# Navigating Innovation in Women Entrepreneurship: The Integral Roles of Psychological Capital, Digital Literacy, and Work-Family Conflict

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### **ABSTRACT**

This study examines the impact of psychological capital and digital literacy on innovation in entrepreneurship while also considering the mediating function of work-family conflict. This study utilised a quantitative research approach and involved a sample of 240 female entrepreneurs aged 19 to 50. The researchers collected data through a questionnaire they created and evaluated it using the WarpPLS 7.0 program. The results demonstrate that psychological capital and digital literacy have a significant and beneficial influence on innovation in entrepreneurship. Furthermore, these two variables exhibit a substantial negative association with work-family conflict. Intriguingly, work-family conflict presents a significant adverse effect on innovation. Additionally, psychological capital indirectly influences innovation via work-family strife; however, this indirect effect is not observed with digital literacy. In conclusion, psychological capital and digital literacy are crucial to enhancing innovation among female entrepreneurs. However, the friction that arises from having two roles, known as work-family conflict, might hinder innovation. Therefore, it is crucial to adopt a comprehensive approach to assist female entrepreneurs in tackling these obstacles.

**Keywords:** Women's Entrepreneurship, Psychological Capital, Digital Literacy, Work-Family Conflict, Innovation.



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#### INTRODUCTION

The COVID-19 outbreak three years ago, especially in Indonesia, has affected the rapid shift in people's behaviour. The COVID-19 pandemic has influenced people to make behavioural changes to survive and improve their standard of living. Technological developments during the COVID-19 pandemic are also increasing, making it easier for humans to carry out all activities during large-scale restrictions due to COVID-19. The negative impact of COVID-19 due to distance restrictions to cut off the spread of the virus is that many companies have decided to reduce the number of employees. This means people affected by job cuts have to find solutions to survive and improve their standard of living, so when COVID-19 hit, many entrepreneurs took advantage of opportunities and began to take on the role of developing businesses. One of them is the initiation of female entrepreneurs; entrepreneurs are not only limited to men but many entrepreneurs from among women who start their businesses. The development of an increasingly advanced era demands women's participation, so the role of women is called "women's role in development." Development demands raise the notion of multiple roles or equal partners. This development creates a space that provides equality for women both individually and as components of society. Women entrepreneurs are involved in independent business decisions related to managing a business, identifying, developing, and bringing the vision to be innovative. Innovation is seen as a tool that can keep a company existing and achieve sustainable competitive advantages [1]. Innovation itself is the result of creativity [2]. However, innovation must also be done with the preparation and readiness of the business actors themselves. To overcome the possibility of these unwanted things happening, a business actor must have several things, one of which is psychological capital. An entrepreneur needs this psychological capital because it significantly influences his performance in developing his business [3][4]. In addition to psychological capital, what an entrepreneur needs is digital literacy.

Growing technological advances have given birth to many innovations and new ideas—valuable ideas to facilitate human communication and make it more effective. The ability to understand communication and information technology, or what is referred to as digital literacy, is essential. Digital literacy is the ability to access and process information from various forms of transmission, according to which this ability is not a separate ability from each other but a dimensional and continuum ability [5]. The development of digital media provides opportunities to increase online entrepreneurship, namely the birth of new jobs through digital media. However, according toBasha, women entrepreneurs have a dual societal role. The first is taking care of the household or function in the family, and the second is handling the business. One of the defining aspects of an entrepreneur is their ability to organise time and activities based on their plans and strategies [2]. Work-family conflict is when a person must simultaneously fulfil her work and family roles. Given the preceding background information, the study problem might be formulated as follows: Does psychological capital substantially impact entrepreneurship? Does digital

literacy have a considerable impact on innovation in entrepreneurship? Does psychological capital have a significant effect on work-family conflict? Does the conflict between work-family conflict substantially impact the level of innovation in entrepreneurship? Does psychological capital substantially influence creativity in entrepreneurship through work-family conflict? Does digital literacy considerably move creativity in entrepreneurship through work-family conflict? Multiple prior investigations have established a noteworthy link between influential variables. According to the testing hypothesis from Dimas, psychological capital on innovative work behaviour produces a significant influence [7].

The impact of economic literacy and digital literacy on entrepreneurial performance, both directly and indirectly through innovation, is in a causal relationship, and its influence is relatively low, as is the impact of the role of innovation mediation on entrepreneurial performance [9]. Based on analysis conducted in several previous studies, inconsistencies were found in the relationship between psychological capital variables, digital literacy, and innovation in entrepreneurship. Therefore, further research is needed to fill the gap. In this study, the work-family conflict variable was used as a mediating variable to fill the gap from previous research. These problems are the basis for each entitled "The Influence of Psychological Capital and Digital Literacy on Innovation in Entrepreneurship through Work-Family Conflict in Women Entrepreneurs." The use of problem limitation is employed to prevent deviations or broadening of the topic matter, ensuring that research remains focused and enabling discussion, ultimately leading to the achievement of research objectives. The limitations of this study are twofold: firstly, it focuses exclusively on women entrepreneurs in East Java, and secondly, it solely examines digital literacy in the context of digital marketing through social media platforms utilised by business actors.

#### LITERATURE REVIEW

#### **Psychological Capital**

Carrying out company operational activities requires skills and knowledge for a business owner, one of which is related to psychological capital. One of the studies and applications-oriented towards human resource strength and psychological capacities is how they are measured, developed, and effectively managed for performance improvement in the workplace [10]. Furthermore, psychological capital can be viewed as a resource that surpasses human capital, such as experience, knowledge, skills, abilities, and social capital, like relationships and network connections. The characteristics of building psychological capital influence one another, making this construct better measured. Psychological capital is open to change, indicating its flexibility and ongoing development. It centres on an individual's identity, encompassing knowledge, skills, technical abilities, and experiences. Psychological capital represents an approach characterised by dimensions optimising an individual's potential, benefiting

organisational performance [11][12]. Psychological capital is a positive psychological state of individuals that can be developed, including self-confidence, optimism, hope, and resilience [13]. In this study, the positive psychological state of women entrepreneurs can be created, which provides for believing in one's abilities and being optimistic about running a business.

## **Digital Literacy**

Digital literacy is not merely about reading capabilities but also comprehension with significance and understanding [14]. Digital literacy pertains to grasping, evaluating, and integrating information in various computer-presented formats, including critically assessing and interpreting it [1][15]. In this study, digital literacy possessed by a female entrepreneur was the ability to search for information. In addition, a female entrepreneur understands hypertext direction guidance when broadly searching for information for business development [16]. Psychological capital and digital literacy are essential for helping women entrepreneurs develop and improve their business management performance. The existence of psychological capital in women entrepreneurs can support digital literacy skills so that it has a positive influence. Reasonable psychological capital control and digital literacy for women entrepreneurs can help them control their multiple roles well outside their role as entrepreneurs.

# **Work-Family Conflict**

Work-family conflict represents a form of interrole conflict, the pressure or imbalance between positions at work and within the family [6]. This signifies a conflict between the demands of work and family roles that are mutually incongruent [17]. Work-family conflict is a role conflict experienced by nurses who must balance their hospital duties and family responsibilities, leading to challenges in distinguishing when work interferes with family and vice versa. Consequently, most time and attention are devoted to work, leaving limited time for family. According to [19], work-family conflict is a conflict between work roles interfering with familial responsibilities. A female entrepreneur in this study has conflicts in the family that affect the time spent running her business, and the demands given make it challenging to concentrate on business development due to pressure from the family [17]. In addition, women entrepreneurs get complaints from their families because of the business they are doing. It describes a situation where there's tension between two roles, work and family, that are unbalanced or conflicting.

## **Hypothesis**

The existing literature can be presented to support and propose hypotheses in research. Previous research has provided the evidence outlined in the current literature. There are three hypotheses proposed:

H<sub>1</sub>: Psychological Capital positively affects Work-Family Conflict.

H<sub>2</sub>: Digital Literacy positively affects Work-Family Conflict.

Developing its business to grow more rapidly, of course, requires entrepreneurship innovation. Entrepreneurship innovation is undoubtedly influenced by the ability and knowledge of digital literacy and good psychological capital, even though women entrepreneurs have work-family conflict factors. Asserts that entrepreneurship is a creative and innovative process that adds value to goods and services, creating competitive advantages. Innovation is a pivotal characteristic of entrepreneurship [20]. Innovation ensures company longevity amidst changing times, driving companies to adjust their offerings according to dynamic consumer needs. Maharani suggests that innovation is an endeavour pursued by companies to secure their future sustainability. Irfandy also defines innovation as the ability of individuals to innovate about products, innovations related to management or administration, continuum innovation, process innovation, engineering innovation, or innovations directly related to production. Candraningrat, entitled The Effect of Product Innovation, Information Quality, Process Innovation on the Operating Performance of Coffee Shop Companies in Yogyakarta, has two indicators: product innovation and process innovation. In addition, Khalili's research entitled Creativity and Innovation in Entrepreneurship has one hand listed, namely innovation. Innovation in this research consists of product innovation, process innovation, market innovation, engineering innovation and gradual innovation. According to the evidence outlined in the existing literature, there are four hypotheses proposed:

H<sub>3</sub>: Psychological Capital has a positive effect on Innovation in Entrepreneurship.

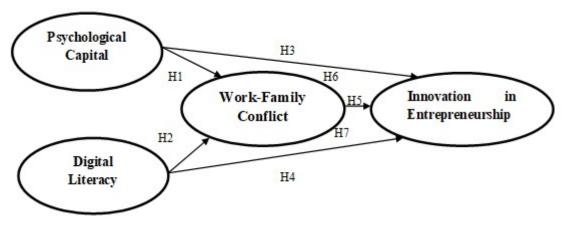
H<sub>4</sub>: Digital Literacy has a positive effect on Innovation in Entrepreneurship.

As for research conducted by Supana et. al. from the differences in the chosen research objects, inconsistencies were found in the research results on the influence of psychological capital, digital literacy and innovation in entrepreneurship [18]. It has raised gaps in previous studies. The existing literature can be presented to support and propose hypotheses in research. According to the evidence outlined in the current literature, there are four hypotheses proposed:

H<sub>5</sub>: Work-family conflict positively affects Innovation in Entrepreneurship.

H<sub>6</sub>: Work-family conflict mediates the influence of Psychological Capital on Innovation in Entrepreneurship.

H<sub>7</sub>: Work-Family Conflict in mediating the influence of Digital Literacy on Innovation in Entrepreneurship.



Source: Processed Primary Data, 2023

Figure 1. Conceptual Framework

## **RESEARCH METHODS**

This study employed a quantitative methodology, utilising primary data sources. The sampling technique in this study used purposeful random sampling procedures, namely sending questionnaires to respondents [24]. The distribution of questionnaires is closed. The distribution of questionnaires is carried out online and offline by giving questionnaires directly to respondents. While online, send and install a Google Form link on the survey platform, namely data. Id, and send it directly to several women entrepreneurs. This purposive random sampling technique was chosen because the study population comprised women entrepreneurs in East Java. The sample selected was 240 respondents in this study. The data collection instrument used to measure variables is a questionnaire. The purpose of this questionnaire is to contain question items as an elaboration of variable indicators [25]. The data analysis technique used is WarPLS 7.0. The characteristics of respondents to this study are grouped based on age, last education, length of business establishment, and number of respondents' employees. The following is a discussion of the conditions of each classification of respondents. Most respondents who own a business are 20-30 years, or 45.41%. Most respondents in this study were high school or vocational level graduates, as many as 110. The highest percentage of respondents in this study had a business that lasted between 2 and 3 years, with a portion of 48.75% and 117 respondents. The survey results indicate that most respondents, specifically 115 individuals, representing 47.91% of the total, reported no employees.

**Table 1. Sample Characteristics** 

Cl	haracteristic	Number of	Percentage	Characteristic	Number of	Percentage
		Respondents	(%)		Respondents	(%)
Age				Long Establish	ed Business	
_	≤19 years old	16	,6,66%	≤ 1 year	66	27,5%
-	20 – 30 years	109	45,41%	2-3 year	117	48,75%
	old					
_	31 – 50 years	97	40,41%	4 – 5 year	43	17,91%
	old			·		
-	≥50 years old	18	7,5%	>5 year	14	5,83%
Educa	ition			Number of Em	ployees	
-	SD	1	0,41%	No employees	115	47,91%
-	SMP/MTs	3	1,25%	1-2 people	89	37,08%
-	SMA/SMK	110	45,83%	3 – 4 people	31	12,91%
_	D1/D2/D3	53	22,08%	≥ 5 people	5	2,08%
_	S1	72	30%			
_	S3	1	0,41%			
~	1	_				

Source: data processed, 2023

## **RESULTS**

This study used the SEM-PLS data analysis technique using WarpPLS version 7.0, meaning the evaluation was done on the outer and inner models. The extreme model tests construct validity and reliability results [26]. This aims to determine the ability of an instrument in research to carry out validity testing, and measuring the consistency of measuring instruments of a research concept is needed for reliability testing[27]. Another convergent validity measurement is based on the Average Variance Extracted (AVE) value. The criteria that must be present or met is an AVE value of more than >0.50. The requirement is that the AVE value must exceed 0.50. The measurement findings are derived from each construct's average value (AVE).

Table 1. Displays Average Variances Extracted (AVE) Values

Average Variances Extracted (AVE)						
Latent Variabel AVE Value Criteria Information						
PC	0,568 >0,50 Fulfil convergent validity		Fulfil convergent validity			
LD	0,677	0,677 >0,50 Fulfil convergent validity				
WFC 0,610 >0,5		>0,50	Fulfil convergent validity			
IdB	0,549	>0,50	Fulfil convergent validity			

Source: data processed, 2023

All four constructs have demonstrated convergent validity, as indicated by their average variance extracted (AVE) values over 0.50. The five constructs are PC with a value of 0.568, LD with a value of 0.677, WFC with a value of 0.610 and IdB with a value of 0.549. The results conclude that all variables have met the criteria of convergent validity.

**Table 2. Cross Loadings Value** 

Indicator	PC	LD	WFC	IdB.
PC2	0,789	0.100	0.069	-0.155
PC3	0,822	0.110	0.252	-0.108
PC4	0,806	-0.095	0.141	-0.030
PC5	0,840	-0.099	0.217	0.031
PC6	0,805	-0.008	0.062	0.104
PC7	0,714	-0.127	-0.161	0.196
PC8	0,742	-0.022	0.023	0.006
PC9	0,753	0.031	-0.110	-0.046
PC10	0,748	-0.114	-0.124	-0.041
PC11	0,542	0.111	0.010	0.117
PC12	0,679	0.154	-0.502	-0.024
LD1	0.184	0,583	-0.031	0.007
LD2	-0.013	0,839	0.051	0.005
LD3	-0.010	0,757	-0.150	0.030
LD4	-0.091	0,863	-0.052	-0.047
LD5	-0.066	0,887	0.000	0.025
LD6	-0.047	0,877	0.058	-0.014
LD8	0.013	0,884	0.076	-0.014
WFC1	-0.039	-0.008	0,851	0.072
WFC2	0.102	-0.174	0,767	0.100
WFC3	0.078	-0.201	0,727	0.146
WFC4	0.102	-0.135	0,790	0.172
WFC5	-0.184	-0.019	0,842	0.074
WFC6	-0.056	-0.023	0,876	0.028
WFC7	-0.052	0.029	0,841	-0.054
WFC8	-0.035	0.032	0,811	-0.037
WFC9	0.006	0.186	0,695	-0.145
WFC10	0.150	0.132	0,749	-0.097
WFC11	0.079	0.168	0,727	-0.036
WFC12	0.099	0.262	0,739	-0.212
WFC13	-0.009	-0.145	0,744	-0.037
WFC14	-0.195	-0.077	0,749	-0.008
IdB1	0.118	-0.061	0.020	0,741
IdB2	0.151	-0.041	0.081	0,763
IdB3	0.104	-0.060	0.098	0,780
IdB4	0.210	-0.004	0.206	0,664
IdB5	0.157	-0.016	0.133	0,704
IdB6	-0.115	-0.010	-0.084	0,695
IdB7	-0.113	-0.096	-0.125	0,808
IdB8	-0.228	-0.017	-0.123	0,748
IdB9	-0.219	0.172	-0.099	0,760
IdB10				
10010	-0.020	0.163	-0.063	0,737

Source: data processed, 2023

All indicators comprising each variable in the study have satisfied the discriminant validity, as evidenced by the cross-loading values of the vulnerable variable ranging from 0.583 to 0.887, indicating

its validity. Composite reliability is the third component of the outer models. Composite reliability is evaluated by examining the coefficients of latent variables. Composite reliability and Cronbach's alpha are used to assess the outcomes. Composite dependability and Cronbach's alpha must exceed a threshold of 0.7 to be considered dependable.

**Table 3. Composite Reliability** 

Variable	Composite Reliability Value	Criteria	Information
Psychological Capital	0,935	>0,7	Reliable
Digital Literacy	0,943	>0,7	Reliable
Work-Family Conflict	0,956	>0,7	Reliable
Innovation in Entrepreneurship	0,924	>0,7	Reliable

Source: data processed, 2023

The results presented indicate the composite reliability values for each construct. Specifically, the construct of psychological capital has a value of 0.935, digital literacy has a value of 0.943, work-family conflict has a value of 0.956, and creativity in entrepreneurship has a value of 0.924. Furthermore, it is evident from this analysis that the composite reliability value of each construct surpasses the threshold of 0.7, indicating that they can be deemed dependable. The value of Cronbach's alpha can also be used to observe the evaluation of composite reliability.

Table 4. Cronbach's Alpha Value

Variable	Cronbach's Alpha Value	Criteria	Information
Psychological Capital	0,922	Baik $\geq 0.5$	Good
Digital Literacy	0,929	Cukup $\geq 0.3$	Good
Work-Family Conflict	0,950		Good
Innovation in Entrepreneurship	0,908	-	Good

Source: data processed, 2023

The Cronbach's alpha values results indicate that psychological capital scored 0.922, digital literacy scored 0.929, work-family conflict scored 0.950, and creativity in entrepreneurship scored 0.908. Based on the composite reliability and Cronbach's alpha values, it can be inferred that all variables have satisfied the composite reliability criterion, and all criteria are satisfactory. According to this description, three specific requirements must be fulfilled to assess the outside aspect. These requirements are convergent validity, discriminant validity, and composite reliability. If all the conditions have been fulfilled, then the measurement model has satisfied the criteria and is suitable for use in research.

## **Inner Model Test**

The inner model defines the correlation between latent variables and other variables. This evaluation encompasses model fit, pathways, coefficients, and R2 assessments. Model fit tests, known as model-appropriate assessments, are utilised to ascertain how accurately a model corresponds to the observed data. The ten test indices are Average Path Coefficient (APC), Average R-squared (ARS),

Average Adjusted R-squared (AARS), Average Variance Inflation Factor (AVIF), Average Full Collinearity Variance Inflation Factor (AFVIF), Goodness of Fit (GoF), Sympson's Paradox Ratio (SPR), R-squared Contribution Ratio (RSCR), Statistical Suppression Ratio (SSR), and Nonlinear Bivariate Causality Direction Ratio (NLBCDR). APC, ARS, and AARS are considered acceptable only if the p-value is less than 0.05. AVIF and AFVIF with a value less than or equal to 5 (≤ 5). SPR, SSR, and NLBCDR must have a value over 0.7, whereas RSCR must have a value exceeding 0.9. The route coefficient and R2 values provide a direct measure of the findings. The route coefficient is utilised to determine the magnitude of its value. R2 is a statistical measure quantifying how much the independent variable influences the dependent variable. The impact size R2 reveals that the work-family conflict variable is 0.602, indicating that 60% of the work-family conflict experienced by women entrepreneurs can be attributed to psychological capital and digital literacy. The remaining portion of work-family conflict is influenced by variables not examined in this study. Moreover, the innovation variable in entrepreneurship is quantified as 0.598.

Table 5. R-Square Value

No	Variable	$\mathbb{R}^2$
1	Work-Family Conflict	0,602
2	Innovation in Entrepreneurship	0,598

Source: data processed, 2023

## Uji Fit Model

The Goodness of Fit (GoF) measure index described in this study indicates that the research model is a good fit and feasible. The values for APC, ARS, and AARS are all less than 0.05, with APC = 0.334, ARS = 0.553, and AARS = 0.548. The AVIF and AFVIF values are ≤ 5, specifically AVIF = 1.892 and AFVIF = 2.076. This indicates that there are no issues of multicollinearity between the indicators and the exogenous factors. The SPR, RSCR, and SSR indices serve as fit metrics, meaning no quality concerns with the research model. The optimal threshold for NLBCDR is 1, considered acceptable or bearable if it exceeds 0.7. According to Table 4.19, the NLBCDR value of 1,000 is achieved, indicating that the value is accepted. This implies that the model can elucidate the causal relationship between variables.

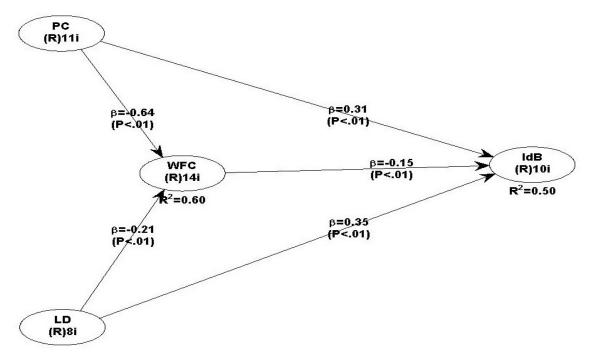
#### **DISCUSSION**

As a result of WarPLS 7.0 Analysis, which is below this text, several hypotheses are accepted, while several are rejected. Looking at the hypothesis test results simultaneously shows that the value of path coefficients and p-value in total affects the outcome of the simultaneous processing of variable data. The following are the research results on the effect size obtained based on data processing.

**Table 6. Direct Effect** 

Criteria	<u>Variabel</u>	PC	LD	WFC	IdB
	PC	-	-	-	-
Dath Coefficients	LD	-	-	-	2
Path Coefficients	WFC	-0,640	-0,212	-	-
	IdB	0,314	0,354	-0,151	-
	PC	-	-	-	-
n anglaros	LD		_	-	_
p-values	WFC	<0,001	<0,001	-	-
	IdB	<0,001	<0,001	0,008	-

Source: data processed, 2023



Source: data processed, 2023

**Figure 1. Path Coefficients Test Results** 

The variable of psychological capital exerts a substantial impact on innovation in entrepreneurship, as evidenced by a positive path coefficient of 0.314. This effect is statistically significant, with a P-value value of <0.001, indicating that the influence of psychological capital on innovation in entrepreneurship is both substantial and positive. The variable of digital literacy has a notable impact on the innovation variable in entrepreneurship, as evidenced by the path coefficient value of 0.354, which is positive. The p-value, which is less than 0.001, further confirms the significance of this relationship. Therefore, digital literacy significantly and positively influences innovation in entrepreneurship. The variable of psychological capital exerts a substantial adverse impact on workfamily conflict in women entrepreneurs. This is evidenced by the obtained path coefficient value of -

0.640, with a P-value value of <0.001, indicating statistical significance at the <0.05 level. Therefore, psychological capital has a significant and positive influence on work-family conflict. The variable of digital literacy has a substantial and adverse impact on work-family conflict, as evidenced by the path coefficient value of -0.212 and a p-value of < 0.001, indicating statistical significance at the < 0.05 level. Therefore, digital literacy exerts a considerable and negative influence on work-family conflict. The variable of work-family conflict has a notable and adverse impact on innovation in entrepreneurship, as evidenced by the path coefficient value of -0.151 and a p-value of 0.008, which is less than 0.05. This indicates that work-family conflict significantly and positively influences innovation in entrepreneurship. The estimation of direct and indirect effects is conducted by incorporating mediation variables. This is followed by simulating the connections between independent and mediation variables, mediation and the dependent variable, and independent and dependent variables. Below are the findings from the analysis of indirect effects.

**Table 7. Indirect Effect** 

Criteria	<u>Variabel</u>	PC	LD
Path Cofficients	PC	5	•
	LD	-,	-
	WFC	<b>=</b>	=
	IdB	0,097	0,032
p-values	PC	=,	-
	LD	=	-
	WFC	2	-
	IdB	0,016	0,240

Source: data processed, 2023

The findings indicate that the indirect impact of psychological capital on innovation in entrepreneurship, mediated by work-family conflict, is characterised by a coefficient value of 0.097 and a p-value of 0.016, which is statistically significant at a significance level of 0.05. These results indicate that psychological capital substantially impacts innovation in entrepreneurship through work-family conflict. The findings suggest that the indirect effect of psychological capital on innovation in entrepreneurship, mediated by work-family conflict, is characterised by a coefficient of 0.097 and a p-value of 0.016, statistically significant at a threshold of 0.05. These results indicate that psychological capital substantially impacts innovation in entrepreneurship through work-family conflict. Hence, psychological capital considerably affects innovation in female entrepreneurs in East Java through work-family dynamics. The estimated coefficient for the indirect effect of digital literacy on innovation in entrepreneurship, mediated by work-family conflict, is 0.032. The corresponding p-value is 0.240, indicating that the coefficient is not statistically significant at the 0.05 significance level. Based on these findings, digital literacy does not substantially impact creativity in entrepreneurship through the

mediation of work-family conflict. Hence, digital literacy does not significantly impact creativity in women entrepreneurs in East Java, specifically about work-family conflicts or role conflicts.

**Table 8. Total Effect** 

Criteria	Variabel	PC	LD	WFC	IdB	PC	LD
Path Cofficients	PC	2.5	8.7		-		-
	LD		94		72	(2)	12
	WFC	-0,640	-0,212	-	7	-	10.70
	IdB	0,314	0,354	-0,151	-	0,097	0,032
p-values	PC	8.70	87	8.50	=	-	8.70
	LD	19-21	94	1-1	-	(4)	1.21
	WFC	<0,001	<0,001	1.7		-	
	IdB	<0,001	<0,001	0,008	-	0,016	0,240
Effect size for path	PC	(C.T.)	17-	( <del>-</del> )	-	0.70	(E. T.)
	LD	840	32	825	2	2	929
	WFC	0,483	0,119	7.5	-		0.5
	IdB	0,257	0,238	0,090	2:	0,060	0,020
Number of paths	PC	7. <del>-</del> 2	5-	( <del>-</del> )	-	-	-
	LD	52	12	52	2	-	
	WFC	1	1	(1. <del>5</del> 2	-		12 <del>-</del> 1
	IdB	2	2	1	_	1	1

Source: data processed, 2023

#### **Mediation Effects**

The mediating effect was verified by examining the AVIF and AFVIF values, which were less than or equal to 5. Specifically, the AVIF value was 1.892, and the AFVIF value was 2.076. This indicates that there are no issues of multicollinearity between the indicators and the exogenous factors. The study discovered that work-family conflict acts as a mediator between psychological capital and digital literacy in connection to innovation in entrepreneurship. The estimation of direct and indirect effects is conducted by incorporating mediation variables. Subsequently, a simulation is performed to establish connections between the independent variables and the mediation variable, the mediation variable and the dependent variable, and the independent variables and the dependent variable. The regression analysis revealed that the indirect effect coefficient of psychological capital on innovation in entrepreneurship, mediated by work-family conflict, was 0.097. This coefficient was statistically significant, with a p-value of 0.016, indicating that it is less than the conventional threshold of 0.05. The findings further indicated that work-family conflict had a significant and negative impact on innovation in entrepreneurship among female entrepreneurs in East Java. The results showed that work-family conflict had a significant and negative effect on innovation in entrepreneurship in women entrepreneurs in East Java. Work-family conflict is negative for innovative behaviour. The hypothesis was rejected with an

estimate of 0.02 (p = 0.67). This shows that women entrepreneurs with multiple role conflicts in their families, such as role demands at work and family, simultaneously affect or align with the ability to innovate women entrepreneurs in their business. The high level of work-family conflict or multiple role conflicts experienced by women entrepreneurs will further decrease their ability to innovate in their businesses. This explains that digital literacy does not significantly affect innovation in entrepreneurship through work-family conflict. The results showed that digital literacy did not have a significant and positive effect on innovation in entrepreneurship through work-family conflict among women entrepreneurs in East Java. This indicates that women entrepreneurs with digital literacy skills, such as reading and interpreting information and evaluating in various formats presented by computers, are not affected in innovating in their business when multiple role conflicts occur.

## **CONCLUSION**

According to the study findings, researchers have provided several recommendations to two parties, including:

- 1. Psychological capital variables have a significant and positive effect on innovation in entrepreneurship in women entrepreneurs in East Java.
- 2. Digital literacy variables have a significant and positive effect on innovation in entrepreneurship in women entrepreneurs in East Java.
- 3. Psychological capital variables have a significant and negative effect on work-family conflict in entrepreneurs women in East Java.
- 4. Digital literacy variables have a significant and negative effect on work-family conflict in women entrepreneurs in East Java.
- 5. The variable work-family conflict has a significant and negative effect on innovation in entrepreneurship in women entrepreneurs in East Java.
- 6. The psychological capital variable has a significant and positive effect on innovation in entrepreneurship through work-family conflict in women entrepreneurs in East Java.
- 7. The variable digital literacy does not have a significant and positive effect on innovation in entrepreneurship through work-family conflict in women entrepreneurs in Java East.

The findings of this study demonstrate that women entrepreneurs who possess psychologically solid capital, a high level of digital literacy, and effective management of work-family conflict experience a significant favourable influence. These factors contribute to enhanced business growth, even in the face of substantial demands and risks. Female entrepreneurs succeed by leveraging innovative approaches that leverage digital solid literacy skills while demonstrating an entrepreneurial mindset that effectively manages psychological capital and work-family conflict.

#### **SUGGESION**

Based on the results of the study, there are several suggestions given by researchers to two parties, namely the subsequent research as follows:

- For further research, to dig deeper into the three variables studied because there are still many other
  factors that can affect innovation in entrepreneurship. In addition, there is a need for deeper digging
  into innovation variables in entrepreneurship because the discussion in this study still needs to be
  more profound.
- 2. The thing that needs to be done by the next researcher to expand this research is to use other variables outside the variables in this study, both independent variables and dependent variables.
- 3. For research development, The mediation variables used can be further developed by adding or replacing mediation variables in research with other mediation variables.

#### CREDIT AUTHORSHIP CONTRIBUTION STATEMENT

Jumriaty Jumriaty: Conceptualization, Supervision, Data Curation, Formal Analysis, Project Administration, Writing-original Draft, and Writing-review Editing. Sri Suhandiah: Conceptualization, Resources, Software, Validation, Visualization, and Writing-review Editing. Candraningrat Candraningrat: Funding Acquisition, Investigation, and Writing-original Draft. Januar Wibowo: Writing-review Editing.

#### **DECLARATION OF COMPETING INTEREST**

The author declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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## **DATA AVAILABILITY**

Data will be made available in request.

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