

REVIEWER'S COMMENTS

Title of the article reviewed:

Determinants on Small Scale Business: An Empirical Evidence from Indonesia

Summary

This study aims to explore the impact of human resource quality, capital and business length on turnover, labor cost, market share and profit. The study investigated Indonesian SMEs covering trade, industry and services, and used structural equation model (SEM) to process, filter and set the collected data. The results show that the quality of human resources and capital promote the growth of turnover, labor cost, market share and profit. Although the length of the business significantly affects the turnover, labor cost and market share, its role does not affect the profit. The growth of turnover will also promote the growth of labor cost, market share and profit. What is unique is that the increase in labor costs has a significant impact on market share and profits. Then, the strong market share also supports the substantial growth of profits. In addition, this article has some shortcomings that need to be modified by the author according to suggestions.

Major Issues

The method of obtaining data in this paper is survey. There are many survey methods. Is it field survey or online survey? It is suggested that the author explain the specific form of the survey in the text.

Comment [i-1]: Revised for point 3.2: paragraph 1 on p. 3.

Comment [i-2]: It is explained in the abstract section.

Minor Issues

ABSTRACT:

- There are ten keywords in this section, which are too many. It is suggested that the author leave the main keywords and delete some words that are not very important.

Comment [i-3]: From 10 keywords, reduced 7.

INTRODUCTION:

- “the level of competitiveness of SMEs in countries such as Singapore, Taiwan, Brazil, and South Korea or those who are members of the Newly

Industrializing Countries (NIC's) are in productive,” Taiwan is not at the same level as Singapore, Brazil and South Korea, so this sentence can be expressed in another way.

Comment [i-4]: There is no sentence in the introduction stating "Taiwan is not at the same level as Singapore, Brazil and South Korea in terms of competitiveness and productivity of SMEs".

LITERATURE REVIEW:

- “Besides the milestones of achievement of SMEs in the relatively inclusive national economy, it does not impact the business climate ecosystem”, does “it” refer to the achievements of SMEs or SMEs? It is recommended that the author use demonstrative pronouns to ensure that the reader knows what the word refers to.

Comment [i-5]: Adjusted in point 2 (literature review): paragraph 1 on p. 2.

METHODOLOGY:

- The method of obtaining data in this section is survey. But the author did not introduce the specific form of the survey. Is it field survey or online survey? It is suggested that the author explain the specific form of the survey in the text.
- “Referring to these premises, a study model that focuses on the profit of SMEs is designed.”, how is this research model established?
- “The selection of research zones in Indonesia is related to the dynamics of SMEs.”, what is the specific relationship between the choice of study area and the dynamics of SMEs?
- “The population is 3,701 SMEs”, this statement is inappropriate. Does the author want to express the number of employees in SMEs or SMEs? It is recommended that the author use correct expressions.
- A calculation error occurred while calculating the number of randomly sampled samples. It is recommended that the author should carefully check the calculation results to avoid simple errors.
- “Thus, the acquisition of primary data highly depends on the questionnaire instrument.”, does the author use online or offline questionnaires?

Comment [i-6]: Revised for point 3.2 (population and sampling): paragraph 1 on p. 3.

Comment [i-7]: The model is formed in a holistic strategic context in the fundamental market mechanism. This session is clarified in point 3.1. measures: paragraph 2 on p. 2.

Comment [i-8]: The specific relationship between the observed case study is motivated by inequality in welfare, the backwardness of the SME cluster and regulatory pressures to achieve SME growth. The argument is sharpened at point 3.1. measures: 3rd paragraph: p. 2.

Comment [i-9]: Sentences that are less specific have been clarified in point 3.2. population and sampling: 1st paragraph, p. 2.

Comment [i-10]: This study uses a cluster sampling approach of 3,701 SMEs and is formulated with the Slovin formula (5%).

Comment [i-11]: Primary data uses a questionnaire that is distributed to respondents offline. Revised in in point 3.2. population and sampling: 1st paragraph, p.3.

RESEARCH RESULTS:

- “CFA is not applied to validity testing”, what does “CFA” mean? This word was not mentioned in the previous article, so it is suggested that the author should write the full name first when using abbreviations.

Comment [i-12]: The abbreviation CFA is described in point 4.2. statistical analysis: first paragraph on p. 4.

OTHERS:

The following minor issues should be looked into by the author:

- There are some inaccurate sentences in this paper. It is suggested that the author should pay attention to accurate expression.

Comment [i-[13]: Some words and sentences that are not precise, have been expressed accurately to make it easier for readers.

General Comments

Finally, I hereby recommend that the author to make major corrections.