

Green Mindset among Micro and Small Medium Enterprises (MSME's): Case on Creative Industry in Bandung City, Indonesia

Sarah Jehan Aqilah Sugiarto¹, Achmad Fajar Hendarman²
(School of Business Management, Bandung Institute of Technology, Indonesia)
**Corresponding Author: Sarah Jehan Aqilah Sugiarto¹*

ABSTRACT : *This research aims to present a comprehensive description of the green mindset level among workforce in MSME's creative industry sector. As a result of the level stage, a workforce readiness map for implementing a green mindset in Bandung's MSME creative industry sector is being designed. To demonstrate the readiness relativity between indicators, the collected data will be examined using the Human Development Index (HDI) formula. This research was carried out using a mix of quantitative and qualitative data analysis with 300 sample. The mapping stage on green mindset result includes showing Moderate and Low level for Micro and Small Enterprises in each dimension. Medium Enterprises are currently performing poorly across all dimensions. According to the Knowledge, Attitude, Hard skill, and Soft skill factors HDI scores that range from 0.21 to 0.51. Meaning, the MSMEs in the creative sector in Bandung city have not been fully optimal in implementing Green Mindset. Human capital management implementation on MSME's scale is the suggested solution in this research.*

KEYWORDS - *Green Mindset, MSME's Creative Industry, Human Capital Management, Indonesia*

I. INTRODUCTION

Global concern has grown regarding the Sustainable Development Goals (SDGs). Through the promotion of low-carbon growth and a circular economy, the Indonesian government is stepping up its pledges and activities to solve economic, social, and environmental challenges. The circular economy, according to the Ministry of National Development Plan, is a major force behind Indonesia's efforts to reform its economy, particularly by promoting the green economy and supporting initiatives for the SDGs (i.e., The Ministry of Development Planning of Indonesia, 2021). As opposed to business as usual, it is thought that the circular economy can lead to stronger green economic growth.

The data from ministry of development plan in Indonesia, shows In 2018, there were close to 64 million MSMEs in Indonesia, employing approximately 61 million people. In 2017 MSMEs also contributed nearly 60% to Indonesia's GDP (i.e., The Ministry of Development Planning of Indonesia, 2021). Since they are more likely to be located close to the end user than large businesses, MSMEs are better positioned to adapt circular business models that call for decentralized production processes, such as those that are focused on reusing, recycling, or repurposing resources locally. Bandung city as known as a creative city has a big contribution regarding creative industry. According to the Ministry of Tourism and Creative Economy Indonesia, creative industry in Indonesia divided into 17 sub - sector: Game Developer, Craft, Interior design, Music, Fine arts, Design product, Fashion, Culinary, Film/Video & Animation, Photography, Visual Communication Design, Television & Radio, Architecture, Advertising, Performing arts, publishing company, and last App developer. From the 17 sub sectors of creative industry, in fact, the creative industry also has similarities and intersections with the 5 main sectors, that have potential to adopt a circular approach, which is F&B, textile, construction, wholesale & retail, and electrical & electronic equipment.

Three major, interrelated problems that mankind is presently facing are referred to as the "triple planetary crisis". Which is climate change, waste & pollution and nature & biodiversity loss. All three of these challenges are also caused by business process and demand solution as soon as possible.

In conclusion, Indonesia's MSME's could also play a key role in supporting the economic transition. The human resource's competency to perform the business job must also be taken into consideration in order to accomplish economic transformation. All employees involved in the business process should already be aware of the objectives of the company and possess the necessary knowledge, hard skills, soft skills, and attitude. In this case, to supporting the circular economy practices, human resources expected to have a very optimal Green mindset as a bottom line to the intention and the action on their business activities. The green mind set plays a role in providing encouragement and influencing individual and organizational green behavior, environmentally friendly community culture, as well as concern in the use of environmentally friendly technology.

II. LITERATURE AND RESEARCH FRAMEWORK

II.1 Green Economy through Circular Economy

United Nation Environmental Program (UNEP) stated, green economy is defined as low carbon, resource efficient and socially inclusive. The Circular Economy are believed can increase higher green economic growth compared to the business as usual. According to the Ministry of National Development Plan, the circular economy is also one of the drivers for Indonesia towards economic transformation, in particular supporting the green economy and support sustainable development goals strategies (i.e., The Ministry of Development Planning of Indonesia, 2021). Alongside, Mercer on 2021 publish a circular economy discussion paper for investor, stating a circular economic approach is based on three key principles: designing waste and pollution out from economic activity, keeping products and their materials in use and at their highest value for as long as possible, regenerating natural and social systems (i.e., Mercer,2021). A circular economy is more than just an opportunity for Indonesia to reduce waste and improve the environment. Like governments around the world, Indonesian policymakers are seeking to support the economic recovery from the COVID-19 pandemic. By creating new job opportunities, making supply chains more resilient, and providing business opportunities (particularly for Micro, Small and Medium Enterprises), a circular economy can be a key component of Indonesia's economic recovery. After post Pandemic covid-19, The Ministry of Development Planning of Indonesia updated a circular approach comprises into 5 R's that embraces a broad set of interventions across all economic sectors, and activities focused on the 5Rs: Reduce, Reuse, Recycle, Refurbish, and Renew. In order to make the circular economy roadmap works optimally, there are 4 supporting factors: awareness raising , mindset shifting, capacity building and last, stakeholders commitments. In terms of Mindset shifting, Green Mindset is brought up to the surface for this issue. An ideal green mindset for human resources might be a solid basis for developing the capacity to support the circular economy.

II.2 Mindset Theory using Rubicon Model of Action Phases

Anja Achziger & Peter M. Gollwitzer (1987) state, a re-conception of the conventional idea of motivation has been sparked by the development of the Rubicon Model of Action Phases and its accompanying Mind Set Theory. The mind-set theory related to the Rubicon model also proved to have significant conceptual sway. The motivational and action phases have distinct limits that are defined by the Rubicon model of psychology. The line separating an action's beginning and end is another boundary. In accordance with the Rubicon model, every activity has a similar point beyond which there is no turning back, marking the transition from goal setting to goal seeking . The two different ways of thinking in this concept, which is dubbed a "action mentality," are:

Deliberate Mindset : This mindset is associated with the pre-decisional phase. It emerges when people start to think about unresolved personal problem that is still a wish or desire, and still thinking about the pros & cons that the decision should realize it or not.

Implemental Mindset: This mindset is associated with the post-decisional phase. It emerges when people start to planning the step they want to take to actually realize the chosen goal. This plans specify when, where, and how to execute each of these step.

Successful goal pursuit is defined by mindset theory of action phases as a seamless progression through the four sequential but unique action phases proposed by the Rubicon model. Moreover, because of their trans-situational stability, inducing action-phase-related mindsets can be used to instigate behavior change (i.e., Gollwitzer, 2012; Gollwitzer & Keller, 2016). Making a goal decision has striking consequences for both information search and information processing. Before a decision to strive for a given goal is made, individuals need to process all available information in a relatively accurate manner with regard to both the feasibility and the desirability of striving for this goal (i.e., Gollwitzer, 2012).

Competency improvement goals intersect with how employees change their mindsets, preferred skills, and attitudes to meet the goals in order to do a mindset shift toward a green mentality. This claim is backed up by earlier studies on people competency. Competency is the ability of each individual that covers aspects of knowledge, skill and working attitude accordance with established standards (i.e., Hendarman & Pangestu, 2019). Competency and a person's ability to perform an action are closely related. The objectives of capacity building are described as the enhancement of workforce knowledge, attitude, and skills for achieving short- and long-term goals on an organizational as well as a personal level.

This research will combine the aspect of Rubicon model of mindset and indicators of competency as a basis of this research. which is describe into:

Knowledge includes a performance-oriented intellectual capital through action with a classification of knowledge in the form of tacit or explicit knowledge, and special or general knowledge.

1. Attitude, behavior based on conscious and unconscious mental views, is developed cumulatively through experience and as a tendency to perceive certain objects or behaviors as liked or disliked (i.e., Hendarman & Cantner, 2018)
 2. Soft skills are skills both internally and interpersonally, which are needed for individual development, social participation and success in the workplace. These skills include how to manage relationships with other people (i.e., Hendarman & Cantner, 2018).
 3. Hard skills are technical skills these skills include intellectual activities such as thinking, reasoning or remembering and are influenced by individual IQ (i.e., Hendarman & Cantner, 2018).
- So this research, are trying to measure the level of deliberate mindset and implemental mindset and finding if there is any significant gap as the rubicon area towards this two aspects. The objective is to specify the developmental stages of Bandung's MSME creative industry with relation to the Green Mindset idea to modify the competency and Rubicon models.

II.3 Human Development Index

Further analysed to identify the gap through HDI formula. Through their skills, knowledge, and competence, employees add value to the business, which is measured by the human capital index (i.e., World Bank, 2017). The formula is meant to measure all the variables by identifying the gap and result the state index based on the calculated gaps at the end. The HDI formula, are follows:

$$\text{Dimension index} = \frac{\text{Actual value of the indicator} - \text{Minimum value}}{\text{Maximum value} - \text{Minimum value}}$$

III. DATA COLLECTION METHOD

To gain the collective data, this research will conduct a survey for MSME's in creative industry in Bandung city. Likert scale used in the questionnaire. Since there is currently no available statistical information that shows how many micro, small, and medium-sized businesses are employed in the creative sector in Bandung. The the population of this research projected as infinite. This research will refer to Cochran formula, to projected the sample size. The Cochran (1977) formula allows to calculate an ideal sample size given a desired level of precision, desired confidence level, and the estimated proportion of the attribute present in the population (i.e., Barlett, 2001).

$$n_0 = \frac{Z^2 pq}{e^2}$$

This research used 5% margin of error, 90% confidence level, 50% standard deviation (maximum variability), so the minimum number of respondents were:

$$n_0 = \frac{(1.64)^2 \cdot (0.5) \cdot (0.5)}{(0.05)^2} = 268 \approx 300 \text{ respondents}$$

The research approaching 300 workforce among Micro Small Medium Enterprises creative industry in Bandung city which include 17 subsector to fulfill the research objectives. In this research, the variable is deliberative dimension and implemental dimension, where knowledge, attitude, hard skill and soft skill are the factors. The summary of all core variables in the questionnaire are presented by Table:

Table 1 Summary of all variables in the Questionnaire

Variable	Factors	Code	Statement
Deliberative	Knowledge	K1	I understand the need to protect the environment.
	Knowledge	K2	I know about the SDG's, Green Economy and Circular Economy.
	Knowledge	K3	I am familiar with 5 R (Recycle, Reuse, Reduce, Refurbish, Renew).
	knowledge	K4	I understand the relationship between environmental issues and running a business.
	Attitude	A1	In the office setting, I am sure I can act with environmental consideration.

	Attitude	A2	I personally have a goal to make a positive impact on the environment.
	Attitude	A3	Personally, I pursue my purpose to protecting the environment in the context of my current business.
	Knowledge	K5	I understand the purpose of supporting circular economy that supports the government's Sustainable Development Goals.
	Knowledge	K6	I understand the urgency of running MSMEs that support green economy and circular economy in Indonesia.
	Knowledge	K7	I understand the challenges and obstacles that will be faced when running an MSME business that emphasizes environmental and social aspects.
	knowledge	K8	I understand what positive impacts MSMEs will get if they run a business that emphasizes environmental and social aspects.
	Attitude	A4	I believe MSMEs that act environmentally friendly, will affect the company's performance in terms of financial, competitive level and reputation.
	Attitude	A5	I feel I have a responsibility to take part in circular economy program in Indonesia
	Attitude	A6	In my personal opinion, the right time to start making changes to the business you are currently undertaking in order to support a circular economy by demonstrating green behavior is now.
	Attitude	A7	I have a strong intention in implementing MSMEs that have a positive impact on the environment and social
Implemental	Hard skill	H1	Right now, I realize that I have made a positive environmental and social impact with my current job.
	Soft skill	S1	I understand business practices that implement a circular economy that can increase green economy growth.
	Hard skill	H2	As a result of the company, I am now more conscious of my activities' good effects on the environment and preservation of the natural world.
	Hard skill	H3	I took the initiative in making company rules for employees to act environmentally friendly in the work environment (example: bring their own drinking bottles, save electricity & water use, use waste paper).
	Hard skill	H4	I took the initiative to the MSME where I work to choose wisely the raw materials, or content used in making the company's products in order to maintain the balance of nature, support environmental sustainability and have a positive impact on society.
	Hard skill	H5	I took the initiative to the MSME where I work to produce products that have the value of protecting the environment and have a positive social impact.
	Hard skill	H6	I took the initiative to the MSME where I work to produce services that remain on the values of protecting the environment and have a positive social impact.
	Hard skill	H7	I took initiatives to the MSME where I work to implementing 5R (Recycle, Reuse, Reduce, Refurbish, Renew)
	Hard skill	H8	I am willing to take part in training/workshops held by the MSME where I work, related to environmental preservation and business in the industrial sector
		Soft skill	S2

Soft skill	S3	a systematic and sustainable business strategy.
Soft skill	S4	I am determined to make innovations related to sustainable entrepreneurship
Soft skill	S5	I am confident, the efforts I am making in protecting the environment at this time in my work are helping the MSMEs where I work contribute to advancing MSMEs in the city of Bandung.
Soft skill	S6	In my personal opinion, the MSME's company where I work has optimally adopt 5R in the business project.
Soft skill	S7	In my personal opinion, all the employees where I work are currently optimal in preserving the natural environment and society.
Soft skill	S7	In my personal opinion, the MSME company where I work has acted optimally to contribute on Sustainable Development Goals (SDG's).

IV. RESEARCH AND DISCUSSION

IV.1 Validity Result Analysis

The finding of this result shows, the data are from comparing the value of the calculated r_{count} and the r_{table} by having the acquired size of sample of 300 respondents, the value of r_{table} according to Pearson Correlation Table for the size of sample with 5% level of significant, will be 0,113. The validity result of 30 items including current and expected conditions questionnaire all shown $> 0,113$. Which means, **all items are Valid**.

IV.2 Reliability Result Analysis

Using the Cronbach's alpha method as the approach for the reliability test. According to previous research, this method has its own range of measure between 0.70 and upper is indicated to be adequate reliable (Taber, 2018). The result for each construct's reliability test, shown bellows:

$$r_{11} = \left(\frac{k}{k-1} \right) \left(1 - \frac{\sum \sigma_b^2}{\sigma_t^2} \right)$$

Table 2 Summary of Reliability

Reliability For mula	Current Condition	Expected Condition
r_{11}	0.969	0.963
>0.7	Reliable	Reliable
Reliable Status	Excellent	Excellent
	Reliability	Reliability

Result of the Questionnaire

IV.3 Green Mindset Result Based on Demography Category

After calculating the data form questionnaire of current condition as an actual overview of Green Mindset among the respondents. The result shows, both for female and male category there's no significant differentiation. Both are in the same status which is in moderate level.

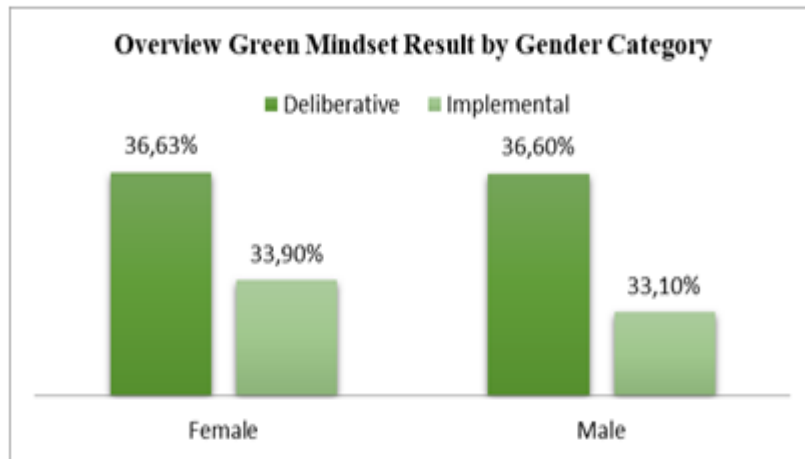


Fig. 1 Overview Green Mindset Result by Gender Category

Table 3 Summary of Green Mindset Result by Gender Category

Deliberative Dimension						
Gender	N	Min Score	Max Score	St. Dev	Avg Total (%)	Level
Female	149	25	75	11.31	36.63%	Moderate
Male	151	25	75	11.64	36.60%	Moderate
Implemental Dimension						
Gender	N	Min Score	Max Score	St. Dev	Avg Total (%)	Level
Female	149	18	75	14.33	33.90%	Moderate
Male	151	18	75	14.61	33.10%	Moderate

The next category, is age category. The age category divides into 3 generations. Respondents of this research are 125 from gen Z, 109 from gen Y, and 66 form gen X. It demonstrates that there is a very large amount of difference between the respondent amounts for this category.

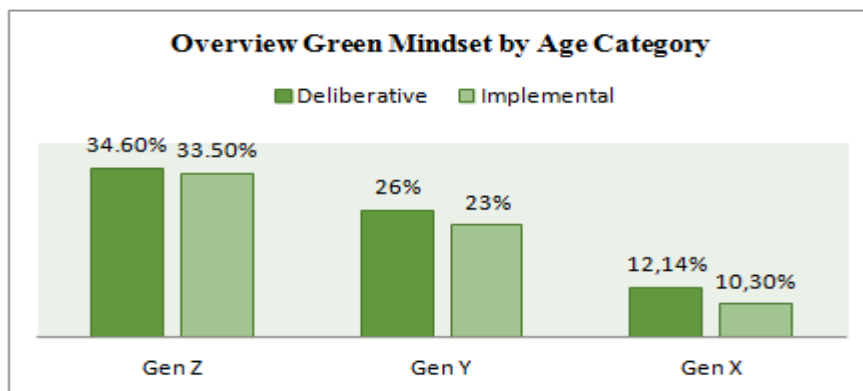


Fig. 2 Green Mindset Result by Gender Category

Table 4 Summary of Green Mindset Result by Age Category

Deliberative Dimension						
Age	N	Min Score	Max Score	St. Dev	Avg Total (%)	Level
Gen Z	125	37	75	8.52	34.60%	Moderate
Gen Y	109	35	75	7.70	26.00%	Moderate
Gen X	66	25	64	9.06	12.14%	Low
Implemental Dimension						
Age	N	Min Score	Max Score	St. Dev	Avg Total (%)	Level
Gen Z	125	33	75	10.76	33.50%	Moderate
Gen Y	109	21	71	11.17	23.00%	Low
Gen X	66	18	69	10.20	10.30%	Low

IV. 4 Overview of Green Mindset among MSME's creative industry

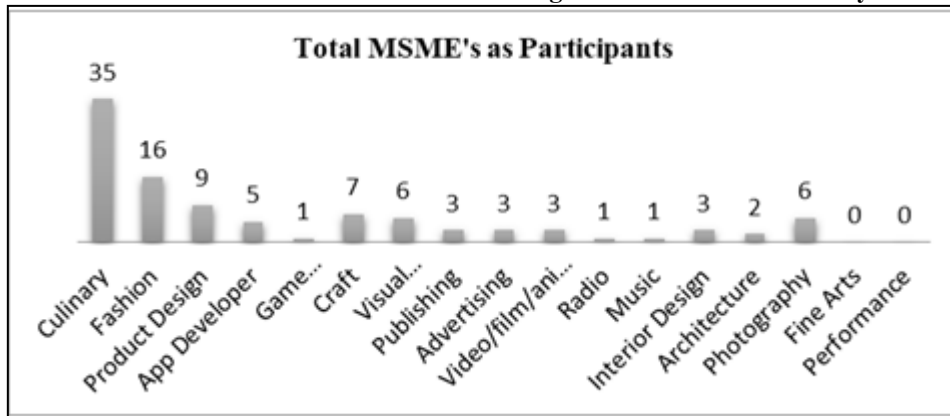


Fig. 3 Total MSME's as Participants for This Research

This research gather 100 MSME's from 17 sub sector of creative industry. After calculating the data form questionnaire of current condition as an actual overview of Green Mindset among the respondents. The result shows, for deliberative dimension just medium enterprises shows in low level, and the others are on "moderate" level. In the other hand, for implemental dimension its shows that all SMSE's are on "low" level.

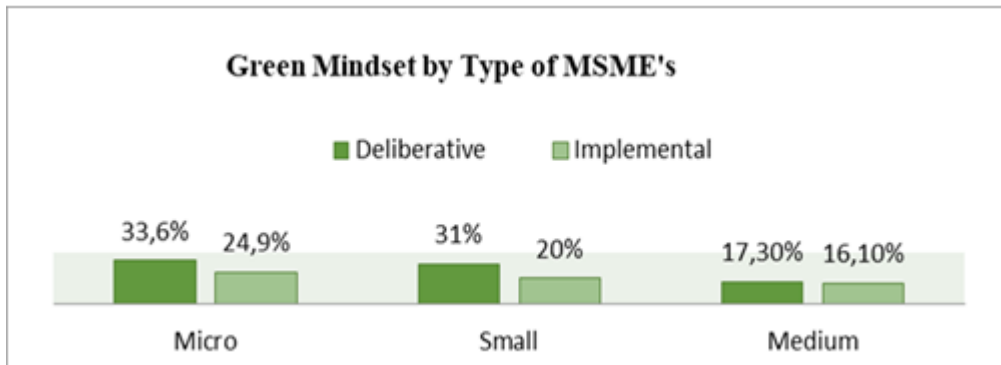


Fig. 4 Green Mindset by Type of MSME's

Table 5 Summary of Green Mindset Result by Type of Category

Deliberative Dimension						
MSME's	N	Min Score	Max Score	St. Dev	Avrg Total (%)	Level
Micro	141	25	75	12.40	33.60%	Moderate
Small	92	29	75	9.98	30.70%	Moderate
Medium	67	31	75	9.04	17.30%	Low
Implemental Dimension						
MSME's	N	Min Score	Max Score	St. Dev	Avrg Total (%)	Level
Micro	141	18	75	9.15	24.90%	Low
Small	92	21	75	13.60	20.20%	Low
Medium	67	24	75	11.96	16.10%	Low

Table 6 Summary of Green Mindset Respondents Distribution

Type of MSME's	Creative industry Sub sector	N	Category of Gender		Category of Age		
			Female	Male	Gen Z	Gen Y	Gen X
Micro	Fashion, Culinary, Craft, App Developer, Product Design, Game Developer, Visual Communication Design, Photography, Music, Advertising, Video & Animation.	141 (47%)	77	64	66	65	10
Small	Culinary, Product Design, Fashion, Video & Animation, Advertising, Architecture, Interior Design, Visual Communication Design, App Developer.	92 (31%)	42	50	45	25	22
Medium	Radio, Fashion, Visual Communication Design, Product Design, Publishing, Architecture, Interior Design, Video & Animation, Culinary.	67 (22%)	30	38	14	19	34
Total		300	149	151	125	109	66

The result of the green mindset mapping got validate from 3 MSME's owner of the 3 main sectors on circular economy, which is food and beverage, fashion, and construction. In conclusion, the owner from food & beverage responds, for their business model they already applying waste management, choosing pest-free vegetables, provide hygienic service to customer. On the other hand, the owner of fashion MSME's state, they already produce their material with more sustainable source so the waste from production process are much more controlled. They both state, the scale of the enterprises are also became a factor, because when its small it much more easy to monitoring the business.

Meanwhile, the owner of MSME's on construction sector from architecture and interior design, said the other thing. They think the one who already implement the green mindset is only the architect and the designer towards their works, but its hard to get the bigger picture of how the construction workers behave or applying this mindset. In the assumption majority of them are gen X and not well educated towards economic transformation in Indonesia. In conclusion, age and the size scale of the enterprises really took a big role towards the result.

IV.5 Green Mindset Readiness GAP Analysis

Once survey data are received, the readiness gap is determined by deducting the predicted state from the actual state. Based on the processed data, the following is the result of processing the gap data that the researchers gathered by distributing questionnaires to 300 respondents among MSME's creative industry in Bandung. The next step is to identify the factor level gap. In this case, each component of the factor will be determined using the HDI algorithm. This also holds true for the computation of the conditional probabilities for the factor. As described from the table below:

Table 7 HDI Calculation of Green Mindset among MSME's Creative Industry

Factors	Current Value	Expected Value	GAP	HDI	Status
Knowledge	4.03	4.09	0.06	0.21	Receptive
Attitude	4.03	4.06	0.03	0.34	Receptive
Hard Skills	3.99	4.00	0.01	0.50	Ready
Soft Skills	3.98	3.99	0.01	0.51	Ready

Criteria to interpret HDI data as follow:

Table 8 HDI Score Interpretation (Hendarman, 2020)

Range	Level
0.00 – 0.20	Optimal
0.21 – 0.40	Receptive
0.41 – 0.60	Ready
0.61 – 0.80	Early Stage of Ready
0.81 – 1.00	Not Ready

The data shown that the majority sampling are from gen Z and gen Y in total 234 respondents around 78% of the total sampling, who are already in the level of moderate for deliberative dimension, and Moderate and low for implemental dimension. For deliberative dimension its include the knowledge and attitude factors, meanwhile the implemental dimension include hard skill and soft skill. The respective stage for knowledge and attitude are reflect the deliberative dimension, meanwhile the ready stage for hard skill and soft skill are reflected the implemental dimension. The HDI results shows these two dimensions have inequality. In terms to achieve the optimal level, the respondents still need to improve.

The manager of Institute for Innovation development and entrepreneurship ITB (LPIK ITB), response the result of this research by stating they agree by measurements and classify the sample by MSME's sized. For the enterprises where consist of workforce not anymore in their young age, it is very possible if the result are on the low level even though the sized of the MSME is bigger than the others. Because the enterprise scale are not guaranteed that they are in the moderate or high level regarding the green mindset. To see how ready they are to implementing the green mindset, ready and receptive stage is quite satisfying even though it's long way to go up to the optimal stage. From here, the result of HDI calculation it is possible to happened because the data are not being categorized and from the distribution it is clear that the younger age are the majority sample.

It is in line with the characteristic of gen Z and Gen Y. Generation Z is the youngest generation who just entered labor force, they are smart and easy to catch information quickly. More likes social activities, care about environment, prefer in start-up company, easy affected by environment and like space to develop. Meanwhile, Gen Y is more open in political and economic views so they look very reactive to change that occurs around them (i.e., Kupperschmidt, 2000).

V. BUSINESS SOLUTION

Human capital management as a solution here for the MSME's in creative industry sector. This solution helps to dig in one of the crucial business issue on sustainability by improving their human capital management. The details follow below:

1. Organization management (Vision & Mission).
 - 1.1 Because of MSME's regularly classify into a small scale business. Company vision & mission can be replace into "goals" that are well communicated by the owner to their employee. If the owner of MSME's committed to support green economy through circular economy, and crate some of company goals in lined with that, the necessary skill that needed is how to communicate it well and clearly to their employee. So all the workforce in the MSME's has the same goal.
 - 1.2 Implementing the green mindset towards creating vision & mission, also will leading into organization culture. So the socio-entrepreneurship can be done optimally.
2. Performance management (Focus on process & employee).

Even though MSME's didn't have sort of KPI, evaluating the business plan and creating the business model is still required. In this case if MSME's decided to support circular economy the step that can be done is simple monitoring the business process, from business planning, production until marketing to sale the product, is it in line with the circular economy or not. Ex: choose resources that are less destructive impact, using sustainable packaging as a campaign that increase sale. The evaluation also can be done simply by doing an FGD for all the employee that can be done in the final quarter.
3. Employee Development
 - 3.1 Competencies management : For MSME's that planning to do a recruitment, it is better to arrange job description and define a specific competency that in lined with company needs and goals to support SDG's. Recruiter can dig in deeply to know how far the awareness job talent into sustainability issue on interview session.
 - 3.2 Individual development plan : For Small and Medium Enterprises that already had an employee. It is necessary to mapping their talent, using the green mindset as the basis to classify the employee in terms find the most competent human resource to create business innovation that support SDG's. Also the other hand, it could help classify the talent, which one should start to increase the intention or which one should educated more.
 - 3.3 Training: Even though MSME's limited with human resources. Training to giving employee awareness, knowledge, and improve either hard skill or soft skill is needed. Training are a solution to educate

the workforce. To increase the green mindset to become optimally develop on every human resources that involves in MSME's a simple and fun training could conduct by the owner or third parties.

4. Company Relation

4.1 Industry relation : The most challenging part on adopting circular economy is to implement 5Rs optimally in the Business process, but because MSME's are very limited on human resources, and limited in funding the circular process can be done by partnering with third parties, that are competent on that field. This third parties, could be partner from the government as a solution to get good waste management with budget. Example: waste management partnering with Bank and Mall Waste (Bank & Mall *Sampah*).

4.2 Employee relation : When the organization also implementing the green mindset in the office environment, they are also creating the eco-industry environment for the community. Example: they aware to minimize the electricity, they aware to minimum the emission to go to the office, etc. This action would leading into organization culture.

VI. CONCLUSION

The result for gender category, there is no significant difference for both gender. The other hand, for gender category Gen X has the lowest score which is on the "low" level for both dimension. Followed by Gen Y, and Gen Z for the highest Score, "moderate" level on deliberative and "moderate" level on implemental dimension. For enterprise's category, medium enterprises has the lowest score, which is "low" level for both dimension. The other hand, micro and small enterprises show on moderate level of deliberative dimension and and low level at the implemental dimension. The readiness among workforce in MSME's creative industry in Bandung city to adapt and implement Green Mindset shows "Receptive" in knowledge and attitude factors and "Ready" on hard skill and soft skill factors. That show, there is still a gap to achieve the optimal stage.

The result of mapping stage on green mindset and overview on the readiness, happened because the amount of respondent from Gen Z and Y of medium enterprises are significant less (only around 22 %) rather than the micro and small enterprises. In micro and small enterprises its consist of gen Z and gen Y around of 78% of the total sample. In conclusion, for this research the type of enterprises are not giving a guarantee of high measurement level in green mindset, but respondents age category are significantly give the effects on green mindset level.

The business solution is an effort to fulfill the gap between the mindset dimension, and also a recommendation for human capital management in MSME's scale. The solution focusing on Organization management, performance management, employee development, employee relation and industry relation. For the owner or founder of MSME's, this research could giving a strategy to develop their workforce through human capital management on MSME's scale. This research also could give an advice on creating business model that support SDG's and green economy towards circular economy practice. On the other hand, for the government this research could contribute to give a brief overview on Green Mindset profile among MSME's creative industry in Bandung city. Even though, right now government program towards this issue are targeting the young people, the government should come into new innovation that the older generations are still give contribution on of economic growth, so it is necessary to ensure them well educated to this economic transition.

REFERENCES

- [1]. The Ministry of Development Planning of Indonesia, *Green Economy Index: A Step Forward To Measure The Progress Of Low Carbon & Green Economy In Indonesia*. (BAPPENAS RI: Jakarta, 2021).
- [2]. The Ministry of Development Planning of Indonesia. *The Economic, Social, and Environmental Benefits of Circular Economy In Indonesia*. (BAPPENAS RI : Jakarta, 2021).
- [3]. Mercer. *Regenerate & Restore: A circular economy discussion paper for investor.*(IGCC & Mercer: Australia, 2021).
- [4]. P.M., Gollwitzer & C. U. Bayer .Deliberative versus Implemental Mindset In the Control Of Action. *Journal Personality and Social Psychology*.P. 403-420 . London: SAGE
- [5]. Gollwitzer, P. M. (2012). Mindset theory of action phases. In P. Van Lange, A. W. Kruglanski, & E. T. Higgins (Eds.), *Handbook of Theories of Social Psychology, 2012*, pp. 526–54. London: SAGE
- [6]. A. F Hendarman., A. B Pangestu., *Manajemen Modal Insani Kontemporer* (Bandung,2019).
- [7]. A. F., Hendarman., U. Cantner, Soft skills, hard skills, and individual innovativeness, *Eurasian Business Review, 2018.*, 8(2), pp. 139-169.
- [8]. World Bank. *The World Bank*. Retrieved from *Human Capital Index and Components*, 2017. <https://www.worldbank.org/en/data/interactive/2018/10/18/human-capital-index-and-components-2017>
- [9]. E. J., Bartlett, W., J Kotrlik., & C., C Higgins. Organizational Research: Determining Appropriate Sample Size in Survey Research. *Information Technology, Learning, and Performance Journal.*, 2001, Vol. 19, No. 1.

- [10]. K.,Taber. The Use of Cronbach's Alpha When Developing and Reporting Research Instruments in Science Education. *Research in Science Education* volume 48, 2018 p. 1273–1296. 6.
- [11]. A. F., Hendarman, Sari, F.A., Reza, L.V.I, Damar, M.R, Handayani, M., Zefanya, S. Adinata, S.J.T., Parera, S.B. Human Capital Mapping For Industry 4.0: Gap and Index. *International Journal of Advanced Science and Technology*, Vol. 29, No.02. 2020. pp. 112-119.
- [12]. B. R. Kopperschmidt, Multigeneration employees : Strategies for effective management. *Health Care Manager*. 2000. 19 (1), 65-76.

***Corresponding Author: Sarah Jehan Aqilah Sugiarto¹**
¹(School of Business Management, Bandung Institute of Technology, Indonesia)