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Determinants of Business Sustainability among Micro Small Medium Entrepreneurship (MSMEs) in Selangor

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Abstract

This study provide some insights on the determinants of survivability of business among the micro small medium entrepreneurship (MSMEs) in Selangor. Having two important determinants namely competitive advantage and customer supplier relationship may commit a business to become sustainable. This has led to the main objective of the study which is to investigate whether the determinants of entrepreneurial competencies, competitive advantage and customer supplier relationship have a relationship with business sustainability. This study also examined the encouragement of technology or digital adoption in doing business how well it enhanced business sustainability. Using a quantitative method and adopting a cross sectional survey this study was carried out among MSMEs entrepreneurs in Selangor. The survey was distributed to respondents from various sectors and they included the founder, partner, owner, agent and the employee that involved in the industry. The findings revealed that the three determinants which are entrepreneur competencies, competitive advantage and customer supplier relationship have significant correlation with business sustainability. The findings indicate that the survivability is literally depending on the ability to analyze and keep up with the drastic changes in business environment is crucial in ensuring the sustainability of business performance. As for future related study it is recommended that the researcher employ other method such as the qualitative method. It is because gives an overview for the researcher to know the real-life experience in entrepreneurship which the study can be more well-defined and genuine rather than based on numerical results and findings from the data collected only.

Keywords: Competitive Advantage, Entrepreneurship, Business Sustainability, Technology, Competencies

Introduction

The micro small medium entrepreneurships (MSMEs) drastic growth nowadays has contributed to the developing of most of the countries as it is known as the major contributor in economy where the presence of MSMEs may reduce the unemployment problem in the country. The increasing in MSMEs industry nowadays also being a catalyst in order for the nation to achieve a better future economic sustainability. According to McMullen & Shepherd

(2006), one of the biggest contributors to the world economy is actually the businesses operation by this kind of small businesses. So, how about in Malaysia? It is interesting to know how MSMEs contribute to the growth of economy in Malaysia. Saleh & Ndubisi (2006) revealed that MSMEs in Malaysia plays an important role in order to support the economy and for the industrial growth. The strong base of Malaysia's economy is actually because of the MSMEs as disclosed by (MSME International Malaysia, 2015). The latest data in Malaysia Statistical Business Register (MSBR) published by the Department of Statistics, Malaysia (DOSM), shows that there were altogether 1,226,494 MSMEs in 2021. This number accounts for 97.4% of overall establishments in Malaysia. The statistics also indicates that there has been an increment of about 140,000 firms as compared to a total of 1,086,533 MSMEs in 2016, thus registering an average growth rate of 5.2% per annum during the six-year period between 2016-2021 (DOSM, 2022).

The study conducted by Huan (2018) has showed that the indicator for success known as the core aspect in research study as it may varies the result. That is why it is important for the researcher to clarify on how the success can be measured. The success of MSMEs often being measured by performance indicator that able to describe, estimate and discover how sustain the business is. Business sustainability can be observed in numerical data through its sales, return on investment and some other factors. Meanwhile for qualitative judgements, it describes the how knowledge is applied for the business, experience, the uniqueness of product and services, motivation, productivity and more. Huan (2018) also added that previous research determined the sustainability of business by its productivity, profit and market. Other researcher also highlighted on the business sustainability can be seen from the sales, company assets and profit growth. The measurement for business sustainability is mainly depends on company survival, profits, sales growth and return on investment (Laguna et al., 2012). Internal business perspective also is one of the important indicators for business sustainability as the enterprise needs to reconsider on develop business sustainable beyond its involvement. The business also must look into achieving the sale growth, production level, improve business process, reduce turnover rate and provide good quality of product and services (Oyuke, 2014). In sustaining the business sustainability among MSMEs, there are some considerations that drive the business to sustain. Being innovative as it is actually a medium for business owner to dominate the ideas to create new opportunity in business as mentioned by (Huan, 2018). The business operation also should be fulfilled by the people that have the knowledge to evaluate the business implementation process, good leadership and always look out for better opportunities in enhancing the existing product and services (Huan, 2018) and possess creative thinking.

In the era of more MSMEs are established, there are some indicators that drive the business to sustain which is the competitive advantage that the business possesses. The competitive advantage can be seen when the business has the access to the use of technology where it plays as an important role in the aspect of business industry and enterprise. Another important factor is the relationship with the customer and supplier also important things that the business operation should consider in keeping the business to sustain in this era with higher competitiveness. Although much work has been done on MSMEs and business sustainability, and various factors have been studied as variables but the pandemic Covid-19 period seems to change many aspects in business implementation whether it is big, medium or small businesses. As the pandemic encourages most business to go for online, the

government allocates RM150 million by introducing the Shop Malaysia Online with the collaboration with e-commerce that probably will benefit thousands of local sellers, halal product producers and other entrepreneurs. Bank Negara Malaysia also provide RM500 million through High Technology Fund in order to assist the high-tech sector MSMEs such as fertilisers, petroleum product, synthetic rubber and more. Will this assistance in encouraging more MSMEs to adopt technology in conducting their business worth it? Will it able to assist MSMEs becoming competitive and sustainable? Also with the encouragement of technology or digital adoption in doing business how well it enhanced business sustainability?. Therefore the objectives of the study, first is to investigate whether the determinants such as entrepreneur competencies, competitive advantage and customer supplier relationship have a relationship with business sustainability. Second is to examine which determinant influence the most on business sustainability among MSMEs in Selangor.

MSMEs business operations nowadays are commonly heard in this new era no matter how small or big the business is. As many entrepreneurs were introduced today, most of their story behind those successful business may face ups and downs during the operation of the business. The issue arose when the world can see on the television there are some successful MSMEs business and also that fail and finally change the status of bankruptcy to their business. With that, this can be proven that some factors may determine the MSMEs business to sustain or not. In Malaysia, Yusoff et al (2018) has stated that the contribution of MSMEs to the GDP has not shown significant increment despite the budget allocated by the government through both non- financial and financial support where MSMEs shows high rate of failure. This phenomenon can be proven when 42% of MSMEs were not able to survive. The study also shows disappointment where most businesses in Malaysia are failed to sustain their business due to some complication within the first five years of establishment. The failure rate of business in Malaysia is expected to be higher that the actual data as more than 70% of MSMEs were not able to sustain after 3 years of operating in 2017.

According to Small Business Administration research, the MSME business that survive for the next 5 years only half of the new MSMEs businesses. It also proved that only 1 over 3 new MSMEs businesses manage to survive for 10 years. With that, we can say that 65% of the new MSMEs businesses are not going to sustain for the next 10 years (Kamo, n.d.). There are some support programs initiated by the Malaysian government to increase the 4 productivity, efficiency, improving quality by adopting the modernization in term of machinery in order to allow the MSMEs to undergo Research & Development to have a good competitive environment among the MSMEs (Ahmad & Seet, 2009). Armitage (2017) was in the opinion that some MSMEs business owners only concern about the efforts at the early stage on developing and making sales from their product and services and at the same time they fail to track their expenditure. Accounting in MSMEs business is crucial in a way to keep it sustain and it should be the basis in making our small business works efficiently. From business news resources proved it in infographic where there are only 40% of MSMEs business gain a profit while for the other 30% turn out even and the remained 30% lose their profit (Kamo, n.d.). Stating about the financial, the banks and financial institution already try their best potential to give the efficient help to MSMEs business but somehow the MSMEs business itself changed the atmosphere by let if fall to market failure. The funds that they have may violate their supply due to lack of clear finance management and information (Biswas et al., 2018). Failure of MSMEs businesses may have bad environment that may increase their cost and risk in

doing their business and it may slow down the advantage of finance. Government in Malaysia also comes out with the initiatives to help with the financial crisis faced by the MSMEs by introducing the SME Bank in 2015 where it proves that lack of financial literacy in Malaysia will lead the MSMEs to fail. Failure of MSMEs businesses may have bad environment that may increase their cost and risk in doing their business and it may slow down the advantage of finance.

Literature Review

Introduction

In term of business, sustainability is defined as ecoefficiency as stated by Lee (2019). It can be said that there is a wide range in defining the word sustainability in business as there are numbers of view and understanding that have been defined by the researchers. Based on observation on the business sustainability, it is actually the concept of consumer behavior, stakeholder management, changes of environment, innovation and strategy. In addition, each company has their focus on particular view in describing the term sustainability such as their view on surrounding impact, economy, society and personal as stated by (Lee, 2019).

Micro Small Medium Entrepreneurship (MSMEs)

The World Bank Group SME Department define the term MSMEs as business consists of less than 10 workers. Meanwhile for the capital investment and annual investment in MSMEs is less than \$100,000. The detail of MSMEs as stated by Sefiani and Bown (2013) is categorized by the sales turnover which is not exceeding RM300,000 and the workers are not more than 5. The important of business sustainability among MSMEs is that it plays a big role for the growth of economy as it may cover almost 98% of all enterprises in Europe where it is actually made up of around 50% of those who employed in Europe (Randerson et al., 2015). In fact, MSMEs contribute more in most of the developing countries and it is known as one of the key factors for economic growth, local development and also overcoming hardship (Ayyagari, 2007). These two facts indicated that the significance role of MSMEs towards economic growth has long time been dictated and recognized. It has been recorded in middle of 2016 where 96% of businesses come from MSMEs that literally make for increasing in GDP from 30% to 57%. Focusing on Indonesia, ASEAN Economic Community (AEC) 13 gives chances for the growth in businesses and it has been recorded that from 2007 to 2018, 992 businesses were recognized and expected to develop more in Indonesia (Sitinjak, 2019).

Generally, most of the Malaysian Plan has included the idea to aid the MSMEs sector where it involves the enhancement of manufacturing sector and improved the capability of the services provided. Financial aid and support for MSMEs in Malaysia are from plenty of sources where the government also take the opportunity through the collaboration with financial institutions to support the MSMEs (M. Muridan & P. Ibrahim, 2018). The importance of expanding the MSMEs in Malaysia seems to involve 12 ministries and 38 other agencies. The government also had reform the SME Bank through the corporatization of Bank Pertanian Malaysia (Agrobank) and the Malaysian Cooperative Societies Commission. The government also support the infrastructure and financial institutional through the SME Development Council where it requires the help from the financial institutions in term of complaints from the customers, outreach and counselling. SME Development Council also helps the business to clarify the government funds, set up proper information systems, solving debt through the transformation of development financial institution. In addition, the effort of the government

towards maintaining the contribution of MSMEs for national economic seems to be ongoing until the Budget 2021. Despite the pandemic that the world is currently facing, government also takes this big opportunity to sustain the available MSMEs through the financial aid for assisting the capital expenditure, upgrading the automation equipment expenditure as a way to follow accordingly the Standard operating procedures (SOP) through Perbadanan Usahawan Nasional Berhad (PUNB) with the allocation RM230 million. As the pandemic encourages most business to go for online, the government allocates RM150 million by introducing the Shop Malaysia Online with the collaboration with e-commerce that probably will benefit thousands of local sellers, halal product producers and other entrepreneurs. Bank Negara also provide RM500 million through High Technology Fund in order to assist the high-tech sector MSMEs such as fertilisers, petroleum product, synthetic rubber and more. Due to the decreasing of human mobility, most MSMEs are affected during the pandemic of COVID-19, with that, the government come out with the Targeted Relief and Recovery Facility (TRRF) with the allocation of RM2 billion with the reduction rate of 3.5%. This initiative is held by the Syarikat Jaminan Pembiayaan Perniagaan (SJPP) and Credit Guarantee Corporation (CGC). All in all, as according to M. Muridan & P. Ibrahim (2018), the government already provided the financial aid with variety of programs and initiatives just to fulfill the needs 18 of MSMEs with inclusive financial platform with different level of business lifecycle.

Business Sustainability

There are several indicators related to business sustainability as captured form the past literature. The study conducted by Huan (2018) has showed that the indicator for success known as the core aspect in research study varies. Business sustainability can be observed in numerical data through its sales, return on investment; productivity, profit and market (Laguna et al., 2012). Meanwhile for qualitative judgements, it describes the how knowledge is applied for the business, experience, the uniqueness of product and services, motivation, productivity and more. Internal business perspective also is one of the important indicators for business sustainability as the enterprise needs to reconsider on develop business sustainable beyond its involvement. The business also must look into achieving the sale growth, production level, improve business process, reduce turnover rate and provide good quality of product and services (Oyuke, 2014). the personality trait that drive the business to sustain as mentioned by (Sefiani, 2013). Omar et al (2018), the example of desire for achievement can be seen where most males are involving in entrepreneurships just to create extra income and for financially improvement. This also proves that females also have their motivation for achievement in business which focusing on to support family financially and to have flexible time of working. The personal traits that people should possesses in sustaining their business is being innovative as it is actually a medium for business owner to dominate the ideas to create new opportunity in business as mentioned by Huan (2018). The creative thinking, people that have the competencies to assess the problem, can be trusted, shows good ethic in business and able to observe the trend changing (Hazlina Ahmad et al., 2010). Positive networking also may contribute the business to sustain as it can ease the dealing with the outsiders. By having the competencies to make a good relationship with the professional also main contributor in sustaining the business of MSMEs (Omri et al., 2015). The business operation also should be fulfilled by the people that have the knowledge to evaluate the business implementation process, good leadership and always look out for better opportunities in enhancing the existing product and services (Huan, 2018). s according to U. Abdul Kohar (2013), the study in Malaysia proves that the skills in maintaining the competitive

advantage act as a backbone for the business to survive in business environment. The competitive advantage can be seen when the business has the access to the use of technology where it plays as an important role in the aspect of business industry and enterprise. Having this competitive advantage will remain the business to sustain and undefeatable and also access to information also may sustain the business of MSMEs. the business that owns a good accessibility of infrastructure also will increase the investment, productivity and sustainability (Sefiani, 2013).

Entrepreneurial Competencies

Entrepreneurial competencies can be defined as the courage to take action from the ideas where it includes the creative thinking, able to take risk, plan and organize to accomplish the objective (Cubico, 2015). In sustaining MSMEs, the business should be occupied with the people that have the competencies to assess and analyse the problems, can be trusted, shows good ethic in business and able to observe the trend and dynamic environment in the market. It is crucial to have a creative thinker in business operation as this might help to acknowledge the problem of the product and services through the observation and thinking. The business operation also should be fulfilled by the people that have the knowledge to evaluate the business implementation process, good leadership and always look out for better opportunities in enhancing the existing product and services (Huan, 2018). The competencies that MSMEs should have is leadership as it is proved from previous research where the sustainability of the business will enable the leaders or the owners to handle the operation by overseeing the financial, environment and social objective for the creation of uniqueness. Leaders' responsibilities play as a crucial role in creating the competitive advantage. The theory of leadership in MSMEs has been imaged as a factor for business sustainability among MSMEs (Nor-Aishah et al., 2020). In addition, financial literacy also the competencies that MSMEs should have where financial literacy is defined as the knowledge and ability to handle and manage effectively the decision on financial such as budgeting, bookkeeping, payments, loan and others (Widiyati et al., 2018). Therefore, to have a sustained and uniqueness in MSMEs, it requires several competencies such as a good knowledge in business culture, skilled leadership, good financial skills as well as having the expertise in process management to keep with the modern business nowadays. These reviews lead to the hypothesis (H_1) of there is significant relationship between entrepreneurial competencies and business sustainability among MSMEs in Selangor.

Competitive Advantage

Cegliński (2017), defined competitive advantage as unique characteristics for the MSMEs growth that make the business is more outstanding that the competitors. The term competitive advantage can be proven when the MSMEs outperform and more profitable from its competitors as it is actually the strategy for the MSMEs to achieve beyond the expectation and average from the business operation. One of the competitive advantages is innovation. Upham (2019) stated that innovation can be defined as seeking for opportunities for new ideas and utilize it for business sustainability. It is crucial for the MSMEs for long-term growth while improving its competitive advantage. Globalization also affects the local MSMEs to have a better competitive advantage in order to sustain their business. The observation on the competitors also an action that is important to sustain the business. Impact from the globalization, it has been a challenge for the MSMEs nowadays as most of the MSMEs take part for being innovative for their growth and with that, innovation is adopted for a long-term

competitiveness. Innovation in MSMEs seems interrelated to the growth of new products and services, technologies, business model and processes. From the European study, Marín & Cuartas (2018) mentioned that the MSMEs with lack of innovation on its product will probably fail to be successful rather than MSMEs that are with innovation. MSMEs nowadays also adopt the use of technology in order to enhance the content through interactive websites. This is to keep connected with the customers with better management by monitoring, sharing information. The access towards technology seems to be used by most of the countries for sustaining their business. Low et al., (2020) were in the opinion that the usage of technology is literally the best way during the pandemic of COVID-19 as this is crucial time for the MSMEs to make a change by adopting the use of technology to deal with the challenges. Therefore, it can be analysed here that the adoption of technology in business operation being a competition in business that requires continuous research and development (R&D) which may affect the sustainability of the business. These reviews lead to the hypothesis (H_1) of there is significant relationship between competitive advantage and business sustainability among MSMEs in Selangor.

Customer Supplier Relationship

Customers are the one who will buy the product and services produced by the MSMEs as the customers are also known as the consumers and will give their judgements about the quality of the product or services provided. With that, the company will ensure that the product and services are produced with reasonable price in order for customer attraction to grow sales. Customer loyalty is about the consumers that will continuously involve in the business growth. It can be said that as a success for the MSMEs to build up a good relationship with the customers or the ability for the MSMEs to interact with the customers. Customer loyalty can be proven when the customer chooses one product or services rather than other enterprises due to the loyalty the customer has (Ranabhat, 2018). Alqershi et al (2020) stated that customer relationship management is the understanding on the effective interaction that will influence the customers' behaviour in term of their loyalty, attraction and retention. By understanding the business management from other business operation also being one of the crucial success factors for the business to sustain. the relationship with the customer and supplier also important things that the business operation should consider in keeping the business to sustain in this era with higher competitiveness. The adoption of customer relationship management (CRM) in the MSMEs also related with the customer loyalty. The MSMEs also need to observe the demographics change of the customers (Sefiani, 2013), (Simpson et al., 2012). In Saudi Arabia, the critical factors for business sustainability are included such as customer service and satisfaction (Al-Tit et al., 2019). Therefore, this has led to a hypothesis (H_1) that there is significant relationship between customer and supplier relationship and business sustainability among MSMEs in Selangor.

Method

This study used a cross-sectional quantitative method. It was conducted to expand the knowledge on the relationships about determinants of business sustainability among MSMEs in Selangor. The data was collected among the people that are involved in entrepreneurship from various sectors including fashion and style, hair saloon, food manufacturing such as bakery, clothing, construction company, accounting or law firms, mini market, professional services and others. The number of sample size was determined based on the list developed by Krejcie and Morgan. The total establishment of MSMEs in Selangor in 2021 is 283,795,

therefore a sample size of 384 respondents are appropriate for this study. However, using online google survey it was expected larger respondents would respond to the questionnaire. The study used the purposive sampling technique where it requires the researcher to make own judgement to choose the potential respondents to contribute to the research study. Pearson Correlation analysis was performed in determining the analysis on the relationships as outlined in research objectives. Whereas Multiple Regression was used to measure the most influential determinant on business sustainability among MSMEs in Selangor. The reliability coefficients was tested using Cronbach’s Alpha on the set of questionnaire designed with 5 main sections using Likert scale measurement. The score of 0.8 and above for each determinant (independent variables) and dependent variable indicate that all variables are reliable. The study used Statistical Package for Social Science (SPSS) to evaluate and summarize the result of the survey.

Results and Discussion

The goodness of measure was tested through Explanatory Factor Analysis (EFA). The EFA procedure is important to investigate on construct validity and identify the relationship among variables. As for reliability, it can be identified by its indicator called Internal Consistency Coefficient (ICC) where it is a set of items to show the correlation between items. Cronbach’s Alpha is commonly used to indicate the level of reliability. The value of factor loading range from 0.559 to 0.851.

Table 1
Reliability

Value	Cronbach’s Alpha	Number of items	Realibility assumed
Dependent variable: Business sustainability	0.765	5	Yes
Independent variables: Entrepreneurial competencies	0.728	5	Yes
Competitive advantage	0.762	5	Yes
Customer and Supplier relationship	0.738	6	Yes

Based on Table 1 above, Cronbach’s alpha for the dependent variable which is business sustainability is shown, the value of the Cronbach’s alpha is 0.765. The dependent variable is considered good and reliable. Other than that, Independent variable consists of 3 variables and it shows that. Next, entrepreneurial competencies show the reliability value which is 0.728. Followed by competitive advantage which is 0.762. Lastly, customer and supplier relationship, the Cronbach’s Alpha shows the value of 0.738. With that, all the independent variables are considered good and reliable for the research study.

The Normality test was performed using the Skewness and Kurtosis value. If the value are within +2 to -2 it is normal. In addition, as according to Kline (2005), Skewness can go as far as +/-3 and Kurtosis can go as far as +/-10. Based on Table 2, it shows the results for

dependent variable and 3 independent variables. From the results, it concludes that the Skewness value for the first dependent variable which is business sustainability is -0.1277 and Kurtosis value stated is 2.824. Next, for the First independent variable, entrepreneurial competencies show a value of -0.712 for the Skewness and 2.210 for the Kurtosis. Next, for the competitive advantage, the Skewness value is -0.606 and for the Kurtosis is 1.232. Lastly for the customer and supplier relationship, it has a value of -0.193 for the Skewness and for the Kurtosis, the value is 0.546. With that, the researcher can conclude that these 4 variables are normally distributed.

Table 2

Normality (Skewness and Kurtosis, Kolmogorov and Smirnov & Sapiro Wilk, Histogram, Q-Q Plot)

Variables	Mean	Standard Deviation	Skewness	Kurtosis
Dependent variable:				
Business sustainability	4.0840	0.51029	-1.277	2.824
Independent variables:				
Entrepreneurial competencies	4.0460	0.45519	-0.712	2.210
Competitive advantage	4.1240	0.49420	-0.606	1.232
Customer and supplier relationship	4.2488	0.42035	-0.193	0.546

Objective 1: To determine the significant relationship between entrepreneurial competencies and business sustainability among MSMEs in Selangor

Based on the data analysis, refer Table 3, the study shows that there is significant relationship between entrepreneurial competencies and business sustainability where p-value is 0.000. It is clearly stated that the p-value is less than 0.05. In that case, H1 where there is significant relationship between entrepreneurial competencies and business sustainability is accepted. Cohen’s rule of thumb has stated that strong significant correlation value is actually between 0.5 to 1.0. This is also aligned with the Guiford’s Law. Based on this rule correlation coefficient of $r = 0.364$, portrayed that entrepreneurial competencies has moderate positive correlation with business sustainability. The relationship between these 2 variables can be proven as according to Tapera (2016) where management in business organization is crucial on how the business is directed. The management in business organization also acts as a catalyst to attract customers and manage financial. Effective strategy and management in organization also will affect the business growth and earnings

Objective 2: To determine the significant relationship between competitive advantage and business sustainability among MSMEs in Selangor

From the research finding, it proves that the competitive advantage shows significant relationship with business sustainability as the value is 0.000 where $p < 0.05$. The significance level of relationship also shows a positive relationship with the business sustainability. With that, it is strongly proven and clarified that competitive advantage has significant moderate relationship (a substantial relationship according to Guilford Law) with the business sustainability as the variable shows significant correlation where the value shown is $r = 0.454$. Competitive advantage is stated precisely as the outstanding and superior characteristics that literally grows the business to stand out than the other competitors in the market (Cegliński, 2017). It acts as a crucial planning to achieve the best potential and make the business to be more profitable and organized. Upham (2019) has defined the idea of competitive advantage is to create and develop new ideas for better opportunities as a way for business sustainability in long-term growth in the competitive market. In this competitive era of business in the market nowadays seems to be one of the factors for business sustainability, this would be the best challenge for all the business operations to improve and looking forward to enhance its competitive advantage through a better innovation and development in business. The impact of globalization seems to put pressure on business operations to adopt the innovation for the sake of business growth in term of product and services, technologies used, business model and process. Inclusion of research and development in business plays an important role to drive the business to sustain as it will contribute the business to be more advance and one step ahead than the other competitor. Marín & Cuartas (2018) mentioned that complete transformation towards advance business operations can reward the business to be high and profitable. From the research finding, it proves that the competitive advantage shows significant linear relationship with business sustainability as the value is 0.000 where $p < 0.05$. The significance level of relationship also shows a positive relationship with the business sustainability.

Objective 3: To determine the significant relationship between customer and supplier relationship and business sustainability among MSMEs in Selangor

In the case of customer supplier relationship, the findings showed that there exist a significance relationship between the customer and supplier relationship and business sustainability. The variable shows significant correlation where the value shown is $r = 0.305$ and $p < 0.05$. However, the correlation is moderate positive according to Cohen's rule. Customer and supplier relationship has been defined as factor that drives the customers' behaviour in term of loyalty, attraction and retention towards the product and services that comes with the understanding on the effective interaction (Alqershi, Mokhtar, & Abas, 2020). Considering the customer loyalty in sustaining business is crucial by developing a rapport relationship as a way to attract the customers to continuously contribute to the business growth. In this era of transformation towards a better market, digital marketing is introduced to enable a better interaction between business operation and customer and supplier through various of platform on the internet. This is the way to create a valuable relationship between these parties in the market through the use of internet as a marketing strategy (Low et al., 2020). Customer satisfaction also one of the customer and supplier relationship elements that needed to be prioritized because of the close relationship between the business operation these days. This can be achieved through the good acceptance of feedback from the consumer and supplier in business involvement. This will work things out from

effective communication and cooperation that lead to mutual agreement and exchange of information where it can build up the trust between both parties (Chinomona, 2015). In the case of significance relationship between the customer and supplier relationship and business sustainability, the variable shows significant correlation where the value shown is 0.305.

Overall, the results of correlation based on independent variables (entrepreneurial competencies, competitive advantage and customer and supplier relationship) have significant correlation with the dependent variable (business sustainability). The results stated that all determinants have significant relationship with the business sustainability where P-value is less than 0.05. Cohen (1988) has stated that strong significant correlation value is actually between 0.5 to 1.0. The score for entrepreneurial competencies (0.364), competitive advantage (0.454) and customer and supplier relationship (0.305) indicates moderate positive relationship with the business sustainability.

Table 3
Correlation

Objective	Analysis	Result	Hypothesis
Objective 1: To determine the significant relationship between entrepreneurial competencies and business sustainability.	Pearson Correlation	r= 0.364** p= 0.000	H ₁ 1 is accepted
Objective 2: To determine the significant relationship between competitive advantage and business sustainability.	Pearson Correlation	r= 0.454** p= 0.000	H ₁ 2 is accepted
Objective 3: To determine the significant relationship between customer and supplier relationship and business sustainability.	Pearson Correlation	r= 0.305** p= 0.000	H ₁ 3 is accepted

To determine the most influential determinant towards business sustainability among MSMEs in Selangor

Table 4
Multiple regression
Model Summary

Model	R	R. Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.515	0.265	0.257	0.43975	1.592

Based on Table 4, all the independent variables show 26.5 percent of r^2 in business sustainability which is significant and it shows that the variables used in this study only contributed 26.5 percent. This finding indicates that there are other various determinants or variables that can be included to measure business sustainability. From this summary, the Durbin-Watson, the value should be in the range of 2 to 4 of autocorrelation test. In this case, there is slightly autocorrelation issue where the value is 1.592.

Table 5
Regression of the Independent Variables

Objective	Variables	Analysis	Result	Hypothesis
Objective 5: To determine the most influential determinant on business sustainability	Entrepreneurial competencies	Multiple regression	Sig.= 0.000 B= 0.208	H ₁₄ is rejected
	Competitive advantage	Multiple regression	Sig.= 0.000 B= 0.360	H ₁₅ is accepted
	Customer and supplier relationship	Multiple regression	Sig.= 0.024 B= 0.117	H ₁₆ is rejected

Based on Table 5, the most influential determinant on business sustainability among MSMEs in Selangor is competitive advantage where the Beta value is the highest which is 0.360 as compared to the other variables.. Therefore, this study accepts H₁₅ where competitive advantage is the most influential determinat on business sustainability.

Conclusions

MSMEs is well-known as one of the biggest contributors to the Malaysia's economy growth and the source of income to the government. The increment of MSMEs growth nowadays can be seen as a factor that may reduce the unemployment issue while overcoming certain level of poverty rate. However, not all MSMEs are able to sustain as there are also some businesses that failed and some are success. Using a survey tool, the study was carried out to know the determinants that lead to business sustainability among MSMEs in Selangor. There are many determinants that may affect the MSMEs to survive. Entrepreneurial competencies require relevant knowledge and expertise in directing internal management in business organization, is also one of the determinants that lead to business sustainability. It is important for the business organization to identify the risk and challenges in business and to provide the solution as a way to sustain the business well. Without the critical thinking in dealing with problem in business, it may lead to business failure. It can be said that problem solving and decision making are crucial as a whole in entrepreneurship. Sustainability also can be viewed on how work, time and resources are being organized in business. Keeping up the financial on track and determining the customer demand in business also core competencies

that entrepreneurs should consider. The role of leadership in business organization seems to play an important role to sustain the business because of the management is entirely depending on the leader's decision. Competitive advantage is another determinant included in this study in measuring business sustainability. A business may adopt technology in business and form strategic alliances to sustain and be superior and outstanding than the other competitors in the market. Having a relationship with other company gives MSMEs opportunities for exchanging of idea on innovation, knowledge transfer and other aspects. That would be the advantage of adopting the technology use in business. Customer and supplier relationship is another determinant that was taken into consideration in determining the sustainability of the MSMEs. It is seen that, it is crucial for the MSMEs to instill the use of digital marketing to engage with the customer and also supplier. The use of digital marketing allows the outsiders to give feedback to the MSMEs on the product and services. This also will allow the MSMEs to improve the product and services and also the level of customer satisfaction. There would be a lot of benefits to have a good relationship with the supplier as it can encourage both parties to work together and have continuous monitoring on the business performance, progress and have mutual goals. Therefore, customer and supplier relationship can be described as one of the core determinants that lead the MSMEs to sustain. This study has proven that the entrepreneurial competencies, competitive advantage and customer and supplier relationship have significant relationship with business sustainability.

This study has several limitations including: first, in the aspect of distribution of questionnaire as the questionnaire seems to reach out to those at younger age which is between 20-40 years old. From here, it can be said that the questionnaire were mostly distributed to age group that actually in the early phase in entrepreneurship. Only 14.5% from 400 respondents are from the age of 41 and above. Second, this research adopted only .the quantitative study where the study was not involving the researcher to meet the entrepreneurs in person to gather information on how the business among MSMEs in Selangor is sustained. Third, the determinants or independent variables used in this study were not strong as only 26.5 percent able to measure business sustainability.

As a recommendation for limitation number 1, the future research on this topic, the researcher should distribute the questionnaire equally for all group age as a way to make it easier for the researcher to carry on the study and for data analysis. The researcher also should not only focus on the online questionnaires but also requires the researcher to distribute to the respondents in person. This probably will lead the questionnaire to reach the specific target audience and also suitable for all group age. This is because the data collection will be more accurate since it shows a sign of equality in distributing the questionnaire to the respondents. The recommendation for limitation number 2, the research on this topic should be done and supported by qualitative study by comparing and researching the articles related to the topic of business sustainability. By including the qualitative study for this topic of business sustainability, it also gives an overview for the researcher to know the real-life experience in entrepreneurship which the study can be more well-defined and genuine. Third, to overcome the limitation in the aspect of variables, it is recommended for future study to identify comprehensively the most relevant or suitable determinants in measuring the business sustainability among MSMEs in Selangor.

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