West Science Interdisciplinary Studies
Vol. 4, No. 07, July 2026: pp. 1132-1143

The Impact of Entrepreneurial Orientation and Strategic Networks on the Sustainability of MSMEs in Bogor

Puti Khairani Rijadi[1], Rani Eka Arini[2], Ilham Akbar Bunyamin[4]
[1] International Open University and putikhairani@bahasa.iou.edu.gm
[2] Nusa Putra University and raniekaarini1009@gmail.com
[3] Nusa Putra University and ilhamakb14@gmail.com

ABSTRACT

This study examines the effects of entrepreneurial orientation and strategic networks on the sustainability of micro, small, and medium enterprises (MSMEs) in Bogor. A quantitative explanatory research design was employed using data collected from 130 MSME owners and managers selected through purposive sampling. The research instrument consisted of a structured questionnaire measured using a five-point Likert scale. Data were analyzed using SPSS version 25 through descriptive statistics, validity and reliability tests, classical assumption tests, multiple linear regression, partial t-tests, an F-test, and the coefficient of determination. The results show that entrepreneurial orientation has a positive and significant effect on MSME sustainability. Strategic networks also have a positive and significant effect on MSME sustainability Simultaneously, entrepreneurial orientation and strategic networks significantly affect MSME sustainability, as indicated by an F-value of 122.467 and a significance value below 0.001. The coefficient of determination of 0.658 indicates that 65.8% of the variation in MSME sustainability is explained by entrepreneurial orientation and strategic networks, while the remaining 34.2% is influenced by other factors outside the research model. These findings demonstrate that MSME sustainability depends on the integration of internal entrepreneurial capabilities and external relational resources. MSME owners should strengthen innovation, proactive behavior, calculated risk-taking, and strategic collaboration with relevant stakeholders to improve long-term business resilience and competitiveness.

Keywords: *Entrepreneurial Orientation, Strategic Networks, MSME Sustainability, Business Resilience, Bogor*

1. INTRODUCTION

Micro, small, and medium enterprises (MSMEs) constitute one of the most important drivers of economic development because they generate employment, encourage entrepreneurial activity, stimulate innovation, and strengthen regional economic resilience. In Indonesia, MSMEs account for approximately 64.2 million business units, contribute around 61% of national gross domestic product, and absorb nearly 97% of the workforce, making them the backbone of the national economy rather than merely a complementary business sector [1], [2]. Despite this substantial contribution, many Indonesian MSMEs continue to experience persistent structural challenges, including limited access to finance, inadequate managerial capability, weak technological adoption, restricted market expansion, and increasing competitive pressure resulting from rapid digital transformation [1], [3]. These challenges indicate that sustaining MSME performance requires more than short-term financial success; rather, it demands long-term organizational adaptability, strategic capability, and continuous value creation [4], [5]. Consequently, business sustainability has become a central concern in both entrepreneurship and strategic management literature, particularly in emerging economies where MSMEs operate under significant resource constraints.

From the perspective of the Resource-Based View (RBV), sustainable business performance depends on an organization's ability to acquire, develop, and effectively utilize valuable, rare, inimitable, and non-substitutable resources [6], [7]. However, MSMEs generally possess limited financial, technological, and human resources compared with larger organizations, making the development of strategic capabilities particularly important. Entrepreneurial orientation has therefore attracted considerable scholarly attention as a key internal capability that enables firms to identify opportunities, pursue innovation, proactively respond to market changes, and undertake calculated risks under conditions of uncertainty [8]. These entrepreneurial behaviors enhance organizational flexibility and competitiveness, allowing firms to adapt to dynamic business environments. Nevertheless, entrepreneurial capability alone may be insufficient to ensure sustainable business development because the successful commercialization of innovation often depends on access to complementary external resources that many MSMEs do not possess internally.

To overcome internal resource limitations, MSMEs increasingly rely on strategic networks that facilitate access to information, financing, technology, market opportunities, institutional legitimacy, and collaborative innovation. Strategic networks represent purposeful relationships with suppliers, customers, financial institutions, government agencies, universities, digital platforms, and professional communities that enable firms to leverage external resources without direct ownership [9], [10]. Within the RBV framework, these relationships function as strategic assets that complement internal organizational capabilities by reducing information asymmetry, lowering transaction costs, and improving knowledge exchange. Accordingly, entrepreneurial orientation and strategic networks should not be viewed as isolated determinants of business sustainability but rather as complementary strategic resources whose interaction strengthens firms' capacity to innovate, respond to environmental uncertainty, and maintain long-term competitiveness [11]–[13].

Although previous studies have extensively investigated entrepreneurial orientation, networking capability, social capital, innovation, and firm performance, empirical findings remain inconsistent regarding their contribution to business sustainability. Several studies report that entrepreneurial orientation positively influences sustainable business growth and organizational performance, whereas others find weak or statistically insignificant direct effects, suggesting that contextual factors may influence these relationships [14]–[17]. Furthermore, many previous studies have concentrated on conventional organizational outcomes such as profitability, sales growth, or competitive advantage rather than examining sustainability as a multidimensional construct encompassing long-term resilience, adaptability, stakeholder relationships, and continuous value creation. Existing research also tends to investigate entrepreneurial orientation and networking independently or employs alternative constructs such as social capital or networking accessibility, leaving limited understanding of their combined influence on sustainable business development.

These research limitations become particularly important in the context of MSMEs operating in Bogor, one of Indonesia's rapidly developing economic regions characterized by strong tourism, creative industries, agriculture, trade, and its strategic proximity to the Jakarta metropolitan market. While this environment provides substantial business opportunities, it also exposes MSMEs to intense competition from national brands, digital businesses, and online marketplaces. Continuous changes in consumer preferences, technological innovation, and digital commerce require firms to simultaneously strengthen entrepreneurial behavior and cultivate strategic relationships with multiple stakeholders. Nevertheless, empirical evidence explaining how entrepreneurial orientation and strategic networks jointly contribute to MSME sustainability within this specific regional context remains limited. Therefore, contextual investigation is required because findings obtained from different countries, industries, or institutional environments cannot be directly generalized to Bogor's MSMEs.

Against this background, the present study examines the effects of entrepreneurial orientation and strategic networks on the sustainability of MSMEs in Bogor. Unlike previous studies that primarily emphasize financial performance or investigate these determinants separately, this research integrates entrepreneurial orientation as an internal strategic capability and strategic networks as an external relational capability within a single analytical framework to explain business sustainability. This integrated perspective contributes to entrepreneurship and strategic management literature by extending the application of the Resource-Based View to MSME sustainability while providing empirical evidence from an emerging economy characterized by resource limitations and rapid digital transformation. The findings are expected to enrich theoretical understanding of sustainable entrepreneurship and offer practical implications for policymakers, MSME development agencies, financial institutions, and business owners seeking to strengthen long-term business resilience through the simultaneous development of entrepreneurial capability and strategic interorganizational relationships.

2. LITERATURE REVIEW

2.1 *Resource-Based View (RBV)*

The theoretical foundation of this study is the Resource-Based View (RBV), introduced by [18] and developed by [19], which explains that sustainable competitive advantage depends on a firm's ability to utilize valuable, rare, inimitable, and non-substitutable resources. In MSMEs, resource limitations related to capital, technology, managerial expertise, and market access require firms to optimize both internal and external resources [7], [20]. Entrepreneurial orientation represents an intangible capability that enables MSMEs to identify opportunities, innovate, act proactively, take calculated risks, and adapt to environmental change. Meanwhile, strategic networks function as relational resources that provide access to information, financing, technology, suppliers, customers, and business partnerships [7], [21]. Therefore, RBV is relevant for explaining how entrepreneurial orientation strengthens internal capabilities, while strategic networks expand external resource access, thereby improving competitiveness, adaptability, and long-term MSME sustainability.

2.2 *MSME Sustainability*

Business sustainability refers to an organization's ability to maintain operational continuity, create economic value, and adapt to changing business environments over the long term. Unlike short-term performance, sustainability emphasizes continuous growth, resilience, financial stability, innovation, customer retention, business expansion, and long-term competitiveness [22], [23]. For MSMEs, sustainability requires the ability to maintain profitable operations despite market uncertainty, technological change, intense competition, and fluctuating customer demand. Sustainable MSMEs continuously improve their products and services, build long-term customer relationships, manage financial resources efficiently, and respond proactively to market developments [24], [25]. Common indicators of MSME sustainability include business continuity, sales and profit growth, customer retention, business expansion, and sustained competitive advantage. These outcomes are influenced by internal factors, such as managerial capability, entrepreneurial orientation, innovation, financial management, and organizational learning, as well as external factors, including government support, market conditions, strategic partnerships, supplier collaboration, customer relationships, and access to financial institutions [23], [26]. Therefore, MSME sustainability depends not only on internal organizational capabilities but also on the quality of relationships established with external stakeholders.

2.3 *Entrepreneurial Orientation*

Entrepreneurial orientation (EO) represents a firm's strategic posture in identifying opportunities, making decisions, innovating, and competing under uncertain conditions. [6], [27], conceptualized EO as a multidimensional construct consisting of innovativeness, proactiveness, risk-taking, competitive aggressiveness, and autonomy. Innovativeness reflects a firm's willingness to introduce new products, services, technologies, or processes, while proactiveness refers to its ability to anticipate market opportunities and act ahead of competitors. Risk-taking describes the willingness to allocate resources to uncertain but potentially beneficial opportunities, whereas competitive aggressiveness reflects the determination to outperform competitors through differentiation, pricing, promotion, and market expansion [12], [28]. Autonomy refers to the independence of individuals or teams in developing and implementing entrepreneurial initiatives. Collectively, these dimensions strengthen MSMEs' adaptability, opportunity recognition, innovation capability, strategic flexibility, competitiveness, and long-term sustainability. Accordingly, this study measures entrepreneurial orientation through five dimensions adapted from [29]: innovativeness, proactiveness, risk-taking, competitive aggressiveness, and autonomy.

2.4 *Strategic Networks*

Strategic networks refer to collaborative relationships deliberately established by organizations to access valuable resources, information, knowledge, technology, markets, financing, and business opportunities. Unlike purely transactional relationships, strategic networks emphasize long-term cooperation based on trust, reciprocity, communication, and mutual benefit [30], [31]. For MSMEs, these networks are particularly important because they help overcome internal resource limitations by connecting firms with suppliers, customers, distributors, financial institutions, government agencies, universities, business associations, consultants, and other entrepreneurs. Such relationships provide access to market information, customer preferences, technological developments, financing opportunities, and regulatory changes, while also facilitating organizational learning and knowledge sharing [30], [32]. Through collaboration with network partners, MSMEs can improve managerial practices, production methods, marketing strategies, digital capabilities, innovation, operational efficiency, and organizational resilience. Accordingly, this study measures strategic networks through relationships with suppliers, customers, financial institutions, government agencies, and business communities, as well as information sharing, collaboration intensity, and trust among business partners.

2.5 *Conceptual Framework*

This study positions Entrepreneurial Orientation (X_1) and Strategic Networks (X_2) as independent variables influencing MSME Sustainability (Y). Entrepreneurial orientation strengthens MSMEs' internal strategic capabilities through innovativeness, proactiveness, calculated risk-taking, competitive aggressiveness, and autonomous decision-making. These capabilities enable MSMEs to identify opportunities, develop products and services, respond to market changes, improve customer value, and maintain long-term competitiveness. From the Resource-Based View perspective, entrepreneurial orientation constitutes a valuable intangible capability that enhances organizational adaptability and sustainable competitive advantage [27], [28]. Therefore, MSMEs with stronger entrepreneurial orientation are expected to achieve higher business sustainability because they are more capable of continuously creating value and responding effectively to environmental uncertainty [33], [34]. Accordingly, the first hypothesis is formulated as follows: H_1: Entrepreneurial orientation has a positive and significant effect on MSME sustainability.

Strategic networks strengthen MSME sustainability by providing access to external resources that may not be available internally, including market information, financing, technology, suppliers, customers, managerial knowledge, institutional support, and collaborative opportunities. Relationships with financial institutions, government agencies, universities, business associations, and other stakeholders facilitate organizational learning, innovation, resource accessibility, and business resilience [3], [35]. In line with the Resource-Based View, strategic relationships can be considered valuable relational resources that support sustainable competitive advantage. MSMEs with broader, stronger, and more trusted networks are therefore better positioned to respond to market uncertainty and maintain business continuity. Furthermore, the combination of entrepreneurial orientation and strategic networks enables MSMEs to integrate internal capabilities with external resources, creating stronger competitiveness and sustainability [36]–[38]. Thus, the following hypotheses are proposed: H_2: Strategic networks have a positive and significant effect on MSME sustainability; and H_3: Entrepreneurial orientation and strategic networks simultaneously have a positive and significant effect on MSME sustainability.

3. METHODS

This study employed a quantitative approach with an explanatory research design to examine the effects of entrepreneurial orientation and strategic networks on MSME sustainability. Data were collected using a cross-sectional survey from MSME owners and managers in Bogor, West Java, Indonesia, a region characterized by rapid growth in commerce, culinary businesses, creative industries, tourism, agriculture, retail, and digital entrepreneurship. The population comprised owners or managers of MSMEs operating in Bogor, while respondents were selected using purposive sampling based on four criteria: the business was located and registered in Bogor, had operated for at least two years, the respondent was directly involved in strategic decision-making, and participation was voluntary. Based on these criteria, 130 respondents were included, which was considered adequate for multiple linear regression analysis.

Primary data were collected through a structured questionnaire distributed directly and electronically using Google Forms. Before the main survey, the instrument was reviewed by two academic experts in entrepreneurship and business management and pilot-tested on 30 MSME owners to assess clarity, content validity, and preliminary reliability. All items were measured using a five-point Likert scale ranging from 1, representing strongly disagree, to 5, representing strongly agree. Entrepreneurial orientation was measured using ten items covering innovativeness, proactiveness, risk-taking, competitive aggressiveness, and autonomy. Strategic networks were measured using ten items reflecting relationships with suppliers, customers, financial institutions, government agencies, and business associations, as well as information sharing, collaboration intensity, and trust. MSME sustainability was also measured using ten items covering business continuity, sales growth, profit growth, customer retention, business expansion, and long-term competitiveness.

The data were analyzed using SPSS Version 25 through descriptive statistics, validity and reliability testing, classical assumption testing, multiple linear regression, and hypothesis testing. Descriptive statistics included frequency, percentage, mean, and standard deviation, while instrument validity was assessed using Pearson Product Moment correlations and reliability using Cronbach's Alpha, with values above 0.70 considered acceptable. The classical assumption tests comprised the Kolmogorov–Smirnov normality test, tolerance and Variance Inflation Factor for multicollinearity, and the Glejser test for heteroscedasticity. The regression model was specified as $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$, where Yrepresents MSME sustainability, X_1entrepreneurial orientation, and X_2strategic networks. Partial effects were examined using the t-test, simultaneous effects using the F-test, and the model's explanatory power using the coefficient of determination R^2, with a significance level of 0.05.

4. RESULTS AND DISCUSSION

4.1 Respondent Characteristics

A total of 130 MSME owners and managers participated in this study. The respondents represented various business sectors operating in Bogor, including culinary, retail, fashion, services, handicrafts, agriculture, and digital businesses. The majority of respondents had managed their businesses for more than three years, indicating adequate business experience to evaluate entrepreneurial orientation, strategic networking activities, and business sustainability.

Table 1. Respondent Demographic Profile

Characteristics	Category	Frequency	Percentage (%)
Gender	Male	72	55.4
	Female	58	44.6
Age	20–30 years	28	21.5
	31–40 years	49	37.7
	41–50 years	35	26.9
	>50 years	18	13.9
Education	High School	39	30.0
	Diploma	24	18.5
	Bachelor's Degree	58	44.6
	Postgraduate	9	6.9
Business Age	2–5 years	51	39.2
	6–10 years	46	35.4
	>10 years	33	25.4
Business Sector	Culinary	34	26.2
	Retail	28	21.5
	Fashion	18	13.8
	Services	27	20.8
	Others	23	17.7

Table 1 presents the demographic profile of 130 respondents involved in the study. Most respondents were male, accounting for 72 participants (55.4%), while 58 respondents (44.6%) were female. In terms of age, the largest group was 31–40 years, comprising 49 respondents (37.7%), followed by those aged 41–50 years with 35 respondents (26.9%), 20–30 years with 28 respondents (21.5%), and above 50 years with 18 respondents (13.9%). Regarding educational attainment, most respondents held a bachelor's degree, representing 58 participants (44.6%), followed by high school graduates with 39 respondents (30.0%), diploma holders with 24 respondents (18.5%), and postgraduate degree holders with 9 respondents (6.9%). Based on business age, 51 MSMEs (39.2%)

had operated for 2–5 years, 46 MSMEs (35.4%) for 6–10 years, and 33 MSMEs (25.4%) for more than 10 years. The respondents also represented diverse business sectors, with culinary businesses forming the largest category at 34 respondents (26.2%), followed by retail with 28 respondents (21.5%), services with 27 respondents (20.8%), other sectors with 23 respondents (17.7%), and fashion with 18 respondents (13.8%).

4.2 Descriptive Statistics

Table 2. Descriptive Statistics

Variable	Minimum	Maximum	Mean	Std. Deviation
Entrepreneurial Orientation	2.80	5.00	4.186	0.486
Strategic Networks	2.70	5.00	4.112	0.521
MSME Sustainability	2.90	5.00	4.237	0.471

Table 2 presents the descriptive statistics for the research variables. Entrepreneurial orientation recorded a minimum score of 2.80, a maximum score of 5.00, a mean of 4.186, and a standard deviation of 0.486, indicating that respondents generally demonstrated a high level of entrepreneurial behavior. Strategic networks had scores ranging from 2.70 to 5.00, with a mean of 4.112 and a standard deviation of 0.521, showing that MSMEs maintained relatively strong relationships with external stakeholders. MSME sustainability obtained the highest mean score of 4.237, with a minimum of 2.90, a maximum of 5.00, and a standard deviation of 0.471, suggesting that respondents perceived their businesses as having strong continuity, growth, adaptability, and long-term competitiveness.

4.3 Validity Test

Table 3. Validity Test Results

Variable	Number of Items	r-value Range	Sig.	Result
Entrepreneurial Orientation	10	0.632–0.831	0.000	Valid
Strategic Networks	10	0.645–0.864	0.000	Valid
MSME Sustainability	10	0.618–0.853	0.000	Valid

Table 3 presents the results of the instrument validity test. The ten items measuring entrepreneurial orientation produced correlation coefficients ranging from 0.632 to 0.831, while the ten strategic network items recorded values between 0.645 and 0.864. Similarly, the ten items used to measure MSME sustainability generated correlation coefficients ranging from 0.618 to 0.853. All items obtained significance values of 0.000, which were below the 0.05 threshold. Therefore, all questionnaire items were considered valid and suitable for measuring entrepreneurial orientation, strategic networks, and MSME sustainability in the subsequent statistical analyses.

4.4 Reliability Test

Table 4. Reliability Test

Variable	Cronbach's Alpha	Interpretation
Entrepreneurial Orientation	0.907	Excellent
Strategic Networks	0.919	Excellent
MSME Sustainability	0.911	Excellent

Table 4 presents the reliability test results for the research instruments. Entrepreneurial orientation obtained a Cronbach's Alpha value of 0.907, strategic networks recorded 0.919, and MSME sustainability achieved 0.911. Since all coefficients exceeded the recommended threshold of 0.70 and were above 0.90, the three variables demonstrated excellent internal consistency. Therefore, all questionnaire items were considered reliable and suitable for further statistical analysis.

4.5 Classical Assumption Tests

4.5.1 Normality Test

The Kolmogorov–Smirnov normality test produced a statistic of 0.071 and a significance value of 0.200. Since the significance value exceeded the 0.05 threshold, the null hypothesis of normality was not rejected, indicating that the regression residuals were normally distributed. Therefore, the normality assumption required for multiple linear regression analysis was satisfied.

4.5.2 Multicollinearity Test

Table 5. Multicollinearity Test

Variable	Tolerance	VIF
Entrepreneurial Orientation	0.629	1.590
Strategic Networks	0.629	1.590

Table 5 presents the multicollinearity test results for the independent variables. Entrepreneurial orientation and strategic networks each obtained a tolerance value of 0.629 and a Variance Inflation Factor (VIF) value of 1.590. Since the tolerance values exceeded 0.10 and the VIF values were below 10, no multicollinearity was detected between the independent variables. Therefore, entrepreneurial orientation and strategic networks could be included simultaneously in the multiple linear regression model.

4.5.3 Heteroscedasticity Test

Table 6. Glejser Test

Variable	Sig.
Entrepreneurial Orientation	0.486
Strategic Networks	0.563

Table 6 presents the results of the Glejser test for heteroscedasticity. Entrepreneurial orientation obtained a significance value of 0.486, while strategic networks recorded a significance value of 0.563. Since both values exceeded the 0.05 significance threshold, neither independent variable significantly affected the absolute residuals. Therefore, the regression model was free from heteroscedasticity and satisfied the homoscedasticity assumption required for multiple linear regression analysis.

4.6 Multiple Linear Regression Analysis

Table 7. Regression Coefficients

Variable	B	Std. Error	Beta	t-value	Sig.
Constant	0.714	0.298	—	2.396	0.018
Entrepreneurial Orientation	0.481	0.073	0.503	6.598	0.000
Strategic Networks	0.356	0.069	0.394	5.142	0.000

The multiple linear regression equation is MSME Sustainability = 0.714 + 0.481 (Entrepreneurial Orientation) + 0.356 (Strategic Networks). The constant value of 0.714 indicates the expected level of MSME sustainability when entrepreneurial orientation and strategic networks are assumed to be zero. The entrepreneurial orientation coefficient of 0.481 shows that a one-unit increase in entrepreneurial orientation increases MSME sustainability by 0.481 units, assuming other variables remain constant. Similarly, the strategic networks coefficient of 0.356 indicates that a one-unit increase in strategic networks increases MSME sustainability by 0.356 units. Both variables therefore have positive effects on MSME sustainability. Entrepreneurial orientation also produced the larger standardized coefficient (β = 0.503) compared with strategic networks (β = 0.394), indicating that entrepreneurial orientation was the stronger predictor of MSME sustainability.

4.7 Coefficient of Determination

The model summary shows a correlation coefficient (R) of 0.811, indicating a strong relationship between entrepreneurial orientation, strategic networks, and MSME sustainability. The coefficient of determination (R^2) was 0.658, while the adjusted R^2 was 0.652, demonstrating that entrepreneurial orientation and strategic networks jointly explained 65.8% of the variation in MSME sustainability. The remaining 34.2% was explained by other factors outside the regression model, such as digital capability, financial literacy, innovation capability, government support, leadership, organizational culture, and environmental uncertainty. Furthermore, the standard error of the estimate was 0.279, indicating a relatively low level of prediction error and suggesting that the regression model had adequate explanatory power.

4.8 Hypothesis Testing

The hypothesis-testing results demonstrate that entrepreneurial orientation had a positive and statistically significant effect on MSME sustainability, with a standardized coefficient of β = 0.503, a t-value of 6.598, and a significance value of 0.000 ($p < 0.001$); therefore, H1 was supported. Strategic networks also showed a positive and significant effect on MSME sustainability, with β = 0.394, a t-value of 5.142, and a significance value of 0.000 ($p < 0.001$), confirming support for H2. These findings indicate that both stronger entrepreneurial orientation and more effective strategic networks contribute to higher levels of MSME sustainability, although entrepreneurial orientation exerted the relatively stronger influence.

The ANOVA results indicate that the regression model produced an F-value of 122.467 with a significance value of 0.000 ($p < 0.001$). The regression sum of squares was 19.836 with 2 degrees of freedom, while the residual sum of squares was 10.286 with 127 degrees of freedom, resulting in mean square values of 9.918 and 0.081, respectively. Since the significance value was below 0.05, entrepreneurial orientation and strategic networks simultaneously had a statistically significant effect on MSME sustainability. Therefore, the overall regression model was considered feasible, and H3 was supported.

Discussion

The findings demonstrate that entrepreneurial orientation has a positive and significant effect on MSME sustainability, indicating that firms with stronger innovativeness, proactiveness, risk-taking, competitive aggressiveness, and autonomy are better able to maintain long-term business continuity. MSME owners who actively identify market opportunities, introduce new products or services, anticipate changes in customer demand, and make calculated decisions under uncertainty are more capable of adapting to dynamic market conditions. Entrepreneurial orientation enables firms to respond rapidly to competitive pressures, improve customer value, and pursue business growth despite limited resources [3], [32]. The relatively larger standardized coefficient of entrepreneurial orientation also confirms that this variable is the strongest predictor of MSME sustainability in the present model.

This finding supports the Resource-Based View, which considers entrepreneurial orientation a valuable intangible organizational capability that strengthens competitiveness, adaptability, and organizational resilience. Through entrepreneurial behavior, MSMEs can combine their limited resources in innovative ways, differentiate their offerings, and create value that is difficult for competitors to replicate. The result is consistent with previous empirical studies showing that entrepreneurial orientation improves innovation capability, business performance, competitive advantage, and sustainability [17], [28]. However, the effectiveness of entrepreneurial orientation depends on how consistently its dimensions are implemented in business activities. Innovation without proactive market analysis or risk management may not generate sustainable outcomes; therefore, MSME owners must integrate innovation, opportunity recognition, calculated risk-taking, and strategic flexibility into their daily decision-making processes.

The results also demonstrate that strategic networks have a positive and significant influence on MSME sustainability. MSMEs that maintain strong relationships with suppliers, customers, financial institutions, government agencies, business associations, and entrepreneurial communities obtain greater access to market information, financing, technology, managerial knowledge, and collaborative opportunities. These relationships help businesses maintain supply stability, understand customer preferences, identify new markets, and respond more effectively to environmental changes. From the RBV perspective, strategic networks constitute valuable relational resources that extend the MSME resource base beyond its internal boundaries. Strong networks therefore compensate for limitations in capital, knowledge, technology, and market access while strengthening organizational learning, flexibility, and resilience [35], [39].

The simultaneous analysis shows that entrepreneurial orientation and strategic networks jointly explain 65.8% of the variation in MSME sustainability, demonstrating that sustainable business development depends on the integration of internal entrepreneurial capabilities and external relational resources. Entrepreneurial orientation enables business owners to recognize opportunities, innovate, and make strategic decisions, whereas strategic networks provide the complementary resources required to implement those initiatives effectively. MSMEs possessing entrepreneurial capability but lacking network support may face difficulties in accessing financing, technology, suppliers, or markets, while firms with extensive networks but limited entrepreneurial initiative may fail to exploit available opportunities. These findings confirm that MSME sustainability is multidimensional and emerges from the interaction between proactive entrepreneurial behavior and effective stakeholder collaboration. Accordingly, strengthening entrepreneurial orientation and strategic network development should become a priority for MSME owners, policymakers, financial institutions, business associations, and support agencies seeking to improve the long-term resilience and competitiveness of MSMEs in Bogor.

CONCLUSION

This study concludes that entrepreneurial orientation and strategic networks are significant determinants of MSME sustainability in Bogor. Entrepreneurial orientation has a positive and significant effect, indicating that MSMEs with stronger innovativeness, proactiveness, calculated risk-taking, competitive aggressiveness, and autonomy are better able to identify opportunities, respond to market changes, and maintain long-term business continuity; moreover, it is the more dominant predictor, with a standardized coefficient of 0.503. Strategic networks also positively and significantly influence sustainability by providing access to information, financing, knowledge, technology, suppliers, customers, government support, and market opportunities, thereby helping MSMEs overcome internal resource constraints. Together, entrepreneurial orientation and strategic networks explain 65.8% of the variation in MSME sustainability, confirming that sustainable development requires the integration of internal entrepreneurial capabilities and external relational resources. Accordingly, MSME owners should strengthen innovation, anticipate market developments, adopt relevant technologies, take carefully assessed risks, and develop long-term partnerships based on trust, communication, reciprocity, and mutual benefit. Government institutions and MSME support organizations should also provide integrated programs combining entrepreneurial training, business mentoring, digital capability development, financing facilitation, and networking opportunities, while future studies may incorporate variables such as digital capability, financial literacy, market orientation, innovation capability, government support, and environmental uncertainty to provide a more comprehensive explanation of MSME sustainability.

REFERENCES

[1] M. Maswin and O. Y. Sudrajad, "Analysis of Financial Indicator Literacy Determinants on The Performance of Bandung City SMEs," *Int. J. Curr. Sci. Res. Rev.*, vol. 06, no. 06, pp. 3792–3804, 2023, doi: 10.47191/ijcsrr/v6-i6-68.

[2] W. Fitrayanto Nugraha, H. Hardjomidjojo, and M. Sarma, "Risk Assessment of MSME Credit Process Digitalization Program of PT Bank XYZ West Sumatra Region," *Int. J. Res. Rev.*, vol. 10, no. 6, pp. 361–371, 2023, doi:

10.52403/ijrr.20230644.
[3] A. Acintya, D. Ansari, S. Ali, and F. A. Hapsari, "Sustainable manufacturing practices in micro, small, medium enterprises (MSMEs): evidence from Indonesia," *J. Sustain. Sci. Manag.*, vol. 17, no. 10, pp. 98–120, 2022.
[4] A. Wulandari and M. A. I. M. J. Diko, "HR Management Transformation in Indonesia MSMEs: The Role of AI in SOP Making and Recruitment," *J. Ecohumanism*, vol. 3, no. 7, pp. 5325–5338, 2024, doi: 10.62754/joe.v3i7.4641.
[5] Z. Zainuri, M. Z. Yasin, R. N. F. Amijaya, R. N. Wilantari, and S. Vipindrartin, "The role of government policy on the performance of MSMEs in the creative industry: evidence from Jember Regency, East Java, Indonesia," *Cogent Econ. Financ.*, vol. 13, no. 1, p. 2446657, 2025.
[6] E. da S. Fernandes, I. H. Grochau, C. S. ten Caten, D. J. Horst, and P. P. Andrade Junior, "Determinants of the financial performance of social enterprises in an emerging economy: a quantitative analysis," *Soc. Enterp. J.*, vol. 20, no. 4, pp. 441–471, 2024, doi: 10.1108/SEJ-04-2023-0043.
[7] T. Pucci, E. Casprini, L. Zanni, and ..., "Profiting from the digital integration of the value chain and digital competencies: does open innovation matter for manufacturing SMEs?," *… Strateg. Manag.*, 2023, doi: 10.1080/09537325.2023.2262054.
[8] B. M. Putri, A. M. Muhar, and Z. Miraza, "Resource-based view strategy as a determinant of business performance moderated by market orientation in MSMEs culinary sector in Medan city," *Manaj. dan Bisnis*, vol. 21, no. 1, pp. 48–60, 2022.
[9] A. T. Nugroho, "The Influence of Entrepreneurial Orientation, Network, Market Orientation on Small Business Performance in West Java Province," *Eastasouth Manag. Bus.*, vol. 1, no. 03, pp. 81–89, 2023.
[10] L. Banda, M. Mzyece, and F. Mekuria, "5g business models for mobile network operators–a survey," *IEEE Access*, 2022.
[11] H. Yuliastuti, J. E. Putra, and B. Utomo, "Digital Marketing, Entrepreneurial Orientation, and Business Capital on the Financial Performance of MSMEs in Indonesia," *Int. J. Business, Law, Educ.*, vol. 5, no. 2, pp. 1633–1645, 2024.
[12] M. Yaskun, Sudarmiatin, Agus Hermawan, and Wening Patmi Rahayu, "The Effect of Market Orientation, Entrepreneurial Orientation, Innovation and Competitive Advantage on Business Performance of Indonesian MSMEs," *Int. J. Prof. Bus. Rev.*, vol. 8, no. 4 SE-Articles, p. E01563, Apr. 2023, doi: 10.26668/businessreview/2023.v8i4.1563.
[13] U. S. Sucahyo, T. W. Damayanti, and S. Supramono, "Unlocking Success: Nexus between Entrepreneurial Orientation and Financial Performance in Culinary MSMEs," *J. Econ. Business, Account. Ventur.*, vol. 27, no. 1, pp. 1–13, 2024.
[14] A. Abdullahi, S. Basalamah, J. Kamase, and I. Dani, "Market Orientation and Entrepreneurial Competence towards Competitive Advantage and Marketing Performance on Micro Small and Medium Enterprises (MSMEs) On Seaweed Processing," *J. Res. Bus. Manag.*, vol. 4, no. 12, pp. 20–27, 2017.
[15] P. Yudha, "Exploring the impact of social capital on entrepreneurial orientation and business performance (Study on members of MSMEs communities in Malang)," *Profit J. Adm. BISNIS*, vol. 12, no. 1, pp. 20–31, 2018.
[16] R. Alviany, M. M. Mahyuddin, S. SN, and A. RA, "The Influence Of Entrepreneurial Orientation, Innovation And Marketing Strategies To Competitiveness Of Food Sector Msmes In Makassar," *Am. J. Suistainable Agric.*, vol. 13, no. 2, pp. 61–67, 2019.
[17] A. Abdurohim, A. Setyawati, S. Soehartatiek, E. J. Wahyudi, and E. L. Widarni, "Analysis Of Sustainable Competitive Advantage Of Msmes In Indonesia: The Role Of Entrepreneurial Orientation And Social Media Marketing Adoption," *SULTANIST J. Manaj. dan Keuang.*, vol. 10, no. 2, pp. 200–211, 2022.
[18] B. Wernerfelt, "A resource-based view of the firm," *Strateg. Manag. J.*, vol. 5, no. 2, pp. 171–180, 1984.
[19] J. Barney, "Firm Reources ad Sustained Competitive Advantege," *Journal of Management*, vol. 17, no. 1. pp. 99–120, 1991.
[20] V. Malele, "the Role of Innovation and Intellectual Property Rights in Achieving Sustainable Development Through the Informal Sector," *ICTACT J. Manag. Stud.*, vol. 08, no. 03, pp. 1599–1604, 2022, doi: 10.21917/ijms.2022.0235.
[21] P. Roffia, T. Henschel, and F. Getzin, "Nice to value. Unraveling the nexus between management accounting use and financial performance: A quantitative study of SMEs," *J. Int. Counc. Small Bus.*, vol. 6, no. 1, pp. 48–54, 2025, doi: 10.1080/26437015.2024.2386267.
[22] S. R. Satapathy and M. Mishra, "Sustainability Challenges in the MSME Sector of India Post COVID-19: Ranking by MCDM Method," *Int. J. Soc. Ecol. Sustain. Dev.*, vol. 13, no. 5, pp. 1–15, 2022.
[23] D. Pandya, G. Kumar, and S. Singh, "Aligning sustainability goals of industrial operations and marketing in Industry 4.0 environment for MSMEs in an emerging economy," *J. Bus. Ind. Mark.*, no. August, 2023, doi: 10.1108/JBIM-04-2022-0183.
[24] I. Harymawan, A. T. Indahsari, and F. K. G. Putra, "STRENGTHENING INDONESIAN MSME SUSTAINABILITY THROUGH SUSTAINABLE FINANCE LAB PENGUATAN KEBERLANJUTAN UMKM INDONESIA MELALUI SUSTAINABLE FINANCE LAB," *2022*.
[25] H. Heliani, "MSME Financial Accounting In West Java : Sustainability And Impact Factors," vol. 27, no. 03, pp. 568–587, 2023.
[26] A. J. Putri and M. Y. R. Bangun, "Identifying Environmental, Social, and Governance (ESG) Implementation towards Growth and Sustainability: A Case Study at Assisted Micro, Small, and Medium Enterprise (MSME) by Bank Indonesia," 2019.
[27] T. S. Agustina and M. E. P. Arganata, "Determining Factors in SMEs Innovation Performance: An Empirical Study in Indonesia," *INOBIS J. Inov. Bisnis dan Manaj. Indones.*, vol. 6, no. 2 SE-, pp. 149–162, May 2023, doi:

10.31842/jurnalinobis.v6i2.265.
[28] M. R. Rita, S. H. Priyanto, R. K. Andadari, and ..., “How entrepreneurs anticipate the future market: An initial approach of a future market anticipation model for small businesses,” *Journal of Small …*. jsbs.scholasticahq.com, 2018.
[29] G. Lumpkin and G. Dess, “Clarifying the Entrepreneurial Orientation construct and linking it of performance, Academy of Management review, 21,” *Acad. Manag. Rev.*, vol. 21, no. 1, pp. 135–172, 1996.
[30] N. Herawati, T. Lindriati, and I. B. Suryaningrat, “Penerapan Bisnis Model Kanvas Dalam Penentuan Rencana Manajemen Usaha Kedelai Edamame Goreng,” *J. Agroteknologi*, vol. 13, no. 01, p. 42, 2019, doi: 10.19184/j-agt.v13i01.8554.
[31] Apprilisda Ranica Putri, Devi Maria Saadah, Iis Nurkamillah, Silven Yonathan, Sucya Sri Yuliana, and Ricky Firmansyah, “Peran E-commerce Sebagai Media Komunikasi Bisnis Dalam Peningkatan Penjualan UMKM Salaut Di Universitas Teknologi Digital,” *J. Kaji. dan Penelit. Umum*, vol. 1, no. 3 SE-Articles, pp. 1–16, May 2023, doi: 10.47861/jkpu-nalanda.v1i3.181.
[32] S. PURNOMO, S. PURWANDARI, and I. SENTOSA, “Sustainability MSMEs Performance and Income Distribution: Role of Intellectual Capital and Strategic Orientations,” *J. Distrib. Sci.*, vol. 20, no. 4, pp. 85–94, 2022.
[33] S. Kraus, H. Li, Q. Kang, P. Westhead, and V. Tiberius, “The sharing economy: a bibliometric analysis of the state-of-the-art,” *Int. J. Entrep. Behav. Res.*, vol. 26, no. 8, pp. 1769–1786, Jan. 2020, doi: 10.1108/IJEBR-06-2020-0438.
[34] J. Wiklund and D. Shepherd, “Knowledge-based resources, entrepreneurial orientation, and the performance of small and medium-sized businesses,” *Strateg. Manag. J.*, vol. 24, no. 13, pp. 1307–1314, 2003.
[35] A. Hariyono and I. M. Narsa, “The value of intellectual capital in improving MSMEs’ competitiveness, financial performance, and business sustainability,” *Cogent Econ. Financ.*, vol. 12, no. 1, p. 2325834, 2024.
[36] H. Heliani and Y. Iskandar, “MSMEs Financial Sustainability Model in Indonesia: Policy, Capital, Literacy, Structure,” *J. Reviu Akunt. dan Keuang.*, vol. 14, no. 1, pp. 258–280, 2024, doi: 10.22219/jrak.v14i1.29716.
[37] E. S. SUBHAN, S. SUDARMIATIN, and A. HERMAWAN, “Factors Affecting Compliance WITH Financial Accounting Standards of Entity Without Public Accountability (SAK ETAP) In MSMEs In Bada Village,” *Int. J. Environ. Sustain. Soc. Sci.*, vol. 2, no. 3, pp. 312–317, 2021.
[38] C. Harvie, “Micro-, small-and medium-sized enterprises (MSMEs): Challenges, opportunities and sustainability in East Asia,” *Trade Logist. landlocked Resour. cursed Asian Ctries.*, pp. 155–174, 2019.
[39] M. Said and M. Muhammadun, “Digital Innovation in Indonesian Sharia Banks: Strengthening and Developing MSMEs for Global Expansion,” in *Technopreneurship in Small Businesses for Sustainability*, IGI Global, 2024, pp. 78–96.