Entrepreneurship Competence, and Innovation Bandung City Culinary SMES Performance Mediated by Knowledge Management

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ABSTRACT

The purpose of this study was to determine Entrepreneurship Competency variables and Innovation variables that affect MSME Performance with Knowledge Management as a mediating variable. Entrepreneurship Competence latent variable (X1) (Strategic Competencies, Opportunity Competencies Relationship competencies, Conceptual Competencies, Organizing Competencies, Commitment Competencies, and Innovation (Innovation in Process, Innovation in Structure, Innovation in Culture, Innovation in HR) contributes an influence of 0.748 or 74.8% on MSME performance (Y2) mediated by knowledge management (Y1) while the remaining 25.2% is the influence of other factors that are not observed Knowledge management is a mediating variable while the dependent variable is MSME performance The sample method used used was a purposive sample with a sample size of 200 MSME owners.This study used the Equation Model Structural equation model with the help of Smart PLS 3. This research method is quantitative, namely conducting a primary data search with the research object of MSME owners registered at PT. LEN's UKM Fostering. Based on the results of the research partially the variables that have a significant effect are Entrepreneurship Competence, Innovation and Knowledge Management while Entrepreneurship Competence and Innovation on the performance of Culinary MSMEs in Bandung City which are mediated by Knowledge Management do not have a significant effect and give an effect with the nature of mediation which weakens, and reduces Entrepreneurship competence and Innovation.

Keywords: *Entrepreneurship Competence, Innovation, Knowledge Management Effectiveness, MSME Performance*

INTRODUCTION

The global economy is predicted to experience a slowdown or recession. For the business world, disruption has been felt, from supply chain bottlenecks to mass layoffs. amid uncertainty, according to the Financial Services Authority (OJK), an economic recession is a condition in which a country's economy experiences a decline based on gross domestic product (GDP), the number of unemployed, as well as negative economic growth for two consecutive quarters. GDP is economic activity in a country during one period. If the country experiences a continuous decline in economic activity for two periods, then the country is experiencing a recession. (Sri Dewi Handayani, 2022). The government is focusing on boosting the micro, small and medium enterprises (MSMEs) sector to increase public consumption so that the economy continues to grow in anticipation of the threat of a recession in the first quarter of 2023.

Micro, Small and Medium Enterprises (MSMEs) are forms of business run by individuals, households or small business entities engaged in community empowerment. According to the Law of the Republic of Indonesia Number 20 of 2008, MSMEs are productive economic efforts carried out by individuals or business entities with different net worth criteria, each micro business of Rp. 50,000,000, small businesses Rp. 50,000,000 – Rp. 500,000,000, and medium businesses Rp. 500,000,000 – Rp. 10,000,000,000. MSMEs are also a type of business that is in great demand by the community, the reason many people like this type of business is because the capital needed to open this business is not that large (Hidayatulloh, 2020).

MSMEs are businesses that are able to survive against the economic crisis that occurred in 1998, the Central Statistics Agency (BPS) also stated that MSMEs continue to increase in number. The number of MSMEs in 2019 was 65,465,497 units, this figure increased by 1.98% from the previous year. The ability of MSMEs to survive in the face of this crisis is because MSMEs continue to make adjustments in their production processes, also continue to develop and grow by relying on their own capital, so they are not affected by foreign debt (Puspitasari, 2021).
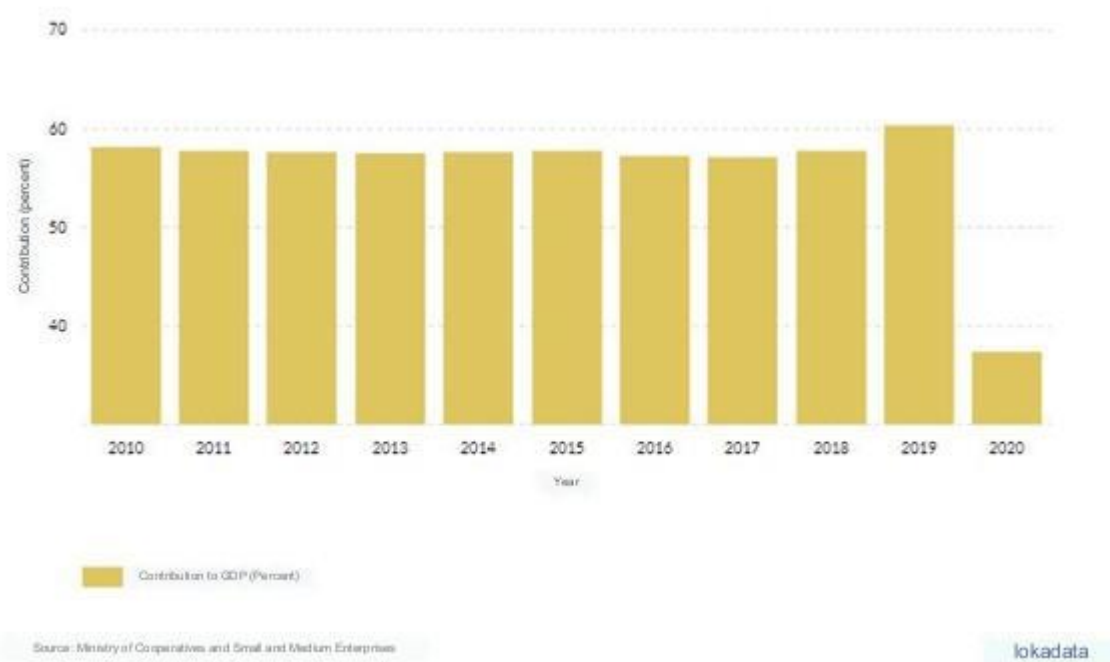
Figure 1. Contribution of MSMEs to GDP

According to the Ministry of Cooperatives, Small and Medium Enterprises in Indonesia, MSMEs have experienced a decline in their contribution to gross domestic product (GDP). The contribution of MSMEs to GDP in 2020 is the lowest contribution since 2010, namely 37.3%, even though in 2019 MSMEs managed to contribute 60.3% of GDP. The magnitude of this decrease was 38.14% compared to 2019. (Lokadata, 2021). Head of the Indonesian Institute of Sciences (LIPI) Economic Research Center, Agus Eko Nugroho also said that the results of the Rapid Assessment Survey on the Impact of the Covid-19 Pandemic on the Performance of Indonesian MSMEs, showed that during the pandemic, 94.69% of businesses experienced a decline in sales. The Covid-19 pandemic has also caused business profits to drop drastically. This decline in profit occurred due to an increase in production costs such as raw materials, transportation, labor and other costs while sales decreased (LIPI Public Relations, 2020).

Conditions like this force MSME actors to continue to improve their business capabilities. One important aspect for improving business is the performance of MSME actors, this is because the performance of MSME actors is important as a benchmark for the progress of their business. The performance of MSME actors themselves can be measured through their ability to manage and allocate their resources (Kusumadewi, 2017). MSMEs that are well managed will produce good performance, this is useful for competition or for the development of the MSMEs themselves (Pricilia, 2019). Good MSMEs are MSMEs who continue to have optimism to continue to develop their business, improve their business and continue to be oriented towards the future in order to gain competitive advantage (Nur Hamidah, 2020) According to Sanistasya (2019) currently the performance of MSMEs in Indonesia still tends to be low thus making it difficult for SMEs to compete. The low performance of MSME actors can be caused by many things. according to Trihudiyatmanto (2018) MSME actors found that their entrepreneurial orientation was still lacking so that their business performance did not run optimally. The motivation of MSME actors is relatively weak, they reason that the cause of the lack of motivation to develop MSME products is one of them with the increasing number of products that become competitors in the market with cheaper prices and better quality, especially products from China. . From MSME actors, it was found that in general the knowledge possessed by MSME actors was obtained self-taught from their predecessors, meaning that almost all MSME actors had a relatively low level of knowledge. there are weaknesses in the field of entrepreneurship such as lack of motivation, innovation, not daring to take risks, passivity, and tend to wait for consumers to come. In addition, they are also incompetent, especially in terms of knowledge and skills possessed.

In the city of Bandung itself the number of MSMEs is growing quite rapidly, the Bandung City Cooperative & MSME Office noted that there were 4,285 MSME actors spread across the city of Bandung. These SMEs are divided into many sectors such as the food sector, the fashion sector, the trade sector, the handicraft sector, the service sector, and other sectors (Department of Cooperatives & SMEs, 2019).
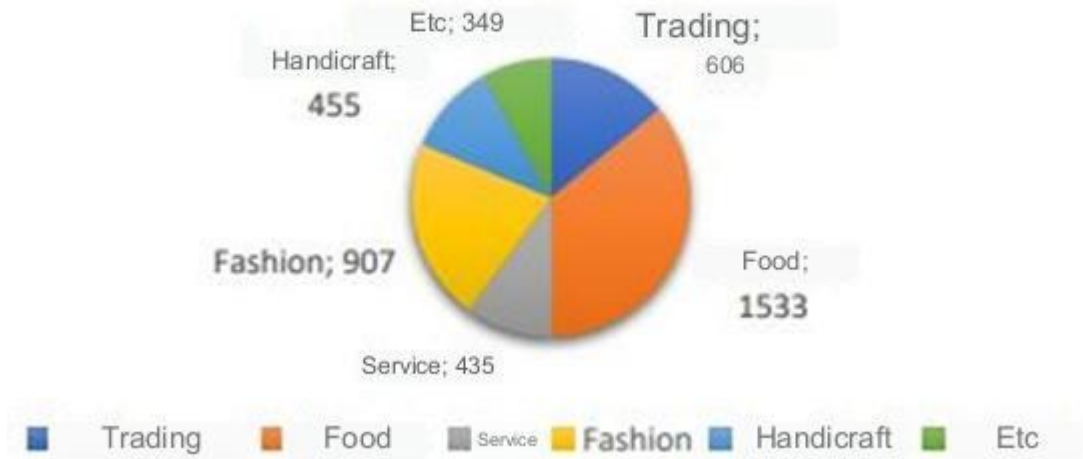
Source: Office of Cooperatives & Micro, Small, Medium Enterprises, data to be processed in 2022
Figure 2. The MSME sector in the city of Bandung

The problem of MSMEs in the city of Bandung is no different from MSMEs in other cities, one of them :
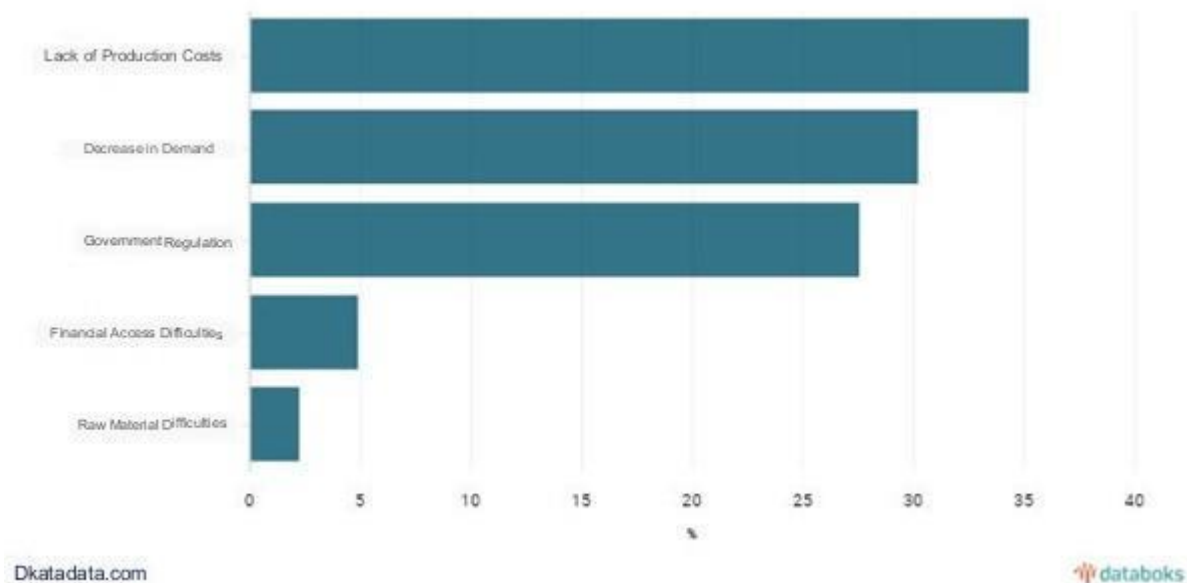

Figure 3. Reasons for MSME Closing Businesses in March-April 2021

The survey conducted by the United Nations Development Program (UNDP) involved 3,011 MSMEs in Indonesia in August 2021 and showed that 30.2% of respondents closed their businesses because the demand for the goods they sold dropped dramatically. Business actors in the snack and ready-to-eat food sector have experienced a decline varying from 60% to 97%. (Muhammad Nizar, 2021). An entrepreneur is someone who creates a new business by taking risks and uncertainties in order to achieve profits and growth by identifying significant opportunities and pooling the necessary resources so that these resources can be capitalized (Zimmerer, Thomas W and Scarborough , Norman M, 1996). Entrepreneurs are said to be people who produce new ideas and creations that are different from before. Entrepreneurs are promoters, not only in introducing new products and techniques, but also in the market situation and procurement sources, management improvements, and new distribution methods. Entrepreneurs will carry out dynamic processes on production, processes, results, sources of supplies, and organizational systems that are relied on.

The supporting entrepreneurial competencies are knowledge and innovation as antecedents and their consequences

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for business performance (Ozkaya et al., 2015). Several research results have agreed that innovation has a positive influence on business performance. The research results of Putri et al. (2018) found that product innovation has the potential to improve SME performance. Babkin et al. (2015) confirms that innovation is produced by companies to develop products, produce new products, or update production and distribution processes to be able to compete for the best new market segments. However, there are still different results from the research by Hashi & Stojčić (2013) and Campo et al. (2014) that product innovation has no effect on SME performance. On the basis of still finding inconsistencies in the results, it is interesting to study further in depth.

The difference between this research and previous studies is the addition of knowledge management variables, this knowledge management variable is an intervening variable. The reason for choosing this variable is because the author wants to develop and want to know whether knowledge management will affect the performance of MSME actors. Based on this background, the authors are interested in conducting research with the title "The Influence of Entrepreneurship Competence, Innovation on Performance in MSMEs in the City of Bandung which is mediated by the effectiveness of knowledge management".

Literature Review

Entrepreneurial Competence

Alma (2014) stated that the entrepreneur is an innovator, as an individual who has the instinct to see opportunities and has the enthusiasm, ability and mind to conquer slow and lazy ways of thinking. According to Alma (2011), entrepreneurs are people who break down the existing economic system by introducing new goods and services, by creating new organizational forms or processing new raw materials. Success in entrepreneurship is not obtained suddenly or instantly and by chance, but with full planning, having a vision, mission, hard work and having the courage to be responsible. Zimmerer (2018) states that an entrepreneur is a person who creates a new business in the face of risk and uncertainty with the aim of gaining profits and growth by recognizing opportunities and combining the necessary resources to take advantage of these opportunities. According to Suryana (2014) entrepreneur is someone who creates a new business in the face of risk and uncertainty for the purpose of gaining profit and growth by identifying opportunities and combining the necessary resources to take advantage of these opportunities.

There are various understandings of what entrepreneurship is, some regard it as a person who succeeds in taking risks, people who dare to face uncertainty, people who make their own activity plans, or people who create business activities and industrial activities that did not exist before (Alma, 2011). In this case, an entrepreneur is an innovator, as an individual who has the instinct to see opportunities, has the passion, ability and mind to conquer slow thinking (Kuratko, 2009). Entrepreneurship is a dynamic process of vision, change and creation that requires effort and passion towards the creation and implementation of new ideas and creative solutions. Kuratko (2009) explains in detail that an entrepreneur is an innovator or developer who is able to recognize and take opportunities; turning these opportunities into workable/marketable ideas; adding value to the idea through time, effort, money or skill; able to see the risks from the competitive environment as a consideration of the decision to implement the idea; and able to identify results or awards from the efforts made.

Thus, entrepreneurs are people who have the ability to see and assess business opportunities and collect the necessary resources to take advantage of them and take appropriate action to ensure success. Zimmerer et al., (2008) confirms that an entrepreneur is someone who creates a new business by taking risks and uncertainties in order to achieve profits and growth by identifying significant opportunities and combining the necessary resources so that these resources can be capitalized.

Innovation

The initial concept of innovation in entrepreneurship was popularized by Joseph Schumpeter (1934). Innovation is one of the corporate choices in facing market competition and sustainable management. Freeman (2004) considers innovation as the efforts of companies through the use of technology and information to develop, produce and market products that are new to the industry. In other words, innovation is the modification or discovery of ideas for continuous improvement and development to meet customer needs. Amabile et al (1996) proposed a definition in an organization.

Innovation plays an important role not only for large companies, but also for SMEs (Jong and Vermeulen, 2006; Anderson, 2009). Innovation is a new element introduced in the network that can change, even if only for a moment, either the price, the actor, the elements or the nodes in the network register Cabral (2003). Innovation is an important factor in Rosli & Sidek's entrepreneurial activities (2013). Kuratko and Hodgetts (2004), Innovation is the creation of new wealth or change and improvement of existing resources to create new wealth.

Zimmerer and Scarborough (2005), Innovation is the ability to apply creative solutions to a problem along with opportunities to improve or enrich one's life. Innovation is an effort to create changes that are purposeful and focused within

an economic or social potential Davila, et al, (2006).

Innovation according to Wes (2000: 18) is the intentional introduction and application in a job, work team or organization of product process ideas or new procedures for work, work team or organization of product process ideas. or new procedures for the work of the work team or organization with the aim of benefiting the work, work team or organization. Innovation according to Healy (1983) is about creative change. Such changes are caused by new applications of existing knowledge or applications of new knowledge that result.

According to Okpara (2007), innovation is defined as adding something new to an existing product or process. Innovation is the successful exploitation of new ideas. Okpara (2007) further explains that innovation is the process by which entrepreneurs convert market opportunities into workable, profitable and marketable ideas. Innovation is an application of something creative that has a significant impact on an organization, or society. Innovation is the process of bringing the best ideas into reality, which is innovative. Innovation is the creation of new value, innovation is the process of combining ideas and knowledge into new value.

MSME Performance

Knowledge management has various definitions. Usually in designing the knowledge management of an organization, apart from depending on the suitability of the strategy and framework used, the subjective factors of the designers also influence the selection of the definition to be adopted. Thus, the variety of definitions will probably continue to increase along with the growing understanding of knowledge management. One of them is the definition according to Nicolas in Yao et al. (2007) who said that knowledge management is a systematic process for creating, acquiring, disseminating, utilizing, and using knowledge to maintain competitive advantage and achieve organizational goals. Arora (2011) explains that knowledge management is a process in which an organization uses collective intelligence to achieve its strategic objectives. Knowledge management is not only about technology, but also about processes, people, behavior, ways of working, and other factors. Knowledge management is about understanding how people work, sharing concepts and ideas, identifying groups of people doing something, and noticing how they can learn from one another. Knowledge management is about organizational learning from their experiences and about leadership within the organization. Knowledge management in the Indonesian Wikipedia (2017) is defined as a collection of tools, techniques and strategies for maintaining, analyzing, organizing, improving and sharing understanding and experience. Such understanding and experience is built on knowledge, either embodied in an individual or embedded in the process and real application of an organization. The focus of knowledge management is to find new ways to channel raw data into useful information, which eventually becomes knowledge. Wulantika (2010) explained that knowledge management is an organizational activity in managing knowledge as an asset, where in various strategies there is the distribution of the right knowledge to the right people and in a short time, so that they can interact, share knowledge, and apply it in work. day to day to improve organizational performance. Knowledge management is a system created to create, document, classify, and disseminate knowledge within an organization, so that knowledge is easily used whenever needed and by anyone according to their level of authority and competence. Based on these various definitions, it can be concluded quite simply that knowledge management is a systematic effort in order to acquire, collect, create, develop, and share the knowledge needed to achieve organizational goals.

The concept of knowledge management originates and develops from the business world. Knowledge management is used to improve communication between top management and workers to improve work processes and instill a culture of sharing knowledge and implementing a performance-based reward system (Muttaqien in Suky, 2014). Even though knowledge management seems like a new concept, the activity of sharing and transferring knowledge is not new and is usually present in every organization. Many organizations do not use the term knowledge management, even though they already use many knowledge management instruments (Yao et al., 2007). Knowledge management facilitates the transfer of knowledge between members for the effectiveness of organizational activities. Knowledge management is intended to make organizations learn, so that work and study are the same thing in an institution to increase competitive advantage. Knowledge management is useful as a process of transferring information and knowledge to new employees (Herlina, 2009). Organizations need to apply knowledge management to determine the strengths of all human resources, reuse existing knowledge, aka no need to repeat the failure process, accelerate the process of creating new knowledge from existing knowledge, and keep the movement of the organization stable despite the in and out of human resources (Wulantika, 2010). Knowledge management functions to increase the ability of organizations to learn from their environment and combine knowledge within an organization to create, collect, maintain, and disseminate organizational knowledge (Laudon in Zafar, 2009). Knowledge management has an important supporting function in coordinating mechanisms to increase the conversion of resources into capabilities (Al-Tahat and AlShoubaki in Al-Refaie and Al-Tahat, 2015). Knowledge management encapsulates the acquisition, clarification, and communication of professional opinions for organizational knowledge (Nurluoz and Birol, 2011). Knowledge management helps develop a knowledge-based culture that supports the development of innovation (Nawab et al., 2015).

Knowledge Management

Business performance has started to become a topic that is hotly discussed and applied both practically and in research since 1987, to be precise when Johnson and Kaplan published their book entitled Relevance Lost-the Rise and Fall of Management Accounting (Bititci, et.all, 2009). Veithzal and Ahmad (2005) define performance as "work results that can be achieved by a person or group of people in a company in accordance with their respective authorities and responsibilities in an effort to achieve company goals legally, not violating the law and not contradicting morals or ethics."

"Performance is defined as the record of outcomes produced on a specified job function or activity during a specified time period". (Bernadin and Russell, 1998: 239). According to Nelly in Bititci (2008), performance measurement is the process of calculating the effectiveness and efficiency of actions that have been applied in various sectors for more than two centuries. Efficient performance is measured by how well resources are used, while effective performance is measured by whether goals are achieved or not. Performance which is often referred to as performance is also called result. Initially, the measurement of company performance was focused on financial success, but this concept underwent a change where financial performance measurement was considered insufficient to compete in the modern market. Increasing customer demand and an increasingly competitive market require greater responsibility and focus on external activities. The financial accounting system indicates that performance is the result of a company's activities which provide a bit of guidance on how performance is achieved and improved (Kennerley & Neely, 2003), so that the concept of performance measurement emerges which considers a balance between financial and non-financial performance, one of which is the Balance Scorecard. The concept of the Balance Score Card is a performance measurement that provides measurements in the financial, customer, internal business and growth and learning aspects. This concept was popularized by Kaplan and Norton since 1992, until now this concept is still used, so that company performance is measured internally/externally and financially and non-financially. Balance Scorecard indicators include 1) Financial Perspective, related to profitability through measurement of operating profit, return on capital employed (ROCE) or economic value added, sales growth and cash flow; 2) Customer Perspective, the main measures are customer satisfaction, customer retention, new customer acquisition, customer profitability, and market share in the target segment; 3) Internal Business Process Perspective, in this perspective the executives identify various important internal processes that must be well controlled by the company; 4) Learning and Growth Perspective, identifying the infrastructure that must be built by the company in creating long-term growth and performance improvement. The main sources of company learning and growth are company people, systems, and procedures (Kaplan and Norton, 1996).

METHOD

This research uses a quantitative approach and the type of research is descriptive associative. The population in this study were all culinary Small, Micro and Medium Enterprises (MSMEs) in the city of Bandung. The sample method used was purposive sampling. With the criteria of MSMEs that have attended training and assistance from PT LEN. Based on data obtained from the Trade Office for Cooperative SME Industry, 4,285 became 97 samples. This study uses the Equetion Model Structure and uses the analytical test tools used are SPSS v.24 and Smart PLS 3. This data analysis uses classical assumptions and multiple linear regression.

RESEARCH RESULTS AND DISCUSSION
Results
Results of Structure Equation Modeling Partial Least Square (SEM-PLS) Analysis

This stage is related to the formation of a structural equation model, before estimation is carried out. This model is formulated based on a theory or previous research.
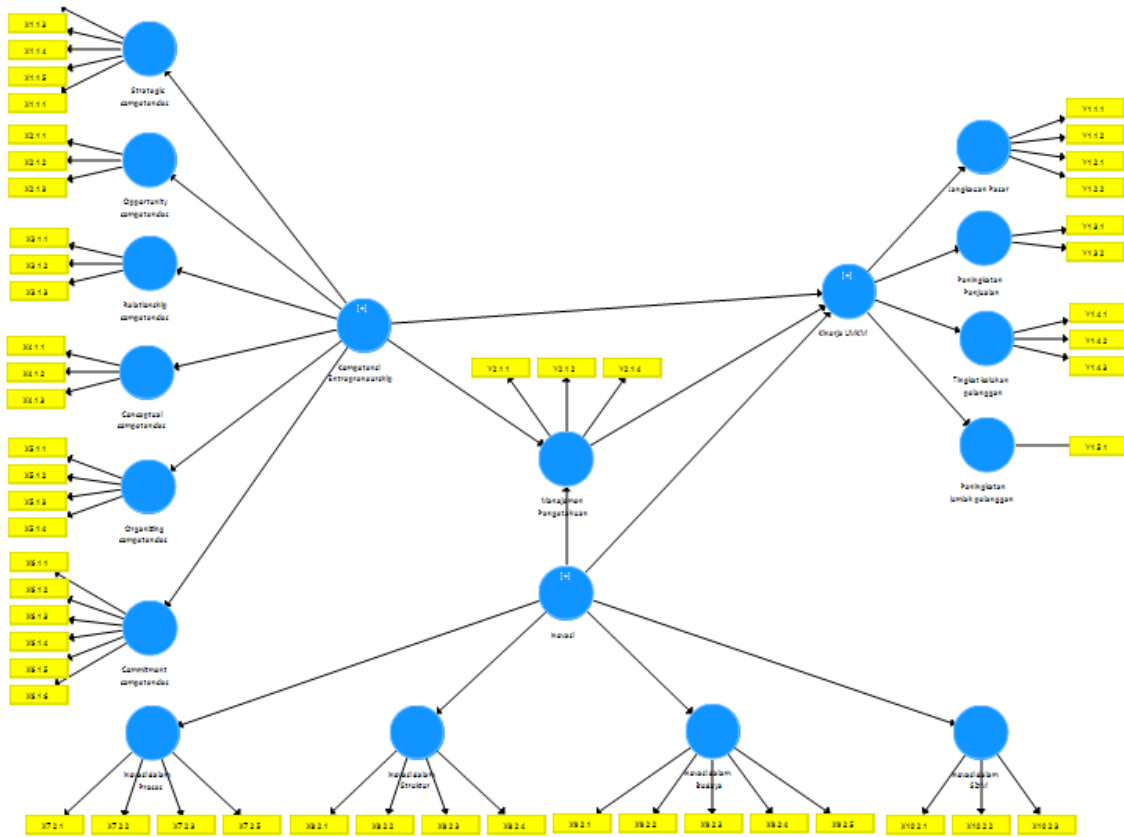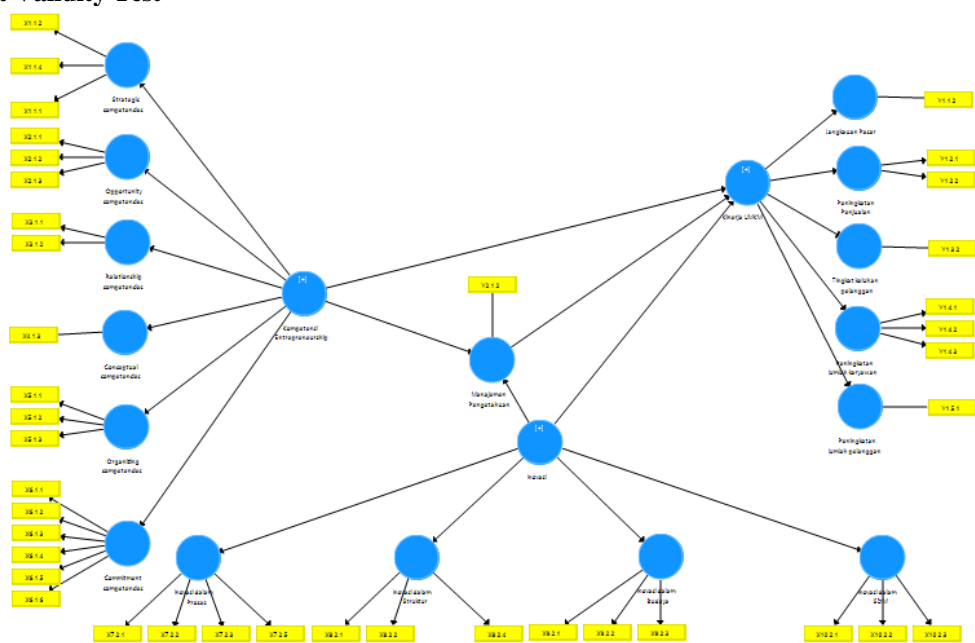
Figure 4. Initial Model Conceptual Diagram

Convergent Validity Test

Source: Data Processing (2022)

Figure 5. Diagram of Loading Factor Value Outer Model Evaluation (Initial Model)

Based on the estimation results using the help of the SmartPLS 3 program application, the output of the final model test is obtained as follows.
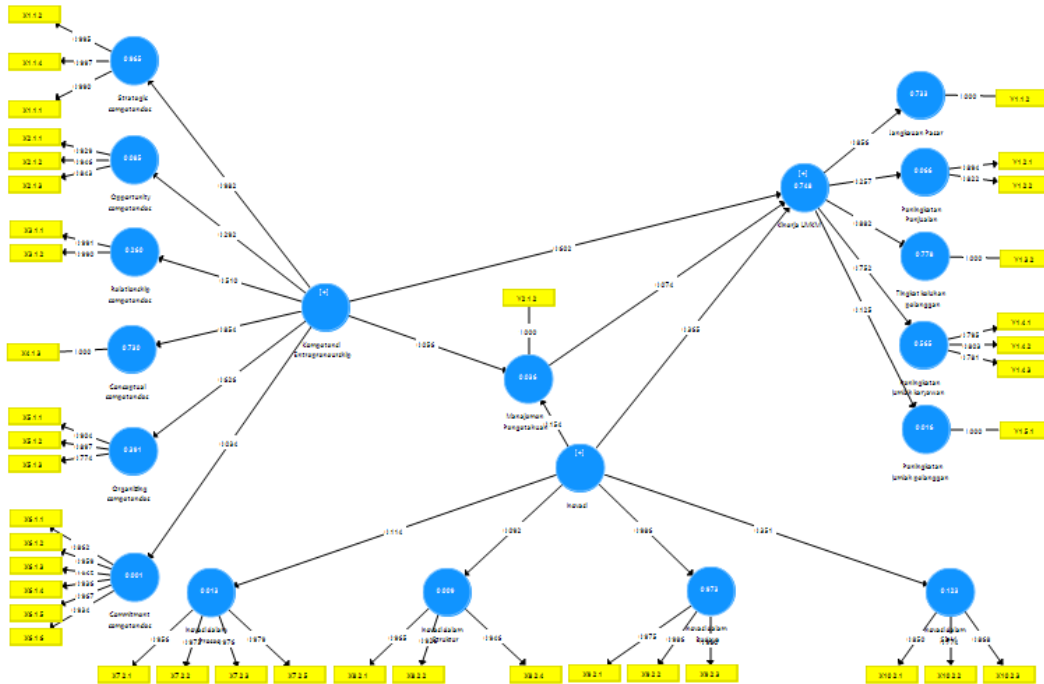

Figure 6. Output of the Final Model Test
Source: Data Processing (2022)

Hypothesis Test

The magnitude of the significance value between the variables tested is presented in the form of the value contained in the arrow that connects one of the variables to the variable that is the goal.
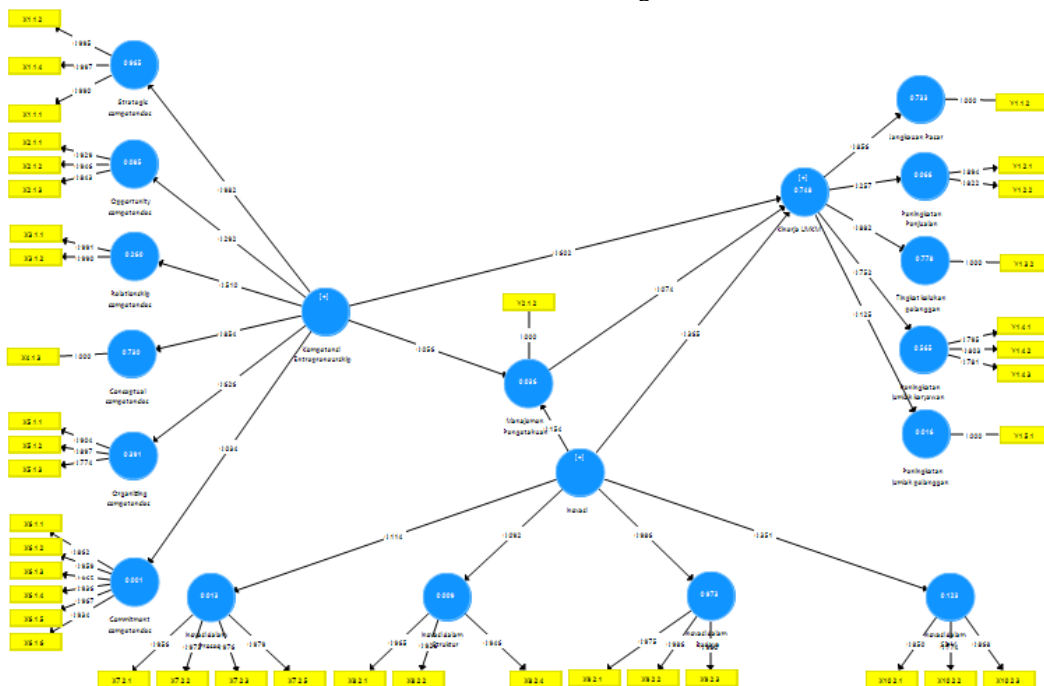

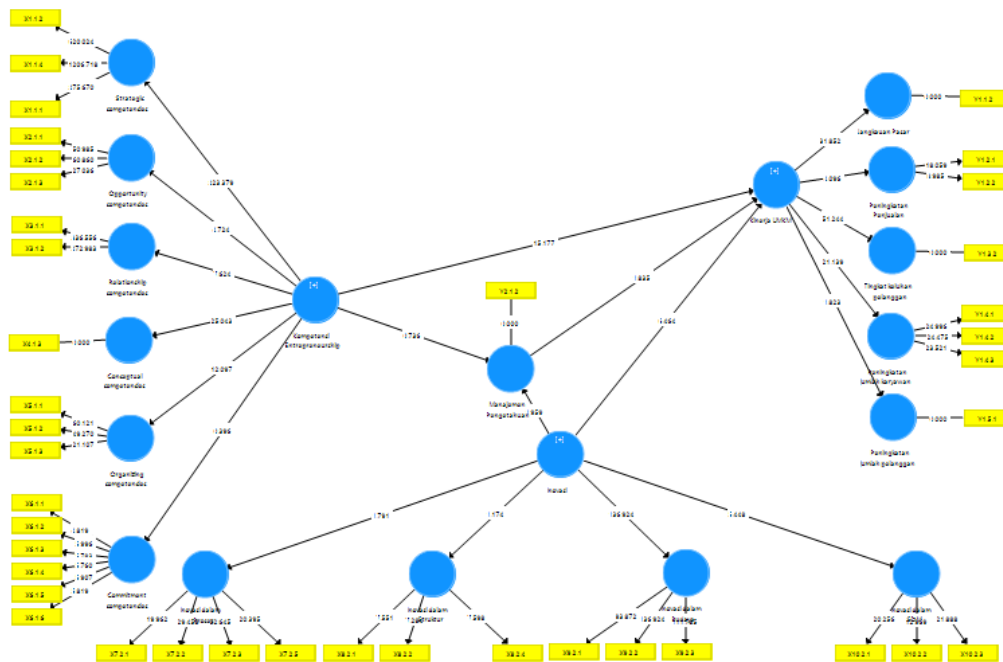**Figure 7.** Structural Model (Path Coefficient, Beta)

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Figure 8. Significance Value (t-count)
Source: Data Processing Output Using SmartPLS (2022)

Discussion
The Effect of Entrepreneurship Competence on the Performance of Culinary MSMEs in the City of Bandung

Tabel 1. The Path Coefficient and t-calculate the Effect of Entrepreneurship Competence on the Performance of Culinary MSMEs in the City of Bandung

	Original Sample (O)	t-Statistik	p-value	Conclusion
Entrepreneurship Competence on the Performance of Culinary MSMEs in the City of Bandung	0,602	13,648	0,000	Accept H_0

Source: Data Processing (2022)

From the results of Table 1 above, it is obtained that the Original Sample (O) value is 0.602 which indicates that the direction of influence of Entrepreneurship Competence on the Performance of Culinary MSMEs in the City of Bandung is positive or unidirectional, meaning that if the Entrepreneurship Competence is getting better, the performance of Culinary MSMEs in the City of Bandung will increase. The influence of Entrepreneurship Competence on the performance of culinary MSMEs in the city of Bandung is significant, with a t-statistic value of 13.648 greater than t table or 13.648 > 1.96, and a p-value of 0.000 less than alpha 5% (0.05). Thus, H0 is rejected, meaning that Entrepreneurship Competence influences the performance of culinary MSMEs in the city of Bandung.

The Effect of Innovation on the Performance of Culinary MSMEs in the City of Bandung

Table 2. The Path Coefficient and t-count of the Effect of Innovation on the Performance of Culinary MSMEs in the City of Bandung

	Original Sample **(O)**	**t-Statistik**	*p-value*	**Conclusion**
Innovation on the Performance of Culinary MSMEs in the City of Bandung	0,365	6,451	0,000	Accept H_0

Source: Data Processing (2022)

From the results of Table 2 above, the Original Sample (O) value is 0.365 which indicates that the direction of influence of Innovation on the Performance of Culinary MSMEs in the City of Bandung is positive or unidirectional, meaning that if the Innovation is getting better, the Performance of Culinary MSMEs in the City of Bandung will increase. The effect of innovation on the performance of culinary MSMEs in the city of Bandung is significant, with a t-statistic value of 6.451 greater than t table or 6.451 > 1.96, and a p value of 0.000 less than alpha 5% (0.05). Thus, H1 is accepted, meaning that innovation influences the performance of Culinary MSMEs in the city of Bandung.

The Effect of Knowledge Management on the Performance of Culinary MSMEs in the City of Bandung

Table 3. Path Coefficients and t-calculate the Influence of Knowledge Management on the Performance of Culinary MSMEs in the City of Bandung

	Original Sample **(O)**	**t-Statistik**	*p-value*	**Conclusion**
Knowledge Management on the Performance of Culinary MSMEs in the City of Bandung	0,074	1,992	0,047	Accept H_0

Source: Data Processing (2022)

From the results of Table 3 above, it is obtained that the Original Sample (O) value is 0.074 which indicates that the direction of influence of Knowledge Management on the Performance of Culinary MSMEs in the City of Bandung is positive or unidirectional, meaning that if the Knowledge Management is getting better, the Performance of Culinary MSMEs in the City of Bandung will increase . The effect of Knowledge Management on the performance of culinary MSMEs in Bandung City is significant, with a t-statistic value of 1.992 greater than t table or 1.992 > 1.96, and a p value of 0.047 less than alpha 5% (0.05). Thus, H1 is accepted, meaning that Knowledge Management influences the performance of Culinary MSMEs in the city of Bandung.

The Effect of Entrepreneurship Competence on the Performance of Culinary MSMEs in the City of Bandung mediated by Knowledge Management

Table 4. Path Coefficients and t-calculate the Effect of Entrepreneurship Competence on the Performance of Culinary MSMEs in **the City of Bandung M**oderated by Knowledge Management

	Original Sample **(O)**	**t-Statistik**	*p-value*	**Conclusion**
Entrepreneurship Competence on the Performance of Culinary MSMEs in the City of Bandung moderated by Knowledge Management	0,004	0,624	0,533	Accept H_0

Source: Data Processing (2022)

From the results of Table 4 above, it is obtained that the Original Sample (O) value is 0.004 indicating that the direction of influence of Entrepreneurship Competence on the Performance of Culinary MSMEs in Bandung City mediated by

Knowledge Management is Positive or in other words Knowledge Management strengthens the influence of Entrepreneurship Competence on Culinary MSME Performance in the city of Bandung. The influence of Entrepreneurship Competence on MSME Performance in Cimahi City mediated by Knowledge Management is not significant, with a t-statistic value of 0.624 which is smaller than t table or 0.624 <1.96, and a p-value of 0.533 which is greater than alpha 5% (0.05). Thus, H1 is rejected, meaning that Entrepreneurship Competence has no effect on the performance of culinary MSMEs in the city of Bandung mediated by Knowledge Management, with a weakening nature of mediation.

The Influence of Innovation on the Performance of Culinary MSMEs in the City of Bandung mediated by Knowledge Management

Table 5. Path Coefficients and t-calculate the effect of Innovation on the Performance of Culinary MSMEs in the City of Bandung moderated by Knowledge Management

	Original Sample **(O)**	**t-Statistik**	*p-value*	**Conclusion**
Innovation on the Performance of Culinary MSMEs in the City of Bandung moderated by Knowledge Management	0,011	1,202	0,203	Accept H0

Source: Data Processing (2022)

From the results of Table 5 above, it is obtained that the Original Sample (O) value is 0.004 indicating that the direction of influence of Innovation on the Performance of Culinary MSMEs in the City of Bandung mediated by Knowledge Management is Positive or in other words the Effectiveness of Knowledge Management strengthens the influence of Innovation on the Performance of Culinary MSMEs in Bandung. The effect of innovation on MSME performance in Cimahi City mediated by Knowledge Management is not significant, with a t-statistic value of 0.203 which is less than t table or 0.203 <1.96, and a p-value of 0.203 which is greater than alpha 5% (0 , 05). Thus, H1 is rejected, meaning that innovation has no effect on the performance of culinary MSMEs in the city of Bandung mediated by Knowledge Management, with a weakening nature of mediation.

CONCLUSIONS
Conclusions
Based on the results of the research and discussion that has been carried out, the conclusions that can be drawn are as follows:
1. Entrepreneurship competence influences the performance of Culinary MSMEs in the city of Bandung;
2. Innovation Competence influences the performance of Culinary MSMEs in the City of Bandung;
3. Knowledge Management influences the performance of culinary MSMEs in the city of Bandung;
4. Entrepreneurship competence has no effect on the performance of culinary MSMEs in the city of Bandung mediated by Knowledge Management, with a weakening nature of mediation.
5. Innovation has no effect on the performance of culinary MSMEs in the city of Bandung mediated by Knowledge Management, with a weakening nature of mediation.

Recommendations
In the current condition, culinary MSMEs in Bandung already have quite good entrepreneurship and innovation competencies, do not require intense assistance to increase MSME performance, based on information in the field, the conditions currently experienced by MSME actors only need encouragement to motivate MSME actors.

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