

How business digitalization can effect the entrepreneurial growth

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Abstract

Purpose: This study aims to determine the effect of business digitalization on entrepreneurial growth conditions for young entrepreneurs in the city of Bandung.

Research methodology: This quantitative research uses the explanatory survey method with data collected from 31 young entrepreneurs who were members of HIPMI PT through observations, interviews, and questionnaires. The data collected were processed using the Statistical Product for Service Solution (SPSS) 24.0 for Windows.

Results: The result showed that the condition of business digitalization and entrepreneurial growth at HIPMI PT in Bandung City is at a fairly good level, with the condition of respondents in implementing business digitalization improved to improve the entrepreneurial growth conditions.

Limitations: This research was conducted with a small scope of research objects due to the author's limitations. Therefore, future research needs to update business digitalization and entrepreneurial growth theory. This is in addition to other dimensions that affect entrepreneurial growth but have not been proven properly in this research.

Contribution: This research positively affects the condition of HIPMI PT in Bandung City related to business digitalization and entrepreneurial growth.

Novelty: Factors influencing entrepreneurial growth mostly come from variables outside the study.

Keywords: *business digitalization, entrepreneurial growth*

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1. Introduction

The competitive business environment has undergone innumerable changes in the past three decades. This is evidenced by the number of transactions, and commercial operations performed worldwide, and are dependent on the use of electronic networks, such as the internet (Putra & Hasibuan, 2015). In 2019, an organization engaged in Economic Cooperation and Development, better known as the OECD, stated that, on average, approximately 96 percent of the companies used as research samples usually use the internet to run their businesses (Shehata & Montash, 2020). Several establishments have benefited from this phenomenon, including the food and beverage industry, clothing, media, restaurant reservations and food ordering, travel and transportation, automotive, retail, and even the educational sector (Mendez Mena et al., 2018). Entrepreneurship has become a major concern for several experts in this digital era. Numerous empirical and theoretical studies have been conducted in the last century to determine the relationship between information technology and entrepreneurship (Tan & Li, 2022).

The use of the internet to execute business processes has led to a condition called disruption. This is defined as the occurrence of an unpredictable change, which requires innovation to survive (Abadli et

al., 2020; Christensen et al., 2017; Messabia et al., 2022). A branch of science that focuses on this condition is entrepreneurship, and according to experts, it also contributes to the economic development of a country (Sergi & Scanlon, 2019; Urbano et al., 2019; Yuliana, 2020). Zacharakis, A., and Bygrave (2019) stated that all its processes are functional, and even these activities expose an individual to certain opportunities.

The stages of entrepreneurship are influenced by four attributes, namely environmental, organizational, sociological, and personal aspects. The most important in its growth are organizational, personal, and environmental. Meanwhile, the environmental aspect comprises the following elements including opportunity, role models, and creativity (Zacharakis, A., & Bygrave, 2019). One of the factors that have the most influence on the process of entrepreneurship growth is opportunity. Currently, virtually all business processes are carried out through the internet (Mendez Mena et al., 2018). This is a good opportunity that needs to be taken advantage of by any entrepreneur. The term Business Digitization simply implies using the internet to execute related processes.

The consortium carried out by Global Entrepreneurship Monitoring (GEM) stated that the level of entrepreneurial growth is viewed through the series of activities in a country (McAdam, 2022). Based on a report submitted to the consortium, there was a decline in entrepreneurial activities in Indonesia from 2013 to 2017. Preliminary data stated that in 2013 and 2017, it was within the range of 25.5% and 7.5%, respectively. In addition, there is an increasing percentage of young entrepreneurs who discontinued their businesses, from 2.4% to 4.8% in 2013 and 2017, respectively (Zacharakis, A., & Bygrave, 2019).

Entrepreneurship is closely related to a country's economic growth because it helps create job opportunities and reduces unemployment. This is evident in several preliminary studies, including Bosma et al. (2018), Christian Ojiaku et al. (2020), Kooli (2021), Sergi & Scanlon (2019), Sonkar & Kumar Sarkar (2020), and Urbano et al. (2019). Therefore, the economic growth of a country is boosted by the increasing number of new entrepreneurs.

In 2021, the results of a pre-survey on young people, which focused on the business community in Bandung City, West Java, consist of 44% leadership skills, 30% organizational resources and capabilities, 25% execution, and 51% opportunity domain. These data indicate that entrepreneurial growth among youth in this sector is still in the low category. Therefore, this research aims to explore the influence of business digitization on entrepreneurial growth in Bandung City.

2. Literature review

An entrepreneur is defined as someone who is able to identify and organize opportunities as well. The entrepreneurial process is a series of functions, activities, and actions taken to seize and carry out these opportunities. It comprises the following stages, Innovation, Triggering Event, implementation, and growth (Zacharakis, A., & Bygrave, 2019). These are influenced by four attributes, namely environmental, organizational, sociological, and personal aspects. This portrays good opportunities that need to be taken advantage of by an entrepreneur. Meanwhile, the term Business Digitization simply means the utilization of the internet to execute related processes.

In Business Digitization, entrepreneurship procedures such as Customer relationship management, Enterprise resource planning, supply, and Selling-chain management, e-Procurement, and Enterprise application integration tend to occur. Interestingly, these are further used as indicators of measurement for the purpose of this research. Businesses that have experienced entrepreneurial growth (entrepreneurial growth) can be viewed from the following dimensions Execution, Opportunity Domain, Organizational Resources, and Capabilities, including Leadership (Zacharakis, A., & Bygrave, 2019).

Previous research on entrepreneurial growth includes Ahonen (2019), Decker et al. (2020), Lukeš et al. (2019), Raitis et al. (2021), and Wang et al. (2019). According to Guerrero et al. (2021), Méndez-Picazo

et al. (2021), Neumann (2021), Pedauga et al. (2022), Ratinho et al. (2020), it is related to economic growth. Furthermore, several researchers have analyzed how internet connections tend to affect entrepreneurial processes, particularly their growth (Chen & Lin, 2021; Matarazzo et al., 2020; Pergelova et al., 2019; Pervin & Sarker, 2021; Tan & Li, 2022; Yuldinawati et al., 2018). This confirms that business digitization influences entrepreneurial growth in Bandung City.

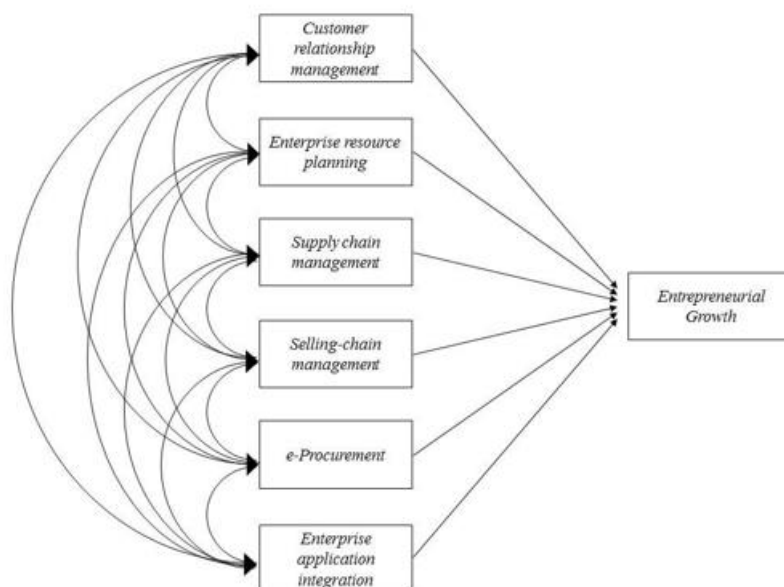


Figure 1. Research framework paradigm the effect of business digitalization on entrepreneurial growth

Based on the literature review as well as factors that trigger the influence of Business Digitalization on Entrepreneurial Growth, the main research hypothesis is stated as follows "There is a positive influence between Business Digitization consisting of all entrepreneurship procedures and Entrepreneurial Growth either simultaneously or partially."

3. Research methodology

This study adopted a scientific approach that discusses the influence of Business Digitalization on Entrepreneurial Growth. Meanwhile, there are two variables, namely the dependent and independent. The independent variable is Business Digitization (X), which comprises Supply chain management, e-Procurement, and Enterprise application integration. The dependent one is Entrepreneurial Growth (Y), which consists of the following dimensions, Execution, Opportunity Domain, Organizational Resources, and Capabilities, including Leadership.

This quantitative research employed an explanatory survey method. It utilized information regarding the characteristics of young entrepreneurs who are members of the HIMPI business community in PT Bandung City, as well as that concerning each of the variables. Furthermore, two sources of information were employed, namely primary and secondary data. Data collection techniques employed include observation, interviews, and questionnaires.

The population used in this study comprises 31 active entrepreneurs or members of the HIMPI PT (Himpunan Pengusaha Muda Perguruan Tinggi) in Bandung City. The data used was obtained in 2021 by the Bandung City HIMPI Autonomous Body management spread across several universities and is an active member of the elected representatives. All related objects were studied until a saturation point was reached because the population in this study was 31 people, which is less than the standard of 100 (Sugiyono, 2017). Statistically, this research used the SPSS (Statistical Product for Service Solution) 24.0 Windows application.

4. Results and discussions

4.1 Profile of the Indonesian Young Entrepreneurs Association (HIPMI PT)

HIPMI is a non-governmental organization independent of political engagement in the economy under Law No. 1 of 1987 concerning the Chamber of Commerce and Industry alongside other business regulations. It is a non-profit forum for channeling the aspirations of younger Indonesian entrepreneurs.

The Indonesian Young Entrepreneurs Association (HIPMI) was established on June 10, 1972. Its establishment was based on inculcating the spirit of entrepreneurship in youths because, at that time, only a few persons aspired to become entrepreneurs. Therefore, the founders were mostly budding entrepreneurs namely Drs. Abdul Latief, Ir. Siswono Yudo Husodo, Teuku Sjahrul, Datuk Hakim Thantawi, Badar Tando, Irawan Djajaatmadja, SH, Hari Sjamsudin Mangaan, Pontjo Sutowo, and Ir. Mahdi Diah. In addition, the growing assumption in society categorized this group of individuals in extremely low strata, thereby causing most young people, especially those belonging to the intellectual circle, to opt for other professions such as bureaucrats, TNI or POLRI, etc.

HIPMI has produced a regeneration of entrepreneurs, with the appearance of young figures both in the national and international business world, until the economic crisis in 1998. This situation tends to change the public's view of this profession as an honorable position. The Reformation Era, especially after the economic crisis, triggered certain changes in the vision and mission of the organization. HIPMI easily adapted to the new paradigm by ensuring that Small and Medium Enterprises are the main locomotive pillar of national economic development (hipmibandung.org).

The Autonomous Board of the Indonesian Young Entrepreneurs Association of Bandung City Universities, later called HIPMI PT, structurally contributed to the Branch Management Board of the Indonesian Young Entrepreneurs Association of Bandung City (BPC HIPMI Bandung City). It aims to produce new entrepreneurs and accommodate students who already have businesses.

There are 15 universities in Bandung city that have representatives in the management of the HIPMI Autonomous Agency of PT. These include Telkom University (Tel-U), Pos Indonesia Polytechnic (Poltekpos), Indonesian University of Education (UPI), University of Informatics and Business (UNIBI), Bandung Polytechnic (POLBAN), Indonesian Computer University (UNIKOM), STIE LPKIA, Bandung Islamic University (UNISBA), Nusantara Islamic University (UNINUS), Academy of Secretariat and Management of Taruna Bakti (ASMTB), STT Tekstil, Sunan Gunung Djati State Islamic University (UIN SGD), Bandung Tourism College (STPB), Bandung Institute of Technology (ITB), and Sangga Buana University Financial and Banking Education Foundation (USB YPKP).

4.2 Characteristics of The Respondents

The respondents are members of the HIPMI Autonomous Board of PT Kota Bandung, consisting of 31 undergraduates spread across the city. The management of this establishment was selected based on the owner's experiences as a CADRE OF HIPMI PT at the university. Detailed characteristics of the respondents are further discussed in the following section.

4.2.1 By Gender

Based on the results realized through the questionnaires distributed to the 31 respondents, it was discovered that 23 informants, or 74.19%, were mostly men. Therefore, it shows that the male entrepreneurs at HIPMI PT are the most dominant contributors to entrepreneurial growth, and their performance needs to be of significant concern.

Meanwhile, the female respondents constituted eight persons or 25.81%. Therefore, it is presumed that a small percentage of entrepreneurs at HIPMI PT Kota Bandung are women. The fewer female respondents depict the minute role played by these entrepreneurs in HIPMI PT Kota Bandung. To boost this, HIPMI PT Kota Bandung needs to organize special programs with the theme womenpreneurs.

4.2.2 By Business Field

Incidentally, the highest business field is the service sector, with 12 respondents or 38.71%. It is presumed that approximately half of the informants are categorized in this field. This shows that service entrepreneurs dominate PT Kota Bandung's HIPMI. Therefore, it needs to be prioritized in terms of organizing programs related to the development of this sector.

Meanwhile, the creative industry's lowest business field is four respondents or 12.90%. It is presumed that a small number of entrepreneurs at HIPMI PT Kota Bandung are categorized in this sector. To increase the number of entrepreneurs in the creative industry, programs related to business development need to be held through internal organizational initiatives and cooperation with the Ministry of Tourism and Creative Economy or non-governmental institutions to improve certain relations, thereby creating opportunities to access the capital resources provided by both the government and non-governmental bodies.

4.2.3 By Education

In terms of educational background, the highest number of undergraduates was 26 or 83.87%. Therefore, it was reported that virtually the entire respondents are educated. The greater number of undergraduates compared to diploma holders shows that these individuals dominate HIPMI entrepreneurs of PT Kota Bandung. There is a need to prioritize development programs that are suitable for these individuals.

Meanwhile, the remaining five respondents, or 16.13%, are diploma holders. It was presumed that a few entrepreneurs at HIPMI PT Kota Bandung have a diploma degree. This shows their irrelevance in the entrepreneurial growth of this establishment. PT Kota Bandung's HIPMI programs need more intense socialization to increase the number of entrepreneurs with diplomas.

4.2.4 By Entrepreneurial Experience

As many as 12 respondents, or 38.71%, had the highest entrepreneurial experience of relatively one to three years. It is presumed that virtually half of the respondents have one to three years of entrepreneurial experience. Meanwhile, relatively eight respondents, or 25.81%, had the lowest entrepreneurial experience. Therefore, it can be reported that virtually half of the HIPMI PT Kota Bandung entrepreneurs have three to five years of entrepreneurial experience.

4.2.5 By Organizing Experience

A total of 12 respondents, or 38.71%, had the highest organizational experience of >five years. It was stated that virtually half of them have an organizational experience of >five years. However, eight people, or 25.81%, had the lowest organizational experience of one to three years. It was reported that relatively few entrepreneurs at HIPMI PT Kota Bandung have one to three years of organizational experience.

4.2.6 By experience getting Capital Assistance

Incidentally, as many as 20 people, or 64.52%, have received capital assistance. It was presumed that the majority of the entrepreneurs at HIPMI PT Kota Bandung had received capital assistance. Although, the remaining 11 people, or 35.48%, have never received capital assistance. Therefore, it was presumed that approximately half of the respondents had never received capital assistance.

4.2.7 Training Experience Beyond HIPMI

A total of 23 people, or 74.2%, have attended business training outside HIPMI. It was presumed that the majority of the respondents had attended such business activities. This simply shows that most entrepreneurs do not limit themselves to internal training. Therefore, there is a need to direct them to choose the appropriate business training.

Meanwhile, as many as eight people, or 25.8%, have never attended business training outside HIPMI. It was presumed that few entrepreneurs at HIPMI PT Kota Bandung have ever attended business

training outside the HIPMI organization. To overcome this issue, there is a need for more intense socialization programs.

4.3 Business Digitization Dimension Recapitulation

Overall, the business digitization variable (X), which consists of customer relationship management, enterprise resource planning, supply and selling chain management, e-procurement, and enterprise application integration, tends to be identified based on the scores obtained from the data recapitulation, as shown in Table 1.

Table 1. Recapitulation of respondent responses on business digitalization

No.	Dimensions	Total Score	Ideal Score	Average Score	Percentage (%)
1	<i>Customer relationship Management</i>	1767	2170	176,70	81,43
2	<i>Enterprise resource planning</i>	1564	2170	156,40	72,07
3	<i>Supply chain management</i>	1416	2170	141,60	65,25
4	<i>Selling chain management</i>	1549	2170	154,90	71,38
5	<i>e-Procurement</i>	1471	2170	147,10	67,79
6	<i>Enterprise application Integration</i>	1383	2170	138,30	63,73
Total Score		9150	13020	915,00	

Source: Data Processing Results 2021 using SPSS 24.0 for Windows

Based on table 1, customer relationship management has the highest score of 81.43%. Meanwhile, enterprise application integration has the lowest score of 63.73%. This is due to the entrepreneur's lack of knowledge concerning the applications that have similar functions as the aforementioned dimension.

Generally, the responses regarding business digitization are shown in table 1, where the values realized are compared with the standard score criteria. This is obtained by calculating the ideal and minimum scores so that the score can be known as the continuum area that shows the ideal area of the e-business. The total score regarding the business digitization of HIPMI entrepreneurs of PT Kota Bandung is 9,150, and when converted to a percentage, it was 70.27%. Based on these scores, this dimension tends to be properly categorized.

4.4 Entrepreneurial Growth Dimensions Recapitulation

Overall the Entrepreneurial Growth variable (Y), which consists of Execution, Opportunity Domain, Organizational Resources, and Capabilities, alongside Leadership, can be identified based on the scores obtained from the data recapitulation, as shown in Table 2.

Table 2. Recapitulation of respondent responses on entrepreneurial growth

No.	Dimensions	Total Score	Ideal Score	Average Score	Percentage (%)
1	<i>Execution</i>	1295	1953	143,89	66,31
2	<i>Opportunity Domain</i>	1241	1736	155,13	7149
3	<i>Organizational Resources &</i>	1246	2170	124,60	57,42

<i>Capabilities</i>					
4	<i>Leadership</i>	1368	2170	136,80	63,04
Total Score		5150	8029	50,42	

Source: Data Processing Results 2021 using SPSS 24.0 for Windows

The collected data's findings show that the Leadership dimension has the highest score of 26.56%. Meanwhile, the Opportunity Domain dimension has the lowest score of 24.09%.

Generally, responses regarding Entrepreneurial Growth are based on the data in Table 2, where the value is compared with the standard score criteria. This is realized by calculating the ideal and minimum scores so that this score can be known as the continuum area that shows the ideal area of Entrepreneurial Growth. The total score regarding the entrepreneurial growth of HIPMI entrepreneurs of PT Kota Bandung is 5,150, and when converted to a percentage, it was 64.57%. Based on these scores, it is presumed that this dimension is properly categorized.

4.5 Path and Correlation Coefficient Test

This test aims to determine the impact of business digitization dimensions, which consist of customer relationship management, enterprise resource planning, supply and selling chain management, e-procurement, and enterprise application integration. The results of the processed data are shown in the following table.

Table 3. Test results of pattern and correlation coefficient

Variable	X ₁	X ₂	X ₃	X ₄	X ₅	X ₆	Y
X ₁	1	,796	,898	,825	,635	,606	,423
X ₂	,796	1	,816	,678	,584	,585	,107
X ₃	,898	,816	1	,875	,791	,68	,493
X ₄	,825	,678	,875	1	,896	,761	,499
X ₅	,635	,584	,791	,896	1	,848	,601
X ₆	,606	,585	,68	,761	,848	1	,682
Y	,423	,107	,493	,499	,601	,682	1

Source: Data Processing Results 2021 using SPSS 24.0 for Windows

Table 3 shows the correlation of each business digitization sub-variables, namely customer relationship management (X₁), enterprise resource planning (X₂), supply chain management (X₃), selling chain management (X₄), e-procurement (X₅), enterprise application integration (X₆), and entrepreneurial growth variable (Y). The correlation between digital business and entrepreneurial growth was obtained, among others, customer relationship management, enterprise resource planning, supply and selling chain management, e-procurement, and enterprise application integration sub-variables on entrepreneurial growth of 0.423, 0.107, 0.493, 0.499, 0.601, and 0.682, respectively.

To obtain the path coefficient, the correlation inverse matrix is associated with the relationship between the independent sub-variable (X) and the dependent one (Y). Meanwhile, figure 1 shows a chart of correlation and path coefficients.

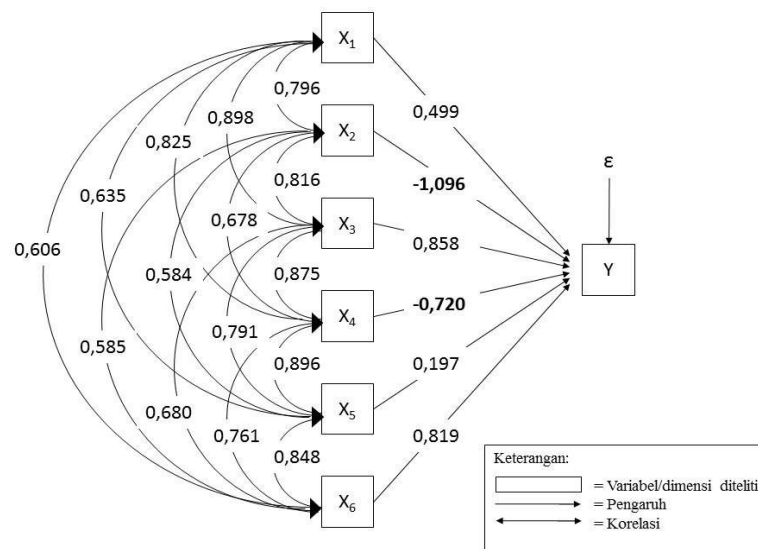


Figure 2. Pathway diagram of variable X against Y (Correlation and pathway coefficients)

Based on the results obtained from the path diagram, it was discovered that enterprise resource planning (X2) and X4 sub-variables have a negative coefficient on entrepreneurial growth. If the path coefficient test performed on the exogenous and endogenous variables has a negative value, it simply means that they are meaningless and need to be re-calculated. This was carried out by eliminating the negative exogenous variables, including enterprise resource planning (X2) and selling chain management (X4). There has a negative impact on entrepreneurial growth, thereby resulting in the calculation of the second model shown in Table 4 as follows

Table 4. Test results of pattern and model II correlation coefficients

Variabl	X ₁	X ₃	X ₅	X ₆	Y
e					
X ₁	1	,898	,635	,606	,423
X ₃	,898	1	,791	,68	,493
X ₅	,635	,791	1	,848	,601
X ₆	,606	,68	,848	1	,682
Y	,423	,493	,601	,682	1

Source: Data Processing Results 2021 using SPSS 24.0 for Windows

Table 4 shows the correlation between each business digitization sub-variables consisting of customer relationship management (X1), supply chain management (X3), e-procurement (X5), enterprise application integration (X6), and entrepreneurial growth (Y). Meanwhile, the correlation between business digitization and entrepreneurial growth was obtained, among others, the customer relationship management (X1), supply chain management (X3), e-procurement (X5), and the sub-variable X6 to Y on entrepreneurial growth of 0.423, 0.493, 0.601, and 0.682, respectively.

The inverse correlation matrix is associated with the relationship between the independent sub-variable (X) and the dependent variable (Y) to obtain the path coefficient. In addition, Figure 4.2. shows a chart of correlation and path coefficients.

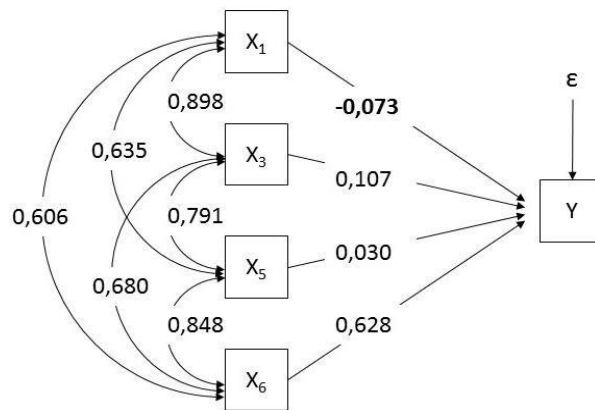


Figure 3. Pathway diagram of variable X against Y (Correlation and pathway coefficients model II)

Based on the results of the path diagram, it was discovered that the customer relationship management sub-variable (X1) has a negative coefficient on entrepreneurial growth. Then the recalculation was carried out by eliminating this sub-variable which had a negative value on entrepreneurial growth, resulting in the third model, shown in Table 5 as follows.

Table 5. Test results of pattern and model III correlation coefficients

Variabl	X ₃	X ₅	X ₆	Y
e				
X ₃	1	,791	,68	,493
X ₅	,791	1	,848	,601
X ₆	,68	,848	1	,682
Y	,493	,601	,682	1

Source: Data Processing Results 2021 using SPSS 24.0 for Windows

Table 5 shows the correlation of each business digitization sub-variable which consists of supply chain management (X3), e-procurement (X5), enterprise application integration (X6), and entrepreneurial growth variable (Y). The correlation between business digitization and entrepreneurial growth was obtained, alongside supply chain management (X3), e-procurement (X5), and enterprise application integration (X6) sub-variables on entrepreneurial growth (Y) of 0.493, 0.601, and 0.682, respectively.

To obtain the path coefficient, the inverse correlation matrix is associated with that between the independent sub-variable (X) and the dependent variable (Y). Furthermore, Figure 3. shows a chart of correlation and path coefficients.

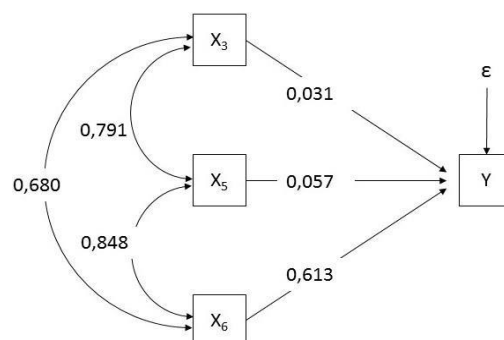


Figure 4. Pathway diagram of variable X to Y (Correlation and pathway coefficients) model II

4.6 Simultaneous Testing

Simultaneous testing was carried out to determine the significant influence of business digitization on entrepreneurial growth. This led to the following hypothesis supply chain management (X3), e-procurement (X5), and enterprise application integration (X6) affect entrepreneurial growth (Y), which was simultaneously tested using Windows SPSS 24.0.

Table 6. Simultaneous hypothesis test

ANOVA						
<i>Model</i>		<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
1	Regression	13020,987	3	4340,329	7,909	,001
	Residual	14816,496	27	548,759		
	Total	27837,484	30			

Source: Data Processing Results 2021 using SPSS 24.0 for Windows

The overall (simultaneous) hypothesis test results are shown in Table 7.

Table 7. Simultaneous hypothesis test results

Alternative Hypothesis	F_{count}	F_{table}	Sig.	Decision	Conclusion
X_3, X_5, X_6 significant positive effect on Y	7,909	2,96	,001	H_0 rejected	Take effect

Source: Data Processing Results 2021 using SPSS 24.0 for Windows

Table 7 shows that the F test was performed with respect to Anova with a probability level (Sig) = 0.001 because Sig < 0.05 and Fount > Ftable is 7.909 > 2.96, then H_0 was rejected. This simply means that overall (simultaneous)) there is a positive and significant influence between business digitization and entrepreneurial growth on HIPMI in PT Kota Bandung. This is in line with the research by Zafar et al. (2017).

4.7 Partial Testing

This test was carried out to determine whether or not each dimension affects entrepreneurial growth. The partial test results realized using Windows SPSS 24.0 is shown in Table 8.

Table 8. Partial hypothesis test

Coefficients

<i>Coefficients</i>		<i>Unstandardized</i>		<i>Standardized</i>	
<i>Model</i>	<i>Coefficients</i>	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>	<i>t</i>
1	(Constant)	98,180	18,652		5,264
					,000

<i>Supply chain management (X₃)</i>	,088	,648	,031	,135	,894
<i>E-procurement (X₅)</i>	,125	,699	,057	,178	,860
<i>Enterprise application integration (X₆)</i>	1,301	,563	,613	2,312	,029

Source: Data Processing Results 2021 using SPSS 24.0 for Windows

Based on Table 8, the supply chain management has a count of $< t$ table at $0.135 < 0.355$ with a Sig value of $0.135 > 0.05$. Therefore, this variable has an insignificant effect on entrepreneurial growth variables. Schlepphorst et al. (2020) stated that enterprise resource planning is the starting point for supply chain management in MSMEs and needs to be implemented simply as possible to boost entrepreneurial growth. This shows that the implementation of supply chain management at HIPMI PT Kota Bandung is extremely complex to avoid affecting the growth of entrepreneurship at the MSME level (Bosma et al., 2018).

Furthermore, e-procurement has a count of $< t$ table at $0.178 < 0.355$ with a Sig value of $0.860 > 0.05$. It was presumed that e-procurement does not affect entrepreneurial growth variables. Its aggressive adoption tends to boost business growth. This shows that the adoption of e-procurement at HIPMI PT Kota Bandung is still performed conservatively in order not to have an impact on business growth (Yang et al., 2021).

Meanwhile, enterprise application integration has a t count $< t$ table at $2.312 > 0.355$ with a Sig value of $0.029 < 0.05$. Therefore, it was presumed that this variable positively and significantly affects entrepreneurial growth. This is in line with the research carried out by Sreih et al. (2019).

5. Conclusion

Based on theoretical explanation alongside descriptive and verified evaluation results obtained using path analysis, the business digitization dimensions are customer relationship management, enterprise resource planning, supply, and selling-chain management, e-Procurement, and enterprise application integration as well as its impact on growth entrepreneurial HIPMI PT (Study on the Autonomous Board of Indonesian Young Entrepreneurs Association of Higher Education Bandung City). This led to the following conclusion.

1. The description of Business Digitization at HIPMI PT in Bandung is in a fairly good category. It was reported that the majority of the respondents tend to implement this variable in the Association of Indonesian Young Entrepreneurs of Higher Education Bandung City.
2. The depiction of Entrepreneurial Growth in HIPMI PT in the City of Bandung is fairly good. This simply means that certain conditions have been proven to boost entrepreneurial growth alongside HIPMI entrepreneurs. The dimension that received the highest responses was the opportunity domain, while organizational resources and capabilities received the least.
3. The business digitization dimension has a partial influence on entrepreneurial growth. For example, the supply chain management sub-variable does not affect entrepreneurial growth, likewise the e-procurement. Meanwhile, the enterprise application integration sub-variable is declared to have a positive and significant effect on entrepreneurial growth. Simultaneously (overall), business digitization has a positive and significant effect on the entrepreneurial growth of HIPMI PT in Bandung City, and the magnitude of the influence is in the medium category.
4. The dominant variable that directly affects entrepreneurial growth is enterprise application integration, with an influence that is in the low category. Meanwhile, the non-dominant variable that directly affects it is supply chain management, with an influence that is in the very low category.

5. The variable that indirectly increases the influence of other variables on entrepreneurial growth is enterprise application integration. The variable that tends to reduce other attributes indirectly is supply chain management. E-procurement tends to indirectly increase the influence of other variables on entrepreneurial growth if only the enterprise application integration is properly implemented. Meanwhile, if the supply chain management passes e-procurement, it is bound to reduce the influence of other variables on entrepreneurial growth indirectly.

5.1 Limitations and Important Suggestions

This study was conducted with few objectives due to the limitations of the authors, and this led to the following suggestions, namely to renew the theory regarding business digitization and entrepreneurial growth. To carry out research using other dimensions that affect entrepreneurial growth which has not been properly proven, such as customer relationship management, enterprise resource planning, selling chain management, etc or others not mentioned in this research such as business intelligence, knowledge management, decision support, etc. which can be used in HIPMI PT in Bandung City alongside other objects with a broader scope.

5.2 Implications

The implications of this research are to ascertain how important the role of business digitization acts as an accelerator (catalyst) for the development of HIPMI entrepreneurs in PT Bandung City. Analyzes the dimensions that play the most role as an accelerator (catalyst) for the development of the PT Kota Bandung HIPMI entrepreneur, and its adaptation to entrepreneurship programs in the community as well as formal and non-formal educational institutions.

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