

30th - 31st MARCH 2021
virtual conference



UNIVERSITI
TEKNOLOGI
MARA

Cawangan Terengganu

Temic

TERENGGANU MULTIDISCIPLINARY
INTERNATIONAL CONFERENCE

TiBÉC / IAC / ICECT

“Inevitable Innovation Towards
Future Transformation”

e-PROCEEDINGS

TERENGGANU INTERNATIONAL
BUSINESS and ECONOMICS
CONFERENCE 2021
(TiBEC VII)

eISSN 2600-9145



9 772600 914001

Beautiful
Terengganu
Malaysia

UiTM *di hatiku*

This page was intentionally left blank

Terengganu International Business and Economics Conference 2021

**E-PROCEEDINGS
TERENGGANU INTERNATIONAL BUSINESS AND
ECONOMICS CONFERENCE 2021 (TiBÉC VII)**

Universiti Teknologi MARA Cawangan Terengganu
Malaysia

Published by:

Universiti Teknologi MARA Cawangan Terengganu
Malaysia

TeMIC 2021: Terengganu International Business and Economic Conference (TiBÉC VII)

Published by

Universiti Teknologi MARA Cawangan Terengganu

Phone : +609-8400 400 (GL)

Website : [TeMIC 2021 \(wixsite.com\)](http://TeMIC 2021 (wixsite.com))

TeMIC Chairperson

Assoc. Prof. Ts. Dr. Sarifah Fauziah Syed Draman

Conference Chair

Dr. Hj. Zainuddin Zakaria

Chief Editor

Nurmuslimah Kamilah Abdullah

Editors

Nur Azwani Mohamad Azmin

Dr. Zuriyati Ahmad

Siti Fatimah Mardiah Hamzah

Sholehah Abdullah

Salwani Affandi

Dr Mohamad Shukri Johari

Dr Ahmad Suffian Mohd Zahari

Assoc. Prof. Dr. Baharom Ab Rahman

Design

Abdul Rani Jusoh

Disclaimer

The views, opinions, ideas, recommendations, and suggestions expressed by the contributors and authors are entirely their own and do not necessarily reflect the views of the editors, the faculty or the university. The editors and organising committee are not responsible and liable for the content of the papers in these proceedings.



UNIVERSITI
TEKNOLOGI
MARA

Cawangan Terengganu

Copyright © 2021

Universiti Teknologi MARA Cawangan Terengganu, Sura Hujung, 23000 Dungun
Terengganu MALAYSIA

All right reserved. No Part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without permission of the copyright holder.

This page was intentionally left blank

Table of Content

TABLE OF CONTENT	i
TRACK 1: ACCOUNTING & ECONOMICS	1
ID17 Fertility and Financial Development in Developed and Developing Countries <i>¹Asma' Rashidah Idris, ²Muzafar Shah Habibullah, ³Jaharudin Padli,.....</i>	1
ID25 The Relationship between Human Capital Investment and Economic Growth in Selected ASEAN Countries <i>¹Sharmila Thinagar, ²Mohd Khairi Ismail, ³Low Ai Vy, Aainaa ³Amirah Haron</i>	17
ID36 A Conceptual Paper on the Determinants of Economic Growth during Pandemic <i>¹Nur Azwani Mohamad Azmin, ¹Muhamad Nur Aiman Mohd Noor, ²Rosmaiza Abd Ghani, ¹Nik Noor Afizah Azlan</i>	27
ID45 Quality of Life in The East Coast Region of Malaysia: A Preliminary Study of Fishermen at Kuala Dungun, Terengganu <i>¹Ahmad Suffian Mohd Zahari, ¹Baharom Abdul Rahman, ¹Zuriyati Ahmad, ¹Nik Noor Afizah Azlan, ¹Wan Maziah Wan Ab Razak, ²Ramli Ibrahim Tinik</i>	36
ID53 The Role of E-Readiness and Dynamic Capability: Evidence from SMEs in Indonesia <i>Vellinda Fitriyana Syafia, Maya Indriastuti.....</i>	45
ID57 Financial Literacy for MSMEs' Sustainability in Semarang with Digital Transformation as Intervening Variable <i>Jihan Athaya Salsabila, Winarsih.....</i>	52
ID84 Public Debt, Budget Deficit and Malaysia's Economic Performance: An Assessment using the Long Run Equilibrium Approach <i>¹Zuriyati Ahmad, Ahmad Syakir Ammar Ahmad O'llia, Rosman Mahmood.....</i>	65
TRACK 2: ENTREPRENEURSHIP	72
ID11 The Importance of Infopreneurship Training for Information Science Students in Higher Learning Institutions <i>*Nurussobah Hussin, Uzma Liyana Abdul Rahman</i>	72
ID13 SME's Performance in East Coast Malaysia: Antecedents of Customer Orientation and Marketing Innovation <i>¹Najdah Abd Aziz, ²Rusnah Ismail, ³MA. Irfan Rahmana, ³Mulyana</i>	78
ID14 Entrepreneurship as a Career Choice: Intention towards Entrepreneurship among University Students <i>¹Noorul Huda Zakaria, ²Noor Erni Fazlina Mohd Akhir, ³Norhamimah Rani.....</i>	89
ID18 Effectiveness of Entrepreneurship Learning Approaches: A Comparative Study <i>*Norchahaya Johar, Nazlin Emiza Ngah, Marha Abdol Ghapar, Norlaila Ibrahim, Azlina Shamsudin, Rusnah Ismail.....</i>	100

ID26 The Level of Public Responses towards Social Enterprise through Social Media Sites (SNSs) <i>¹Nik Fakrulhazri Nik Hassan, ¹Noorazlina Ahmad, ²Abd Razak Abu Kassim, ³Nur Raihana Mohd Sallem, ⁴Muhammad Abi Sofian Abdul Halim.....</i>	106
ID35 Students' Awareness on Self-Employment – A Case Study in UiTM Cawangan Terengganu <i>*Kartini Mat Rashid, Azlina Shamsudin, Nasiha Abdullah, Norchahaya Johar, Zuraini Jusoh</i>	111
ID40 A Theoretical Framework to Explain The Impact Of Personal Factors On Entrepreneur Resilience <i>¹Dalili Izni Binti Shafie, ²Salmi Mohd Isa.....</i>	120
ID88 The Relationship between Elements of Online Business Platform and Business Growth Among Entrepreneurs Society in Terengganu <i>*Khalid Amin Mat, Siti Rapidah Omar Ali, Nur Shafini Mohd Said, Nasiha Abdullah, Muhammad Hafiz Husain.....</i>	131
ID92 The Significance of Marketing Management Capabilities for New Business Model Transformations on SMEs Business Performance during COVID-19 Pandemic: Do Geographical Marketing Segmentation Indicator Differs? <i>¹Haslenna Hamdan, ¹Zalinawati Abdullah, ¹Wan Maziah Wan Ab Razak, ¹Nurul Ulfa Abdul Aziz, ²Ken Sudarti.....</i>	140
TRACK 3: FINANCIAL MANAGEMENT & ISLAMIC BANKING.....	154
ID22 Internal Factors Affecting the Profitability of General-Insurance Companies in Malaysia <i>¹Muhamad Hafiz Aizat Hassan, ¹Wan Anisabanum Salleh, ²Jaafar Pyeman, ¹Suhaily Maizan Abdul Manaf</i>	154
ID38 A comparison of performance between the Shariah and the Non Shariah Compliance listed food and beverages firms Malaysia <i>Nur Izzatie Zainuddin, *Salwani Affandi, Fathiyah Ismail</i>	164
ID59 New Market Segment of Retail Investors in the Malaysian Stock Market: The Characteristics of Millennial Investors <i>¹Maily Patrick, ²Noryati Ahmad, ²Amirul Afif Muhamat, ¹Imbarine Bujang.....</i>	175
ID62 The Effect of Good Corporate Governance and Company Size on Tax Avoidance: Empirical Evidence from Sharia Banks in Indonesia <i>Pravita Wahyu Sayekti, Sri Sulistyowati</i>	186
ID76 The Influence of Investment Knowledge, Return, and Risk on Students Interest in Investing in the Capital Market (Research on Student of Faculty Economics and Business, University of Sumatera Utara) <i>*Wesley Agustin Siahaan, Beby Kendida Hasibuan, Syahyunan, Isfenti Sadalia</i>	200
ID82 The Effect of Size, Board of Commissioners, Public Ownership and Leverage on Enterprise Risk Management Disclosures in Banking Companies Listed in Indonesia Stock Exchange <i>*Nurul Fathiya Rhiza, Beby Kendida Hasibuan, Khaira Amalia Fachruddin, Lisa Marlina.....</i>	211

ID86 A Review on Technical Efficiency in Malaysian Telecommunications Industry

¹Suhaily Maizan Abdul Manaf, ¹Wan Anisabanum Salleh, ²Zetty Zahureen Mohd Yusoff 223

ID89 The Acquaintance of Statutory Reserve Requirement and Dividend Payout Ratio

Che Wan Khalidawaty Khalid, ^{}Nurul Syuhada Baharuddin, Nor Jana Salim*..... 233

TRACK 4: HOSPITALITY243

ID27 The Influence of Food Nostalgia on Revisit Intentions in Kopitiam Restaurant at Shah Alam, Selangor, Malaysia

^{}Nor Saadah Che Deraman, Zul Hazam Mohd Piah, Izhar Hafifi Zainal Abidin, Nur Farrah Yasmin Abdul Latib, Siti Nurhanifah Sulong*..... 243

ID28 Consumer Intention towards Restaurant Online Food Ordering Service

^{}Nur Amanina Idris, Mohamad Amiruddin Mohamad, Amir Manshoor, Norhaya Hanum Mohamad, Haslina Che Ngah*..... 254

ID29 The Influence of Marketing Strategy (4Ps) Towards Fast Food Consumption among UiTM Dungun Students

^{}Norzaidah Ngali, Nor Suriatee Ahmad Sanusi, Nur Sahira Ahmad Tajuaripin, Norazlina Rahmat*..... 264

ID30 Eating Habits, Lifestyle and Weight Status amongst Students at Universiti Teknologi MARA Cawangan Terengganu Kampus Dungun

^{}Norazlina Rahmat, Aliah Basirah Baseri, Siti Salmiah Che Hassan Norzaidah Ngali* 276

ID31 Working Environment towards Job Employment among Culinary Students: A case study of UiTM Cawangan Terengganu Kampus Dungun (UiTMCTKD)

^{}Siti Nurhanifah Sulong, Norhaya Hanum Mohamad, Aniza Arifin, Siti Nor Fadillah Ahmad Shariff, Malissasahila Abdul Manap* 287

ID32 The Replicability of Heritage Malay Cuisine in Foreign Market

¹Rahman Abdullah, ¹Aniza Arifin, ¹Azlina Samsudin, ²Sabaianah Bachok, ¹Harnizam Zahari..... 294

ID33 Traveling Motivation and Factors That Motivate People to Go Travel

¹Siti Nor Fadillah Binti Ahmad Shariff, ²Massyittah Binti Omar, ¹Siti Nurhanifah Binti Sulong, ²Zuratulraha Binti Jaafar, ³Khairul Anuar Bin Mohamad, ¹Lily Nurainul Ashikin binti Ishak, 303

ID37 Evaluation of Knowledge, Attitudes, and Practices (KAP) of Food Handlers at Ramadan Bazaar in Paka, Dungun

^{}Noristisarah Abd Shattar, Nur Farah Syamimi Binti Manan, Wahida Binti Mohamad Aris* 309

ID39 Is Two Better than One?: The Issues of Co-Branding

^{}Nur Syuhaada Kharil Anuar, Izhar Hafifi Zainal Abidin, Azlina Samsudin, Azahar Adzmy*..... 318

ID55 Local Tourists' Perceptions on the Quality of Services among Local Street Foods Vendors during the Covid-19 Pandemic in Malaysia <i>¹Nor Asikin Shaharuddin, ²Nurul 'Azwa Kamarudin, ³Sumayyah Shaidin, ³Amirah Mohd Juned</i>	327
ID81 Online Grocery Shopping: Purchasing Intention among Malaysian in Kuala Lumpur <i>*Fatimah Abd Ghani, Hidayah Marsuki, Siti Nuruul Sa'adah Awang, Noorazlin Ramli</i>	338
ID85 Web Content Analysis: Incorporating Halal Information and Local Cuisine into Destination Marketing Strategies for Malaysia <i>¹Mohd Hairi Jalis, ²Jefry Elias, ¹Muhamad Nazhiim Abdullah</i>	349
ID87 Local Tourist Intention to Reuse E-Hailing Services from Smart Tourism Destination Perspectives in Malaysia <i>*Maisarah Abdul Hamid, Nur Amanina Idris, Afnie Nadhira Sarbini, Mohamad Uwais Shamsul</i>	358
ID95 Online Food Delivery (OFD) Services during Pandemic COVID19: What factors influencing customers to use it? <i>*Jazira Anuar, Wan Nazriah Wan Nawawi, Haslina Che Ngah, Zetty Madina Md Zaini</i>	368
ID96 Factor Affecting Customer Satisfaction On Utilizing Kiosk At Quick Service Restaurant (QSR) <i>Ellya Syaira Mohd Rasmadi, Nur Ernie Ezura Pisol, *Siti Noraisah Dolah @ Abdullah</i>	373
TRACK 5: HUMAN RESOURCES	384
ID34 Contribution Factors toward Job Satisfaction among Academicians: A Conceptual Paper <i>*Kartini Mat Rashid, Marha Abdol Ghapar, Nasiha Abdullah, Nur Dalila Adenan, Hani Sakina Mohamad</i>	384
ID47 The Role of Organizational Relationship Quality in Relation with Lecturer Performance <i>¹Zainuddin Zakaria , ¹Nik Fakhrul Hazri Nik Hassan, ¹Nazlin Emieza Ngah, ¹Nurmuslimah Kamilah Abdullah, ¹Rusnah Ismail, ²Elisabeth Siahaan</i>	395
ID51 Improving Small and Medium Enterprises (SMEs) Innovation Performance through Social Media Orientation and Business Intelligence <i>¹Dima Roulina Simbolon, ²Nurhidayati Nurhidayati</i>	403
ID52 Human Resources Management Practices Based Gamification in Student's Organization <i>¹Indah Rahayu, ²Nurhidayati Nurhidayati, ³Olivia Fachrunnisa</i>	415
ID61 A Comparison of Career Satisfaction between Millennials and Baby Boomers Workforce <i>Agustiya Fatriya Rizky, Ardian Adhiatma</i>	426
ID65 A Model to Increase Career Satisfaction for Millennial Workforce: The Role of Spiritual Work Values and Job Engagement <i>Nur Atika Yuniarti, Ardian Adhiatma</i>	436

ID71 Millennial Generation Career Expectations And Career Goals <i>Rina Agustina, Nurhidayati Nurhidayati</i>	444
ID72 Millennials' Career Satisfaction from Islamic Perspective <i>Achda IndaUyun, Nurhidayati Nurhidayati</i>	454
ID74 Identifying the Meaning of Work on Millennial Generation from Islamic Perspective <i>Bella Anindya Karunisa, Olivia Fachrunnisa</i>	464
ID90 Graduates Employability: A Conceptual Framework <i>¹Noor Malinjasari Binti Ali, ²Kardina Kamaruddin, ³Rahayu Izwani Borhanuddin, ¹Hasmida Mohd Noor, ⁴Hasmi Mokhlas</i>	473

TRACK 6: MANAGEMENT & OPERATIONS MANAGEMENT.....483

ID50 An Interaction Model of Knowledge Creation, Knowledge Acquisition, Knowledge Sharing, Knowledge Application, Green Innovation, and Corporate Sustainable Development for MSMEs <i>*Siti Sumiati, Sri Wahyuni Ratnasari, Erni Yuvitasari</i>	483
ID56 Identification of Road Users Involved in Commuting Accident <i>*Zuraini Jusoh, Nur Shahirah Shafie, Zainuddin Zakaria, Kartini Mat Rashid, Nur Shafini Mohd Said</i>	490
ID58 Centralization: A Strategic Solution for Improving Hospital Management Effectiveness and Efficiency <i>¹Tri Wahyu Martanto, ²Tika Widiastuti, ²Dien Mardiyah, ²Imron Mawardi, ²Eko Fajar Cahyono, ²Taqiyah Dinda Insani</i>	498
ID66 New Emerging Challenges at Workplace during Covid-19 Pandemic <i>*Azian Abd Ghani, Zainuddin Zakaria, Rusnah Binti Ismail, Siti Najihah Amir Hamzah</i>	507
ID69 Meaning of Work and Career as Calling: A Model to Determine Millennial's Career Satisfaction <i>Selly Septianingsih, Olivia Fachrunnisa</i>	518
ID70 Millennial Leadership Skill, Training Model and Spiritual Work Value to Increase Career Satisfaction <i>Nofia Sulistianingrum, Olivia Fachrunnisa</i>	527
ID73 Identifying Career Expectation of Millennial Generation <i>Atik Rodiah Kurniawaty, Nurhidayati Nurhidayati</i>	537
ID78 Service Quality and Customer Satisfaction of Rail Transport: A Conceptual Framework <i>*Noor Malinjasari Ali, Raslina Mohamed Nor, Siti Fatimah Mardiah Hamzah, Ruzaidah A Rashid, Suzila Mat Salleh, Hasmida Mohd Noor</i>	548
ID79 Overcoming Knowledge Sharing Barriers in Public Sector Organizations: A Conceptual Perspective <i>*Wan Zuhaila Wan Abd Rahman, Nazlin Emieza Ngah, Rusnah Ismail</i> ,.....	557

TRACK 7: MARKETING566

ID10 Exploring Islamic Commodification as Symbolic Interactionism in Advertising

¹Mohd Fauzi Harun, ²Nur Safinas binti Albakry, ³Abdul Halim Husain ²Harleny binti Abd Arif..... 566

ID21 Customer Intention and Perception on Healthy Ice Cream

¹Noorazlina Ahmad, Nik Fakrulhazri Nik Hassan, Rajeswari A/P Raju, Hayati Adilin Mohd Abd Majid..... 577

ID23 The Customer Consumption Trends and Marketing Strategy on Healthy Ice Cream

¹Nik Fakhruhazri Nik Hassan, ¹Noorazlina Ahmad, ¹Abd Razak Abu Kassim, ²Yusnita Hamzah 585

ID24 The Adoption of Smart Digital Marketing Technology Acceptance Model (MTAM) by AAREZ Holding Sdn. Bhd.: A Case Study of a Housing Developer Company In Kuala Terengganu

¹Syahrul Hezrin Mahmud, ¹Mohd Husnin Mat Yusoff, ²Mohd Ariff Nafizi Ibrahim, ³Muhammad Fauzi Embong, ⁴Ramizatunnisah Jais 592

ID49 Interaction of Architectural and Specialized Marketing Capabilities with Retail Fashion SMEs Performance

¹Hendar Winarsih, ²Baharom Abdul Rahman, ²Azian Abd Ghani 604

ID67 The Functional, Social and Emotional Value Co-Creation Role in the Relationship between Concerted Interaction Capabilities with Market Performance in the Beauty Salon Creative Service Industry in Central Java

Burhanuddin Rif'at, Hendar..... 619

ID68 The Effect of Relational and Empowered Interaction Capability on Market Performance in Salon Beauty Creative Services in Central Java: The Role of Social Value Co-Creation Mediation

Aditya Ilham Farohi, Hendar 629

ID75 Role of Relational and Individual Interaction Capability in Improving Social Value Co-Creation and Market Performance

Abdurrahman Very Cakasana, Hendar 640

ID77 Towards Socially Responsible Business Model: Do Religiosity and Attitude Affect Consumer Boycotts?

¹Zalinawati Abdullah, ²Marhana Mohammed Anuar, ³Mohd Rafi Yaacob 651

ID94 Impact of Consumer's Demographic Factors Towards Online Shopping Behavior: A Study in Malaysia

¹Nurul Ulfa Abdul Aziz, ¹Zalinawati Abdullah, ¹Haslenna Hamdan, ²Hendar Hendar, ²Siti Sumiati,..... 665

ID99 The Importance of Experiential Marketing and Electronic Word of Mouth Communication on E-Loyalty among Bukalapak Users: A Case of Student at Faculty of Economics and Business, Universitas Sumatera Utara (USU).

Irhamyah Pulungan, *Arlina Nurbaity Lubis, Endang Sulistya Rini, Beby Karina Fawzee 681

TRACK 8: TECHNOLOGY, INNOVATION & OTHERS693

ID19 Students' Acceptance on Online Educational Games

**Marha Abdol Ghapar, Norlaila Ibrahim, Azlina Shamsudin, Norchahaya Johar..... 693*

ID42 Wanita dan Keganasan Jenayah (Women and Criminal Violence)

**Nasiha Abdullah, Kartini Mat Rashid, Khalid Amin Mat, Nur Shafini Mohd Said, Siti Rapidah Omar Ali..... 700*

ID44 Penggunaan Aplikasi Teknologi dalam Pengajaran dan Pembelajaran (PdP) Secara Kolaboratif Dikalangan Pelajar Universiti Sepanjang Tempoh Perintah Kawalan Pengerakan (PKP) (The Application of Technology in Teaching and Learning (T&L) for Collaborative Study Among University's Student During the Movement Control Order (MCO))

**Nor Hamiza Mohd Ghani, Mohd Khairi Ismail, Sholehah Abdullah 708*

ID46 A Proposed Framework to Evaluate the Effectiveness of Online Learning Among Students of Public Universities In Terengganu During COVID-19

¹Amirudin Mohd Zani, ²Mohd Ariff Nafizi Ibrahim, ³Azlinda Mohammad, ⁴Siti Munirah Muda, ⁵Ramizatunnisah Jais 720

ID83 The New Norms and Students' Motivation in the Pandemic Sphere

¹Nurul Aisyah Awanis binti A Rahim, ¹Wan Maziah binti Wan Ab. Razak, ¹Ahmad Ismail bin Mohd Anuar, ²Nurul Aisyah Munirah binti A.Rahim 730

ID93 Western Materialism and Islamic Religiosity: A Genuine or False Compatibility?

^{1,2}Anita Md. Shariff, ²Muhammad Irwan Ariffin, ²Mustafa Omar Mohammed..... 739

ID97 Knowledge Sharing Behavior via Online Learning Environment: Systematic Literature Review

Yau'Mee Hayati Hj Mohamed Yusof..... 749

NOTES762

An Interaction Model of Knowledge Creation, Knowledge Acquisition, Knowledge Sharing, Knowledge Application, Green Innovation, and Corporate Sustainable Development for MSMEs

¹Siti Sumiati, ¹Sri Wahyuni Ratnasari, ¹Erni Yuwitasari

¹Faculty of Economics, Universitas Islam Sultan Agung Semarang, Indonesia

Corresponding email: sitisumiati@unissula.ac.id

Abstract

This study examines the effect of knowledge management, consisting of knowledge creation, knowledge acquisition, knowledge sharing, knowledge application, on green innovation and subsequently affects corporate sustainable development. This research focuses on the objects of Micro, Small and Medium Enterprises in Central Java, Indonesia. The problem in this study is the existence of global challenges that require a competitive advantage for MSMEs. This study proposes to be able to formulate effective strategies in improving Corporate Sustainable Development for MSME players. This study also examines the influence of the knowledge population used in this study, namely all MSMEs in Central Java. The research sample used in this study is 100 MSME units. This research technique uses non random sampling technique with purposive sampling method. The results show that the five hypotheses in this study have positive and significant relationships.

Keywords: *Knowledge Creation, Knowledge Acquisition, Knowledge Sharing, Knowledge Application, Green Innovation, Corporate Sustainable Development.*

1. INTRODUCTION

At present, consumers can easily access various goods they need from various sellers at lower prices. This becomes a challenge for MSME players to increase their competitive advantage amidst the tight market competition. Therefore, MSME players have to be able to formulate effective strategies in enhancing corporate sustainable development.

One of the possible efforts is by improving the knowledge management of MSMEs. The knowledge management is considered to be capable of being a strategic resource for MSMEs because they regard it to be able to outperform their competitors (Abbas, 2019). Several categories of knowledge that must be improved by MSMEs are knowledge creation, knowledge acquisition, knowledge sharing, and knowledge applications. Knowledge creation is needed by MSME players to create a creative and unique product in the market share. Knowledge acquisition is also important to make MSME players ready to face all kinds of change socially, technologically, and environmentally. Knowledge sharing becomes a place for increasing knowledge by sharing information among MSME players regarding marketing strategies, the environment, and even IT so they can survive in the business competition. Knowledge application is a place where MSME players must be able to implement several systems that are considered effective in improving the quality of MSME products (Madanchian & Taherdoost, 2019).

Corporate sustainable development emphasizes the impact on environmental aspects. Green innovation then becomes a solution to these problems (Andreou, Louca, & Petrou, 2016). The purpose of applying the green innovation concept is to provide facilities for MSME players by developing environmentally friendly products. The optimal application of green innovation will be able to minimize the negative impact of MSME operational activities on the environment.

Based on the above explanation regarding the phenomena and factors affecting corporate

sustainable development on MSMEs, the problem formulations that can be proposed in this study include, How to increase Green Innovation through Knowledge Creation, Knowledge Acquisition, Knowledge Sharing, and Knowledge Application?, How to increase Corporate Sustainable Development through Green Innovation?, How is the optimization model of Corporate Sustainable Development on MSMEs in Indonesia?.

1.1 Knowledge Management

Knowledge management is a conversion of implicit knowledge into explicit knowledge so that the knowledge itself can be transferred, studied and understood by others. Knowledge management is able to be a driving factor for increasing corporate sustainable development. The development of knowledge management can also become a strong foundation for MSME players in running a business hence their products can survive and have a competitive advantage in the market share. An effective knowledge management allows organizations to be more innovative and creative so some MSME players consider knowledge management as a strategic resource that allows them to outperform their competitors (Abbas, 2019).

1.2 Knowledge Creation

Knowledge creation is the result of the interaction between knowledge and the act of knowing, which is carried out through action, practice, and interaction with people (Fay & Nyhan, 2015). Knowledge creation in operational activities is considered very important for MSMEs. Knowledge creation also allows MSME players to practice new knowledge and create new ideas or solutions for employees (Abbas, 2019). The purpose of knowledge in MSMEs is to achieve efficiency related to the use of resources efficiently and environmentally friendly. Knowledge creation that exists in MSMEs does not only encourage and facilitate the process of making environmentally friendly products. Therefore, the hypothesis of this study is as follows:

H1: Knowledge creation has a positive and significant impact on Green innovation

1.3 Knowledge Acquisition

Knowledge acquisition refers to the activities of an organization to acquire, extract, and organize knowledge from various sources (Abbas, 2019). Most MSME employees will obtain knowledge from internal sources, such as other employees and other colleagues. This shows that an MSME player has the nationalization ability to acquire and absorb knowledge positively which then will affect on the financial performance of MSME players. This is done to achieve the goal of corporate sustainable development where MSME players have to take advantage of what is obtained in knowledge acquisition in MSME operational activities. Therefore, the hypothesis of this study is as follows:

H2: Knowledge acquisition has a positive and significant impact on Green innovation

1.4 Knowledge Sharing

Knowledge sharing is a process where someone's knowledge, both explicitly and implicitly, is communicated and shared with individuals or groups (Azaizah, Reyhav, Raban, Simon, & McHaney, 2018; Liu, Zhang, Evans, & Xie, 2019). Knowledge sharing can significantly increase the knowledge possessed by MSME players (Ahmed, Ahmad, Ahmad, & Zakaria, 2019; Oliveira, Curado, & Henriques, 2018). MSME players consider knowledge sharing as their social responsibility to participate in social awareness programs. A number of MSME players can share details related to their business sustainability processes to ensure transparency in their operational activities and gain consumers trust. Therefore, the hypothesis of this study is as follows:

H3: Knowledge sharing has a positive and significant impact on Green Innovation

1.5 Knowledge Application

Knowledge application is an integration process obtained from the knowledge owned by MSME players in designing or providing service products to consumers (Abbas, 2019; Park et al., 2018). The practice of knowledge applications to MSME players is also able to reveal a new process that can significantly improve the process of their performance. The MSME players who dynamically follow and implement environmentally friendly programs will also develop new activities and innovations. This allows MSME players to be able to produce quality products by utilizing minimal amounts of resources, supportive environment, and all MSME members to work together to implement the system. Therefore, the hypothesis of this study is as follow:

H4: Knowledge application has a positive and significant effect on Green Innovation

1.6 Green Innovation

Green innovation is a tool used by companies to eliminate or minimize the negative impact of their operational activities on the surrounding environment (Harrington et al., 2017; Soewarno, Tjahjadi, & Fithrianti, 2019). The purpose of green innovation is to bring improvements in the production process through raw materials into finished products. The improvement is aimed to minimize the natural impacts, consumption sources, capitalization of new resources, and waste.

1.7 Corporate Sustainable Development

The theory of corporate sustainable development is linked with the "Brundtland Commission" report entitled "Our Common Future" presented at the UN Union Assembly in 1987. The report focuses on issues related to economic development and environmental stability. Corporate sustainable development is a development that aims to meet all the needs of society without sacrificing natural conditions and the surrounding environment (Abbas, 2019; Al, Choiruzzad, & Eko, 2013; Ziemba, 2018). The environmental approach adopted by corporate sustainable development focuses on preserving nature, the natural environment, ensuring clean water and air, and minimizing the utilization level of natural resources. In addition, an economic approach must apply creative abilities to produce environmentally friendly products, not use hazardous materials, and use quality materials so the products can be accepted by market share. This actions is aimed to maximize profits by increasing sales and reducing operational costs. Meanwhile, the social approach in corporate sustainable development focuses on improving the relationship between the organizations and human as well as the society. Therefore, it will be able to promote human welfare by understanding their needs. In addition, the existence of corporate sustainable development aims to provide social justice for human and labor rights. Therefore, the hypothesis of this research is as follow:

H5: Green innovation has a positive and significant effect on Corporate Sustainable Development

The model of this research is shown in Figure 1 as follows:

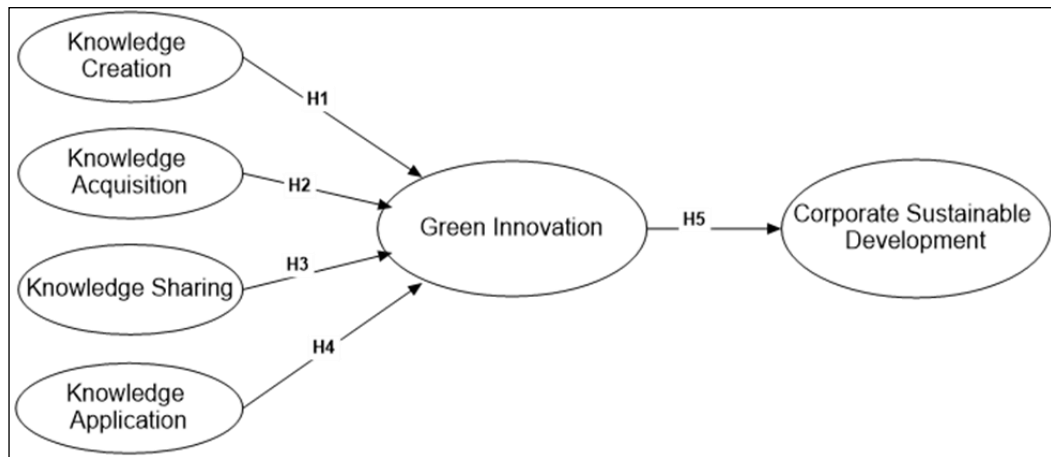


Figure 1. Research framework

2. METHODOLOGY

The types of research used are explanatory research and descriptive research. The purpose of this study is to describe and analyze the results of research in accordance with the reality of the object of the study. This study explains and describes the increase of the Corporate Sustainable Development of MSMEs in Indonesia. The population is a combination of all research objects involving human, events or various symptoms that occur and are needed by researchers to support the success of a study (Sekaran & Bougie, 2020). The population of this study is Micro, Small, Medium Entrepreneurs (MSMEs) in Central Java.

According to Sekaran & Bougie (2020), sample is part of the number and characteristics of a population. The sampling technique was determined using non-random sampling technique with purposive sampling method, by selecting a group of subjects based on certain criteria and the research objectives. The criteria of sample in this study are 100 MSMEs in Indonesia, especially in Central Java, which are taken from one manager, namely the owner/leader/manager of each MSME. In this study, the data is obtained from two sources, such as: Primary Data and Secondary Data. Primary data that will be examined in this study is related to research variables regarding the improvement of corporate sustainable development in MSMEs. Secondary data in this study is in the form of scientific journals, scientific books, internet resources and other data related to this research. Data collection is carried out in by using questionnaire.

An operational definition is an operational practical definition of a variable. The operational definitions of each variable are as follows:

Table 1: Operational Definition of Variables and Indicators

No	Variable	Indicator	Source
1	Knowledge Creation (X1) <i>A knowledge that have to be owned by MSME players regarding the creativity level of MSME players in creating new products and ideas.</i>	X1.1 = service attitude X1.2 = innovation ability X1.3 = employee development X1.4 = employee motivation level	(Abbas, 2019; Andreou et al., 2016)
2	Knowledge Acquisition (X2) <i>A knowledge that have to be owned by</i>	X2.1 = dynamic business environment	(Abbas, 2019; Denning, 2018)

	<i>MSME players regarding the attitudes of MSME players in facing various changes that occur in the business sector.</i>	X2.2 = flexibility X2.3 = responsiveness	
3	Knowledge Sharing (X3) <i>An activity in which MSME players share knowledge and information about the business sector which will affect the sustainability of MSME products.</i>	X3.1 = communication ability X3.2 = participation X3.3 = openness	(Abbas, 2019; Ahmed et al., 2019; Azaizah et al., 2018)
4	Knowledge Application (X4) <i>A knowledge related to how to implement various systems, knowledge, concepts, strategies and ideas appropriately by MSME players in order to survive in trading competitions.</i>	X4.1 = designing product X4.2 = competence level X4.3 = decision making X4.4 = strategy accuracy	(Abbas, 2019; Lin et al., 2011)
5	Green Innovation (Y1) <i>A concept used by MSME players to eliminate and minimize the negative impact of MSME operational activities on the community and the surrounding environment.</i>	Y1.1 = green technology innovation Y1.2 = green management innovation	(Abbas, 2019; Soewarno et al., 2019)
6	Corporate Sustainable Development (Y2) <i>A concept in which MSME players have to continue to preserve nature in carrying out development and expansion of their business to meet the needs of the current generation without having to sacrifice/destroy all resources related to the MSME operational activities.</i>	Y2.1 = environmental sustainability Y2.2 = social sustainability Y2.3 = economic sustainability	(Abbas, 2019; Al et al., 2013)

3. RESULTS ANALYSIS

This study uses the analytical method of The Structural Equation Modeling (SEM) operated using the Partial Least Squares (PLS) program. The data processing tool for this test uses Warp PLS 5.0. All indicators used to measure all variables in this study are reflective. Therefore, to test the measurement model, it must meet the convergent validity test, discriminant validity test, and composite reliability test. Based on the results of field data analysis, it is stated that the data used in this study are valid and reliable so that the data can be examined by other tests. The results of research data analysis can be seen in the Table 2 as follow:

Table 2. The Result of Research Data Analysis

Dependent Variable	Independent Variable	Path Coefficient	P-value	Explanation
MODEL OF REGRESSION I				
Green Innovation (Y1)	Knowledge Creation (X1)	0.295	0.036	H1: X1 → Y1 Accepted
	Knowledge Acquisition (X2)	0.478	0.006	H2: X2 → Y1 Accepted
	Knowledge Sharing (X3)	0.245	0.004	H3: X3 → Y1 Accepted
	Knowledge Application (X4)	0.378	0.026	H4: X4 → Y1 Accepted

<i>R-Squared = 0.678</i>	<i>Adj. R-Squared = 0.756</i>	<i>Regression I: X1,X2,X3,X4 → Y1</i>		
MODEL OF REGRESSION II				
Corporate Sustainable Development (Y2)	Green Innovation (Y1)	0.577	0.018	H5: Y1→Y2 Accepted
<i>R-Squared = 0.426</i>	<i>Adj. R-Squared = 0.355</i>	<i>Regression II: Y1 → Y2</i>		

Source: Processed Primary Data, 2021.

4. DISCUSSION

Based on the results of regression analysis, this study states that the 5 hypotheses of this study show positive and significant results. Hypothesis 1 testing the relationship between Knowledge Creation and Green Innovation shows positive and significant results. It is shown that the higher the value of Knowledge Creation owned by MSME players, the higher the Green Innovation of MSMEs will be. Hypothesis 2 shows a positive and significant relationship between Knowledge Acquisition and Green Innovation. This hypothesis explains that the higher the Knowledge Acquisition in MSMEs, the higher the Green Innovation owned by MSMEs will be.

Furthermore, hypothesis 3 shows a positive and significant impact between Knowledge Sharing and Green Innovation. The higher the Knowledge Sharing owned by MSME players, the higher the Green Innovation of MSME players will be. Hypothesis 4 of this study shows that there is a positive and significant impact between Knowledge Application and Green Innovation. The hypothesis explains that the higher the Knowledge Application on MSMEs, the higher the Green Innovation owned by MSMEs will be. Hypothesis 5 shows that there is a positive and significant relationship between Green Innovation and Corporate Sustainable Development. This statement shows that the higher the ability of Green Innovation owned by MSME players, the higher the Corporate Sustainable Development for MSME players will be. The efforts have to be made by MSME players in Indonesia are to strive to improve the Corporate Sustainable Development owned by each MSME. It is expected that MSME players, especially in Indonesia, will be ready and able to competitively compete in the digital era in all market segments.

5. CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the study, it can be concluded that the five hypotheses of this study are accepted. This shows that the five results of the hypothesis analysis indicate a positive and significant impact on the relationship of each variable. Efforts that can possibly be made by MSME players to increase Green Innovation are through several variables, such as Knowledge Creation, Knowledge Acquisition, Knowledge Sharing, and Knowledge Application. Meanwhile, to increase the Corporate Sustainable Development, MSME players can strive to increase the application of Green Innovation.

The limitation of this study is that the distribution area of the sample is still limited only in the urban areas in Central Java. The research aspects related to MSMEs are only in 5 different business fields. The empirical model of research is still simple. Future researchers are expected to be able to expand the distribution area of the sample, not only inside but also outside Central Java. In addition, research aspects related to MSMEs can also be added to other business fields. The empirical research model is also broadened or narrowed towards the antecedents of future research. This is intended to further expand the sample and information in detail.

References

- Abbas, J. (2019). Impact of knowledge management practices on green innovation and corporate sustainable development: A structural analysis. *Journal of Cleaner Production* 229. <https://doi.org/10.1016/j.jclepro.2019.05.024>
- Ahmed, Y. A., Ahmad, M. N., Ahmad, N., & Zakaria, N. H. (2019). Social media for knowledge-sharing: A systematic literature review. *Telematics and Informatics*, 37, 72–112. <https://doi.org/10.1016/j.tele.2018.01.015>
- Al, S., Choiruzzad, B., & Eko, B. (2013). The 3 rd International Conference on Sustainable Future for Human Security Islamic economy project and the Islamic scholars. *Procedia Environmental Sciences*, 17, 957–966. <https://doi.org/10.1016/j.proenv.2013.02.114>
- Andreou, P. C., Louca, C., & Petrou, A. P. (2016). Organizational learning and corporate diversification performance. *Journal of Business Research*, 69(9), 3270–3284
- Azaizah, N., Reychav, I., Raban, D. R., Simon, T., & McHaney, R. (2018). Impact of ESN implementation on communication and knowledge-sharing in a multi-national organization. *International Journal of Information Management*, 43(February), 284–294. <https://doi.org/10.1016/j.ijinfomgt.2018.08.010>
- Denning, S. (2018). The role of the C-suite in agile transformation: The case of amazon. *Strategy and Leadership*, 46(6), 14–21. <https://doi.org/10.1108/SL-10-2018-0094>
- Fay, E., & Nyhan, J. (2015). Webbs on the web: Libraries, digital humanities and collaboration. *Library Review*, 64, 118–134. <https://doi.org/10.1108/LR-08-2014-0089>
- Harrington, D., Walsh, M., Owens, E., Joyner, D. J., McDonald, M., Griffiths, G., ... Lynch, P. (2017). Capitalizing on SME Green Innovation Capabilities: Lessons from Irish-Welsh Collaborative Innovation Learning Network. *University Partnerships for International Development*, 93–121. <https://doi.org/10.1108/s2055-364120160000008010>
- Lin, J., Lu, Y., Wang, B., & Kee, K. (2011). Electronic Commerce Research and Applications The role of inter-channel trust transfer in establishing mobile commerce trust. *Electronic Commerce Research and Applications*, 10(6), 615–625. <https://doi.org/10.1016/j.elerap.2011.07.008>
- Liu, J., Zhang, Z., Evans, R., & Xie, Y. (2019). Web services-based knowledge sharing, reuse and integration in the design evaluation of mechanical systems. *Robotics and Computer-Integrated Manufacturing*, 57(April 2018), 271–281. <https://doi.org/10.1016/j.rcim.2018.12.010>
- Madanchian, M., & Taherdoost, H. (2019). Assessment of Leadership Effectiveness Dimensions in in Small Medium Enterprises (SMEs) Costing models for capacity optimization in Industry 4 . 0 : Trade-off between used capacity operational. *Procedia Manufacturing*, 32, 1035–1042. <https://doi.org/10.1016/j.promfg.2019.02.318>
- Oliveira, M., Curado, C., & Henriques, P. L. (2018). Knowledge sharing among scientists: A causal configuration analysis. *Journal of Business Research*, (June). <https://doi.org/10.1016/j.jbusres.2018.12.044>
- Park, H. Y., Misra, K., Reddy, S., Jaber, K.,(2018). Family firms ' innovation drivers and performance : a dynamic capabilities approach. *Journal of Family Business Management*. <https://doi.org/10.1108/JFBM-11-2017-0039>
- Rafique, H., Shamim, A., & Anwar, F. (2019). Investigating Acceptance of Mobile Library Application with Extended Technology Acceptance Model (TAM) Corresponding author: *Computers & Education*, 103732. <https://doi.org/10.1016/j.compedu.2019.103732>
- Sekaran, Uma, Bougie, Roger. (2020). *Research Methods For Business : A Skill Building Approach (8th ed. (Asia Edition))*. Hoboken: Wiley.
- Soewarno, N., Tjahjadi, B., & Fithrianti, F. (2019). Green innovation strategy and green innovation. *Management Decision*, MD-05-2018-0563. <https://doi.org/10.1108/MD-05-2018-0563>
- Ziemba, E. (2018). The contribution of ICT adoption to sustainability: households'

perspective. *Information Technology & People* <https://doi.org/10.1108/ITP-02-2018-0090>