# THE INFLUENCE OF SOCIAL CAPITAL AND ENTREPRENEURIAL COMPETENCE TO THE CULINARY BUSINESS DEVELOPMENT IN KARAH STREET VENDORS CENTRAL SUBDISTRICT JAMBANGAN SURABAYA

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## ABSTRACT

*The role of small medium enterprises in moving the economy of the area cannot be considered one eye. In East Java, there are 6,533,694 small medium enterprises by 2013, most of whom are street vendors. In managing their businesses, street vendors require managerial skills with the same great company, perhaps even more complicated because of all areas of management carried out by fewer personnel. This research aims to describe and analyze the social capital and the entrepreneurial competence to the business development, using the free variables of social capital and entrepreneurial competence as well as competency business development as the variable is not free. Social capital can be defined as the accumulation of actual or virtual resources that can be viewed on an individual form from a relationship networks. While the entrepreneurial competence can be interpreted as the ability to manage the business through managerial functions – as well as the function can create something new and different or creative and innovative abilities. Business development as a proprietary variable had 3 indicators, namely increased production, increased turnover and increased revenue. Population and sample in this research are street vendors in the central street vendors Karah Subdistrict Jambangan Surabaya a number of 36 small medium enterprises and data obtained with the questionnaire and data processing with multiple linear regression approach.*

*The results of the testing that has been done to prove that the variable of social capital and entrepreneurial competence has no effect partially or simultaneous to the business development.*

**Keyword:** social capital, entrepreneurship competence, business development

## INTRODUCTION

Culinary business development in Indonesia in the last few years so rapidly. Culinary business included in the sub sectors of the creative industries helps the Government in moving the

economy and most are included in the categories of micro small and medium enterprises. According to data of the Department of Cooperatives and Small Medium Enterprises of East Java in 2013, as a percentage of 95.72 there are micro enterprises, then from the side of the scale there are effort 6,533,694 micro Small Medium Enterprises of the sector, while there are 1,720,042 on the sectors of trade, hotels and restaurants with percentage/60.25% in the sector.

Because of the large number of sectors then the Government pay attention to the city of Surabaya on street vendors by making setup and empowerment of street vendors in the city of Surabaya that refer to Perda No. 17 of 2003. More can be explained that street vendors were merchants who run its business activities in a specific time period using the means or equipment that are easily moved, unpacked-pairs, and use the land as a place for public facilities. The street vendors these are citizens and/or entrants who are generally the weak economy as well as education and low skills or very limited, they assume that this work is the most suitable for sustaining life fighting in the city. With the limitations that exist for the street vendors, should have the ability to adapt and cooperation in the conduct of its business. Adaptability and cooperation is one part of the social capital must be owned by the street vendors, in this case the perpetrators attempt these street vendors can use their social capital to increase the ability of the relationship and the trust of the other party, on one side of the street vendors or businessmen should also be able to manage your business better with mastering the principle – the principle of managerial to run his business that can manifest in abilities or entrepreneurial competency in running his business so that there is sustainability in improving the development effort.

From the above conditions, then the researcher is interested in describing the influence of social capital and entrepreneurial competence to the business development at street vendors Karah Subdistrict Jambangan because one of the key business success is determined by ability or competence of entrepreneurship as well as social capital which is owned by the street vendors.

**Problem Formulation**
From the description on the background, then researchers formulated the issue as follows:
1. How the social capital and entrepreneurial competencies at the culinary center of street vendors Karah Subdistrict Jambangan Surabaya.
2. What is social capital and entrepreneurial competencies influence on business development efforts at the culinary center of street vendors Karah Subdistrict Jambangan Surabaya.

Research Objectives
1. Describing of social capital and entrepreneurial competencies at the culinary center of street vendors Karah Subdistrict Jambangan Surabaya.
2. Analyze the social capital and the entrepreneurial competence to the business development at the culinary center of street vendors Karah Subdistrict Jambangan Surabaya.

**LITERATURE REVIEW**
**Previous Research**
Previous research ever undertaken by researchers from abroad, namely by Sjoerd Beugelsdijk and Sjak Smulders (2009), the study focuses on organizations that use variable typology of social capital i.e. bridging social capital and binding social capital, which is then seen its effect on economic growth. But such research is not associated directly with the development of entrepreneurship and the business world. Furthermore the study concludes that bridging social capital is more instrumental in economic growth.

Other studies conducted by the Farsi, Rezazadeh and Najmabadi (2013) about social capital, organizational innovation and relation to the entrepreneurial orientation, where such research is investigating the impact of social capital on innovation organization concluded that social capital has a positive impact on organizational innovation and orientation towards entrepreneurship and the findings can be utilized by the company manager to improve innovation and motivate workers through entrepreneurial activities.

Further reference of articles written by researchers and has been published under the title the role of social capital in organizations (2009) concluded that social capital is one important part of human development, in addition to the technology, machines and other hardware because in social capital, there is value – the value of mutual trust, norms are adhered to, and social networks.

**Social Capital**

Various notions and theories about social capital expressed by experts, including Freel (in Farsi, Rezazadeh and Najmabadi, 2013) which argued that social capital is a value in the organization that was formed on the basis of the relationship between each of its members seek to cooperate in the activity together. While Bourdieu and Wacquant (Wann, Man and Chih, 2008) said that social capital is accumulated from actual or virtual resources that can be viewed on an individual form from a relationship networks. From the above two meanings can be interpreted as that social capital is a combination of a lot of thought and the desire of individuals to form a community that leads to work together to achieve a specific goal such as organization, and in that environment there are numerous organizations forming new forces to determine the direction or objectives of the organization.

Further, Putnam (Beugelsdijk and Smulders, 2009) explains that social capital at the aggregate level, i.e. in a country or region can have different levels of social capital-related, it is influenced also by the democracy and economic growth. Social capital at this level refers to the social structures that are affected by the effectiveness of the Government of the region through the traditions of the societies and the structure of society.

Furthermore Putnam (Beugelsdijk and Smulders, 2009) split the social capital with broader functions be bridging social capital, where bridges will negatively impact for society as a whole, but instead, a positive impact for the member who has the same views in a group, which was subsequently adopted by researchers as variables in the research in the sphere of street vendors in the area of Karah.

**Social Capital Indicators**

In line with the opinion of the Putnam, Hasbullah (2006) argues about bridging social capital is also called a modern form of a grouping, group, association or society. Further indicators of social capital in this study in accordance with the opinion of Hasbullah (2006) bridging social capital that divides into:

a. open.
b. Has a more flexible network.
c. tolerant.
d. possible to have many alternative answers and problem resolution.
e. Accommodating to accept changes.
f. tend to have altruistic attitude, humanitaristik and universal.

**Entrepreneurial Competence**

Discussion of entrepreneurial competencies of the sense of entrepreneurship, one expressed by Kasmir (2007) who interpret the entrepreneur (entrepreneur) are people who are daring to take risks to open business on many occasions. Spirited dare taking risks means that independent minded individuals and dare to start a business, without fear or anxiety is covered though in uncertain conditions. While the Ciputra (2009) defines entrepreneur is someone who is able to turn dirt and wrecks into gold.

Entrepreneurial activities there are in Indonesia many community starts from Micro small and Medium Business (UMKM), in this case the entrepreneur will act as owners, managers and employees all at once, so they should be able to do multi role in entrepreneurship so that activities that they did include the planning, managing and supervising their activities, in other words entrepreneurs will be directly involved in operational activities although they were also assisted by the employees. According to Suryana (2006), the competence of entrepreneurship can be defined as the ability to manage the business through managerial functions as well as the function can create something new and different or creative and innovative abilities.

**Entrepreneurial Competence Indicators**

In line with the notion of competence of entrepreneurship, entrepreneurial competence indicator then used in this research is the concept of Casson (Suryana, 2006) are:

    a.  Self knowledge, or knowledge about themselves, that had knowledge of the effort will be undertaken or pursued.

    b.  Imagination, i.e. have the imagination, ideas and perspectives as well as not to rely on past success.

    c.  Practical knowledge, that has practical knowledge about the company's operations in various areas of management.

    d.  Search skills, or the ability of searching, i.e. the ability to discover, create and imagine.

    e.  Foresight, or foresight, i.e. the ability to look at venture far into the future.

    f.  Computation skills, or the ability of computing, namely arithmetic and predicting the conditions in the future.

    g.  Communication skill,i.e. the ability to communicate, get along and relate to others.

**Business Development**

According to the dictionary of Indonesian Language, is a business activity by exerting power, mind or body to achieve a mean; work (deed, initiative, effect, effort) in order to achieve something. While the business development, according to Suryana (2006) is the company managing activities to achieve a certain success with using two skills, namely financial management skills and personal management. It further explained that the development effort is a step that must be traversed by businessmen or entrepreneurs in running its business that can be known from the increase in turnover or in other words the amount of money the results of sales of products (goods or services) in a particular period of time or a particular sale is always increasing. Then from the increase in turnover that would be known to the profits obtained from the calculation done.

Apart from the increase in turnover, business development can be known from increased production, where production can be increased with an increase in the demand for analogous, because the company's products favored by consumers. Next to measure the development effort can be seen also on the income or profits of the company in a given period.

**Business Development Indicators**

On the explanation of the business development has been elaborated that business development is the activity of managing company to achieve success by using two specific skills, namely financial management skills and personal management at one period of time can be seen in the results that have been obtained, with the beginning of increased demand for the product, then the company will increase production, with increased production it will be followed by an increase in turnover which will automatically increase the company's revenue Therefore, researchers suggested three business development indicators as follows:

a. Increased production

Indicate the extent to which the results of the company's production of goods and service also resulted from an increase in process and from one period to the next period of time is calculated with a specific unit of product produced.

b. Increase in turnover

Indicate the extent to which the company can increase the amount of money the results of certain product sales for a time, sell or a certain time period, in this case the increase seen from the addition of any amount of money proceeds from one time to the next time.

c. Increase in revenue

Shows how a company can increase revenue from turnover earned from one period of time, in which case income in rupiah.

**Research Hypotheses**

In studies of theory used in this study, the concept of social capital, entrepreneurial and business development competencies are used as variables in research, therefore the hypothesis proposed in this research was based on the formulation of the problem regarding causal relationships between variables are free and not free, so the hypothesis presented in this study are:

1. There was significant influence between social capital (X 1) of competence and entrepreneurship (X 2), to the development effort (Y).

2. There is no influence of social capital (X 1), and entrepreneurial competence (X 2), to the development effort (Y).

**Research Objectives**

Based on the previous discussion of the issue on formulation, so the purpose of this research is:

a. Describe the variables of social capital and entrepreneurial competence to the development effort in the culinary center of street vendors Karah Subdistrict Jambangan, Surabaya.

b. Analyze variables of social capital and entrepreneurial competence to the business development in the culinary center of street vendors Karah Subdistrict Jambangan, Surabaya.

**The Benefits Of Research**

a. Contributions of thought and knowledge to owners or businessmen culinary influence on how a social capital and entrepreneurial competence to the development effort so that businessmen can manage and develop their businesses.

b. As an alternative thought and consideration the management for the perpetrators of other businesses in the same field, namely the culinary business.

## RESEARCH METHODS

### Approach and the types of Research

This research is quantitative descriptive research and is a development of the article ever written by researcher 1 about social capital in organizations, where in the article does not refer to any research results so that the expected results of this research will create a new point of view on the concept of social capital, entrepreneurial competence and business development that will describe fact or characteristic of a population research systematically and accurately.

### Research Locations

This research will take the location in the center of street vendors Karah Subdistrict Jambangan Surabaya, with address Jl Karah Agung in Surabaya.

### The observed/measured variables

a.  Social capital, it is the value in the organization that was formed on the basis of the relationship between each of its members seek to cooperate in the activity together – the same as the indicator of the open, has a network that is more flexible, tolerant, allowing it to have a lot of answers and problem solving, accommodating to accept changes, tend to have an altruistic attitude, humanitaristik and universal.

b.  Entrepreurial competence is the ability to manage the business through managerial functions – as well as the function can create something new and different or the ability of the creative and innovative with indicators of knowledge about themselves, their imagination, practical knowledge, the ability of searching, foresight, the capability of computing and communication skills.

c.  Business development is a step that must be traversed by businessmen or entrepreneurs in running its business that can be known from the increase in turnover or in other words the amount of money the results of sales of products (goods or services) in a particular period of time or a particular sale is always increasing, with indicators of increased production, increased turnover and increased revenue.
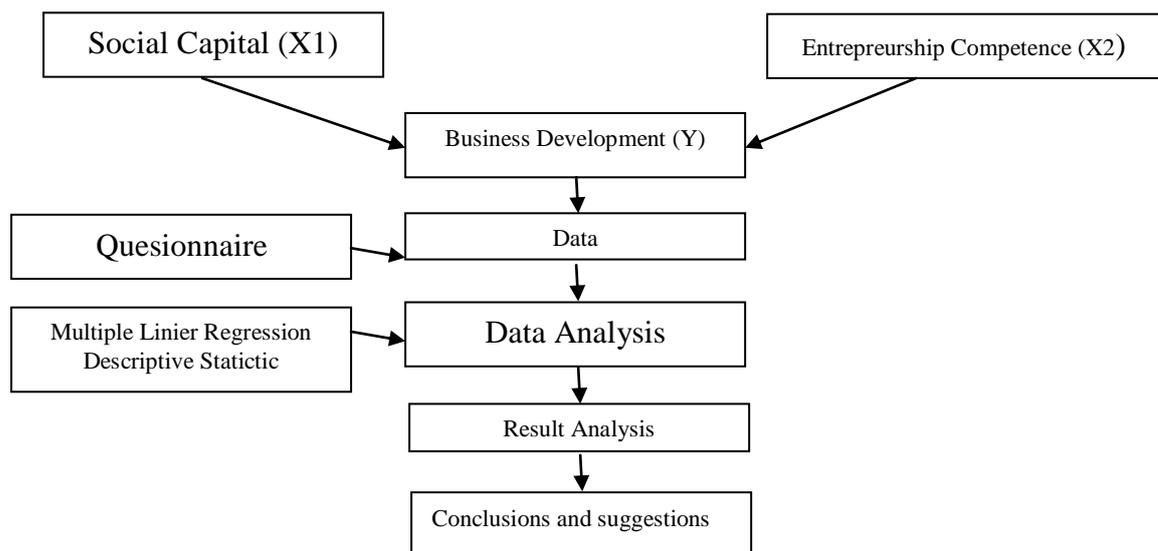


**Figure 1. Research Design: Research flowchart**
Source: Researchers

**Populations and Samples**

With regard to issues that have been raised, then the population in this research is all the street vendors who are at the Centre of a number of street vendors Karah 36 dealers and managed by each individual, while a number of studies also sample population i.e. 36 street vendors, so that the number of samples is equal to the number of population.

**Data collection and research instrument**

Data collection and research instrument used is a question form and questionnaire. The questionnaire is intended to find out the attitude of the perpetrators of the attempt against the effort he has done so far and how they might do in the future to sustainability efforts. In this a questionnaire submitted to the respondents about the competencies of social capital, entrepreneurship and business development. With regard to research issues, then question form to be used is the now closed. In the now there are 4 answers by using the Likert scale, with answers compiled according his score i.e. strongly disagree with the fact score 1, disagree with the fact score 2, Agree with the reality of a score of 3, very much agree with the fact the score 4.

**Validity and Reliability of the instruments**

a.   Validity

The validity on the grain question questionnaire tested by using the Internal Validity of approach by calculating the score each statement with a total score of grains (whole grains statement). The value of the corrected item total correlation is declared valid if more than t table of 0.2407.

b.   Reliability

In this research to know the reliability of all the variables examined, in size with the method Alpha Cronbach alpha Coefficient equation: with a correlation coefficient alpha when the conditions greater than 0.60 may be stated that the research instrument used is reliability.

**Data Analysis**

a.   Descriptive statistics Analysis

To describe the data retrieved, and find the values – the values required in statistical analysis and inferensial analysis is used to answer the first problem that is "how social capital and entrepreneurial competencies at the culinary center of business sellers Karah Subdistrict Jambangan Surabaya city?"

In this way the presentation of the descriptive analysis is used:

1) Mean (average). To know the State of each answer to the centralization of the respondent.

2) Percentage. To find out the number of respondents in each category.

b.   Statistical analysis inferensial

The use of statistical analysis on the research of inferensial this is a multiple linear regression (multiple linear regression). A regression equation with respect to the variables examined is as follows.

$$Y = a_0 + b_1X_1 + b_2X_2 + ei$$

Description:

$Y$         = business development

$a_0 1$       = constant

b1 – b2 = regression coefficient
X 1      = social capital
X 2      = the entrepreneurial competence
ei        = variable bullies

**The Test Of Hypothesis**

After the results of the regression analysis in mind, the next step to test the hypothesis with a level of significance of 5% alpha (α = 0.05). Regression analysis was used to test the hypothesis.

Hypothesis testing conducted using significance level 0.05 if significance F is equal to or smaller than the nil hypothesis then 0.05 was rejected, otherwise when the value of F is equal to or greater than 0.05 then proposed nil hypothesis was accepted.

**Test Requirements Analysis**

a. Test of Normality
b. Test of Linierity
c. Test of Multikolinierity
d. Test of Heterokedasticity
e. Test of Autocorrelation
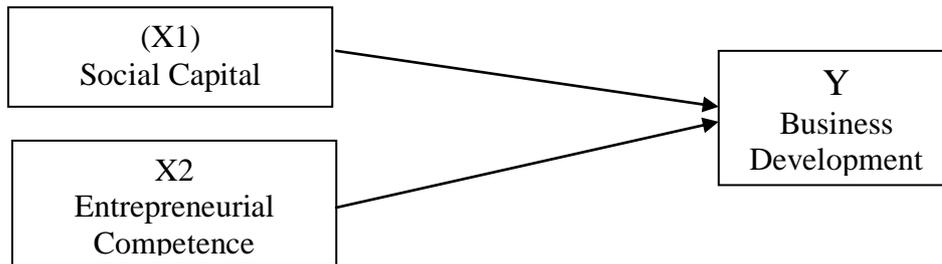


**Figure 2. Research Design**

**Results of Test Instruments**

Following are the results of the testing instrument.

**a. Validity Test.**

Social Capital Variable

Validity of the test results on the social capital variables obtained that not all items have a value of questions the significance of the validity of less than 0.05 and r count greater than r table of > 0.3291. Then on the item number 17 with the value of the corrected item total correlation-0.047 removed on the questionnaire. After testing the validity of the Social Capital variables and remove items any questions which have values smaller than 0.3291 then all the valid statement indicators.

Variable Entrepreneurial Competence

On testing the validity of the Entrepreneurial Competence obtained variable on that not all items of significance value question validity of less than 0.05 and r count greater than r table of > 0.3291. Then on the item number 19 and 29 with the value of the corrected item total correlation is less than r table is deleted in the questionnaire. After testing the validity of Competency variables Kewirusahaan and deletes the item question that has a value smaller than 0.3291 then all the valid statement indicators.

Variable Business Development

Further testing on the variable are obtained by business development that not all items of significance value question validity of less than 0.05 and r count greater than r table of > 0.3291. On item number 38 with the value of the corrected item total correlation is less than r table is deleted in the questionnaire.

**b. Reliability Test.**
On the advanced testing i.e. reliability test using Cronbach Alpha, said instruments have a high reliability value if the value of Cronbach Alpha > 0.6. From the results of the analysis of the obtained coefficient of reliability as below:

**Table 1. From the results of the analysis of the obtained coefficient of reliability**

| Variable | *Cronbach's Alpha* | Minimum Reliability | Description |
|---|---|---|---|
| Social Capital ($X_1$) | 0,894 | 0,6 | Reliabel |
| Entrepreneurial Competence ($X_2$) | 0,780 | 0,6 | Reliabel |
| Business Development (Y) | 0,792 | 0,6 | Reliabel |

**Descriptive Test Results**
a. Social Capital Variables
Descriptive test performed to describe the percentage of respondents ' answers to the questions that are propagated through the questionnaire. From the test conducted, known on the social capital variables answer the respondent of 62.6% answered agree, then the second highest of 32.2% strongly agree and disagree 4.9% and 0.3% strongly disagree. Thus it can be said most respondents had a social capital within each of them in accordance with the answers they gave on a questionnaire.
b. Entrepreneurial Competence Variable
On the variable competence of entrepreneurship, descriptive test is done with the results of the respondents who answered strongly agree a number of 42.3% then agree a number of 53.8% and 3.8% number of disagree strongly disagree while no one answered. From the answers it can be said that most of the respondents had entrepreneurial competence where the basic functions of management such as planning, implementation and evaluation have been implemented very well, although not done by all traders.
c. Business Development Variable
Testing was done on the development of the variable effort get the respondents strongly agree with the answers of 33.3% then the next answer i.e. 48.3% of agree and disagree answers the 16.7% strongly disagree and of 1.7%. From the answers it can be said that most of the traders at the culinary center of Karah has experienced business development, only some of which are not subjected to the development effort, with a wide range of possibilities.

**Multiple Linear Regression Analysis**
a Classic Assumption Test.
**Normality Test**
Normality tests are used to test whether the residual data regression has a normal distribution or not. In the program SPSS normality testing: with Kolmogorov-Smirnov test. If the value of significance more than 0.05 then said data is Gaussian, so after a test note that Gaussian data with a value of 0.897 significance.

**Linierity Test**

Linieritas test is carried out in order to make known the relationship of two variables in linear so that between the X and Y variables are worth doing regression test. Next linear test results are as follows.

**Table 2. ANOVA Table**

| | | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|---|
| Perkmb_Ush * Modal_Sos | Between Groups | (Combined) | 126,205 | 15 | 8,414 | 1,154 | ,376 |
| | | Linearity | 39,679 | 1 | 39,679 | 5,443 | ,030 |
| | | Deviation from Linearity | 86,525 | 14 | 6,180 | ,848 | ,618 |
| | Within Groups | | 145,795 | 20 | 7,290 | | |
| | Total | | 272,000 | 35 | | | |

**Table 3. ANOVA Table**

| | | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|---|
| Perkmb_Ush * Komp_Kwu | Between Groups | (Combined) | 92,744 | 10 | 9,274 | 1,293 | ,287 |
| | | Linearity | 17,389 | 1 | 17,389 | 2,425 | ,132 |
| | | Deviation from Linearity | 75,355 | 9 | 8,373 | 1,168 | ,357 |
| | Within Groups | | 179,256 | 25 | 7,170 | | |
| | Total | | 272,000 | 35 | | | |

Of the two tables above linierity test results it is known that the value of the variable between the significance of social capital and business development of 0.618 whereas the value of variable significance among the competence of entrepreneurship and business development of 0.357. The value of the above can be said that significance between variables X and Y, there is a significant linear relationship so worth doing regression test.

**Multicollinearity Test**

On testing the second independent variable known to multicollinearity i.e. social capital and entrepreneurial competence has a value of VIF of 1.279 > 10 so not found multicollinearity.

**Autocorrelation Test**

From the testing that is performed, the obtained value of the Durbin-Watson statistic (DW) of 1.989. Furthermore these values will be compared with a value of 5% significance tables, with a number of observation as much as n = 36, and the number of independent variables that were used as much as k = 2, retrieved value dL = 1.354 and dU = 1.587. Because the value of D-W is greater than dL i.e. 1.989 > 1.354, then it can be said that there is no autocorrelation data.

**Table 4. Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | ,391[a] | ,153 | ,102 | 2,642 | 1,989 |

a. Predictors: (Constant), Komp_Kwu, Modal_Sos
b. Dependent Variable: Perkmb_Ush

**Heterokedastisicity Test**
Heterokedasticity testing is done producing dots randomly spread, do not form a specific pattern is clear, as well as scattered either above or below the 0 on the Y axis. This means not going heterokedastisitas on the regression model.

**Multiple Linear Regression Test**
On multiple linear regression test will be known to influence between research variables include social capital (X 1), Entrepreneurial Competence (X 2) and business development (Y) so that the used models of regression analysis. A regression equation with respect to the variables examined is as follows.

$$Y = a_0 + b_1X_1 + b_2X_2 + ei$$

Furthermore, the table below are the results of tests performed using SPSS.

**Table 5. Coefficients[a]**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | 3,538 | 5,539 | | ,639 | ,527 | | |
| | Modal_Sos | ,164 | ,088 | ,337 | 1,863 | ,071 | ,782 | 1,279 |
| | Komp_Kwu | ,068 | ,130 | ,095 | ,526 | ,602 | ,782 | 1,279 |

a. Dependent Variable: Perkmb_Ush

Multiple linear regression testing that has been done to get the regression equation as follows.

$$Y = 3,538 + 0,164X1 + 0,068X2$$

Based on these tests, then it can be argued that social capital and entrepreneurial competence has no influence on the development of businesses, and could be described as below:
a.   The value of the Constants = 3.538
That value indicates if the variables X1 and X2 in conditions remain constant or variable then business development (Y) of 3.538 units.
b.   Value of $\beta_1 = 0,164$
The value indicating the sign of a positive regression coefficient means the existence of a direct influence between social capital variables (X 1) and business development (Y), meaning that in case of additions to the social capital variables as much as 1 unit then the business development will experience an increase of 0.164 unit assuming the other variables fixed.
c.   Value of $\beta_2 = 0,068$

The above value shows the direct influence of entrepreneurial competencies among variables with variable business development. More can be explained if there are additions to the variable competence of entrepreneurship as much as 1 unit of the business development will experience an increase of 0.068 assuming other variables fixed.

**Proving The Hypothesis**

Proving the hypothesis on research done that is using the F Test to test the influence of simultaneous i.e. knowing or test the influence of free variables consisting of social capital (X1) of entrepreurial competence (X2) jointly against variables bound to business development (Y) then used a test of f. based on the F-test that was done then the test results can be seen in the table below:

**Table 6. ANOVA[a]**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 41,611 | 2 | 20,806 | 2,980 | ,065[b] |
| | Residual | 230,389 | 33 | 6,981 | | |
| | Total | 272,000 | 35 | | | |

a. Dependent Variable: Perkmb_Ush
b. Predictors: (Constant), Komp_Kwu, Modal_Sos

In the table above, it can be noted that the value of F is the count of 2.980 significance level of 0.065. Thus, the significance level 0.065 greater than 0.05 then first hypothesis stating "there was significant influence between social capital and entrepreneurial competencies, the development effort" were rejected and the second hypothesis stated that "there is no influence of social capital and entrepreneurial competencies, the development effort" be declared admissible. Further, to find out the magnitude of the influence of variables of social capital and entrepreneurial competencies together against the development effort can be known of the magnitude of the coefficient of multiple determination (R2) of 0.153 which indicates that the value changes of 15.3% of the variable Y is influenced by both the variable X i.e. social capital and entrepreneurial competencies. In other words, the rest of the measurements of 84.7% influenced by other variables not measured by model analysis.

**Discussion of Research Results**

On testing has been performed, the descriptive note on the social capital variables had many businessmen who answered strongly agree and agree. It is proved that the trade has had a social capital in conducting their business, only after a longer discussion with one of the businessmen, they are not aware that they have the ability and has prompted researchers to better be able to use the ability of the social capital to develop their businesses.

The next variables covered are entrepreneurial competence, where the mandatory capabilities owned by the businessmen. From testing done, known to have largely had the ability, only a small part of businessmen who do not have the capabilities that can be interpreted as they are not true entrepreneurial but only traders who merely adequate needs of their lives. On the last variable in the study was the development of the business, where the percentage of answers of respondents who agree and strongly agree that their efforts are progressing, but not big enough so they still feel difficulty when doing business and can not fully developing said.

Almost the same conditions seen on the testing that has been done partially. On testing partially known to the extent the significance of social capital variables of 0.071 greater than 0.05 so can be said of social capital has no significant influence on the development effort. Similarly, on the entrepreneurial competence with variable degrees of significance of 0.602 greater than 0.05 so entrepreneurial competency variables had no significant influence on the development effort.

## CONCLUSION AND SUGGESTION
### Conclusion
After all the testing done and get the results, then it can be concluded there are anomalies, where all free variables has no effect against a variable is not free either simultaneously or partial. In other words we can say social capital and entrepreneurial competence has no effect on the development effort.

The condition can be explained by several possibilities, such as business development trade that happens to not be entirely dependent on the social capital that is owned by businessmen as well as entrepreneurial competence, but may depend on factors or other variables such as the condition of the physical environment, such as the trade design and appearance of the booth used businessmen. The possibility of other factors can effect is the geographical location or position of the center of street vendors in the subdistrict Jambangan and comfort customers when enjoy a meal or at the moment coming in the center of street vendors Karah, like parking service, sense of security, cleanliness, extra entertainment as well as a number of factors outside of the variables measured.

On the other hand, the culinary field has one characteristic that is the flavor of the dishes is very difficult is defined so that everyone has different tastes. In regard to the tastes of all, then the appearance or packaging of the product can have an effect on the interest of the consumer to consume these products. All possibilities are discussed when examined through the entrepreneurial competence theory, indeed directly related to business development, with the indicators used in this research as knowledge about themselves, their imagination, practical knowledge, the ability of searching, foresight, the capability of computing and communication skills. Even though it has no effect on testing significantly, still can not be denied that all the indicators will remain a part of the power of the perpetrators of the attempt.

### Suggestion
Businessmen should be able to further expand their knowledge by unlocking insight through social media or other media to keep up with the changing times, especially in the ever-changing tastes of the public. The taste should be well understood by businessmen and accepted with open arms and addressed immediately. In that sense, what is the will of the consumers should be able to be realized so that consumers are satisfied and would recommend the product to others.

At a later stage, businessmen should think to be able to market their flagship product in the virtual world, through social media such as facebook or instagram. One of the reasons that can be raised is that social media has a pretty much so user can influence the opinions of many people. But of course don't just upload a photo, it is more important on a teasing or a good packaging so that the perpetrators of such business.

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