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## Struggle Mystical Values Craftsmen “Batik Gajah Oling” and Orientation Entrepreneurship

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### Abstract

The purpose of this study was revealed the phenomenon of entrepreneurial orientation “Using” public economic enterprises and economic institutions that support the improvement of their productivity and well-being in the midst of the dynamics of economic development and increasingly fierce competition. Location of the study in Banyuwangi. The research method uses a qualitative approach. Informants research is creative entrepreneurs “batik”.

The results showed all the informants produce “batik” -patterned "Gajah Oling ", but the design and layout of each color is different. The similarity of “batik” -patterned "Gajah Oling" due to the values of mystical “Using” the community that originates in the culture, that to preserve the "Gajah Oling" the goodness (eg, growing his business) will continue to side with him. Values that is what has motivated them to work harder produce “batik” -patterned "Gajah Oling", are independent, do not rely on government, proactively seeking opportunities, innovative, willing to take the risk of doing business in the sense of daring for others who may not be profitable, go ahead and continue to seek opportunities to produce better products in order not to lose the same producer. The hard work they had been able to build economic institutions in the long run will improve business productivity informant, business continuity is assured and well-being has improved.

*Keywords:* Entrepreneurial Orientation; Institutional Economics; Business Continuity

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### 1. Introduction

Osing tribe is a native of Banyuwangi. Their population is about 20 percent of the total population of Banyuwangi. Some of them make their living as batik maker that specializing in making batik with "Gajah Oling" pattern. It is believed that the “Gajah Oling" pattern have special magic, e.g when a baby is restless or have to be out of the house at dusk, then he needs to be wrap with the "Gajah Oling" pattern to keep him calm and safe from the evil. ("inspirasi" magazine, 2013).

This pattern also common to be used as souvenirs on weddings, parties, etc. Gajah Oling batik was originally made for ritual needs but now venturing into the aesthetic, social, and economic aspects. All of these changes have brought new dynamics among the batik makers, they need to work harder to gain more 'market' and to keep the existence of Gajah Oling pattern.

Knowing the importance of the Gajah Oling pattern, the local government started to provide protection to preserve Gajah Oling pattern. The local government organized varieties of events,

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such as Banyuwangi Batik Festivals, Exhibition for Gajah Oling Batik, Gajah Oling Batik Design Competition, and various batik trainings annually. Now it really depends on how the batik makers will use these supports to create new designs and do more innovations.

Entrepreneurial orientation is one of the important indicators of productivity and economic progress. It can be reflected by the high creativity, innovation, ability to see the potential, opportunities and challenges, as well as the acquisition of knowledge that allows it to be able to look for other alternatives in the face of various challenges and competitions.

Conversely, lack of entrepreneurial orientation will make a serious threat to productivity, economic welfare of a community and it will also be a threat to the preservation and development of cultural property values that manifested itself in a product such as batik with Gajah Oling pattern.

Given the importance of entrepreneurial orientation, as well as a form of institutional engineering economy that can sustain economic productivity and well-being of a society, the research is needed to find a model on how Gajah Oling pattern protect itself to survive as a manifestation of their value system in the perspective of entrepreneurial orientation.

## 2. Theoretical References

### 2.1. *Entrepreneurship orientation*

The development of entrepreneurship theory recognizes variations in entrepreneurial role in economic change (Stam, 2008) sum of the role of entrepreneurs are: 1) those who bear uncertainty (Knight, 1921), 2) an innovator (Schumpeter, 1934), 3) the decision maker (Casson, 2003), 4) a leader of the industry (Schumpeter, 1934), 5) an organizer and coordinator of economic resources (Marshall, 1890), 6) an Arbitrageur, observant of opportunities (Kirzner, 1973, 1997), 7) allocator of resources among a number of alternative uses (Schultz, 1975). It shows that without entrepreneurs, there will be no economic growth in that area.

Dess and Lumpkin (1996) define entrepreneurial orientation as the processes, practices and decision-making activities that lead to new things. This implies that the construct of individual talents, values, attributes, and strong attitudes with regard to motivation, entry into entrepreneurial activity. Likewise, Frank et al. (2010) cites the entrepreneurial orientation presented by Guth and Ginsberg (1990) and Zahra and Covin (1995) as potential ways to revitalize existing businesses through risk-taking, innovation, and aggressive competitive behavior.

Dess and Lumpkin (1996, 1997, and 2001) suggest there are five key dimensions of entrepreneurial orientation, namely: (1) autonomy, (2) innovativeness, (3) risk taking, (4) proactiveness, (5) competitive aggressiveness. Autonomy refers to the independent actions of an individual or group to bring an idea or vision and resolve to complete. Innovativeness refers to the tendency of engaging and supporting new ideas, uniqueness, experimentation, and creative processes that enable the creation of new products, services or processes. Risk-taking refers to the degree in which individuals differ in their willingness to take risks and rewards received. Proactiveness refers to the initiator and other measures aimed at protecting the safety and search market share and look forward perspective is reflected in the actions taken in anticipation of future demand. Competing aggressiveness refers to the intensity of the efforts to put out competitors from the industry. These efforts will help ensure a high market share and therefore will lead to better performance.

According to Certo et al. (2009) entrepreneurial orientation can occur at three levels, namely: (a) the level of the individual or labor, (b) the level of business founders or entrepreneurs, and (c) a

company that has been established . Detail view of Certo et al . (2009 ) can be seen in Table 1 below.

Tabel 1: Level of Entrepreneurial Orientation

<b>Entrepreneurial orientation element</b>	<b>Application for individuals / employees</b>	<b>Application for startups / founders / entrepreneurs</b>	<b>Application for established / top management team / boards</b>
<b>Autonomy</b>	Show an ability to develop independent thought and not require step by step instructions	Create processes and system that allows employees to develop independent thinking	Allow individuals and teams freedom to champion new ideas
<b>Competitive aggressiveness</b>	Develop proposals that specifically react to, or anticipate the actions of, competitors	Establish a culture of unconventional tactics rather than head to head competition with incumbents	Engage in aggressive marketing, quality improvement, and value compared to competitors
<b>Innovativeness</b>	Highlight how you can provide new and creative ideas or processes	Identify how new combinations of current products and services can serve new markets	Be willing to cannibalize existing products, services or processes and venture beyond current limits
<b>Proactiveness</b>	Demonstrate an ability to think ahead, and anticipate future organizational needs	Be a first mover or a fast follower in new or existing markets	Influence market trends and create demand
<b>Risk Taking</b>	Recommend proposals that have more attractive return although they may have a lower probability of success	Incur debt or take other risk in order to seize an opportunity	Commit significant resources to a project to ensure high returns

Source: Certo *et al.* (2009)

Empirical evidence has support that a business with a very high degree of entrepreneurial orientation might be using innovation (Manimala, 1992) and enjoy better business performance (Smart and Conant, 1994). Wiklund (1999) stated that the effect of entrepreneurial orientation on performance is very large and the strength of the effect increases over time. Therefore, many researchers argue that investing in entrepreneurial orientation is beneficial to the financial aspect because it will bring more long term benefits. (in Zhang et al . , 2011).

## 2.2 Human Security

The Commission on Human Security define Human Security as: "...to protect the vital core of all human lives in ways that enhance human freedoms and human fulfillment. Human security means protecting fundamental freedoms – freedoms that are the essence of life. It means protecting people from critical (severe) and pervasive (widespread) threats and situations. It means using processes that build on people's strengths and aspirations. It means creating political, social, environmental, economic, military and cultural systems that together give people the building blocks of survival, livelihood and dignity." (CHS: 2003: 4)

The essence of human security is to protect the dignity of the human being to live in dignity by being free from all obstacles and pressures as well as have an opportunity to participate in various sectors to achieve a decent living. Protection of human security can be done by governments, non-governmental organizations, and individuals with clear rules (e.g. laws or regulations). In the economic context, the government can regulate business protection, fair competition, and so on. The existence of an entrepreneurial orientation means that the community is able to create business / economic on its own and able to keep the business running. Thus, there is indeed a relationship between entrepreneurial orientations to human security efforts.

## 3. Research Method

This is a qualitative research. The focus of research is the phenomenon of entrepreneurial orientation and engineering economic institutions that support the increased of productivity and welfare of Gajah Oling batik makers. The analysis is done by making a categorization of a number of phenomena that was gathered through in-depth interviews. The sources are batik makers who are also part of *Osing* tribe. This study used a phenomenological approach.

## 4. Result and Discussion

### 4.1. Overview of the Study

Based on previous study by Wahono (2006) knowledge creations and innovations in the centers of batik Industries in Java. The result of the study shows that the knowledge creation processes exist with different level of implementation. The higher the level of knowledge creation, the higher the innovations will be. Wahono et.al (2011), Knowledge Transfer in the Family Owned Business in East Java. The study showed that generally knowledge transfer occurs in the bloodline, going down from generations to generations or it can be transferred to people outside of the bloodline, those who have gained the trust from the family. Horizontally, knowledge transfer occurs among batik makers from different business entities. Puspitaningtyas et.al (2013) Entrepreneurship Orientation Model and Economic Institution 'Osing Tribe' in Increasing Productivity and Their Welfare in Banyuwangi. The study showed that the batik makers from Osing tribe succeeded in becoming independent and they have a high entrepreneurship spirit.

### 4.2. Result and Discussion

There are 3 sources in this study; all are batik makers and also business owners. Source 'A' is the owner of "Srikandi" art shop in Karang Bendo Village, Rogojampi District. Source 'B' own the "Gondo Arum" art shop in Pakistaji Village. Source 'C' is the owner of 'Sayuwit' art shop in

Temenggungan Village. All of them are female, married with children and part of Osing tribe. The setting of this report is focusing on source 'A', while source 'B' and 'C' will serve as triangulators.

Source 'A' had started to learn how to make batik since she was young, she learned it through her parents. Her batik making skills were getting better after she worked with other batik makers at 'Sayuwit' and 'Virde' for about 5 years. About 9 years ago source 'A' opened her own batik business and 5 years ago she was opening a batik gallery called 'Srikandi'. Her love for batik has started since she was young, her parents taught her all about batik and their business. Around age 9, she had started helping her mother to make batik.

When she grows up, she mastered the batik making skills and started to use her skills to make a living. When she had to take the responsibility to take care of her family, she is more assured that if she put more effort in making batik she will be able to make money and send her children to school.

She started to establish connections with suppliers of the raw materials from Solo, Jogjakarta, and Bali. At first, she personally went to Solo or Bali to buy the materials she needed such as the fabric, *canting*, dye powder, etc. As time goes by, she is able to establish a good relationship with the suppliers so when she needs to buy anything she just calls them to order the materials and the payment will be done through bank transfer.

Slowly, the society started to know her as a good batik maker. To sharpen her skills she is always eager to join trainings on batik making, business management and marketing held by the Government or other institutions. She was also becoming one of the batik makers that is being helped by one of state owned enterprises (Pelindo Banyuwangi branch) and she was also got soft loan that she used as added capital.

Slowly but sure, her business is blooming. At this moment she has 21 people working for her, 7 male and 14 female. If the order for batik is increasing she would hire as many as 24 people. The main job of the male employees usually are those that required physical activities such as to stamp the batik pattern to the fabric, dye and take away the wax from the fabric (*ngelorot*) while the ones for the female employees are the ones that is more delicate such as copying the design to the fabric, making small detailed pattern in the batik, covering the design with wax, etc.

The batik that source 'A' producing consist of handmade hand drawn batik, stamp batik and combination of both. Relating to the dye she use for her batik, source 'A' is using chemicals dye powder and just recently starting to use natural dye made from plants. Batik with chemical dye usually has bolder and brighter color while the ones with natural dye are usually softer. Aside from making batik fabric, source 'A' also make batik wallets, shawls and bags.

In the marketing context, source 'A' had built a good network with some institutions such as schools, government offices, and other business entity such as suppliers, retailers and whole sellers and occasionally get special orders for specific occasions. She said that because her gallery is a bit far from the city she needs to be more aggressive in marketing her product.

The other two sources, 'B' and 'C' also emphasize on the same matter. They need to be proactive and aggressive in selling their products and it is important to have a good network. For example, source 'A' is registered as a student at an University in Banyuwangi. She shows her products to her fellow students who come from different parts of Banyuwangi, and they become part of her networks. Aside from building networks, the sources also make calling cards with complete information about them so it will be easier for people to get in touch with them and buy their products.

The sources seem to have a high artistic sense. When they are inspired by something, they expressing it in their sketch book and then they transfer the design to the fabric. Therefore a new motive and design have born purely from their own idea. Aside from that, sometimes the new

pattern and design is a compromise between their artistic sense and customer's demand. The one thing that is never missing from their design is the Gajah Oling pattern. This pattern will always be the most important part of the design and pattern they are making.

From the dyeing side, source 'A' use the chemical dye and only began to use natural dye last year. Now she mixed the dye for the dyeing process. She hasn't been able to make her own natural dye so she still buy it from Solo or Bali. These new things that source 'A' did to increase the batik selling can be categorized as 'incremental innovation' (Davila et al.,2006).

Her decision to make batik as her main source of income has shown that she is a risk taker. Seeing how the business blooming shows that it was worth it and that her decision was based on a careful calculations and also that the management style she use is working well.

One of the risks that she is willing to take is by buying the materials through phone calls. She is risking the quality of the materials. It can be that the quality of the materials she ordered will be different from what she expected. But she is willing to take the risk because she will be saving money and time for not having to travel. The ability to manage risks is a crucial part in managing a successful business.

The other key of success from the batik business owned by the sources is determined by their ability to compete with others. It is not easy to compete with the other batik makers so they need to be able to be ahead of the others by being creative and innovative. Source 'A', for example, combining the Gajah Oling pattern with flowers pattern and using colors that are not too bright or soft. The pattern drawn in medium to large size with dominant colors of yellow, gold, green, and blue. This is the trademark designs that source 'A' try to develop as part of her effort to compete with others.

Source 'B' also trying to build her own trademarks by using bold colors such as yellow, bright green, red, pink, etc. When asked why she choose those colors, source " said that the people of Banyuwangi love the bright and bold colors.

Source 'C' trademark is soft colored and classic Gajah Oling design pattern. Although she also produced bright colored batik, her specialty is with the classic and soft colored as had been done by her family from generations to generations.

They realize that to be able to strive and grow, they need to do changes and keep innovating their products. To survive, aside from competing they also need to work together to sustain their business. For example, when source 'A' got a relatively large order, she was asking the help from other batik makers to make some of it so that the deadline of the order can be fulfilled.

Based on this, it is believed that "competing aggressively doesn't mean one should be winning or losing but it means to grow side by side through working together."

The choice made by source 'A' to stay in the creative business is her way to become independent. She wanted to be able to stand on her own feet. It is understood that to be independent is not easy and very risky but source 'A' did not afraid to take the chances to try and now she succeed to reach her dreams. To be able to be independent and becoming a successful business entity on must have courage and determination.

## 5. Conclusion

The sources have a good entrepreneurial orientation as said by Schumpeter, Miller, Freel (2000) and also Esparallardo, et al (2009). They have the values and high determination to use their resources, tangible and intangible, to make a living by transforming a sheet of white fabric into a Gajah Oling batik product that have high economic value and also as manifestations of their heritage.

They are able to create their own network within the conducive environment created by the local government. The fact that they are still exists until now is also the sign that their value system that they inherit from their ancestors is still preserved until now.

Commoditization of mystical values into batik industry changes the life of the batik makers. By being able to make money from it, the batik makers are free from poverty, therefore they are strong, independent and they have more freedom in pursuing a better life.

The change from chemical into natural dyes is very much related to the batik makers' new understanding on preserving the environment. By using more natural dyes, the waste won't be polluting the environment. At first this changes effected their selling because the color from natural dye is not as bright as the chemicals, but step by step the batik makers are succeeded in educating their customers. Now they are even willing to pay more for the batik product that use natural dye.

Through the changes made by the batik makers, the mystical values are still intact in the form of a batik fabric without having to lose the economic value. This means that financially they are safe and the sustainability of the environment is not being disturbed.

This research is expected to be able to give a glimpse of the dilemma between the preserving mythical values and adding economic value in a sheet of batik in relation to human security and sustainable development.

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