

ABSTRACT

The purpose of this research is to analyze the influence of entrepreneurship orientation, the ability to innovate and the competence of environmental management to the competitive advantage to improve business performance. The study was conducted Kuningan's SME Juwana Pati Regency.

The sample of this research is 115 respondents. The analysis used in this research is Structural Equation Model which is run with AMOS software 23.

The result of analysis shows that entrepreneurship orientation has no positive effect on competitive advantage, innovation ability has positive and significant effect to competitive advantage, environmental management competence has positive and significant influence of competitive advantage, and competitive advantage have positive and significant influence to business performance. The orientation of entrepreneurship and the ability to innovate on business performance have a negative influence, while the competence of environmental management has a positive and significant influence on business performance.

Keywords: Business Performance, Entrepreneurship Orientation, Innovation Ability, Environmental Management Competency, Competitive Advantage, Business Performance