'MERANTAU' - AN INFORMAL ENTREPRENEURIAL LEARNING PATTERN IN THE CULTURE OF MINANGKABAU TRIBE IN INDONESIA

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ABSTRACT

The aim of this paper is to expose an informal entrepreneurial learning pattern that is undertaken by the Minangkabau tribe in Indonesia and relate it to cultural dimension and perceived value of a society. This informal entrepreneurial learning pattern is called as '*Merantau*' - which can simply be meant as '*to emigrate*', in which the young males (mostly during the ages of 15-20, or even younger) leave their homeland; move to other places nationwide or abroad, and running entrepreneurial activities for their daily life. The existence of merantau as an informal cultural based entrepreneurial learning for the young Minangkabau tribe combined with their cultural dimension and perceived values have contributed to the creation of and bring positive impacts to entrepreneurial culture of the Minangkabau tribe. The Minangkabau tribe, as one of tribes in Indonesia, experiences very supportive social environment in which entrepreneurial culture is recognised as part of the way of life. Therefore, Minangkabau tribe is known as one of the most entrepreneurial tribes in Indonesia. This paper considers perceived value and cultural dimension that may bring consequence to entrepreneurial culture of a society, with particular analysis to Minangkabau tribe in Indonesia. Analysis is undertaken by considering the elements and index of cultural dimension and perceived values of a society that can create and intiate entreprenuerial habits and relate them to entrepreneurship. Result of the analysis shows an evidence that culture of a society also plays an important role to create and maintain entrepreneurial habits and experience of a society. Together with cultural dimension of a society, perceived values that a society has, also contributes to the creation of entrepreneurial culture of that society. This is shown in the context of the Minangkabau tribe who is well known as an entrepreneurial tribe in Indonesia. However, this study analyses one single cultural background from a specific tribe in Indonesia and since it was undertaken to a single cultural background, it will be worth to extend this study and investigation into several cultural and value backgrounds from various ethnic groups/tribes in Indonesia or any other countries. Comparatively, this will add knowledge and dimension regarding entrepreneurship and its relationship to cultural dimension and perceived values of a society/community/ethnic group.

Keywords: Merantau, Informal Entrepreneurial Learning, Cultural Dimension, Perceived Value.

ABSTRAK

Tujuan dari makalah ini adalah untuk menjelaskan pola pembelajaran kewirausahaan informal yang dilakukan oleh suku Minangkabau di Indonesia serta mengkaitkannya dengan dimensi budaya dan nilai masyarakat yang didapat. Pola pembelajaran kewirausahaan informal ini disebut 'Merantau' – yang dapat diartikan sebagai "beremigrasi", dimana laki-laki muda (sebagian besar berumur 15-20 tahun atau lebih muda) meninggalkan tanah air mereka; pindah ke luar kota atau luar negeri, dan menjalankan kegiatan kewirausahaan dalam kesehariannya. Keberadaan "merantau" sebagai budaya pembelajaran kewirausahaan informal bagi suku Minangkabau muda yang dikombinasikan dengan dimensi budaya mereka dan nilai-nilai, telah memberikan kontribusi pada pembentukan suku Minangkabau serta membawa dampak positif terhadap budaya kewirausahaan tersebut. Suku Minangkabau, sebagai salah satu suku di Indonesia, berada pada lingkungan sosial yang sangat mendukung dimana budaya kewirausahaan diakui sebagai bagian dari cara hidup. Oleh karena itu, suku Minangkabau dikenal sebagai salah satu suku yang paling membawa sikap kewirausahaan di Indonesia. Makalah ini mempertimbangkan nilai dan dimensi budaya yang didapat yang membawa konsekuensi untuk budaya kewirausahaan masyarakat, dengan analisis khusus pada suku Minangkabau di Indonesia. Analisis dilakukan dengan mempertimbangkan unsur-unsur dan indeks dimensi

budaya serta nilai-nilai yang didapat oleh masyarakat yang dapat membentuk dan memulai kebiasaan wirausaha serta mengkaitkannya dengan kewirausahaan. Hasil analisis menunjukkan bukti bahwa budaya masyarakat juga berperan penting untuk menciptakan dan memelihara kebiasaan kewirausahaan serta pengalaman masyarakat. Bersama dengan dimensi budaya dari suatu masyarakat, nilai-nilai yang dimiliki oleh masyarakat juga berkontribusi dalam penciptaan budaya kewirausahaan masyarakat tersebut. Hal ini ditunjukkan dalam konteks suku Minangkabau yang dikenal sebagai suku wirausaha yang ada di Indonesia. Walau bagaimanapun, penelitian ini menganalisa suatu latar belakang budaya dari salah satu suku yang ada di Indonesia. Beranjak dari penelitian ini, perlu dilakukan penelitian lanjutan dengan menginvestigasi beberapa latar belakang budaya dari berbagai etnis / kelompok suku di Indonesia dan negara lain. Secara komparatif, hal tersebut dapat menambah pengetahuan kaitannya dengan kewirausahaan dan hubungannya dengan dimensi budaya serta nilai-nilai yang didapat dari masyarakat / komunitas / kelompok etnis.

Kata kunci: Merantau, Pembelajaran Kewirausahaan Informal, Dimensi Budaya, Nilai yang Didapat.

1. Introduction

West Sumatra is one the provinces in Indonesia in which the Minangkabau tribe lives. Minangkabau tribe is well known as one of the friendliest tribal groups in Indonesia. They love to talk and chat with visitors and will tell us about their unique society freely. If a visitor tries to understand the culture and Minang traditions he will soon feel himself a member of the clan. He will be invited as a guest to their homes as part of their culture hospitality - a unique way to become acquainted with real Indonesian life. They will show us the community and explain their customs. The people are hospitable and eloquent in a poetic style of speech and ceremonies. Festivals are colourful occasions.

Most of the West Sumatran people are Moslem (more than 90%) and we can find mosques easily in all parts of the province. The culture of West Sumatra is founded on their main religion (Islam) and therefore, most of cultural occasions and festivals are rooted from the Islamic spirits. Although most of the populations are Moslem, the West Sumatran people are considered as one of the most moderate Moslem populations in Indonesia. They are tolerant and can easily live with other people from different religions. They can also adapt easily to other people and places, and therefore they can also easily live outside of their homeland.

Family and its culture is one of the most important elements for the West Sumatran people. People conveniently stay in their core family and their relationship with the big family members remains close over time, wherever they live. The West Sumatran is one of the tribes in the world, which has the '*matrilineal system*' in their family system. Thus, females have very important position in the family and can take the most important decision for the

whole family, especially if they are related with the cultural issues (the legacies, assets of the clan, cultural ceremonies etc.).

Travelling and living outside of the province is considered as a mark and indicator of success. Many Minang people are being found "*merantau*" (emigrated) to other parts of the country, mostly doing entrepreneurial activities. In *merantau*, the young males (mostly after the ages of 18-20) leave their homeland; emigrate to other places and running entrepreneurial activities for their daily life. Initially, it is done with the help and assistance of mentors (who are also the West Sumatran people and successful entrepreneurs) by providing employment opportunities in their businesses. The businesses are various, but mostly in trading and restaurants. Learning processes are then starting and running within this stage and after the young are ready, they can start their own businesses using their savings and sometimes, with a small loan from relatives. In the philosophy of West Sumatran entrepreneurs, one successful West Sumatran entrepreneur should create at least three young West Sumatran entrepreneurs, (Elfindri *et al.*, 2010). This philosophy is successfully used and as a consequence one can find many Minang

or Padang entrepreneurs nationwide. Restaurant that serves famous very spicy food throughout the country is a typical example of how the process of *merantau* successfully creates many Minang entrepreneurs. The process of *merantau* has also created many West Sumatran traders who have important positions in Indonesian trading activities and communities.

2. Literature Review

The existence of the cultural context on entrepreneurship has been explored since many years by the scholars. The result, however, is little known about the complex role of culture in the rise and fall of business ownership, Verheul et. al. (2001). We cannot generalize the culture of each social system and network which can affect entrepreneurship and therefore, the study of cultural context on entrepreneurship became more complex and cannot be clearly summarized. Though it is argued that entrepreneurial spirit needs appropriate social and cultural background to initiate motives for new venture creation, Watson, Hogarth-Scott and Wilson (1998), and Morisson, (1999) but in fact, cultural background with its complex phenomenon remains difficult to analyze related to entrepreneurship and

entrepreneurial motives. Because of its complexity, the study of culture itself needs to use a system approach as suggested by Hofstede (1980). As he pointed, culture is the interactive aggregate of common characteristics that influence a human's group response to its environment. There are four dimensions on each national culture of each country. These four dimensions are:

a. Power distance, i.e. the extent of power inequality among members of an organizational society

b. Uncertainty avoidance, i.e. the extent to which members of an organizational society feel threatened by and try to avoid future uncertainty and ambiguous situations

c. Individualism and collectivism, which describes relationship between the individual and the collectivity that is reflected in the way people live together

d. Masculinity and femininity, i.e. the extent of roles of division between sexes to which people in a society put different emphasis on work goals and assertiveness as opposed to personal goals and nurturance.

Those above mentioned dimensions represent the basic elements of the common structure in the cultural systems of the countries.

In the entrepreneurship, relevant analysis is given in the continuum of individualism and collectivism as a major role in identifying a culture's propensity to entrepreneurship, Samit (2005). As mentioned by Hofstede (1980), the individualist cultures foster development of self-concept, a sense of responsibility, and competition that may lead to new ideas and innovations. In the other side, collectivist environments may actually be anti-entrepreneurial by causing acceptance of norms, compromise, and resistance to change. As Samit (2005) cited in Morris et. al. (1994), collectivist environments may actually be anti-entrepreneurial by causing acceptance of norms, compromise, and resistance to change. Therefore it can be said that his environment is not favorable to foster the entrepreneurial culture and in most of the cases, hindered the entrepreneurship processes. This can explain on why *individualists* living in a collectivist culture leave such a culture to be entrepreneurs. That is also why people in individualist culture more entrepreneurial rather than people living in collectivist culture.

Samit (2005) also argued that the power distance as a dimension of culture also took part in determining favorable or detrimental condition for entrepreneurship. He argued that high power distance cultures such as in Middle East can detriment condition of entrepreneurship. Meanwhile, the lower power distance culture enjoys favorable condition for entrepreneurship and entrepreneurial leadership such as happens in Anglo, Nordic and Germanic cultures, Gupta et. al. (2004), Hofstede (1980).

An approach of the cultural context in entrepreneurship can also be analyzed by using the framework of institutional analysis from Williamson (2000) and supply and demand side approaches as the determinant of entrepreneurship, Verheul et. al. (2001). In the framework for institutional analysis, Williamson (2000) divided four levels of institutional analysis to let us know position of the culture in the institutional setting. Those four levels are as follow.

1. Level 1: informal institutions (norms, customs, traditions and religion). This level is identified as the culture

2. Level 2: formal legal rules and regulations (constitutions, law, property rights etc.)
3. Level 3: governance structure with transactions (contracts, firms and networks)
4. Level 4: marginal analysis of prices and resource allocation

Based on the study of Verheul et. el. (2001), the cultural aspect is categorized as one of the determinants of entrepreneurship. They overviewed that the determinant of entrepreneurship can be analyzed based on the level approach; micro, meso and macro level approaches as well as demand and supply approaches. The objects of the study in the level approach are entrepreneur as an individual or business, sectors of industry and national economy. The cultural aspect in entrepreneurship categorize as one of the aspects in the micro level approach which focusing its analysis in the decision making process of individuals and the motives of people to become self-employment as an entrepreneur. It is considered as an aspect which can influence the decision making process and the motives of people become an entrepreneur.

It is argued that culture is important in any discussion of entrepreneurship because it can determine the attitudes of individuals towards the initiation of entrepreneurship Vernon-Wortzel and Wortzel, (1997). It is also agreed that entrepreneurial spirit needs appropriate social and cultural background to initiate motives for new venture creation (Watson, Hogarth-Scott and Wilson, 1998 and Morisson, 2000). Carter and Jones-Evans (2000) further strengthened 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."
>
> (p. 102)

The Global Entrepreneurship Monitor (GEM) Global Report 2011 and Kelley et al. (2012) also pays attention to the cultural context of entrepreneurship. One focus of the GEM Global Report 2011 shows nine entrepreneurship framework conditions (EFC) as the determinants of entrepreneurship which is divided into three considerations; (a) basic requirements, (b) efficiency enhancers, and (c) innovation and entrepreneurship. It further states;

> "The institutional environment is critical to the study of entrepreneurship, because it creates conditions that entrepreneurs must navigate and that policy makers can address."
>
> (p. 4)

The GEM Global Report 2011 draws its emphasis on this institutional environment as a figure which is named as 'The institutional Context and its Relationship to Entrepreneurship' (see GEM Global Report 2011, p. 4), in which the cultural context and social norms are being considered as a part of an institutional framework that relates to entrepreneurship.

Shane et al. (1995) emphasized their study on three aspects of Hofstede's concept of cultural dimensions named the power distance, uncertainty avoidance and individualism. They found that the more uncertainty avoiding, the more power distant, and the more collective a society is, the more people prefer a champion to work through organizational norms and rules, to gain support of those in authority, and to get support for any innovation effort. Their finding, especially one which is related with the individualism is closely related with the opinion of Samit, (2005). Both of them

suggested that individualist cultures tend to be more entrepreneurial in that they succeed, not by appealing to group norms and personal ties, but by convincing others of the validity of their vision.

In the more straight result and summary regarding culture and entrepreneurship, Hayton, George and Zahra, (2002) found that high individualism; high masculinity, high uncertainty avoidance and low power distance are conducive for entrepreneurship. Supporting this argument, Wenneker et al. (2002), Noorderhaven et al. (2002) and Noorderhaven et al. (2003) pointed that a climate of high uncertainty avoidance in large organizations push enterprises individuals to go out and create their own business/venture.

Linking the result of those above mentioned studies with the Hofstede's cultural dimension concept, one can summarize that the greater indexes of individualism and masculinity along with the lower indexes of uncertainty avoidance and power distance will be a favourable condition to foster entrepreneurship within community/society. In reverse, the lower indexes of individualism and masculinity along with the greater indexes of uncerntainty avoidance and poer distance will be a detrimental condition to foster entrepreneurship within community / society. The facts can be seen in the most entrepreneurial countries in the world (such as US, UK, Switzerland, Canada, Japan, France, Germany etc.) which have tendencies as above. Meanwhile, most African, South American and some Asian countries tend to be less entrepreneurial because their cultural dimension indexes show that they have lower indexes of individualism and masculinty along with the greater indexes of uncertainty avoidance and power distance.

3. Research Methods

3.1 The Cultural Dimension of Indonesia and the Logical Consequences to Entrepreneurship

As Hofstede (1980, 2012 and 2014), the culture of Indonesian people in general is dominated by the culture of collectivist, higher power distance, lower uncertainty avoidance and tend to be more feminine. 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. Collectivist society has its state of mind that the group values and goals are more important, whether extended family and ethnic group is primary. In higher power distance society, leaders and followers rarely interact as equals. Uncertainty avoidance deals with a society's tolerance for uncertainty and ambiguity, while in the feminine society, an emotional gender roles overlap; both men and women are supposed to be modest, tender and concerned with the quality of life. The culture dimension of Indonesian people can be seen in the following table.

Table 1.

Perceived Values of Indonesian People

According to Hofstede (1980 and 2012) and

Mangundjaya (2010)

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

Relating those perceived values to entrepreneurship, Bjerke and Hultman (2002) 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 (p.117). Bjerke and Hultman (2002) further mentioned that in a society where the culture has lower uncertainty avoidance, entrepreneurship is more innovative and the process to become an entrepreneur is generally more direct, faster and less complicated (p. 119). Regarding the power distance, Indonesian people are having high power distance. Bjerke and Hultman (2002) used their own terminology to describe the power distance in the culture. They used the terms 'long' power distance instead of high power distance and the term 'short' power distance instead of low power distance. However, the terminologies are considered to have the same meaning. In the case of Indonesian people who have high or long power

distance and relate it to entrepreneurship, Bjerke and Hultman (2002) argued that in this type of culture, initiatives for entrepreneurial activities come normally from the top (p. 123) and control of all aspects of a new venture effort by the entrepreneurs could be very detailed and frequent (p. 124).

Based on the index and the concept of cultural dimensions by Hofstede and if we link them to the studies about the relationship between culture and entrepreneurship that had been done by scholars, there are some logical consequences on entrepreneurship that apply to Indonesia:

1. Indonesia has relatively higher index in PDI (78) and even higher rather than the average PDI of Asian countries (71)

   This shows that there is a big inequality of power and wealth in Indonesia. As Hofstede, (1980) and (2012) said that the bigger the PDI of a society is, then the lower possibility for the appropriate environment for business created. If we look back to Hayton, George and Zahra, (2002), they argued that the low power distance is an element for appropriate environment for entrepreneurship. This opinion is also relevant with

Shane et al, (1994) who found that the more power distance find in one society, the bigger chance for individuals to take any actions outside of the society.

2. A more related cultural indicator for entrepreneurship is individualism

   Hayton, George and Zahra, (2002), argued that the individualist societies tend to give more conducive environment to entrepreneurship rather than the collectivist society. In line with this argument, Samit, (2005) argued that individualist cultures tend to be more entrepreneurial in that they succeed, not by appealing to group norms and personal ties, but by convincing others of the validity of their vision. In case of Indonesia, it has very low IDV index (14) and becomes one of the countries in the world which are collectivists. Following Shane, et al. (1994), Hayton, George and Zahra, (2002) and Samit, (2005), this condition will not be suitable to entrepreneurship because the society gives more respect to the collectivist cultures which are normally hinder and detriment the entrepreneurship.

3. The next important element of cultural dimensions that can foster or

hinder the entrepreneurship is uncertainty avoidance

Wenneker et al, (2002), Noorderhaven et al. (2002) and Noorderhaven et al. (2003) pointed that a climate of low uncertainty avoidance in large organizations pushes enterprises individuals to go out and create their own business/venture. If we look at the index of uncertainty avoidance (UAI), Indonesia has the score of 48. It means that the uncertainty level in Indonesia is high and therefore, it will be needed to minimize this uncertainty by creating the strictly rules and regulations. The existence of strictly rules and regulations will be a difficult condition to foster entrepreneurship.

4. In the masculinity index (MAS), Indonesia scores 48

This shows that Indonesia has slightly feminine cultures rather than the masculine one. As the feminine culture is more dominated, the people tend to be more modest and care to each other. This is different to the countries where the masculine culture is dominated. The society in the masculine culture is more assertive rather than modest or

caring. The given condition of Indonesian society which is more feminine, can be said hinder and detriment the entrepreneurship.

Looking back to the concept of cultural dimensions and linking it with the existence of culture to entrepreneurship, one can summarize that the greater indexes of IDV and MAS along with the lower indexes of UAI and PDI will be a favourable condition to foster entrepreneurship within community / society. In reverse, the lower indexes of IDV and MAS along with the greater indexes of UAI and PDI will be a detrimental condition to foster entrepreneurship within community / society.

If we sort out the index of Indonesian cultural dimensions, we can see that Indonesia has the high PDI, very low IDV, high UAI and low MAS. Following the concept of cultural dimension and the culture in entrepreneurship, this would be, of course, a condition to hinder and detriment the entrepreneurship. It is clearly signed from the Hofstede's cultural dimension indexes that the Indonesian society can be categorized as the society which would not let the conducive climate of entrepreneurship as

it has high PDI, high UAI, low IDV and low MAS.

The conclusion that we can make from Hofstede's cultural dimension related to Indonesian culture:

1. Indonesia has high inequalities between member of its society and the power is distributed unequal. This is shown by the high PDI

2. Indonesia has high uncertainty and the society tend to minimize this uncertainty by stating many rules and regulations that are applied to the members of the societies. This is shown by the high UAI.

3. The Indonesian society is a collectivist society rather than individualist. It is shown by the low IDV.

4. The level of masculinity of Indonesian society is low and it tends to have more feminine cultures. This is shown by the low MAS.

All the conclusions show that Indonesian culture and society are actually not entrepreneurial and indeed, Mangundjaya (2010) has also given this similar insight and indication.

3.2 Minangkabau Tribe and Entrepreneruial Culture and Learning

The culture of Minang tribe is founded on their main religion (Islam) and therefore, cultural occasions and festivals are rooted from the Islamic spirits which are described in the saying; the tradition (*adat*) is founded upon Islam and Islam is founded upon the Quran. Despite most of the population are fervent Muslims, the Minang tribe embraced the idea of incorporating Islamic ideals into modern society and therefore, they are considered as one of the most moderate Muslim populations in Indonesia. The presence of intellectuals combined with religiosity and their basic character have made Minangkabau land becomes a unique place to live. People are tolerant and can easily live with others from different religions and cultures. They can also adapt easily to other people and places, and therefore they can also easily live outside of their homeland.

The Minang tribe recognizes three pillars that build and maintain its integrity. They are *alim ulama* (Islam scholars), *cerdik pandai* (intellectual) and *ninik mamak* (uncles and the leaders of the tradition). 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. Together, they perform the main foundation of the tribe and are named as Tungku Tigo Sajarangan. All matters regarding the interests of the tribe are discussed by them so that all members of the tribe are benefited from a democratic system to solve problems and make decisions that are important. As a result, Minang people are well known with their spacious thinking, freedom of life to change the fate and to reach knowledge and wealth. They have habit to think carefully and correctly and analyze all knowledge critically – but still applying hospitality as part of their basic character. Therefore, many Minang people are well known in Indonesia as entrepreneurs, traders, writers and journalists, politicians, scholars and educators.

Family and its culture is one of the most important elements of life for the Minang people. People conveniently stay in their core family and their relationship with family members remains close over time, wherever they live. The Minang tribe is one of the tribes in the world, which has the '*matrilineal system*' as their family system. In fact, the Minangs are the world's largest matrilineal society in which properties such as land and houses are inherited through female lineage. Thus, females have a very important position in the family and can make the most important decision for the whole family, especially if they are related to the cultural and tradition issues (the legacies, assets of the clan, cultural ceremonies etc.).

Travelling, wandering and living outside of the province are considered as a mark and indicator of success of the Minang males (although nowadays, Minang females are also doing this). Many Minang people are being found "*merantau*" (emigrated) to other parts of the country, mostly doing entrepreneurial activities or just to study. Merantau has become part of the culture of the Minang tribe – as the nature of Minang people which is mobile and prefer for not working as an employee, (Bungo & Husin, 2011). A family will be proud to answer the question regarding the job of its children as an entrepreneur or trader rather revealing that their children are just working as an employee. Success as an entrepreneur or trader has become pride, status and symbol of a family.

In *merantau*, the young males (mostly after the ages of 18-20) leave their homeland; emigrate to other places and

running entrepreneurial activities for their daily life. The process of merantau is started as early as the age of 7, when boys are traditionally encouraged by their parents and big family to take part actively (and even live) in *surau* (a muslim prayer house and community centre) to learn religious and cultural teachings, traditional Minang's self-defence (which is called as *pencak silat*) and establishing friendship and network . The boys are mentored by Islam's leader of the society (*alim ulama*) during their stay in surau. In this stage, there is no signs of entrepreneurship learning was given by the ulama. The main objective is only to prepare the young boys' mentality and personality to face challenges in their life.

As the boys are becoming the teenagers, they are then encouraged to leave their homeland to learn practical things from their experience out of their homeland. Some of them are studying in other parts of the country but most of them are actively entering into entrepreneurial activities, mostly as informal traders. In this stage, the teenagers are prepared with all experience and practical knowledge so that when they are adults they could return home wise and useful for the society and can contribute their thinking and

experience to run the big family or *nagari* (homeland).

The process of *merantau* has successfully created many Minang entrepreneurs who have important positions in Indonesian business activities and communities. According to Naim, (1984 p.61-66) the reasons of the Minang tribe for doing merantau are: (1) ecology and geography, (2) economy, and (3) education. In the reason of ecology and geography, the Minang tribe realized that their homeland is located out of the centre and axis of Indonesian trade and politics. To be developed, they should 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 Minang tribe believes that they will get better education outside of their homeland. Those reasons and the process of merantau itself have created specific characteristic and have become the cultural values of the Minang tribe (Pelly, 1988 p. 19).

Initially, the Minang entrepreneurs are getting in touch in entrepreneurial activities with the help and assistance of mentors (who are also the Minang people and successful entrepreneurs) by

providing temporary employment opportunities in their businesses. The businesses are various, but mostly trading (textiles, gold and silver handicrafts, antiques goods), printing services, private educational services, tourism services and restaurants. Learning processes are then started and enacted within this stage and after the young are ready, they can start their own businesses using their savings and sometimes, with a small loan from relatives. In the philosophy of Minang entrepreneurs, one successful West Sumatran entrepreneur should create at least three young Minang entrepreneurs, (Elfindri *et al.*, 2010). This philosophy is successfully implemented and as a result one can find many Minang entrepreneurs nationwide.

As Hofstede (1980 and 2012), the culture of Indonesian people in general is dominated by the culture of collectivist, higher power distance, lower uncertainty avoidance and tend to be more feminine. 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. Collectivist society has

its state of mind that the group values and goals are more important, whether extended family and ethnic group is primary. In higher power distance society, leaders and followers rarely interact as equals. Uncertainty avoidance deals with a society's tolerance for uncertainty and ambiguity, while in the feminine society, an emotional gender roles overlap; both men and women are supposed to be modest, tender and concerned with the quality of life.

As Indonesian people consist of many tribes, in which the Minangkabau people is one of them, there are facts that cultural dimension of each tribe is different one to the other and sometimes, is also different to the cultural dimension of Indonesian people in general. Mangundjaya (2010) 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. Men are usually living out of their hometown to earn a better living (doing *Merantau*) and usually act as an entrepreneur. The people never forget their family 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 want to

adjust to the environment and they are giving very much respect to the elderly and seniority. To conclude this, Mangundjaya (2010 p. 62) 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.

Comparing the culture dimension of Indonesian people to the Minangkabau people, the results can be seen in the following table.

Table 3.3

Perceived Values of Indonesian People and Minangkabau People

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

*) as found by Hofstede (1980 and 2012)

**) as found by Mangundjaya (2010)

We can see from that comparison above that the values of the Minangkabau people are slightly different compared to the values of Indonesian people in general. Minangkabau people are having low uncertainty avoidance and having long term orientation while Indonesian people are having high uncertainty avoidance having short term orientation.

Relating those perceived values to entrepreneurship, Bjerke and Hultman (2002) 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 (p.117). Bjerke and Hultman (2002) further mentioned that in a society where the culture has lower uncertainty avoidance, entrepreneurship is more innovative and the process to become an entrepreneur is generally more direct, faster and less complicated (p. 119). The fact from Bjerke and Hultman's argument can be found to the Minangkabau people – where they have lower uncertainty avoidance and as the result, entrepreneurship becomes a common choice of living for the people. The long term orientation of the Minangkabau people as part of its values also contributes to the creation of the Minang entrepreneurs. As Bjerke and

Hultman (2002), most entrepreneurship is a long term commitment (p. 121).

Regarding the power distance, both Indonesian and Minangkabau people are having high power distance. Bjerke and Hultman (2002) used their own terminology to describe the power distance in the culture. They used the terms 'long' power distance instead of high power distance and the term 'short' power distance instead of low power distance. However, the terminologies are considered to have the same meaning. In the case of Indonesian people and Minangkabau people who have high or long power distance and relate it to entrepreneurship, Bjerke and Hultman (2002) argued that in this type of culture, initiatives for entrepreneurial activities come normally from the top (p. 123) and control of all aspects of a new venture effort by the entrepreneurs could be very detailed and frequent (p. 124).

4. Summary and Implication

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. This paper shows an evidence that culture and perceived values of a society 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, which are famous as an entrepreneurial tribe in Indonesia. The indirect impact of the determinant to entrepreneurial culture is shown by the existence of an informal-cultural based entrepreneurial learning within the Minangkabau people in the form of *merantau*, which also supports their very conducive and supportive entrepreneurial culture. 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 many tribes/ethnic groups in Indonesia. The difference of the Minangkabau tribe with 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 culture and social system.

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

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