



Efforts to achieve sustainable competitive advantage for SMEs: The strategic entrepreneur model

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ABSTRACT

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The aim of this research is to examine and analyze the dimensions of strategic entrepreneurship that are able to realize long-term sustainable competitive advantage in small and medium businesses. This research methodology and sampling technique use a purposive sampling method, with a total of 150 respondents from Batik Small and Medium Enterprises industry leaders in Central Java Province, Indonesia. Then the analysis technique uses Structural Equation Modeling (SEM) with AMOS software. Empirical data supports the six hypotheses proposed in this study. Specifically, the first hypothesis is that entrepreneurial culture is influenced by entrepreneurial learning. The second hypothesis posits that entrepreneurial culture influences entrepreneurial capacity. The third entrepreneurial learning hypothesis is influencing entrepreneurial capacity. The four entrepreneurial capacities are influencing sustainable competitive advantage. The fifth hypothesis is that entrepreneurial learning influences a sustainable competitive advantage. The sixth hypothesis is that entrepreneurial culture influences a sustainable competitive advantage. The practical implication for realizing sustainable competitive advantage for batik Small and Medium Enterprises in Central Java Province, Indonesia, is to improve and develop entrepreneurial learning built by indicators 1). Experience 2). Cognitive; 3). Network; 4). Social relationships. Entrepreneurial learning and entrepreneurial capacity can mediate entrepreneurial culture towards sustainable competitive advantage. The strategic entrepreneurship development model begins with the establishment and enhancement of an entrepreneurial culture, which encompasses the following elements: 1). Enthusiasm 2). Stakeholder alignment 3). Learning and Development Support. 4). Change is driven by business opportunities.

Contribution/Originality: Previous strategic entrepreneurship studies predominantly discussed dimensions of entrepreneurship and strategic management, focusing on conceptual analysis. As a result, empirical studies of strategic entrepreneurship have limitations. Therefore, we require an empirical investigation into the various dimensions of strategic entrepreneurship. Strategic entrepreneurship solutions for managing complex and dynamic environments for entrepreneurs.

1. INTRODUCTION

Entrepreneurship is defined by the establishment and growth of new business initiatives. Strategic management is the pursuit of a competitive edge and the ability to sustain commercial initiatives in a chaotic environment. Strategic management aims to gain a competitive advantage and maintain business activities in a

challenging and unpredictably challenging environment. Strategic management aims to generate value for the firm and its shareholders, viewing competitive advantage as a crucial prerequisite for attaining favorable outcomes (Shinghal & Saxena, 2017). A company's efforts to establish a market position and exploit its unique resources to prevent competitors from joining are the focus of strategic management. Strategic entrepreneurship is an important indicator of economic, technological, and social evolution.

The businessmen consider strategic entrepreneurship as a growth factor because it leads to the latest industrial, organizational, and technical developments in the global environment (Al-Hawary & Al-Syasneh, 2020). Entrepreneurship and strategic management are inextricably linked disciplines, making it impossible to grasp the research findings without understanding them simultaneously (Sirmon & Hitt, 2003). As a result, it is vital to merge entrepreneurship with strategic management, or strategic entrepreneurship (Kuratko & Audretsch, 2013). Strategic entrepreneurship offers strategies for handling complicated and changing situations.

The changing environment, especially intensified competition in business, has sparked a debate about how strategic entrepreneurship can generate competitive benefits (Tijani, Egwakhe, Akinlabi, & Egwuonwu, 2020). Several researchers have discovered a significant positive relationship between strategic entrepreneurship and competitive advantage (Paek & Lee, 2018). Naeiji and Siadat (2019) explained that the limitations of strategic entrepreneurship studies are indicators to measure its unique dimensions and characteristics. Entrepreneurs generally work effectively in exploring opportunities but have not succeeded in developing Sustainable Competitive Advantage (SCA). Other research explains that the strategy entrepreneurship concept points to the capability to recognize and utilize the opportunity in the surrounding environment but often has no capability to transform the opportunity into a Sustainable Competitive Advantage (SCA) (Gancarczyk, 2018).

The difficulty in operationalizing the notion and its theoretical ambiguity limit empirical research on strategic entrepreneurship. For example, it remains unclear what sorts of organizational activities regarded as components or dimensions of strategic entrepreneurship, as well as how such elements may be quantified (Kyrgidou & Hughes, 2010). The efficient application of strategic entrepreneurship helps organizations to build and maintain a solid balance between opportunity-seeking and profit-seeking behavior, resulting in improved company performance and sustainable competitive advantage.

Finally, a fundamental concern in the burgeoning discipline of strategic entrepreneurship is how companies generate value. In other words, businesses should combine entrepreneurial efforts that create new opportunities with strategic actions that provide competitive advantage (Najda-Janoszka, 2019). As a result, it is vital to investigate how to model strategic entrepreneurship so that it may achieve competitiveness, particularly in Small and Medium Enterprises.

2. LITERATURE REVIEW

2.1. Strategic Entrepreneurship

Rapid changes in the global business environment have resulted in executives and academics increasingly realizing that the strategies used are unable or unsuitable to meet the demands of reality. The consequence is turning to new strategic ideas, which are appropriate to today's complex and highly competitive conditions, to seek the new ways necessary to realize competitiveness.

Strategic entrepreneurship is very important for companies because it includes the incorporation of entrepreneurial innovation, adaptability, risk-taking, and flexibility and shows sustainable performance (Tijani et al., 2020). Strategic entrepreneurship is the combination of entrepreneurship (the act of seeking opportunities) and strategy (the act of seeking profits) to produce superior performance (Makinde & Agu, 2018). Therefore, it can be concluded that Strategic entrepreneurship requires organizational attempts to identify the opportunity with full potential to be ahead, compose value through entrepreneurial elements, and capitalize on it through tactical activity by means of organizational resources.

However, a continually changing environment sparks discussions over how strategic entrepreneurship may provide a competitive edge. Another drawback of strategic entrepreneurship research is the lack of indicators to quantify the field's distinct dimensions and characteristics. Finally, SMEs are typically efficient at identifying opportunities but have not been successful in building competitive advantages (Naeiji & Siadat, 2019). The empirical study on strategic entrepreneurship remains restricted due to difficulties in operationalizing the notion and its inherent theoretical ambiguity. For example (Kyrgidou & Hughes, 2010) remain unclear about the types of organizational routines that constitute strategic entrepreneurship and how to quantify them. Effective strategic entrepreneurship activities allow organizations to develop and maintain a balance between opportunistic and profiteering behaviors, which improves company performance. The central question in the burgeoning discipline of strategic entrepreneurship is how companies create value. In other words, how should businesses combine entrepreneurial acts that create new possibilities with strategic actions that yield competitive advantages (Luu, 2023).

2.2. Entrepreneurial Culture

Entrepreneurial culture is an interesting concept put forward by researchers, scientists, and governments in an effort to promote entrepreneurship to reduce unemployment through job creation. Researchers describe entrepreneurial culture as an organizational culture that embodies and champions the characteristics and attributes of entrepreneurship.

Entrepreneurial culture has emerged as a popular notion in management literature. Rizwan, Javeria, Zeeshan, and Hafiz (2019) assert that entrepreneurial culture is a prevalent concept in management literature. Entrepreneurial culture refers to the strengths, values, attitudes, and skills of groups or individuals who work within an institution or organization to generate income. Entrepreneurial culture describes the meanings, perceptions (attitudes or mindsets), and behaviours related to entrepreneurship by people in a society that distinguish them from everyone else (Poi, 2020). Some argue that entrepreneurial culture fosters new ideas and creativity, encourages risk-taking, tolerates failure, fosters learning, encourages product and process innovation, and views continuous change as an opportunity.

Poi (2020) enumerates the following characteristics as indicators of an entrepreneurial culture: 1. The idea of an entrepreneurial culture is organizational enthusiasm, which describes the characteristics of having a vision and passion for a firm. 2. Stakeholder alignment refers to how a corporation interacts with its suppliers, customers, investors, and partners. Stakeholder alignment's primary objectives are to establish and nurture strong relationships with a variety of stakeholders as well as recognize and value the contributions these relationships make to the business. 3) Education and Training: Cultural values that promote self- and other-improvement, recognition of learning efforts, optimism about progress, and staff development all offer help. 4. Motivated by Chance Opportunity drives change when it comes to ingenuity, innovation, and taking chances.

The findings of research on entrepreneurial culture may be improved by factors, such as the respondents' antecedent residential area, the employment expectations of their families, their status in attending entrepreneurship courses, and their attitudes toward the community (Engidaw, 2021).

2.3. Entrepreneurial Learning

Entrepreneurship Learning is significant and vital because it broadens one's knowledge. The lessons learned from failure might help successful enterprises resurface. Failed employers can also profit from learning outcomes in different work environments and when confronted with important events that follow (Lattacher & Wdowiak, 2020).

Researchers frequently monitor data on entrepreneurial learning to understand what, how, and why entrepreneurs learn. Entrepreneurship is a learning process that benefits from rich learning after important events.

One of the most critical events an entrepreneur faces is the failure to close a business that does not meet the minimum threshold for economic viability. Given the high level of entrepreneurial uncertainty, failure is a common phenomenon. Entrepreneurial learning from failure is important for practitioners and has recently received research attention. Therefore, entrepreneurship learning theory is experience gained from the entrepreneurial process that may elicit various types of higher-order learning, which serve as the foundation for entrepreneurship from a personal as well as a business standpoint. Entrepreneurs can overcome uncontrollable changes in learning settings, but they may also create learning environments where their input shapes activities and goals as they are starting new businesses. His specialty is developing expertise and experience in entrepreneurial learning.

Environmental dynamics will promote entrepreneurial learning. An entrepreneurial culture should foster and assist entrepreneurial learning. Entrepreneurial learning research focuses not only on what should be or what learning activities entrepreneurs engage in during the discovery and utilization of entrepreneurship opportunities in the formation of new businesses or the management of existing firms, but additionally on the specific learning processes that occur.

Three components make up entrepreneurship learning, according to [Lv et al. \(2021\)](#). Experience: This indicates that entrepreneurs basically learn from experience, with several forms of experience having been identified as sources of knowledge. Entrepreneurial learning necessitates an active learner who actively interprets the experience, instead of simply replicating successful past actions and avoiding unsuccessful ones. 2. Cognitive learning refers to the process by which the mind gathers and organizes knowledge. As a result, a variety of cognitive, psychological, emotional, attitudinal elements, that influence learning are involved in the entrepreneurial learning process. The process of gaining, retaining, and applying entrepreneurial information over time through mental processes is known as entrepreneurial learning. 3) Social relationships both inside and outside the company play a major role in the networking, skills, and knowledge that small-to medium-sized business (SME) owners acquire. These relationships can be with customers, suppliers, membership professionals, previous employers, university graduates, bank managers, parents, and mentors, among a wider range of individuals. In order to prepare for later business development interactions' with others are crucial in the early phases of business development. 4) Essentials for beginning a business.

According to [Tseng \(2013\)](#) entrepreneurial learning refines entrepreneurial performance, resulting in something new. Only a supportive cultural environment, where a clear link exists between learning aim and entrepreneurial performance, can enhance learning performance. A successful entrepreneurial culture is defined by a wide variety of expectations and supports business efforts to manage resources strategically, according to [Hitt et al. \(2021\)](#). A culture that embraces failure, rewards innovation and creativity, and views learning as a means of seizing opportunities is effective for entrepreneurial learning. Consequently, an entrepreneurial culture fosters and supports learning, which can enhance a sustainable competitive advantage. The study results show that entrepreneurial culture can increase entrepreneurial learning ([Engidaw, 2021](#)). Therefore, this study proposes that entrepreneurial culture has a positive influence on entrepreneurial learning. Therefore, the first hypothesis proposed is:

H1: If entrepreneurial culture has a significant effect on entrepreneurial learning

2.4. Entrepreneurial Capacity

With rapid environmental changes, organizations must implement appropriate marketing strategies to generate success and survive to achieve organizational goals. Entrepreneurial capacity is able to achieve competitive advantage, have sustainable benefits, and maintain new creativity and continuous innovation.

Entrepreneurial capacity is one of the requirements for a successful company organization. Entrepreneurial research has made the phenomenon of entrepreneurial capacity—which is what motivates firms to engage in entrepreneurial activities—its main emphasis. Fresh entry, or breaking into untapped markets by introducing both novel and seasoned items, is the primary characteristic of entrepreneurship. According to [Zulfa and Widodo \(2019\)](#)

innovation power is the extent to which a business is able to support new ideas, experimentation, and creative processes in order to generate novel goods and novel procedures.

According to [Diaz, Pereira, and Lopes Da Costa \(2021\)](#) entrepreneurial capacity indicators include knowing how to establish and operate a firm, being adaptable to new business prospects, being able to arrange the required resources, and pursuing entrepreneurship as a career path. Many variables influence entrepreneurship, the most significant of which are a set of social and cultural values, as well as the right social, economic, and political institutions that legitimate and support attempts to grab entrepreneurial possibilities. We show that cultural and social norms foster the potential for entrepreneurship. Therefore, the second hypothesis proposed is:

H2: If entrepreneurial culture has a significant effect on entrepreneurial capacity

An organization must have several conditions in order to flourish in business, including entrepreneurial abilities ([Sajuyigbe, Eniola, Ayeni, & Oladejo, 2021](#)). Entrepreneurial capacity drives firms' entrepreneurial actions, which is the subject of central entrepreneurship study ([Zulfa & Widodo, 2019](#)). Entrepreneurial capacity represents a company's ability to be inventive, aggressive, and willing to take risks .

Knowledge has a significant influence on the decision to participate in company start-up activities. Entrepreneurship education is critical because it enhances knowledge provision ([Lattacher & Wdowiak, 2020](#)). Cognitive aspects associated with the knowledge and abilities required to establish a firm have been investigated in the notion of human capital, which relates knowledge to production. Knowledge enables people to develop their cognitive ability, making them more productive and efficient ([Diaz et al., 2021](#)). As a result, if more business opportunities arise, those who have undergone the entrepreneurial learning process will be better able to comprehend and capitalize on them. Entrepreneurship learning has a significant influence on entrepreneurs' capacity to engage in business start-up activities. Therefore, the third hypothesis proposed is:

H3: If entrepreneurial learning has a significant effect on entrepreneurial capacity.

2.5. Sustainable Competitive Advantage

The purpose of strategic management is to generate a sustainable competitive advantage, which refers to creating more value than rivals by combining resources and talents to fulfill firm goals ([Na, Kang, & Jeong, 2019](#)). Sustainable competitive advantage is critical for SMEs' long-term viability and profitability ([Arsawan et al., 2020](#)). According to [Teoh, Teoh, Tan, and Ibrahim \(2023\)](#) the idea of sustainable competitive advantage tries to elucidate the extent to which firms may prolong their industry-level competitiveness. Organizations need to develop core competencies, grow intellectual property, acquire specialized expertise, and consistently produce differentiated products in order to gain a competitive advantage. These competencies are the foundation of a successful business and determine its competitive position.

Several studies have found that entrepreneurial orientation contributes significantly to long-term sustainable competitive advantage (SCA). This shows the requirement for company managers to closely monitor and analyze market data in order to capitalize on expansion prospects and competitiveness. To remain competitive, they must create innovative methods for their services, products, or operations. Observing technological developments in their firm and seriously implementing creative ideas would boost their competitiveness and performance. Furthermore, combining marketing data with current technology to meet the demand requirements will keep customers engaged and delighted with services and products.

[Elgarhy and Abou-Shouk \(2023\)](#) demonstrate that sustainable competitive advantage is improved by using the company's resources and abilities to generate high profits. This advantage leads to improved market performance and a higher likelihood of customers choosing the business's products and services over others. Firms are thought to have earned a sustained competitive advantage when they are able to develop and implement tactics that are not used by other firms. Argue in strategy that learning by doing may give a competitive edge if what is learned is retained. Therefore, the fourth hypothesis proposed is:

H4: If entrepreneur learning has a significant effect on sustainable competitive advantage

As a tactic for raising the company's worth, competitive advantage is crucial to the success of strategic management. A business demonstrates its sustainable competitive advantage (SCA) when its profitability outpaces the industry average for other businesses (Azeem, Ahmed, Haider, & Sajjad, 2021). Therefore, to thrive in the business world, a company's competitiveness must therefore be assessed based on its resources, risk tolerance, and propensity for taking risks in the face of rivals, as well as on its capacity to differentiate itself in progress, gain important market share, and effectively seize business opportunities.

An effective entrepreneurial culture has a wide variety of expectations and helps the firm manage its resources wisely. A successful entrepreneurial culture embraces innovation and fresh thinking, takes calculated risks, accepts failure, fosters learning, supports new ideas, products, and operational procedures, and sees constant change as an opportunity. According to Tijani et al. (2020) an entrepreneurial culture therefore promotes and fosters the continuous search for entrepreneurial opportunities that may be used to create a sustainable competitive advantage. A company's capacity to harness distinctive, intangible resources, including innovative culture, competitive strategy, and management performance. Furthermore, the support organization gives a competitive advantage by attaining excellence in performance through a supportive culture and human skills competences to accomplish SCA and long-term corporate growth based on knowledge and innovation. Organizational culture is the driving force behind SCA (Azeem et al., 2021). Therefore, the fifth hypothesis proposed is:

H5: If entrepreneur culture has a significant effect on sustainable competitive advantage

Entrepreneurial competencies are defined and classified based on general qualities and specialized elements from an entrepreneurial perspective. General traits of entrepreneurial competencies include general and specific understanding, motivations, attitudes, self-image, social positions, and skills, whereas entrepreneurial competencies for fulfilling effective job roles are classified as opportunities, relationships, strategic, conceptual, organizing, and commitment. Both practical and theoretical training can help acquire these abilities, which encompass knowledge, skills, and experience (Aidara et al., 2021). Competitive advantage comes when enterprises employ value-generation techniques that rivals do not follow. Previous research suggests that entrepreneurial orientation influences SME success (Zehir, Can, & Karaboga, 2015). Several studies have found a favorable and substantial influence of entrepreneurial orientation on competitive advantage (Mustafa, Rehman, Zaidi, & Iqbal, 2015). Jitnom and Ussahawanitchakit (2010) illustrate how entrepreneurs might achieve long-term competitive advantage. As a result, the proposed sixth hypothesis is:

H6: If entrepreneurial capacity has a significant effect on sustainable competitive advantage

Figure 1 presents the empirical research model based on the comprehensive and in-depth literature review previously described.

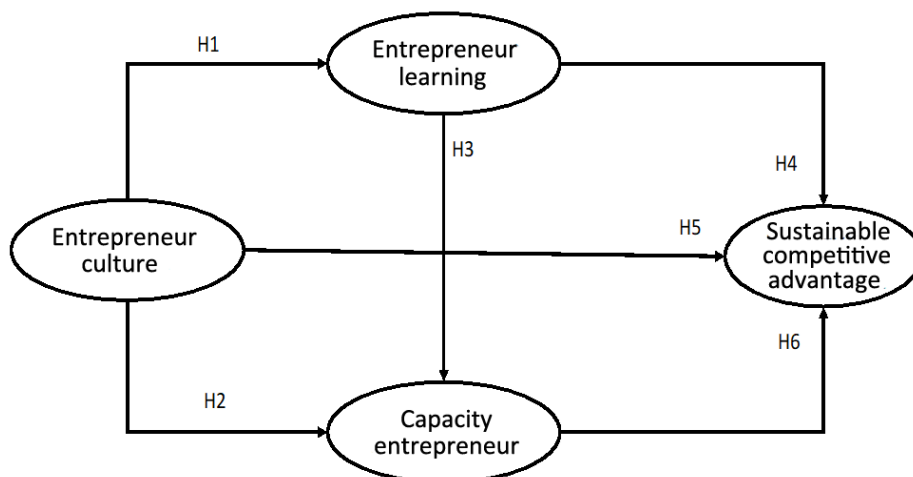


Figure 1. Empirical research model.

3. METHODOLOGY

3.1. Variable Measurement

The study's variables include entrepreneur culture, entrepreneur learning, entrepreneur capacity, and sustainable competitive advantage. Regarding the measurement of entrepreneurial culture variable indicators, referring to the Poi study, Poi (2020) identifies the following indicators: 1). Enthusiasm 2). Stakeholder Alignment 3). Learning & Development Support. 4). Opportunity-Driven Change. While entrepreneur learning includes: 1). experience 2). Cognitive, 3) the foundation of starting a business, 4). Social relations (Wing, 2006). *Entrepreneurial capacity* refers to Diaz et al. (2021). The indicators include knowing how to start and manage a business, being adaptive, having the ability to manage resources, and being an entrepreneur as desired career choice. Sustainable competitive advantage includes having valuable, non-replicable, irreplaceable, incomparable resources and strategic advantage (Barney, 1991; Grant, 1991).

3.2. Respondent

The population in this research is at the forefront of the batik SME industry in Central Java Province, Indonesia. The sample approach employs purposive sampling procedures based on demographic features, namely places or localities, and has been in use for at least ten years. The number of samples (sample size) relates to Hair, Anderson, Tatham, and Black (1996) which is an indication multiplied by 5 to 10, or at least 100 respondents. This study's sample size of 150 respondents was chosen to ensure best generalization.

3.3. Technical Analysis

In this study, the AMOS application employs Structural Equation Modeling (SEM). This model is a statistical strategy for testing a succession of somewhat complicated connections, namely structural models (relationships between independent and dependent constructs) and measurement models (relationships between indicators and constructs).

4. RESULTS AND DISCUSSION

4.1. Hypotheses Testing

Based on the model feasibility test results, it is clear that the results of estimating the value of the Chi-square / probability analysis aim to test a model that is appropriate to the data or that fits the data, so a Chi_Square value is needed that is not significant. This means that a significance level greater than 0.05 indicates that there is no significant difference between the data covariance matrix and the estimated covariation matrix (Hair et al., 1996). Comparative Fit Index (CFI) The value of this index ranges from 0 -1, the closer to 1, indicating the highest level of fit (Arbuckle, 1997). An alternative incremental fit index, the Tucker Lewis Index (TLI), evaluates a model against baseline. The value of an acceptance model is greater than or equal to 0.95 (Hair et al., 1996). Goodness of Fit Index (GFI) This index calculates the weighted proportion of the variance in the sample covariance matrix that is explained by the estimated population covariance matrix (Hair et al., 1996). AGFI (Adjusted Goodness of Fit Index), GFI is an analogue of R² in multiple regression. The recommended acceptance level is when the AGFI has a value equal to or greater than 0.9 (Arbuckle, 1997). CMIN/DF The minimum sample discrepancy function (CMIN) divided by the degrees of freedom will produce the CMIN/DF index, which is an indicator for measuring the level of suitability of a model. In this case, CMIN/DF is nothing but the Chi-square statistics divided by the degrees of freedom (χ^2 relative). The expected relative χ^2 value is less than or equal to 2.00 (Hair et al., 1996). The Root Mean Square Error of Approximation (RMSEA), is an index that can be used to compensate for Chi-square statistics in large samples. An RMSEA value of less than or equal to 0.08 is an index for model acceptance, which indicates a close fit of a model based on degrees of freedom. Hair et al. (1996) explain that the cut point suitability test is a minimum of 4 criteria; therefore, this study model is acceptable (Figure 2).

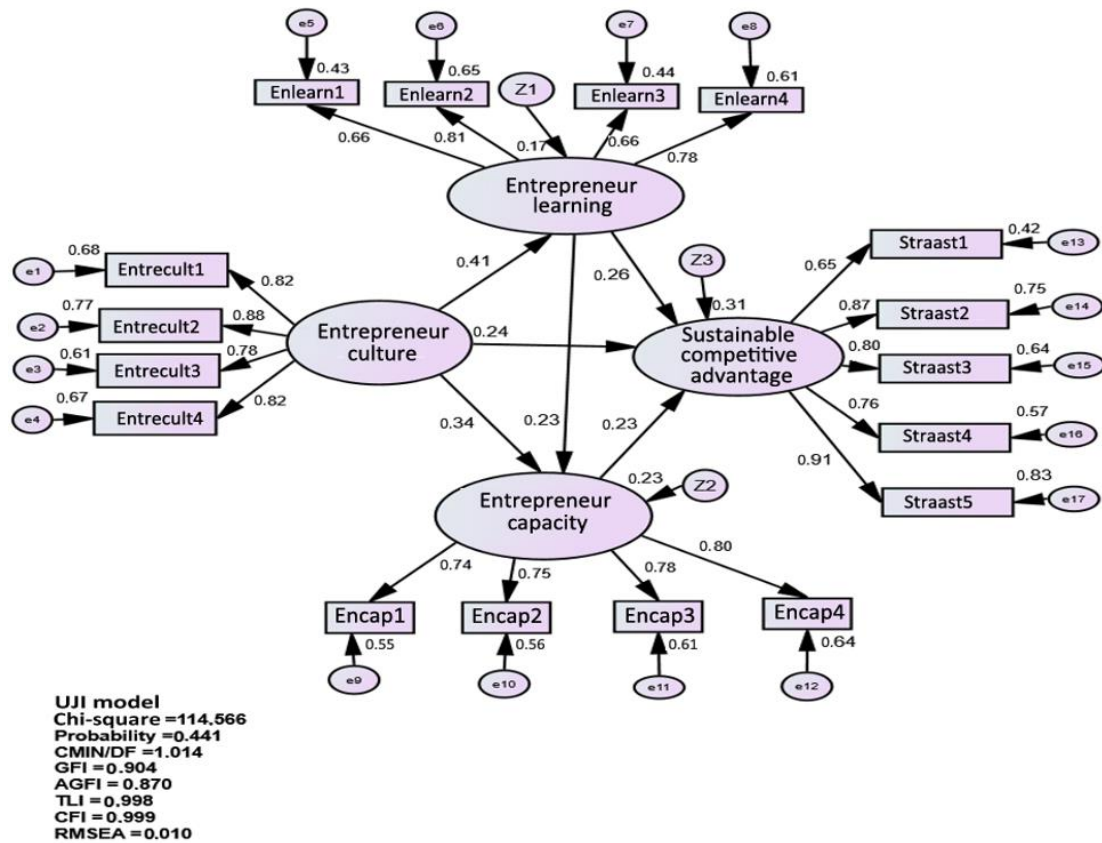


Figure 2. Full model strategic entrepreneur.

Table 1, shows a summary of the hypothesis testing in this study based on calculations from structural equation model test and confirmatory analysis. It shows the strategic entrepreneur development model.

Table 1. Summary of hypothesis testing.

Hypothesis	Relationship between variables	Standard estimate	t count	Prob.	Description
H1	Entrepreneur culture → Entrepreneur learning	0.408	3.977	0.000	Significant
H2	Entrepreneur culture → Entrepreneur capacity	0.336	3.129	0.002	Significant
H3	Entrepreneur learning → Entrepreneur capacity	0.232	2.102	0.036	Significant
H4	Entrepreneur capacity → Sustainable competitive advantage	0.226	2.136	0.033	Significant
H5	Entrepreneur learning → Sustainable competitive advantage	0.255	2.383	0.017	Significant
H6	Entrepreneur culture → Sustainable competitive advantage	0.237	2.262	0.024	Significant

Table 1 shows t count greater than t table and a significant level below 0.05; therefore, the six hypotheses proposed are supported by empirical data. The first hypothesis is that entrepreneur culture has a significant effect on entrepreneur learning. The second hypothesis, entrepreneur culture, has a significant effect on entrepreneur capacity. The third hypothesis about entrepreneur learning has a significant effect on entrepreneur capacity. The fourth hypothesis, entrepreneur capacity, has a significant effect on sustainable competitive advantage. The fifth hypothesis is that entrepreneur learning has a significant effect on sustainable competitive advantage. And the sixth hypothesis is that entrepreneur culture has a significant effect on sustainable competitive advantage.

4.2. Discussion

The goal of this research is to determine ways to foster strategic entrepreneurship in order for small and medium enterprises to achieve long-term competitive advantages. This research suggests four variables that define strategic entrepreneurs: entrepreneurial learning, entrepreneurial capacity, entrepreneurial culture, and sustained competitive advantage. Empirical data or their major effects support the six hypotheses provided in this study. As a result, the findings of this study provide many contributions to the current literature., as follows:

First, the strategic entrepreneur development model is realized by integrating the dimensions of entrepreneur culture, which are vital aspects of strategic entrepreneurs (Ireland, Hitt, & Sirmon, 2003). Entrepreneur learning (Gancarczyk, 2018), entrepreneurial capacity (Jitnom & Ussahawanitchakit, 2010) and sustainable competitive advantage (Arsawan et al., 2020). Teoh et al. (2023). Starting with an entrepreneur culture will foster and support the continuous search for entrepreneurial opportunities. Consequently, both successful and unsuccessful entrepreneurs can benefit from learning outcomes in other work contexts and when facing subsequent important events (Lattacher & Wdowiak, 2020). The prerequisites for a successful organization in business require entrepreneurial capacity (Jitnom & Ussahawanitchakit, 2010). The reality demonstrates that entrepreneurial capacity is the the driving force behind firms' entrepreneurial efforts, which may provide long-term sustainable competitive advantage. Therefore, this strategic entrepreneur development model addresses the constraints of prior research (Kyrgidou & Hughes, 2010) on the components of strategic entrepreneurship and how they might be quantified.

Second, this study validates indicators of the strategic entrepreneur dimension, previous studies have limitations that strategic entrepreneurs do not have the ability to convert these opportunities into competitive advantages (Gancarczyk, 2018). This selectivity adopts Poi study indicators, Poi (2020). Entrepreneurial culture includes: 1). Enthusiasm 2). Stakeholder Alignment 3). Learning & Development Support. 4). Opportunity-Driven Change. While entrepreneur learning includes: 1). experience 2). Cognitive, 3). Network, 4). Social relations (Wing, 2006). *Entrepreneurial capacity* refers to Diaz et al. (2021). The indicators include: knowing how to start and manage a business, being adaptive, having the ability to organize resources, and becoming an entrepreneur as desired career choice. While sustainable competitive advantage includes having valuable, non-replicable, irreplaceable, incomparable resources and strategic advantage (Barney, 1991; Grant, 1991).

Third, this study bridges the limitations of entrepreneurship and strategic management of inseparable disciplines, making it difficult to understand the research findings of one field simultaneously (Sirmon & Hitt, 2003). Entrepreneurship is shown by the variables of entrepreneurial learning and entrepreneurial capacity. Entrepreneurial culture demonstrates strategic management through the identification of business opportunities and obstacles. Then sustainable competitive advantage is the goal of strategic management.

Fourth, studies find antecedent support for entrepreneurial culture, entrepreneurial learning, and entrepreneurial capacity to increase sustainable competitive advantage. Entrepreneurial learning has a significant and dominant effect. Entrepreneurial learning is built by indicator 1). experience 2). Cognitive, 3). Network, 4). Social relations (Wing, 2006). Entrepreneurial learning and entrepreneurial capacity can mediate entrepreneurial culture towards sustainable competitive advantage.

Finally, this study enhances the strategic entrepreneur development model by focusing on building and improving entrepreneurial culture, which encompasses the following: 1). Enthusiasm 2). Stakeholder Alignment 3). Learning & Development Support. 4). Opportunity Driven Change.

5. CONCLUSION

By building sustainable competitive finance through entrepreneur learning, entrepreneur culture, and entrepreneur capacity, we can realize strategic entrepreneurship. While entrepreneur capacity is built by entrepreneur learning and entrepreneur culture. While entrepreneur learning is built by entrepreneur culture. Increasing strategic entrepreneurs is a top priority built by entrepreneur culture. Therefore, increasing sustainable

competitive advantage can use indicator entrepreneur culture, which is enthusiasm, stakeholder alignment, learning and development support and opportunity driven change.

6. LIMITATION AND FUTURE RESEARCH

This study has several limitations. The results of full SEM model testing show that the model is in accordance with the data or fits the data used. However, there are two marginally accepted conformity tests, namely the Adjusted Goodness of Fit Index (AGFI = 0.838). The effect of entrepreneur culture on entrepreneur learning has Squared *Multiple Correlations* of 16.6% (low criteria). The effect of entrepreneur learning and entrepreneur culture on entrepreneur capacity has Squared *Multiple Correlations* of 23.0% (medium criteria), and the effect of entrepreneur learning, entrepreneur capacity on sustainable competitive advantage has Squared *Multiple Correlations* of 31.1 % (medium criteria). Based on the limitations of the results of this study, such as the effect of entrepreneur culture on entrepreneur learning, which is still in the low category, therefore future studies are needed to identify new indicators. Then the relationship between the dimensions of entrepreneur learning, entrepreneur culture, and entrepreneur capacity to sustainable competitive advantage represents an interesting area of study.

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Institutional Review Board Statement: The Ethical Committee of the Sultan Agung Islamic University, Indonesia has granted approval for this study (Ref. No. 0827/J/SA-E/VII/2024).

Transparency: The authors state that the manuscript is honest, truthful, and transparent, that no key aspects of the investigation have been omitted, and that any differences from the study as planned have been clarified. This study followed all writing ethics.

Data Availability Statement: The corresponding author can provide the supporting data of this study upon a reasonable request.

Competing Interests: The authors declare that they have no competing interests.

Authors' Contributions: All authors contributed equally to the conception and design of the study. All authors have read and agreed to the published version of the manuscript.

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