

The behavioral approaches of entrepreneurial characteristics in Madura

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Abstract

The number of Small and Medium Enterprises (SMEs) factually increased in recent years due to several factors such as the imbalance between demand and supply for the workplace. According to various literature study, entrepreneurs are related to the individuals' capacity and characteristics in exploiting market opportunities. The previous studies showed that entrepreneurs need to determine individual characteristics for proceeding with other strategies. Therefore, there are particular characteristics related to business activities that need to be possessed by prospective entrepreneurs. This research aims to reveal the entrepreneurship characteristics with a behavioral approach. Data were collected from 5 entrepreneurs in Bangkalan Regency using the purposive sampling technique. The result showed that entrepreneurial behaviors are either active or passive. In addition, the existence of competitors is not considered a threat to independence in developing business ideas.

Keywords: SMEs; entrepreneurial characteristics; behavioral.

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INTRODUCTION

Small and Medium Enterprises (SMEs) are recognized as a business entity that has contributed immensely to the development of any country. According to several previous studies, SMEs are able to improve the economy of a region through the provision of jobs (Miller, 2015; Zulkifli & Rosli, 2013) as well as outputs for export activities (Fernández-Mesa & Alegre, 2015; Monteiro, Soares, & Rua, 2019; Rossi, 2016). Its contribution to the improvement of the economy was directly proportional to its growth rate. The research conducted by Jingga & Limantara (2015) showed an increase in the number of SMEs in recent times. Several factors, such as the imbalance between demand and supply at workplaces, cause some people to become entrepreneurs. In accordance with literature studies, entrepreneurship is not only related to the ability to utilize market opportunities

(Kaya, 2015). However, it is also associated with individual characteristics (Karabulut, 2016; Viinikainen et al., 2016). The first step in becoming an entrepreneur is understanding individual (Barba-Sánchez & Atienza-Sahuquillo, 2012; Ness & Seifert, 2016). This means that entrepreneurs have special characteristics in relation to the management of business activities.

According to the theoretical perspective, entrepreneurial characteristics are observed from several approaches, such as the economic (Chell, 2008), psychological (Herron & Robinson, Jr, 1993), social (Mair & Marti, 2006), and behavioral (Gibb, 2003). Luca (2017) stated that the economic approach uses academics to explain the uniqueness of SMEs. Meanwhile, sociology and psychology focus on social factors such as values, norms, and rules in determining entrepreneurial behavior.

Cunningham & Lischeron (1991) stated that research activities in accordance with entrepreneurship are grouped into six categories, namely individual factors, psychological characteristics, classical, management, leadership, and Intrapreneurship. Each of these perspectives is shown in Table 1. However, some of these characteristics have been accepted and are widely studied.

Table 1
Entrepreneurship Approach Summary

Entrepreneurial Model	Central Focus or Purpose	Assumption	Behaviors and Skills	Situation
Great person School	Entrepreneurs have intuitive and sixth sense abilities as well as innate nature and instincts.	Intuition, enables individual to undertake various strategies	Intuition, vigor, energy, persistence, and self-esteem	Start-up
Psychological Characteristics School	Entrepreneurs are driven by their unique values, attitudes, and needs	People act in accordance with their values, certain behaviors results from attempts to satisfy needs	Personal values, risk-taking, the need for achievement, etc.	Start-up
Classical School	The central characteristics of entrepreneurial behavior are innovation	The critical aspect of entrepreneurship is in the process of achieving rather than possessing	Innovation, creativity, and discovery	Start-up and early growth
Management School	Entrepreneurs are organizers of the economic venture, they organize,	Entrepreneurs are either developed or trained in accordance with	Production planning, capitalization, and	Early growth and maturity

Entrepreneurial Model	Central Focus or Purpose	Assumption	Behaviors and Skills	Situation
	possess, manage and take risks	the technical functions of management	budgeting	
Leadership School	Entrepreneurs are leaders, they have the ability to adjust their style to the needs of people	An entrepreneur is not able to accomplish all goals. Therefore, there is a need to depend on others	Motivating, directing and leading	Early growth and maturity
Intrapreneurship School	Entrepreneurial skills tend to be useful in complex organizations, intrapreneurship is the development of independent units to create market and expand service	Organizations need to be adaptive to survive, however, entrepreneur activity leads to the building of organizations and the training of entrepreneurs to be managers	Alertness to opportunities, maximizing decisions	Maturity and change

Source: Cunningham & Lischeron (1991)

In accordance with previous studies, the psychological approach is widely used as a reference. Furthermore, the debate concerning the issues encountered in deepening entrepreneurship tends to continue. For example, the psychological approach aims to identify aspects of personality that refers to both external strength and factors that stimulate entrepreneurial activities by considering the extensive social environment which is similar to the behavioral approach (Bahari, Yunus, Jabar, Wardatulaina, & Yusof, 2018). This is reinforced by research conducted by Chell (2008), which stated that the psychological approach is observed in the friendly attitude, intelligence, and energy possessed by an individual. According to studies, certain traits tend to distinguish a person with entrepreneurial characteristics from an individual that does not possess such qualities.

Similar arguments by socialists, economic, and social approaches produce entrepreneurial behavior. A person faced with certain economic and social conditions needs to be encouraged to become an entrepreneur. Empirically, this argument shows that the individual needs to exhibit strong behavior in order to observe a diverse social model. Furthermore, some studies stated that social approaches are associated with the ability of entrepreneurs to utilize opportunities (Dacin, Dacin, & Matear, 2010; Kauranen, 2016; Koe, Nga, & Shamuganathan, 2010). Therefore they need both managerial and technical skills (Bayarçelik, Taşel, & Apak, 2014).

Based on the above description, it was concluded that entrepreneurial characteristics are sourced from the dynamic behavior of individuals, increases motivation, capture opportunities, inspire entrepreneurs to exhibit leadership skills in utilizing their resources and determine success (Dacin et al., 2010; Omar et al., 2017). Basically, there is no specific sequence of behavior that relates to entrepreneurial success. This is caused by several factors such as researches on behavioral approaches that explicitly explore the relationship between entrepreneurial cognitive levels, opportunities identification, and exploitation is still limited (Mariam & Ramli, 2019). Secondly, studies on entrepreneurship are still focused on the problem of exploitation and identifying opportunities.

To fill this gap, this article revealed the characteristics of an entrepreneur based on the behavioral approach. The study conducted by Gartner, Carter, & Reynolds (2010) and Luca (2017), stated that the focus on behavioral approach lies in the ability to collaborate all activities such as the understanding of attitudes, managerial and cognitive skills involved in exploring opportunities to achieve business success. Therefore, this research rationalizes the use of a behavioral approach to reveal entrepreneurial characteristics in accordance with its complexity.

The subject of this article is the owners of small and medium-sized businesses (SMEs) in Bangkalan Regency, which is due to the growing number of SMEs in Madura Island, thereby leading to an increase in employment (Qomaro, Hammam, & Nasik, 2019). This increase is suspected, as a result of their noble socio-cultural values such as the high work ethics, innocent and honest characters, as well as the wisdom possessed by the Madurese community, caused the inhabitants to be considered or perceived as a people with unique cultural potentials and identity different from any other ethnicity.

The purpose of this article is to specifically determine the key factors of entrepreneurial characteristics related to business activities and the maintenance of its existence. In conclusion, the determining factors serve as determinants of entrepreneurial characteristics. Some practical recommendations used to develop further researches are discussed at the end of this article.

METHOD

The purpose of this research is to determine entrepreneurial characteristics based on a behavioral approach, which was employed due to the consequences caused by several conditions. Therefore, the main focus of this study is to reconfirm that the behavioral approach is used to determine entrepreneurial characteristics. The results are described in accordance with the data collected. This is also called qualitative research and defined as a process used to naturally determine social and human problems based on complex holistic words, fabricated in details to informants (Cresswell, 2010). The batik entrepreneur is the object of research. In contrast, the research location is Bangkalan Regency due to the presence of several small and medium business groups (UKM) involved in the production of batik.

The main subjects of this study are the batik business owners who are selected based on the inherent characteristics of self-employment. This is in accordance with the

opinion of Gartner et al., (2010), which stated that researchers focus on the behavioral approach based on how to explore all activities carried out by the individuals in an organization. Conversely, organizations are not created based on context due to differences in the characteristics and interests of each individual. In addition, based on the perspective of internal factors, the behavior portrayed by entrepreneurs in carrying out business activities is a description of the extent of the characteristics they possess (Feesser & Willard, 1990).

Qualitative research requires the participation of participants to collect the data. The research design and method employed was used to determine the number of participants (Creswell, 2014). According to other sources, the selection of participants during qualitative research is generally used to determine the subject or source of data, and it is not directed at a large number of samples. This study is also based on typical cases in accordance with the problem not explicitly observed at the beginning of the study, which tends to change in accordance with the number and characteristics of the sample. However, when the sample size is too small, there is difficulty in achieving data, theoretical saturation, and information overload.

In this research, the characteristics of the participants were determined based on several previous studies (Altinay & Wang, 2011; Barringer, Jones, & Neubaum, 2005; Sanchez, 2012). The criteria used are as follows: (a). Business owners below the age of 30 to assume achievement in business management. In addition, this age is considered a growth phase towards behavioral stability, (b). A business was initiated by the entrepreneur and not inherited from parents (c). A business needs to be functional for at least two years (d). Access to substantial resources with a minimum of ten employees, and e). Business owners produce batik and merely distribute to the community.

The objectives of this research are to determine the entrepreneurial characteristics involved in operating a business. Therefore, the participants were selected based on the above criteria stated using purposive sampling. This was characterized by an assessment of the effort needed to obtain a representative sample in accordance with the required criteria (Sugiyono, 2016). Participants were selected based on information obtained from several sources and in accordance with the predetermined criteria. This is intended for the data obtained to deepen further the entrepreneurial characteristics required in carrying out business activities.

In this study, 5 participants were used based on the theoretical considerations that were previously stated. Qualitative research is aimed at discovering conformity in existing problems; therefore, the use of five people is in accordance with the possibility of obtaining participants. Although batik entrepreneurs in Bangkalan are numerous, however, in reality not all business owners produce it, some only tend to distribute batik to the community. Data collection is carried out through observation, interviews, and documentation techniques.

To determine entrepreneurial characteristics based on behavioral approaches, we developed research instruments as a guide in conducting in-depth interviews with participants. This instrument consisted of fourteen (14) questions, which were confirmed by five batik entrepreneurs in the Regency. Furthermore, it was determined based on the results of a study conducted by Barringer et al., (2005). In order to determine the characteristics, the first step that needs to be carried out is the description of the outcome

of the interviews and other discoveries made during the data collection process. The results from the interview are based on thematic analysis of responses to the questions which discuss each of the research instruments.

Data objectivity is required in qualitative research because it tends to support validity and reliability. It also refers to the opinion of Lincoln & Guba (2013) concerning at 4 criteria, namely, (1) credibility, (2) transferability, (3) dependability, and (4) confirmability. In this study, several measurements which tend to support the consistency of the variables to be measured were carried out. For example, data is collected from several interviews, which are the main components in data collection. The research instruments used in conducting interviews with the participants is clearly a theoretical approach. In addition, the interviews are systematically carried out with specific procedures that support consistency in the data collected from all the participants. Therefore, the process of triangulation is stated to be good because it already has elements of observation, interviews, and documentation.

To support the level of homogeneity among participants, this study employed a purposive sampling approach, with reference to several predetermined criteria. In using this approach, Lincoln & Guba (2013) stated that purposive sampling is considered as a tool that tends to improve data reliability. In this research, the participants are mostly small and medium scale business owners that were selected based on certain inherent criteria, which showed that they had similar characteristics. Subsequently, this tends to represent a sensible condition and not the existing population. This simply implies that the results from the research are applicable to subjects with similar characteristics, however, it does not apply to criteria not included in the study area. In determining these criteria, there is a possibility that certain limitations that tend to cause data gaps were encountered. Therefore, further studies need to be employed in order to determine other criteria that are used to select participants.

Several aspects of this study have contributed to dependability. Generally, this study was carried out by interviewing participants based on characteristics that describe their actual conditions. Despite the fact that the research instrument has been prepared, however, in practice, several factors in relation to it were anticipated during data collection. Technically, the data collected is coded and subsequently reduced, assuming it is not related to the unit of analysis, which is entrepreneurial characteristics. Therefore, the data presented is absolutely relevant and is related to the research instruments as well as other criteria, and this serves as a step anticipated to cause changes.

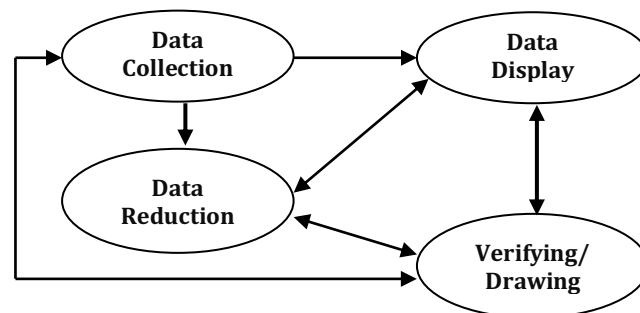


Figure 1
Interactive Model Data Analysis

In this research, the participants were batik entrepreneurs in Bangkalan Regency. According to the confirmability element, the determination of the participant is considered to be quite reasonable because of its proximity to the source of data. Furthermore, they a good relationship with the informant.

The testing of data credibility employed triangulation techniques, which are a combination of observation, interview, and documentation. The analysis prioritizes the use of inductive logic in which categorization is based on the researcher's encounter with the subject on the field or from the data obtained. Therefore, contextually qualitative research is characterized by the information that explains social phenomena. The data is then collected to be processed systematically. Figure 1, shows the observation, interviews, classification, reduction, presentation and conclusion of the data.

RESULTS AND DISCUSSION

Result

The purpose of this study was to determine entrepreneurial characteristics in accordance with the behavioral approach of 5 batik entrepreneurs in Bangkalan Regency. Based on the results from data collection in the field, it showed that all subjects met these criteria.

Table 2
General Characteristics of Research Subjects

General Characteristics of Research Subjects				
Name	Age	Business age	Number of employees	Product Distribution Area
Abdur Rohman	37	7 Years	17	Madura Island, Surabaya
Dita	35	7 Years	25	Madura Island, Surabaya
Toyyib	34	2 Years	12	Madura Island, Surabaya
Fauzi	38	2 Years	20	Madura Island, Surabaya
Siti Syamsiah	52	20 Years	17	Madura Island, Surabaya

Source: data processed

According to Table 2, the average age of all the subjects was 33.5 years. This implies that they are all in the productive age and have relatively stable behavior, which certainly has an impact on the need for achievement, power, and other qualities. In addition, the productive age of the subjects showed that they are able to work hard, highly motivated to be successful with a vision. This is in accordance with the studies conducted by Ajani & Oluyemi (2016) and Herrera-Echeverri, Haar, & Estévez-Bretón (2014) which stated that the age of entrepreneurship influences behavioral patterns in carrying out business activities. Omar et al., (2017) stated that the ideal age in which an entrepreneur tends to be exceptionally active in business activities is from 30 years. The argument developed in this study showed that a person exhibits freedom and is considered to have sufficient experience to carry out business activities from 30 years.

The business age is an important factor in determining entrepreneurial characteristics. Therefore, it tends to describe the behavioral patterns of entrepreneurial and vice versa. In an entirely different context, Rossi (2016) and Nádai & Garai (2017)

stated that several authors believe that business age is beneficial to its performance. The argument is that the older the business age, the more the consequences it has on companies such as discovering their abilities and areas that need improvement.

The business age is limited to SMEs operating for at least 2 years with sufficient entrepreneurial behavior. This study disclosed the entrepreneurial behavioral patterns leading to a successful business. Table showed that the average age of a business operated by the subjects was 7.2 years, which means SMES in Bangkalan Regency tend to survive under competitive conditions over a relatively long period. However, when viewed in accordance with the level of distribution, the age of the business operated by the subjects is extremely large. This has an impact on the fulfillment of certain needs, such as achievement, power, and possible risks encountered. With a relatively small business age, the achievements and power of the subjects in conducting business activities are still not clearly identified. This is in accordance with researches conducted by Rossi (2016) which stated that the high level of failure is compared with the age of the business being run.

The average number of employees in the SMEs is 16 peoples and this is in accordance with the minimum number of 10 employees. This means that SMEs in Bangkalan need responsible and confident leaders. The data collected showed that SMEs in the regency have distribution areas in Madura Island and Surabaya was relatively small. However, this condition is certainly contrary to the potential they possess. The batik entrepreneurs in the regency were the objects of study because it is one of the leading commodities and strategic in exhibiting regional characteristics. This condition is a parameter that needs to be employed by the local governments to increase batik economic value in the region.

Discussion

The Need for Achievement

Ajani & Oluyemi (2016) stated that the need for achievement is an activity carried out to increase entrepreneur's performance. In the scope of business, it is assumed as the effort made by entrepreneurs to increase economic value. In this category, the descriptions of participants are based on various perspectives. However, the fulfillment of achievement is quite important in an effort to increase the economies of chains of business disclosed in the statements by the participants, which is reported as follows:

“The importance of achievement is the ability of the owner to keep being innovative in order that consumers do not get bored and accept the products” (P1.1)

It was further stated that

“.....The batik business is seasonal. There are times when people are obliged to wear batik, however it becomes an opportunity for entrepreneurs to diligently discover consumers by producing more motifs, as well networking, for example, partnering with travel parties” (P1.1.1)

From another perspective, it was discovered that achievement is in relation to the extent in which entrepreneurs were able to develop the existing batik brand.

“The achievement is important in order to support the development of Ataya batik, exhibitions are often held both in Bangkalan, Surabaya and even abroad” (P2)

Based on the opinions above, it was discovered that efforts were made by the entrepreneurs in developing the batik produced. One of the efforts includes participation in exhibitions conducted in Bangkalan and Surabaya, as well as even abroad. This means that SMEs in Bangkalan exhibited strong characteristics in the need for achievement.

Calculating the Risks Received

Calculating the level of risk encountered by SMEs in Bangkalan is related to the business activities conducted. This context deals with the extent to which the UKM tends to estimate the risks encountered and the steps needed to minimize the risk. The results from the field clarification showed that the competitor's role is involved in increasing the risk of functional business. This is disclosed in the statement expressed by the participants, which is as follows

“5 years ago, batik was trending, the government officials, school children and most of the villagers wore batik, however it is no longer as famous as it used to be, now the demand is normal or standard” (P5.3).

Furthermore, it was also stated that the risk is also associated to the comparison between the business carried out now and in the past. It was observed in the field, that the 5th participant started the batik business in Surabaya and not in Madura Island. However, during the process of conveying their business from Surabaya to Bangkalan, the participants compared the amount of sales made at the two business locations. According to the participants' view, business in Bangkalan Regency is considered more profitable than in Surabaya. This is disclosed in the statement below

“Assuming the rent of a shop in a mall is quite expensive, then the selling price also tends to be expensive (P5.3.1).

Furthermore, the risk level is also associated with the potential income from the two business premises.

“In terms of sales, it is more promising in Bangkalan, however there is more annual turnover at Surabaya. Moreover, the competition in the regency is not only with the batik sellers from Madura, however traders from Central Java, Solo and others places are also involved” (P5.3.2).

The findings from the comparison of the 2 business locations showed that the selling of batik in Surabaya appears more lucrative than in Bangkalan. This is due to the difference in the intensity of competition in the two locations. For instance, Surabaya is overcrowded, thereby, leading to intense competition. Variations in batik, style or design are considered as factors that influence the amount of sales made, along with the risks involved in carrying out business activities.

“Batik entrepreneurs tend to contact regular customer that make purchases from their store, when making poor sales” (P4.3).

The risk level in conducting business activities is also observed in policies that tend to reduce profits and increase promotional activities.

"It's impossible to experience loss when selling, however, traders tend to profit irrespective of how little. Stable sales are recorded with promotions made with the small profit, in order to keep it in demand" (P2.3).

Commitment and Determination, Creative and Innovative

In this research, commitment and determination are related to the level of creativity and innovative behavior of SMEs as follows:

"The important thing in the business world is the existence of batik innovations, therefore, the product varies" (P1.4).

Meanwhile, the other participants explained the components of commitment which is determination by comparing the types of work previously conducted, and the business currently conducted.

"Making batik is more guaranteed in the field of art, and currently many people are required to wear it twice a week" (P4.4.1).

This explanation is based on the type of work carried out by the 4th participant previously employed in the shipping field with strong commitment in developing their business.

"Entrepreneurs come in this region due to the tourism area, however, they also accept online orders..." (P4.4.2).

The entrepreneurial characteristics that show commitment and determination were also determined from Siti Syamsiah's explanation, as follows:

"... previously, there was a batik business in Surabaya city" (P5.4).

The explanation shows that some participants have a strong determination and commitment in developing batik business. Although its location moved from Surabaya to Bangkalan, the 5th participant ensured the continuous process of their business.

Utilize the Opportunities

It is an entrepreneurial characteristic to utilize opportunities that aims to maintain business sustainability; therefore, some entrepreneurs show strong character to survive in conditions of uncertainty. This was reported from the participant's explanation as follows:

"In terms of opportunities, batik manufacturers need to prioritize the motifs or designs offered to customers" (P1.5).

Several methods were used to maintain business continuity such as paying attention to the availability of batik and determining the right location.

"Preparing the stock and place, and contributions to customers" (P1.5.1).

"... I collaborate with hotels in terms of traveling " (P1.5.2).

Meanwhile, participants stated that a business inability to survive is not always related to intense competition, rather it is due to other factors.

"... initially there was only one store, and with time it became two, however, it was difficult maintain. Therefore, we had to merge both stores due to the decrease in annual turnover" (P1.5.3).

Business opportunities are also determined from the market population and its potential location. One of the participants explained this condition as follows:

" We opened the store in areas where many tourists visit " (P2.5.1).

"... the interesting thing about a store is its decoration, and ability to sell goods at cheap prices " (P2.5.2).

Similar reports were made by other participants that considered the utilization of business opportunities very closely related to the location utilized.

"Entrepreneurs come here because it is a tourism area, however, they also accept orders online " (P4.5.1).

"... usually the customers are officials, doctors and students, from foreign countries such as Brunei and Malaysia. This business has also participated in exhibitions from Jakarta, JCC and Inaka" (P4.5.2).

Unlimited Resources

Business operations reflect the techniques used by entrepreneurs to manage and utilize external resources. Several participants stated that employees are needed in fieldwork in accordance with the following excerpt.

"Yes, initially, there were only a few employees, now there are approximately 17 people" (P1.6.1).

The above explanation showed the number of employees owned by the first participant was a total of 17 peoples and only two worked as store keepers. This division was and number of employees was needed because batik production requires several stages.

"There are only two shopkeepers in the store, and the batik produced are different from the makers " (P1.6.2).

In line with these findings, other participants stated that employees were also placed according to their level of activity. The more complex, the higher the number of employees as stated in the following interview excerpt.

"The number of employees is approximately 25 and distributed in several places" (P2.6.1).

"... the production is carried out in this location, rather it is close to the beach, Tanjung Bumi and Pamekasan" (P2.6.2).

" all activities carried out involve permanent employees" (P2.6.3).

Conversely, some participants stated that the utilization of resources was not limited to the production process and the location of batik shops. These characteristics is shown as follows:

" there is a store in Tanjung Bumi that sells colors batik products" (P4.6.1).

The 4th participant had stores located in Tanjung Bumi with batik produced batik in Bangkalan City.

"... there are a lot of craftsmenin Tanjung Bumi with approximately 20 people" (P4.6.2).

"... some employees produce batik, while others act as shopkeepers" (P4.6.3).

According to studies, a total of 20 employees participated in the business, although not all are concentrated in one location due to regional differences. The number of employees with a high level of activity is greater and in line with the previous conditions between the production and sales processes. The characteristics of batik SME entrepreneurs in Bangkalan Regency possess similarities in terms of resource utilization.

"I have two shops, the one located at Tanjung bumi, acts as a production place, while the other located in Bangkalan city is only for selling the product" (P5.6.1).

"... batik coloring is carried out by permanent employees" (P5.6.2).

"... there are a total of 17 permanent employees " (P5.6.3).

Vision

The SME vision is seen from the practical and strategic steps taken by entrepreneurs in developing their business. Vision is related to the future, therefore the instruments used to clarify past activities are an indicator of this component. The findings from the entrepreneur's vision are as follows:

"It is faster to produce materials or fabrics than clothes, due to the difficulty in determining the model and size of users" (P1.7).

The statement is a step taken by participants in making ready-made batik. However, the difference in people's tastes as well as the differences in physical size of a person makes it difficult for entrepreneurs. However, there is a slight difference associated with the entrepreneurship characteristics and vision in managing businesses due to their ability to collaborate with other parties to distribute batik. This was reported from the statements made by the participants as follows:

"To increase customer interest, partners in Tanjung Bumi were made the craftsman" (P4.7).

Partners are institutions or individuals that act as intermediaries for batik from producers to consumers. Their main aim is to locate and sell batik to buyers in targeted areas. However, participants do not always depend on the process of distributing batik through partners because they also proactively seek other targets. Others made similar statements directed at the ability of entrepreneurs to use other parties to distribute batik.

"We do not travel to sell this product because the business is seasonal, therefore we wait for consumers" (P5.7).

This implicitly means that entrepreneurs sometimes travel to offer batik to customers. Therefore, the role of partners in its distribution is to maintain the sustainability level of sales.

Independent Thought

Independent thought is an entrepreneurship characteristic related to their ability to making decisions. Nonetheless, all participants built the business independently with good independent thoughts although some entrepreneurs still have dependencies with others in doing business. This was stated in the following excerpts:

"Parents play a role in running businesses at Tanjung Pinang" (P4.8).

Furthermore, independent thought is also considered to be related to the number of competitors faced by SMEs. Some entrepreneurs argue that the existence of competitors limits their space in conducting business. This has an impact on employers' doubts in making a decision, however, the findings in the field did not show this relationship. It means that the existence of competitors is not considered a factor with the ability to limit the entrepreneurs in developing businesses.

"It does not really affect businesses even though there are several competitors" (P5.8).

Hard worker

The instruments used to assess entrepreneurial characteristics based on the behavioral approach is related to the dynamics of the environment. Conditions that currently occur are certainly different from the previous, including the increasing competitors as stated in the following excerpt:

"There are approximately 20-30 number of competitors in Bangkalan, compared to 2010-2011" (P1.9).

The statement above shows that environmental dynamics do not dampen their intention in developing their business, despite the changes. Therefore, there are reliable entrepreneurs with hard workers in the various categories as stated in the following excerpt:

"When sales are low, we contact our regular customers" (P4.9).

The statement showed that in the declining business conditions, batik entrepreneurs tend to improve their business.

"To overcome the decline in sales, we reduce production" (P5.9).

Optimistic

The optimistic behavior of entrepreneurs is assessed from the constraints and obstacles encountered, and their attitude towards these conditions. This was shown in the participant's statement as follows:

"Obstacles tend to occur, therefore, we have to increase our efforts to keep the business and to prepare for the future" (P1.10).

The process of making batik has the ability to guarantee lives as stated in the following:

"Making batik is more guarantee in the field of art, because many people are required to wear it twice a week" (P4.10).

From the above statement, there are keywords with the ability to reflect optimistic feelings from entrepreneurs. The word "guarantee" is a statement that the business is considered to have good prospects in future. This is supported by another statement which stated that there is an obligation from the local government which needs employees to wear batik. Although the conditions are different from the previous, entrepreneurs believe that the batik business is a promising future sector in Bangkalan. The statement was considered as a commodity in demand; therefore, the entrepreneurs are optimistic.

"About 5 years ago batik was trending, especially because the government, school children and many villages were required to wear it, however, it is no longer famous because the demand is normal" (P5. 10).

The statement showed that a cycle occurs in batik business and entrepreneur tend to faced better conditions.

Ability to Adapt

Entrepreneurs' ability to adapt with uncertain conditions have been frequently conducted in accordance with their ability to determine the required behavior with these conditions. The findings in the field led to the following statement:

"In this condition, changes are needed to adapt with the current times"(P1.11).

From the above statement, the entrepreneur realized that the current conditions are quite difficult. Nevertheless, they try to adjust the conditions faced in their business, by following the current conditions. The statement was also revealed from other participants' explanations, where adaptation need to be faced by bringing up something new.

"I had run this business before; therefore, it is easy to adapt" (P4.11).

Ability to Solve Problems

The behavior of batik entrepreneurs in Bangkalan Regency in solving problems faced starts with identification, and in the end, they tend to make a decision. The process of identifying problems carried out by entrepreneurs is reflected in the following statement:

"Initially in 2010, 2011, 2012, batik was just entered in this region, and incidentally the tourism was closer than in Tanjung Bumi" (P1.13.1).

The statement explained that the problem faced by entrepreneurs was the existence of batik before it was considered as a promising business. The findings in the field showed that batik was introduced as one of the leading commodities after its existed for 7 years. The condition that led to the increase in these commodities was tourism. Further findings

showed that entrepreneurs started responding to this phenomenon by increasing public interest in the products. However, these entrepreneurs have not been able to increase sales due to their limited ability to process batik and make it more attractive. This was shown from the following statement:

"Therefore, batik is used as a souvenir for Madura tourists, although the decline in turnover is because consumers are no longer interested in the commodity (P1.13.2).

With the same phenomenon, other participants stated that the behavior to keep the prospects in the batik business was to carry out promotional activities.

"Well, we offer offline and online promos" (P2.13).

Based on the above explanation above, it is concluded that the promotional activities carried out by batik entrepreneurs in Bangkalan was through offline media, such as banners, stickers, etc. Other media used to carry out promotions was to reach a wider audience is online. However, findings showed that the entrepreneurial behavior in problem solving has not been fully implemented. Some of the participants used in this study were accepted with a cycle capable of improving sales.

"The ups and downs phase of the business is seasonal, and increases during the uniform change season" (P5.13.1).

"Usually batik sales increase at the beginning of the year, close to the fasting month, as well as in the feast and pilgrimage season" (P5.13.2).

CONCLUSION

In conclusion, this study analyzed the active and passive he entrepreneurs' characteristics in SMEs at Bangkalan Regency using a total of five objects. The passive behavior is an entrepreneur ability to accept a condition. Several instruments showed that some participants considered the existence of competitors to increase people's interest in batik products. However, the behavioral characteristics of entrepreneurs are *independence*, and this factor tends to limit their thought.

The purpose of this research has been achieved, which is to reveal the entrepreneur characteristics based on a behavioral approach. Nevertheless, there are some limitations, associated with this study as follows: (1) it reveals the characteristics of entrepreneurial behaviors and characteristics, (2) it focuses on batik, therefore, it tends to obtain different results for other fields of business. Based on these limitations, some theoretical recommendations used to develop further research are as follows: (1) different objects, and (2) an empirical test based on the characteristics arranged. Practically, the results of this study are expected to increase the understanding of SMEs in Bangkalan Regency with competitors capable of threatening the sustainability of their business. Although some statements from owners show that competitors are useful in increasing people's interest in the products offered, some business areas are taken over by competitors. For this reason, SMEs have the ability to enhance active behavior in business through increased innovation and activities.

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