

Javanese Values Integration in Business Management During The Digital Era: A Case Study of Entrepreneurs in Malang

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Abstract: This study aims at describing the characteristics of Javanese entrepreneurs in facing the digital age, the views and attitudes of Javanese entrepreneurs in entrepreneurship in the digital age, to describe the processes experienced by Javanese ethnic entrepreneurs in facing the digital age. The approach used in this study used a qualitative research approach using the type of case study research, data collection procedures used were observation, and in-depth interviews. In order to be able to obtain the validity of the data, data source triangulation was conducted by comparing the results of the interview findings of business owners as key informants with parents, employees, and customers. The subjects of this study were the owners of two stores in Malang, specifically the owner of *Distro Overtoun* and *Art Printing* stores. In this study, it was found that the characteristics of entrepreneurs and the values of Javanese culture can go hand in hand. The views and attitudes taken by the two entrepreneurs are also more open in facing the digital age. Meanwhile, the processes experienced in facing the digital age run efficiently.

Keywords: *Javanese ethnicity, digital age, entrepreneur*

INTRODUCTION

The background of entrepreneurs in Indonesia generally comes from heterogeneous cultural background or ethnicity. This is obvious since Indonesian businessmen are comprised of many different ethnic groups, including Javanese, Sundanese, Madurese, Batak, Bugis, Minang, and even ethnic Chinese entrepreneurs who have lived in the mainland since the fourteenth century (Widiyanta, 2010).

The difficulties experienced by the Indonesian people are not simple, to be able to survive in the development of this all-digital era, there are several dimensions that must be the primary goal of improvement to become a 21st century society that is ready to face the modern transformation, including by cultivating creativity, expanding human potential, building digital technology, planning for sustainable development and sharing knowledge with local wisdom (AbouZahr, 2009). In order to be able to develop the character of a dynamic entrepreneur who plays an active role in the development of 21st century as well as to face the new digital era, it is important to prepare human capital with a creative and imaginative mindset, communicative and collaborative, control knowledge as a means of research, critical thinking, digital society, and technology-oriented (Martin, 2007).

The behavior of an entrepreneur that appears as an implementation of the attitude he/she has to establish a business and develop it, it can be said that the

behavior of an entrepreneur would be one of the keys to the success of the business he established. A person's entrepreneurial behavior is different because someone has a different character of personality, therefore their behavior is often different. One of the differences in behavior can be seen through the ethnic background of the individuals.

Basically, there is a different philosophy or way of life, principles and values of life for Javanese and other non-Javanese individuals. The philosophy, principles and values of life that are maintained by both of these communities support their entrepreneurial behavior. This implies that Javanese and non-Javanese ethnic groups' philosophy, beliefs and values of life make entrepreneurial performance distinguishable (Handaru et al., 2015). This is definitely a fascinating phenomena to further explore how the Javanese people adhere to their philosophy in carrying out their daily activities, specifically the characters in the digital era managed by Javanese entrepreneurs.

Based on research from Djakfar (2012), it is said that Madurese ethnic entrepreneurs generally seek for work (*nyare lako*), not just seeking for outcomes. It can be further interpreted that they are ready to work for much of anything, as long as it brings positive outcomes. Then supported by research from Hastuti et al. (2015) which explained that Minang ethnic entrepreneurs also differ from Javanese ethnicities in their characteristics.

On the other hands, when it comes to the context of Javanese community, the people are most likely to be easier and carefree when managing their business. Javanese community maintains a particular concept which is inherited through generations which says "*Alon-alon asal kelakon*" which means slow but sure (Vivi, 2019). This philosophy teaches Javanese community to work unhurriedly but still paying attention to goals and accomplishment of work. It further signifies that when working, the people should not be too ambitious and take proper time to work in order to achieve greater outcomes later. This philosophy constructs Javanese community to receive what they deserve. However, this philosophy constructs non-Javanese community to consider that the Javanese community does not have great encouragement in doing their work to achieve the desired outcomes and goals.

Indeed, this old-fashioned Javanese philosophy is no longer relevant with the current development of technology and modernisation, which nowadays digital era has begun. In fact, most Javanese community in running their business remains passive. In other words, most Javanese community tends to receive what they think they deserve and ignoring the ultimate struggle to receive maximum benefits. Compare to some non-Javanese communities in Malang, for instance Madurese and Minang, both communities have greater effort in running their business or doing their work to obtain maximum benefits.

METHODS

This research employed qualitative research design by using a case study approach to answer the problems of the research. A case study approach was selected in this research since the researchers aimed at examining and identifying particular

characteristics and phenomena among Javanese community in dealing with the current digital era. In addition, the focus of this research was to identify Javanese community in Malang who run their own business. Two stores were selected as the subject of this research, they were *Distro Overtoun* store and *Art Print* store. The key respondents of this research were the owner of the stores, while the secondary respondents were the parents, the staffs of the stores, and the customers of the stores.

To obtain a primary data source, the researchers employed observation, in-depth interview, and obtained it from audio and visual recording. While, to obtain secondary data source, the researchers also employed observation, in-depth interview, and obtained it from audio and visual recording to support primary data. Furthermore, the researchers employed data triangulation by comparing the results of interview to the owner of the stores, the staffs of the stores, as well as the customers. In addition, triangulation was employed by comparing all the data from the entire data collection methods such as observation, in-depth interview, documentation and audio-visual recording.

RESULTS & DISCUSSION

The Characteristics of Javanese Entrepreneurs

When it is observed from the aspect of responsibility in running the business, (Djordjevic, 2013) explains that the characters of both stores' owners were identical. In specific, if it is explained substantially, both stores' owners demonstrate responsibility in running their business. The owner of *Distro Overtoun* demonstrates responsibility in running the business by taking into consideration critics and suggestions from the customers. While the owner of *Art Print* store decide to keep opening the store located in the third floor of Central Market of Malang even though he understands that the competitor of his business is significant. He also manage to keep paying the rent fee of the store as a form of responsibility.

Furthermore, the characteristics of the entrepreneurs was observed from the value of leadership suggested by Thomas, Schermerhorn (Thomas et al., 2004). The findings indicated that the owner of *Overtoun Distro* demonstrate relatively dominant leadership. For instance, the owner forbid his parents to be involved in the business. In addition, the owner pays attention to the suggestions coming from the staffs. On the other hand, the owner of *Art Print* only forbids the parents to be involved in the business.

In terms of finding new opportunities and possibility according to Baron (2006), the owners of *Distro Overtoun* and *Art Print* stores posses similar perspectives. However, they both have different magnitude in finding new opportunities. In finding new opportunities, the store owner of *Distro Overtoun* decided to move the store which was located in the front of his house. The owner moved the store in a more strategic place. Conversely, the owner of *Art Print* moved the store to his house in Bukit Barisan 3 Kav 1 and decided to stop renting the place in the Central Market.

In addition, the principle of life is a simple assertion or general or individual truth that is used as a guideline for thinking or acting by an individual. The Javanese community has a philosophy of life that is believed to make their lives prosperous, but the concepts of life maintained by each ethnic community are not always the same. The Javanese ethnic community has six ideas for living life, according to (Address, K., & Suparlan, 2002). The following are some of the principles of life of the Javanese ethnicity, notably acceptance of destiny or *nrimo ing pandum*, hierarchy, mutual respect and compassion, subtle, anti-individualism, and mutual understanding. It is supported by (Vivi, 2019) view, who addresses 23 Javanese people's ways of life, some of which are *nrimo ing pandum* (accepting the destiny), *Gusti Allah mboten sare* (God does not sleep), *ojo dumeh* (do not be arrogant), *alon-alon asal kelakon* (slow but sure).

The characteristics of the philosophy *nrimo ing pandum* maintained by the owner of *Distro Overtoun* as a Javanese community was demonstrated when in the beginning of running the business and had lacking fund, the owner was surrendering the running of his business to the God along with maximum effort to develop the business. Such attitude and manner is a form of applying the Javanese philosophy *nrimo ing pandum*. This philosophy invites the people to keep struggling while giving all what have been done to God as the ultimate life director. This philosophy also invites people to deal with various challenges and problems. On the other hand, the owner of *Art Print* maintains different value of *nrimo ing pandum* when running the business. The owner tends to perceive that the hard work done would not betray him. In other words, he perceives that the hard work would be paid off, yet God also decide whether he deserve to obtain the good outcomes from the hard work.

Furthermore, the characteristics of Javanese community that intended to be identified from the two store owners are the perception of the philosophy of *alon-alon asal kelakon* which means slow but sure. The first respondent, the owner of *Distro Overtoun*, believes that the results and outcomes from his struggle and hard work in running the business would eventually come. The owner also believes that the business he runs would be successful in the future with significant gain and profit as expected. Meanwhile, the second respondent, the owner of *Art Print* store, believes that every struggle and hard work needs process. His parents always explains to him that there is nothing wrong by working hard. In addition, the owner believes that when he works hard and pay attention to the process, he would obtain the desired result and benefits in the future since he believes also that God would never change the destiny of people if the people are not willing to work hard.

In addition, this research discover supplementary findings related to the characteristics of the owners in managing and running the business. The owner of *Distro Overtoun* is a Javanese people who has been influenced by the modernisation or in other words, the owner has moderately thought and perspective. During the observation and interview, it was not found that the owner still maintain the mystical values of Javanese community. The owner personally does not believe with the mystical practices or any practices and values which cannot be rationalized. On the other hand, the owner of *Art Print* partially believes some mystical values and practices of Javanese community. Musaffak (2019)

explained that there are some Javanese values and practices that could not be rationalized by the common logical sense and thought.

The Perspective and Attitude of Entrepreneurship of Javanese Community in Managing The Business during Digital Era

The perspective and attitude not to give up easily by striving persistently in achieving the goals of the business undertaken by an entrepreneur is one of the key factors in attitudes and views in facing the digital era. The ability not to give up by struggling persistently demonstrated by the owner of *Distro Overtoun* is when the business which he has managed through to enter the digital era, many business competitors have emerged recently. The business owners have responded positively and are ready to compete fairly by carrying out various kinds of innovations.

Furthermore, the perspective and attitude of persistent and hard working demonstrated by the owner of *Art Print* is when the owner running his business in the digital era nowadays. At first, the owner encountered several challenges and issues since there are some significant changes, particularly related to information and communication technology. One significant change is related to the promotion approach of product. In addition, the owner was aware of the brand-new technology and the various demands of the customers. However, the owner was lacking in terms of capital to satisfy the demand of market. Yet, the owner did not easily surrender to the situation and attempted to find a way and solution.

Moreover, the findings discovered the ability of the entrepreneur in adjusting with the current digital era, specifically the owner of *Distro Overtoun*. The owner attempted to maintain the quality of the product in order to be able to compete with the competitors. One approach taken by the owner was by finding high quality material of t-shirt. Meanwhile, the capability of adjusting with the digital era by the owner of *Art Print* was by managing the circulation of fund and profit from the store. The owner considered that the current competition is tough and requires significant breakthrough to be able to survive. Thus, the owner decided to maintain the budget of the store by only taking small profit in each item, but the items sold are considerable. When the owner attempted to maintain the budget by taking small profit, the owner tried to avoid budget deficit (Florkowski, 1987).

In addition, the owner of *Distro Overtoun* demonstrated a leadership as a business. When knowing that the competitors reduced the product price, the owner did not attempt to perform price war. The owner did not consider to take price war as the primary strategy in attracting the customers. On the other hand, the owner of *Art Print* took price war as the primary strategy in attracting the customers. The owner believed that in this situation where the competitors are emerging, the owner must maintain the number of loyal customers. The owner also considered that price war is an eligible marketing strategy to be taken to attract customers and gain more profit.

Las but not least is the attitude of taking any initiative. Both the owner of *Distro Overtoun* and *Art Print* considered that in fact, the competition of business nowadays has emerged. However, both owners also agreed that the opportunities to develop the business is still wide open if, as the owner, they look for alternative approach and carrying out more beneficial innovation and significant

breakthrough (Brenk, 2020). It was discovered that both owners of the store carried out distinct innovation to be able to survive in the market competition in the digital era. Both of the owners offered maximum services to the customers and integrated the development of information and communication technology significantly to support their business, in specific, using ICT for promoting and marketing their products (Ritter, T., & Pedersen, 2020).

Based on the explanation above, the owners of the stores as the respondents have demonstrated the attitude and character that must be acquired by people during the 21st Century as suggested by *New Vision for Education Unlocking the Potential of Technology* (Agenda, 2015) during World Economic Forum in 2015. The characters that must be possessed by people in the 21st Century are persistence and perseverance, able to adapt, leadership, able to take any initiative, and developing a social sensitivity as stated by Zekos (2003) and Fosty et al. (2013)

The Process of Javanese Community in Developing The Entrepreneurship during The Digital Era

In the initial process of running the business during the digital era, the owner of *Distro Overtoun* encountered some difficult challenges and issues. The owner considered that he did not have sufficient knowledge and understanding about the development of digital era and it obstructed him in running the business. However, to be able to survive in the competition during the digital era, the owner decided to independently learn the development that occurred. Likewise, the owner of *Art Print* also encountered some difficulties and challenges in running the business during the digital era. The owner was relatively difficult to adjust with the current changing and transformation, particularly related to information technology. In addition, the current development also offers people with various types of technology that satisfy the need of people. Thus, this situation allowed the owner to learn the changing and made some innovation in terms of promotion and marketing.

In the next process when running the business during the digital era, the owner of *Distro Overtoun* encountered several new challenges and issues. When performing market research to develop the business, the owner found that a number of competitors used import cotton material from China as the raw material of production where the cost of the materials is far more affordable than the materials manufactured in the domestic market; approximately 50 percent cheaper than the domestic one which was previously used by the owner.

Differently, in the next process when running the business during the digital era, the owner of *Art Printing* carried out a market research to the prospective customers through online discussion forum such as KasKus and Facebook. This approach allowed the owner to obtain important information that could be used to develop new product which meets the demand of market. In addition, the owner obtained some important information regarding the advantages and disadvantages of the product. By obtaining the information from the customers, the owner understood the perspective of the customers about the product that are desired. Positively, it impacts on the decision making of the owner in choosing the materials of the product.

Furthermore, based on the findings obtained, both the owners of the stores have experienced a digital fraud. Some of the customers sent a fake transfer receipt to the owners as a valid transaction proof when carrying out an online transaction. It indicated that during the digital era, the entrepreneurs require to pay attention to any fraud possibility to prevent certain loss.

CONCLUSION

Based on the results of the research, it could be concluded that the entrepreneurs these days must possess several characteristics in running the business. The entrepreneurs could also integrate with the local values applied in the community, particularly Javanese community in this research context such as *nrimo ing pandum* and *alon-alon asal kelakon*. In addition, this research concluded that the Javanese entrepreneurs are open to modern values without ignoring the local values. The process carried out by the Javanese entrepreneurs in this research are divided into three phase as follows: initial, implementation, and evaluation. The entire processes have its own challenges and issues to be taken into consideration.

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