

Psycho-Cultural Perspective on the Formation of Entrepreneurial Culture of Minangkabau Tribe in West Sumatra Indonesia

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Article Received: 8th October 2018; Accepted: 29th January 2019; Published: 31st January 2019

Abstract

This paper aims to examine and to discuss how entrepreneurial culture is formed from perceived values, cultural dimension, kinship system and informal cultural based entrepreneurial learning of a society. As the context of the research, it uses the Minangkabau tribe, which enjoys supportive social supports and where the culture of entrepreneurship is naturally accepted by the most of the tribe members as a part of their way of life. This paper considers and argues that perceived value, cultural dimension, kinship system and 'merantau' – an informal cultural based entrepreneurial learning of the tribe have brought direct and/or indirect positive impact to the creation of an entrepreneurial culture within the tribe. As the basis, a qualitative approach and analysis in terms of descriptive-reflexive observatory method is used to analyse the topic, which is further narratively and descriptively presented. Results of paper have shown the possible model of how perceived value, cultural dimension, kinship system and informal cultural based entrepreneurial learning can perform an entrepreneurial culture of a society, in which it is considered as the significant contribution in the research related to the culture and entrepreneurship.

Keywords: *Psycho-Cultural; Perceived Value; Cultural Dimension; Kinship System; Entrepreneurial Culture*

How to cite (Chicago-16th): Rahman, Hafiz, Sri Oktavia, and Eri Besra. "Psycho-Cultural Perspective on the Formation of Entrepreneurial Culture of Minangkabau Tribe in West Sumatra Indonesia." *Udayana Journal of Law and Culture* 3, no. 1: 53-77. <https://doi.org/10.24843/UJLC.2019.v03.i01.p03>.

doi: <https://doi.org/10.24843/UJLC.2019.v03.i01.p03>

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1. Introduction

1.1. Background

Minangkabau is a tribe that lives in the Province of West Sumatra (*Provinsi Sumatera Barat*) - Indonesia. Statistical data shows that most Minangkabau people are Islam (97,88% of all population).² No wonder we can find mosques spreading in all part of the province. As its fundamental way of life is based on Islam, most ceremonies and festivals rooted from the Islamic spirits.

The Minangkabau tribe is well recognized as a moderate Moslem society in Indonesia.³ Its people are very tolerant and can easily mingle with other people from different tribes and religions. They can also easily adapt to different circumstances and places, lead to an ability too easily live outside of their homeland, which actually requires high adaptation with the social situation and condition. Despite its uniqueness, the Minangkabau tribe, however, is considered as a minority tribe in Indonesia. Based on statistics, the population of West Sumatra Province is only around 5.26 million – about 1,98% of Indonesian population as a whole.⁴

The social system of the tribe, which is reflected by the relationship among family members, local norms and values, is one of the most important pillar in the life of Minangkabau people. The Minangkabau people follow the '*matrilineal system*' as their kinship/family system. In this system, females are regarded as very important figures in the extended family and can determine various important decisions for the whole family, especially those that are related to the cultural issues (the legacies and assets of the clan, cultural festivals and ceremonies, etc.). Males in the Minangkabau tribe are mainly urged to meet economic expectations and demands from their big family, mainly their wife's family. This unique kinship system encourages Minangkabau's males never depend on their family legacies and assets to fulfill their financial needs as well as to provide funds for their family. Therefore, the self-reliance has become a major value in the social system of Minangkabau family since centuries ago. Along with the condition of the lack of revenue from agricultural sectors (as a result of the geographic landscape which is mostly mountains and hills) and difficult employment opportunities in Indonesia, the value of self-reliance has propelled Minangkabau males to choose other alternative work and career choice for their life. This is mainly associated with their choice of becoming an entrepreneur and, for doing this, the males mostly emigrate to another part of the country, or even abroad.

Minangkabau has a well-known cultural concept called *merantau*, where people from this tribe emigrate from their homeland to other parts of Indonesia and/or abroad for doing entrepreneurial and another kind of activities for the sake of their future life. The learning process is then

² Statistics Indonesia, *Sumatera Barat dalam Angka* [West Sumatra in Numbers], Badan Pusat Statistik Indonesia-West Sumatra Province, Padang: Indonesia, 2017

³ See Samad, Duski, "Tradisionalisme di Minangkabau: Dinamika, Perubahan dan Kontinuitasnya." *Tajdid: Jurnal Nasional Ilmu-Ilmu Ushuluddin*6, no. 2, (2003), see also Tungkagi, Donald Qomaidiansyah. "Varian Islam Nusantara" Jawa, Minangkabau dan Gorontalo." *Jurnal Lektur Keagamaan* 15, no. 2 (2017). 273-294.

⁴ Statistics Indonesia, *Sumatera Barat dalam Angka*, *op.cit.*

initially started. There is assistance of mentors (who are also the Minangkabau entrepreneurs) who provide short-term employment opportunities in their businesses. In this initial stage the Minangkabau males become an informal trader until they can settle-up themselves. Once they have settled-up, they switch themselves into a more formal business. The businesses in this initial stage vary, but they are mostly in trading and culinary sectors. Learning processes are soon started during this stage. The young also settle up themselves, saving money from their own salary and once they are ready they are encouraged by mentors to start their own businesses by using their savings. If the savings is not enough, sometimes, they use a small loan from relatives to initiate the business. In the philosophy of Minangkabau entrepreneurs, one successful entrepreneur should create at least three young/nascent entrepreneurs,⁵ so there will be multiplier effects that occur during the creation of Minangkabau entrepreneurs. This philosophy is successfully implemented within Minangkabau entrepreneurs and as a positive consequence, one can find many Minangkabau entrepreneurs nationwide.

The presence of *merantau* can be viewed as one source of cultural based entrepreneurial learning process within Minangkabau tribe. For some scholars, *merantau* is viewed as a result of a combination between culture, values and kinship system of Minangkabau people as a matrilineal society.⁶ These combined factors have contributed to the formation and the creation of a very supportive environment in the entrepreneurial culture of Minangkabau. It is interesting to see how those three elements contribute to the formation of an entrepreneurial culture that raised within this tribe since centuries ago. Therefore, analysis of this paper is centered on the cultural dimension, perceived value, kinship system and the description of the process of *merantau* amongst the Minangkabau tribe. A comparative analysis of Indonesian cultural dimension and perceived values were also undertaken in this paper to show the difference between the Minangkabau tribe as a society and Indonesian people in general.

It is worth to reveal that the culture of *merantau* does not relate to lack of business climate in West Sumatera as the government has organized structure to set up technical policy, implement government affairs and public services as well as to foster and facilitate cooperatives, small and medium enterprises.⁷ In addition, the culture of *merantau* also does not reflect the weakness of the customary institution to play a role in achieving the wealth society. In facts, the customary institution has a strong position as local regulations recognized its existence in supporting local economy. A clear example can be seen from the legal authorization given *Kerapatan Adat*

⁵ Elfindri, Desri Ayunda and Wiko Saputra. *Minang Entrepreneurship* (Jakarta: Baduouse Media, 2010), 24.

⁶ See Auda Murad "Merantau: Aspects of Outmigration of the Minangkabau People (Master Thesis, Department of Demography, Australian National University, Canberra, 1978). See also Muchtar Naim, "Merantau" (Dissertation, Department of Sociology Universitas Gadjah Mada, 1984).

⁷ Regulation of Governor of West Sumatra No. 57 Year 2017 concerning Description of the Main Duties and Functions of the Service of Cooperatives, Small And Medium Businesses, West Sumatera Province, Article 2 (2).

Nagari to manage people's market.⁸ It then becomes clear that law and regulation do not act as a barrier, or even a reason, for Minangkabau People to practice *merantau*.

1.1. Research Problem

Research problem elaborated in this paper centered on the focus regarding the entrepreneurial culture of a society. In details, the research question of this study is:

1. Can perceived value, cultural dimension and kinship system mediated by an informal entrepreneurial learning process of society contribute to the creation and development of a supportive entrepreneurial culture within that society?
2. If yes, then what would be the mechanism/model that can be built to show it?

1.2. Method

The study operates qualitative methodology as its research method. Descriptive analysis by comparing the cultural dimension of Indonesian people in general and the culture of the Minangkabau tribe, in particular, is used to investigate culture that can or cannot support entrepreneurship. Cross-sectional data and information were collected from secondary data in term of related studies on the relationship between culture and entrepreneurship as well as studies regarding the process of *merantau* and culture of Minangkabau tribe. A reflexive observation to Minangkabau people was also used to support data and information of the study. This study uses Minangkabau people – an ethnic living in West Sumatra, Indonesia as the main context of the study. Minangkabau people was chosen because it is famous as an entrepreneurial tribal society in Indonesia. Information regarding the entrepreneurial journey, culture and experience of this tribe was then used as the main source for analysis.

1.3. Literature Review

The presence and overview of the cultural context that relates to entrepreneurship have been widely studied by scholars. The relationship between culture, entrepreneurship and economic growth has been previously studied by scholars.⁹ As Doepke and Ziliboti, among others, indicate that the growth rate of the economy depends on the fraction of the population choosing an entrepreneurial career and there can be multiple balanced-growth paths, wherein faster-growing countries more people

⁸ Regulation of West Sumatra Province No. 3 Year 2016 concerning Development and Empowerment of the People's Market, Art 10 (c) and 13

⁹ See José Guilherme Leitão Dantas, Antonio Carrizo Moreira, and Fernando Valente. "Entrepreneurship and National Culture: How Cultural Differences among Countries Explain Entrepreneurial Activity," in *Handbook of Research on Internationalization of Entrepreneurial Innovation in the Global Economy*, ed. L.C. Carvalho (Hershey, PA: IGI Global, 2015) 1-28. See also Helena Marques, "The Routineness of Tasks, Gender and Culture in Entrepreneurship." *Socio-Economic Review* 15, no 4 (2017): 817. See also Clement C.M. Ajekwe, "Effect of Culture on Entrepreneurship in Nigeria" *International Journal of Business and Management Invention* 6, no 2, (2017): 1.

exhibit an entrepreneurial spirit.¹⁰ However, the results of many studies, unfortunately, cannot generalize the idea and argument about the complex role of culture in the success and failure of business ownership.¹¹ This complex role of culture is understandable because one cannot extract and generalize culture of each social system and network as the same one to each other. Therefore, studies and research that were intended to explain the presence of culture on entrepreneurship became more complicated and we cannot clearly summarize the tendency of a particular culture that can promote entrepreneurship. Many scholars have argued and viewed that the entrepreneurial spirit of individuals requires appropriate social and cultural backgrounds as a solid motive for new venture creation.¹² However, cultural background with its complexities and contextual difference remain very difficult to analyse. As a consequence, the study of culture needs to use a substantial system approach to analyze individuals' response to their environment.¹³

Another way that can be used to relate the culture of a society to entrepreneurship is based on the psycho-cultural perspective of a society. Regarding the term, English Oxford Living Dictionaries, by referring to earliest use found in American Journal of Sociology in 1920s, defines psycho-cultural as the interaction between the culture in which individuals live and their psychological characteristics.¹⁴ The using psycho-cultural profile of individuals is not a usual approach to analyze the relationship between culture and entrepreneurship, but one should realize that there is a linkage between psycho-cultural of individuals and their propensity for entrepreneurship, which will further impact the economic development of a regional. A recent study from Huggins et.al., for example, has clearly indicated that there is a relationship between psycho-cultural profiles and behavior of individuals and economic growth performance of the regional where individuals live.¹⁵ Previously, Pollnac and Poggie argued that there is a linkage between production and psycho-cultural adaptation of individual which will further lead to the increasing performance of cooperatives.¹⁶ Both studies have further given us a solid basis and foundation to develop a perspective that can relate psycho-cultural of individuals to their propensity for entrepreneurship.

¹⁰ Mathias Doepke, and Fabrizio Zilibotti, "Culture, Entrepreneurship and Growth", *Working Paper 191.41. Cambridge, MA: NBER Working Paper Series* (2013): 4.

¹¹ Ingrid Verheul, Sanders Wennekers, David. Audretsch and Roy Thurik, *An Eclectic Theory of Entrepreneurship: Policies, Institutions and Culture*, (Zoetermeer, The Netherlands: EIM Business and Policy Research, 2001), 37

¹² Alison, Morrison, "Entrepreneurship: What Triggers It?" *International Journal of Entrepreneurial Behaviour and Research* 6, no. 2 (2000): 63

¹³ Gert Hofstede, *Culture Consequences* (Newbury Park, CA: Sage, 1980)

¹⁴ English Oxford Living Dictionaries,
<https://en.oxforddictionaries.com/definition/psychocultural>

¹⁵ Robert Huggins, Piers Thompson, and Martin Obschonka. "Human Behaviour and Economic Growth: A Psychocultural Perspective on Local and Regional Development." *Environment and Planning A* 50, no. 6 (2018): 4.

¹⁶ Richard B. Pollnac and John J. Poggie "Psychocultural Adaptation and Development Policy for Small-scale Fishermen's Cooperatives in Ecuador." *Human Organization* 50, no. 1(1991): 43.

As defined by Hofstede, culture is an aggregate of interactive common characteristics that may impact a human's group response to its environment.¹⁷ Considering this, every society has been viewed as having its own specific cultural dimensions and this will further create the national culture of each country. For the interest of finding a solid academic and intellectual basis for its analysis, this paper concentrates its overview to five cultural dimensions, as other studies in different countries, usually used as the foundation to analyze the relationship between culture and entrepreneurship. These five cultural dimensions are:

1. Power Distance

Power distance relates to the overview on how less powerful members of societies from smaller to a bigger unit (such as a family) within a country may expect and accept that the power is actually distributed unequally. It argues that the level of inequality within a society is unconsciously and/or consciously approved by members of that society as well as by the leaders. Power and inequality are considered as an extremely fundamental fact that exists in any society. Anybody with some international experiences will understand that all 'societies are unequal, but some are actually more unequal than others'. The cultural dimension of a country and a society which is considered as a 'low power distance' is related to the fact that those countries and societies try to minimise inequalities. The less powerful parties in these societies will look at parties who are having more power to make decisions, and as a consequence, the inequality within this society is more acceptable. This is represented by the presence of power centralisation and the fact that there will be the subordination of those with less power within the societies. The power distance index is ranging from 1 – 100.¹⁸ The more inequality will be found within any society if the power distance index tends to higher.

2. Individualism vs Collectivism

Individualism and collectivism are viewed as the degree to which individuals are integrated and mingled into the group of their interest. In an individualistic society, people are first expected to look after themselves and their families – and once they have done this, they will start to look at others in their society. In the other side, the collectivist society prefers to integrate and to become one with others starting from their birth onwards. The main sign of a collective society can be seen by the cohesiveness between the members which continues to protect each other, but in the exchange for unquestioning loyalty. In a more collective society, members are more concerned and paid attention to others and their culture is often based around the cohesiveness of the group. The measurement of the continuum between the individualism and collectivism is presented in an index which is ranging from 1 – 100.¹⁹ A

¹⁷ Gert Hofstede (1980), *op.cit.*,3.

¹⁸ Ibid, 5.

¹⁹ Ibid, 6 and Gert Hofstede (2018). "National Culture of Indonesia." <http://geert-hofstede.com/indonesia.html>

society is called an individualist society if the index of the individualism is bigger.

3. Masculinity vs Femininity

This cultural dimension relates to the degree to which gender roles are distinct and adhered to within a society. It also considers the distribution of roles between genders as another fundamental issue for any society that can influence the formulation of solution to problems. In a more femininity society, social gender roles will overlap. Members of that society will regard 'feminine' qualities such as modesty, intuition and quality of life more than traditionally 'masculine' qualities that are related to aggression and competition. There will be a gap between values in a society with more feminine qualities with those who are living a more assertive and competitive culture. Following Hofstede, we use the index between femininity and masculinity of a society which ranges from 1 – 100.²⁰ The higher the index of masculinity is, the more masculine a society will be.

4. Uncertainty Avoidance

Uncertainty avoidance relates to the feeling of threatened felt by members of a society. This feeling usually comes from uncertain and unknown situations and it also deals with the level of tolerance to tackle the uncertainty and ambiguity. A society with high uncertainty avoidance tends to try to minimize the uncertainty by putting strict law and rules in order, as well as implementing safety and security procedures and measurements. Laws, rules, safety and security procedures are being used by some societies in order to minimize the potential of conflicts and disputes raised among members of the society. In West Sumatra in particular, the Minangkabau tribe traditionally use plural legal principles deriving from *hukum adat/adat law* or customary law, Islamic law, and national law, which mostly derived from Dutch colonial law as a pattern to resolve conflict and disputes among the member of the tribe

Typically, people who are living in this society are more emotional and are mostly motivated by inner nervous energy. Contrastingly, a society with more ability to accept the uncertainty is considered as a more tolerant society and tends to have as few rules as possible.

We use the index of uncertainty avoidance of a society which ranges from 1 – 100.²¹ The higher the index of UAI is, the more a society tends to avoid uncertainty.

5. Long Term Orientation

The long-term orientation of a society is the fifth cultural dimension that was first introduced in a study among students in twenty-three countries around the world designed by Chinese scholars. Long-term

²⁰ Gert Hofstede (1980), *op.cit.*,7 and Gert Hofstede (2018). "National Culture of Indonesia." <http://geert-hofstede.com/indonesia.html>

²¹ *Ibid*, 8 and Gert Hofstede (2018). "National Culture of Indonesia." <http://geert-hofstede.com/indonesia.html>

orientation deals with virtue regardless of the truth. Values associated with Long term orientation are thrift and perseverance, meanwhile, values that are associated with short term orientation are respected for tradition, fulfilling social obligations, and protecting one's 'face'.

In the newest concept of cultural dimension, Hofstede (2018) adds two more dimensions, namely pragmatism and indulgence and pulls out the dimension of long term orientation in cultural dimensions of a country.²² Pragmatism is related to the efforts of every society in dealing with its past, present and future challenges. Indulgence is defined as the ability of the people in society to control their desires and impulses.

In the context of entrepreneurship as a field of study, relevant analysis and focus to measure the presence of cultural dimension to the propensity of the society for entrepreneurship are given in the continuum of individualism and collectivism.²³ Hofstede has previously viewed that the individualist culture tends to foster the development of individuals' self-concept, awareness of responsibility, and the existence of competition that may further promote new ideas and innovations.²⁴ On the other hand, collectivist societies may actually develop anti-entrepreneurial environments by forcing members of the society to accept norms, developing compromising circumstance, and resistance to change. Therefore, this environment may not be favourable to foster an entrepreneurial culture and in many cases, this type of society tends to hinder entrepreneurial processes. Tanner previously mentioned the typical forms of dispute and conflict resolution within Minangkabau tribe consist of the use of [a] *adat* law as the main customary law in West Sumatra, [b] Islamic law and, [c] Indonesian national law.²⁵

This can further explain why people in individualist culture (such as the western people) are more entrepreneurial compared with people living in the collectivist culture. Morris Samit further mentioned that the power distance as one of the cultural dimensions also took part in determining whether society provides favourable or detrimental conditions for entrepreneurship.²⁶ The higher power distance within the culture of a society will be a detrimental condition for the propensity of entrepreneurship. Meanwhile, the lower power distance society will enjoy a more favourable condition for the development of entrepreneurship.²¹

It is widely argued that culture of a society is important in any discussion of entrepreneurship since it will determine the attitudes and motives of individuals towards the initiation and propensity of

²² Gert Hofstede (2018). "National Culture of Indonesia." <http://geert-hofstede.com/indonesia.html>.

²³ Morris Samit, "Cultural Effects on Entrepreneurial Decision Making: Why Every Society can't be Entrepreneurial." Paper Presented at *AIB-SE (USA) Annual Meeting*, Charleston, SC, (2005). 21-34.

²⁴ Gert Hofstede (1980), *op.cit.*, 10.

²⁵ Nancy Tanner, "Disputing and Dispute Settlement among Minangkabau of Indonesia." *Foreign Area Program and a Southeast Asia Grant-in-Aid* Berkeley: University of California, 1963., 24.

²⁶ Morris Samit, *op.cit.* 21-34

entrepreneurship.²⁷ It has been long time, scholars agreed scholars that entrepreneurial spirit-motive-initiation should be supported by an appropriate social and cultural background for new venture creation.²⁸ For example, Carter and Jones-Evans have previously in detail emphasized that “*the culture of societies and characteristics of people living in the societies, impacted by certain innate personality traits, will influence the degree to which entrepreneurship is initiated.*”²⁹

The argument regarding the importance of culture for the propensity of entrepreneurship is also followed by Aldrich and Martinez who further stressed that individuals will be motivated and attracted to enter into entrepreneurship once they feel that the culture where they live in has a history in encouraging entrepreneurship.³⁰ For these individuals, cultural norms and values are beneficial since they can use them as an access to resources (such as knowledge, information, finance, workers, and markets) that they need for establishing and maintaining the business.³¹

The agreement related to culture as one fundamental circumstance for the propensity of entrepreneurship within a society is also mentioned by the Global Entrepreneurship Monitor (GEM) Global Report 2011. The GEM in 2011 has elaborated nine Entrepreneurship Framework Conditions (EFC) as the determinants of entrepreneurship. This is further derived into three considerations; (a) basic requirements, (b) efficiency enhancers, and (c) innovation and entrepreneurship. The GEM Global Report 2011 also drew attention into the cultural context and social norms that are being considered as a part of an institutional framework that relates to entrepreneurship.

Shane et al. are other entrepreneurship scholars who emphasised their study to analyse three aspects in Hofstede’s concept of cultural dimensions.³² They found that the society with more uncertainty avoiding, more power distant, and more collective, will create a room for their members to become a champion to work through organizational norms and rules, to gain support of those in authority, and to get support for any innovation effort.³³ In a more straight result and summary that relates culture to the propensity of entrepreneurship of a society, Hayton, George and Zahra found that the society with high tendency to be more individualism; more masculine, more uncertainty avoidance but less power

²⁷Heidi Vernon-Wortzel and Lawrence H. Wortzel. *Strategic Management in a Global Economy* (New York: John Wiley, 1997), 27

²⁸Kathryn Watson, Sandra Hogarth-Scott and Nicholas Wilson, “Small Business Starts-Up: Success Factors and Support Implications.” *International Journal of Entrepreneurial Behaviour and Research* 4, no 3 (1998); 217-238

²⁹Sara Carter and Dylan Jones-Evans. *Enterprise and Small Business: Principles, Practice and Policy* 3, (Harlow: Pearson Education, 2008)

³⁰Howard E. Aldrich and Martha Angelia Martinez. *Many are Called, but Few are Chosen: An Evolutionary Perspective for the Study of Entrepreneurship* (Chapel Hill, NC: University of North Carolina, 2001).

³¹ John Grace and Peter Smith, “The Importance of Culture in Entrepreneurship.” *Culture and Entrepreneurship Series*, no. 16, (2016): 3.

³²Scott Shane, Sankaran Venkataraman and Ian MacMillan, “Cultural Differences in Innovation Championing Strategies.” *Journal of Management*, 21 no 50, (1995):932.

³³*Ibid*, 932

distance is a society that can create supportive environment for the development of entrepreneurship.³⁴ Another newer finding regarding the analysis of culture and entrepreneurship can be found in the study of Fernandez-Serrano and Lin³⁵ who investigated the culture of several Latin America countries and its relationship with entrepreneurship.³⁵ They discovered that in the countries which are condensed with the culture of hierarchy will tend to have lower entrepreneurship level, while the countries with higher level of embeddedness and egalitarianism tend to have a supportive environment of start-up companies.³⁶

The previously discussed studies highlight a number of points; [a] the greater indexes of individualism, [b] masculinity, [c] the lower indexes of uncertainty avoidance, and [d] smaller power distance may be the prerequisite circumstances for the supportive environment to foster the propensity for entrepreneurship within a society. Meanwhile, a society which has lower indexes of individualism and masculinity along with the greater indexes of uncertainty avoidance and power distance will create a burden and detriment for the development of entrepreneurship in a society.

Islam has traditionally become the basis and foundation in the culture of Minangkabau tribe. Therefore, the tribe's cultural occasions and festivals are mostly rooted from the Islamic values. Minangkabau people describe this in their cultural philosophy; the tradition (in Indonesian language, *adat*) is based on Islam and Islam is founded upon the Holy Quran, as the book of Moslem. The majority of the Minangkabau tribe are fervent Muslims. However, they always embraced the idea of incorporating Islamic ideals into the modern society. Consequently, the Minangkabau people is well-known and considered as one of the most moderate Muslim populations in Indonesia. The presence of intellectuals combined with the ability to absorb the essence of religiosity as well as the basic character of the tribe have made Minangkabau people and land becomes a unique place to live and special people to mingle with.

The Minangkabau people recognize the presence and existence of three main important actors in their culture that are positioned as the pillar that build and maintain its integrity. They are *alim ulama* (Islam scholars), *cerdik pandai* (intellectual) and *ninik mamak* (uncles and leaders of the tribe). *Alim ulama* maintains the integrity of the religion (Islam), *cerdik pandai* maintains the integrity of knowledge and *ninik mamak* maintains the integrity of customs and tradition. Jointly together, they constitute the main foundation for the culture of the tribe and are named as *Tungku Tigo Sajarangan*. These three parties and the whole members of Minangkabau tribe have long experience and taken benefits from the democratic system developed by its culture.³⁷ This can be seen by the fact that all matters regarding the future interests of the tribe are discussed by

³⁴James C. Hayton, Gerard George and Shaker A. Zahra, "National Culture and Entrepreneurship: A Review of Behavioral Research." *Entrepreneurship Theory and Practice* 26, no. 4 (2002): 33-52.

³⁵ Jose Fernandez-Serrano and Francisco Lin³⁵, "Culture & Entrepreneurship: the Case of Latin America." *Innovar - Edición Especial* 2014, no. 24 (2014): 173.

³⁶Ibid, 175.

³⁷Muchtar Naim, *op.cit.*, 37

Tungku Tigo Sajarangan. As a consequence, all members of the tribe are gaining benefits from the democratic system that is culturally developed to solve problems and make decisions. Another benefit is related to the well-known characteristics of Minangkabau people, which are described as people with spacious thinking, freedom of life to change the fate and to reach knowledge and wealth.³⁸ Minangkabau people have positive habits to think carefully and correctly and analyze all knowledge critically – but still applying hospitality and the principle of friendliness as part of their basic character. Therefore, this tribe is characterized and recognized as a more egalitarian tribe in Indonesia compared with some other tribes in Indonesia.

The existence of family and culture always become important elements of life for the Minangkabau people. The Minangkabau tribe embraces the ‘*matrilineal system*’ as their kinship/family system. A consequence of this kinship system is shown for example, in the management of family properties such as land and houses, which are inherited through female lineage. The matrilineal system puts females in a very important position in the family. Females decide important decisions for the whole family, especially if the decisions are related to the cultural and tradition issues (the legacies, assets of the clan, cultural ceremonies etc.).

From a legal perspective, the West Sumatra Provincial Government has even strengthened the position of females in matrilineal system in West Sumatra, for example, by stipulating a rule regarding “*tanah ulayat*” or communal land. Regulation of West Sumatra Province No. 16 Year 2008 concerning Communal Land and its Utilization clearly states that the ownership and utilization of communal law in West Sumatra is given to those who are coming from descendants of the mother.³⁹

The ability to survive during living outside of the homeland (*merantau*) is considered as a success indicator for the Minangkabau people. *Merantau* has become a part of the culture of the Minangkabau tribe – as the main nature of Minangkabau people which is mobile and prefer for not working to other people or under the order of other people. In *merantau*, the young people are encouraged by the closest family members (mostly father and siblings) and their social figures (such as the *ninikmamak* and friends) to leave their homeland; emigrate to other places nationwide or abroad and undertake business activities for their daily life. In the past, the process of *merantau* was started when the kids (mostly boys) as early as the age of ten to twelve. It is the period when boys are traditionally encouraged by their parents and big family to take part actively (and even, by live) in *surau* (a smaller muslim prayer house compared to the mosque which is also functioned as the community center) within their neighbourhood. In *surau*,

³⁸Alexander Stark, “The Matrilineal System of the Minangkabau and its Persistence Throughout History: A Structural Perspective.” *Southeast Asia: A Multidisciplinary Journal* 13 (2013): 11.

³⁹ Regulation of West Sumatra Province No. 16 Year 2008 concerning Communal Land and its Utilization, Art. 1 (11) and (18), Art. 2(3) and Art. 6(1). See also Regulation of Governor of West Sumatra No. 21 Year 2012 concerning Guidance and Procedures of The Utilization of Communal Land for Investment, Art 1 (12).

boys will learn religious and carious cultural matters, traditional Minangkabau's self-defence (which is called as *pencak silat*) and establishing friendship and network either horizontal network (with friends in their ages) or vertical network (with people who is older or younger than them). The boys are mentored by the local Islam's leader (*alim ulama*) during their stay in *surau*. In this period, there is no signs of entrepreneurship learning was given by the *ulama*. The main objective in this very initial stage is only to prepare mentality and personality in order to equip the youngs with the foundation of their religion (Islam) and how to behave in their social environment.

As they are becoming the teenagers, they are then encouraged to leave their homeland to learn practical things from their experience out of their homeland. This can be done temporarily for a certain period (for example, during the vacation or study periods) or permanently (moving out from the homeland completely). Some of them are studying in other provinces but most of them are actively entering into business activities, mostly as informal traders. During this process, the teenagers are prepared with experiences and practical knowledges (such as business process, business partners, suppliers, competitors, establishing network etc), so that when they are adults, they could return home wise and useful for the society. They are also hoped to contribute their thinking and experience to carry-out every matter related to the interests of their big family or *nagari* (homeland).

Merantau has successfully produced many Minangkabau entrepreneurs who have important positions in Indonesian business activities and communities. According to Naim, the reasons of the Minangkabau tribe for doing *merantau* are: (1) ecology and geography, (2) economy, and (3) education.⁴⁰ In the reason of ecology and geography, the Minangkabau tribe realized that their homeland is located far away from the centre and axis of Indonesian trade and politics (in the west coast of Sumatra – heading to Indian Ocean).⁴¹ To be personally developed, they are required to go and struggle outside of their homeland. The reason of economy is related to the huge opportunities of gaining wealth in other locations rather than in their homeland. Meanwhile in the educational reason, the young generation of the Minangkabau tribe believes that they will get a much better education outside of their homeland. Those reasons and the process of *merantau* itself have created some specific characteristics and have become the cultural values of the Minangkabau tribe.⁴²

Initially, the Minangkabau nascent entrepreneurs are getting in touch in business activities with the help and assistance of mentors (who are also the Minangkabau people and successful entrepreneurs) by providing temporary employment opportunities in their businesses. The businesses varies but mostly trading (textiles, gold and silver handicrafts, antiques goods), printing services, private educational services, tourism services and culinary. Learning processes are then enacted within this stage. Apart from learning entrepreneurial and business process, there is a possibility for the

⁴⁰ Muchtar Naim, *op.cit*, 61-66.

⁴¹ *Ibid*, 65.

⁴² Usman Pelly. *Urbanisasi dan Adaptasi; Peranan Misi Budaya Minangkabau dan Mandailing* (Jakarta: LP3ES, 1994), 19.

young Minangkabaus to appoint a certain entrepreneurial role model as their pattern for doing business. In the concept of involving entrepreneurial role model in entrepreneurship education (formal and informal), there should be a transmission of charisma and reputation from entrepreneurs to the young potential entrepreneurs that can motivate them to start a business and become an entrepreneur and further, with a possibility to appoint their own entrepreneurial role model.⁴³ This transmission can be undertaken through a close and frequent relationship and interaction between entrepreneurs and the young potential entrepreneurs. Learning process that is found in *merantau* presumably can support the appointment of entrepreneurial role model for the youngs – because the young are living together with the entrepreneurs (which let both of them to interact and relate frequently).

Shortly after the young are ready and can settle-up themselves, they can start their own businesses using their savings and sometimes, with a small loan from relatives and friends, wither in their homeland or in the place where they live. The young are starting to live by themselves and to arrange their own first business and life freely. In the philosophy and principle of Minangkabau entrepreneurs, one successful Minangkabau entrepreneur should be able to become a mentor for at least three young Minangkabau entrepreneurs.⁴⁴ This philosophy and principle are successfully implemented and as a result, there is a multiply effect of the creation of Minangkabauentrepreneurs nationwide.

In West Sumatra Province itself, entrepreneurs normally establish their business in form of micro, small and medium scale enterprises/MSMEs. In fact, business sectors in West Sumatra are dominated by the presence of micro and small enterprises. Based on the data from the West Sumatra Provincial Development Planning Board/BAPPEDA (2017), in 2016 number of micro and small enterprises in West Sumatra reached 497,690 business units, while the medium and large scale business were only 3,720 business units. We can see here that the number of medium and large business is only 0.742% of all business units in West Sumatra.⁴⁵ The fact has clearly indicated the important roles of micro and small enterprises for West Sumatran economic development and it also indicates that business sector in West Sumatra is dominated by local micro to small entrepreneurs, traders, peasant and other type of local

⁴³See Hafiz Rahman and John Day, “Who is Your Role Model? The Relationship between Role Models and Students Entrepreneurial Motivation.” Paper presented at *International Council for Small Business (ICSB) 2012 - World Conference*, Massey University, Wellington, New Zealand. 12. See also Hafiz Rahman. “The Influence of Entrepreneurial Role Models on Entrepreneurial Motivation (A Study of Indonesian Undergraduate Students at the Faculty of Economics of Andalas University in Padang – Indonesia).” (Dissertation, The Business School University of Huddersfield, 2013), 105.

⁴⁴ See Elfindri, Desri Ayunda and Wiko Saputra. *op.cit.*, 24, see also Primajati Candra Hastuti, Armanu Thoyib, Eka Afnan Troena, andMargo Setiawan, “The Minang Entrepreneur Characteristic.” *Procedia - Social and Behavioral Sciences* 211 (2015): 823

⁴⁵ The West Sumatra Provincial Government Planning Board. “Data Pembangunan Provinsi Sumatera Barat, Elemen: UKM.” http://sdp2d.sumbarprov.go.id/data_profil/html2print/107/0/2/2012-2016”

business. The massive number and percentage of micro and small business owned by the local people could indicate an important phenomenon that people in West Sumatra relatively have a conducive and supportive entrepreneurial culture that allows the propensity for entrepreneurship among its people.

2. Result and Discussion

This section discusses results and findings of this study, which mainly relate to the comparison between cultural dimension of Indonesian people and Minangkabau people and the formation of entrepreneurial culture within Minangkabau people. We begin our discussion with highlighting the cultural dimensions for Indonesian in section 2.1. Then, we take up the discussion for Minangkabau and followed by the exposition of the model on the formation of entrepreneurial culture within the Minangkabau tribe in section 2.2.

2.1. The Cultural Dimension of Indonesia and Logical Consequences to Entrepreneurship

Following Hofstede who first introduced the index of cultural dimension among countries in the world including Indonesia, we can summarize that Indonesian people is recognized as a collectivist society, have higher power distance and lower uncertainty avoidance as well as more feminine.⁴⁶ This is similar to Mangundjaya who has also found that the Indonesian people are regarded as a society which have value of the group more than individual value, is placing high importance on seniority rather than performance, is preferring stable conditions and situations rather than the challenging one, is having a clear cut between roles of the gender that sometimes actually overlaps and tends to have a short term orientation in life.⁴⁷

The cultural dimension of Indonesian people is further shown in the following table 1.

Table 1
Cultural Dimension (CI) and Value (CV) of Indonesian People

No	Values and Continuums	CI and CV of Indonesian People	
		Hofstede	Mangundjaya
1	Individualism and Collectivism	Collectivist	Value of the group
2	Uncertainty avoidance	High	Stable condition
3	Power distance	High	The importance of seniority
4	Masculinity and Femininity	Feminine	Clear cut between gender roles
5	Short term orientation and Long term orientation	Short term	Short term

Source: Hofstede (1980 and 2018) and Mangundjaya (2010)

⁴⁶ Gert Hofstede (1980), *op.cit.*,12 and Gert Hofstede (2018).“National Culture of Indonesia.” <http://geert-hofstede.com/indonesia.html>.

⁴⁷Wustari L.H Mangundjaya, “Is There Cultural Change in the National Culture of Indonesia?” Paper Presented at International Conference on Association of Cross Cultural Psychology (IACCP), Melbourne, Australia, (2001):4.

Referring to the concept of cultural dimensions by Hofstede (1980) and if we try to make a link between the exposition of culture and entrepreneurship, we can discover some following logical consequences of culture on entrepreneurship that apply to Indonesian people, which is exposed as follows.

1. Indonesia has relatively higher index in PDI and even higher rather than the average PDI of Asian countries. Indonesian index which is found by Hofstede (1980) and (2018) is 78 whilst other Asian is only 71. This index means one thing - Indonesia experiences a big inequality of power and wealth. As mentioned by Hofstede, (1980) and (2018) the bigger the index of PDI of a society will usually create the lower possibility for the creation of an appropriate supportive environment for new ventures. Hayton, George and Zahra also mentioned the relative similar thing.⁴⁸ They stressed that the low power distance is usually an important element for an appropriate environment for the propensity of entrepreneurship for members of the society.
2. The next cultural indicator that relates to entrepreneurship is the continuum of individualism. As mentioned by Hayton, George and Zahra, individualist societies such as the western societies tend to experience a more conducive environment for the propensity of entrepreneurship compared with the collectivist society such as the eastern people.⁴⁹ In the conjunction with this argument, Morris Samit straightforwardly stressed that a society with a more individualist culture tend to be more entrepreneurial rather than those which are more collectivist.⁵⁰ Entrepreneurship is viewed as a way where they can achieve personal success. Uniquely, members of the individualist society tend to not to appeal to their own group norms and personal ties, but rather convincing other members in their society about the validity of their vision. Indonesia however, has a very low IDV index (14).⁵¹ In fact, it becomes one of the most collectivist countries in the world. Using Shane, et al., Hayton, George and Zahra, and Morris Samit, as the basis of our analysis, we consider this condition as an unsuitable circumstance to entrepreneurship. As our understanding, the Indonesian people tend to give more respect to the collectivist cultures which are normally hinder and detriment the entrepreneurship, rather than individualist cultures which in fact in various countries and societies, is a supporting condition for the propensity of entrepreneurship within members of the society.

⁴⁸ James C. Hayton, Gerard George and Shaker A. Zahra, *op.cit.*, 33-52.

⁴⁹ *Ibid*, 33-52

⁵⁰ Morris Samit, *op.cit.*, 21-34

⁵¹ Gert Hofstede, (2018). "National Culture of Indonesia." <http://geert-hofstede.com/indonesia.html>.

3. Another element in cultural dimension of a society that can be related to entrepreneurship is uncertainty avoidance. Wenneker et al,⁵² Noorderhaven et al.,⁵³ and Noorderhaven and Harzing basically have pointed out that entrepreneurial individuals will try to find their way out from an organization once they feel and find that working in an organization can lower their uncertainty avoidance.⁵⁴ In case of Indonesia, the uncertainty avoidance index scores 48, which means that Indonesian people has high degree to avoid the uncertainty – and to avoid this uncertainty, people usually create stricter rules and regulations, which will at the end, impact a difficult condition for entrepreneurship.

In the context of Minangkabau people, *adat* law/the law of the tradition has long become a part of main rules and regulations to solve conflicts and disputes among members of the tribe

4. As Hofstede (2018), the masculinity index of Indonesian people scores 48 – which implies that Indonesian people has slightly feminine culture rather than the masculine one. As the consequence, Indonesian people are usually more modest and care to each other, but less assertive. This given condition can be said as one factor that can hinder and detriment the propensity for entrepreneurship in Indonesia.

If we look and summarize all the indexes of Indonesian cultural dimensions, there is an important implication related to entrepreneurship. As Indonesia has the high power distance, very low individualism, high uncertainty avoidance and low masculinity, the situation of these cultural dimensions would be, of course, a condition that can hinder and detriment the development of entrepreneurship and the propensity for entrepreneurship within Indonesian people. It is clearly signed that the Indonesian society is actually categorized as the society which would not let the development of conducive climate for entrepreneurship.

An important conclusion from Hofstede's cultural dimension that is related to Indonesian culture is as the following:

1. There is high inequalities among Indonesian people which is reflected by unequal distribution of power.
2. Indonesian people tend and prefer to avoid and minimize uncertainty by creating more rules and regulations that are applied to the members of the societies.
3. Indonesian people is a collectivist society.
4. Indonesian people are living in a more feminine culture.

Summarizing results of analysis of the cultural dimension of Indonesian people and relate them to entrepreneurship, we can simply say that Indonesian culture and society are actually not entrepreneurial. Indeed,

⁵²Sanders Wennekers, Lorraine M.Uhlaner and Roy Thurik, "Entrepreneurship and Its Conditions: A Macro Perspective." *International Journal of Entrepreneurship Education* 1, no. 1 (2002): 25-68

⁵³Niels G. Noorderhaven, Carla I. Koen, and Sjoerd Beugelsdijk, "Organizational Culture and Network Embeddedness." *Tilburg University Discussion Paper* 91 (2002): 1-52.

⁵⁴Niels G.Noorderhaven and Anne-Wil K. Harzing, "The Country of Origin Effect in Multinational Corporations: Sources, Mechanisms and Moderating Conditions." *Management International Review* 43, no. 2 (2003): 47-66.

previous results of analysis from Mangundjaya regarding the perceived value of Indonesian people has also given that similar indication.⁵⁵

If we compared with the Indonesian people in general, as Hofstede mentioned, Indonesian people have culture of collectivist, higher power distance, lower uncertainty avoidance, tend to be more feminine and having short-term orientation for their life.⁵⁶ Similarly, Mangundjaya (2010) found that the people of Indonesia is regarded as having value of the group, placing high importance on seniority, preferring stable conditions and situations, having clear cut between gender roles that nevertheless do sometimes overlap and tend to has a short term orientation.⁵⁷ As Indonesian people consist of many tribes, in which the Minangkabau people is one of them, facts show that cultural dimension of each tribe is different from one to the other and sometimes, is also different to the cultural dimension of Indonesian people in general.

Mangundjaya describes the culture of Minangkabau people as are characterized by its *matriarchate culture*, which means that women are the ones that play an important role in the family. Males are usually living out of their hometown to earn a better living (by doing *Merantau*) and usually act as an entrepreneur. The people never forget their family members as well as the key person in their culture – as they have an important role in their life. The Minangkabau people perceive the environment as unstable and consequently, they want to adjust themselves to the environment and they are giving very much respect to the elderly and seniority. To conclude this, Mangundjaya argued that the Minangkabau people are characterized as; (1) a collectivist society, (2) have a higher power distance, (3) tend to be feminine, (4) have a lower uncertainty avoidance and (5) have a long term orientation.⁵⁸

Comparing the culture dimension of Indonesian people to the Minangkabau people as mentioned by Hofstede (1980) and (2018) as well as Mangundjaya), the results can be seen in the following table below.

Table 2
Comparison of Perceived Values of Indonesian People - Minangkabau People

No	Values	Indonesian People*	Minangkabau People**
1	Individualism and Collectivism	Collectivist	Collectivist
2	Uncertainty avoidance	High	Low
3	Power distance	High	High
4	Masculinity and Femininity	Feminine	Feminine
5	Short-term and Long-term orientation	Short term	Long term

*) Hofstede (1980 and 2018)

**) Mangundjaya (2010)

⁴⁵ Wustari L.H Mangundjaya, *op.cit.*,2.

⁵⁶Gert Hofstede (1980), *op.cit.*,12 and Gert Hofstede (2018). "National Culture of Indonesia." <http://geert-hofstede.com/indonesia.html>.

⁵⁷Wustari L.H Mangundjaya, *op.cit.*2.

⁴⁸*Ibid*, 62.

Comparing values of Minangkabau people and Indonesian people, we can see a slight difference in regards of uncertainty avoidance and long-term orientation.⁴⁹ As the Indonesian people are having high uncertainty avoidance and short-term orientation, the Minangkabau people show low uncertainty avoidance and long-term orientation. Using this fact as the basis and relate it to entrepreneurship, Bjerke and Hultman argued that in a society where collectivist culture exists, entrepreneurship may start from an individual initiative but must have the support of the group to succeed.⁵⁹ They further argued that entrepreneurship will be more innovative and the process to become an entrepreneur will be generally more direct, faster and less complicated if a society has a relatively lower uncertainty avoidance in their culture.⁵⁰ A perfect example from Bjerke and Hultman's argument is the Minangkabau people – where entrepreneurship becomes a common choice of living for the people. The long-term life orientation which was traditionally raised in the culture of Minangkabau people also contributes to the creation of the culture of entrepreneurship among the Minangkabau people. Most entrepreneurship is a long term commitment – and individuals who want to become an entrepreneur should be aware of this kind of commitment.⁵⁰

Both Indonesian and Minangkabau people are found as having high power distance as part of their cultural dimension. Bjerke and Hultman used their own terminology to describe the power distance of a society, which is different to Hofstede (1980). They prefer to use the terms 'long' power distance instead of high power distance and the term 'short' power distance as the replacement of the term low power distance

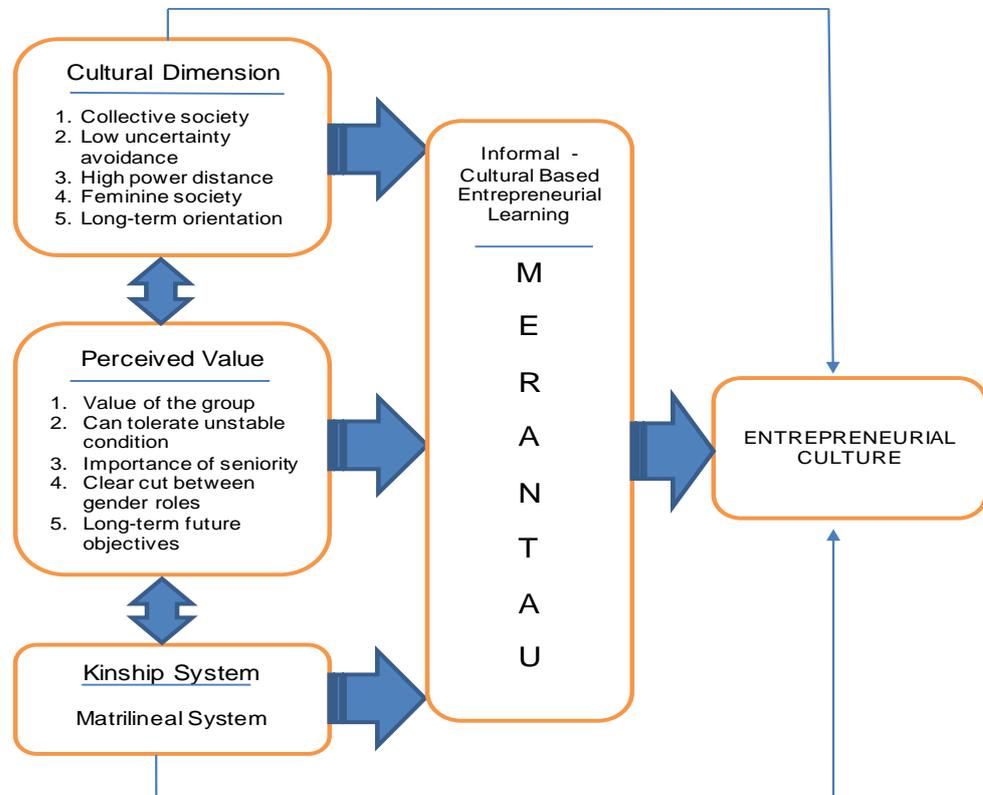
However, both the terminologies are considered to have the same meaning. As previously found by Hofstede (1980 and further 2018) and Mangunjaya, Indonesian people and Minangkabau people tend to have high or long power distance. If we relate this finding to Bjerke and Hultman, it is argued that in this type of culture, initiatives for the most activities come normally from the top and control of all aspects of a new venture effort by the entrepreneurs could be very detailed and frequent.⁵⁰ This further means that there will be a deprivation of ideas which come from people who are having lower status in the social system. As the result, people tend to be more silence, apathetic and rely on orders given by people who are having higher social status. This situation will further bring negative impact to entrepreneurial and creative people – as their idea for new ventures will often be deprived.

2.2. The Model on the Formation of Entrepreneurial Culture within the Minangkabau Tribe

To follow-up the discussion regarding entrepreneurial culture of Minangkabau people, we model the interrelationship between perceived value, cultural dimension, kinship system and the process of *merantau* in forming entrepreneurial culture of Minangkabau people. This can be seen in the following figure 1.

⁵⁹ Bjorn Bjerke and Claes Hultman. *Entrepreneurial Marketing: The Growth of Small Firms in the New Economic Era* (Cheltenham, UK: Edward Elgar, 2002), 117.

Figure 1.
 Model of How Cultural Dimension, Perceived Value and Kinship System
 are Forming Entrepreneurial Culture of the Minangkabau Tribe



Source: Conception of the authors

In this model, we argue that the interrelated relationship between cultural dimension, perceived value and kinship system of the Minangkabau tribe contribute directly and indirectly to the formation and the performance of entrepreneurial culture of the Minangkabau tribe. The direct relationship can be seen by the influence of cultural dimension, perceived value and kinship system of this tribe to the formation of entrepreneurial culture. Meanwhile, the indirect relationships is moderated by *merantau* as the informal, cultural-based entrepreneurial learning within this tribe.

The cultural dimension of the Minangkabau tribe can be seen in its characteristics as a collective society which has low uncertainty avoidance, high power distance and having long-term orientation. The Minangkabau tribe is also characterised as a feminine society. Perceived value of the Minangkabau tribe is characterised on their appreciation to the value of the groups (such as core family, big family, *suku*, to the groups of people who are coming from the same place of origin etc.), their ability to tolerate the unstable condition which arises from the unstable environment in the homeland, their highly respect on the seniority which forms the principle of respect to the elders and their long-term future objectives that is located within the future of their family and their society. The Minangkabau tribe, as the other Indonesian people, also recognizes as having a clear cut

between gender roles. In their *kinship system*, the Minangkabau tribe uses matrilineal system, in which females are being positioned in a very important position. Their matrilineal system has made females, especially elderly females, consider, decide and control every strategic and necessary decision regarding their tribe. This kinship system has resulted a balance between the roles of males and females in the Minangkabau social system. While females control necessary and strategic decision regarding the tribe (such as legacies, ceremonies etc.), the males normally take full control for their future living as well as their families' (such as how to make money for their living etc.)

All of these (cultural dimension, perceived value and kinship system) have brought significant positive impact to the formation of an informal-cultural based entrepreneurial learning within the Minangkabau tribe. This is shown in their ability to do the *merantau (emigrate)* – leaving their homeland to live in the other part of the country or abroad. As they are having a slight different cultural dimension and perceived values to Indonesian people in general (in terms of long-term orientation and their ability to tolerate the unstable condition in their life), the Minangkabau tribe are mostly found of doing entrepreneurial activities for their living during the *merantau*. The process of *merantau* creates further chance for the young Minangkabau males to have their own entrepreneurial role model. During *merantau*, the young Minangkabau males are normally mentored by the successful Minangkabau entrepreneurs, the circumstance has created a possible transmission of the role model's role and influence to the young Minangkabaus. As Rahman and Dayargue,⁶⁰ there is an open possibility to incorporate the participation entrepreneurial role model in entrepreneurship education (mostly learning) either formal or informal – and the process of *merantau* as an informal cultural based entrepreneurial learning can be used as an example of an entrepreneurial informal learning process where we can find possibilities of the transmission of roles and the influence of entrepreneurial role models to the young Minangkabaus.

3. Conclusion

We do agree and further believe that analysing and considering culture of a society (and people) is a very tough and difficult task to undertake, in particular if it should be related to entrepreneurship. If we consider facts and analysis of Indonesian cultural dimension and perceived values, then there is clearly a question arises: is the hindering and detrimental societies could produce the supportive environment for the propensity of entrepreneurship? If the answer is yes, then what should be the logical explanation to it? The question arose from the logic and literature arguments that there should be a positive interrelated relationship between culture and the propensity for entrepreneurship in a society. The cultural aspects are believed, should create supportive climate for entrepreneurship performance of a country. We argue that if the culture of a society indicates

⁶⁰ Hafiz Rahman and John Day, "Involving the Entrepreneurial Role Model: A Possible Development for Entrepreneurship Education." *Journal of Entrepreneurship Education* 17, no 2 (2014): 163-171.

positive and supportive aspects in its cultural dimensions and perceived values of its people, then it will foster the propensity for entrepreneurship among members of the society and as the result, the society or the country will be more entrepreneurial and the development and performance of entrepreneurship will be more guaranteed.

This paper also shows the evidence that culture and perceived value also play an important role to create and maintain entrepreneurial habits and experience of a certain society. In this paper, this is shown by the Minangkabau tribe in West Sumatra as one of sub-culture in Indonesian cultures. Cultural dimension of a society, perceived value and kinship system of this tribe contribute direct or indirect impact and influence to the creation of very supportive and conducive entrepreneurial culture. The indirect impact of those determinants (cultural dimension, perceived values and kinship system) to entrepreneurial culture are shown by the positive presence of an informal-cultural based entrepreneurial learning that occurs within the Minangkabau people. This is in the form of *merantau*, which also supports the creation of a very conducive and supportive entrepreneurial culture experienced by the Minangkabau people at large. Compared to the cultural dimension and perceived value of Indonesian people in general, the Minangkabau tribe is relatively different in terms of uncertainty avoidance and orientation for its future life. The Minangkabau tribe is considered as being more tolerant to the uncertainty in their life and future and have a long-term orientation in their future life. Having these as their nature and the existence of an informal cultural based entrepreneurial learning, the Minangkabau tribe is considered to be more entrepreneurial rather than other tribes or ethnic groups in Indonesia. The peculiarity Minangkabau tribe compares to other tribes in Indonesia can also be found in the Minangkabau's kinship system which is a *matrilineal system* that puts females in a very important position in their cultural and social systems.

This study analyses one single cultural background as the context of study which is sourced from a particular tribe in Indonesia and compared it with the analysis of Indonesian culture and values. As this study was undertaken to a single cultural context (West Sumatra culture), it will be worth to extend this study and investigation into various cultural dimension, perceived value and kinship system from ethnic groups/tribes in Indonesia or other countries. Comparatively, this will add our understanding, knowledge and perspectives regarding the formation of entrepreneurial culture as a result of the combination between cultural dimension, perceived values and kinship system of a society/community/ethnic group.

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