X41	0.168	0.259	0.183	0.278	0.326	0.531	0.288	0.407
X25	0.141	0.212	0.149	0.055	0.128	0.434	0.287	0.311
X24	0.187	0.223	0.122	-0.098	0.453	0.572	0.469	0.357
X23	0.258	0.363	0.061	0.2	0.543	0.41	0.378	0.302
X33	0.187	0.068	0.188	0.187	0.257	0.334	0.358	0.466
X32	0.108	0.084	0.291	0.224	0.123	0.35	0.372	0.479
X31	0.037	0.136	0.321	0.277	0.289	0.455	0.139	0.393

Residual Covariances

	X44	X43	X42	X41	x25	x24	x23
X21	-0.052	0.142	0.045	0.341	-0.118	-0.062	0.257
X22	0.184	0.408	0.208	0.481	-0.077	-0.013	0.318
X35	0.315	0.401	0.292	0.449	0.615	0.29	0.434
X16	0.217	0.406	0.437	0.354	0.456	0.491	0.529
X34	0.161	0.176	0.075	0.362	0.328	0.148	0.236
Y11	0.062	-0.017	0.017	0.169	0.36	0.29	0.309
Y12	0.23	0.312	0.21	0.294	0.395	0.385	0.46
Y13	0.11	0.242	0.156	0.168	0.141	0.187	0.258
Y14	0.152	0.214	0.068	0.259	0.212	0.223	0.363
Y22	0.064	0.046	-0.098	0.183	0.149	0.122	0.061
Y21	0.095	0.29	0.15	0.278	0.055	-0.098	0.2
X11	0.091	0.077	-0.037	0.326	0.128	0.453	0.543

X12	0.06	0.028	0.156	0.531	0.434	0.572	0.41
X13	0.04	0.116	-0.118	0.288	0.287	0.469	0.378
X14	0.298	0.383	0.308	0.407	0.311	0.357	0.302
X44	0	0.025	-0.066	0.118	0.099	0.304	0.148
X43	0.025	0.022	0.035	0.157	0.29	0.187	0.454
X42	-0.066	0.035	0.023	0.267	0.111	0.083	0.368
X41	0.118	0.157	0.267	0.167	0.417	0.391	0.499
X25	0.099	0.29	0.111	0.417	-0.023	0.116	0.193
X24	0.304	0.187	0.083	0.391	0.116	0	0.318
X23	0.148	0.454	0.368	0.499	0.193	0.318	0.239
X33	0.173	0.328	0.313	0.467	0.372	0.159	0.198
X32	0.349	0.338	0.38	0.451	0.361	0.308	0.245
X31	0.306	0.412	0.415	0.666	0.416	0.34	0.281

Residual Covariances

	X33	X32	X31
X21	0.23	0.298	0.324
X22	0.456	0.547	0.498
X35	0.042	-0.06	0.04
X16	0.324	0.459	0.458
X34	0.066	-0.239	-0.047
Y11	0.181	0.29	0.169
Y12	0.118	0.189	0.165
Y13	0.187	0.108	0.037
Y14	0.068	0.084	0.136
Y22	0.188	0.291	0.321
Y21	0.187	0.224	0.277
X11	0.257	0.123	0.289
X12	0.334	0.35	0.455
X13	0.358	0.372	0.139
X14	0.466	0.479	0.393
X44	0.173	0.349	0.306
X43	0.328	0.338	0.412
X42	0.313	0.38	0.415

X41	0.467	0.451	0.666
X25	0.372	0.361	0.416
X24	0.159	0.308	0.34
X23	0.198	0.245	0.281
X33	-0.085	0.019	-0.268
X32	0.019	-0.172	-0.287
X31	-0.268	-0.287	-0.33

Covariances among Estimates								
	par-1	par-2	par-3	par-4	par-5	par-6	par-7	par-8
par-1	0.0510	0.0490	0.0690	0.0010	0.0000	0.0000	0.0010	0.0000
par-2	0.0490	0.1190	0.1150	0.0000	0.0000	0.0000	-0.0010	0.0000
par-3	0.0690	0.1150	0.2460	-0.0010	0.0000	0.0000	0.0000	0.0000
par-4	0.0010	0.0000	-0.0010	0.0070	0.0000	0.0000	0.0000	0.0000
par-5	0.0000	0.0000	0.0000	0.0000	0.0100	0.0050	0.0030	-0.0010
par-6	0.0000	0.0000	0.0000	0.0000	0.0050	0.0110	0.0030	-0.0010
par-7	0.0010	-0.0010	0.0000	0.0000	0.0030	0.0030	0.0090	-0.0010
par-8	0.0000	0.0000	0.0000	0.0000	-0.0010	-0.0010	-0.0010	0.0280
par-9	0.0000	0.0000	0.0000	0.0000	-0.0020	-0.0020	-0.0010	0.0000
par-10	-0.0020	-0.0050	-0.0090	0.0010	0.0000	0.0000	0.0000	0.0010
par-11	0.0160	0.0280	0.0400	0.0000	-0.0030	-0.0030	-0.0020	0.0000
par-12	0.0000	0.0000	0.0010	0.0020	-0.0040	-0.0030	-0.0020	0.0030
par-13	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0010
par-14	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0060
par-15	0.0000	0.0000	0.0000	0.0020	0.0000	0.0000	0.0000	0.0100
par-16	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-17	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-19	0.0000	0.0000	0.0000	0.0000	0.0030	0.0020	0.0020	0.0000
par-20	0.0000	0.0000	0.0000	0.0000	0.0090	0.0070	0.0060	-0.0010
par-21	0.0000	0.0000	0.0000	0.0000	0.0090	0.0070	0.0060	-0.0010
par-22	0.0000	0.0000	0.0000	0.0000	0.0050	0.0040	0.0030	-0.0010
par-23	0.0000	0.0000	0.0000	0.0000	0.0060	0.0080	0.0040	-0.0010
par-24	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-25	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-26	0.0000	0.0000	-0.0010	0.0030	0.0000	0.0000	0.0000	0.0170
par-27	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0080
par-28	0.0000	0.0000	-0.0010	-0.0020	0.0060	0.0060	0.0040	-0.0030
par-29	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-30	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-31	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-32	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-33	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-34	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-35	0.0010	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000
par-36	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-37	0.0000	0.0000	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000
par-38	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-39	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-40	-0.0010	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000
par-41	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-42	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-43	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-44	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-45	-0.0160	-0.0280	-0.0450	0.0000	0.0000	0.0000	0.0000	0.0000
par-46	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0030
par-47	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-48	0.0000	0.0000	0.0010	0.0000	-0.0060	-0.0060	-0.0040	0.0000
par-49	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0010
par-50	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-51	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-52	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-53	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-54	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-55	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-56	-0.0030	0.0000	0.0040	0.0000	0.0000	0.0000	0.0000	0.0000
par-57	0.0000	-0.0090	0.0160	0.0000	0.0000	0.0000	0.0000	0.0000
par-58	0.0000	0.0040	-0.0480	0.0010	0.0000	0.0000	0.0000	0.0000
par-59	0.0040	0.0070	0.0150	0.0000	0.0000	0.0000	0.0000	0.0000
par-60	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-61	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-62	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-63	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-64	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-65	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000
par-66	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-67	0.0000	0.0000	0.0000	0.0000	0.0020	0.0020	0.0010	0.0000
par-68	0.0000	0.0000	0.0000	0.0000	-0.0020	0.0000	0.0000	0.0000
par-69	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0020	0.0000	0.0000
par-70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0010	0.0000
par-71	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-72	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-73	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-74	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-75	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-76	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Covariances among								
Estimates								
	par-9	par-10	par-11	par-12	par-13	par-14	par-15	par-16
par-1	0.0000	-0.0020	0.0160	0.0000	0.0000	0.0000	0.0000	0.0000
par-2	0.0000	-0.0050	0.0280	0.0000	0.0000	0.0000	0.0000	0.0000
par-3	0.0000	-0.0090	0.0400	0.0010	0.0000	0.0000	0.0000	0.0000
par-4	0.0000	0.0010	0.0000	0.0020	0.0010	0.0010	0.0020	0.0000
par-5	-0.0020	0.0000	-0.0030	-0.0040	0.0000	0.0000	0.0000	0.0000
par-6	-0.0020	0.0000	-0.0030	-0.0030	0.0000	0.0000	0.0000	0.0000
par-7	-0.0010	0.0000	-0.0020	-0.0020	0.0000	0.0000	0.0000	0.0000
par-8	0.0000	0.0010	0.0000	0.0030	0.0010	0.0060	0.0100	0.0000
par-9	0.0060	0.0000	0.0010	0.0000	-0.0020	0.0000	0.0000	0.0000
par-10	0.0000	0.0250	-0.0100	0.0090	0.0030	-0.0010	-0.0010	0.0000
par-11	0.0010	-0.0100	0.0350	0.0010	0.0000	0.0000	0.0000	0.0000
par-12	0.0000	0.0090	0.0010	0.0930	0.0060	-0.0010	-0.0020	0.0000

par-13	-0.0020	0.0030	0.0000	0.0060	0.0070	-0.0010	-0.0010	0.0000
par-14	0.0000	-0.0010	0.0000	-0.0010	-0.0010	0.0530	0.0190	0.0000
par-15	0.0000	-0.0010	0.0000	-0.0020	-0.0010	0.0190	0.0560	0.0000
par-16	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0070
par-17	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-18	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-19	-0.0010	0.0010	-0.0010	-0.0260	0.0000	0.0000	0.0000	0.0000
par-20	-0.0020	0.0030	-0.0030	-0.0930	0.0020	-0.0010	-0.0010	0.0000
par-21	-0.0020	0.0020	-0.0030	-0.0910	0.0020	-0.0010	-0.0010	0.0000
par-22	-0.0010	0.0010	-0.0020	-0.0520	0.0010	-0.0010	0.0000	0.0000
par-23	-0.0020	0.0020	-0.0030	-0.0600	0.0010	-0.0010	0.0000	0.0000
par-24	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-25	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-26	0.0000	-0.0020	0.0000	-0.0040	-0.0020	0.0310	0.0400	0.0000
par-27	0.0000	-0.0010	0.0000	-0.0010	-0.0010	0.0150	0.0200	0.0000
par-28	-0.0010	-0.0090	-0.0020	-0.0180	-0.0060	0.0010	0.0010	0.0000
par-29	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-30	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-31	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000
par-32	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-33	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-34	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-35	0.0000	-0.0020	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-36	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-37	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-38	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-39	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-40	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-41	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-42	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-43	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-44	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-45	0.0000	0.0020	-0.0090	0.0000	0.0000	0.0000	0.0000	0.0000
par-46	0.0000	0.0000	0.0000	0.0010	0.0000	-0.0060	-0.0070	0.0000
par-47	0.0000	0.0000	0.0000	0.0040	0.0000	0.0000	0.0000	0.0000
par-48	0.0010	0.0030	0.0010	0.0070	0.0020	-0.0010	-0.0010	0.0000
par-49	0.0000	0.0020	0.0000	0.0050	0.0020	0.0010	0.0010	0.0000
par-50	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0020

par-51	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-52	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0020
par-53	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010	0.0010	0.0000
par-54	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0040	0.0000
par-55	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0040	0.0000	0.0000
par-56	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-57	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-58	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-59	0.0000	0.0000	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000
par-60	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-61	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-62	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-63	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-64	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-65	0.0000	0.0010	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000
par-66	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-67	-0.0010	-0.0010	-0.0010	-0.0030	-0.0010	0.0000	0.0000	0.0000
par-68	0.0000	-0.0010	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-69	0.0000	-0.0010	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-71	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-72	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-73	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-74	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-75	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000
par-76	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Covariances among Estimates								
	par-17	par-18	par-19	par-20	par-21	par-22	par-23	par-24
par-1	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-3	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-4	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-5	0.0000	0.0000	0.0030	0.0090	0.0090	0.0050	0.0060	0.0000
par-6	0.0000	0.0000	0.0020	0.0070	0.0070	0.0040	0.0080	0.0000
par-7	0.0000	0.0000	0.0020	0.0060	0.0060	0.0030	0.0040	0.0000

par-8	0.0000	0.0000	0.0000	-0.0010	-0.0010	-0.0010	-0.0010	0.0000
par-9	0.0000	0.0010	-0.0010	-0.0020	-0.0020	-0.0010	-0.0020	0.0000
par-10	0.0000	0.0000	0.0010	0.0030	0.0020	0.0010	0.0020	0.0000
par-11	0.0000	0.0000	-0.0010	-0.0030	-0.0030	-0.0020	-0.0030	0.0000
par-12	0.0000	0.0000	-0.0260	-0.0930	-0.0910	-0.0520	-0.0600	0.0000
par-13	0.0000	0.0000	0.0000	0.0020	0.0020	0.0010	0.0010	0.0000
par-14	0.0000	0.0000	0.0000	-0.0010	-0.0010	-0.0010	-0.0010	0.0000
par-15	0.0000	0.0000	0.0000	-0.0010	-0.0010	0.0000	0.0000	0.0000
par-16	0.0010	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-17	0.0080	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0030
par-18	0.0010	0.0090	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-19	0.0000	0.0000	0.0050	0.0060	0.0020	0.0070	0.0070	0.0000
par-20	0.0000	0.0000	0.0060	0.0000	0.0040	0.0060	0.0070	0.0000
par-21	0.0000	0.0000	0.0020	0.0040	0.0080	0.0030	0.0000	0.0000
par-22	0.0000	0.0000	0.0070	0.0060	0.0030	0.0000	0.0070	0.0000
par-23	0.0000	0.0000	0.0070	0.0070	0.0000	0.0070	0.0020	0.0000
par-24	0.0030	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0060
par-25	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0020
par-26	0.0000	0.0000	0.0000	-0.0010	-0.0010	-0.0010	-0.0010	0.0000
par-27	0.0000	0.0000	0.0000	-0.0010	-0.0010	0.0000	0.0000	0.0000
par-28	0.0000	0.0000	0.0000	0.0010	0.0020	0.0010	0.0020	0.0000
par-29	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0010
par-30	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0010
par-31	0.0000	0.0000	0.0010	0.0030	0.0020	0.0010	0.0000	0.0000
par-32	0.0000	0.0000	0.0000	0.0010	-0.0060	-0.0070	0.0000	0.0000
par-33	0.0000	0.0000	0.0010	0.0020	0.0020	0.0010	0.0010	0.0000
par-34	0.0000	0.0000	0.0010	0.0090	0.0070	0.0040	0.0040	0.0000
par-35	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-36	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-37	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-38	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-39	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-40	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-41	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-42	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-43	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-44	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-45	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-46	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-47	0.0000	0.0000	-0.0060	-0.0040	-0.0030	-0.0030	-0.0030	0.0000
par-48	0.0000	0.0000	-0.0010	-0.0020	-0.0020	-0.0010	-0.0030	0.0000
par-49	0.0000	0.0000	0.0000	0.0020	0.0010	0.0010	0.0010	0.0000
par-50	0.0010	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-51	0.0000	-0.0040	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-52	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-53	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-54	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-55	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-56	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-57	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-58	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-59	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-60	0.0000	0.0000	0.0020	0.0070	0.0060	0.0040	0.0040	0.0000
par-61	0.0000	0.0000	-0.0020	0.0090	0.0070	0.0040	0.0040	0.0000
par-62	0.0000	0.0000	0.0000	-0.0410	0.0110	0.0060	0.0000	0.0000
par-63	0.0000	0.0000	0.0000	0.0190	-0.0320	-0.0130	0.0000	0.0000
par-64	0.0000	0.0000	0.0000	0.0060	-0.0080	-0.0150	0.0000	0.0000
par-65	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-66	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-67	0.0000	0.0000	0.0010	0.0030	0.0030	0.0020	0.0020	0.0000
par-68	0.0000	0.0000	0.0000	-0.0010	-0.0010	0.0000	0.0000	0.0000
par-69	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0010	0.0000
par-70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-71	-0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0010
par-72	0.0000	0.0000	0.0000	0.0050	0.0010	0.0010	-0.0090	0.0000
par-73	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0020
par-74	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-75	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-76	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Covariances among								
Estimates								
	par-25	par-26	par-27	par-28	par-29	par-30	par-31	par-32
par-1	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-3	0.0000	-0.0010	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-4	0.0000	0.0030	0.0010	-0.0020	0.0000	0.0000	0.0000	0.0000
par-5	0.0000	0.0000	0.0000	0.0060	0.0000	0.0000	0.0000	0.0000
par-6	0.0000	0.0000	0.0000	0.0060	0.0000	0.0000	0.0000	0.0000
par-7	0.0000	0.0000	0.0000	0.0040	0.0000	0.0000	0.0000	0.0000
par-8	0.0000	0.0170	0.0080	-0.0030	0.0000	0.0000	0.0000	0.0000
par-9	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-10	0.0000	-0.0020	-0.0010	-0.0090	0.0000	0.0000	0.0000	0.0000
par-11	0.0000	0.0000	0.0000	-0.0020	0.0000	0.0000	0.0000	0.0000
par-12	0.0000	-0.0040	-0.0010	-0.0180	0.0000	0.0000	0.0010	0.0000
par-13	0.0000	-0.0020	-0.0010	-0.0060	0.0000	0.0000	0.0000	0.0000
par-14	0.0000	0.0310	0.0150	0.0010	0.0000	0.0000	0.0000	0.0000
par-15	0.0000	0.0400	0.0200	0.0010	0.0000	0.0000	0.0000	0.0000
par-16	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-17	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000
par-18	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010	0.0000
par-20	0.0000	-0.0010	-0.0010	0.0010	0.0000	0.0000	0.0030	0.0110
par-21	0.0000	-0.0010	-0.0010	0.0020	0.0000	0.0000	0.0020	-0.0160
par-22	0.0000	-0.0010	0.0000	0.0010	0.0000	0.0000	0.0010	-0.0170
par-23	0.0000	-0.0010	0.0000	0.0020	0.0000	0.0000	0.0000	0.0000
par-24	0.0020	0.0000	0.0000	0.0000	-0.0010	-0.0010	0.0000	0.0000
par-25	0.0060	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000	0.0000
par-26	0.0000	0.1030	0.0330	0.0030	0.0000	0.0000	0.0000	0.0000
par-27	0.0000	0.0330	0.0390	0.0010	0.0000	0.0000	0.0000	0.0000
par-28	0.0000	0.0030	0.0010	0.0190	0.0000	0.0000	0.0000	0.0000
par-29	-0.0010	0.0000	0.0000	0.0000	0.0070	0.0000	0.0000	0.0000
par-30	0.0000	0.0000	0.0000	0.0000	0.0000	0.0060	0.0000	0.0000
par-31	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0060	0.0000
par-32	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0140
par-33	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-34	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-35	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000
par-36	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-37	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-38	0.0000	0.0000	0.0000	0.0000	0.0040	0.0000	0.0000	0.0000
par-39	0.0000	0.0000	0.0000	0.0000	0.0040	0.0000	0.0000	0.0000
par-40	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-41	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-42	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-43	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-44	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-45	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-46	0.0000	-0.0130	-0.0060	0.0000	0.0000	0.0000	0.0000	0.0000
par-47	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-48	0.0000	-0.0020	-0.0010	-0.0100	0.0000	0.0000	0.0000	0.0000
par-49	0.0000	0.0020	0.0000	-0.0040	0.0000	0.0000	0.0000	0.0000
par-50	0.0010	0.0000	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000
par-51	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-52	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-53	0.0000	0.0040	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000
par-54	0.0000	0.0030	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-55	0.0000	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-56	0.0000	0.0000	0.0000	0.0000	0.0030	0.0000	0.0000	0.0000
par-57	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-58	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-59	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-60	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-61	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-62	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0060
par-63	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0110
par-64	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0090
par-65	0.0000	0.0010	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-66	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-67	0.0000	0.0010	0.0000	0.0040	0.0000	0.0000	0.0000	0.0000
par-68	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000
par-69	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0030	0.0000
par-70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-71	0.0000	0.0000	0.0000	0.0000	0.0000	0.0050	0.0000	0.0000
par-72	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0050	0.0000
par-73	0.0000	0.0000	0.0000	0.0000	0.0050	0.0030	0.0000	0.0000
par-74	-0.0010	0.0000	0.0000	0.0000	0.0060	0.0000	0.0000	0.0000
par-75	0.0000	-0.0180	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000
par-76	0.0000	0.0020	-0.0030	0.0000	0.0000	0.0000	0.0000	0.0000

Covariances among Estimates								
	par-33	par-34	par-35	par-36	par-37	par-38	par-39	par-40
par-1	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	-0.0010
par-2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-3	0.0000	0.0000	0.0010	0.0000	0.0020	0.0000	0.0000	-0.0010
par-4	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-5	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-6	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-7	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-8	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-9	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-10	0.0000	0.0000	-0.0020	0.0010	0.0000	0.0000	0.0000	-0.0010
par-11	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-12	0.0000	-0.0010	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000
par-13	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-14	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-15	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-16	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-17	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-19	0.0010	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-20	0.0020	0.0090	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-21	0.0020	0.0070	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-22	0.0010	0.0040	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-23	0.0010	0.0040	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-24	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-25	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-26	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-27	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-28	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000
par-29	0.0000	0.0000	0.0000	0.0000	0.0000	0.0040	0.0040	0.0000
par-30	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-31	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-32	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-33	0.0030	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-34	0.0000	0.0070	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-35	0.0000	0.0000	0.0050	0.0000	0.0000	0.0000	0.0000	0.0010

par-74	0.0000	0.0000	0.0000	0.0000	0.0000	0.0030	0.0080	0.0000
par-75	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-76	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Covariances among Estimates								
	par-41	par-42	par-43	par-44	par-45	par-46	par-47	par-48
par-1	0.0000	0.0000	0.0000	0.0000	-0.0160	0.0000	0.0000	0.0000
par-2	0.0000	0.0000	0.0000	0.0000	-0.0280	0.0000	0.0000	0.0000
par-3	0.0000	0.0000	0.0000	0.0000	-0.0450	0.0000	0.0000	0.0010
par-4	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-5	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0060
par-6	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0060
par-7	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0040
par-8	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0030	0.0000	0.0000
par-9	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-10	0.0000	0.0000	0.0000	0.0000	0.0020	0.0000	0.0000	0.0030
par-11	0.0000	0.0000	0.0000	0.0000	-0.0090	0.0000	0.0000	0.0010
par-12	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010	0.0040	0.0070
par-13	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0020
par-14	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0060	0.0000	-0.0010
par-15	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0070	0.0000	-0.0010
par-16	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-17	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0060	-0.0010
par-20	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0240	-0.0020
par-21	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0230	-0.0020
par-22	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0130	-0.0010
par-23	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0130	-0.0030
par-24	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-25	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-26	-0.0010	0.0000	0.0000	0.0000	0.0000	-0.0130	0.0000	-0.0020
par-27	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0060	0.0000	-0.0010
par-28	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0100
par-29	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-30	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-31	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-32	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-33	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-34	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-35	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-36	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-37	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-38	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-39	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-40	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-41	0.0060	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-42	0.0000	0.0040	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-43	0.0000	0.0000	0.0040	0.0000	0.0000	0.0000	0.0000	0.0000
par-44	0.0000	0.0000	0.0000	0.0070	0.0000	0.0000	0.0000	0.0000
par-45	0.0000	0.0000	0.0000	0.0000	0.0100	0.0000	0.0000	0.0000
par-46	0.0000	0.0000	0.0000	0.0000	0.0000	0.0030	0.0000	0.0000
par-47	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010	0.0000
par-48	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0130
par-49	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-50	0.0000	0.0000	0.0000	0.0030	0.0000	0.0000	0.0000	0.0000
par-51	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-52	0.0000	0.0000	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000
par-53	0.0000	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-54	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-55	-0.0040	0.0000	0.0000	0.0040	0.0000	0.0000	0.0000	0.0000
par-56	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-57	0.0000	0.0000	0.0000	0.0000	-0.0010	0.0000	0.0000	0.0000
par-58	0.0000	0.0000	0.0000	0.0000	0.0040	0.0000	0.0000	-0.0010
par-59	0.0000	0.0000	0.0000	0.0000	-0.0030	0.0000	0.0000	0.0000
par-60	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-61	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-62	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-63	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-64	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-65	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-66	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-67	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0030
par-68	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-69	-0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-71	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-72	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-73	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-74	0.0000	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-75	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000
par-76	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000

Covariances among Estimates								
	par-49	par-50	par-51	par-52	par-53	par-54	par-55	par-56
par-1	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0030
par-2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-3	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0040
par-4	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-5	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-6	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-7	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-8	0.0010	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000
par-9	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-10	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-11	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-12	0.0050	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-13	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-14	0.0010	0.0000	0.0000	0.0000	0.0010	0.0000	-0.0040	0.0000
par-15	0.0010	0.0000	0.0000	0.0000	0.0010	-0.0040	0.0000	0.0000
par-16	0.0000	0.0020	0.0000	-0.0020	0.0000	0.0000	0.0000	0.0000
par-17	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-18	0.0000	0.0020	-0.0040	0.0000	0.0000	0.0000	0.0000	0.0000
par-19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-20	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-21	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-22	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-23	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-24	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-25	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-26	0.0020	0.0000	0.0000	0.0000	0.0040	0.0030	0.0020	0.0000
par-27	0.0000	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000
par-28	-0.0040	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-29	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0030
par-30	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-31	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-32	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-33	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-34	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-35	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-36	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-37	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-38	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0060
par-39	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0080
par-40	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0020
par-41	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0040	0.0000
par-42	0.0000	0.0000	0.0000	0.0000	0.0020	0.0000	0.0000	0.0000
par-43	0.0000	0.0000	0.0000	0.0020	0.0000	0.0000	0.0000	0.0000
par-44	0.0000	0.0030	0.0000	0.0000	0.0000	0.0000	0.0040	0.0000
par-45	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-46	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-47	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-48	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-49	0.0130	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-50	0.0000	0.0100	-0.0020	-0.0010	0.0000	0.0000	0.0010	0.0000
par-51	0.0000	-0.0020	0.0140	0.0000	0.0000	0.0000	0.0000	0.0000
par-52	0.0000	-0.0010	0.0000	0.0120	0.0000	0.0000	0.0000	0.0000
par-53	0.0000	0.0000	0.0000	0.0000	0.0090	0.0000	0.0000	0.0000
par-54	0.0000	0.0000	0.0000	0.0000	0.0000	0.0130	0.0000	0.0000
par-55	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0220	0.0000
par-56	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0180
par-57	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010
par-58	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0030

par-59	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-60	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-61	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-62	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-63	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-64	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-65	-0.0110	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-66	-0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-67	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-68	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-69	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010	0.0000
par-70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-71	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-72	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-73	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0020
par-74	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0040
par-75	-0.0010	0.0000	0.0000	0.0000	-0.0010	-0.0020	-0.0020	0.0000
par-76	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Covariances among								
Estimates								
	par-57	par-58	par-59	par-60	par-61	par-62	par-63	par-64
par-1	0.0000	0.0000	0.0040	0.0000	0.0000	0.0000	0.0000	0.0000
par-2	-0.0090	0.0040	0.0070	0.0000	0.0000	0.0000	0.0000	0.0000
par-3	0.0160	-0.0480	0.0150	0.0000	0.0000	0.0000	0.0000	0.0000
par-4	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-5	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-6	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-7	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-8	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-9	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-10	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-11	0.0000	0.0000	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000
par-12	0.0000	-0.0010	0.0000	-0.0010	-0.0010	0.0000	0.0000	0.0000
par-13	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-14	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-15	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-16	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-17	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-19	0.0000	0.0000	0.0000	0.0020	-0.0020	0.0000	0.0000	0.0000
par-20	0.0000	0.0000	0.0000	0.0070	0.0090	-0.0410	0.0190	0.0060
par-21	0.0000	0.0000	0.0000	0.0060	0.0070	0.0110	-0.0320	-0.0080
par-22	0.0000	0.0000	0.0000	0.0040	0.0040	0.0060	-0.0130	-0.0150
par-23	0.0000	0.0000	0.0000	0.0040	0.0040	0.0000	0.0000	0.0000
par-24	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-25	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-26	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-27	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-28	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-29	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-30	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-31	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-32	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0060	0.0110	0.0090
par-33	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-34	0.0000	0.0000	0.0000	0.0060	0.0060	-0.0010	0.0000	0.0000
par-35	0.0000	-0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-36	-0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-37	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-38	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-39	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-40	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-41	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-42	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-43	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-44	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-45	-0.0010	0.0040	-0.0030	0.0000	0.0000	0.0000	0.0000	0.0000
par-46	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-47	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-48	0.0000	-0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-49	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-50	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-51	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-52	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-53	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

par-54	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-55	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-56	0.0010	-0.0030	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-57	0.0220	-0.0120	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000
par-58	-0.0120	0.0370	-0.0040	0.0000	0.0000	0.0000	0.0000	0.0000
par-59	0.0010	-0.0040	0.0190	0.0000	0.0000	0.0000	0.0000	0.0000
par-60	0.0000	0.0000	0.0000	0.0090	0.0040	0.0000	0.0000	0.0000
par-61	0.0000	0.0000	0.0000	0.0040	0.0110	-0.0010	0.0000	0.0000
par-62	0.0000	0.0000	0.0000	0.0000	-0.0010	0.0200	-0.0100	-0.0030
par-63	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0100	0.0270	0.0050
par-64	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0030	0.0050	0.0210
par-65	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-66	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-67	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-68	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-69	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-71	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-72	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0020	0.0000	0.0000
par-73	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-74	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-75	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-76	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Covariances among Estimates								
	par-65	par-66	par-67	par-68	par-69	par-70	par-71	par-72
par-1	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-3	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-4	0.0010	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-5	0.0000	0.0000	0.0020	-0.0020	0.0000	0.0000	0.0000	0.0000
par-6	0.0000	0.0000	0.0020	0.0000	-0.0020	0.0000	0.0000	0.0000
par-7	0.0000	0.0000	0.0010	0.0000	0.0000	-0.0010	0.0000	0.0000
par-8	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-9	0.0000	0.0000	0.0010	-	0.0000	0.0000	0.0000	0.0000

par-10	0.0010	0.0000	0.0010	-	-0.0010	-0.0010	0.0000	0.0000	0.0000
par-11	0.0000	0.0000	0.0010	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-12	0.0010	0.0000	0.0030	-	-0.0010	-0.0010	0.0000	0.0000	0.0000
par-13	0.0000	0.0000	0.0010	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-14	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-15	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-16	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-17	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	-0.0020	0.0000
par-18	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-19	0.0000	0.0000	0.0010	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-20	0.0000	0.0000	0.0030	-	-0.0010	0.0000	0.0000	0.0000	0.0050
par-21	0.0000	0.0000	0.0030	-	-0.0010	0.0000	0.0000	0.0000	0.0010
par-22	0.0000	0.0000	0.0020	-	0.0000	0.0000	0.0000	0.0000	0.0010
par-23	0.0000	0.0000	0.0020	-	0.0000	-0.0010	0.0000	0.0000	-0.0090
par-24	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	-0.0010	0.0000
par-25	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-26	0.0010	0.0000	0.0010	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-27	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-28	-0.0010	0.0000	0.0040	-	0.0010	0.0010	0.0000	0.0000	0.0000
par-29	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-30	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0050	0.0000
par-31	0.0000	0.0000	0.0000	-	0.0000	0.0030	0.0000	0.0000	0.0050
par-32	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-33	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-34	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-35	0.0000	-0.0010	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-36	0.0000	0.0000	0.0000	-	0.0000	0.0000	-0.0020	0.0000	0.0000
par-37	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0010	0.0000	0.0000
par-38	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-39	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-40	0.0000	0.0010	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-41	0.0000	0.0000	0.0000	-	0.0000	-0.0020	0.0000	0.0000	0.0000
par-42	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000
par-43	0.0000	0.0000	0.0000	-	0.0000	0.0000	0.0000	0.0000	0.0000

par-44	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-45	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-46	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-47	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-48	0.0000	0.0000	0.0030	-	0.0000	0.0000	0.0000	0.0000
par-49	-0.0110	-0.0020	0.0010	-	-0.0010	-0.0010	0.0000	0.0000
par-50	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-51	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-52	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-53	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-54	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-55	0.0000	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000
par-56	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-57	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-58	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-59	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-60	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-61	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-62	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	-0.0020
par-63	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-64	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-65	0.0150	0.0020	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-66	0.0020	0.0070	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-67	0.0000	0.0000	0.0090	0.0000	0.0000	0.0000	0.0000	0.0000
par-68	0.0000	0.0000	0.0000	0.0070	0.0000	0.0000	0.0000	0.0000
par-69	0.0000	0.0000	0.0000	0.0000	0.0090	0.0000	0.0000	0.0010
par-70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0090	0.0000	0.0000
par-71	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0140	0.0000
par-72	0.0000	0.0000	0.0000	0.0000	0.0010	0.0000	0.0000	0.0170
par-73	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0020	0.0000
par-74	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-75	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
par-76	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Covariances among		
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Estimates				
	par-73	par-74	par-75	par-76
par-1	0.0000	0.0000	0.0000	0.0000
par-2	0.0000	0.0000	0.0000	0.0000
par-3	0.0000	0.0000	0.0000	0.0000
par-4	0.0000	0.0000	0.0000	0.0000
par-5	0.0000	0.0000	0.0000	0.0000
par-6	0.0000	0.0000	0.0000	0.0000
par-7	0.0000	0.0000	0.0000	0.0000
par-8	0.0000	0.0000	0.0000	0.0000
par-9	0.0000	0.0000	0.0000	0.0000
par-10	0.0000	0.0000	0.0000	0.0000
par-11	0.0000	0.0000	0.0000	0.0000
par-12	0.0000	0.0000	0.0010	0.0000
par-13	0.0000	0.0000	0.0000	0.0000
par-14	0.0000	0.0000	0.0000	0.0000
par-15	0.0000	0.0000	0.0000	0.0000
par-16	0.0000	0.0000	0.0000	0.0000
par-17	-0.0010	0.0000	0.0000	0.0000
par-18	0.0000	0.0000	0.0000	0.0000
par-19	0.0000	0.0000	0.0000	0.0000
par-20	0.0000	0.0000	0.0000	0.0000
par-21	0.0000	0.0000	0.0000	0.0000
par-22	0.0000	0.0000	0.0000	0.0000
par-23	0.0000	0.0000	0.0000	0.0000
par-24	-0.0020	0.0000	0.0000	0.0000
par-25	0.0000	-0.0010	0.0000	0.0000
par-26	0.0000	0.0000	-0.0180	0.0020
par-27	0.0000	0.0000	0.0000	-0.0030
par-28	0.0000	0.0000	-0.0010	0.0000
par-29	0.0050	0.0060	0.0000	0.0000
par-30	0.0030	0.0000	0.0000	0.0000
par-31	0.0000	0.0000	0.0000	0.0000
par-32	0.0000	0.0000	0.0000	0.0000
par-33	0.0000	0.0000	0.0000	0.0000
par-34	0.0000	0.0000	0.0000	0.0000
par-35	0.0000	0.0000	0.0000	0.0000
par-36	0.0000	0.0000	0.0000	0.0000

par-37	0.0000	0.0000	0.0000	0.0000
par-38	0.0040	0.0030	0.0000	0.0000
par-39	0.0020	0.0080	0.0000	0.0000
par-40	0.0000	0.0000	0.0000	0.0000
par-41	0.0000	0.0000	0.0000	0.0000
par-42	0.0000	0.0020	0.0000	0.0000
par-43	0.0000	0.0000	0.0000	0.0010
par-44	0.0000	0.0000	0.0000	0.0000
par-45	0.0000	0.0000	0.0000	0.0000
par-46	0.0000	0.0000	0.0010	0.0000
par-47	0.0000	0.0000	0.0000	0.0000
par-48	0.0000	0.0000	0.0000	0.0000
par-49	0.0000	0.0000	-0.0010	0.0000
par-50	-0.0010	0.0000	0.0000	0.0000
par-51	0.0000	0.0000	0.0000	0.0000
par-52	0.0000	0.0000	0.0000	0.0000
par-53	0.0000	0.0000	-0.0010	0.0000
par-54	0.0000	0.0000	-0.0020	0.0000
par-55	0.0000	0.0000	-0.0020	0.0000
par-56	0.0020	0.0040	0.0000	0.0000
par-57	0.0000	0.0000	0.0000	0.0000
par-58	0.0000	0.0000	0.0000	0.0000
par-59	0.0000	0.0000	0.0000	0.0000
par-60	0.0000	0.0000	0.0000	0.0000
par-61	0.0000	0.0000	0.0000	0.0000
par-62	0.0000	0.0000	0.0000	0.0000
par-63	0.0000	0.0000	0.0000	0.0000
par-64	0.0000	0.0000	0.0000	0.0000
par-65	0.0000	0.0000	0.0000	0.0000
par-66	0.0000	0.0000	0.0000	0.0000
par-67	0.0000	0.0000	0.0000	0.0000
par-68	0.0000	0.0000	0.0000	0.0000
par-69	0.0000	0.0000	0.0000	0.0000
par-70	0.0000	0.0000	0.0000	0.0000
par-71	0.0020	0.0000	0.0000	0.0000
par-72	0.0000	0.0000	0.0000	0.0000
par-73	0.0110	0.0030	0.0000	0.0000
par-74	0.0030	0.0170	0.0000	0.0000

par-75	0.0000	0.0000	0.0150	-0.0010
par-76	0.0000	0.0000	-0.0010	0.0070

Modification Indices				
Covariances:			M.I.	Par Change
THE BUSINESS PARTNERSHIP	<-->	EDUCATION AND TRAINING	38.703	0.147
GOVERNMENT ASSISTANCE	<-->	EDUCATION AND TRAINING	83.181	0.1
GOVERNMENT ASSISTANCE	<-->	THE BUSINESS PARTNERSHIP	36.159	0.256
GOVERNMENT REGULATIONS	<-->	EDUCATION AND TRAINING	16.079	0.049
GOVERNMENT REGULATIONS	<-->	THE BUSINESS PARTNERSHIP	25.19	0.237
GOVERNMENT REGULATIONS	<-->	GOVERNMENT ASSISTANCE	16.771	0.09
z2	<-->	GOVERNMENT ASSISTANCE	11.263	-0.096
e8	<-->	EDUCATION AND TRAINING	8.178	0.058
e16	<-->	EDUCATION AND TRAINING	4.248	0.041
e1	<-->	GOVERNMENT ASSISTANCE	10.063	0.125
e1	<-->	GOVERNMENT REGULATIONS	8.012	0.124
e15	<-->	e16	9.739	0.215
e27	<-->	THE BUSINESS PARTNERSHIP	4.441	0.166
e27	<-->	GOVERNMENT ASSISTANCE	7.927	0.103
e28	<-->	EDUCATION AND	4.977	0.042

		TRAINING		
e28	<-->	GOVERNMENT ASSISTANCE	8.507	0.099
e28	<-->	e7	4.155	0.119
e28	<-->	e8	6.433	0.16
e28	<-->	e1	6.928	0.178
e28	<-->	e27	5.175	0.143
e29	<-->	e1	5.242	-0.155
e30	<-->	z2	4.743	0.109
e23	<-->	GOVERNMENT ASSISTANCE	11.679	-0.103
e23	<-->	e30	4.421	0.111
e6	<-->	e16	9.352	0.237
e5	<-->	THE BUSINESS PARTNERSHIP	6.612	0.232
e5	<-->	e16	6.613	0.195
e5	<-->	e24	7.672	0.194
e5	<-->	e6	19.225	0.399
e3	<-->	THE BUSINESS PARTNERSHIP	7.349	0.211
e3	<-->	GOVERNMENT REGULATIONS	11.096	0.134
e3	<-->	z1	4.512	0.122
e3	<-->	e15	4.816	-0.155
e3	<-->	e6	4.817	-0.171
e3	<-->	e5	12.223	-0.268
e3	<-->	e4	7.359	0.184
e20	<-->	e5	6.75	-0.218
e19	<-->	e1	7.354	0.227
e19	<-->	e27	4.386	-0.163
e19	<-->	e5	4.032	0.18
e19	<-->	e4	10.706	-0.259
e18	<-->	EDUCATION AND TRAINING	8.718	0.068
e18	<-->	THE BUSINESS PARTNERSHIP	22.098	0.423
e18	<-->	GOVERNMENT ASSISTANCE	12.863	0.15
E18	<-->	e16	20.457	0.342

E18	<-->	e27	5.032	0.173
e18	<-->	e5	5.453	0.207
e11	<-->	THE BUSINESS PARTNERSHIP	14.117	0.364
e11	<-->	e28	6.414	-0.197
e10	<-->	EDUCATION AND TRAINING	5.453	0.051
e10	<-->	e21	7.401	0.233
e9	<-->	EDUCATION AND TRAINING	15.315	0.079
e9	<-->	GOVERNMENT ASSISTANCE	17.889	0.153
e9	<-->	GOVERNMENT REGULATIONS	16.748	0.166
e9	<-->	e16	7.31	0.178
e9	<-->	e24	4.278	-0.126
e9	<-->	e6	10.503	0.256
e9	<-->	e18	6.576	0.197
e9	<-->	e10	5.694	0.171
e14	<-->	e7	5.592	0.154
e14	<-->	e29	4.057	0.132
e14	<-->	e3	6.114	0.172
e13	<-->	e15	9.572	-0.242
e13	<-->	e6	6.968	-0.232
e13	<-->	e14	10.912	0.255
e12	<-->	e4	10.055	-0.207
e12	<-->	e11	8.436	0.229
e12	<-->	e14	5.005	-0.146
Variances:			M.I.	Par Change

Regression Weights:		M.I.	Par Change	
THE SUCCESS OF THE BUSINESS	<--	GOVERNMENT ASSISTANCE	11.263	-0.456
X21	<--	X11	5.04	0.123
X21	<--	X33	6.053	0.139

X22	<--	EDUCATION AND TRAINING	8.178	1.027
X22	<--	X16	5.321	0.138
X22	<--	Y12	7.994	0.178
X22	<--	X12	4.761	0.116
X22	<--	X13	6.699	0.154
X22	<--	X32	4.342	0.118
X35	<--	EDUCATION AND TRAINING	4.248	0.724
X35	<--	X34	6.371	0.154
X35	<--	X11	11.449	0.196
X35	<--	X12	9.248	0.158
X35	<--	X41	21.777	0.259
X35	<--	x25	4.596	0.119
X35	<--	x23	8.679	0.201
X16	<--	GOVERNMENT ASSISTANCE	10.063	0.588
X16	<--	GOVERNMENT REGULATIONS	8.012	0.491
X16	<--	THE SUCCESS OF THE BUSINESS	8.259	0.247
X16	<--	X21	5.25	0.175
X16	<--	X22	7.996	0.168
X16	<--	Y12	8.873	0.201
X16	<--	X43	5.989	0.144
X16	<--	X42	12.431	0.21
X16	<--	X25	6.729	0.157
X16	<--	X23	6.449	0.191
X16	<--	X31	4.704	0.134
X34	<--	X12	5.436	0.13
X34	<--	X13	5.497	0.147
X34	<--	X32	5.099	-0.134
Y11	<--	THE BUSINESS PARTNERSHIP	4.441	0.166
Y11	<--	GOVERNMENT ASSISTANCE	7.927	0.487
Y11	<--	X21	6.848	0.186
Y11	<--	X22	5.616	0.131
Y11	<--	X35	6.423	0.147

Y11	<--	X42	6.001	-0.136
Y11	<--	X25	6.049	0.139
Y11	<--	X32	5.88	0.137
Y12	<--	EDUCATION AND TRAINING	4.977	0.745
Y12	<--	GOVERNMENT ASSISTANCE	8.507	0.47
Y12	<--	X21	9.515	0.205
Y12	<--	X22	10.518	0.168
Y12	<--	X16	8.669	0.165
Y12	<--	X11	4.975	0.123
Y12	<--	X24	5.017	0.128
Y12	<--	X23	4.54	0.139
Y13	<--	X16	6.155	-0.139
Y22	<--	X12	6.575	0.123
Y21	<--	GOVERNMENT ASSISTANCE	11.679	-0.489
Y21	<--	X21	7.772	-0.166
Y21	<--	X22	10.279	-0.149
Y21	<--	X24	10.331	-0.165
X11	<--	X21	4.135	0.17
X11	<--	X35	6.86	0.178
X11	<--	X12	14.003	0.233
X11	<--	X23	11.362	0.276
X12	<--	THE BUSINESS PARTNERSHIP	6.612	0.232
X12	<--	X35	10.606	0.217
X12	<--	X34	5.902	0.174
X12	<--	Y22	11.005	0.281
X12	<--	X11	13.129	0.246
X12	<--	X14	6.729	-0.201
X12	<--	X41	6.545	0.167
X12	<--	X31	6.486	0.168
X13	<--	X14	4.059	0.138
X13	<--	X42	7.978	-0.159
X14	<--	THE BUSINESS PARTNERSHIP	7.349	0.211
X14	<--	GOVERNMENT	11.096	0.534

		REGULATIONS		
X14	<--	THE ABILITY OF A BUSINESS	13.791	0.349
X14	<--	THE SUCCESS OF THE BUSINESS	10.689	0.26
X14	<--	Y13	9.703	0.205
X14	<--	Y14	6.915	0.159
X14	<--	Y21	10.547	0.195
X14	<--	X12	4.958	-0.117
X14	<--	X44	6.302	0.149
X14	<--	X43	7.267	0.146
X14	<--	X42	4.915	0.122
X14	<--	X41	5.3	0.13
X14	<--	X33	11.328	0.203
X14	<--	X32	9.079	0.168
X14	<--	X31	4.538	0.121
X44	<--	x24	5.159	0.165
X42	<--	X16	4.043	0.139
X42	<--	X13	4.085	-0.138
X41	<--	EDUCATION AND TRAINING	8.718	1.211
X41	<--	THE BUSINESS PARTNERSHIP	22.098	0.423
X41	<--	GOVERNMENT ASSISTANCE	12.863	0.708
X41	<--	X21	10.388	0.262
X41	<--	X22	7.461	0.173
X41	<--	X35	34.227	0.387
X41	<--	X34	5.567	0.169
X41	<--	Y11	7.193	0.212
X41	<--	X11	7.791	0.189
X41	<--	X12	12.196	0.212
X41	<--	X13	5.487	0.159
X41	<--	X14	5.14	0.175
X41	<--	X25	6.054	0.159
X41	<--	X24	7.585	0.193
X41	<--	X23	13.605	0.295
X41	<--	X33	7.896	0.196

X41	<--	X31	13.859	0.245
X25	<--	THE BUSINESS PARTNERSHIP	14.117	0.364
X25	<--	X35	13.068	0.258
X25	<--	X34	4.869	0.17
X25	<--	X31	17.582	0.297
X24	<--	EDUCATION AND TRAINING	5.453	0.896
X24	<--	X11	4.668	0.137
X24	<--	X12	5.898	0.138
X24	<--	X44	6.248	0.159
X24	<--	X23	4.354	0.156
X23	<--	EDUCATION AND TRAINING	15.315	1.399
X23	<--	GOVERNMENT ASSISTANCE	17.889	0.724
X23	<--	GOVERNMENT REGULATIONS	16.748	0.659
X23	<--	THE ABILITY OF A BUSINESS	11.752	0.324
X23	<--	THE SUCCESS OF THE BUSINESS	12.592	0.283
X23	<--	X21	13.608	0.262
X23	<--	X22	14.107	0.207
X23	<--	X35	8.143	0.165
X23	<--	X16	9.946	0.188
X23	<--	Y12	8.554	0.183
X23	<--	Y14	5.211	0.139
X23	<--	Y21	5.745	0.145
X23	<--	X11	18.561	0.254
X23	<--	X43	11.91	0.188
X23	<--	X42	10.916	0.182
X23	<--	X41	12.639	0.201
X23	<--	x25	5.585	0.133
X23	<--	X24	16.425	0.248
X33	<--	X21	6.31	0.186
X33	<--	Y13	5.123	0.156
X33	<--	X13	4.053	0.125
X33	<--	X14	7.513	0.192

X33	<--	X32	5.835	0.142
X32	<--	THE ABILITY OF A BUSINESS	4.49	0.222
X32	<--	THE SUCCESS OF THE BUSINESS	4.478	0.188
X32	<--	X34	6.184	-0.172
X32	<--	Y11	5.413	0.178
X32	<--	X14	5.498	0.175
X32	<--	X33	6.227	0.168
X31	<--	X13	5.412	-0.131
X31	<--	X25	9.597	0.166
X31	<--	X33	7.546	-0.159

Fit Measures

Fit Measure	Default model	Saturated	Independence	Macro
Discrepancy	91.458	0	480.301	CMIN
Degrees of freedom	71	0	105	DF
P	0.052		0	P
Number of parameters	49	120	15	NPART
Discrepancy / df	1.288		4.574	CMIN/DF
RMR	0.273	0	1.457	RMR
GFI	0.936	1	0.624	GFI
Adjusted GFI	0.893		0.571	AGFI
Parsimony-adjusted GFI	0.554		0.546	PGFI
Normed fit index	0.81	1	0	NFI
Relative fit index	0.718		0	RFI
Incremental fit index	0.95	1	0	IFI
Tucker-Lewis index	0.919		0	TLI

Comparative fit index	0.945	1	0	CFI
Parsimony ratio	0.676	0	1	PRATIO
Parsimony-adjusted NFI	0.547	0	0	PNFI
Parsimony-adjusted CFI	0.639	0	0	PCFI
Noncentrality parameter estimate	20.458	0	375.301	NCP
NCP lower bound	0	0	310.987	NCPLO
NCP upper bound	49.197	0	447.154	NCPHI
FMIN	0.529	0	2.776	FMIN
F0	0.118	0	2.169	F0
F0 lower bound	0	0	1.798	F0LO
F0 upper bound	0.284	0	2.585	F0HI
RMSEA	0.041		0.144	RMSEA
RMSEA lower bound	0		0.131	RMSEALO
RMSEA upper bound	0.063		0.157	RMSEAH1
P for test of close fit	0.726		0	PCLOSE
Akaike information criterion (AIC)	189.458	240	510.301	AIC
Browne-Cudeck criterion	199.446	264.459	513.359	BCC
Bayes information criterion	476.947	944.053	598.308	BIC

Consistent AIC	393.252	739.087	572.687		CAIC
Expected cross validation index	1.095	1.387	2.95		ECVI
ECVI lower bound	0.977	1.387	2.578		ECVILO
ECVI upper bound	1.261	1.387	3.365		ECVIHI
MECVI	1.153	1.529	2.967		MECVI
Hoelter .05 index	174		47		HFIVE
Hoelter .01 index	193		52		HONE

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