Supporting Entrepreneurship Through Migratory Culture and Information Acquisition

Pudjo Sugito, Kamaludin

Abstract: This research intends to analyze the effect of migratory culture toward entrepreneurship through information acquisition. The research population are migrant Madurese entrepreneurs in East Java, Indonesia, with a sampling technique using a proportional random sampling. To accomplish the purpose, the primary data using online survey was collected from a sample of 170 migrant Madura entrepreneurs. Further, the primary data was analyzed by structural equation model with the Partial Least Square data processing program. The research finding demonstrates that migratory culture significantly effect entrepreneurship and information acquisition mediates the effect of migratory culture toward entrepreneurship. It means, both migratory culture and information acquisition support entrepreneurship of migrants Madurese.

Index Terms: Migratory culture, Entrepreneurship, Information acquisition

1. INTRODUCTION

Madurese community can be found in various parts of Indonesia. That is because of migratory culture what has caused Madurese tribe everywhere. There are not too many Indonesian ethnic groups who have a migratory spirit. The Minangkabau tribe, the Batak tribe, especially the Wonogiri and Gunung Kidul people, are examples of other ethnic groups who have a migratory spirit. Generally, the economic pressure and the scarcity of natural resources, which encourage these people to live in overseas. Likewise, the encouragement of the Madurese left their hometown because of the desire to improve their socio economic life, considering that their natural resources are very minimal. On the overseas, Madurese work more in the private sector especially as entrepreneurs. The majority of people know that Madurese community as a group that is very open in expressing feelings, spontaneity, expressiveness and tend to extrem. The uniqueness and characteristics of the Madurese community are very historically unique (Kuntowijoyo, 2002) from the characteristic patterns of Javanese society. So that, this society is grouped on family ties. Besides, streotipe of Madurese is hard, brave, resilient and frugal (Susanto, 2003) and estimated that 75% of Madurese live in overseas regions. These characters manifest when they have to respond to everything they face in their daily lives. In this context, it means that Madurese values open up opportunities for more transparent individual expression. Madurese can be grouped into two groups, namely chaplain and ordinary people.

Ordinary society consists of santri and not santri, while the community is also grouped into three groups, namely the lower layer which is usually called oren kenek who usually work as farmers, craftmen, traders, laborers even including people who do not have jobs. The middle class is a group of employees, both working in government and private offices, and entrepreneurs, while the upper class are chaplain groups & intellectuals. So that, the highest group in Madurese community is clerics, government officials (Kuntowijoyo, 2003). Already a character to succeed in becoming rich must be adventurous, while the negative character is not manners, rude, open and familiar with violence. The decision to get in and select a profession as an entrepreneur is supported by many conditions, including the first person born or raised in a family that has a strong culture of business (confidence modalities), both people are in a gloomy condition, so there is no other option for him beside being an entrepreneur (tension modalities), the three people who really learn themselves to work entrepreneurs (emotion modalities). Based on the results of the study revealed that 95% of Madurese migrants work as entrepreneurs. Interestingly, majority of Madurese businessmen who are successful migrants come from families with strong traditions in the business field. Therefore, it can be concluded that the culture of family or tribal entrepreneurship or even a nation is extremely influential on the emergence of many people who work as new entrepreneurs. Additionally, the characteristics of the Madurese community are described as individuals who are resilient and hardworking. The community considers business as an opportunity that must be utilized, sometimes the behavior of Madurese is considered an irrational act, because of their courage in taking risks as entrepreneurs. This entrepreneurial spirit is hereditary, and very primordial so that the existing business network is very strong among Madura entrepreneurs. Meanwhile, another research result reveals that the ability to think critically influences the migratory culture (Hwang and Han, 2018). This finding is reinforced by Hondzel & Gulliksen (2015) which states that critical thinking influences culture and creativity. Besides that, it is also increasingly emphasized by Solik et al (2016) that the culture of migration is triggered by critical abilities as well as acquisition information. Meanwhile, information acquisition effect the decision of moving. Colombo, Femminist, & Pavan (2014) also stated that information acquisition effect toward moving to get welfare. The same opinion expressed by Ardilla & Arisnaldi that migratory culture is triggered by several things such as information acquisition, economic pressure and desire to develop. Therefore, based on the discretion above, this study intends to analyzed how the effect of migratory culture toward entrepreneurship as well as the role of information acquisition on the relationship.

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II. LITERATURE REVIEW

A. Entrepreneurship

Entrepreneurship is often interpreted as the ability to innovate and be creative in responding to the dynamics of change. Such response can occur in various fields, both social, economic, technological culture and so on. Entrepreneurship is an activity to generate value through the utilization of business opportunities, risk management, and through communicative and management skills to manage the people, financial, and raw materials required to make a project produce output. Recently, having a good number of active entrepreneurs is an important indicator for determining the good health of a country. Entrepreneurs find and take advantage of new business opportunities guided by intuition (Sáiz-Alvarez, Coduras, & CuervoArango, 2013) and manage risks, while following the dynamics of social change. As a complement to entrepreneurs, capitalists only invest their money to seek stock returns, and managers, as decision makers, strive to achieve first-rate competitive advantage in the company (R&D and innovation) by increasing competitiveness. When the climate of competition becomes increasingly fierce, companies continue to work hard to improve competitiveness on an ongoing basis from time to time, which will certainly benefit their stakeholders. Besides, entrepreneurship can be studied by following various points of view and can produce a multidimensional concept (Bula, 2012). While entrepreneurial studies began for Economics and Managerial Sciences in the mid-sixteenth century, the first psychological studies related to this issue were published around the 1960s as revealed by McClelland’s (1965). The authors then focus on efforts to elaborate how individual and social motivation as one of the most important psychological factors to describe entrepreneurship, and revealed that imagination, power distance, and the courage to take risks as the most important factors to realize success. In addition, when the likelihood of achieving success is higher, the level of entrepreneurial inclination is increasing (Kalkan & Kaygusuz, 2012). To become successful entrepreneurs, they must seek and identify business opportunities (Mariotti & Glackin, 2010), be able to choose and manage an entrepreneurial career (Haynie & Shepherd, 2011), and be able to apply the principles of entrepreneurship (Shepherd & Patzelt, 2011), adapt to business dynamics to be more resilient in the face of failure. The mentality of the entrepreneurial profession is different, because they are driven by entrepreneurial vigilance which is interpreted as a unique set of perceptual and cognitive processing skills directed at the process of identifying opportunities. Consequently and given the vigilance of entrepreneurship, only people who dare to take risks that tend to be successful when managing a business. That’s because entrepreneurs always observe changes, respond to them, and explore them as opportunities. Entrepreneurship as an innovative activity that involves a variety of existing resources with the capacity to produce new assets, as the nature of the context of the formulation of decisions with entrepreneurial decisions. Based on the above opinion, entrepreneurship can be interpreted as a business strategy that seeks to create jobs, social wealth, and profits by combining the use of productive and commercial resources. As Ahmad and Seymour (2008) revealed that entrepreneurship is a phenomenon related to business activities. In this case, an important entrepreneurial activity is launching a new business, either by a startup company or through an internal company venture, and achieved by entering new or old markets with new or previously produced goods and services.

B. Migratory Culture

Questioning about culture is actually not something new in the context of migration. It has been hiding under the surface for some time, sometimes appearing openly in a discussion forum, usually called a phrase. Some writers often discuss culture in the public sphere. The majority of them are concerned with how culture shows itself in the migration process for groups that play a role consisting of migrants, those left in sending areas, and people who have lived in the migration destination in advance. The theme is quite varied. But what unites the writers is their appreciation that although the actors behave differently, in a group there are collectively important economic beliefs such as customs, values, attitudes, and many more, which we later call culture. Culture and identification play an important role in understanding migration as a socioeconomic phenomenon; but what about them? To be precise, it must focus on the main factors of identity and cultural factors such as price and income, broadly defined. However, it is not the hat that is done. In general, identity and culture are marked in economic articles as black boxes. In this case, you can try to start opening the black box. Migrants are very diverse indeed. In this context there are cultural differences between migrant groups, the families they leave behind, and the local population in the migration destination. Interactions that occur directly are very coloring the behavior of the three groups. Assimilation as a result; separation as other possibilities which can also arise. Location options, interactions at work, bag size, opportunities for migrants to obtain capital loan facilities from their new country, local population responses to migrants, political traditions of migrants and local residents, proximity to the country of origin, and socioeconomic conditions of the country. Host countries often contribute to some of the classic conflicts between assimilation and separation. The process of assimilation from migrants themselves, to local residents, to families left behind in their home countries and others can be divided into five non-exclusive areas, namely (a) Location and Enclave Options, (b) Production, Income and Competition, (c) Assimilation Struggles, (d) Family Problems and Money Transfer Effects, and (e) Elections, Attitudes, and Public Policy.

C. Information Acquisition

Basically, information is interpreted as anything that minimizes uncertainty (Danchin et al. 2004). There are two kinds of information, personal information and socially acquired information. Personal information is very important for individual. Usually, Usually obtained through their interactions with the environment. Myatt and Wallace (2013) considers the acquisition of information absolutely necessary by management to formulate each decision. Therefore, the ability to acquire information as a competency must be owned both personally and institutionally. That's because only then will an entrepreneur be able to succeed. A similar opinion was expressed in the statement of Hellwig and...
Veldkamp (2009), that the ability to acquire information can be considered as an asset in the recent era of rapid change. The meaning, a successful entrepreneur is very dependent on these abilities. That is because almost all business opportunities, creating and innovating in various fields of life are behind the changes in macro factors that have continued to run rapidly lately. Associated with some of these opinions it turns out that the ability of information acquisition has a significant effect on efficiency and effectiveness in running a business. This opinion was revealed from the results of research by Mackowiak and Wiederholt (2013). Cultural dynamics that have traditionally been closed to entrepreneurial activities including individualism, power distance and uncertainty avoidance are now important information. This was revealed in a research article (Hayton et al., 2012) that cultural dynamics positively affect innovation. Although in a previous study on the same topic, Shane (2012) stated that there was a negative relationship with innovation and creativity (Shane, 1993). Meanwhile, Zhao et al. (2012) revealed that there were moderators who intervened in the relationship between culture and entrepreneurship. In order to strengthen his argument, this author conducted empirical research on the grounds that national wealth was measured as a per capita domestic product as a moderate variable in this relationship, and even culture could moderate entrepreneurial success. On the results of research elsewhere, culture in fact can have a positive or negative impact on entrepreneurial activity. The study uses several cultural indicators raised from the GLOBE project (2004), which are certainly closely related to entrepreneurial theories: dimensions of traditional societies in group spirit, human desires and power ranges and dimensions related to the performance of modernism orientation, future orientation and avoidance uncertainty, but does not include three cultural dimensions: institutional collectivism, gender egalitarianism and assertiveness, pada sisi lain, Ozgen (2012) in a theoretical and conceptual article about a study of the linkages of cultural indicators initiated by the GLOBE project (2004) to support the recognition of opportunities in developing countries and how these cultural aspects actually have tangible benefits in recognition of opportunities and entrepreneurship. Her approach focuses on women’s entrepreneurship and business activities that are supported by opportunities rather than needs. The Global Leadership and Organizational Behavior (GLOBE) research program House et al. (2002), House and Javidan (2004) identified nine cultural indicators for understanding culture, namely power range, uncertainty avoidance, institutional spirit (collectivism I), ingroup spirit (collectivism II), gender egalitarianism, assertiveness, futuristic mindset, futuristic mindset performance, human orientation, and distinguish between two types of cultural manifestations: cultural practices and cultural values. This approach is revealed from studies of conventional psychological and cultural behavior, and assumes that each particular cultural community must understand and understand it at the same time (House et al., 2010).

D. Research Hypotheses
Based on the literatures review and several previous research, it can be formulated four research hypotheses namely (a) migratory culture significantly effect toward entrepreneurship, (b) migratory culture significantly effect information acquisition, (c) information acquisition significantly effect entrepreneurship and (d) migratory culture indirectly effect toward entrepreneurship through information acquisition.

III. RESEARCH METHODOLOGY
This study was carried out by survey with a questionnaire as a primary data collection tool. There are three research variables namely migratory culture (MC), entrepreneurship (ET) and information acquisition (IA). Migratory culture is behaviour of moving from one place to others to find work or better living conditions, information acquisition is an activity carried out to actively seek new information using various media and make it as an analysis material for decision making (Feith, 2017), and entrepreneurship is the ability to find and obtain several business opportunities using a lot of information which arises from the dynamics of change (Kolb, 2014). The research population are all migrant Madurese entrepreneurs in East Java, Indonesia. Based on the Population Department of Indonesia, there are 1.5 million Madura migrants in various regions in Indonesia. The sampling technique uses a proportional random sampling of 170 Madura migrants. Primary data was analyzed by structural equation modeling techniques with Partial Least square data processing program, which begins with the implementation of the parameter test. Measurement model aims to determine the validity and reliability of measurements by focusing on several aspects, namely convergent validity test, validity test and reliability test.

<table>
<thead>
<tr>
<th>TABLE 1. Parameter of validity &amp; reliability measurement test</th>
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<tbody>
<tr>
<td>Test</td>
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<tr>
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<tr>
<td>Convergent Validity</td>
</tr>
<tr>
<td>Discriminant Validity</td>
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<tr>
<td>Reliability</td>
</tr>
<tr>
<td>GoF: small = 0.1, GoF medium = 0.25, GoF Large: 0.38.</td>
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Furthermore, measurement test is carried out and if all parameters of the measurement model are declared robust, then proceed with testing of good of fit (GoF) index and hypothesis testing. The good of fit index test on PLS-SEM uses the Tenenhaus standard (2014), if the value of GoF is small $= 0.1$, GoF medium $= 0.25$ and large $GoF = 0.38$. Then proceed with the hypothesis test. Hypothesis testing using the SmartPLS 3 Professional data processing program, with hypothesis acceptance/rejection criteria using, Probability (P) coefficient is less than 0.05 and t-statistic is greater than 1.96 (Harkiolakis, 2017).

IV. RESULTS AND DISCUSSION
A. Result
Outer model analysis is carried out to know the validity and reliability of research measurement. For that, it is demonstrated at path diagram below.
Based on figure 1, loading factors of x4, x11, and x12 are less than 0.60. It means those indicators have to be deleted from acquisition information variable. This is due to it does not represent of the research variable. Therefore, it must be recalculated and the result can be seen at figure 2 as follows.

### Table 2. Construct Reliability and Validity

<table>
<thead>
<tr>
<th>Matrix</th>
<th>Cronbach’s Alpha</th>
<th>Rho_A</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>ET</td>
<td>0.824</td>
<td>0.848</td>
<td>0.868</td>
<td>0.688</td>
</tr>
<tr>
<td>EA</td>
<td>0.896</td>
<td>0.896</td>
<td>0.935</td>
<td>0.828</td>
</tr>
<tr>
<td>MC</td>
<td>0.744</td>
<td>0.750</td>
<td>0.854</td>
<td>0.661</td>
</tr>
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</table>

Based on table 2, it is demonstrated that all loading factors of the model are more than 0.60. It means that all research instruments are already validated. Also, research instruments validity is measured with the value of Average Variance Extracted (AVE).

As seen at table 5, information acquisition significantly affect entrepreneurship, migratory culture significantly effect toward entrepreneurship, and migratory culture effect information acquisition. This is due to the p values are less than 0.05. Also, as seen at table 5, migratory culture significantly indirect effect toward entrepreneurship through information acquisition. This is due to the p value is 0.00 < 0.05. It means that information acquisition mediates the effect of migratory culture toward entrepreneurship. However, it is only quasi-mediating. That is due to the p value of total effect of migratory culture toward entrepreneurship is 0.00.

### Table 5. Path Coefficients

<table>
<thead>
<tr>
<th>IA-&gt;ET</th>
<th>0.230</th>
<th>0.048</th>
<th>4.742</th>
<th>0.000</th>
</tr>
</thead>
<tbody>
<tr>
<td>MC-&gt;ET</td>
<td>0.791</td>
<td>0.040</td>
<td>19.807</td>
<td>0.000</td>
</tr>
<tr>
<td>MC-&gt;IA</td>
<td>0.660</td>
<td>0.061</td>
<td>10.900</td>
<td>0.000</td>
</tr>
<tr>
<td>MC-&gt;IA-&gt;ET</td>
<td>0.152</td>
<td>0.032</td>
<td>4.669</td>
<td>0.000</td>
</tr>
</tbody>
</table>

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### B. Discussion

The research findings that information acquisition effects migratory culture support several previous research. First, the research finding support Gibson, et all (2015) that information flows effect toward migration motive. In fact, it is also in line with the results of research by Solik et al all (2016) that the culture of migration is triggered by critical abilities as well as acquisition information. Newell, et al (2016) also provides the same clarification that information acquisition is one of the triggers of migration desires. Wajdi et al (2017) also revealed that internal migration in Indonesia is triggered by various factors, one of which is interesting information at the destination. Similar opinion was also expressed by Ardilla & Arisnaldi (2018) that migratory culture was triggered by several things such as information acquisition, economic pressure and desire to develop. The research findings show that critical thinking skills influence migratory culture. The findings of this study were also strengthened by Hondzel & Gulliksen (2015) who stated that critical thinking influences culture and creativity. The second research finding states that the migratory culture effect toward entrepreneurship also supports by several previous research. Firstly, support Rante (2010) that Ethnic culture contributes to motivation for entrepreneurship. Yuniarto (2012) also strengthens the results of his research that migration culture does indeed influence bewirausal behavior. Then, support previous research conducted by Hastuti et al., (2013) that the Minangkabau migration culture influences.
entrepreneurship in Indonesia. Further support Yulanda, V., (2015) that there is an influence of cultural values on entrepreneurial behavior. Also supported by Naude, et al. (2017) and event support Jacqueline et al. (2017) that migration effect toward social entrepreneurship. It means that migration culture plays an important role in supporting entrepreneurship. Interestingly, this research found that acquisition of information indirect effects through migratory culture entrepreneurship. It is means that the migration culture mediates the effect of information acquisition on entrepreneurship.

V. CONCLUSION

Based on research finding, it can be concluded that there are linkage between migratory culture and entrepreneurship and information acquisition mediates the linkage of migratory culture and entrepreneurship. Therefore, further research should focus on factors affecting information acquisition. By doing that, it can be found new research result that usefull to encourage migrant Madura to be succesfull entrepreneurs as well as enrich management science particularly dealing with entrepreneurship.

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