

THE ROLE OF CULTURE ON ENTREPRENEURIAL BEHAVIOR AND PERFORMANCE OF UMKM TANA TORAJA AND NORTH TORAJA DISTRICTS

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ARTICLE INFO	ABSTRACT
<p>Keywords: The role of culture, Entrepreneurial behavior, Msme performance</p>	<p>This research aims to analyze the relationship between culture and entrepreneurial behavior on the performance of MSMEs in Tana Toraja and North Toraja Regencies. This type of research uses a quantitative approach, data collection is carried out through questionnaires with a Likert scale. The data analysis technique uses path analysis with SPSS 26 and Sobel Test. The number of respondents in this research was 100 MSME actors. Partially, culture has a significant effect on entrepreneurial behavior, culture has a significant effect on entrepreneurial behavior and culture has an indirect effect on the performance of MSMEs through entrepreneurial behavior in Tana Toraja and North Toraja Regencies.</p>
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1. INTRODUCTION

Micro, Small and Medium Enterprises play an important role in developing socio-economic growth in Indonesia. The Ministry of Cooperatives and SMEs noted that the number of MSMEs reached 65.47 million units in 2019. This number increased by 1.98% compared to the previous year which amounted to 64.19 million units. This number reaches 99.99% of the total businesses in Indonesia, while large-scale businesses only amount to 5,637 units or the equivalent of 0.01% [1]. The development of MSMEs in Indonesia requires MSME actors to survive and be ready to compete with other MSMEs, therefore MSME actors must create creative and innovative businesses of course with good performance. However, the performance of MSMEs in Indonesia has not been as expected [2]. One of the reasons is a family-based management system rather than based on professional relationships. Apart from that, the obstacle faced is the ability to survive, grow, and even develop. Performance is a term that is often used to refer to the achievement or level of success of an individual or group. Performance can be known only if the individual or group of individuals has predetermined success criteria. These success criteria are in the form of certain goals or targets to be achieved.

There is a view that says that the key to an entrepreneur's success really depends on their attitude, so culture is one of the factors that plays a role in entrepreneurship where there are certain cultural values that support increasing the potential that exists within an entrepreneur [3]. Culture is defined as a set of values, beliefs, understanding and basic norms that underlie individuals in an organization [4]. The local culture referred to in this research is Toraja culture, where the Toraja people really uphold their culture and preserve it to this day. Culture is not only symbolic for the Torajan people but has become a tradition that they believe in in their lives. The traditions that occur in Toraja society today are the culture that has become a habit for them and it does not rule out the possibility that the skills in developing an entrepreneurial spirit come from the culture within the community. Culture within an organization becomes strong because of the positive values that are believed in and are believed to be applied in daily life. Increased performance in an organization can be caused by one of the factors, namely culture. Culture can have a positive impact on performance depending on the extent to which the culture is believed and applied in daily life.

Another factor that influences the success of entrepreneurial business performance is the entrepreneur's behavior in running his business. Therefore, in order for businesses run by the Torajan people to be successful as expected, entrepreneurs must have good entrepreneurial behavior in seeing business opportunities and be brave enough to take risks to open up entrepreneurial opportunities.

This research aims to determine the influence of culture on entrepreneurial behavior and MSME performance in Tana Toraja and North Toraja districts. It is hoped that this research can contribute ideas regarding the performance of MSMEs in Tana Toraja and North Toraja Regencies.

2. METHOD

This study uses a quantitative approach. The data analysis technique uses multiple linear regression analysis and the data is processed using the SPSS application. Data was obtained through a survey with an instrument, namely a questionnaire. The population of this research is MSME restaurant owners in Tana Toraja Regency and North Toraja Regency, totaling 410 MSMEs. The sampling method in this research used a random sampling method. The sample in this study was 100 respondents. The framework of thought developed in this research is based on the concepts and theories that have been put forward, so a conceptual framework can be prepared as follows:

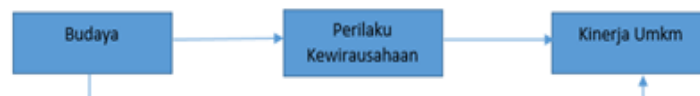


Figure 1. Framework of Thought

This research uses three fruit variables, namely culture as an independent variable, entrepreneurial behavior as an intervening variable, and MSME performance as an engagement variable. The following are the hypotheses in this research:

H1: Culture influences the performance of MSMEs

H2: Culture influences entrepreneurial behavior

H3: Culture influences MSME performance through entrepreneurial behavior as an intervening variable

3. RESULT AND DISCUSSION

Research Result

Classic assumption test

Normality test

Table 1. Normality Test Results

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	2,56520998
	Absolute	,081
Most Extreme Differences	Positive	,081
	Negative	-,062
Kolmogorov-Smirnov Z		,811
Asymp. Sig. (2-tailed)		,527
a. Test distribution is Normal.		
b. Calculated from data.		

The normality test results obtained a Kolmogorov Smirnov sig value of 0.811. This value meets the normality test requirements, namely if the test results obtain a sig value > 0.05, then the normality assumption is met.

Multicollinearity Test

Table 2. Non-Multicollinearity Assumption Test Results

Variabel	VIF	Information
Culture	1,126	Non multicollinearity
Entrepreneurial Behavior	1,126	Non multicollinearity

Heteroscedasticity Test

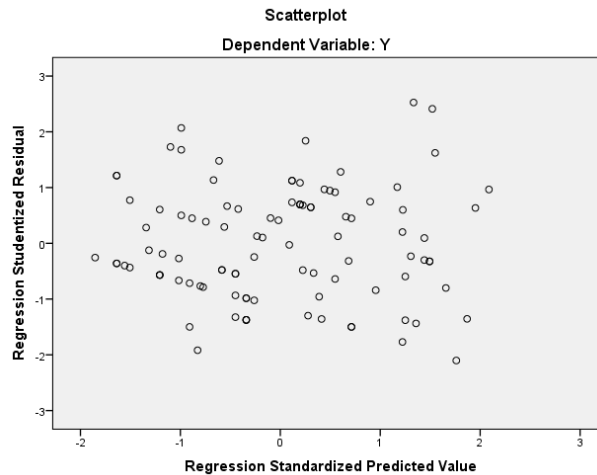


Figure 2. Scatterplot graphic results

The results of the Scatterplot graph in this study show that the points spread above and below the number 0 (zero) on the y-axis, or in other words the distribution of the points does not form a particular pattern. This means that heteroscedasticity does not occur.

Coefficient of Determination Test (R^2)

The following is a table of coefficient of determination test results (R^2).

Table 3. Test Results for the Determination Coefficient of Equation I

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,334 ^a	,112	,103	2,970

Predictors: (Constant), X

The coefficient of determination R square value in the test results above shows a value of 0.112 or 11.2%. These results indicate that the MSME performance variable is influenced by 11.2% by culture. The remaining 88.8% is influenced by other variables outside the independent variables examined in this research.

Table 4. Test Results for the Determination Coefficient of Equation II

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,426 ^a	,181	,165	2,600

a. Predictors: (Constant), Z, X

The coefficient of determination R square value in the test results above shows a value of 0.181 or 18.1%. These results indicate that the MSME performance variable is influenced by 18.1% by entrepreneurial culture and behavior. The remaining 81.9% is influenced by other variables outside the independent variables examined in this research.

Regression Test Results

Table 5. T Test Results

Variabel	T Hitung	T tabel	Sig.	Information
Culture (X)	3,151	1,660	0,002	Influence on Y
Culture (X)	3,513	1,660	0,001	Influence on Z

The calculated t probability value (sig) of the influence of cultural variables on MSME performance is 0.002 (<0.05), which means that culture has a significant effect on MSME performance. Likewise for the cultural variable on MSME behavior with a sig value of 0.001 (<0.05), which means culture has a significant effect on entrepreneurial behavior.

F Test Results

Table 6. Simultaneous Test Results (F Test)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	145,409	2	72,704	10,751	,000 ^b
Residual	655,951	97	6,762		
Total	801,360	99			

- a. Dependent Variable: Y
- b. Predictors: (Constant), Z,

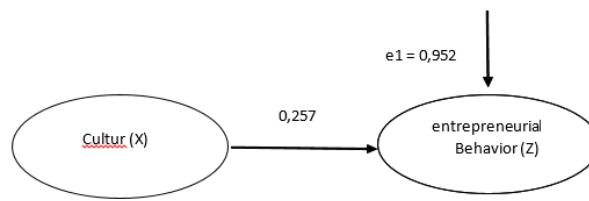
The results of the simultaneous test value for the culture and entrepreneurial behavior variables show a sig value of 0.000, which means that culture and entrepreneurial behavior simultaneously have a significant effect on the performance of MSMEs.

Path Analysis Results

Unstandardized Coefficients		Standardized Coefficients		t	Sig.
B	Std. Error	Beta			
20,312	4,814			4,219	,000
,257	,073	,334		3,513	,001

Based on the table, it is known that the significance value of the cultural variable is $0.001 < 0.05$, so it is concluded that culture (X) has a significant effect on entrepreneurial behavior (Z), thus the path diagram for structure model 1 is obtained as follows:

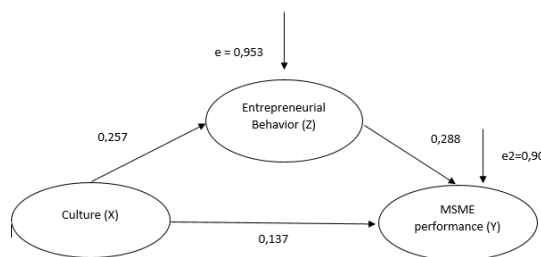
$$Z = 0.257 + 0.952 (1)$$



Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig
	B	Std. Error	Beta	B		
1(Constant)	16,180	4,582			3,531	,001
X	,137	,068	,197		2,023	,046
Z	,288	,088	,317		3,256	,002

Based on the table, it is known that the significance value of the cultural variable is $0.46 < 0.05$, so it can be concluded that culture has a significant effect on the performance of MSMEs. Thus, the path diagram of structure model II is obtained as follows:

$$Y = 0.137 + 0.288 + 0.904 (2)$$



Sobel Test Results

To test the influence of cultural variables on MSME performance variables with entrepreneurial behavior as an intervening variable, the following sobel test can be used.

Known: $b = 0.288$ $sa = 0.073$ $a = 0.257$ $sb = 0.088$.

$$Sab = \sqrt{b^2sa^2 + a^2sb^2 + sa^2sb^2}$$

$$Sab = \sqrt{0,288^2 \cdot 0,073^2 + 0,257^2 \cdot 0,088^2 + 0,073^2 \cdot 0,088^2}$$

$$Sab = 0,000912$$

$$t = \frac{ab}{sab}$$

$$t = \frac{0,074}{0,000912}$$

$$t = 81,14$$

$$t \text{ tabel} = 1,661 \text{ (sig.0.05)}$$

Based on the results of the Sobel test in the mediation above, the calculated t value is 81.14. Meanwhile, it is known that the t table value is 1.661 so it can be concluded that $t \text{ count} > t \text{ table}$. These results can be concluded that entrepreneurial behavior variables are able to mediate the influence of cultural variables on MSME performance.

The Influence of Culture on Entrepreneurial Behavior

The research results show that culture has a direct and significant effect on entrepreneurial behavior. With the results of data processing, the calculated t value was $3.151 > 1.660$ and a significance value of $0.002 < 0.05$ so that the first hypothesis that "culture has a direct and significant influence on entrepreneurial behavior" was declared accepted. Individual culture has an influence on the behavior, motivation and way of working of leaders and subordinates to achieve organizational performance (Holmes and Marsden, 1996). Culture is something that regulates so that humans can understand how they should act, act and determine their attitudes. A strong culture will have a big influence on individual behavior (5). The results of this research are in line with research by Yulanda (6) showing the influence of business culture values in Minangkabau society on entrepreneurial behavior.

The Influence of Culture on MSME Performance

The research results show that culture has a direct and significant effect on the performance of MSMEs. With the results of data processing, the calculated t value was $3.513 > 1.660$ and a significance value of $0.001 < 0.05$ so that the second hypothesis that "culture has a direct and significant effect on the performance of MSMEs" was declared accepted. Toha (6) states that a person's behavior is usually formed due to interactions between individuals and their environment. Toha (7), that culture is one of the factors that play a role in entrepreneurship where there are certain cultural values that support increasing the potential that exists within a person. businessman. A strong culture is demonstrated by the values, norms and beliefs reflected in an organization which will improve performance (8). The values and beliefs of the Toraja people are honesty (kamalamburan) which requires one to always live honestly in one's life, harmony (karapasan) which is characterized by living peacefully together, work ethic (ossokki rakka' sangpulo) which makes a person always try hard. and seriousness and self-esteem/shame (longko'/siri') regulate how to behave towards others. This research is in line with research by Sapitri (9) which states that work culture influences the performance of SMEs in the convection industrial **center in Soreang Sub-district, Bandung regency.**

The Influence of Culture on MSME Performance with Entrepreneurial Behavior as a mediating variable Based on the research, the results showed that culture influences MSME performance through entrepreneurial behavior showing a significant influence. Based on the results of the Sobel test, it shows a value of $81.14 > 1.661$, so the third hypothesis that "Culture has an indirect and significant effect on the performance of MSMEs through entrepreneurial behavior is declared accepted." In order for businesses run by the Torajan people to be successful as expected, entrepreneurs must have good entrepreneurial behavior in seeing business opportunities and be brave enough to take risks to open up entrepreneurial opportunities.

4. CONCLUSION

Based on the research results, the following conclusions are drawn. Culture has a significant effect on entrepreneurial behavior. Culture is something that regulates so that humans can understand how they should act, act and determine their attitudes. A strong culture will have a big influence on individual behavior (5). Culture has a significant effect on the performance of MSMEs. The values and beliefs of the Toraja people are honesty (kamalamburan) which requires one to always live honestly in one's life, harmony (karapasan) which is characterized by living peacefully together, work ethic (ossokki rakka' sangpulo) which makes a person always try hard. and being serious and self-esteem/shame (longko'/siri') regulates how to behave towards others. Culture has an indirect influence on the performance of MSMEs through entrepreneurial behavior. With good entrepreneurial behavior, MSMEs in Tana Toraja and North Toraja Regencies can see business opportunities and have the courage to take risks to open up entrepreneurial opportunities.

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