



## The Influence of Motivation and Training Entrepreneurship on the Performance of SME Entrepreneurs Modulated by Organizational Culture

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### Abstract

**Purpose:** This research aims to determine the relationship between motivation, entrepreneurship training and performance, as well as organizational culture as a moderator variable.

**Method:** Respondents numbered 113 SMEs, former TKI who had received entrepreneurship training from the Manpower Service. Primary data was collected using a questionnaire and processed using PLS model path analysis assisted by the SmartPLS 3.0 program.

**Result:** The research results are as follows: (1) Motivation has no effect on performance; (2) Entrepreneurship training influences performance; (3) organizational culture influences performance; (4) organizational culture as a moderating predictor variable has a significant effect on performance but is unable to moderate the influence of motivation and entrepreneurship training on the performance of SME entrepreneurs. The impact of entrepreneurship motivation and training may vary depending on other factors, such as stakeholder interests and local culture. These last two variables could be opportunities for further research.

### INTRODUCTION

One of the training programs that is always carried out annually by the Department of Manpower and Transmigration (Disnakertrans) is entrepreneurship management training (Gubernur Jawa Timur, 2021). The material that is always given in every training is entrepreneurship management. This training aims to increase productivity and develop the potential of participants in the economic field. Entrepreneurial management is the management of all company resources to maintain business continuity by using a process of creativity and innovation to empower all resources to create added value for products or services (Utomo, 2021; Sholeh et al., 2021). Entrepreneurship management training teaches SMEs to read business opportunities. Material will be taught on how to make plans, starting from marketing management, production management, and financial management, the material capacity of which is adjusted to the needs of SMEs. Idris et al. (2020) demonstrate the value of training in enhancing

performance (Kahar et al., 2022; Younas et al., 2022). Training design involves creating an effective training program that meets the organization's and its employees' specific needs (Mahardika & Luturlean, 2020).

The initial study found obstacles during entrepreneurship training: (a) Becoming an entrepreneur was not seen as the primary choice in the profession. (b) diverse motivations of the participants; (c) differences in educational background, reasoning power, interests, and talents; (c) trainer competency factors, especially those related to class management skills; (d) infrastructure, learning resources, and environmental factors; (e) knowledge about entrepreneurial management is still diverse. This data can be seen from the answers of the training participants when given a pre-test before the material is given. In several meetings, only 5% of the participants could answer the questions correctly. The rest have yet to be able to answer or are in doubt.

Indonesian employees (TKI) who have previously worked abroad as housekeepers, drivers, babysitters, or in other occupations and returned to Indonesia without contracts extended. Most of these ex-TKI have worked abroad on average for at least five years. When they returned to Indonesia, they were still undecided about starting their own business or looking for work. For these previous TKIs to be independent, The Manpower and Transmigration Office can enable these ex-TKIs to use their abilities and experiences gained abroad to launch prosperous businesses by giving them the necessary direction, assistance, and education. Their motivation to work is another aspect that may be contributing to SMEs' poor performance (Astuti & Amalia, 2022; Machmud & Sidharta, 2016; Pouw & Ibrahim, 2022). Organizational culture is another factor that can contribute to SMEs' poor performance. Dewi & Wibowo (2020) assert that organizational culture directly and indirectly influences worker performance. Numerous researchers have stated their findings to support the moderation of organizational culture in the relationship between training and employee performance (Sapitri & Pancasasti, 2022; Saputri et al., 2020; Rijanti et al., 2021). According to Astono et al. (2020), organizational culture directly influences work motivation and discipline, which in turn moderates their positive effects on the relationship between the two and performance (Agyare et al., 2019). Training has a direct impact on performance, according to research (Subari & Riady, 2015), but motivation does not have a significant direct impact on performance. The non-job training compensation variable and other variables, notably motivational variables, are thought to cause decreased employee performance. At the same time, Astono et al. (2020) and Haedar et al. (2021) did not compare compensation with motivational factors. If the conditions of the object are equated with SME entrepreneurs, motivation alone with the dependent variable and moderation the same as in this study is only sufficient for the independent variable; this is considered inappropriate because the issue of income or salary for SME entrepreneurs is obtained from the results of their own business.

This research is different from previous research because previously, it had never been shown how training and motivation affect performance, with the moderating variable being the organizational culture of former TKI UKM entrepreneurs. This study aims to fill this gap by examining the relationship between training, motivation, and performance while considering the influence of organizational culture as a moderating variable and including former migrant workers as respondents. This study provides a unique perspective on the factors contributing to ex-migrant SME entrepreneurs' success. Researchers plan to conduct research using organizational culture as a moderating variable, performance as the dependent variable, and entrepreneurial training and motivation as independent variables. By examining the relationship between entrepreneurial performance, training, and motivation, the researchers aim to provide valuable insights into the factors contributing to SME entrepreneurs' success.

Entrepreneurship education builds and transfers entrepreneurial knowledge that focuses on experiential learning and develops structured competencies, skills, talents, and values. This refers to individuals' mental concepts and awareness while starting and developing their businesses (Iwu et al., 2021; Ganefri et al., 2020). However, entrepreneurship education includes training completed in less time (Ratten & Usmanij, 2021).

Training is a planned process to modify knowledge, skills, attitudes, or behavior through learning experiences. The goal is to achieve effective performance in each activity. Job-related

training aims to develop individual capabilities and meet the organization's workforce's current and future needs (Sitzmann & Weinhardt, 2018). To achieve this goal, the training provides the knowledge, skills, and attitudes needed to perform work-related tasks. This directly improves job performance (Alharthy & Marni, 2020). Thus, entrepreneurship training is a program provided by leaders or agencies to the workforce to improve employee performance and abilities with entrepreneurial values and ways of thinking that will support the goals and expectations of the agency. Entrepreneurship training can be interpreted as a planned process to modify attitudes, behavior knowledge, and skills through entrepreneurial learning experiences. The aim is to achieve effective performance in each activity or various activities with the mindset of an entrepreneur, namely creative and innovative (Al-Awlaqi et al., 2021). A good training program will increase entrepreneurial knowledge, skills, and competencies. Entrepreneurship influences people to create innovative businesses and improve their standard of living (Aizuddin & Adam, 2021). The social benefits of entrepreneurship training include developing interactions, creating communication networks, and developing personal growth, while the economic benefits of entrepreneurship training include increasing productivity and getting a new job (Zhao et al., 2022; Agu et al., 2021). The essential ability of entrepreneurship is to find the right opportunities for business and develop them properly. The first ability that an entrepreneur must have is to think creatively (Prahestiwi et al., 2021). Entrepreneurial competence is relevant for those who aspire to pursue their own future business ventures; they are also increasingly recognized as essential job skills in navigating the world of work (Montes-Martínez, 2020). According to Sitzmann & Weinhardt (2015), there are five steps in the training process, including (1) Analyzing training needs, (2) Designing the entire training program (3) Developing, compiling, and producing training materials; (4) Implement or implement a training program; (5) Assess or evaluate the effectiveness of the material.

According to Maslow, motivation results from an individual's efforts to meet five fundamental needs: physiology, safety, sociability, esteem, and self-actualization. Maslow contends that these needs can lead to internal pressures that impact behavior (Maslow, 2017). Motivation has a significant impact on organizations because motivation is closely related to job satisfaction, competence, and rewards. According to ancient and contemporary philosophies, motivation has four main conceptual areas: Maslow's Hierarchy of Needs, Herzberg's Motivation/Hygiene Theory, McGregor's X-Y Theory, and McClelland's Need for Achievement Theory. According to Maslow, unsatisfied needs have a hierarchy that stops us from being motivated by area needs until all lower-level needs have been met (Farage et al., 2012). Frederick Herzberg asserts that "hygiene" and "motivation" are the two elements that makeup employee satisfaction. Employer hygiene variables like pay and supervision can lower employee unhappiness. When achievement and recognition drive employees, they are more devoted, productive, and innovative (Gawel, 1997; Malik & Naeem, 2013). When employees are motivated, efforts are made to boost their excitement, encourage them to work hard, and inspire them to use their skills to help the organization or company reach its goals (Farhah et al., 2020). These components are (1) high personal responsibility, (2) the courage to take risks, (3) realistic goals, (4) a comprehensive plan, (5) taking advantage of feedback, and (6) looking for opportunities to realize plans. Increased employee knowledge of the company, regular evaluations, the practice of carrying out tasks by SOP, opportunities for employees to actively participate in improving work performance, encouragement to improve cooperation and communication, encouragement to be able to work in groups, and support for facilities and resources are all ways to measure motivation.

Organizational culture is the set of values, beliefs, norms, and behaviors that distinguish an organization. Organizational culture also includes how individuals connect, collaborate, and perceive themselves and the companies they work for (Beswick et al., 2015). Organizational culture can provide a different identity and direction for the organization, impacting employee motivation, engagement, productivity, and job satisfaction. Understanding and maintaining corporate culture can help create a healthy, cohesive, and supportive work environment (Dyer, 2018). The elements of organizational culture are as follows (Dyer, 2018). are: (1) values and beliefs; (2) norms and rules; (3) communication; (4) leadership style; (5) fairness and ethics; (6) collaboration and work team goals; (7) innovation and adaptation. Each characteristic of

organizational culture has a range from low to high; therefore, a picture of a diverse organizational culture is obtained by evaluating the organization based on the following seven criteria: (1) giving members of the organization a sense of identity so they can understand the vision and goals of the organization as well as being an essential part of it; (2) encouraging and strengthening adherence to the organization's mission; (3) directing organizational actors to fulfill their obligations and responsibilities effectively and efficiently; (4) help redesign the management control system; (5) assist management in developing an executive management and staff compensation system plan; and (6) manage organizational culture well.

Research findings on more straightforward indicators for future research development are derived from several indicators that are sufficiently described, including (1) innovation and risk-taking, (2) attention, (3) result orientation, (4) people orientation; (5) team orientation; (6) aggressiveness; and (7) stability. They are considering that the following characteristics of the internal organizational culture may also be employed as measuring indicators: locus control, malleability, future orientation, proactivity/reactivity, responsibility seeking, participation, and commitment to others (Muis et al., 2018).

Employee performance, measured by an individual's level of accomplishment, productivity, and effectiveness while carrying out their duties, impacts the goals and overall success of the business. A worker's performance, according to (Dyer, 2018), consists of their capacity to meet and exceed performance targets and the quantity, quality, and timeliness of the work they produce. Several factors, such as (1) ability, (2) motivation, (3) people, and (4) organizational environment, have an impact on employee performance. The signs include the following: (1) quantity of output; (2) quality of output; (3) time frame of output; (4) employee attendance rate; (5) form; and (6) collaboration quality. Regular feedback and coaching, opportunities for skill development and training, and creating a positive work environment that fosters collaboration and recognition are crucial for improving employee performance. For SME entrepreneurs, performance evaluation was used in this study. An evaluation method known as a performance assessment requires students to demonstrate the desired criteria (Arvey & Murphy, 1998).

Performance-based assessment is a dynamic process that requires participants to actively demonstrate their knowledge, skills, and strategies by creating answers or products. This type of assessment also stimulates higher-order thinking skills, such as problem-solving and decision-making. The techniques for performance assessment can be implemented at various stages, from planning to processing during work treatment, and when work results are obtained. Performance assessment is a structured procedure that uses tasks to evaluate how well students have learned. It requires students to actively engage in complex and significant tasks, applying relevant knowledge and skills to solve problems (Lucas, 1971; Majali et al., 2022).

The performance of SMEs, a measure of their achievement over a specific period, is often evaluated based on their marketing performance. This element of SME performance is a direct reflection of their strategic implementation. The performance of micro-businesses is typically determined using a set of performance indicators, including sales value, profit, business asset value, family asset value, credit, family living expenses, and family savings (Sakib et al., 2022; Singh et al., 2022).

By considering the background of the problem and the theoretical studies presented, the following hypotheses are proposed:

- H1: Training has a significant effect on the performance of SMEs at the Manpower and Transmigration Office.
- H2: Motivation has a significant effect on the performance of SMEs at the Manpower and Transmigration Office.
- H3: Organizational culture significantly affects SMEs' performance at the Manpower and Transmigration Office.
- H4: Organizational culture moderates the effect of compensation on the performance of SMEs at the Manpower and Transmigration Office.
- H5: Organizational culture moderates the effect of motivation on the performance of SMEs in the Manpower and Transmigration Office.

## RESEARCH METHODS

Associative type is used in this research method because it has the following properties: (1) symmetry, (2) causal relationship, and (3) reciprocity (Salkind, 2013). The associative type is being used in this study to investigate how employee performance quality is impacted by training, organizational culture, and motivation. The Tulungagung Manpower and Transmigration Office was the site of this study in 2022. The primary data types that were processed were quantitative data, and supporting data in the form of preliminary observations and interviews were used to describe the initial challenges in formulating the variables examined in the study. The study aimed to understand the factors influencing employee performance quality comprehensively. Using the associative type, the researchers analyzed the relationships between compensation, organizational culture, motivation, and employee performance. Using quantitative data as the primary data allowed for rigorous analysis, while preliminary observations and interviews provided valuable insights into the initial challenges faced in defining and measuring the variables under investigation (Brewer et al., 2000).

The primary data source for this research comes from UKM, with the following conditions: (a) former Indonesian workers who have been trained for at least one year; (b) receive training from the Manpower and Transmigration Service; (c) the results of the work of SMEs for one year. The research population was 113 SMEs. The sample used was 62 SMEs—sample selection using purposive sampling.

Motivation Indicators are (1) high personal responsibility, (2) courage to take risks, (3) realistic goals, (4) comprehensive plan, (5) utilizing feedback, and (6) looking for opportunities to realize the plan (Farhah et al., 2020). Entrepreneurship training indicators are (1) Analyzing training needs; (2) Designing the overall training program; (3) Developing, compiling, and producing training materials; (4) Implementing or carrying out training programs; (5) Assessing or evaluating the effectiveness of the material (Sitzmann & Weinhardt, 2015). Organizational culture indicators are (1) values, beliefs, norms, and rules; (2) communication; (3) leadership style, justice, and ethics; (4) goals of collaboration, teamwork, innovation, and adaptation (Dyer, 2018). Performance indicators are (1) sales value, (2) profit' (3) value of business assets, (4) product quality, (5) product lifespan, (6) employee attendance level, (7) form and quality of collaboration (Arvey & Murphy, 1998; Sakib et al., 2022; Singh et al., 2022).

The Partial Least squares (PLS) model of path analysis was used to process the data with the aid of the SmartPLS 3.0 program. The data was further analyzed using a bootstrapping data analysis methodology, a robust statistical technique that allows for the estimation of the sampling distribution of an estimator by resampling with replacement (Brewer et al., 2000; Mateos-Aparicio, 2011; Hair et al., 2016). The PLS model is multivariate nonparametric, meaning that it ignores normal data in the study because the sample used only includes a subset of the population that meets certain criteria in line with the study's goals. The linear relationship between one exogenous variable and an endogenous variable is disrupted by the moderation model, which is used in the latent construct design. This confounding factor has the power to both exacerbate and ameliorate the relationship (Cepeda-Carrion et al., 2019; Husein, 2015).

The phases of data analysis are as follows: (1) Analyze the outer model as a validity and reliability analysis of the instrument with a convergence (1) Analysis of the inner model by examining the Adjusted R-Square; (2) Validity value > 0.6 and Cronbach's alpha > 0.7; (3) Hypothesis testing with a significance level of = 0.05 and the requirement that Ha is accepted based on a t-statistic value > 1.96 or a probability value 0.05 (Latan & Noonan, 2017). Using the following model's format:

The relationship between X1, X2, and Z to Y:

$$Y = Py_1X_1 + Py_2X_2 + Py_3Z + \varepsilon_3 \quad (1)$$

The relationship between X1 and Y is moderated by Z

$$Y = Py_1X_1 + Py_2X_2 + Py_1X_1 * Z + \varepsilon_3 \quad (2)$$

The relationship between X2 and Y is moderated by Z

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_2 * Z + \epsilon_3 \quad (3)$$

The product of the coefficient can be calculated by multiplying the regression coefficient between the coefficients 0 and x with the standard error a.b., as stated by Arliyani et al. (2020), and the result is as follows

$$Z_{hitung} = \frac{ab}{s_{ab}}, \text{ with} \quad (4)$$

$$s_{ab} = \sqrt{b^2 s_a^2 + a^2 s_b^2 + s_a^2 s_b^2} \quad (5)$$

F

or testing the validity of a hypothesis, simultaneous and partial parameters are used. With the following formulation, the F test is used to calculate simultaneous parameters:

$$F_{hitung} = \frac{\frac{R^2}{k-1}}{\frac{1-R^2}{n-k}} \quad (6)$$

The t-test is run using the following equation for the partial parameters. The following formula,  $t_{count} = \frac{\beta_j}{se\beta_j}$  with  $\beta$  = regression coefficient and  $se(\beta_j)$  standard error with critical area, is used:

If P Value <  $\beta_0$ , or  $|t_{count}| > value_{table(a,n-k)}$ , reject Ho. The PLS research model, which automatically calculates the influence between Endogenous and Exogenous variables, can be used to establish hypotheses:

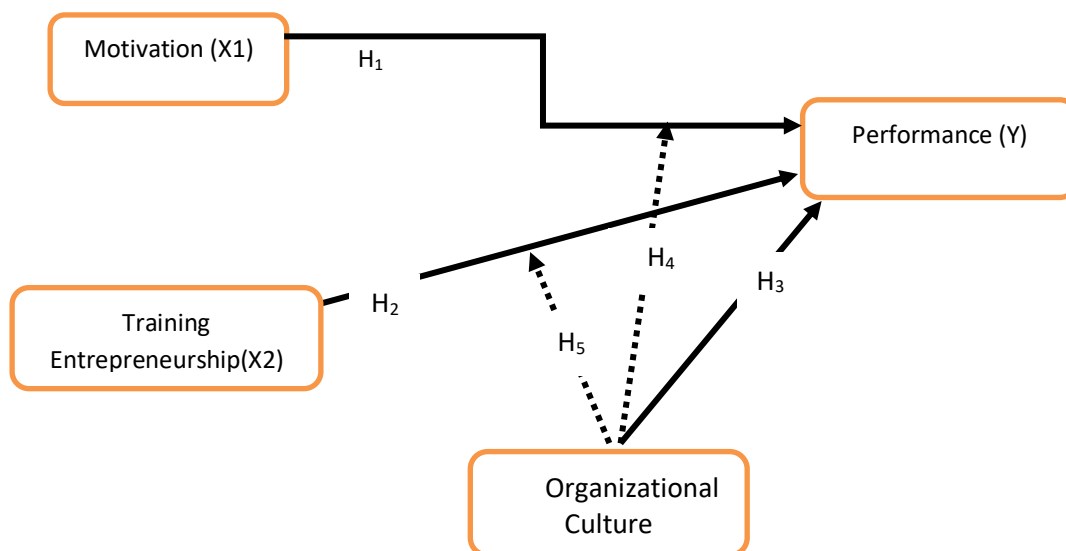


Figure 1. Research Framework

## RESULTS & DISCUSSION

Based on Table 1, gender is an essential topic of discussion because the male sex dominates workers more than the female sex; this factor has not been studied but is believed to impact research findings that can be taken into account for research in other fields.

**Table 1.**  
**Research Object Gender Characteristics.**

Gender	Frequency	Percentage
Man	39	62,9%
Woman	23	37,1%
Total	62	100

Age is another factor that has not been thoroughly investigated but is likely to impact the study's findings, so psychologists and other researchers will start to pay attention to it. Age is an important variable to consider as it may influence the study outcomes (table 2). Understanding how different age groups respond to work guidance programs can provide valuable insights for future interventions and policy-making in this field. Additionally, exploring potential age-related factors such as experience, adaptability, and career aspirations can further enhance our understanding of the effectiveness of these programs.

**Table 2.**  
**Research Object Age Characteristics.**

Age	Frequency	Percentage
41- 50	27	44 %
31 - 40	24	39%
21 - 30	11	17%
Total	62	100

Data on domicile characteristics are significant from an economic perspective (table 3). According to Idris et al. (2020), some variables are thought to impact outside of the research even though they have not been studied. Overview of the Initial Construction: While there are four latent variables overall, outer loading is a construct rather than a variable for its items. Six reflective constructs serve as indicator items for the latent variable X1 (motivation), numbered from X1.1 to X1.6. Additionally, there are six reflective indicator items for X2 (training entrepreneurship), numbered X2.1 to X2.6. Seven reflective indicator items numbered Y1 to Y7., make up the Y variable (performance). The reflective construct Z1 to Z4 contains four indicators for the variable Z (Organizational culture).

**Table 3.**  
**Domicile Characteristics Data**

Domicile	Frequency	Percentage
Tulungagung city	39	62,9%
Outside Tulungagung City	23	37,1%
Total	62	100

The form of latent constructs can be broken down as follows: (1) exogenous constructs, namely variables X1, X2, and Variable Z; (2) endogenous variables, namely variable Y; and (3) Variable Z, apart from being an exogenous variable also acts as a moderating variable. If it is described as a whole from the construct of the research variables, it can be described in Figure 2 as follows:



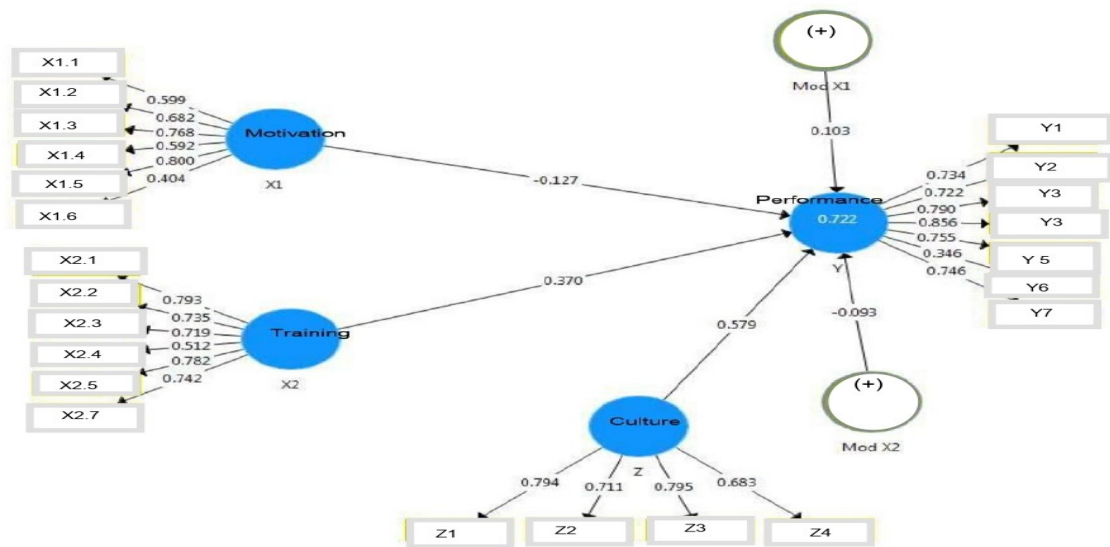


Figure 2. Construct Variables

Some construct validity and reliability test parameters can be seen in Convergent Validity and Cronbach's Alpha. In the initial construct test, it is known that the Convergent Validity value is  $<0.6$  and Cronbach's Alpha  $<0.7$ , so the outer loading is declared not valid and reliable. In order to make the outer loading valid and reliable, reduction is carried out from the existing indicators so that a new construct is formed as follows (figure 3).

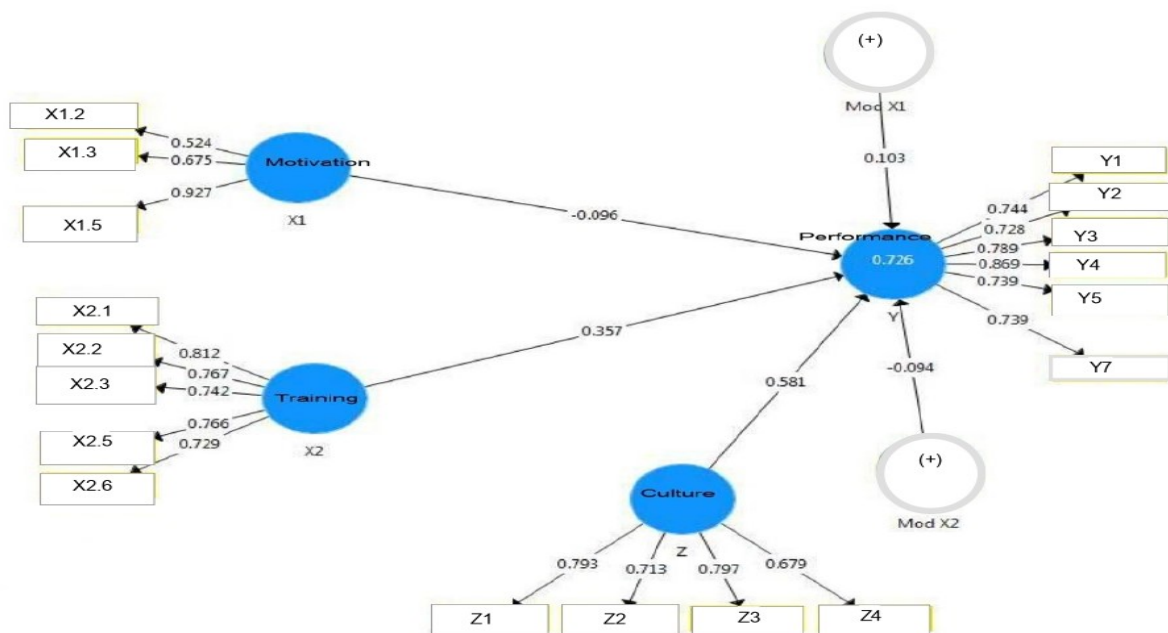


Figure 3. Final Construct Variables

A VIF test, which serves as a multicollinearity test on exogenous latent constructs, was run after creating the new construct. The VIF test results are all less than 5, which shows that multicollinearity is not present in this study. In the R Square test, a value of 0.726 was obtained, which means that all exogenous variables that lead to endogenous variables in this study were 72.6%, while 27.4% were expressed by other variables not examined.



Consequently, the following equation can be used to represent the path analysis relationship:

$$Y = 0,916X_1 + 2,930X_2 + 5,226Z + \varepsilon_3 \quad (1)$$

$$Y = 0,916X_1 + 2,930Z + 1,124X_1 * Z + \varepsilon_3 \quad (2)$$

$$Y = 0,916X_2 + 2,930Z + 1,001X_2 * Z + \varepsilon_3 \quad (3)$$

It can be written as follows if a significant route is taken:

$$Y = 2,930X_2 + 5,226Z + \varepsilon_3 \quad (4)$$

Based on the R-squared test, motivation, training, and organizational culture all influence 72.6% of SME performance. Their training and organizational culture largely influence the performance of SMEs, and this is significant. Most SMEs make maximum use of the training they receive; however, in this study, motivation did not have a significant effect on the performance of SMEs.

One indicator of motivation with the most outstanding value is seeking opportunities to realize plans. The results of this research contradict the previous research, which was used as a theoretical basis (Farhah et al., 2020). Meanwhile, according to Maslow (2017), seeking opportunities to realize this plan is part of self-actualization. However, Maslow further stated that this self-actualization will give rise to internal pressure, which impacts behavior. Considering that the respondents of this research are SME entrepreneurs who are former migrant workers, it is very natural that this motivation does not affect performance because the very diverse backgrounds of the respondents will undoubtedly have a significant influence on the performance measures that will be achieved. This means that each respondent has a variety of measurements.

Entrepreneurship training influences the performance of SMEs. This is due to the review of previous research results by Sitzmann & Weinhardt (2015), Iwu et al. (2021), Ganefri et al. (2020), and Ratten & Usmanij (2021). It seems that the initial needs analysis carried out by the Manpower Office regarding appropriate training materials has a significant influence on the performance of SMEs. Apart from that, an entrepreneurship training design is created based on the objectives, materials, and training methods carried out, which greatly influence participants in developing and developing participants' competencies in business. The competencies developed by participants in this training are creating communication networks, interacting with participants and trainers, and developing personal abilities in production and marketing (Zhao et al., 2022; Agu et al., 2021).

The organizational culture variable in this research has a significant effect on the performance of SMEs. The beliefs and norm values adhered to by SMEs are similar in achieving performance. Apart from having the same goals in achieving performance, collaboration within work teams with the same experience, namely having worked as TKI, is very influential in achieving competency for SMEs. This aligns with the findings of Dyer (2018) and Beswick et al. (2015). However, organizational culture does not moderate the influence of motivation on SME performance. This result could mean that even though these SMEs have the same beliefs and norms, they have different behaviors in seeking business opportunities and have different behaviors in self-actualizing. This organizational culture also does not moderate entrepreneurship training on the performance of SMEs. It can be understood that even though these SME actors have the same beliefs and norms in compiling, designing, and evaluating training results, there are significant differences in the performance of SME actors.

The uniqueness of the results of this research can be understood by looking at the diverse backgrounds of the participants, starting from educational background, age, work experience, environment, and the type of business they are involved in. This causes the moderation variable not to affect achieving the performance of SMEs. Many problems still need to be reviewed in connection with the implementation of training programs organized by an institution, as evidenced by the advantages and disadvantages of previous research findings and the findings of this research. It is necessary to study the elements of the training plan, including the objectives to be achieved, training techniques, teaching resources, and learning facilities and infrastructure, as well as evaluations that can measure the initial learning objectives and the trainer's expertise. Participants' talents, interests, and competencies to be achieved.

This research has yielded significant findings that can greatly benefit policymakers, training providers, and SME managers. These findings have led to specific recommendations that focus on enhancing training programs and organizational practices, thereby highlighting their practical implications and potential economic and social benefits. For instance, we recommend that policymakers prioritize the development of strong organizational cultures within SMEs, a strategy that has been proven to enhance performance (Maha Putra & Nasution, 2024). This can be achieved through initiatives such as workshops and seminars that emphasize the importance of a positive organizational culture. Furthermore, increased funding and resources should be allocated to entrepreneurship training programs, and collaboration with educational institutions and NGOs can help develop comprehensive training curricula tailored to the specific needs of SMEs. Lastly, we advocate for further research on local factors to formulate more targeted and effective policies.

Another practical implication of this research is that training providers can also develop entrepreneurship training curricula that are adaptive and relevant to local culture. Future programs should combine practical experience and real-world case studies to ensure that the skills learned can be applied immediately. In addition, continuous evaluation and adjustment of training programs based on participant feedback and changing market needs is also essential. To provide training materials, it is necessary to develop a module on organizational culture to strengthen the positive impact on SME performance. Future programs should combine practical experience and real-world case studies to ensure that the skills learned can be applied immediately. In addition, continuous evaluation and adjustment of training programs based on participant feedback and changing market needs is also essential. To provide training materials, it is necessary to develop a module on organizational culture to strengthen the positive impact on SME performance. Ex-TKI SMEs must proactively grow and maintain a supportive organizational culture encouraging innovation, collaboration, and productivity (Istiqomah & Alfansi, 2023).

In line with the results of this research, the empowerment of ex-TKI in Arjowilangu Village could have been better, mainly due to the lack of capital assistance for productive business activities and the lack of knowledge of ex-TKI regarding marketing and entrepreneurship. (Mindarti et al., 2022; Supriana & Nasution, 2010). Another finding about female ex-TKI is a strong sense of sisterhood, characterized by mutual support between women, sharing experiences, a journey of self-discovery, and a collective identity built on similarities. The obstacles encountered by female ex-TKI are the lack of regeneration, the burden on women's households, and the issue of business sustainability (Evi et al., 2020; Zid et al., 2020)

Participation in entrepreneurship training programs should be encouraged for managers and employees, with dedicated time and budget allocations for skill development activities. By applying research findings in daily operations, managers can make more informed decisions regarding business management and strategy. Embracing continuous learning and organizational development will lead to sustained performance improvements.

Implementing these recommendations is not just a step, but a leap towards enhancing SME performance and contributing to local and national economic growth. Strengthening SMEs will create more job opportunities, increase community incomes, and reduce unemployment rates. The resultant economic stability and growth will not just improve the overall quality of life for community members, but also foster a sense of security and prosperity. Furthermore, robust SMEs can become more resilient and adaptable to market changes, ensuring long-term sustainability and prosperity, and instilling a sense of confidence in the future.

## CONCLUSION

The research findings are as follows: Motivation doesn't affect performance; entrepreneurship training does; organizational culture does, too. However, organizational culture, when considered a moderating predictor variable, can't moderate the influence of motivation and entrepreneurship training on the performance of SME entrepreneurs. These findings can guide policymakers, training providers, and SME managers in creating a supportive environment, fostering a positive organizational culture, understanding the psychology of Ex-TKI, and addressing the need to enhance the knowledge and skills of Ex-TKI in entrepreneurship.

The limitation of this research is that it only included respondents from one city in East Java, which were considered to represent Indonesian Foreign Workers (TKI). Apart from that, the limitations of this research include the need for SME entrepreneurs to use performance indicators appropriate to the nature of Indonesian migrant workers. Practicum All participants must complete the specified practicum if entrepreneurship training is only provided by a small group of SME entrepreneurs. This is due to the limited time for entrepreneurship training. Therefore, SME employers need to ensure that the practicum is designed to effectively capture the unique challenges and experiences faced by Indonesian migrant workers. In addition, it would be beneficial to collaborate with organizations or experts who specialize in supporting and training migrant workers to increase the effectiveness of practicums.

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