

Can Partnerships Be Able to Save the Lives of SMEs Actors?

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ABSTRACT

Small and medium enterprises are one of the business units that have helped the State in reducing the unemployment rate. This sector makes a major contribution in supporting the national economy. Real steps and efforts are needed to support and increase the power of SMEs. The main objective in this study is to determine the direct and indirect effects of *perceived customer benefits* and *perceived competitive value* on the performance of SMEs through the partnership program. The approach in this research is causal research (cause and effect). The population in this study are SMEs assisted at PT. Perkebunan Nusantara III with a total of 243 SME business actors. Meanwhile, the sampling technique used a saturated sample where 243 SMEs were sampled in this study. data collection techniques using a questionnaire with an ordinal measurement scale. Data analysis using *Structural Equation Modelling* (SEM). The results showed that directly *perceived customer benefits* had a significant effect on the partnership program while *perceived competitive value* not significant to the partnership program. The results showed that directly *perceived customer benefits* and *perceived competitive value* significant effect on the performance of SMEs. Indirectly, *perceived customer benefits* and *perceived competitive*

value significant effect on the performance of SMEs through the partnership program.

Keywords: Partnership, Performance, SMEs

PRELIMINARY

PT. Nusantara Plantation III is one company owned by the Indonesian state engaged in coconut palm plantations. As state company PT. Perkebunan Nusantara III was also sued care to partner SMEs build. Perkebunan Nusantara III has implemented the Partnership Program throughout North Sumatra. From 2002 to 2011, PT. Perkebunan Nusantara III through the Partnership Program has helped small businesses in North Sumatra. However, the partnership program, which should be a locomotive for the micro-economy to move forward, in reality this partnership has not shown maximum results.

Based on the data the researchers found that from 2017 to 2020 the number of SMEs that had problems, especially in paying for assistance programs, continued to increase. The following is the partnership program data of PT. Nusantara Plantation III for SMEs in Medan City.

Table 1. Assistance Recipient Partners PT. Nusantara Plantation III Year 2017 to 2020.

No	year	Number of Assistance Recipients (Unit)	Problems (Units)	Current (Units)	Success Percentages
1	2017	246	23	223	91%
2	2018	246	29	217	88%
3	2019	242	32	210	87%
4	2020	243	38	205	84%

Source: PT. Nusantara Plantation III (2021)

Based on table 1 above, so far the performance of SMEs under the guidance of PT. Nusantara Plantation III is considered less than optimal. Where the percentage level of success in receiving partnership program assistance continues to decrease. It is known that in 2017 the rate of successful partners was 91% then at the end of 2020 it fell to 84%. If this continues, it will have a major impact on the success of SMEs in improving their performance.

If seen from the initial observations there are very clear problems regarding the condition of PT. Perkebunan Nusantara III currently has many weaknesses in management such as limited human resource capabilities, limitations in obtaining additional capital, lack of knowledge in business development, *social networks* that are not well established, lack of understanding in the use of information technology, lack of perception in building value benefits for consumers and not maximizing value in creating competitive advantage in SME business units.

As a partner of PT. Perkebunan Nusantara III will have responsibility for the partnership program. The performance of SMEs can be said to be good if they are able to increase existing sales, increase annual profits, increase capital, increase the number of customers each year, are able to achieve the targets to be achieved and are able to meet existing needs. Because success in the partnership program is not only the hope of SMEs but for PT. Nusantara Plantation III.

So far, the partnership program conducted by PT. Perkebunan Nusantara III is in the nature of providing access to capital, business assistance, supervision, human resource development, helping to open market networks in business development. With this program it is expected to be able to improve the performance of SMEs in facing business competition. However, the implementation of the partnership program that has been carried out by PT. Perkebunan Nusantara III does not always go well, it is possible that the existing partnership program makes it difficult for partners to

pay installments, the business does not run smoothly, even going bankrupt and closing still occur.

The occurrence of these problems is because so far the fostered partners have not had the good faith to make payments in accordance with the agreement that has been set. Generally, partners have the perception that it is a form of gift that is not required to be returned, partners are also always late in paying installments. Payments have been made so far only if there are employees from PT. Perkebunan Nusantara III who come directly to their home or business location to collect monthly installments, partners also consider this loan as a free gift from PT. Perkebunan Nusantara III for people working on SMEs. The inability to take advantage of social networks is also a factor behind the failure of the partnership program so that the businesses that are engaged in by SMEs do not develop and are in a limited network.

On the other hand, so far SMEs do not provide additional benefits for consumers in the form of products or services. The intended benefits are economic and social values. Economical means by choosing products or services for SMEs that are offered at more competitive prices and will socially help especially for the national economy, especially for SMEs in a country. In addition, the perception of competitive value in the form of distinctive features of a product or service does not exist in fostered partners, so that it seems that the products or services offered by SMEs do not have a different value compared to other business units.

The partnership program implemented at PT. Nusantara Plantation III aims to help the public around the place effort plantations develop independent efforts through SMEs with the aim of increasing the well-being of society. If Public income increases, then it could be confirmed that well-being also increases. Enhancement of public well-being will push the emergence of interest in trying that in turn will zoom out the possibility of happening following criminal

theft and other criminal actions that can bother plantation continuity efforts. In management partners built this, PT. Perkebunan Nusantara III owns existing system standardized, that is through SOP-BSKR-17, Revision 03, April 15, 2021, concerning Coaching Partner Development. The purpose of this procedure is to make partners built capable, tough and independent so that an increase in fund collectability could roll out returns as an effort to develop economic citizenship activities specifically to prevent small efforts.

Every month Social and Environmental Responsibility Subdivision Office of the Board of Directors cooperates with the District Office do evaluation and reconciliation of total data partners built to ensure installment data that can and can not be billed has corresponded with real data. If needed, the team could do field visits live to the place effort partners built to check the field if found exists congestion installation partners built.

SME coaching is carried out in a manner together between the Medan Board of Directors Office and the District Office. this aims to introduce more closely between SMEs and managers of companies in the domicile of SMES. Management covers development efforts, problems encountered, ensure quality loan as well as determine action to be conducted for SMEs according to the circumstances. If the loan quality is not smooth enough, SMEs will be given a letter of reprimand first. If a loan is doubtful, given to SMEs a second letter repeat. If a loan traffic jams, given to SMEs letter warning. To problematic SMEs that cannot complete installation, the loans will be grouped into problematic SMEs. Effort completion and search for root reason problem SMEs this no once was conducted in a systematic and planned manner so that the same problem could be confirmed will happen every year.

The partnership program started from the impact analysis process conducted social *impact* assessment once every two years.

Social Impact Assessment (SIA) was conducted to identify social impact what just what happens in the environment around effort surveyed company from various aspects, like aspects of economy, education, culture, religion, small business, access transportation, infrastructure village, and so on. Based on the results of the assessment this next conducted partner program mapping guidance carried out by the District Office cooperate with the Office of the Board of Directors. This mechanism is arranged in SOP-BSKR-14, Revision 04, April 15, 2021, concerning the District Partnership Program.

Potential partners built submit application working capital loans in existing form set. Before this agreed application, done inspection field for ensure is effort made true and fulfilling stipulated conditions as well as corresponding with AIS results. If you have accordingly, then the whole condition of the loan is equipped and so on conducted partnership corresponding applicable procedures. Distribution of partner funds SMES assisted after all conditions fulfilled. Billing is carried out every month and confirmed that the payment process is carried out in an orderly and regular manner. Payment process installation could be conducted in a cash and bank transfer manner. Finally, the partnership program that was carried out was not optimally able to improve the performance of SMEs in increasing profitability in order to finance all operational costs in running a business. This has an impact on the inability of SMEs to compete in other business ventures.

The results of the study (Erita, 2019) state that indicators of perceived consumer benefits are perceived usefulness and pleasant perceived products. Meanwhile, according to (Volle, 2010) states that the consumer's perception of benefits is measured by indicators, namely emotional value, social value, price or competitive monetary value and quality or product performance value. Then (Li, 2009) stated that the customer's perceived value will

provide a strong trust value for consumers in determining the choice of products or services with a particular brand. So that in the end every company will be required to provide good value benefits by giving the first impression of more satisfaction from the products offered to consumers (Gupta, 2012) .

Norwegian (2005) research results state that companies that are able to adapt to changes in the business environment through the ability to build competitive advantage will make companies become market leaders in certain market segments. Furthermore (Weerawardena, 2010) also reinforces that companies that have this perception of competitive advantage will have a direct impact on the performance of brand excellence in products or services. Meanwhile (Mann, 2011) provides a clear picture that the perceived value of competitive advantage will be able to create major shopping preferences for consumers in determining products or services.

LITERATURE REVIEWS

Perceived Customer Benefits

*Customer perceived benefits (economic, functional and psychological) and the resources (financial conditions, time, effort and psychology) used to obtain these benefits. The same is expressed by (Erita, 2019) Customer perceived benefits (economic, functional and psychological) and the resources (financial conditions, time, effort and psychology) used to obtain these benefits. The same is expressed by Ulaga, 2002 (Ulaga, 2002) The benefits that exist in SME products or services are very much a consumer's consideration in determining purchasing decisions (Pranata, 2019) . Speed of time is one of the important elements for consumers to get the value of the benefits that exist in a product or service. So that SMEs must be able to maximize their capabilities in providing *perceived customer benefits* to their consumers.*

Perceived Competitive Value

Competitive Value is the basic foundation for generating company revenue and profits. Identification and implementation of a company's Competitive Value Assets is the result of company management, individual contributions, and stakeholders (David, 2011) . When a company can do something or has something that competitors want, then the company represents a competitive advantage. According to the theory of competitive advantage it is known that a company to be superior to other companies must have certain strategies and pay attention to the company's performance so that it becomes more improved every day, every month, and every year, if this is achieved then the company has an advantage. competitive. Because of this explanation, this theory is important to be studied and applied by all companies to increase competitiveness. Basically every company that competes in an industrial environment has the desire to be superior to its competitors. According to Santika (2017) , states that to measure the perceived value of this consists of advantages of increasing business transactions, having uniqueness, quality products, competitive prices and growing markets. Furthermore, according to Tielung (2018) , explained that indicators of perceived superiority value include product uniqueness, competitive prices, and products that are not easily imitated.

Partnerships

Partnership can also be interpreted as a form of strengthening between two or more parties that forms a cooperative bond based on an agreement and a sense of mutual need to increase income, business continuity, production quantity, production quality, improve the quality of partner groups, and increase the business capabilities of independent partner groups (Nadadap, 2020) . According to Suryana (2014) states that there are four indicators that can be used in measuring partnerships, namely access to capital, coaching, management and business links that are mutually

beneficial. Research conducted by (Maftukhah, 2017) states that this partnership indicator consists of three indicators namely trust, cooperation, and dependency. The partnership program is one such program held by each BUMN (Jurana, 2016) . this program is revolving fund disbursement program, which becomes assistance additional business capital for SMEs with conditions, procedures and the specified return time and agreed by both parties (Couturiere, 2019) . The Partnership Program implemented by BUMN for Small and Medium Enterprises is a form of responsibility from State-Owned Enterprises (BUMN) to the community (Ghoniayah, 2019) .

SME Performance

The performance of SMEs in Indonesia requires hard work because they are still far behind in expressing their innovative product ideas to be able to compete in the business world (Munir, 2020) . Conditions in the field found that many SMEs were unable to compete and went out of business (ZLJIENA Fadli, 2023) . This is because the human resource capacity is still low. The poor performance of SMEs in Indonesia with low entrepreneurial competence (JZLIENA Fadli, 2021) . This is evidenced by the low level of mastery of knowledge in management, organization, technology, marketing and other skills needed to run a business (Male, 2020) . The ability to survive from competitors and continue to increase sales is the hope of every SME actor. There needs to be clear instruments on how SMEs can be declared healthy and thriving. According to (Novianti, 2018) there are 4 indicators that can be used in assessing the performance of SMEs, namely sales growth, capital growth, workforce growth and profit growth. Furthermore, research conducted by (Mutia, 2019) states that good SME performance must have six criteria, namely increased sales, increased

profits, increased business capital, increased number of customers, achievement of SME goals and targets and the ability to profit and meet needs . This is different according to (Hikmah, 2019) explaining that SME performance indicators can be measured by five indicators, namely sales growth, capital growth, workforce growth, market growth and profit growth.

METHODS

The type of data used is quantitative data carried out through survey methods. The research is planned to take respondents from a population and use questionnaires as well as direct interviews with respondents as a means of collecting basic data. As for the population in the study, namely SMES fostered at PT. Perkebunan Nusantara III with a total of 243 SME business actors. The sampling technique uses a saturated sample. This saturated sample can be interpreted as a sampling technique when all members of the population are used as samples. This method is often used for small population sizes or for generalizations with very small errors (Lubis, 2021) . So that the sample in this study was 243 SME business actors. Questionnaire study used in this study to get research data. analysis models using a structural equation model or *Structural Equation Modelling* (SEM) is a collection of statistical techniques allows testing of a relatively complex set of relationships simultaneous

RESULTS AND DISCUSSION

Validity Test Results

Validity test is used to measure the validity or validity of a questionnaire. A questionnaire

The following is a validity test for each variable in this study as follows:

Perceived Customer Benefits (X_1)

validity test of the item perceived customer benefit from SPSS are shown in the table following :

Table 2. Perceived Customer Benefit Validity Test Results

No	Item Name	Corrected Item-Total Correlation	standard	Information
1	Point 1	0.511	0.3	Valid
2	Item 2	0.828	0.3	Valid
3	Item 3	0.707	0.3	Valid
4	Item 4	0.413	0.3	Valid
5	Item 5	0.831	0.3	Valid

Source: SPSS Calculation Results.

From Table 2 above, it is known score validity statement for the overall perceived customer benefit already valid because score validity entirely more big from 0.3.

Perceived Competitive Value (X₂)

validity test of the perceived competitive value items from SPSS are shown in the table following :

Table 3. Validity Test Results Perceived Competitive Value

No	Item Name	Corrected Item-Total Correlation	standard	Information
1	Point 1	0.886	0.3	Valid
2	Item 2	0.850	0.3	Valid
3	Item 3	0.659	0.3	Valid
4	Item 4	0.885	0.3	Valid
5	Item 5	0.804	0.3	Valid

Source: SPSS Calculation Results.

From Table 3 above, it is known score validity statement for perceived competitive value entirely already valid because score validity entirely more big from 0.3.

Partnership Program (Y₁)

partnership program item validity test from SPSS is shown in the table following:

Table 4. Validity Test Results Partnership Program

No	Item Name	Corrected Item-Total Correlation	standard	Information
1	Point 1	0.835	0.3	Valid
2	Item 2	0.878	0.3	Valid
3	Item 3	0.634	0.3	Valid
4	Item 4	0.772	0.3	Valid
5	Item 5	0.693	0.3	Valid

Source: SPSS Calculation Results.

From Table 4 above, it is known score validity statement for partnership programme entirely already valid because score validity entirely more big from 0.3.

SME Performance (Y₂)

validity test of SME performance items from SPSS are shown in the table following :

Table 5. Validity Test Results SME performance

No	Item Name	Corrected Item-Total Correlation	standard	Information
1	Point 1	0.969	0.3	Valid
2	Item 2	0.970	0.3	Valid
3	Item 3	0.830	0.3	Valid
4	Item 4	0.924	0.3	Valid
5	Item 5	0.977	0.3	Valid

Source: SPSS Calculation Results.

From Table 5. above, it is known score validity statement for SME performance entirely already valid because score validity entirely more big from 0.3.

Reliability Test Results

Perceived Customer Benefits (X₁)

Analysis results the reliability of the perceived customer benefit items from SPSS is shown in the table following :

Table 6. Results of Item Analysis Statement of Perceived Customer Benefit

No	Item Name	Cronbach's Alpha if Item Deleted	Standard	Information
1	Point 1	0.846	0.6	Reliable
2	Item 2	0.759	0.6	Reliable
3	Item 3	0.795	0.6	Reliable
4	Item 4	0.875	0.6	Reliable
5	Item 5	0.759	0.6	Reliable

Source: SPSS Calculation Results.

From the Table above is known all statement items variable perceived customer benefit can stated reliable, where score whole variable *Cronbach Alpha* > 0.60.

Perceived Competitive Value (X₂)

Analysis results item reliability perceived competitive value from SPSS is shown in the table following :

Table 7 Results of Statement Item Analysis Perceived Competitive Value

No	Item Name	Cronbach's Alpha if Item Deleted	Standard	Information
1	Point 1	0.900	0.6	Reliable
2	Item 2	0.907	0.6	Reliable
3	Item 3	0.943	0.6	Reliable
4	Item 4	0.902	0.6	Reliable
5	Item 5	0.916	0.6	Reliable

Source : SPSS Calculation Results.

From Table 7 above is known all statement items variable perceived competitive value could stated reliable, where score whole variable *Cronbach Alpha* > 0.60.

Partnership Program (Y₁)

Analysis results reliability of partnership program items from SPSS is shown in the table following :

Table 8. Results of Statement Item Analysis Partnership Program

No	Item Name	Cronbach's Alpha if Item Deleted	Standard	Information
1	Point 1	0867	0.6	Reliable
2	Item 2	0.859	0.6	Reliable
3	Item 3	0898	0.6	Reliable
4	Item 4	0.877	0.6	Reliable
5	Item 5	0.889	0.6	Reliable

Source : SPSS Calculation Results.

From Table 8 above is known all statement items partnership program variables could stated reliable, where score whole variable *Cronbach Alpha* > 0.60.

SME Performance (Y₂)

Analysis results the reliability of SME performance items from SPSS is shown in the table following :

Table 9. Results of Statement Item Analysis SME performance

No	Item Name	Cronbach's Alpha if Item Deleted	Standard	Information
1	Point 1	0.964	0.6	Reliable
2	Item 2	0.964	0.6	Reliable
3	Item 3	0978	0.6	Reliable
4	Item 4	0969	0.6	Reliable
5	Item 5	0.963	0.6	Reliable

Source : SPSS Calculation Results.

From Table 9 above is known all statement items variable SME performance can stated reliable, where score whole variable *Cronbach Alpha* > 0.60.

Confirmatory Factor Analysis (CFA) CFA Variable Perceived Customer Benefit (X₁)

The variable perceived customer benefit has 3 (three) indicators to be tested, namely:
PB₁ = Emotional and social values

PB₂ = Price and quality
 PB₃ = Fun product

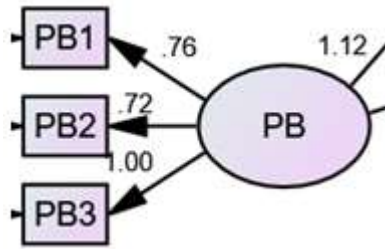


Figure 1. CFA Perceived Customer Benefits

Based on known AMOS output that whole indicator shaper first order construct perceived customer benefit has significant loading factor value, where whole the loading factor value is exceeded number 0.5. If whole indicator shaper construct already significant so could used in represent data analysis.

CFA Variable Perceived Competitive Value (X₂)

Variable perceived competitive value has 3 (three) indicators to be tested, namely:

PV₁ = Increase transaction business
 PV₂ = Have uniqueness
 PV₃ = Product no easy imitated

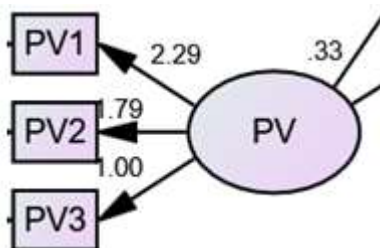


Figure 2. CFA Perceived Competitive Value.

Based on known AMOS output that whole indicator shaper first order construct perceived competitive value own significant loading factor value, where whole the loading factor value is exceeded number 0.5. If whole indicator shaper construct already significant so could used in represent data analysis.

CFA Variable Partnership Program

Partnership program variable has 3 (three) indicators to be tested, namely:

PK₁ = Coaching effort
 PK₂ = Connection management and business are mutually exclusive profitable
 PK₃ = Trust and cooperation

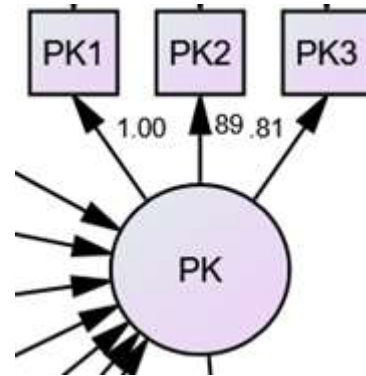


Figure 3. CFA Partnership Program

Based on known AMOS output that whole indicator shaper first order construct of the partnership program own significant loading factor value, where whole the loading factor value is exceeded number 0.5. If whole indicator shaper construct already significant so could used in represent data analysis.

CFA SME Performance Variable (Y₂)

SME performance variables has 3 (three) indicators to be tested, namely:

KU₁ = Increase image brand
 KU₂ = Improvement total customer
 KU₃ = Upgrade satisfaction customer

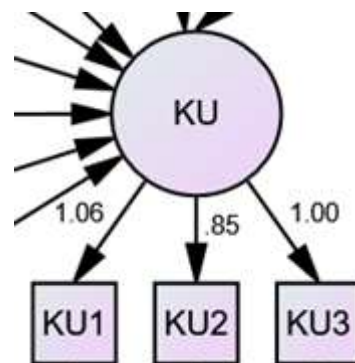


Figure 5. SME Performance CFA

Based on known AMOS output that whole indicator shaper first order construct of SME performance own significant loading

factor value , where whole the loading significant so could used in represent data factor value is exceeded number 0.5. If analysis. whole indicator shaper construct already

Table 10. Test Results Research Model Feasibility For SEM analysis

Goodness of Index Fit	Cut of Value	Results Analysis	Evaluation Model
Min fit function of chi-square	p>0.05	(P =0.863)	fit
Chisquare	Carmines & Melder (1981) Df =164 = 129.69	3343,179	fit
Non Centrality Parameters (NCP)	Deviation sample cov matrix and small fitted < Chisquare	5379,973	fit
Root Mean Square Error of Approx (RMSEA)	Browne and Cudeck (1993) < 0.08	0.432	Not Fit
AIC models	Model AIC > Saturated AIC <Independence AIC	5824 >Saturated AIC (756) <Independence AIC (16289.519)	fit
CAIC models	Model CAIC < <Saturated CAIC <Independence CAIC	6126.008 < Saturated CAIC (7454.377) <Independence CAIC (16410,831)	fit
Normal Fit Index (NFI)	>0.90	0.949	fit
Parsimony Normed Fit Index (PNFI)	0.60 – 0.90	0.675	fit
Parsimony Comparative Fit Index (PCFI)	0.60 – 0.90	0.686	fit
PRATIO	0.60 – 0.90	0.886	fit
Comparative Fit Index (CFI)	>0.90 (Bentler (2000)	0.686	fit
Incremental Fit Index (IFI)	>0.90 Byrne (1998)	0.962	fit
Relative Fit Index (RFI)	0 – 1	0.604	fit
Goodness of Fit Index (GFI)	>0.90	0.910	fit
Adjusted Goodness of Fit Index (AGFI)	>0.90	0.972	fit
Parsimony Goodness of Fit Index (PGFI)	0 – 1.0	0.630	fit

Source : (Ghazali, 2013) , Amos output.

Based on results Assessment of Model Fit is known that whole model analysis has own good terms as an SEM model. For look connection between each variable conducted with analysis path (*path analysis*) of each

variable good characteristic relationship directly (*direct*) or connection no direct (*indirect*). Test results the could seen in the table below this.

Table 11. Direct Effect

			Estimates	SE	CR	P	Information
Partnership	<---	Perceived Customer Benefits	-.111	.042	-2,654	***	Significant
Partnership	<---	Perceived Competitive Value	.053	.073	.725	.209	Not Significant
SME performance	<---	Perceived Customer Benefits	-.375	.054	-6,886	***	Significant
SME performance	<---	Perceived Competitive Value	.531	.092	5,749	***	Significant
SME performance	<---	Partnership	-.587	.144	-4,077	***	Significant

Source : Appendix Amos (2022)

Causality test thing showing that all variable own connection causality Among variable to other variables . Causality test showing score probability critical ratio that has sign star three could presented in the explanation following :

a. Happen influence significant perceived customer benefit to the partnership program . The critical value is -2.564 more big from score standard error and value probability (p) that has sign meaningful star significant .

b. Happen influence significant perceived competitive value of the partnership program . The critical value is 0.725 more big from score standard error and value probability (p) that it is not own sign meaningful star no significant .

c. Happen influence significant perceived customer benefit to SME performance . The critical value is equal to -6,886 more big from score standard error and value probability (p) that has sign meaningful star significant .

- d. Happen influence significant perceived competitive value to SME performance . The critical value is equal to 5,749 more big from score standard error and value probability (p) that has sign meaningful star significant.
- e. Happen influence significant partnership programme to SME performance . The critical value is equal to -4,077 more big from score standard error and value probability (p) who has sign meaningful star significant.

Table 11. Indirect Effect

				SE	P	Information
SME performance	<---	Partnership	<---	<i>Perceived Customer Benefits</i>	***	Significant
SME performance	<---	Partnership	<---	<i>Perceived Competitive Value</i>	***	Significant

Source: Amos Results (2022)

Influence Perceived Customer Benefits Against the Partnership Program

Analysis results show that *perceived customer benefits* influential significant of the partnership program at PTPN Nusantara III. Research results this in line with results study previously carried out by (Feng, 2013) which states perceived customers are positive to success effort SMEs . Next according to (Taljaard, 2018) state that SMEs will Keep going do evaluation to products and services that have be accepted consumer through *trade off* Among *benefits* received something embodied product in *perceived quality* and *perceived sacrifice* that must be conducted for obtain goods the . People 's *perceived values* are different , because dilators are motivated by various things norm in family, environment , goals life , ideals , and so forth (very individual nature). Then according to (Erita, 2019) state that when a consumer has feel the benefits of product or the services he billed , then consumer will do decision purchase repeat in the future come . Research results agreed with theory (Cox, 1996) stated that partnership through Consumer-oriented CSR can also provide as well as present superiority formless, such as a reputation for quality or reliability. Next (Grandori, 2001) explains how reputation building is an integral component of strategy formulation. Reputation for quality and reliability may be very important for an product . Implications findings in study this show that SMEs have not own good awareness in create score benefit from the products it produces . Join it SMEs in the partnership program own opportunity big in marketing the resulting

product . As he chose UKM products as an additional menu or the main menu at the official event at PTPN Nusantara III. Before SME products used on a particular occasion , then PR team has ensure that product the worthy and deserved for used on the way official . This is what will make score benefit product processed SMEs can go up to a higher class high .

Influence Perceived Competitive Value Against the Partnership Program

Results of data analysis that has been conducted that *perceived competitive value* no influential significant of the partnership program at PTPN Nusantara III. Research results this no in line with results study previously carried out by (Zardini, 2018) which stated that perceived competitive value had an effect significant to success effort . Then according to (Čater, 2019) mention that company said own superiority if have source power strong human and social , as well extensive knowledge , so could compete no only in the national market , but also in the international market . It says that companies operating in international markets will more innovative , so company could reach superiority competitive as well as give impact positive to economy and image from a company . Whereas (Cruz, 2020) mention basically every competing companies in something environment industry have desire for could more superior compared its competitors . Implications findings in study this show that SME actors engaged in the sector trade this could confirmed no own superiority good from price existing product as well as

facility modern shop . However , SMEs engaged in the sector Halal food and drinks yet everything own superiority or uniqueness certain . Of course there is part SMEs that have potency product to be developed . As example SMEs getuk lindri in District III Labusel this own uniqueness in Thing unique shape . However variant color and taste still limited . Research results this corresponding with theory (Malkiel, 1967) explain that Company ethical behavior will enable them to achieve a competitive advantage, as they will develop lasting and productive relationships with their existing stakeholders . Next according to (David, 2011) when company could do something or own something that competitors want , then company the represent superiority competitive. According to theory superiority competitive the is known that something company for Becomes more superior from company other must have certain strategies and pay attention performance company it to be more increase every day , every month , and every year , if Thing the achieved so company the own superiority competitive . Because of the explanation such , then theory this urgent for learned and applied by all company for increase power competitive .

The Influence of Perceived Customer Benefits Against SME Performance

The results of data analysis show that perceived customer benefits have a significant effect on the performance of SMEs at PTPN Nusantara III. The results of this study are in line with previous research which stated that perceived customer benefits have a significant effect on SME performance (Abdul, 2017) with the research title *Influence Of Perceived Benefits And Traceability System On The Readiness For Halal Assurance System Implementation Among Food Manufacturers* state that perceived benefits have a significant effect on the survival of the company. Consumers who have experienced the benefits of the company's

products tend to be positive. This condition causes consumers to be sure that the product or service they choose is considered safe and able to meet the value of their expectations. Research conducted (Amin, 2018) with the research title *Impact Of External Factors On Determining E-Commerce Benefits Among Smes In Malaysia* states that the perceived value of benefits is a key factor for companies in expanding their market. In addition, the value of the benefits can prevent the company from business failure. Furthermore, research (Pohan, 2020) with the research title *Evaluating Perceived Benefits toward ECommerce Adoption and Business Performance* states that perceived benefits are taken into consideration by management in evaluating the extent to which product performance is able to provide maximum satisfaction values to its consumers. The implications of the findings in this study indicate that the processed products of SMEs engaged in the food and beverage sector are considered not to be able to attract consumers. The value of the benefits that exist in SME products are still general and easy to imitate. For example, SME products such as meatballs, in terms of taste quality, are still far from those of SMEs. They are still oriented towards low prices, but quality is number two.

Influence of Perceived Competitive Value Against SME Performance

The results of the analysis show that directly *perceived competitive value* significant effect on the performance of SMEs at PTPN Nusantara III. The results of this study are in line with previous research conducted by (Nasib, 2020)(J. Z. L. I. E. N. A. Fadli, 2021)(Strnad, 2020) with the research title *The influence of some factors of competitiveness on business risks* states that *perceived competitive value* has a significant effect on company performance. In addition, *perceived competitive value* is able to avoid the risk of business failure. Furthermore, research (Z. L. J. I. E. N. A. Fadli, 2023)(Sunarsi, 2021) with the

research title *The Effect of Strategic Leadership on Competitive Strategy and Business Performance: Evidence from Indonesian SME's* states that *perceived competitive value* is an important element in building competitive advantage with competing products. With these advantages the company's products can maximize the value of the longer life cycle. Then research (Pebri, 2020)(Banuari, 2023)(Truong, 2021) with the research title *The Influence of Competitive Advantage on Financial Performance: A Case Study of SMEs in Vietnam* states that *perceived competitive value* significant effect on the performance of SMEs. The implications of the findings in this study indicate that currently SMEs are still unable to find a competitive advantage from the products they produce. For example, SMEs are engaged in the food sector, especially the household industry, such as chips, peanut brittle and reengining, fish crackers, shrimp paste and so on, which are still packaged in traditional packaging. Then these products are also sold in traditional markets, apart from those products that are sold only in the homes of the SMEs themselves.

Influence of the Partnership Program Against SME Performance

the partnership program directly has a significant effect on the performance of SMEs at PTPN Nusantara III. The results of this study are in line with the results of previous research conducted by (Ghoniya, 2019) (Dulay, 2022) (Nofriza, 2022) stated that the partnership program played a major role in helping SMEs to progress and develop. Partnerships are able to improve the financial performance of SMEs to make them safer from competitive pressures. Furthermore, research (Chinomona, 2019) with the research title *Supply chain partnerships, supply chain collaboration and supply chain integration as the antecedents of supply chain performance* states that partnerships have a significant effect on the performance of SMEs. then the results of the study (Baroncelli, 2020) with

the research title *Collaboration with whom? SMEs at a Crossroad between R&D partnership exploration and exploitation* state that mutually beneficial collaboration can increase the competitiveness of SMEs. The partnership program is considered the most effective in increasing the SME class to become a business unit capable of competing with other business units. The implications of the findings in the partnership program research at PTPN Nusantara III through corporate social responsibility activities really help SMEs in improving the performance of SMEs. Based on the descriptive analysis, it shows that the partnership program is in the form of ease of obtaining additional capital and loan terms that have made fostered partners, namely SMEs, able to maintain businesses from business failure. At this time PTPN Nusantara III has never confiscated assets or collateral from SMES players who are considered late in paying their installments.

The Effect of Perceived Customer Benefits Against SME Performance Through the Partnership Program

The results of the data analysis state that indirectly the partnership program has a significant influence in mediating *perceived customer benefits* on the performance of SMEs. The results of this study support the results of research conducted by (Ulaga, 2002) stating that *customer benefits* have a significant effect on performance. The value of these benefits is strengthened through partnerships between one party and another. Furthermore, the results of research (Syaifuddin, 2022)(Nofriza, 2022) (Li, 2009) state that when SMEs are able to provide the value of the benefits expected from their consumers, the tendency for consumers to make repeat purchases will occur in the future. Next (Gupta, 2012) and (Wasiman, 2021) which state that increasing good partnerships will have an impact on *perceived customer benefits* on SME performance. This means that partnerships have a role in mediating *perceived customer benefits* on SME performance . The findings

in this study indicate that having partners participate in this partnership program will help create value benefits for SME products or services. The inability of SMEs to determine the value of the benefits of the products they produce will be seen when SMEs participate in the partnership program. However, currently the partnership program is only providing loan capital and has not reached the business assistance program. So that when the business capital is added to the fostered partners, they still feel confused in determining what kind of benefit value will be given to their consumers.

Effect of Perceived Competitive Value Against SME Performance Through the Partnership Program

The results of data analysis state that indirectly the partnership program has a significant influence in mediating *perceived competitive value* on the performance of SMEs. The results of this study support the results of research conducted by (Ommundsen, 2005) stating that *competitive value* has a significant effect on company sales transactions. The increase in sales transactions was strengthened by the existence of mutually beneficial partnerships. Furthermore, the results of research (Weerawardena, 2010) with the research title *The effects of perceived industry competitive intensity and marketing-related capabilities: Drivers of superior brand performance* state that *competitive value* is the main key in building competitive advantage. Then (Rahman, 2022)(Mann, 2011) stated that partnerships have a role in mediating *perceived competitive value* on SME performance. The findings in the study are that the partnership program carried out by SMEs so far has come down to how SMEs have not found the superiority or uniqueness of the products they produce. The products or services produced by partners are still not optimally competitive with the products of other business units. Attractive packaging, promotion, financial management are issues

that have not been touched in the partnership program. It is hoped that SMEs who are deemed worthy should create a special group or class in dealing with the problems they face. This is very necessary as an effort to protect fostered partners from the risk of failure.

CONCLUSION

Based on the results of the data analysis carried out, the researcher can draw conclusions that the model in improving the performance of PTP Nusantara III fostered partner SMEs is strongly influenced by the role of the partnership. Partnerships have a significant role in influencing the performance of SMEs. Furthermore, partnerships are influenced by *perceived customer benefits*, while *perceived competitive value* has no role in improving the partnership program. However, when this *perceived competitive value* through partnerships can increase the success of SME partner actors. It can be stated that both directly and indirectly the partnership program has a mediating role in supporting the successful model of SME performance.

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