

# Exploring The Dynamics Of Ethnic Entrepreneurship In North Sulawesi: A Descriptive Study On Javanese Ethnic Entrepreneurs

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Article Info	ABSTRACT
Keywords:	This study centers around the intricate interplay between Javanese
Ethnic entrepreneurship,	ethnic entrepreneurs and the economic landscape of North Sulawesi,
culture,	aiming to elucidate the factors that drive these entrepreneurs to
Javanese ethnicity,	establish businesses in a region marked by distinct cultural, linguistic,
economic growth.	and customary differences. While existing research has explored the
	economic contributions of ethnic entrepreneurs, few have ventured into
	contexts where cultural dissonance is pronounced. Conducting a
	comprehensive descriptive analysis involving 385 respondents, this
	research sheds light on the motivations and dynamics behind the choices
	made by Javanese entrepreneurs to engage in business activities within
	the diverse socio-cultural milieu of North Sulawesi. The findings reveal
	reveals that Javanese ethnic entrepreneurs are motivated to choose
	North Sulawesi for business due to factors such as financial gains,
	autonomy, familial traditions, and dissatisfaction with prior employment.
	Their considerable success in the region is attributed to factors like
	capital availability and community acceptance. The results imply the
	existence of a mutually beneficial relationship wherein the adaptability
	and resilience of Javanese entrepreneurs converge with the open and
	dynamic business ecosystem of North Sulawesi, ultimately facilitating
	economic progress for both the ethnic group and the broader region.
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# INTRODUCTION

Entrepreneurs are projected to play an increasingly pivotal role in steering the trajectory of a nation's economic and business development. Positioned as the driving force behind economic growth, entrepreneurs are envisaged to not only generate employment opportunities but also enhance productivity and foster innovation. In its nascent stages, entrepreneurship functions as a catalyst for job creation, affording individuals the chance to initiate their enterprises. This initial phase is projected to culminate in sustainable business growth, thereby mitigating unemployment rates and elevating societal welfare. As entrepreneurship matures, its multifaceted contributions extend beyond mere job creation, permeating various facets of the economy and society at large.

In the entrepreneurship literature, the concept of "ethnic entrepreneur" is a wellestablished term referring to individuals or groups within the business domain who share a



common ethnic background and engage in entrepreneurial activities. Such entrepreneurs play a pivotal role in providing economic support to their ethnic communities within their business spheres, concurrently contributing positively to the economic development of the locales in which they operate. A pertinent illustration of this phenomenon is observed in Manado City, where Javanese ethnic entrepreneurs not only foster the growth of their own economic endeavors but also significantly impact the broader economic landscape of the city itself. Notably, ethnic entrepreneurs often embark on migration to establish businesses, thereby seeking enhanced economic prospects (Indarti et al., 2020). While discussions on ethnic entrepreneurship frequently span across diverse national contexts, it is equally crucial to scrutinize this phenomenon within the confines of a single nation, as exemplified by Indonesia. With its multitude of islands and a rich tapestry of cultures, languages, tribes, ethnicities, and religions, Indonesia provides a particularly relevant backdrop for studying ethnic entrepreneurship. This investigation into the dynamics of ethnic entrepreneurship within a country is imperative given the unique socio-cultural and economic intricacies inherent to Indonesia. In practical terms, ethnic entrepreneurs invariably encounter a spectrum of challenges stemming from cultural, ethnic, linguistic, racial, and religious disparities vis-à-vis their countries of origin. This underscores the necessity for a nuanced examination of the interplay between ethnic entrepreneurs and the multifaceted dimensions of diversity they navigate in their pursuit of economic prosperity

Numerous studies have scrutinized the landscape of ethnic entrepreneurship in Indonesia, presenting a multifaceted perspective on various ethnic groups. For instance, the ethnic Chinese diaspora across Indonesia has garnered recognition for its adeptness in establishing diverse and successful enterprises (Eng, 2020). Furthermore, the Minang ethnic entrepreneurs in the country exemplify success in cultivating social capital, relying on the embodiment of traditional Minang values within organizational frameworks, and fostering positive inter-ethnic relations (Primadona, 2020). The entrepreneurial endeavors of the Balinese, Batak, South Sumatra, Chinese, and Minangkabau ethnicities have been significantly influenced by their respective cultural contexts, serving as a paramount determinant in their decision to engage in entrepreneurial activities within their locales (Cahyono et al., 2021). In a distinct case, the entrepreneurial pursuits of the Banjar Ethnicity are deeply rooted in familial antecedents, tracing back through generations as traders, as (Harinie, 2019). A critical observation arising from these extant studies is the dearth of exploration into the experiences of ethnic entrepreneurs navigating business environments marked by pronounced cultural dissonance. While the aforementioned research has provided invaluable insights into the success factors within specific ethnic communities, a gap exists in understanding how entrepreneurs from certain ethnic backgrounds navigate and thrive in environments where cultural norms, habits, beliefs, and customs diverge significantly.

This study seeks to explore the determinants influencing the strategic choice of Javanese entrepreneurs, including those of Sundanese descent, to establish their enterprises in North Sulawesi, a region predominantly inhabited by the Minahasa ethnic group. The juxtaposition of the Javanese and Minahasan ethnicities is particularly noteworthy due to pronounced disparities in cultural norms, customs, linguistic attributes, and belief systems.



For instance, while the Minahasan community exhibits a robust and forthright demeanor, characterized by direct communication (Sutanto & Nurrachman, 2018), the Javanese, by contrast, are culturally predisposed toward the virtues of 'nrimo,' embodying a more subdued and accepting demeanor. Moreover, the Minahasan ethnic identity is predominantly affiliated with Christianity, in stark contrast to the prevailing Muslim identity among the Javanese populace. This religious divergence necessitates a nuanced understanding of religious tolerance in the context of entrepreneurial pursuits. Consequently, this conspicuous divergence in cultural and religious facets serves as a novel focal point for scholarly inquiry, prompting an examination into the underlying motivations propelling ethnic Javanese entrepreneurs to initiate business ventures within an environment divergent from their native cultural milieu. The multifaceted nature of these differences thus presents an intriguing avenue for research, inviting an in-depth exploration of the rationale underpinning the continued entrepreneurial engagement of Javanese individuals in a markedly distinct locale

The present study makes a distinctive contribution by delving into the intricate nexus between Javanese ethnic entrepreneurs and the economic landscape of North Sulawesi. It stands out from existing literature by offering a nuanced exploration of the factors propelling these entrepreneurs to establish businesses in a region characterized by profound cultural, linguistic, and customary differences. While previous studies have primarily focused on the economic contributions of ethnic entrepreneurs, this research pioneers an examination into contexts marked by pronounced cultural dissonance. By systematically unraveling the mechanisms that contribute to the success of Javanese ethnic entrepreneurs in a culturally disparate environment, this research contributes to a more nuanced understanding of how economic support from within ethnic communities can propel regional growth.

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Cultural values theory posits that a group's culture significantly influences entrepreneurial behavior (Schwartz, 2006), with culture being a multifaceted construct encompassing rich meanings, beliefs, practices, symbols, norms, and values within society (Hofstede, 2001, 2011). The prevailing emphasis on values within a society represents a central aspect of culture (Hofstede et al., 1990). Despite physical relocations, cultural values persist, particularly within the family and community structures of a given ethnicity, forming an ethnic social system that safeguards cultural values even in new environments (Dana et al., 2020).

In the entrepreneurial context, cultural values and social norms significantly shape individual attitudes, behaviors, and decisions (Schwartz, 2006). Applied to entrepreneurship,



this theory elucidates how cultural factors influence business establishment and management (Krueger et al., 2013; Morales et al., 2018). Ethnic entrepreneurs, driven by cultural values and the preservation of ethnic heritage, emerge as pivotal contributors to economic growth by creating jobs, enhancing productivity, and fostering innovation (Schumpeter, 1947; De Castro et al., 2018; Emami-Langroodi, 2018).

The term "ethnic entrepreneur" is recognized in entrepreneurship literature, referring to individuals or groups with a specific ethnic background engaged in business activities. These entrepreneurs not only economically support their ethnic groups but also positively impact the broader economic development of their regions (De Castro et al., 2018; Emami-Langroodi, 2018; Ilhan-Nas et al., 2011). For instance, Javanese ethnic entrepreneurs in Manado City contribute to both their community's economic welfare and that of Manado City itself, reflecting a phenomenon observed as ethnic entrepreneurs migrate for economic pursuits (Indarti et al., 2020). While the discourse on ethnic entrepreneurship spans multiple countries (Guerra Fernandes et al., 2022), this study focuses on the Indonesian context, exploring ethnic entrepreneurship amid the country's diverse islands, cultures, languages, tribes, ethnicities, and religions.

## METHODS

This research employs a quantitative design, adopting a descriptive statistical approach. The chosen research design aligns with the study's objectives, aiming to attain a nuanced and succinct depiction of the factors compelling entrepreneurs from specific ethnic backgrounds, particularly those of Javanese descent, to establish their businesses in North Sulawesi. These statistics will be crucial in providing a clear understanding of the characteristics and patterns within the data, facilitating the identification of the dynamic of ethnic entrepreneurs. Moreover, graphical representations such as bar charts will complement the descriptive statistics, offering visual insights into the data distribution and aiding in the interpretation of results. Despite substantial disparities in habits, culture, traditions, and beliefs between the Javanese ethnic entrepreneurs and the host region, the application of descriptive statistics facilitates the acquisition of a comprehensive understanding of the driving forces behind this geographic choice.

As elucidated previously, the focus of this investigation centers on ethnic Javanese entrepreneurs who have deliberately chosen North Sulawesi as the locale for their business ventures. The selected respondents, constituting the research sample, represent a specific subset of the ethnic Javanese population – those who either own their businesses outright or possess a majority share (e.g., over 50 percent ownership) and have sustained their entrepreneurial endeavors for a minimum duration of two years.

#### **Data Collection**

Data for this study were gathered through a questionnaire-based survey spanning from August to November 2023, encompassing a three-month period. The targeted areas for data collection included Manado City, Tomohon, Tondano, Airmadidi, and Bitung City, strategically chosen for their substantial population of Javanese ethnic entrepreneurs. To facilitate the survey process, a collaboration was established with surveyors from prominent educational



institutions, namely Universitas Negeri Manado (UNIMA) students responsible for Tomohon and Tondano City, Klabat University students focusing on Airmadidi and Bitung City, and Manado Health Polytechnic students dedicated to data collection in Manado City. A total of 385 samples were obtained for analysis in this study.

This research adopted a robust survey methodology, leveraging the expertise of student surveyors strategically assigned to specific geographic areas. UNIMA students concentrated their efforts on Tomohon and Tondano City, while Klabat University students were entrusted with Airmadidi and Bitung City, and Manado Health Polytechnic students undertook data collection in Manado City. The collaborative approach, involving students from diverse educational institutions, ensured a comprehensive and geographically distributed dataset, fostering a more nuanced understanding of the entrepreneurial landscape among the Javanese ethnic community in North Sulawesi. In adhering to rigorous data collection standards, the utilization of a well-structured questionnaire facilitated the acquisition of 385 samples for subsequent analysis.

To elucidate the determinants influencing the selection of North Sulawesi as a business destination by ethnic entrepreneurs, a structured questionnaire was employed. The research instrument utilized in this study was adapted from a previous investigation conducted by Al-Ansari et al. in 2013. Consequently, the questionnaire items identified in the present report were derived from and modified based on the aforementioned study.

Data collection was executed in the field by surveyors utilizing the Google Form application. In addition to serving as a repository for collected data, the Google Form application facilitates subsequent data analysis by researchers. The gathered data undergoes a thorough review encompassing two critical aspects. Firstly, an assessment is conducted to ascertain the presence or absence of missing data; if the proportion of missing data is below 10%, the data can be imputed with the mean value, as stipulated by Hair et al. in 2010. Secondly, the data is scrutinized to ensure its alignment with the predefined sample criteria.

Table 1 provides an overview of the distribution of research respondents based on the residence of Javanese ethnic entrepreneurs in the North Sulawesi Province, a parameter accessible to surveyors during the data collection process.

CityRespondentsManado92Tomohon72Tondano72Bitung87Airmadidi62Total385					
Tomohon72Tondano72Bitung87Airmadidi62	City	Respondents			
Tondano 72 Bitung 87 Airmadidi 62	Manado	92			
Bitung 87 Airmadidi 62	Tomohon	72			
Airmadidi 62	Tondano	72			
	Bitung	87			
Total 385	Airmadidi	62			
	Total	385			

#### Table 1. Distribution of Respondents

Table 1 summarizes that the preponderance of respondents (92 individuals) hails from Manado City. This outcome suggests that Manado City, being the largest urban center and principal business hub in North Sulawesi, exerts a substantial pull factor for Javanese ethnic entrepreneurs, prompting them to establish businesses within its confines. Beyond Manado,



Bitung City (87 respondents) emerges as another focal point for Javanese entrepreneurs. As the industrial and manufacturing nucleus of North Sulawesi, Bitung City accommodates a diverse array of ethnic groups from across Indonesia. Moreover, Table 1 underscores a relatively uniform distribution of respondents across various research locations.

This statistical insight delineates the strategic allure of both Manado and Bitung, underscoring their significance in influencing the entrepreneurial decisions of Javanese ethnic entrepreneurs. The concentration of respondents in these key cities implies a deliberate and discerning choice made by entrepreneurs to engage with the economic landscape in locations that offer distinct advantages, whether due to commercial centrality or industrial prominence. The spatially equitable distribution of respondents further accentuates the comprehensive nature of this study, capturing insights across diverse locales within North Sulawesi.

# **RESULTS AND DISCUSSION**

The study's outcomes commence with an elucidation of the respondents' profiles, as delineated by the demographic data derived from a cohort of 385 participants, from whom data were effectively gathered. Subsequent to the completion of the demographic explication, the ensuing segment expounds upon the outcomes of the descriptive analysis.

Table 2 underscores the dominance of male respondents, constituting 60.03% of the entrepreneurial cohort in North Sulawesi. This preponderance is indicative of the perception that men assume a pivotal role as economic stalwarts within familial contexts. Consequently, their heightened participation as business agents is discerned, eclipsing the comparatively lesser involvement of women, comprising a mere 39.70% of the total respondents, or 153 individuals.

Table 2. Respondent Demographic				
	Unit	%		
Gender				
Male	232	60.03		
Female	153	39.70		
Education				
Elementary-Junior high school	94	24.40		
Senior high school	241	62.60		
Undergraduate	34	8.80		
Graduate school	2	0.50		
No formal education	14	3.60		
Industry				
Culinary	290	75.30		
Retail	76	19.70		
Services	16	4.20		
Manufacture	3	0.80		
Age at opening a business				
< 25	159	41.30		

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25 – 30	90	23.40
31–35	48	12.50
36-40	49	12.70
41-45	23	6.00
46 - 50	11	2.90
> 50	5	1.30

Source: data analysis

Table 2 reveals a notable disparity in the educational attainment of the surveyed respondents. A substantial majority, comprising 241 individuals (62.50%), have completed their education at the senior high school graduate level. This figure significantly surpasses other educational tiers, with the closest contender being the elementary to junior high school level, accounting for only 94 respondents (24.40%). Conversely, no other formal education category manages to attain a threshold of 10%. Intriguingly, a minority of 14 respondents (3.60%) assert an absence of formal education, relying exclusively on informal educational avenues.

In North Sulawesi, Javanese entrepreneurs predominantly assert ownership of businesses, with a substantial 75.30% engaged in the culinary industry, according to the responses of 290 participants. In contrast, business ownership in alternative sectors such as retail, services, and manufacturing remains below the 20% mark concerning the overall respondent pool. Furthermore, a significant trend emerges as 41.30% of these entrepreneurs initiated their business ventures before the age of 25. This age distribution aligns with the cohort of Generation Z (1997-2012), followed by the Millennial generation (1981-1996), and subsequent generations. The chronological data implies that ethnic entrepreneurs in North Sulawesi embark on their entrepreneurial endeavors during a phase characterized by ample creative potential (Kim & Martin, 2020).

#### Motivational Drivers for Entrepreneurship

Individuals, driven by their diverse needs, find motivation in endeavors aimed at fulfilling those needs, often manifesting in the decision to initiate entrepreneurial ventures. However, confining the justification of this motivation solely to needs renders it overly general. Consequently, Figure 1 serves as a visual representation delineating the specific motivations propelling ethnic entrepreneurs to establish businesses in North Sulawesi. While the study encompassed 20 items gauging the motivation to open a business (AI-Ansari et al., 2013), only four factors are expounded upon, as the remaining 16 items scored below 1%.

Figure 1 elucidates that 48.6% of respondents (depicted in dark blue) identified their primary motivation for launching a business in North Sulawesi as the pursuit of financial gain. This stems from the belief that the region offers greater income opportunities compared to their native or other areas. The second most cited motivation, chosen by 23.40% of respondents (highlighted in red), is the desire to assume the role of a 'boss,' affording them flexibility and autonomy in business operations.



These two motivations may be intricately linked, as the attainment of substantial income in an entrepreneurial venture tends to elevate one's sense of honor, pride, and power (Li-Ping et al., 2005). The subsequent increase in income contributes to an enhanced perception of financial security, thereby bolstering overall life satisfaction (Howell et al., 2013).

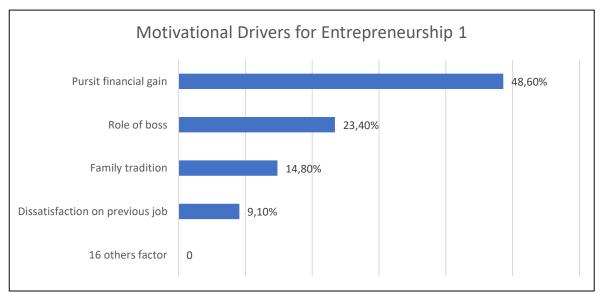


Figure 1. Motivational Drivers for Entrepreneurship

Javanese ethnic entrepreneurs, constituting 14.80% (depicted in orange), exhibit a profound motivation to perpetuate family traditions or sustain pre-existing businesses within North Sulawesi. Essentially, the establishment and continuation of enterprises rooted in familial customs emerge as potent incentives for entrepreneurial pursuits. The bedrock of familial traditions is identified as pivotal to the triumph of family businesses, establishing a direct correlation between the adept management of tradition's creation, perpetuation, and intergenerational transmission. This distinctiveness underscores the intergenerational character of family businesses, hinging on their ability to seamlessly integrate the temporal dimensions of the past, present, and future (Suddaby & Jaskiewicz, 2020).

Furthermore, respondents also disclosed that 9.1% (highlighted in green) were impelled to embark on entrepreneurial endeavors in North Sulawesi due to dissatisfaction in their previous employment. It appears that these individuals may have previously worked within North Sulawesi or elsewhere, and their discontentment, coupled with a perceived lack of developmental opportunities, prompted them to resign and transition into entrepreneurship. This phenomenon aligns with the concept of necessity entrepreneurship, wherein individuals seek self-fulfillment and avenues for personal development, often regretting not embarking on entrepreneurial ventures earlier in their careers (Block & Koellinger, 2009). It is noteworthy, however, that transitioning from an employee to an entrepreneur, while offering potential for happiness and satisfaction, does not guarantee these outcomes unequivocally (Xia et al., 2021).



## The success rate of businesses

This section delineates the respondents' perceptions regarding the success or failure of businesses operated by ethnic entrepreneurs within the geographic context of Nyiur Melambai, an alternative appellation for North Sulawesi. As depicted in Figure 2, among the 385 respondents, 28.6% (depicted in blue) asserted that their businesses exhibited a high degree of success in North Sulawesi. In contrast, a substantial majority, accounting for 58.7%, affirmed the successful operation of their businesses in the same region.

Approximately 10.4% of respondents attested to their businesses functioning at a normal capacity, while a minority, constituting less than 10%, perceived their enterprises in North Sulawesi as not faring well. Consequently, it can be inferred that businesses managed by ethnic entrepreneurs in North Sulawesi have predominantly experienced success, underscoring the judiciousness of the entrepreneurs' decision to choose North Sulawesi as their operational base. The thriving operational status of these businesses is indicative of the appropriateness of the entrepreneurial decisions made in selecting North Sulawesi as a conducive business environment. Furthermore, the prosperity of individually-run enterprises in this locale is posited to elevate the overall sense of well-being for business actors, aligning with Louwman's assertion (2023) that the success of one's business inherently contributes to heightened individual happiness. This heightened happiness resultant from the success of Javanese ethnic entrepreneurs' businesses is theorized to stimulate creativity, entrepreneurial initiative, and the generation of intellectual property, as articulated by Usai et al. (2020).

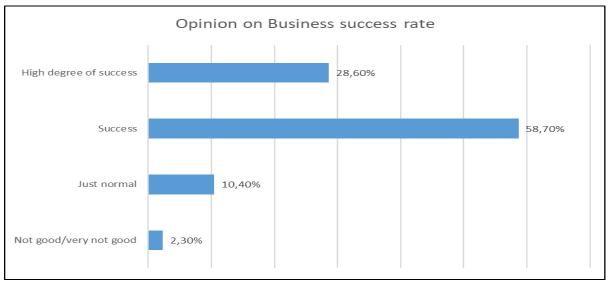


Figure 2. Opinion on Business success rate

#### Specific Reasons for Opting North Sulawesi

This section delineates the specific rationales or considerations guiding Javanese entrepreneurs in the selection of North Sulawesi as their business locale, as depicted in Figure 3. Figure 3 elucidates that the predominant reason or consideration (44.2%; dark blue) motivating the choice of North Sulawesi as a business location stems from the perception



held by Javanese ethnic entrepreneurs that the potential benefits derived from initiating a business in North Sulawesi are substantial. The economic behavior exhibited by the populace of North Sulawesi is characterized by high consumption, wherein individuals typically allocate their financial resources towards various immediate and deferred needs (Nelwan et al., 2018; Pramono et al., 2021). Notably, the North Sulawesi economy exhibited a robust growth of 5.26% (year-on-year) in the first quarter of 2023, surpassing the previous year's quarterly attainment of 5.20% (year-on-year). This growth outpaced the national economy, which recorded a 5.03% (year-on-year) expansion (Representative of Bank Indonesia of North Sulawesi Province, 2023). Such economic indicators may instill confidence in Javanese ethnic entrepreneurs, encouraging them to establish their enterprises in the region.

Constituting the second-largest percentage at 10.4% (dark green), Javanese ethnic entrepreneurs perceive the level of competition in North Sulawesi as comparatively low, serving as a catalyst for their business ventures. Given North Sulawesi's status as a region experiencing economic growth exceeding the national average, it is often characterized as still developing, leading to a less intense business competition environment in contrast to neighboring provinces such as South Sulawesi, acknowledged for its advanced development and heightened competitiveness. This scenario potentially facilitates the establishment of a competitive advantage (Sagib & Satar, 2021).

Respondents regard the North Sulawesi Regional Government as notably receptive, with policies that do not impede business initiation based on ethnicity, as reflected by the 9.1% of Javanese ethnic entrepreneurs who perceive no hindrance from the North Sulawesi Government in commencing their business operations. It is noteworthy that favorable governmental regulations for entrepreneurship exert a positive moderating effect on the nexus between business commencement and entrepreneurship development (Li et al., 2020).

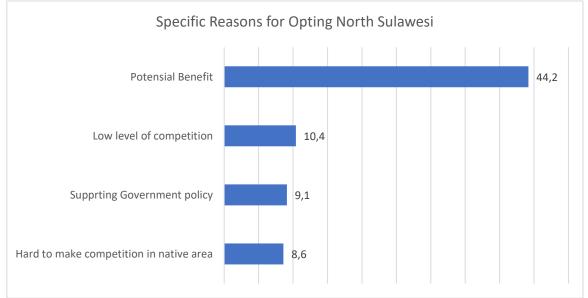


Figure 3. Spesific Reason Choose North Sulawesi



A segment of 8.8% of respondents opted for the expansive and continuously expanding market in North Sulawesi. This choice underscores the strategic selection made by Javanese ethnic entrepreneurs, motivated by the perceived opportunity for business development within a still burgeoning market, considered ripe for exploration. The correlation between entrepreneurship development and the state of the market, as posited by earlier research findings, highlights the likelihood of entrepreneurial growth in regions characterized by a relatively nascent market. Conversely, a saturated market may impede business expansion, resulting in stagnation (Atiase et al., 2018).

Concurrently, 8.6% of respondents (denoted by the pink category) identified the challenge of competing within their native region as a pivotal factor compelling their business migration to North Sulawesi. The impediments to competition in their indigenous area may emanate from heightened market competition or a stagnant economic environment, necessitating the imperative to seek alternative regions for sustained viability. The phenomenon of individuals relocating from one locale to another, especially in the context of business, is multifaceted and often correlated with competitive pressures and economic downturns (Gorter et al., 1998).

Moreover, 5.2% of respondents (categorized in red) cited the high purchasing power of consumers in North Sulawesi as a determining factor. As elucidated earlier, the consumptive behavior exhibited by the Minahasa populace serves as a plausible rationale for Javanese ethnic entrepreneurs selecting North Sulawesi as their business hub. This proclivity towards high consumption is intricately linked with the community's substantial financial capacity and willingness to expend financial resources liberally.

## Drivers of successful businesses in North Sulawesi

This section delineates the outcomes associated with respondents' selections of factors perceived to be pivotal for the success of their businesses in North Sulawesi. Figure 4 presents a range of nine factors from which respondents could choose to best encapsulate their situational context. Nevertheless, only six factors garnered substantive responses, while the remaining three exhibited relatively diminished preference among respondents.

Within the framework of the nine factors presented in Figure 4, it becomes evident that two factors exert notable influence on respondents' decision-making processes. Specifically, the availability of adequate capital (26%; dark blue) and favorable public reception (25.2%; blue) emerge as particularly consequential determinants. Javanese entrepreneurs exhibit awareness that the provision of financial capital is an imperative responsibility for entrepreneurs. Given the heterogeneity in entrepreneurs' capital endowments, the issue of establishing optimal initial conditions that facilitate business survival assumes paramount significance in the entrepreneurial landscape (Linder et al., 2020).

In the context of capital acquisition, individuals originating from outside the region may encounter challenges in securing credit from financial institutions compared to indigenous counterparts. Importantly, such distinctions are not attributed to ethnic factors but rather hinge on credit risk assessment considerations (Bruder et al., 2011), particularly if these individuals have not updated their residential information



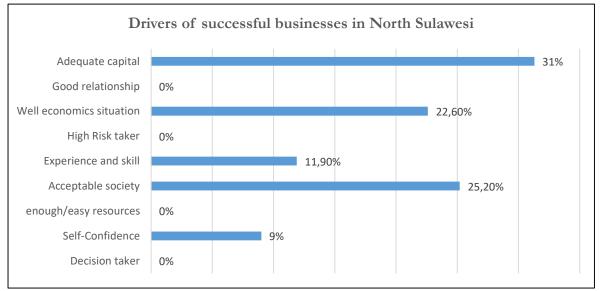


Figure 4. Drivers of successful businesses in North Sulawesi

In addition to entrepreneurial capital, Javanese individuals in North Sulawesi recognize the paramount importance of community acceptance as a decisive factor upon their entry into the region. The community's embrace significantly influences the feasibility of initiating business ventures, as a lack of acceptance hinders independent business commencement. The efficacy of ethnic entrepreneurs in establishing and growing their enterprises is intricately tied to interaction patterns within the community (Volery, 2007). Absent well-established interactions, ethnicities may encounter challenges in garnering acceptance or adapting to new environments with distinct cultural foundations.

Consequently, it can be deduced that North Sulawesi represents a region accommodating to individuals from diverse ethnic backgrounds, substantiated by responses, particularly within the orange category, where 22.60% of respondents perceive the economic conditions of North Sulawesi favorably. This aligns with previous assertions highlighting the robust economic climate of North Sulawesi, thereby fostering a conducive environment for Javanese ethnic entrepreneurs.

Furthermore, 11.90% of Javanese entrepreneurs in North Sulawesi contend that the success of their enterprises is contingent upon their individual experiences and business acumen. The literature on knowledge management elucidates that experience and expertise constitute valuable forms of knowledge resources capable of enhancing innovation capabilities (Tidd & Bessant, 2018; Wuryaningrat et al., 2023). Consequently, respondents deem experience and expertise integral to bolstering business success or averting failure. Previous research posits that confidence, measured by self-efficacy, serves as a catalyst for assimilating new knowledge (Goodson et al., 2014). Consequently, 9% of respondents posit that the triumph or downfall of a business hinges on the level of self-confidence. Extant studies affirm that self-confidence serves as a driving force for entrepreneurial intentions among business leaders (Garaika & Margahana, 2019).



# CONCLUSION

In conclusion, this study elucidates the multifaceted motivations driving Javanese ethnic entrepreneurs to choose North Sulawesi as their business locale, highlighting factors such as financial gains, entrepreneurial autonomy, familial traditions, and dissatisfaction with prior employment. The findings underscore the significant success achieved by these entrepreneurs, attributed to factors like capital availability and community acceptance. However, the study's limitations, including its focus on a specific group and region, warrant consideration, as does the need for further research to understand dynamic socio-economic factors. Recommendations stemming from these insights include targeted support programs and initiatives to enhance access to resources, fostering an environment conducive to sustained economic growth and entrepreneurial success in North Sulawesi.

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