CULTURAL VALUES AND LEADERSHIP STYLES
OF MANAGERS IN INDONESIA:
JAVANESE AND CHINESE INDONESIANS

by

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Submitted in fulfilment of the requirements for the degree of
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<tr>
<td>FRLT</td>
<td>Full Range Leadership Theory</td>
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<tr>
<td>GLOBE</td>
<td>Global Leadership and Organizational Behavior Effectiveness</td>
</tr>
<tr>
<td>KPK</td>
<td>Komisi Pemberantasan Korupsi (Corruption Eradication Commission)</td>
</tr>
<tr>
<td>LPC</td>
<td>Least Preferred Co-worker</td>
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<tr>
<td>LBDQ</td>
<td>Leadership Behavior Description Questionnaire</td>
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<td>MBE</td>
<td>Management by Exception</td>
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<td>MLQ</td>
<td>Multifactor Leadership Questionnaire</td>
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<tr>
<td>RT</td>
<td>Rukun Tetangga (Neighbourhood Group)</td>
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<td>SLBS</td>
<td>Servant Leadership Behavioural Scale</td>
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<td>Value Survey Module</td>
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<td>VOC</td>
<td>Vereenigde Oostindische Compagnie (United East India Company)</td>
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<td>WVS</td>
<td>World Value Survey</td>
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Abstract

The need to understand another culture has often been simplified by making generalisations about the culture. Many research studies tend to overlook the existence of cultural variation in a nation, presenting only the culture of the largest ethnic group as the representation of the country’s national culture. This practice could give flawed results, and not only can mislead business practitioners who want to study the culture of a country but will also make the culture-related business phenomena which occur in the country remain unanswered.

Indonesia is the fourth-largest country in the world in terms of population, with large cultural variations. Nevertheless, researchers often refer to Javanese culture when explaining the culture of Indonesia despite the fact that the country’s list of wealthiest individuals is dominated by non-Javanese: the Chinese Indonesians. The aim of the research project is to examine two areas that might cause such a paradox, namely, the cultural values and leadership styles of Javanese and Chinese Indonesian managers. Mixed methods was utilised to explore the distinctive characteristics, similarities and differences between the groups.

The study found differences between Javanese and Chinese Indonesian managers in terms of cultural values, dimensions of power distance, collectivism, masculinity, indulgence versus restraint as well as their leadership styles, during the quantitative and qualitative data collection stages. The analysis of both quantitative and qualitative data revealed significant differences in terms of values, behaviours and attitudes which influenced the ideal leader’s characteristics and leadership styles of managers in the two diverse subcultures. This finding suggests that there are cultural variations within a country that need to be given attention, since they have important implications for work and employment. It is recommended that future research replicate and expand the present study using other Indonesian subcultures. Implications for theory and practice were also discussed.
CHAPTER 1: INTRODUCTION

1.1 Introduction

The present study investigates the distinctive cultural values and leadership styles of managers originating from two Indonesian ethnicities: Javanese and Chinese Indonesians. Cultural diversity in Indonesia is often simplified by researchers, presenting only the culture of the largest ethnic group, the Javanese, as the national culture of Indonesia. Nevertheless, arguing that Javanese culture is the representation of Indonesia’s national culture means disregarding the fact that Indonesia’s business sector is dominated by non-Javanese. To date, most of the large business corporations in Indonesia are controlled by the minority Chinese Indonesians (Backman, 2001; Forbes, 2011; SWA Sembada, 2009).

It is difficult to explain why Chinese Indonesians are able to dominate the Indonesian business sector. Research focusing on Chinese Indonesian business was scarce, and researchers seem to make generalisations on the culture of Indonesia. As an attempt to investigate the antecedents of Chinese Indonesian business success, the present study compares Chinese Indonesians with the Javanese, the largest ethnic group in Indonesia. A comparison on the sub-cultural level is more appropriate to be applied in Indonesia, due to the country’s high cultural diversity and geographic condition.

In this study, the success antecedents of the Chinese Indonesian business are investigated only from the perspective of culture and the perspective of leadership. Culture is defined as “the collective programming of the mind that distinguishes the members of one group or category of people from others” (Hofstede, Hofstede, et al., 2010, p. 6), and is recognised as the predictor of human behaviour (Endrass, André, Rehm, & Nakano, 2013; Hofstede, 1991; Matsumoto & Juang, 2007; Segall, 1979). Furthermore, researchers have identified the strong influence of

According to GLOBE Project (House et al., 2001, p. 494), leadership is defined as “the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organizations of which they are members”. Leadership has also been long considered as one of the most important factors in determining the success of organisations (Bass, 1960, 1985; Bingham, 1927; Blake & Mouton, 1964; Bowden, 1926; Burns, 1978; Fiedler, 1964; Fleishman, Burtt, & Harris, 1955; French, 1956; Hersey & Blanchard, 1969; House, 1971; House, Hanges, Javidan, Dorfman, & Gupta, 2004; Katz & Kahn, 1978; Likert, 1961; McGregor, 1966; Schein, 1985; Schenk, 1928; Stogdill, 1959). It is evident that culture and leadership are among the aspects which make an important contribution toward business success.

This study fully aware that there being many factors which determine business success, such as business experience, adaptability toward environment, effective business network (Peña, 2002); market orientation (Narver & Slater, 1990); quality management (Flynn, Schroeder, & Sakakibara, 1995); business strategy and technology (Zahra & Covin, 1993). Nevertheless, the present study only argues that the paradox of the Chinese Indonesians’ business superiority over the Javanese could be caused by the difference in their cultural values, or, by the differences in their leadership styles.

1.2 Background and Significance of the Research

The present study argues that making generalisations on Indonesia’s culture and leadership will lead to false conclusion being drawn on the actual conditions in
Indonesia. There are factors that need to be taken into consideration such as the influence of the culture and values of each ethnic group toward people’s behaviour. Evidence of this argument can be observed from the paradox of Chinese Indonesian business in Indonesia. As a minority ethnic group, Chinese Indonesians have managed to dominate Indonesia’s business sector and are displaying better business performance compared to the indigenous Indonesian business person (Akhmadi, 2010; Backman, 2001; Chua, 2008; Wie, 2009). Despite comprising only around 1.2 to 3.5 percent of Indonesia’s total population (Backman, 2001; Statistics Indonesia, 2011), 72 per cent out of 300 conglomerates prior to the 1998 Indonesian economic crisis were owned by Chinese Indonesians (Backman, 2001, pp. 193-194), 9 out of the 10 wealthiest Indonesians were Chinese Indonesians (Forbes, 2011) and 75 per cent out of 86 conglomerates in provinces with the largest Javanese population, Central Java and Yogyakarta, were also owned by Chinese Indonesians (SWA Sembada, 2009).

The issue of culture generalisation can easily be observed from the pioneering research on Indonesia’s business culture, which was conducted by Hofstede (1982). He published a booklet about cultural guidelines for Dutch managers residing in Indonesia, containing cultural values scores of the Indonesians and its business implications which he repeatedly used in his future publications (e.g., Hofstede, 1991, 2001; Hofstede & Hofstede, 2005; Hofstede, Hofstede, & Minkov, 2010). The descriptions were obtained from interviews with a small number of Indonesians residing in Jakarta about their experiences with Dutch expatriates (Hofstede, 1997). Although Hofstede’s research has been able to identify the cultural characteristics of typical Indonesian managers, his results are also open to question because of his strong tendency to present Javanese culture as the culture of all the Indonesians. To be precise, he used a very small sample – only 20 respondents – to represent 140 million Indonesians at that time (Hofstede, 1997).
It is obvious that Hofstede’s approach in measuring Indonesia’s cultural values needs to be further investigated. Indonesia is the fourth-largest country in the world in terms of population with around 240 million citizens. The country’s ethnic composition consists of 1,300 ethnic groups which can be narrowed down into 31 major ethnic groups (Statistics Indonesia, 2011), spreading over 34 provinces and more than 6,000 inhabited islands (The World Factbook, 2013). Interestingly, Hofstede only focused on the Javanese, the largest ethnic group who are dominant only in three Indonesian provinces: Central Java, East Java and Yogyakarta.

Further research on culture and leadership in Indonesia, unfortunately, has repeated Hofstede’s mistake to assume that Javanese culture can be used to represent the culture of Indonesia. Such evidence could be observed from the publications of Mann (1996) and Goodfellow (1997) regarding Indonesia’s business culture, which have a strong bias toward the Javanese. Hofstede’s generalisation of Indonesia’s culture has also led Indonesian leadership researchers to believe that the Javanese culture could be used to represent the culture of the whole country (e.g., Irawanto, 2009; Irawanto, Ramsey, & Ryan, 2011). In both studies, the authors present the argument that since Javanese culture dominated the Indonesian government sector, it can be used as a representation of the culture of Indonesia. Although it is true that Indonesia was ruled continuously by two Javanese presidents during its first 53 years, the present study argues that such a fact cannot be used to justify the generalisation of Indonesia’s culture.

Besides authors who tend to present the culture of the Javanese as the national culture of Indonesia (Hofstede, 1982; Mann, 1996; Goodfellow, 1997; Irawanto, 2009; Irawanto, Ramsey, & Ryan, 2011), there are authors who apparently ignore the cultural variations that exist in the country. Without explaining the ethnic origins of their Indonesian respondents, Suutari, Raharjo and Riikkilä’s (2002) study provides evidence that Finnish expatriates in Indonesia are more likely to
adjust their styles while managing local (Indonesian) subordinates; and the employees stated that they realise that foreign leaders will demonstrate different leadership behaviour compared to the local (Indonesian) leaders. In research conducted by Pekerti and Sendjaya (2010) regarding the comparison of servant leadership in Indonesia and Australia, Javanese culture was again argued as dominant (Pekerti & Sendjaya, 2010, p. 761). Their results suggest that although servant leadership is accepted in both countries, there were culture-specific factors which caused differences between leaders in both countries: the degree of power distance and individualism (Pekerti & Sendjaya, 2010). Nevertheless, these two research studies provide no explanation on where their Indonesian respondents come from, or what location or ethnicity. Thus, the present study considers that the research of Pekerti and Sendjaya (2010) and Suutari et al. (2002) also disregards the cultural diversity which exists in Indonesia and creates another generalisation of Indonesia’s culture.

Regrettably, since researchers have taken a false approach in studying Indonesia by making culture generalisations, there was never any scientific explanation of the success of the Chinese Indonesian in the business sector. Studies specifically on Chinese Indonesian business were few (e.g., Chua, 2008; Dieleman, 2007), while the rest tend to observe the Chinese Indonesians from an anthropological and sociological perspective (e.g., Lindsey & Pausacker, 2005; Suryadinata, 1978a, 1978b, 1989, 2004a, 2005). Such a situation is understandable, because Chinese Indonesians often suffer from discrimination and have become the target of the society’s discontent (Tan, 2008).

There has nevertheless been a negative assumption that the success of Chinese Indonesian business person is caused by their connection to the Indonesian government and military. Being newcomers in Indonesia, Chinese Indonesians were argued to actively seek protection from the Indonesian government through unethical ways (Lasserre, 1993). During the New Order regime of President
Soeharto (1966-1998), many Chinese Indonesian companies enjoyed special privileges through a joint venture with the Indonesian government and companies run by the family of the President (Lasserre, 1993). Nonetheless, Soeharto’s era has ended and Indonesia’s Corruption Eradication Commission (KPK) has been established, yet, Chinese Indonesian business is still dominant in Indonesia’s economy. This situation indicates that Chinese Indonesians must have distinctive characteristics that make them able to survive through Indonesia’s political and economic change. It is the aim of this study to conduct further scrutiny to the distinctive characteristics owned by the Chinese Indonesians from the perspective of culture and the perspective of leadership.

The distinctive characteristics of the Chinese Indonesians will be more obvious if compared with Indonesia’s other ethnic groups. For this purpose, the Javanese ethnic group is selected for two reasons: (1) they are the largest ethnic group in Indonesia, and (2) their business performance seems to be inferior if compared to the Chinese Indonesians. The lesser business performance of the Javanese is argued to be the result of their preference to work as government officials rather than engaging in business activities (Hofstede, 1982; Suharyadi, Nugroho, Purwanto, & Faturohman, 2007), because a business person is considered as a lowly and inelegant profession by the Javanese nobles (Mohamad, 2013). Similar to the negative assumptions about Chinese Indonesians, these assumptions about the Javanese also need to be justified.

With all the arguments that have been presented in this section, it is evident that there is an inevitable need to conduct research that does not make generalisation on Indonesia’s society. A sub-cultural comparison is the answer to provide a scientific explanation of the paradox of Javanese and Chinese Indonesian business in Indonesia.
1.3 Research Problem

By the end of 2012, Indonesia was the recipient of $125.8 billion US dollars of direct foreign investment, an increase of $21 billion US dollars compared to 2011 (The World Factbook, 2013). This significant growth of foreign investment will amplify the cross-cultural interaction between foreign companies with the Indonesian government, companies and societies, creating the inevitable need for the control of good knowledge and understanding of Indonesia’s culture. The possession of such competence is important, since Indonesia is a country with complex and diverse cultural variation. In order to operate businesses successfully across Indonesia and avoid miscommunication with local business partners, organisations have to expand their knowledge on the distinctive characteristics of the Indonesian sub-culture that they want to deal with.

Despite the high importance of understanding the distinctive characteristics of Indonesia’s sub-culture and its implications for business, there seems to be a lack of interest in studying this particular area. Such a situation is unfortunate, since the pioneering research on Indonesia’s cultural values (Hofstede, 1982) bears the problems of flawed research design and tends to make generalisations on Indonesia’s culture. Hofstede’s (1982) study used only 20 respondents (Hofstede, 1997, p. 55) from an unknown Indonesian ethnic group to represent 148 million Indonesians back in 1982 (Statistics Indonesia, 2013), yet, he justified the majority of his findings using the Javanese perspective. Later on, Hofstede added that his study (Hofstede, 1982) was also based on the interviews of a number of managers in Jakarta (Hofstede, 1997), thus creating confusion because Jakarta is the home of the Betawi ethnic group, not Javanese. Regrettably, Hofstede’s (1982) mistakes have been followed by other researchers; creating further generalisation on Indonesia’s culture (e.g., Goodfellow, 1997; House et al., 2004; Irawanto, 2009; Mann, 1996; Pekerti & Sendjaya, 2010; Suutari et al., 2002; Trompenaars, 1993).
The present study believes that the generalisation of Indonesia’s culture will mislead people and give flawed results; not only for foreigners who want to study Indonesia, but also among Indonesian society in general. Furthermore, generalisations of Indonesia’s culture will make no contribution to help explain why a particular ethnic group is able to demonstrate better business performance compared to others. Unlike all the previous research mentioned earlier, the present study chooses to avoid culture generalisation, aiming to investigate the cultural values and leadership style of respondents originating from two of Indonesia’s specific ethnic groups: Javanese and Chinese Indonesians.

This study argues that in the Indonesian context, a comparison based on subcultures is the most appropriate approach to investigate the variability of culture and values among ethnic groups in Indonesia. There was never any previous attempt to make such a comparison or an investigation from the perspective of culture and leadership, leaving innumerable business paradoxes in Indonesia unanswered. Providing Indonesian society with knowledge and information regarding why some ethnic groups achieve better business performance than others is vital, since friction among ethnic groups has often grown into ethnic conflicts. Rather than religious difference, socioeconomic disparity among ethnic groups is the most widely-cited factor to explain such conflicts (Bertrand, 2004, p. 110). The present study is an attempt to address such situations, aiming to provide information based on the investigation of the cultural values and leadership styles of Javanese and Chinese Indonesians. By understanding aspects of both ethnic groups, it is also the intention of the present study to help minimise the negative judgements on the success of Javanese and Chinese Indonesians in business.

The research problem in the present study can be described using the following diagram:
1.4 Research Questions

This study aims to demonstrate that the approach of cultural generalisation is inappropriate to be applied in a culturally-diverse country such as Indonesia. Despite the fact that all Indonesian ethnicities shares the same national characteristics, such as bound by one national ideology and one national language, the paradox of Chinese Indonesian business has given evidence that they are not the same. Each of Indonesia’s ethnicities has its own unique cultural identity, influencing their behaviour, values and leadership characteristics. Differences in
cultural background results in different cultural values and leadership styles; two facets which can be used to explain the difference in business performance.

To demonstrate such an argument, the present study compares managers from two Indonesian ethnic groups, Javanese and Chinese Indonesians, to investigate their distinctive cultural values and leadership styles. Javanese is the majority ethnic group in Indonesia with 40 per cent of the population, and is argued to have strong political power in Indonesia. Such a claim is understandable, since five Javanese presidents ruled the country for 66.5 out of the 68 years since Indonesia’s independence in 1945 until the present time - 2013. There has been only one non-Javanese president, B.J. Habibie, who ran the country for 1.5 years from May 1998 to October 1999. Despite the domination of the Javanese in Indonesia’s politics, most large business corporations in provinces where the Javanese are the majority ethnic group are owned by the minority Chinese Indonesians (SWA Sembada, 2009).

The present study has identified that Javanese and Chinese Indonesians culture shares several characteristics, such as the concept of hierarchy and harmony (Suryadinata, 1978a; Koentjaraningrat, 1985; Magnis Suseno, 1993; Lee, 1998; Lin & Ho, 2009). Nevertheless, the paradox of Chinese Indonesian business domination over the Javanese leads the present study to argue that there are differences in cultural values and leadership styles among both ethnic groups. To demonstrate our argument, this study would like to investigate the following aspects:

1. What are the cultural values of Javanese managers and Chinese Indonesian managers?
2. What are the leadership styles of Javanese managers and Chinese Indonesian managers?
3. What are the distinctive characteristics of Javanese managers and Chinese Indonesian managers?

By conducting research to answer the questions set out above, the present study will contribute to the development of cross-cultural management and leadership studies, business practitioners and educational institutions, and especially, Indonesian societies. First, this study addresses the lack of research on Indonesian leadership and business culture. Secondly, presenting the distinctive cultural values and leadership styles of Javanese and Chinese Indonesians will address the problem of the generalisation of Indonesia’s culture in the previous research. Thirdly, the outcome of this study will give a more accurate description of Javanese and Chinese Indonesians’ business culture and leadership styles which will help business practitioners when conducting business in Indonesia, particularly with these two ethnic groups. Fourthly, the outcome of this research will be useful for future training programs in leadership and management as well as for the development of curriculums in the universities, higher education institutions and business schools in Indonesia, and to find the best values and leadership styles which can be implemented in Indonesia’s business environment.

1.5 Conceptual Framework

A combination of quantitative and qualitative methods is employed in the present study, which is in line with suggestions by Schein (1990) and Hofstede, Garibaldi de Hilal, Adriana, Malvezzi, Tanure, and Vinken (2010). From their experience in comparing regional cultures in Brazil using a quantitative instrument, Hofstede, Garibaldi de Hilal et al. (2010) figured out that their result was not able to capture the distinctive cultural characteristics of Brazilian society. Hofstede, Garibaldi de Hilal et al.’s (2010) findings confirm Schein’s (1990) criticism of the quantitative approach for measuring culture, believing that the study of culture has to be done qualitatively since culture can be felt but is hard to measure. Based on these
reasons, the present study takes advantage of both methods, so that both culture and leadership can be measured without losing any essential responses from the respondents that might give a clue to the distinctive cultural values and leadership styles of Javanese and Chinese Indonesian managers.

To make comparisons between Javanese and Chinese Indonesians, two frameworks were employed in this research: the cultural framework proposed by Hofstede (Hofstede, 1980a; Hofstede, Hofstede, Minkov, & Vinken, 2008) is used to analyse the cultural values, and the leadership framework from Bass and Avolio (1995) is utilised to analyse leadership characteristics. The conceptual framework of this study is depicted in Figure 1.2 below:
Hofstede’s framework was selected because it is regarded as the most extensive cross-cultural examination in the managerial context (Deshpandé, Grinstein, Kim, & Ofek, 2013; Hsu, Woodside, & Marshall, 2013; Nakata & Sivakumar, 1996), and has been used in almost all behavioural science disciplines (Blodgett, Bakir, &
Rose, 2008). His framework has also been developed from four to seven dimensions, making the Hofstede’s Value Survey Module (VSM) the most recent instrument made to measure cultural values (Hofstede et al., 2008). Another superior aspect of Hofstede’s cultural framework and his instrument is its simplicity, having been considered easy to understand by the respondents since it uses only 28 questions to measure 7 cultural dimensions. The simplicity of VSM is considered as an advantage, since the respondents involved in the present study might not have adequate time and concentration for dealing with a long and complex questionnaire such as GLOBE Project’s Form Alpha – 214 items (GLOBE Project, 2006a) and Form Beta – 217 items (GLOBE Project, 2006b), Schwartz Value Survey – 56 items (Schwartz, 1992) or Trompenaars – 79 items (Trompenaars, 1993). Despite our criticism of the issue of generalisation in measuring Indonesia’s cultural values, presented earlier in this chapter, all supporting arguments towards Hofstede’s study have provided evidence that, overall, his cultural framework is solid and reasonable.

The decision to utilise the leadership framework by Bass and Avolio (1995) was based on the rationale that their leadership instrument – Multifactor Leadership Questionnaire 5X (MLQ 5X) - has been extensively used in various cross-cultural research studies. More importantly, MLQ 5X has been determined to adequately measure the full range of the theory of leadership based on rigorous reliability and validity testing (Antonakis, Avolio, & Sivasubramaniam, 2003); making further statistical testing unnecessary. During the years 1997 to 2000, “the latest version of the MLQ, Form 5X, has been used in nearly 200 research programs, doctoral dissertations and masters theses around the globe” (Bass & Avolio, 2000, p. 2).

1.6 Structure of the Thesis

The structure of the thesis is divided into seven chapters. The current chapter serves as the introduction which highlights the background and the significance of
this study, research problems, research questions and the conceptual framework. This chapter has addressed the importance of comparing the cultural values and leadership styles of Javanese and Chinese Indonesian managers.

Chapter 2 provides further theoretical background, with a literature review structured in three parts. First, the chapter will present an overview of Indonesians, Javanese, and Chinese Indonesians from the culture and leadership perspectives. The second part of the chapter discusses the development of research in the area of culture, followed by the third chapter which discusses the relevant leadership theories. Based on the critical comparisons of seminal research in the area of culture and leadership, the present study confidently employs VSM 08 and MLQ 5X to measure the cultural values and leadership styles of Javanese and Chinese Indonesian managers.

Chapter 3 explains and provides full details of the methodology used for the current study. It discusses the application of the research paradigm and research design adopted in this study, followed by the detail of the data collection procedures. The data collection procedures consist of three stages: the literature review, the quantitative data collection and the qualitative data collection. A summary of the chapter is also presented at the end of Chapter 3.

Chapter 4 highlights the results obtained from the quantitative data collection using VSM 08 and MLQ 5X. At the beginning of the chapter, the demographic characteristics of the respondents are presented and followed by the distribution of the sample. Afterwards, a results comparison derived from VSM 08 and MLQ 5X is presented in detail using graph and radar charts.

Chapter 5 demonstrates the results obtained from the qualitative data collection stage. The demographic information of all interviewees is presented at the beginning of the chapter. For the qualitative findings, respondents’ perceptions and
views in relation to semi-structured interview are presented in direct and indirect quotations.

All findings presented in Chapter 4 and Chapter 5 are discussed in detail in Chapter 6, the discussion chapter. The discussion chapter highlights the similarities and differences in cultural values and leadership styles among Javanese and Chinese Indonesian managers, which can be used to provide explanations of the paradox of Chinese Indonesian business in Indonesia.

In the final chapter, key findings of this study derived from the discussion chapter are highlighted to understand the cultural values and leadership styles of Javanese and Chinese Indonesian managers. It also draws the contribution of this study to the cross-cultural and leadership literature, its practical implications and limitations, and explores potential future research to expand the scope of this area of study. In summary, the structure of the present thesis is presented in Figure 1.3, as follows:
Figure 1.3 Structure of the Thesis

Source: Developed by researcher for this research (2014)

1.7 Summary of the Chapter

This chapter serves as an introduction to the need to investigate the antecedents of Javanese and Chinese Indonesian business paradox in Indonesia. Among the factors that contribute towards organisational success, the present study decided to investigate the success antecedents of the Chinese Indonesian business from the perspective of culture and the perspective of leadership. This study argues that the Javanese and Chinese Indonesian business paradox might be caused by the
differences in their cultural values and leadership styles, causing one ethnic group to demonstrate better business performance compared to the other.

Three research questions were proposed in this study: to investigate the cultural values, the leadership styles and the distinctive characteristics of Javanese and Chinese Indonesian managers. In order to answer the research questions, this study employs both quantitative and qualitative methodology. Two instruments, Value Survey Module 08 and Multifactor Leadership Questionnaire 5X are chosen to measure the cultural values and leadership styles of Javanese and Chinese Indonesian managers.

In the following chapter, the literature review on Indonesian, Javanese, Chinese Indonesian, culture and leadership is presented to reinforce the background and argument presented in this chapter. The literature review chapter provides a critical examination of the existing culture and leadership theories in order to present the detailed arguments regarding the selection of VSM 08 and MLQ 5X in this study.
CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter presents the supporting literature review on Indonesians, Javanese and Chinese Indonesians to give a general insight regarding the cultural complexity of Indonesia, with more emphasis on the historical factors and values demonstrated by the two ethnic groups based on the existing literature. It will then be followed by literature reviews on culture and leadership; which will explain the development of both concepts as well as the frameworks chosen in this study to measure culture and leadership.

In 2011, Forbes released a list of the 10 wealthiest Indonesians (Forbes, 2011) where, interestingly, 9 out of the 10 people were Chinese Indonesian in ethnicity; only one person originated from the Javanese ethnic group. Javanese is the largest ethnic group, comprising 40 per cent of the total population but is dominant only in 3 out of the 34 provinces in Indonesia. Those three provinces are Central Java, Yogyakarta and East Java; which comprise only 4.4 per cent of Indonesia’s total land area. Nevertheless, Chinese Indonesians who comprise only 1.2 to 3.5 per cent of Indonesia’s total population (Backman, 2001; Statistics Indonesia, 2011) managed to own 75 per cent out of 86 large corporations in the Central Java and Yogyakarta provinces (SWA Sembada, 2009). In East Java province, 40 out of 46 (86 per cent) of conglomerations are also owned by Chinese Indonesians (SWA Sembada, 2009). Chinese Indonesians, which is the minority ethnic group not only in Indonesia but also in these three provinces, managed to dominate the economy in the Javanese-dominated regions.

What makes Chinese Indonesians so successful in business? No certain answers can be given due to the fact that there are very few studies which focus on the success of the Chinese Indonesians in business. As an example, a study conducted
by Chua (2008) argues that the success of the Chinese Indonesian business person was caused by their political economic activity in Indonesia. A study by Dieleman (2007) focuses only on a single Chinese Indonesian business corporation, raising the argument of whether or not other Chinese Indonesian businesses will have the same characteristics. The remaining references regarding Chinese Indonesians mostly come from anthropological or sociological perspectives (e.g., Lindsey & Pausacker, 2005; Suryadinata, 1978a, 1978b, 1989, 2004a, 2005), which mostly focus on the status of Chinese Indonesians as a minority ethnic group. No research has been conducted to find out the special traits of Chinese Indonesians that make them more competent in business, nor is there any research which compares the leadership styles of Chinese Indonesians to another of the ethnic groups in Indonesia.

Some writers (e.g., Moeljono, 2003; Rukmana, 1990; Simanjuntak, Hisyam, Prasetyo, & Nastiti, 2006) argued that the Javanese culture has its own distinctive leadership principles, namely, *Hasta Brata*, focusing on merit; *Tri Brata Mangkunegara*, focusing on obligation, and *Tri Pakarti Utama* which focuses on education. These principles were argued to have deep philosophical meaning and should serve as guidelines for every Javanese leader. But if these principles were so virtuous and used as guidelines for Javanese leaders; why is their business performance less superior compared to the Chinese Indonesians? Does it mean that Javanese culture is less superior compared to the culture of the Chinese Indonesians? Arguing about these aspects will lead to ethnocentrism – considering that one’s culture is more superior than others (Adler, Doktor, & Redding, 1986; Bakhtari, 1995; Robbins & Coulter, 2012), and parochialism – viewing the world only from the perspective of the observer (Adler, 1997; Boyacigiller & Adler, 1991), and that is why a Javanese cultural study from different perspectives is needed. This is not a matter of which culture is better – Javanese or Chinese Indonesians – but more to discover what values and behaviours are demonstrated by managers from these two ethnic groups at the present. Understanding the values
and behaviours demonstrated by these two ethnic groups will enable further analysis and discussion on why Chinese Indonesians have better business performance compared to the Javanese. A suitable framework to assess cultural values and leadership styles is needed, and this chapter will present the literature review as well as the frameworks of choice which are used to measure culture and leadership.

A study of the culture and leadership of the Javanese and Chinese Indonesians becomes important, especially to eliminate the negative sentiments that the success of Chinese Indonesian business is mainly caused by their unethical ways of conducting business (Lasserre, 1993; Dieleman, 2007; Chua, 2008). It is also important for the Javanese because they have been considered “lazy” (Alatas, 1977, p. 62), “indolent” (Alatas, 1977, p. 67), and less interested in engaging in business activities (Suharyadi et al., 2007; Mohamad, 2013). As the list of the 10 wealthiest Indonesians (Forbes, 2011) only contains two ethnic groups out of Indonesia’s 31 major ethnic groups, it gives an indication that these two ethnic groups are more successful than the others, thus justifying the choice to compare both ethnic groups as they are considered to represent the two most successful ethnicities in business in Indonesia.

It should always be noted that there are various factors determining the success of a business, however, the present study aims to investigate Javanese and Chinese Indonesians business only from two variables: culture and leadership. Culture is recognised as the predictor of human behaviour (Endrass et al., 2013; Hofstede, 1991; Matsumoto & Juang, 2007; Segall, 1979), and has a strong influence in business performance (Hofstede, 1998; Islam & Alnasser, 2013; Kessapidou & Varsakelis, 2002; Li et al., 2001; Newman & Nollen, 1996; Saffold, 1988; Sturman et al., 2012; Tsang, 2007; Watson et al., 1993). The difference in culture between the Javanese and the Chinese Indonesians might results in different business-related behaviours which could be used to explain the Chinese
Indonesian business paradox. Leadership is an extremely important factor which determines the success of organisations (Bass & Avolio, 1992; Horner, 1997; Meindl & Ehrlich, 1987; Smith, Montagno, & Kuzmenko, 2004; Weiner & Mahoney, 1981).

The structure of the second chapter can be seen in Figure 2.1 below:

**Figure 2.1: Structure of the Literature Review Chapter**

Source: Developed by researcher for this research (2014)
2.2 Literature Review on Indonesians, Javanese and Chinese Indonesians

2.2.1 Indonesians: Demographic and Historical Background

Indonesia is an archipelago consisting of more than 17,000 islands, covering 1.9 million square kilometres of land area (The World Factbook, 2013). In terms of the total population; Indonesia is ranked 4th in the world; after China, India and the USA. There are more than 1,300 ethnic groups in Indonesia which can be incorporated into 31 major ethnic groups (Statistics Indonesia, 2011), spread across 34 provinces. The official language is “Bahasa Indonesia” and most Indonesians are proficient in the use of this language, nevertheless, the majority of Indonesians prefer to use the language of their own ethnic group in daily conversation (Statistics Indonesia, 2011). The Indonesian government acknowledges six official religions, namely, Islam, Protestant, Catholicism, Hinduism, Buddhism and the Confucian faith.

Despite having large variations in culture, religion and language, Indonesians have a state philosophy that enables them to put aside all these differences and unite themselves as one nation: Pancasila. This philosophy was initiated by Indonesia’s first president, Soekarno, as a foundation for unifying the nation. The name Pancasila is derived from two Sanskrit words: Panca, meaning “five” and Sila, meaning “principles” (Kennedy, Lee, & Grossman, 2010, p. 150). The principles of Pancasila were taught in both private and public schools in Indonesia, and the implementation of these principles reflects the citizens’ obedience toward the legitimate law. The five principles of Pancasila are stated as follows:

(1) belief in the one and only god
(2) a just and civilized humanity
(3) the unity of Indonesia
(4) a democracy guided by the wisdom arising out of deliberation amongst representatives, and
(5) social justice for all the people of Indonesia.
(Kennedy et al., 2010, p. 150)
The idea of Pancasila as a foundation to unify all Indonesians is needed because, historically, Indonesia was once divided into kingdoms which spread across the country. Several of the notable kingdoms were Kutai (4th century B.C.), based on Kalimantan Island (Borneo); Srivijaya (7th–13th century B.C.), based on Sumatra Island; and Majapahit (1293-1500 B.C.), based on Java Island. During the height of the Majapahit kingdom, almost 85 per cent of the geographical area of the present Indonesia was under the Majapahit’s reign, including the Malay Peninsula and North Borneo (now part of Malaysia) and islands in the Southern Philippines. However, at the end of the Majapahit era, regions in Indonesia were again split into hundreds of local kingdoms.

The decline of the Majapahit kingdom was mainly caused by the emergence of Islamic sultanates and the spread of Islam, which started in the 1200s B.C. Islam in Indonesia, however; is a result of the acculturation process between Hinduism, Buddhism, Islam and the existing culture in each region (Munandar, 2003). Instead of forming a homogenous society under Islam-Arab influence, Indonesians still form a heterogeneous society that can only be distinguished by languages, dialects, habits and custom (Munandar, 2003).

The period from early in the 16th century until 1945 is known as the period of the European colonisation. During this period, regions in Indonesia were colonised by the Portuguese, the Dutch, the British and the Japanese. The Portuguese began to control the Eastern part of Indonesia, mainly on the Moluccas Islands in the early 1600s; while the Dutch took control of Java Island for nearly 350 years and other regions in Indonesia for about 150 years. The British took control of Java Island and held it for three years (1811–1814) during the Napoleonic Wars, before returning it to the Dutch based on The Treaty of Paris in 1814. During the European colonial era, the indigenous people on Java Island were considered as third-class citizens based on the Dutch social stratification. The first-class citizens
were the Dutch and other Europeans, while the second-class were immigrants from China, India and the Arabian Peninsula.

The beginning of the 20th century is often marked as the period of Indonesian national awakening. During this period, students from islands in Indonesia began to develop their national consciousness as Indonesians and decided to adopt Bahasa Indonesia – a derivative form of Malay language – as their national language during the Youth Congress of 1928. After Indonesia declared independence from Japan in 1945, Bahasa Indonesia has been used as the country’s official language in order to eliminate the communication barrier amongst its cultural groups. Beside the adoption of Bahasa Indonesia as the official language, an attempt to unify all Indonesians was reinforced with the establishment of Pancasila as the official philosophical foundation of the country on 18 August 1945, and the national motto “Bhinneka Tunggal Ika” (unity in diversity) was established in 1951.

The post-independence era after Indonesian independence from Japan in 1945 can be divided into three time periods. The first was The Old Order, when Indonesia’s first president, Soekarno, ruled from 1945–1966. He was replaced by Soeharto in 1966; marking the beginning of The New Order which lasted until 1998. The period from 1998 until the present time has often been referred to as the Reform Period, where the president can only assume office for a maximum of 5 years and can only be re-elected once. The current president, Susilo Bambang Yudhoyono; is the 6th president of Indonesia. During its history, 5 out of the 6 Indonesian presidents and 5 out of 11 vice presidents have been of Javanese origin.
2.2.2 Javanese

2.2.2.1 Java and Javanese: an Overview

Javanese is the largest ethnic group residing on Java Island, mainly in the Central Java, Yogyakarta and East Java provinces. The other indigenous ethnic groups on this island are Sundanese, Bantenese and Betawi. In the past, Java Island was the centre of powerful Hindu kingdoms, Islamic sultanates, and the headquarters for the colonial Dutch East Indies for almost 350 years. The island became famous among the Europeans after the publication of “The History of Java” in 1817 by Thomas Stanford Raffles. Nowadays, Java is home to the best business centres, universities, military and police academies in Indonesia.

Historically, Javanese people were Hindu and Buddhist, based on the archaeological site of Borobudur and Prambanan temple located in Central Java and Yogyakarta. The fall of Majapahit Empire and the rise of Islamic sultanates in Java rapidly transformed Javanese society into Muslim. This condition, however; did not automatically erase the existing culture of Javanese society. An acculturation process took place, which tended to merge the existing Hindu–Buddhist values with the values of Islam. Some of this acculturation process can be seen in today’s Javanese traditional dance, shadow puppet shows or in the musical instrument of Gamelan.

Despite the resistance from the Mataram Kingdom – the largest Javanese Kingdom – during the early stage of Java colonisation; Dutch VOC remained victorious and managed to force the separation of Mataram into two kingdoms: Surakarta and Yogyakarta. These two kingdoms, along with two other Javanese principalities, managed to survive until present times although currently they no longer have political and military power. Since they are the last Javanese kingdoms in
Indonesia, they are often thought of as the exemplars of “Javanese values” (Hughes-Freeland, 2008, p. 158).

Understanding Javanese values would be incomplete without knowing the Javanese language. Before the establishment of the Republic of Indonesia, Javanese language was used as the official language within the realms of Javanese kingdoms, in the region of Central Java, Yogyakarta and East Java. The Indonesian 2010 national census reveals that presently, an estimated 55,755,203 people in these three regions use the Javanese language for daily communication (Statistics Indonesia, 2011). There is one important aspect that has to be understood about the Javanese language: the Javanese language is hierarchical. In general, the hierarchy can be divided into three levels: Krama (high), Madya (middle) and Ngoko (low) (Comrie, 2009). In daily conversation among friends and close relatives, using Javanese Ngoko – the coarsest form of Javanese – is acceptable. The Javanese Madya is used for communication with people whose status is unknown, such as with strangers. The highest level of Javanese, Krama, is used as a formal and polite form of communication among people with the same status, or, by persons of lower status to persons of high status. For example, the Krama will be used by children to parents, younger people to elders.

2.2.2.2 Javanese Values and Leadership: Multi Perspective View

During colonial times, the Dutch and the British created their own perceptions of the characteristics of the Javanese. Raffles described the Javanese as kind, warm-hearted, obedient, faithful yet indolent, envious and jealous toward other person's success (Raffles, 1817, pp. 276-281). The Dutch Governor-General of Indonesia, J. Siberg, even stated that “the Javanese was too lazy and too sluggish to acquire more than what he required for subsistence” (Alatas, 1977, p. 65). These statements were believed to justify the forced deliveries and forced labour implemented by the colonial government in Java (Alatas, 1977). During that time,
Europeans held the spirit of commerce and empire building in high esteem and those who did not have that kind of spirit were categorized as lazy (Alatas, 1977).

After the independence of Indonesia, studies on Javanese culture were conducted by foreign anthropologists such as Clifford Geertz, Hildred Geertz, Niels Mulder, as well as German-Indonesian Frans Magnis Suseno and Indonesian anthropologist Koentjaraningrat. Their study of Javanese culture managed to give an insight into Javanese culture and values on the post-independence era, from anthropological perspectives. There are several main principles that should be underlined with regard to the values of the Javanese: the principles of conflict avoidance (Rukun), the principle of respect (Hormat), the values of collectivism and the leadership style of the Javanese.

According to Magnis-Suseno, the most important aspect for Javanese is to maintain inner peace and avoid conflict (Magnis-Suseno, 1993). The Javanese use a concept called “Rukun” to solve differences, instilling the spirit of cooperation, mutual acceptance, quietness of heart and harmonious existence (Mulder, 1978, p. 39). Rukun aims to maintain the society in a harmonious condition, without conflict and disagreement, and united to help each other. Everyone should cooperate and accept other people whatever their conditions are, in a peaceful situation (Magnis-Suseno, 1993). For the Javanese, conflict among individuals will lead to disharmony in society, and it should be avoided.

The importance of the Rukun concept was emphasised by Javanese parents to their children. If children do not behave according to the norm, they will experience withdrawal of attention from relatives, brothers, sisters, or friends (Koentjaraningrat, 1985). They will be completely ignored and not spoken to. In addition, (Geertz, 1961) stated that this also happens when there is a quarrel between adults. The inflicted individuals will not speak to each other for weeks,
months, years, or even for their entire lives. This condition avoids the outbreak of rage while still permitting significant expression of it (Geertz, 1961).

The *Rukun* principle is often argued to have influenced the behaviour of the Javanese and the Indonesians in work. In an interview with a senior executive from an Indonesian insurance company, Mann (1996, p. 15) revealed that Indonesians prefer harmony in the workplace; to work in a pleasant working atmosphere and to have interaction with their colleagues on a personal basis. Javanese were hypersensitive and easily shocked when facing unpleasant situations. Therefore, they tend to not offend or make a direct confrontation with other people since it will disrupt the harmony within the workplace (Mann, 1996, p. 114), and they are believed to be incapable of saying “No” to other people’s requests (Goodfellow, 1997, p. 53). The behaviour mentioned above, however, sometimes gives a negative impression about Javanese. Some Javanese tend to say “Yes” to someone’s request but when it comes to the implementation they will do it without any sense of commitment. Although this behaviour is argued to be beneficial in avoiding conflict, it could also be regarded as a form of dishonesty especially in the business sector.

The second basic principle is the principle of respect. According to this principle, Javanese people, both in speech or behaviour, have to respect other people in accordance with their social status (Magnis-Suseno, 1993). Individuals should know when to honour and respect people in higher positions, while being responsible and acting as father/mother to those in lower positions (Magnis-Suseno, 1993). This action is also reflected in the use of language and gestures when someone speaks to other people in higher (using *Javanese krama*) or lower (using *Javanese ngoko*) positions. This principle indicates the hierarchically based social order among the Javanese (Geertz, 1961).
The principle of respect is the most common principle that can be observed in the workplace. At the office, Javanese will address their co-workers, including their boss or their staff, with Sir (Bahasa Indonesia: *Bapak*) and Madam (Bahasa Indonesia: *Ibu*) rather than using the person’s real name (Goodfellow, 1997, p. 29). Also, it is necessary to use polite gestures and the proper tone of voice whenever someone speaks to their boss at the office. The principle of respect is likely to restrain the Javanese from expressing their true feelings, as one is always obliged to act customarily whenever they interact with others.

The next distinctive characteristic of Javanese people is the strong sense of collectivism. Since the Javanese value harmony and avoid confrontation with others (*Rukun*), they have to do their best to maintain social relationships with others. In a densely populated area such as Java Island, interactions among people are very high, and living without paying attention to another is impossible. This becomes the rationale for the concept of mutual assistance (*Gotong Royong*): to share with other people and work together to achieve mutual benefit. The implementation of this concept is obvious especially in rural areas where people will sincerely help their neighbour in house construction, and preparations for big events or ceremonies. The help can be of any kind: financial support or labour. Within the village community, a typical example of mutual assistance is when the villagers work together repairing broken infrastructure such as irrigation facilities and roads, or building a village centre. Collectivism is also reflected in the mutual consensus process (*Musyawarah*), due to the belief of Javanese people that every opinion should be respected, and a decision should be made only after a consensus or compromise is achieved (Magnis-Suseno, 1993). In the workplace, the collectivism concept is marked with a lower degree of public privacy. Personal life has to be shared with the co-workers, otherwise someone might be considered as arrogant and antisocial. Helping co-workers work is common, even though it is outside someone’s job description.
Beside all of the main values mentioned above, there are other values specific to the Javanese which are: fear (*Wedi*), shy (*Isin*) and etiquette *Sungkan* (Geertz, 1961). Javanese children are taught when they have to feel fear (*Wedi*), shy (*Isin*) and *Sungkan*. When children are playing with their friends and come home late, they feel *Wedi*, even before they face their parents, because they have made a mistake by disobeying their parents and coming home late. They have to feel *Isin* when they act improperly (e.g., noisy, quarrelling, behaving outside the norm) in front of strange people. *Sungkan* is more associated with the behaviour patterns of etiquette (Geertz, 1961), for example, when other people offer food to a child, they must politely reject it at first. The people who offer the food will also politely offer the food once more, and then the child is allowed to accept it. Both people know that this is the Javanese etiquette of *Sungkan*, therefore, they have to understand when to use the expression of *Sungkan*. Distinguishing *Wedi*, *Isin* and *Sungkan* in the workplace is difficult. Javanese people are argued to be psychologically incapable of taking personal initiative (Goodfellow, 1997, p. 30) and it is unknown whether this condition is caused by the concept of *Wedi*, *Isin* or *Sungkan*.

The last values of the Javanese mentioned in this study are the concept of *Eling* and *Prihatin*. These two terms are the pessimistic view about life, taught by parents to children, believing that hardships and misfortune are always present in life. Because of these beliefs, people are expected to always remember (*Eling*) and live a simple life (*Prihatin*) so they will always feel concern (Koentjaraningrat, 1985). The Javanese believe that ambition and materialistic attitudes will disrupt harmony and should be repressed (Mulder, 1978); therefore, a person is expected to always *Prihatin* in life.

The Javanese leadership style is often associated with parochialistic leadership. Someone in a higher position will be considered as “Father”, who will take the responsibility for his subordinates as long as the person retains the position (Antlöv, 1995). The subordinates are obliged to honour and follow the leader and
obey all of their commands (Mulder, 2013). Subordinates must show their respect, obedience and thankfulness to the leader, otherwise they will be considered as an ill-mannered (Kurang Ajar) individual (Antlöv, 2013). Superiors want their subordinates to show obedience, or, in Javanese, “manut” (Koentjaraningrat, 1985). Those who go their own way, who are ambitious and compete with the leader, are considered as “rebellious (duraka, mbalelo)” (Mulder, 2013). Conflict between superior and subordinate is rare, because subordinates tend to avoid difficulties, agreeing humbly to what their superior asks them to do, but without any sense of commitment (Koentjaraningrat, 1985).

Although the literature presented above has been able to explain the specific values and characteristics of the Javanese both in daily life and in business, no research has been done on whether Javanese values or leadership positively affect business performance. There was evidence in the past, however, that Javanese business person tended to be unsuccessful in business even though the government had given full support to them (e.g., during the implementation of The Benteng Program (Lindblad, 2008) and The Ali-Baba Program (Harbison & Myers, 1965)). Therefore, comparing Javanese cultural values and leadership styles with another ethnic group which has better performance in business is important to find the similarities and/or differences which caused the differences in their business performance. For this purpose, Chinese Indonesians were chosen since they have proven themselves as successful business person (based on Backman, 2001; Forbes, 2011; SWA Sembada, 2009). The next section of this chapter will present a literature review of Chinese Indonesians with the focus on their history, values and leadership styles.
2.2.3 Chinese Indonesians

2.2.3.1 Chinese Indonesians: History and Overview

The colonial era in Indonesia was marked by the arrival of the Dutch in Java in 1596. Four years after, the Dutch established VOC and founded the city of Batavia (now Jakarta) as their trade headquarters. During these years, the Dutch were very intent on building relationships with the Chinese traders who resided in Batavia. The Chinese were considered essential and irreplaceable in supporting the economic development, as they had already established strong networks and the infrastructures of commerce. The migrant status of the Chinese distinguished them from the indigenous Indonesian – which opposed the Dutch VOC at that time – and making themselves the favoured friends of the Dutch.

Nevertheless, the relationship between the Dutch VOC and the Chinese traders in Batavia broke down in the 18th century. The Dutch VOC could not control Chinese economic activities in Batavia and the intensity of Chinese migration to the region. This condition created dissatisfaction and paranoia, which culminated in the Massacre of Batavia in 1740 (Blussé, 2008). In this incident, almost the whole Chinese population in the city was killed. The massacre caused a rapid economic break-down in Batavia, making the Dutch VOC realise the important role of Chinese traders in Batavia’s economy.

When the Dutch monarchy took control of Java Island due to the VOC dissolution, the Chinese were again enjoying a special relationship with the coloniser. The Chinese were considered effective in doing administrative work and were appointed as tax collectors and supervisors of the revenue gathering systems (Dick, 1993, pp. 3-9). The Dutch did not appoint Javanese aristocrats because of their concern it would strengthen their power (Reid, 1993, p. 78). Thus, the
relationship between the Dutch government and the Chinese in Java flourished once again, and many new positions were created for the Chinese.

The special rights given by the Dutch government in Indonesia proved to be beneficial for the economic development of the Chinese in Indonesia. By 1892, the Chinese in Indonesia owned 45 per cent of the land that could be legally owned by non-natives, 63 per cent of all private estates, 31 per cent of buildings and premises on land not privately owned, 22 per cent of the tonnage of ships and vessels, 18 per cent of the sugar mills, and 32 per cent of timber concessions (Diehl, 1993, p. 202). Again, their success and vast economic development were seen as a threat to the Dutch (Phoa, 1992, p. 14).

Chinese traders gained their dominance in Indonesia mainly due to the effect of the Great Depression, which weakened their competitors, and giving them more opportunities in domestic trade (Geertz, 1965, p. 59). By the 1940s, the Chinese had widened their business interests into mining, manufacturing and financial sectors (Onghokham, 2003, p. 181).

After Indonesia gained its independence in 1945, Indonesia’s Old Order government launched a new economic policy aimed to protect the indigenous business person – the unsuccessful Benteng (fortress) program. During the New Order era, Chinese Indonesian business was considered essential to support the economic growth. A business person who had close ties with the President’s family enjoyed a significant profit boost. Nonetheless, by the end of President Soeharto’s era in 1998, anti-Chinese riots had broken out mainly caused by the dislike of the better financial position of the Chinese Indonesians.

Despite all the dislikes and negative sentiments, Chinese Indonesians still managed to top the list of the 10 wealthiest Indonesians and dominate the ownership of large corporations in provinces where Javanese are in the majority. It is believed that
Chinese Indonesians have special traits and characteristics which enable them to survive the tough social environment in Indonesia. Based on the 2010 National Census of Indonesia, Indonesian citizens who acknowledged themselves as Chinese Indonesians were around 2.8 million, or 1.2 per cent of the total Indonesian population (Statistics Indonesia, 2011), although the actual number is argued to be more. Most Chinese Indonesians are Buddhists, Taoists, Confucian, or a mix of the three faith groups, but some of the most prominent Chinese have adopted Christianity (Suryadinata, 2004b).

2.2.3.2 Chinese Indonesians Values and Leadership

Very little was known regarding the cultural values of Chinese Indonesians due to the general assumption that they hold similar values to the people from mainland China. Confucian values of vertical and horizontal social orders (Suryadinata, 1978a; Wong, Shaw, & Ng, 2010) and harmony (Lee, 1998; Lin & Ho, 2009; Redding, 1993) are believed to have influenced the Chinese culture in Indonesia. People are expected to understand and adhere to their position and role in society. For example, children are expected to be obedient while parents are expected to give the children direction and guidance. Suhandinata (2009, p. 268) stated that, as a minority ethnic group, Chinese Indonesians often suffered discrimination at the hands of other ethnic groups and, therefore, have had to take a tougher approach to life.

Chinese Indonesian business is argued to share some similarities with Chinese from mainland China (Lasserre, 1993). In Indonesia, Chinese Indonesian business relies on patriarchal family-style leadership, centralised management and the utilisation of family networking. Patriarchal leadership style reflects the Confucian values of vertical and horizontal order (Chen & Kao, 2009), while the adoption of centralised management and family-based ideologies are important for their
Another characteristic of Chinese Indonesian business can be seen in Dieleman’s (2007) study on the Salim Group – previously one of the largest Chinese Indonesian conglomerations in Indonesia. The Salim Group had a strong belief that “all kinds of business are good”, reflecting its flexibility in doing business, which can also serve as a precautionary survival act when the government changes or introduces new policy (Dieleman, 2007, p. 45). The business flexibility of the Salim Group can also be regarded as one of the success factors of Chinese Indonesian business.

The success of the Chinese Indonesian companies can also be explained from the historical aspect, where Chinese Indonesians are likely to maintain strong ties with the government and the military (Lasserre, 1993). The Chinese obtained special status and monopoly rights from the coloniser (Phoa, 1992). During the New Order era, many Chinese Indonesian companies enjoyed special privileges through joint ventures with the Indonesian government and their close ties to companies run by the family of President Soeharto (Lasserre, 1993). Nevertheless, the establishment of the Corruption Eradication Commission (KPK) following the fall of President Soeharto’s regime in 1998 was able to minimise the unethical business transactions between the government and business person; thus, the arguments that Chinese Indonesians are successful because of their close relationship to the government may not be valid anymore.

As can be seen in the literature presented above, Chinese Indonesians managed to establish themselves as an ethnic group which is competent in business. Nevertheless, the factors that produced the better business performance compared to Javanese and other Indonesian ethnic groups remain unknown. The information presented above might provide useful information regarding how Chinese
Indonesian companies operate their business, but it still cannot give answers to why they managed to dominate big business in Indonesia. Patriarchal leadership, centralised management, flexibility and family networking can be easily copied by other companies, but not all companies will be as successful as the Chinese Indonesians after implementing these aspects. Therefore, this study argues that specific traits may exist among Chinese Indonesians which make them successful in business. To demonstrate this argument, a comparison of the cultural values and leadership styles of the Chinese Indonesian managers and Javanese managers was conducted. The next section of the literature review will present the literature on culture and leadership.

2.3 Literature Review on Culture

2.3.1 The Importance of Culture

Culture has long been recognised as a predictor of human behaviour (Endrass et al., 2013; Hofstede, 1991; Matsumoto & Juang, 2007; Segall, 1979). It has become the source of debate for anthropology, sociology and psychology scholars all over the world. One of the earliest definitions of culture comes from Sir Edward Burnett Tylor (1871, p. 1), who defined it as a complex unity including “knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society”. In England, Matthew Arnold (Arnold, 1869) suggests culture is a study of excellence, by knowing the finest that has been thought and acknowledged in the world. A further definition from Talcott Parsons states, culture is “a complex external symbol structure… can bring about roughly the same type to orientation in any or all of the actors who happen to orient to it” (Parsons, 1964, p. 160). Shweder stated culture as, “a presupposition of cultural psychology that when people live in the world differently, it may be that they live in different worlds” (Shweder, 1991, p. 23). In a simple statement, Samovar, Porter and McDaniel (2012, p. 11) defined culture as “the rules for living and functioning in society”.

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The definitions of culture mentioned above, nevertheless, did not mention that culture is a collective phenomenon shared by people who lived under the same social environment. People who live in different regions (e.g., country, province, states) or who originated from different ethnic groups have different cultures and values which makes them demonstrate different behaviours. This fact was realised by modern research in culture (e.g., Hofstede, Trompenaars, Schwartz and Bardi, and GLOBE Project’s study) which decided to make a comparison of national cultures, by comparing one country to another. Thus, culture is more suitable to be defined as “the collective programming of the mind that distinguishes the members of one group or category of people from others” (Hofstede, Hofstede, et al., 2010, p. 6).

In relation to this study, it is obvious that the difference in ethnicities between Javanese and Chinese Indonesians will result from their different cultural and historical backgrounds. These differences were assumed to influence their values and leadership styles, making one cultural group more successful in business compared to the other. To be able to make a comparison of different cultures, universal values which exist in every culture should be measured first. Thus, to be able to compare two different cultures objectively at the same level, a cultural framework is needed. The application of a cultural framework will enable culture to be measured quantitatively, making it easier to compare one culture with another. An analysis of several notable frameworks in cultural research will be presented in the next section of this chapter, to determine which framework can be best used to compare the Javanese and the Chinese Indonesians.

2.3.2 Measuring Culture

Culture is a unique phenomenon that can be felt and understood yet cannot be measured. In order to make the culture concept work in the management context, Schwartz (1994) suggests that a cultural study must be unpacked and reduced to
the study of values. According to Hofstede, Hofstede, et al. (2010), values are the core essence of culture which creates tendencies of preference toward certain states of affairs over others. Within a group, values act as mental representations which are shared by its members, creating assumptions on how one should behave in societies (Thomas & Peterson, 2014). The existence of different cultural groups creates the differences in the way people think, feel and act; because each culture is believed to have their own values (Hofstede, Hofstede, et al., 2010). This variation in values can be structured in order to build a basis of mutual understanding of why people coming from different cultures will likely demonstrate different behaviours (Hofstede, Hofstede, et al., 2010).

Comparing Javanese values with Chinese Indonesians values could give explanations on why they demonstrate different performance in business. Nevertheless, a cultural framework is needed to determine the universal values which exist in all cultures. This section reviews the major frameworks that have been used to measure, compare and classify cultures. These frameworks are: Kluckhohn and Strodtbeck’s Framework (Kluckhohn and Strodtbeck, 1961), Edward T. Hall’s Framework (Hall, 1959, 1966, 1976), Hofstede’s Framework (Hofstede, 1980), Schwartz’s Framework (Schwartz, 1992), Trompenaars’ Framework (Trompenaars, 1993) and GLOBE Project’s Framework (House, Hanges, et al., 2004). Each framework presents the universal cultural values which are argued to exist in any culture.

2.3.2.1 Framework by Kluckhohn and Strodtbeck (1961)

Florence Kluckhohn and Fred Strodtbeck could be considered among the first researchers to introduce the universality of values in cultures, proposing six basic assumptions to distinguish one human group from another without ignoring the diversity within the community (Maznevski, Nason, & DiStefano, 1993). In their work (Kluckhohn & Strodtbeck, 1961), they categorised society based on six
assumptions: their relationship to nature, their beliefs about human nature, the relationship between other people, the nature of their human activity, their conception of space and their orientation to time. They tested their theory among five different cultural groups in the South-West USA: Navaho, Mexican-Americans, Texan, Mormon villagers and Zuni, and categorised the groups based on their answers and assumptions on each dimension.

Based on society’s orientation toward human nature and its surrounding environment, Kluckhohn and Strodtbeck (1961) propose a set of assumptions, e.g., whether humans are basically good, evil or a combination of good and evil, whether human nature can be changed, whether humans dominate their surrounding environment or live in harmony with it; and whether the surrounding environment dominates the humans. The relationships between people were distinguished by the assumptions of whether a society is based on individual or collective relationships, whether the community was organized in a hierarchical or lateral form, and whether people’s relationships last for a long or short term (Kluckhohn & Strodtbeck, 1961). On the nature of human activity, society can be distinguished from their perception of: whether they are more concerned about work performance or their status. The remaining two dimensions, conception of space and time assumes whether the physical space that they used is private, public or a mixture of both, and whether they put more emphasis on the past, present or the future (Kluckhohn & Strodtbeck, 1961).

Based on the conceptions mentioned above, scholars in anthropology have presented the value orientation of the Javanese society. For example, Koentjaraningrat (1985) demonstrated Javanese as a society who give high regard to the sense of “togetherness” (p. 457), surrender to fate (pp. 436–437) and discourage overwork behaviour (p. 438). In a more recent work, Mangundjaya (2013) argues that Javanese ritual activities can be considered as a reflection of their time emphasis toward the past and the future. No similar research has been
reported for Chinese Indonesians, as scholars were more interested in presenting the condition of the Chinese Indonesians as the suppressed minority ethnic group, rather than focusing on its culture (e.g., Dieleman, Koning, & Post, 2011; Lindsey & Pausacker, 2005; Suryadinata, 1978b, 2004a; Suryadinata, Arifin, Nurvidya, & Ananta, 2004).

Although the framework of Kluckhohn and Strodtbeck (1961) can be used to discover the values held by the Chinese Indonesians, at the present time, cross-cultural researchers are faced with various choices of cultural frameworks. The work of Kluckhohn and Strodtbeck (1961) has inspired researchers to develop similar theories (e.g., Hofstede, 1980a, 2001; Milton Rokeach, 1979; Schwartz, 1992; Trompenaars, 1993). Furthermore, despite being considered as the pioneer work in introducing universal values, the Kluckhohn and Strodtbeck (1961) is too equivocal, too subjective in interpreting each of its dimensions, and did not show the direct relation of each dimension toward business. Also, Kluckhohn and Strodtbeck themselves suggested that their theory was not complete and measurement for one of their dimensions (human nature) was still missing since it was considered too complex (Hills, 2002). Despite its limitations, Kluckhohn and Strodtbeck’s framework has made an important contribution to cultural comparison study by providing foundation and basic concepts for its language to help researchers understand more contemporary cultural frameworks.

2.3.2.2 Framework by Edward Hall (1959, 1966, 1976)

Chronologically, the closest cultural framework proposed by researchers after the publication of Kluckhohn and Strodtbeck (1961) is the framework introduced by Edward T Hall, an American anthropologist. Hall’s works (Hall, 1959, 1966, 1976) has been cited over 3,300 times in various books and academic journals (Cardon, 2008), reflecting its influence in cultural studies. According to Hall and Hall (1990), one community can be distinguished from others by considering three
different aspects: their view toward time, their need for space and whether they belong to the low context or high context group.

Hall divided the view toward time into two concepts: monochronic and polychronic (Hall & Hall, 1990). In monochronic culture, people experienced and used time in a linear way, doing one thing at a time. In the opposite view, people in a polychronic culture will have a lot of things happening simultaneously, with no specific ending. Monochronic people are very fragmented, have a very tight schedule, while polychronic are open, completing the task or communication is more important than complying with the schedule (Hall & Hall, 1990). Indonesians was considered as polychronic (Steers & Nardon, 2006, p. 43), following their habit of “rubber time” (Bahasa Indonesia: jam karet) – believing that all agendas are stretchable and flexible (Barron, 2009, p. 1150).

The second dimension from Edward Hall is context, referring to all the rules that surround every communication, as well as whether the communication style is direct or indirect (Hall & Hall, 1990, p. 6). It is believed that every culture has different proportions about how much context will give meaning to communication, and Hall differentiates this aspect as high context and low context. Within the cultures with high context communication, most of the information and communication will occur implicitly. Cultures with low context communication will transmit most of the information in explicit codes, focusing more on objective events, whether it is words, sentences or physical gestures. In high context cultures, verbal messages have less meaning without the surrounding context, which includes the entire relationship between all people involved in communication; by contrast, in low context cultures, it is the message itself that matters most. Specific to this dimension, Edward Hall regarded high context culture as more favourable compared to low context culture, reflecting strong bias toward high context culture, as reflected in his 1976 publication (Hall, 1976). Indonesia itself was considered as a high context country, since the biggest
emphasis was on the feelings of others about what is being said; making communication difficult such that care had to be taken so as not to offend (Alozie, 2011, p. 10).

The last dimension used by Edward Hall is related to the conception of space, which he called “proxemics”. This dimension is similar to Kluckhohn and Strodtbeck’s (1961) dimension of time orientation, focusing on one’s private or public space. On Hall’s (1966) framework, this dimension is divided into high territoriality and low territoriality. People with high territoriality will likely mark the areas which are theirs and they do not want to share with others. On the contrary, low territoriality people claimless ownership of space and will likely share it with others with little thought. Hall’s proxemics study was considered as “the most important milestone for the development of human spatial behaviour research” (Aiello, 1987, p. 391). Regarding this aspect, a study conducted by Noesjirwan (1977) revealed that Indonesians belong to the low territoriality side, and are willing to sit close to strangers and have a conversation with them.

It should be noted that no further studies can be found specifically on Javanese or Chinese Indonesians extending Hall’s study. Despite being one of the most important frameworks in cultural studies, Hall’s concept is not immune from criticism since he never mentioned the method he used in developing the model (Cardon, 2008). Furthermore, the rigorousness of Hall’s research is questionable since he did not provide detailed information on his methodology, or how his qualitative interviews and observations were conducted (Hall & Hall, 1990). Considering the limitation of Hall’s framework, investigation towards a more recent cultural framework is needed in order to generate further insight and utilise Hall’s work to develop a more suitable cultural framework.
2.3.2.3 Geert Hofstede (1980)

The next cultural framework which also bears Kluckhohn and Strodtbeck’s value, Universalism, is the framework proposed by Geert Hofstede. His three major works (Hofstede, 1980a, 1991, 2001) were cited more than 6,100 times, reflecting its importance in the field of cross-cultural comparisons (Cardon, 2008). Unlike the previous two frameworks by Kluckhohn and Strodbeck and Edward T. Hall, Hofstede’s cultural framework was able to explain the relationship between culture and organizational behaviour. His research involved 116,000 respondents from 40 countries, which then expanded into 160,000 respondents in 50 countries. Hofstede found that national culture could explain the differences in attitudes and values related to organisational behaviour, rather than just knowing the position in the organisation, occupation, age and gender. According to Hofstede, people in particular nations have a collective national character that will reflect their cultural mental programming (Hofstede, 1980b). To be able to measure the differences between cultures and make comparisons, he proposed four dimensions: power distance, uncertainty avoidance, individualism versus collectivism, and masculinity versus femininity (Hofstede, 1980b). These dimensions were later expanded into five dimensions – with long-term orientation as the new addition (Hofstede, 1991; Hofstede & Bond, 1988), and later grew into seven dimensions in 2008 (Hofstede et al., 2008) with the introduction of indulgence versus restrain and monumentalism index dimensions. The result of Hofstede’s cultural framework is a set of cultural scores for each cultural dimension. Each cultural dimension consists of two sides of a continuum, and the score normally ranges from 0 to 100.

Interestingly, Hofstede is the first researcher to present the cultural scores of Indonesia as well as descriptions of various Indonesian cultures including Javanese and Chinese Indonesians, when he published a booklet for Dutch expatriates residing in Indonesia containing suggestions on how to deal with Indonesians
(Hofstede, 1982). Nevertheless, Hofstede assumed that there was not much difference in terms of cultural values among Indonesia’s hundreds of ethnic groups (Hofstede 1982, p. 13). From the descriptions and explanations of each cultural value, it is also evident that Hofstede (1982) put special attention on Javanese culture as the representation of Indonesia’s national culture. The following paragraph will give explanation regarding Hofstede’s cultural dimensions and its implications for Indonesia’s society.

The first dimension in Hofstede (1982) research in Indonesia was *Power Distance*, described as the extent to which less powerful members of organizations/institutions accept the inequality of power distribution. This dimension was divided into two continuums, small power distance and high power distance. Hofstede (1982) considers Indonesians as a high power distance society, since inequality is valued positively, status difference is considered good and the relationship is built based on the hierarchical order. Specific to the Javanese and Chinese Indonesians, Hofstede added that Chinese Indonesians are less interested in gaining visible status compared to the Javanese, because their main aim is to avoid the jealousy of others (Hofstede 1982, p. 24). They prefer to re-invest their money to get an improved economic position, in contrast with other Indonesian ethnic groups who prefer to use their money for consumption and status-enhancing purposes (Hofstede, 1982).

The second dimension is *Uncertainty Avoidance*, explaining the extent to which people would feel threatened by uncertain situations, creating trust or institutions to avoid this uncertainty (Hofstede, Hofstede, et al., 2010). Indonesians are considered as a moderate uncertainty avoidance society, reflecting that they have high tolerance for different ideas, and are relatively unemotional and open to negotiation when facing an unstructured situation (Hofstede 1982, p. 24).
The next cultural dimension is *Individualism*, which is the tendency of people to watch themselves and their close relatives only; with the opposite continuum called *Collectivism* – the tendency of people to join in a group or collective and take care of one another in exchange for loyalty among them. Indonesia is a strongly collectivist country, the relationship between employee–employer is a moral relationship, not just merely a business relationship. Also, there is an indication that employers will give priority to their own extended relatives to fill vacant positions regardless of their capacities. Business transactions will also run more smoothly if the involved parties were ‘friends’ – making more likelihood of bribery to occur. Another implication of being a strongly collectivist society is the strong need to maintain harmony, since most conflicts occurring were considered negative and unproductive (Hofstede 1982, pp. 14–18).

The last dimension in Hofstede’s (1982, p. 28) publication was *Masculinity*, which described a situation in which the dominant values in society are “success, money and possessions”. Its opposite, *Femininity*, describes a situation in which the dominant values in the society are “concern to others, harmony and tranquillity of life”. In this dimension, Indonesians were considered as having moderate masculinity/femininity. According to Hofstede (1982, p. 29), Indonesians put strong emphasis on the need for status enhancement (reflecting masculinity) but, on the other side, the disapproval of ego-motives, pride in performance and material success is evident in the Javanese culture (p. 28).

In 1988, Hofstede made the first extension to his cultural dimensions by adding one new dimension called “Confucian dynamism” (Hofstede & Bond, 1988). This dimension reflects the values taught by Confucianism as the orientation of time, truth, prudence and thrift. In his later work, Hofstede referred to this dimension as “long-term orientation versus short-term orientation”, revealing how every society has a different point of view regarding time. Some people are future-oriented, while others tend to be present-oriented (Hofstede, 2001). Indonesia belonged to
the long-term orientation category (Hofstede, Hofstede, et al., 2010, p. 256) after previously being described as short-term oriented (Hofstede, 1982, p. 28).

The latest expansion of Hofstede’s model occurs in 2008, when Hofstede et al. (2008) expanded the framework into a total of 7 cultural dimensions. The latest dimensions added were *Indulgence versus Restrain* and *Monumentalism versus Self-Effacement*. *Indulgence* stands for the social order which allows relatively free fulfilment of some desires and feelings, particularly those that have to do with leisure, amusement with friends, spending, consumption and sex. *Restrain*, stands for a society which controls such fulfilment, and where people feel less able to enjoy their lives (Hofstede et al., 2008). *Monumentalism* stands for a society which rewards people who are, metaphorically speaking, like monuments: proud and unchangeable while its opposite pole, *Self-Effacement*, stands for a society which rewards humility and flexibility (Hofstede et al., 2008). Indonesia was categorised as a country with moderate scores of *Indulgence versus Restrain* (Hofstede, Hofstede, et al, 2010, p. 283) while no score for *Monumentalism Index* has been released yet. This expansion made Hofstede’s framework the most recent cultural framework available.

To measure his cultural dimensions, Hofstede developed Value Survey Module 08 (Hofstede et al. 2008), consisting of 34 questions with the first 28 questions forming seven clusters of four questions each. Each of the clusters represent the seven dimensions of culture defined by Hofstede (1984), Hofstede and Bond (1988) and Hofstede et al. (2008). The remaining questions are demographic to gather information regarding the participant’s gender, age, education level, kind of job, present nationality and nationality at birth (Hofstede et al., 2008).

Despite being the most recent framework for measuring cultural differences, there are criticisms which needed to be considered before deciding to use Hofstede’s framework in this research. Early critiques of Hofstede’s work focus on the
suitability of using survey questionnaires to measure culture. Culture is abstract, and survey instruments cannot be used to measure cultural values which tend to be subjective and sensitive (Schein, 1990). Hofstede himself believed that surveys are just one of the methods to measure culture, nevertheless he also admitted that additional cultural dimensions should be added to his original works since measuring culture using only four or five dimensions is considered insufficient (Hofstede, 1998, p. 481). This was later addressed following the expansion of his framework into 7 cultural dimensions (Hofstede et al., 2008).

The second criticism focuses on Hofstede’s first cultural framework which is based on a study of one single company (Graves & Printer, 1986, pp. 14-15; Olie, 1995, p. 135; Romani, 2004, p. 149; Søndergaard, 1994, p. 449), which is considered too fragile to be considered as research output. This is because his study is based on a consultation project for one single company, with the main focus being to investigate the workplace behaviours of its employees. Hofstede began to collect data in 1967 from employees of HERMES Corporation, collecting 117,000 completed questionnaires in total. Later, it was revealed that HERMES Corporation is a pseudonym for IBM (Berry, Poortinga, Segal, & Dasen, 1992, p. 330). Because of this, Hofstede’s findings were criticised because they were not based on a real action research project, and lacked appropriate planning, design, action steps and evaluation (Javidan, Dorfman, De Luque, & House, 2006).

The next critique of Hofstede’s work comes in relation to his concept of national culture. In his view, Hofstede believes that national identities and characteristics are the only approach to measure cultural differences (Hofstede, 1998, p. 481). This was contested by McSweeney (2002), who believed that nations are not a proper unit of analysis for cross-cultural research. Most nations in the world are formed by groups of ethnic groups, which causes variability of cultures inside one nation (Nasif, Al-Daeaj, Ebrahimi, & Thibodeaux, 1991, p. 82; Redpath, 1997, p. 336). This generalisation becomes a big issue, reflecting that Hofstede’s dimension
might not be accurate and able to represent all the cultural characteristics in a country. To give an example, Hofstede’s (1982) national score for Indonesia is based on just 20 respondents (Hofstede, 1997, p. 55) to represent the 148 million Indonesian citizens at that time (Statistics Indonesia, 2013). This generalisation became the biggest issue of Hofstede’s cultural framework application in Indonesia, and 28 years later Hofstede, Hofstede, et al. (2010, p. 158) admitted that “national culture scores in Indonesia may be misleading”.

In summary, despite being highly regarded and extensively replicated by social science scholars (House et al., 2004; Trompenaars, 1993), Hofstede’s work is also heavily criticised because it was based only on one company (Graves & Printer, 1986, pp. 14-15; Olie, 1995, p. 135; Romani, 2004, p. 149; Søndergaard, 1994, p. 449), and his instrument is not relevant (Schwartz, 1999) because of his assumption that a population in a country is homogenous (Dorfman & Howell, 1988, p. 129; Lindell & Arvonen, 1996; Smith, Dugan, Peterson, & Leung, 1998, p. 62). Considering that there is ongoing development available for assessing cultural values, another investigation to find an appropriate cultural framework will be critically assessed.

2.3.2.4 Shalom H. Schwartz (1992, 2001)

Another seminal study in the field of cross-cultural management is the work of Shalom H. Schwartz, an Israeli researcher. In developing his framework, Schwartz acknowledged Hofstede’s cultural framework, arguing that the study of culture should be reduced to the study of values (Schwartz, 1994). Schwartz’s work is considered important mainly because of his sample size, involving around 14,000 school teachers from 56 nations and around 19,000 college students from 54 nations (Schwartz & Bardi, 2001).
In measuring values, Schwartz is greatly influenced by the work of Milton Rokeach (1973), who compares values among different groups in the American population. Schwartz developed his own instrument named the Schwartz Value Survey (SVS), consisting of 56 items (Schwartz, 1992) to measure 10 motivational values dimensions. The values dimensions in SVS are: (1) Power, reflecting social status and image, (2) Achievement, demonstrating competence according to social standards, (3) Hedonism, such as pleasure and sensuous gratification toward oneself, (4) Stimulation, describing excitement and challenge in life, (5) Self-direction, indicating independence in thought and action choosing, creating and exploring, (6) Universalism, such as understanding, tolerance and appreciation, (7) Benevolence, which includes traits such as being helpful, honest, forgiving and responsible, (8) Tradition, respect and acceptance toward customs and ideas of religion and traditional culture, (9) Conformity, restraint for actions that might upset or harm others, and (10) Security, reflecting safety, harmony and stability in the society (Schwartz & Bardi, 2001). According to Hofstede, Hofstede, et al. (2010), although Schwartz’s instrument measures values at the cultural and individual levels, his study is more related to the ideology (culture) than the desired practical manners of individuals.

Perhaps the limitation of Schwartz’s work lies mainly in his selection of respondents, which only include schoolteachers and undergraduate students. These two groups only represent the academic sector, and their values and behaviours might differ from respondents with different occupational backgrounds. In the Indonesian context, Schwartz’s study (Schwartz & Bardi, 2001) unfortunately bears similar problems to Hofstede (1982), focusing only on the largest culture of Indonesia. Schwartz obtained his Indonesian respondents only from two cities, Jakarta and Yogyakarta, in 1994 and 1996 (Schwartz & Bardi, 2001, p. 273). As has been explained earlier in this chapter, Yogyakarta is one of the two remaining Javanese kingdoms, and is considered as an exemplary of Javanese values (Hughes-Freeland, 2008, p. 158). During the period 1994 to 1996, Jakarta was the
centre of power for President Soeharto’s government who was well-known for his strong Javanese values (Vatikiotis, 1998).

Despite sharing similar limitations to Hofstede’s works, the results of Schwartz’s study on the country level are proven to be strongly correlated with Hofstede’s country scores (Hofstede, Hofstede, et al., 2010, p. 41). These findings reinforce Hofstede’s study (Hofstede, 1980a) and confirm that the best method to measure culture quantitatively is to reduce the study of culture into a study of values (Schwartz, 1992). Schwartz’s study also puts emphasis on the importance of a rigorous back translation process in distributing questionnaires to the non-English speaking respondents. The sample size and the contributions made by Schwartz have made his study important in the development of the cross-cultural management concept.

2.3.2.5 Fons Trompenaars (1993)

Another framework for understanding the culture of a society is developed by Fons Trompenaars, a Dutch researcher in the cross-cultural field. He did research for ten years using a database of more than 15,000 respondents from 28 countries, and the results were published in 1993. Trompenaars, developed five cultural dimensions which were derived from the value orientation and the orientation relationship developed by the American sociologist, Talcott Parsons. Using a questionnaire consisting of 79 items (Hofstede, 2001), Trompenaars proposed five dimensions to measure and compare culture: Universalism versus Particularism, Individualism versus Collectivism, Neutral versus Affective, Specific versus Diffuse, and Achievement versus Ascription (Trompenaars, 1993).

Trompenaars’ first dimension is Universalism, demonstrating the belief that ideas and practices can be applied everywhere without modification, while its opposite side is Particularism, in which the situation and condition will determine what
ideas and practices should be applied. In a universalism society, the contract that has been agreed should be implemented as it is, and people (parties) will be considered good if they can execute it without any changes to the contract. In particularism society, a contract that has been agreed to can be changed because of "circumstances", and people (parties) will be considered good if they are willing to amend a contract that has been agreed on because of the changes in circumstances. Trompenaars categorised Indonesia as a Particularist society, based on the respondents’ answers that they would be likely to tell lies, and bend the truth in order to protect their friends (Trompenaars & Hampden-Turner, 1997).

The second dimension is Individualism versus Communitarianism, which, essentially, is no different from Hofstede’s (1980a) dimension. Individualism means that people will pay more attention to themselves and their close relatives, and rely on themselves in making decisions. While Communitarianism means that people pay great attention to themselves, their extended family, their group, and seek consent before making decisions. Similar to Hofstede’s (1982) result, Indonesians were considered a Communitarianist society by Trompenaars because of their high belief in group responsibility. When asked about whether mistakes should be blamed on an individual, Indonesia only scored 16 per cent – the lowest among 40 countries (Trompenaars & Hampden-Turner, 1997, p. 57).

The next dimension related to emotional expression as shown by a particular culture: Neutral versus Affective. In a Neutral culture, emotions must always be controlled, not openly expressed, and considering the feelings of others is a must. The opposite side, an Affective culture, believes that emotions can be publicly disclosed. In Indonesia, which belongs to the Neutral culture, many people tend to hide their disagreement and use the word "neutral" or "so-so" to provide an assessment of an object. Fifty-five per cent of the Indonesian respondents stated that they would not show their emotions openly (Trompenaars & Hampden-Turner 1997, p. 70).
The fourth dimension is *Specific* versus *Diffuse*. *Specific* literally means that individuals have a large area of privacy and allow others to come in, giving other people a little personal space. People belonging to a *specific* culture maintain this space seriously and only want to share it with their close colleagues. In this culture, there is clear separation between personal affairs and business affairs. A *Diffuse* culture means that both public space and private space are not too different from one another. People cautiously keep their public space, because entering a public space also means entering someone’s private space. In this type of culture, there is no separation between personal and business affairs. In this dimension, Indonesians were categorised as *Diffuse*, referring to the fact that 58 per cent of respondents refused to help their boss with matters not related to the office (Trompenaars & Hampden-Turner 1997 p. 88).

The last dimension in Trompenaars’ framework is *Achievement* versus *Ascription*. In an *Achievement* culture, someone’s status in society (organisations) will depend on their achievement, causing people to be easily driven by rewards based on their achievements; while in an *Ascription* culture someone’s status in society (organisation) will closely relate to the origin of that person, making seniority (age) and total working period more important in the organisation. Additionally, in an *Ascription* culture, awards will be given to someone based on relationships and other subjective aspects, not solely based on job performance. In this dimension, Indonesia belonged to the *Ascription* culture since only 24 per cent of respondents stated their disagreement with the two following questions:

“The most important thing in life is to think and act in the ways that best suit the way you really are, even if you do not get things done.”

and
“The respect a person gets is highly dependent on their family background.”

(Quoted from Trompenaars & Hampden-Turner, 1997, p. 104)

Similar to the previous cultural frameworks proposed by Kluckhohn and Strodtbeck, Edward T. Hall and Geert Hofstede, Trompenaars’ framework has also been criticised for having several limitations. The most obvious criticism is the fact that Trompenaars’ dimensions were not based on the empirical research, but “borrowed” from Parsons and Shils (1951) and Kluckhohn and Strodtbeck (1961). Another criticism comes from Geert Hofstede, pointing out that Trompenaars claimed his research contained data from 55,000 managers, yet he did not have any peer-reviewed academic publications and never specified the real contents of his database (Hofstede, Hofstede, et al, 2010). It is also argued that Trompenaars’ dimensions only cover two out of the seven of Hofstede’s cultural dimensions, namely, power distance and collectivism (Hofstede, Hofstede, et al, 2010). Additionally, this study believes that although Trompenaars presents the distinctive characteristics of cultures based on his cultural framework, he did not give any suggestions on how to work with specific cultures. Nevertheless, Trompenaars offered evidence that quantitative research in culture is a valid approach, and this study will proceed with this support.

Since none of the cultural frameworks presented is without limitation, another cultural framework which emerges after Trompenaars will also be investigated. This framework was proposed by the GLOBE Project, a collaboration of 170 world scholars focusing on leadership and organisational behaviour across cultures.
The most recent project aimed at measuring cultural dimensions across cultures throughout the world is the GLOBE Project, aiming to analyse the effect of national culture on leadership and organisational behaviour. The GLOBE Project – a collaboration of 170 scholars around the globe – has conducted a massive project to examine cultural values and leadership styles in 62 different cultures, including Indonesia.

The GLOBE project proposed nine dimensions of national culture as follows: (1) *Uncertainty Avoidance* – to what extent members of the organization (society) try to avoid uncertainty and rely on the norms, rituals and practices of the bureaucracy to reduce the uncertainty of events in the future, (2) *Power Distance* – to what extent members of the organization (society) expect and agree that power should be distributed unevenly, (3) *Collectivism I: Institutional Collectivism* – to what extent organizations and the community encourage and reward collective action and collective distribution of resources, (4) *Collectivism II: In-group Collectivism* – to what extent an individual shows pride, loyalty and cohesiveness in their organizations or their family, (5) *Gender egalitarianism* – to what extent the organization or society minimizes role differences and discrimination based on gender, (6) *Assertiveness* – to what extent individuals in an organization or society are assertive, confrontational, and aggressive in social relationships, (7) *Future orientation* – to what extent organizations/individuals in society agree to defer immediate gratification for future benefits, (8) *Performance orientation* – to what extent the organization or society encourages and rewards the members of the group for their performance improvement and/or their good performance, and (9) *Humane orientation* – to what extent individuals in an organization or society encourage and give rewards to an individual because he/she is honest, generous, friendly, caring and kind to others (House, Javidan, & Dorfman, 2001, p. 496).
Similar to Hofstede’s (1982) result, the GLOBE Project also considers Indonesians as a moderate uncertainty avoidance society – meaning that Indonesia’s culture is moderately formalised yet also accepts informality. Nevertheless, there was a difference in terms of the power distance score compared to Hofstede’s (1982) result. The GLOBE Project (House et al., 2004) revealed that Indonesians score moderate in power distance, whereas Hofstede (1982) finds that Indonesians score highly on power distance. The moderate score of power distance in the GLOBE study suggests that Indonesians may prefer the inequality of power distribution, yet also endorse authority and status privileges.

Indonesia was ranked 15th (high) in the in-group collectivism, which is a reflection that Indonesians are strongly integrated into cohesive groups and emphasise relatedness with groups. People belonging to high in-group collectivism take pride in membership of small groups such as their family and their circle of close friends (Gelfand, Bhawuk, Nishii, & Bechtold, 2004). As for institutional collectivism, Indonesia’s score is also high, ranked among the top 15 among 62 countries. High institutional collectivism, characterised by the willingness of the society to integrate broader entities such as the extended family of the village into their circle, make societies with these characteristics usually dependent on groups when making decisions (Gelfand et al., 2004; House et al., 2004).

The medium score of gender egalitarianism indicates Indonesia’s awareness of encouraging and recognising female roles (House et al., 2004). Although previous cross-cultural studies never measured these dimensions, the moderate result is likely to have been influenced following the rise of Megawati Soekarnoputri as Indonesia’s first female president in 2002. Referring to the composition of Indonesia’s current cabinet (Kabinet Indonesia Bersatu II), 4 ministerial positions are held by females, reflecting the acknowledgement of Indonesia’s government of the role of women in politics.
The next dimension based on the GLOBE Project (House et al., 2004) findings reveals Indonesia’s moderate scores of assertiveness. Indonesia’s score is among the 15 lowest scores, reflecting that Indonesians are not encouraged to be assertive, preferring harmony, seniority and co-operation (Den Hartog, 2004). Another dimension – future orientation – shared the same results as Hofstede, Hofstede, et al. (2010), revealing Indonesians as a society which puts more emphasis on the future. The higher the degree of the future orientation dimension, the higher the tendency of an individual to plan well and invest for the future (House et al., 2004).

The score for the remaining dimensions, performance orientations and humane orientations, revealed that Indonesia was among the top 15 countries with high scores on these dimensions. The high humane orientation reflects that Indonesian society encourages its members to be fair, altruistic and caring toward others (House et al., 2004); while the high performance orientation reflects a value where performance improvement and achievement of excellence are encouraged and will be rewarded (House et al., 2004).

As a summary of Indonesia’s cultural scores in the GLOBE Project, Indonesia’s culture scores relatively highly on humane and performance orientations, power distance, uncertainty avoidance and institutional collectivism, and places medium value on future orientation, assertiveness and gender egalitarianism. However, unlike Hofstede (1982), the GLOBE Project did not provide any details related to their findings in Indonesia. In interpreting the score of Indonesia, this study relies heavily on the description of each cultural dimension provided by House et al. (2004). The next publication of the GLOBE Project (Chhokar, Brodbeck, & House, 2007), which provided detailed analysis on 25 cultures of the world, excluded Indonesia despite the country’s influence in South East Asia. Referring to this issue, there is a need for further research which is also able to give detailed information about the values of Indonesians.
Further research focusing on the values of Indonesians is considered urgent, since the work of the GLOBE Project is also vulnerable to criticism from other scholars. Although it is true that the GLOBE Project’s research is more carefully planned, involving hundreds of researchers from all over the world, the measurement instruments used by the GLOBE Project have been criticised for being too complex and hard to understand (Hofstede, 2006). A good classification should not have more than seven categories (Miller, 1956), and complex works such as the GLOBE Project which used nine dimensions might not be experienced as useful (Hofstede, 2006). This might be correct, since the GLOBE Project questionnaire (Form Alpha) consists of 26 pages containing 214 questions; requiring respondents to be able to spend enough time and concentration to answer all questions in it.

Another criticism of the GLOBE Project refers to the methodology used in their research. They used only quantitative instruments to measure all 62 cultures, with most of their findings originating from questionnaire data only. Although it has been stated that the GLOBE Project is “an extensive quantitative and qualitative study of 62 cultures” (House et al., 2004, p. 10), their present findings only use the qualitative instruments to analyse the 25 cultures (Chhokar et al., 2007), and Indonesia was not represented in this publication. Indeed, the GLOBE Project has been able to provide a score for leadership characteristics for each culture, but the use of standardised questionnaires tends to make generalisations of reality, thus failing to capture the complexity which exists in organisational structures, interpersonal interaction and leadership (Bryman, Bresnen, Beardsworth, & Keil, 1988; Conger & Kanungo, 1998). As a result, it is argued that with the GLOBE Project’s findings originating from such a dataset, they will not be able to explain the effect of culture toward leadership (Jepson, 2010).

The next criticism of the GLOBE Project relates to their approach which tends to make generalisations on the cultural diversities in a country. Although the GLOBE Project’s sample is considered more varied – involving 951 organisations from
three different industries around the world – compared to Hofstede’s (Hofstede, 1980a) research which only uses one single company, there is a noticeable limitation in terms of their sample size. The GLOBE Project tends to ignore the variety of cultures which exist within a nation, since they use a small sample size to represent countries with large populations and complex cultural variability such as China, India, USA and Indonesia. The present research considers this limitation as important, since there are many phenomena that could exist in the cultural variability inside a country. One example of this is the case of the Chinese Indonesian business person, a minority group, who are able to become 9 out of the 10 wealthiest men in Indonesia, according to Forbes (2011).

2.3.3 Development of Contemporary Research on Culture

This section would highlight several contributions and limitations in the cultural frameworks that have been presented previously. It is evident that the frameworks proposed by Kluckhohn and Strodtbeck, Edward T. Hall, Geert Hofstede, Fons Trompenaars and the GLOBE Project are important and can be used in measuring cultural differences societies. Nevertheless, each framework also has its own constructive value and limitations which have raised debates among scholars in the field of cross-culture.
## Table 2.1 Evolution of Contemporary Research on Culture

<table>
<thead>
<tr>
<th>Framework</th>
<th>Date</th>
<th>Contribution</th>
<th>Limitation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clyde Kluckhohn, Florence Kluckhohn and Fred Strodtbeck</td>
<td>1961</td>
<td>• Considered as the pioneers of cross-cultural comparisons. • Proposed the idea of values ‘universality’.</td>
<td>• Measurement issue. • Interpretation issue.</td>
</tr>
<tr>
<td>Edward T. Hall</td>
<td>1959, 1966, 1976</td>
<td>• Adopted Kluckhohn and Strodtbeck’s idea on value universality to develop his own framework.</td>
<td>• Issues on the rigorouness of his method. • Bias toward High Context dimension.</td>
</tr>
<tr>
<td>Geert Hofstede</td>
<td>1980, 1991, 2008</td>
<td>• Pioneer in: o Measuring culture using quantitative methods. o Conducting world level cultural comparison. o Introducing the concept of national culture.</td>
<td>• Not based on real research project. • Issue of culture generalisation. • Criticised for his quantitative approach on culture.</td>
</tr>
<tr>
<td>Shalom H. Schwartz</td>
<td>1992, 2001</td>
<td>• Measured culture on two levels: cultural and individual. • Provided evidence that values on the cultural and individual levels are similar. • Rigorous back-translation process.</td>
<td>• Issue of culture generalisation. • Instrument is too complex. • Respondents came only from students and teachers.</td>
</tr>
<tr>
<td>Fons Trompenaars</td>
<td>1993</td>
<td>• Provided evidence that a quantitative approach is valid for measuring culture. • Extended Hofstede’s framework by conducting a world level cultural comparison.</td>
<td>• Lack of peer-reviewed academic publications. • Dimensions are “borrowed”. • No application on how to work with specific cultures.</td>
</tr>
<tr>
<td>GLOBE Project</td>
<td>2004, 2007</td>
<td>• Involved 170 researchers from all around the world. • World scale level. • Real research project.</td>
<td>• Too many dimensions. • Their instruments (Forms Alpha and Beta) are too complex. • Issue of culture generalisation.</td>
</tr>
<tr>
<td>Mirwan S. Perdhana</td>
<td>2014</td>
<td>?</td>
<td>?</td>
</tr>
</tbody>
</table>

Source: Developed by researcher for this research (2014).
Consistent with the purpose of this study – to demonstrate and compare cultural characteristics of Javanese and Chinese Indonesian managers – a cultural framework that is best suited to facilitate this study should be chosen.

The framework of Kluckhohn and Strodtbeck (1961) can be considered as the pioneer in introducing the universality of values in cultural studies. Nevertheless, many new theories and frameworks have emerged since their publication in the 1960s, and their concepts were considered too ambiguous and the interpretations for each dimension too abstract. Kluckhohn and Strodtbeck themselves admitted that their theory as well as their measurement was not complete, since one dimension was considered too complex (Hills, 2002). Kluckhohn and Strodtbeck’s framework is the oldest of the five cultural frameworks presented in this study.

The second framework, proposed by Edward T. Hall, has several crucial issues related to the methodology he used in distinguishing culture. Hall never mentioned the research method that he used in his publications (Cardon, 2008) and never explains what kind of interviews and observations he conducted (Hall & Hall, 1990). This creates speculation about the rigorousness of his study. Additionally, Hall himself demonstrated strong bias toward High Context cultures (Hall, 1976). Interviewing is the only instrument that can be used if Hall’s framework is to be applied in this study.

There are several limitations of the third framework proposed by Geert Hofstede. His study was based only on a single company, yet he made the generalisation that the results could be used to represent the country. Proposing the concept of national culture, Hofstede was contested by McSweeney (2002) who believes that culture is not the proper unit of analysis for cross-cultural research. McSweeney’s argument could be true if we refer to the case of Indonesia, whereas Hofstede only used 20 respondents in one location (Hofstede 1997) yet published the result with a “national score” label. In his later work, Hofstede suggests the use of qualitative
research to capture the cultural details missed by quantitative researchers (including himself) in the field of cross-culture (Hofstede, Garibaldi de Hilal, et al., 2010).

Schwartz’s study involves around 14,000 school teachers from 56 nations and around 19,000 college students from 54 nations (Schwartz & Bardi, 2001). Nevertheless, the SVS questionnaire which contains 56 questions (Schwartz, 1992) is considered too complex and outdated to be applied in this study. Similar to Hofstede’s (1980a) works, there is also an indication of culture generalisation in Schwartz’s study, not only in Indonesia but also for his remaining country samples. Schwartz’s study took its respondents only from one location (city) per country (Schwartz & Bardi, 2001).

Despite claiming to collect data from 55,000 managers, the main disadvantage of Trompenaars’ framework is probably due to the fact that he did not have any peer-reviewed academic publications and never specified the actual contents of his database (Hofstede, Hofstede, et al., 2010). Trompenaars also never specifically describes how to work with specific cultures. His instrument is considered too complex since it consists of 79 items to measure 5 cultural dimensions.

The most recent world scale research project by the GLOBE researchers also has several limitations. Its 9 dimensions are considered too much, because good classification should not exceed seven categories (Miller, 1956). Similar to Hofstede’s research, the national culture concept adhered to by the GLOBE Project raised the issue of culture generalisation, especially in countries with high populations and complex cultural variations, such as Indonesia. The validity of the GLOBE’s data is arguable, since their data collection period was more than 15 years ago. Most importantly, the instrument used by the GLOBE Project is considered too long, too complex and hard to understand for people with no research background and knowledge in cross-cultural comparison. The GLOBE
instruments, Form Alpha, consists of 214 questions (GLOBE Project, 2006a) and Form Beta consists of 217 questions (GLOBE Project, 2006b) – something that should be considered in administering the questionnaire since respondents (which are mostly managers) might not have adequate time to sit, concentrate and fill in the GLOBE’s questionnaire.

With all the limitations of cultural frameworks that have been presented above, the present study has to decide which framework could be best used to answer the research questions proposed in Chapter I. Despite aiming to compare only Javanese and Chinese Indonesian managers in this study, the framework of choice should also be applicable for use in other Indonesian cultures. In a culturally complex country such as Indonesia, research focusing on the national values should be applied in the correct way – using a proportional sample size representing all of Indonesia’s subcultures. This is a further research agenda that could be applied in the future. The framework of choice in this study was described in the next section of this chapter, together with the rationale of choice.

2.3.4 The Framework of Choice: Hofstede’s Cultural Framework

The present study decided to utilise Hofstede’s cultural framework for measuring the cultural values of Javanese and Chinese Indonesian managers. Hofstede’s framework was selected based on several reasons: its applicability and usefulness, the number of dimensions covered, and its implementability.

First, Hofstede’s dimensions were proved to be applicable to be used in the Indonesian context. Hofstede (1982) is the first and only research in the field of cultural values which gives both quantitative and qualitative explanations and implications on the Indonesian business environment. If in the past Hofstede’s (1982) study was considered biased, since it gives more attention to Javanese culture to explain the national culture of Indonesia, the present study was not have
a similar issue since it is more specific by comparing Javanese and Chinese Indonesian culture. Nevertheless, refinements should be made with regard to the methodology used. Hofstede’s (1982) study on Indonesia lacks the foundation of a literature review specific to Indonesia’s local cultures. However, more resources on both Javanese and Chinese Indonesians are now available, making the present study able to address this limitation. Following Hofstede’s, Garibaldi de Hilal et al.’s (2010) suggestion, this study employed a mixed methodology to give a more detailed result regarding the values and behaviours of Javanese and Chinese Indonesian managers.

Secondly, the use of Hofstede’s cultural framework provides more understanding of both Javanese and Chinese Indonesian cultures, since it now consists of 7 cultural dimensions. Even when compared to the GLOBE Project’s 9 cultural dimensions, Hofstede’s work is considered more advanced for this research, because the GLOBE’s 9 cultural dimensions are the result of splitting Hofstede’s 5 cultural dimensions (Hofstede, 1994), namely, power distance, individualism, masculinity, uncertainty avoidance and long-term orientation. Therefore, the use of the GLOBE’s Project framework will only explain Hofstede’s 5 cultural dimensions. Nevertheless, Hofstede et al. (2008) have proposed a new instrument with an additional 2 new dimensions. These new dimensions, namely, indulgence versus restrain and the monumentalism index, can currently only be measured using Hofstede’s Value Survey Module 2008 (Hofstede et al., 2008).

The third reason is because Hofstede’s instrument to measure culture is simple and easy to understand. Consisting of only 28 questions for values and 6 questions for demographic purposes, it is believed that the respondents will have better concentration and will not waste too much of their time to fill in the questionnaire, especially when it is compared to the GLOBE’s Form Alpha and Beta (214 and 217 items), the Schwartz Value Survey (56 items), or Trompenaars’ questionnaire (79 items). Also, the Hofstede model is regarded as “the most extensive
examination of cross-national values in a managerial context’ (Nakata & Sivakumar, 1996, p. 62) and has been used in almost all behavioural science disciplines (Blodgett et al., 2008). The rationales provided above serve as the main foundation for choosing Hofstede’s cultural framework as the tool to measure and compare the cultural values of Javanese and Chinese Indonesian managers.

2.3.5 Indonesia Societal Culture based on Hofstede (1982) Research

Hofstede (1982) research regarding Indonesian cultural values resulted in four typical characteristics of Indonesian managers, which are high on "power distance", “collectivism”, “femininity” and low on “uncertainty avoidance”. High power distance, essentially, means that Indonesian managers see status difference as something positive, marked with a strong paternalistic concept and give much respect to the elders. Strong collectivism literally means that the employer and employees have a strong moral relationship; the employer has to consider that their employees also need free time to be spent with their families. Furthermore, strong collectivism in Indonesian managers means that maintaining harmony, avoiding conflict and gaining trust from employees is very important for them. Low masculinity score makes the Indonesian managers lack ambition and a sense of competitiveness. The last dimension - low uncertainty avoidance - is marked with a lack of material creativity, the tendency to hide one’s true feelings, high tolerance toward new ideas and a disregard for punctuality (Hofstede, 1982).

These descriptions were obtained from his interviews with a number of Indonesians in Jakarta about their experiences with Dutch expatriates (Hofstede 1997, p. 55). Although the results of Hofstede’s (1982) study are considered useful for describing “typical Indonesian managers”, it should also be noted that his conclusion is open to question due to sampling problems, generalisation problems and the tendency to present the Javanese culture as the culture of Indonesia.
Consistent with the research problems that have been mentioned previously, the aim of this research is to present and compare the cultural values and leadership styles of Javanese and Chinese Indonesian managers. The literature review regarding culture has been presented above, giving a detailed description regarding the importance of culture, the development of the culture concept, the limitations of the contemporary research on culture, the rationale for using Hofstede’s framework and the societal culture of Indonesia based on Hofstede’s (1982) research. Therefore, the next part of this chapter will continue with the presentation of a critical analysis of the literature review on leadership to determine what leadership framework can be best applied to measure the leadership style of Javanese and Chinese Indonesian managers.

2.4 Literature Review on Leadership

2.4.1 Leadership: Definition and Importance

According to history, leaders play an important role in shaping the course of nations, economies, and society. The success of leadership is highly determined by the leader itself: a good leader will ensure the effective running and productivity of organisations, while an ineffective leader will cause poor performance for organisations (Mulcahy, 2005). Leaders have the responsibility for establishing direction, aligning people, providing motivation and inspiration to the employees, and are expected to produce change in organisations (Kotter, 1990). A leader bears the responsibility of taking the initiative and shaping the ideas, becoming the source of inspiration for followers, determining whether a target can be achieved or not and must be able to influence people (Zaleznik, 1978). The vital role of a leader in every organisation has made the study of leadership very important for scholars in management, social psychology and organisational psychology (Pfeffer, 1997).
The importance of leadership can also be seen from Ralph M. Stogdill’s publication, demonstrating the never-ending attempts by scholars to define and redefine leadership (Stogdill, 1974). From his review, he finds that some of the earliest definitions of leadership were “focus of group processes”; “personality and its effects”; “the art of inducing compliance”, “the exercise of influence”, “an act or behaviour”, “a form of persuasion”, “an instrument of goal achievement”, “an effect of interaction”, “as a differentiated role” and “the initiation of structure” (Stogdill, 1974). Stogdill himself defined leadership as an interaction between members of a group, with leaders as an agent of change (Stogdill, 1974). Another definition of leadership comes from James MacGregor Burns (1978), who stated that leadership is “the reciprocal process of mobilizing, by persons with certain motives and values, various economic, political, and other resources, in the context of competition and conflict, in order to realize goals independently or mutually held by both leader and followers” (p. 424). A more recent definition was suggested by Gary Yukl (2006, p. 8), defining leadership as “the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives”, and Peter Northouse (Northouse, 2010, p. 3) who defined leadership as “a process whereby an individual influences a group of individuals to achieve a common goal”. It is obvious that there are numerous definitions of leadership that have been recorded up until the present time, nevertheless, most definitions shared one common perspective: that leadership is an act to influence others to support the group objectives.

In relation to the present study, leadership is believed to have a significant impact and determine the success or failure of organisations (Bass & Avolio, 1992; Horner, 1997; Meindl & Ehrlich, 1987; Smith et al., 2004; Weiner & Mahoney, 1981). The business paradox in Indonesia has revealed that Indonesia’s large business sectors are dominated by Chinese Indonesian ethnicities, and this study argues that Chinese Indonesians demonstrate their own distinctive leadership style
in Chinese Indonesian organisations. However, the early leadership definition proposed by Stogdill (1974), Burns (1978), Yukl (2006) and Northouse (2010) did not explicitly explain the effect of leadership on organisational success. Therefore, the present study proposed using the definition from the GLOBE Project (House et al., 2001, p. 494), who define leadership as “The ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organizations of which they are members”. This definition was based on discussion among 84 scientists and scholars representing 56 countries from all over the world; and it implies the important role of leadership on organisational success (House et al., 2001).

Although the present study believes in the close relationship between leadership and culture (House et al., 2004; Schein, 2010), and also adopting the leadership definition proposed by the GLOBE Project; the study of leadership itself has been established for centuries, producing many theories that have become the source of debate for scholars in this area. Adopting the leadership definition from the GLOBE Project did not merely mean the present study disregarded the remaining leadership theories, since some theories are considered obsolete yet they are still being implemented at the present time. All leadership theories are important, and some theories that are not applicable to a certain group might be applicable to others since there is no leadership theory that can be applied universally (Adler, 1997, p. 174; Alves et al., 2006, p. 339).

In this study, the strong influence of Javanese and Chinese Indonesian culture is believed to have influenced the leadership styles of Javanese and Chinese Indonesians, making one group seem to be more successful in business compared to the other. Yet, the leadership styles of Javanese and Chinese Indonesians in relation to business are unknown. Therefore, to be able to investigate and determine what kind of leadership styles are practised by Javanese and Chinese Indonesians, a good understanding of leadership theories is needed. Also, the
results of investigating the differences in leadership styles between the Javanese and Chinese Indonesians will be more obvious if a leadership comparison between the two ethnic groups is conducted using a quantitative leadership instrument. For this purpose, reviews and analysis of leadership theories and instruments used in measuring leadership will be presented in the next section of this chapter, in order to gain a solid foundation for conducting the interviews, and to determine which instrument can be best used to compare the leadership styles of Javanese and the Chinese Indonesians.

2.4.2 Collection of Relevant Leadership Theories

2.4.2.1 Great Man Theory

The Great Man Theory is considered to be the foundation of leadership study. It was based on the belief that leaders are extraordinary individuals, born with innate qualities, destined to lead. Most of the examples of great leaders are primarily male, have come from a military background, and from a Western culture. The popularity of this theory was elevated after the publication of Thomas Carlyle’s work “On Heroes, Hero-worship, and the Heroic in History” (Carlyle, 1888) which presents some examples of individuals who are believed to have been born as “leaders”: Dante, Luther, Napoleon and Prophet Muhammad. He explained how each of these great men appeared, how they have shaped themselves in the world's history, what ideas men formed of them, and all the work they have done. Additionally, this theory believes that “there are only a few, very rare, individuals in any society at any time with the unique characteristics to shape or express history” (Van Wart, 2003). In summary, the Great Man Theory assumed that leaders are born, not made and will appear when confronted with a certain situation.
The idea of the *Great Man Theory* stated that leadership skills are an innate characteristic but was widely contested by scholars in the early 20th century. All leaders presented by Carlyle were a product of their own era, and their leadership skills are shaped by the social conditions at that time. Also, those great leaders had widely contradictory personalities which are hard to imitate (Van Seters & Field, 1990), making the idea of a “*Great Man*” suitable only for case studies and biographies, but unusable as a scientific theory (Van Wart, 2003). Nevertheless, this theory serves as the foundation for leadership study, provoking the awareness that leadership is an important issue that needs to be given special attention.

Although the *Great Man Theory* was considered old fashioned and inapplicable, it is interesting to know that Indonesians still have a firm belief in the idea of the *Great Man*. After the successful Reform Movement in 1998 resulting in the resignation of President Soeharto, Indonesian media were loaded with review and commentary on the emergence of *Satrio Piningit* – a hidden knight – who will bring justice and prosperity for Indonesians. *Satrio Piningit* has extraordinary skills and is destined to be the next leader (president) of Indonesia, balancing the situation after the time of chaos (Soeharto era and the 1998 Asian Monetary Crisis). Interestingly, the concept of *Satrio Piningit* is merely based on an old Javanese prophecy; nevertheless, people originating especially from Java Island have a firm belief in this prophecy (Soempeno, 2009, p. 93; Soesetro & Al-Arief, 1999, 2003; Wajendra, 2007). The past presidents such as Abdurrakhman Wahid and Megawati Soekarnoputri were rumoured to be the *Satrio Piningit*, nevertheless, the identity of the real “hidden knight” is still a mystery. In summary, the belief in the *Satrio Piningit* concept reflects that the Javanese, at the present time, still agree with the concept of the Great Man theory – believing that a leader will be born, save the nation from chaos and bring long-term prosperity.

Leadership study focusing on the life of the *Great Man* began to change course when A.O. Bowden argued that leadership is not innate, and leaders should
possess a well-balanced personality, good insight and judgement, good ability to evaluate the situation and make appropriate adjustments (Bowden, 1926). Bowden’s study changed the focus of leadership research, from imitating great leaders’ personalities to developing leaders’ personal attributes as the primary indicators of leadership success: The Trait Theory (Van Seters & Field, 1990).

2.4.2.2 Trait Theory

The Trait Theory appears during the 1930s-1940s with Gordon Allport as the pioneering scholar in this school of thought. The focus of the Trait Theory is to develop a number of traits which would enhance leadership performance if adopted. Leadership was viewed from the standpoint of the attributes that are possessed by the leader. Leaders have distinctive qualities that make them successful in leading people, such as intelligence, a sense of responsibility or creativity. Therefore, Trait Theory researchers focus on analysing the mental, physical and social characteristics necessary to become a good leader. Interestingly, it has been reported that Gordon Allport was able to identify 18,000 traits (Ewen, 2013, p.17). Having identified thousands of characteristics of good leaders, the question arises: which traits should be implemented or imitated in order to produce a good leader?

The inability to decide which traits should be adopted and imitated to create a good leader became one of the main weaknesses of the Trait Theory. It is absolutely impossible for a person to imitate or adopt the whole 18,000 leadership characteristics reported by Gordon Allport since there were too many. If a leader wants to adopt some of the characteristics, they should be adjusted according to the situation because one positive trait might become negative in a different situation. Unfortunately, the Trait Theory did not consider any situational awareness, making it difficult for a leader to choose the best leadership characteristics. The second limitation of the theory related to the controversial
debate on whether or not traits showed by the leaders are innate. It is true that the thousands of traits were based on observations of successful leaders, but how are these leaders able to demonstrate such characteristics? Did they learn it or were they born with it? Furthermore, research by Jenkins (1947) finds that there are no single traits or groups of characteristics associated with good leadership. Also, there is still no clear answer regarding the association of traits with great leadership since leadership is not merely about a combination of traits (Stogdill, 1948, p. 66). The lack of consensus on a universal list of traits related with effective leadership has become the main weakness of the Trait Theory (House & Aditya, 1997). Since this theory only focused on intrinsic characteristics of the leader, it is considered too simplistic (Conger & Kanungo, 1998).

Despite the debate, controversy and limitations of the theory as presented above, the Trait Theory has given scholars more understanding of leadership. The theory gives an additional aspect that should be considered in leadership study: that imitating great leaders alone is insufficient, but the traits and characteristics of those leaders should also be classified. Regardless of its limitations, the Trait Theory has been adopted in Indonesia especially among the Muslims. One example, Amien Rais, a politician who is considered to have played an important role in deposing the second Indonesian President, argued that a good leader should have 4 absolute characteristics derived from Prophet Muhammad: Siddiq (trustworthy), Amanah (upholding trust), Fathanah (intelligent) and Tabligh (informative) (Rais & Sukardiyono, 1998, p. 67). Most Indonesian Muslims, regardless of their ethnicities, also shared the same views as Amien Rais, believing that those four characteristics are vital for a good leader (Gymnastiar, 2003, p. 91; Moeljono, 2008, p. 52). For the majority of Indonesians, the most important aspect of good leadership is indeed a combination of traits.

In summary, research during the Traits Era did not produce any convincing results regarding specific traits as determinants of successful leadership. Therefore,
researchers who were against this theory have provided another alternative for studying leadership: through *Behavioural Theory* - exploring leaders’ behaviours to obtain the best leadership practice. Nevertheless, it should also be noted that there was an attempt to revive the *Trait Theory* during the 1970s by Ralph M. Stogdill (Stogdill, 1974), who finds that assertiveness, self-confidence, dependability, adaptability and tolerance to stress were the main traits of an effective leader. To present the development of leadership in chronological order, the next section will present the leadership theory which appeared after the decline of the *Trait Theory* in the 1940s: *Behavioural Theory*.

2.4.2.3 *Behavioural Theory*

The failure of the *Trait Theory* made leadership scholars turn toward the idea of exploring a leader’s behaviour to determine which leadership practices were most effective (Reave, 2005). This era is often referred to as the *Behavioural Theory* era where researchers developed personality tests and compared the results against those supposed to be leaders. *Behavioural Theory* believes that the main determinant of successful leadership is the leader’s behaviour: everyone can become a leader if they are taught to demonstrate certain behaviours.

There were two important studies on the *Behavioural Theory*, conducted by Ohio State University and the University of Michigan. A group of researchers from Ohio State University (Hemphill, 1950; Hemphill & Coons, 1957) tested 1800 statements related to leadership behaviour and developed 150 questions to measure 9 behavioural leadership dimensions, known as the Leadership Behaviour Description Questionnaire (LBDQ). By continually distilling the behaviours, only 2 out of 9 dimensions have a strong correlation, which are Consideration (People Oriented Behavioural Leaders) and Initiating Structure (Task Oriented Leaders). Task Oriented Leaders focus on rules, procedures and prefer to take direct control of the organisation. People Oriented Behavioural Leaders still focus on tasks, but
they direct their main focus on employees: instilling motivation, listening and providing training. Research has shown that People Oriented Behavioural Leaders are more effective compared to Task Oriented Leaders (Burke et al., 2006; Reilly, 1968; Sahertian & Soetjipto, 2011; Tabernero, Chambel, Curral, & Arana, 2009), creating stronger cohesion among team members, better team learning and a positive attitude toward self-efficacy.

The second study was carried out by the University of Michigan, where a group of researchers led by Rensis Likert analysed three main characteristics for successful leadership. The first and second characteristics were the same as the Ohio studies (People Oriented and Task Oriented), and the third characteristic was Participative Leadership (Likert, 1967). Participative Leadership encourages all members of the organisation to be involved in problem-solving, planning goals and strategies, and bringing them into reality; while leaders mainly act only as facilitators. Although this style can foster employees’ creativity and productivity, making them think that they are a valuable member of the organisation, implementing this style of leadership will require more time since it will involve more people to make a decision. Despite its imperfections, Participative Leadership is a great contribution to leadership studies: good leadership is not merely about traits owned and behaviours demonstrated by the leaders, it is also about leading other people (team).

Beside the two most important studies by Ohio State University and the University of Michigan, there is another notable behavioural leadership study conducted by Robert R. Blake and Jane Mouton (1964). The idea is to distinguish leadership styles into concern for people and concern for production. In their research, leadership behaviours were categorised into a 9x9 matrix named The Managerial Grid (Blake & Mouton, 1964), to demonstrate that leadership behaviour can be divergent. At the beginning, there were only 5 major leadership styles: Accommodating, Indifferent, Team, Dictatorial, and Status Quo, but later it was
expanded with 2 additional styles: Paternalistic and Opportunistic. Interestingly, the Managerial Grid also comes to the conclusion that the most optimal leadership style is the team style – giving attention to both people and production. Nevertheless, this optimal style is based on the assumption that employees are ambitious, self-motivated and have good self-control. Creating work conditions to accommodate those assumptions is tough to uphold in reality, making scholars begin to research and develop another leadership style.

In the Indonesian context, research on behavioural leadership, interestingly, has contradictory results. Non-Indonesian researchers argue that Indonesia was among the countries with the lowest participative leadership (BooySEN & van Wyk, 2007), and tends to be more people-oriented than task-oriented (Nunez, Mahdi, & Popma, 2007). On the other hand, Indonesian researchers argue that both people-oriented and task-oriented leadership can be easily observed among supervisors working in Indonesian Post (Sulastiana & Yanuarti, 2009). Another Indonesian researcher also argued that instead of being people-oriented, Indonesian leaders working in the academic sector are more production-oriented (Rahayuningsih, 2012). The contradictory results indicate that there is no consensus on what type of behavioural leadership can be best applied to Indonesia. The indication that leaders in different industries will demonstrate different leadership behaviour limits the applicability of the behavioural leadership concept, and can be considered as another limitation of the behavioural leadership theory.

In summary, leadership research during the Behavioural Era has provided some evidence that leadership is not an inborn trait, but instead, effective leadership methods could be taught to employees (Saal & Knight, 1988). These researchers were making progress in identifying what behaviours differentiated leaders from followers so that the behaviours could be taught. Nevertheless, research in this era did not consider the situational effect on leadership; since one leadership style that works in a certain situation might not apply in others. It is believed that successful
leaders must be able to identify clues in an environment and adapt their leadership behaviour to meet the needs of their followers and of the particular situation. Based on this argument, leadership research began to shift into the idea of leadership styles that can be implemented in different situations: *Contingency theory*.

**2.4.2.4 Contingency Theories**

Contingency theory emerges because leadership researchers consider that leadership does not merely focus on tasks or relationships alone. Beside those two aspects, there are situational contexts that have to be considered. In order to demonstrate effective leadership, leadership style has to be adjusted according to the situation; different styles/leaders have to be implemented/installed in different conditions.

Fiedler (1967) proposed a theory that successful leadership is determined by two aspects: the focus on tasks/behaviours, and attention to the situational context. He created an instrument called Least Preferred Co-worker (LPC), where leaders were asked to evaluate their co-workers on an 8-point scale. The high LPC scores demonstrate that the individual is more likely to maintain harmony, while the lower LPC scores demonstrate the tendency to focus on tasks. The LPC result will then be linked to three situational contexts: Extremely unfavourable, intermediate and extremely favourable. Leaders with low LPC (focus on task) scores will perform successfully in extremely unfavourable and extremely favourable contexts, while leaders with high LPC (focus on harmony and relationship) scores will be more successful in facing intermediate situations (Fiedler 1967, p. 13). In summary, leaders have to maintain harmony in normal situations, and have to focus more on tasks in hard situations as well as in extremely favourable situations.
Despite the categorisation of situations and the ideal type of leaders to handle those situations, Fiedler’s theory was considered too simplistic. There are only three types of situation and the best leadership style for each situation is fixed. He believed that each person bears their own distinctive leadership style and did not allow leaders to be flexible in facing each situation, and that a new leader has to be installed whenever the situation changed. Also, there was an issue on the Least Preferred Co-worker methodology which caused ambiguity. When the LPC score falls into the middle category, the leadership style will be unclear.

Another situational leadership theory was proposed by Paul Hersey and Ken Blanchard (Hersey & Blanchard, 1969), almost ten years after the publication of Fiedler’s contingency theory. According to them, leadership is based on the amount of direction (task behaviour) and amount of socio-emotional support (relationship behaviour) provided for the different levels of maturity of the followers (Yukl, 2006). Compared to Fiedler’s model, the Hersey-Blanchard model offers more flexibility to the leaders, and also takes the element of the follower’s maturity into account. Unlike Fiedler’s theory in which a different leader has to be installed whenever the situation changes, the Hersey-Blanchard theory suggests the leader should change their behaviour to suit the conditions. The success of leadership depends greatly on the subordinate’s job maturity (having job-related ability, knowledge and skills) and psychological maturity (having self-confidence and self-respect). The appropriate amount of leader task and relationship behaviour is determined by the level of the subordinate’s maturity. As the level of maturity among subordinates changes, the amount of leader’s task and relationship behaviour should also change to match the level of the subordinate’s maturity (Landy & Conte, 2010, p. 554).

Hersey and Blanchard argued that there could be best attitudes for managers but that there was no best leadership style. For example, all managers should be concerned about production and people. But that concerned attitude can be
expressed in different leadership styles, depending on the situation. Hersey and Blanchard developed four leadership quadrants to determine the most suitable leadership style for every situation (Hersey & Blanchard, 1996). When faced by a situation where relationship focus is high and task focus is low, the leader has to demonstrate a participative leadership style, sharing ideas and facilitate the decision-making. On the high relationship and high task focus situation, the leader has to explain decisions and provide opportunity (selling). In a low relationship behaviour and low task behaviour situation, the leader has to delegate his decision. Lastly, on the low relationship behaviour and high task behaviour situation, leaders have to undertake close supervision and provide instructions, telling their subordinates what needs to be done.

The Hersey-Blanchard situational theory was considered easy to understand and to apply. Nevertheless, several criticisms of this theory should also be taken into account. The theory was questionable especially because it fails to give satisfactory solutions for handling unwilling and unable subordinates. For these subordinates, the theory suggests giving high direction and low support. Therefore, there is no way for these unwilling and unable subordinates to be able to change their behaviour and become motivated to work (Bolman & Deal, 2008, p. 350). This theory also disregards the Pygmalion effect, because in reality, a group that is treated with a “telling” leadership style will become less able and less willing (Bolman & Deal, 2008, p. 350).

In the Indonesian context, situational leadership would be considered effective if the outcome could improve job satisfaction and performance (Slamet, Toyib, Hadiwidjojo, & Troena, 2013). The common approach is to provide tangible and intangible rewards, on time payments and allowances (Slamet et al., 2013). Two Indonesian presidents are considered as situational leaders, namely, Soekarno and Soeharto (Tasmara, 2006).
Considering the limitations of the situational model of leadership, its application should be subjected to careful consideration. The situational models of leadership still suffer from methodological flaws (Fiedler) as well as the inability to improve employees’ motivation in some situations (Hersey Blanchard). Nevertheless, situational theories of leadership has made a great contribution to the evolution of leadership study by giving evidence that studying leadership using a simplistic approach is not sufficient. Leadership is complex, and many factors have to be considered in order to distil the best leadership style.

2.4.2.5 Servant Leadership

As leadership theories evolved, Robert Greenleaf proposed the idea of servant leadership – that is, true leadership will emerge from the desire to serve others (Greenleaf, 1970). Servant leadership suggests that the main task of the leader is to serve the follower. One prerequisite for a true servant leader is that they must have the intention to serve first, which then grows into the desire to lead. Thus, the main aim for a servant leader is to fulfil their followers’ needs rather than fulfilling organisational goals (Van Dierendonck & Nuijten, 2011). Compared to the previous leadership theory which evolved from the Great Man Era to the Contingency Era, servant leadership seems to stand alone and does not have sufficient connection to the previous leadership theory.

During the emergence of the theory, Greenleaf himself acknowledged that the idea of a servant as a leader is not popular. Nevertheless, research on this subject has grown rapidly over the last decades (e.g., Hakanen & Van Dierendonck, 2013; Irving, 2005; Irving & Longbotham, 2007; Nsiah & Walker, 2013; Pekerti & Sendjaya, 2010; Rude, 2003; Russell, 2003; Russell, 2001; Russell & Stone, 2002; Sendjaya & Sarros, 2002; Smith et al., 2004; Van Dierendonck & Patterson, 2010; Walumbwa, Hartnell, & Oke, 2010; Wu, Tse, Fu, Kwan, & Liu, 2013). As of May
2013, there are currently more than 2,000 book titles on servant leadership on the Amazon search engine.

Based on the writings of Greenleaf, Spears (2005) distils 10 characteristics of a servant leader, which are: listening, empathy, healing, awareness, persuasion, conceptualisation, foresight, stewardship, commitment to the growth of people and building community, which have found consensus among servant leadership scholars (e.g., Barbuto & Wheeler, 2006; Nsiah & Walker, 2013; Oliver & Reynolds, 2010). It is believed that the servant leadership concept is the solution to increasing unethical business conduct, employee burnout and retention problems (Wong & Davey, 2007). The concept also gains more refinement following efforts to measure servant leadership (e.g., Barbuto & Wheeler, 2006; Laub, 1999; Page & Wong, 2000; Sendjaya, Sarros, & Santora, 2008; Van Dierendonck & Nuijten, 2011).

Despite the rapid development of servant leadership over the last decade, several aspects have to be considered in applying this theory. For some, the servant leadership concept reflects a passive style of leadership (Hunter, 2004). Servant leadership is a utopian ideal, since a leader who is willing to act as a “servant” is too good to be true (Whetstone, 2002). Furthermore, servant leadership encourages subordinates to be passive, and it might not be suitable for every context (Johnson, 2012). For example, in Javanese and Confucian cultures which acknowledge the hierarchy in society, servant leadership might be difficult to implement since leaders are supposed to be at the top of the social hierarchy. Implementing servant leadership in the Javanese and Confucian cultures might be seen as going against the existing social hierarchy.

Furthermore, the concept of servant leadership seems to work only for specific groups. As stated by Sendjaya and Sarros (2002), servant leadership was first taught by Jesus Christ, the founder of Christianity (p. 58), making the concept
widely adopted as Christian leadership. Furthermore, many of the servant leadership publications are associated with the Christian faith (Sendjaya et al., 2008) and directed toward a religious audience (Hunter, 2004, p. 21). Although it is also argued that many other faiths share the concept of the leader as a servant (Kurth, 2003), its strong roots in Christianity made the servant leadership concept seem to be applicable only to Christian society.

Currently, there is no consensus among researchers on what instrument can be best used to measure servant leadership. Researchers (e.g., Barbuto & Wheeler, 2006; Laub, 1999; Page & Wong, 2000; Sendjaya et al., 2008; Van Dierendonck & Nuijten, 2011) come with their own servant leadership measurement instruments that have not been widely tested or replicated in other studies. One instrument, however, that has been used to measure servant leadership in Indonesia (Pekerti & Sendjaya, 2010), is the Servant Leadership Behaviour Scale (SLBS) developed by Sendjaya, Sarros and Santora (2008). Pekerti and Sendjaya’s (2010) research found that Indonesians accept the concept of servant leadership – something which raises doubt about either the instrument (SLBS) or the methodology used, since, for Indonesians, a leader should be honoured and treated with full respect. It seems almost impossible that highly honoured individuals would position themselves as servants. Furthermore, Pekerti and Sendjaya (2010, p. 768) only mentioned that they distributed their questionnaires to two educational institution in Indonesia, but did not give an explanation on where their respondents came from, from which location, and from which ethnicities. This is another indication of leadership generalisation in Indonesia, and unless further study involving a proportional sample of respondents from various ethnicities is carried out, their result is arguable.

Overall, despite the criticisms and limitations of the concept, understanding servant leadership in this research is inevitable. As mentioned previously, Indonesia is a multicultural country with 6 official religions. Almost 22 million
Indonesian citizens are Christian, and 35 per cent of Chinese Indonesians are Christian (Ananta, Arifin, & Bakhtiar, 2008). Among the respondents, the possibility that they are Christian in faith is not ruled out. Nevertheless, it is clear that servant leadership cannot be used to compare leadership quantitatively in the present study since the religious beliefs of the respondents may vary. Qualitatively, the servant leadership concept can either support or contrast the leadership beliefs of the respondents, helping the present research to determine what kind of leadership is practised by Javanese and Chinese Indonesian managers.

2.4.2.6 Transformational and Transactional Leadership

The term of transformational and transactional leadership was introduced by James MacGregor Burns in the 1970s based on his research on the leadership styles of political leaders (Burns, 1978). According to Burns (1978), transactional leadership is a concept where the leaders give more focus on the relationship between the leader and follower, whereas transformational leadership is when leaders give more focus on the beliefs, needs and values of their followers. Unlike servant leadership which directs more focus on the needs of the followers, the main focus of both transactional and transformational leadership is the organisation’s goals.

Transformational and transactional leadership are indeed two different leadership concepts with their own characteristics. According to Bernard Bass (1990), a prominent scholar in this theory, transactional leaders are characterised by: (1) Contingent Reward: contracts exchange of rewards for effort, promises rewards for good performance and recognizes accomplishments; (2) Management by exception (active): searches for deviations from rules and standards, then takes corrective action; (3) management by exception (passive): intervenes only if standards are not met; and (4) laissez-faire: abdicates responsibilities and avoids making decisions. The characteristics of transformational leaders are: (1) Charisma: provide vision
and a sense of mission, instils pride, gains respect and trust; (2) Inspiration: communicates high expectations, uses symbols to focus efforts, expresses important purposes in simple ways; (3) Intellectual stimulation: promotes intelligence, rationality and careful problem-solving; (4) Individualized consideration: Gives personal attention, treats each employee individually, coaches and advises (Bass, 1990).

Transformational and transactional leadership can be measured using several instruments, such as the Multifactor Leadership Questionnaire (MLQ), developed by Bass and Avolio (1995), the Conger–Kanungo scale (Conger & Kanungo, 1994), and the Leadership Practices Inventory (Kouzes & Posner, 1990). Among these instruments, MLQ was considered the most popular instrument for measuring transformational and transactional leadership. Quoting Bass and Avolio (2000, p.2), during the years 1997 to 2000 “the latest version of the MLQ, Form 5X, has been used in nearly 200 research programs, doctoral dissertations and masters theses around the globe”. Furthermore, the reliability of MLQ Form 5X has been confirmed by Antonakis et al. (2003) using large samples of respondents in their two studies, using N=3368 and N=6525 respondents, respectively. So far, MLQ Form 5X has achieved status as the most reliable instrument to measure transformational–transactional leadership concept.

Compared to the previous leadership theories, the strength of transformational leadership lies in combining the elements of personality, behaviour and situation (Van Seters & Field, 1990), and aiming to transform followers into leaders and leaders into moral agents (Burns, 1978). This positive aspect has meant transformational style is considered responsible for “performance beyond expectation” and “exceptional achievement” (Hater & Bass, 1988, p. 695), while transactional leadership is only responsible for achieving specific work objectives (Avolio & Bass, 2004). To influence followers, transformational leadership uses
internalisation and/or identification processes, while transactional leadership tends to use instrumental compliance (MacKenzie, Podsakoff, & Rich, 2001).

During the development of both the transformational and transactional leadership concepts, leaders who demonstrate give-and-take exchange processes, giving positive feedback (e.g., recognition) and negative feedback (e.g., reprimands) are considered as transactional leaders (Bryman, 1992). The behaviour of transactional leaders did not significantly influence organisational performance as initially expected (Bryman, 1992). Because of the dissatisfaction with leaders with transactional leadership behaviours, researchers began to focus on the effects that can be made by an exceptional leader on employee and organisation (Bass, 1985; Burns, 1978; Conger & Kanungo, 1987; House, 1977; Kuhnert & Lewis, 1987; Sashkin, 1988). The leaders who are able to make exceptional contributions to followers and organisations are then called “transformational leaders” (Bass, 1985). At this point, there is a tendency to regard transformational leadership as better than transactional leadership.

Further development on transformational-transactional leadership concepts finally suggests that both concepts are interrelated and have a strong correlation to each other (Bass, 1990). Both concepts have a different nature: the goal of transformational leadership is to create radical change in organisations, while transactional leadership will create incremental change (Bass, 1997). In a normal situation, a transformational leader’s role is to amplify the harmony through consolidating the thoughts, beliefs and values of the superiors and subordinates (Kirkpatrick & Locke, 1996; Shamir, Zakay, Breinin, & Popper, 1998), since radical change in the organisation is considered unnecessary. On the other hand, a transactional leader will be able to give their best performance in this kind of situation, as their goal is to make slow, stable, incremental change. In a crisis situation, transformational leaders will have the opportunity to demonstrate effective leadership to save the organization as soon as possible (Zhang, Jia, & Gu,
2012). Since both styles have different purposes, it is obvious that the situational context has to be well considered before the implementation of transformational-transactional leadership concepts.

Despite the different nature of transformational and transactional leadership, Indonesian researchers seems to consider transformational leadership as the ultimate leadership solution (e.g., Handoko & Tjiptono, 1996; Kaihatu & Rini, 2007; Silalahi, 2011). Transformational leadership is argued as “future leadership” which is beneficial to empower the employee (Handoko & Tjiptono, 1996), increasing work quality and work satisfaction (Kaihatu & Rini, 2007) and needed for motivating employees and enhancing organisational commitment (Silalahi, 2011). The bias toward transformational leadership is more obvious in the work of Hasibuan (2012, p. 166), where he suggests transactional leaders should transform themselves into transformational leaders.

The present study acknowledges the importance of both transformational and transactional leadership, believing that both concepts are essential for organisations. Nevertheless, this study also recognised the fact that transformational leadership is an evolved form of the previous leadership theories: Great Man, Traits, Behaviour and Situational (Van Seters & Field, 1990), with the final results being to fulfil organisational goals. Although several aspects from previous leadership theories have become the foundation for the transformational leadership concept, an attempt to discover the better leadership style was conducted. Perhaps James MacGregor Burns is correct when he said that “leadership is one of the most observed and least understood phenomena on earth” (Burns 1978, p.2). The next section of this chapter presents a literature review on leadership theory that has emerged after the transactional-transformational era: Cross-cultural Leadership.
2.4.2.7 Cross-cultural Leadership

One of the key scholars in transformational–transactional leadership, Bernard Bass, argues that transformational leadership is universally acceptable across cultures, and transformational is considered as the ideal leadership style in many cultures (Bass, 1997). However, since Bass’s concept of transformational leadership did not include any cultural variables, scholars began to develop a leadership concept that could be used to investigate and identify leadership styles in different cultures. Inspired by the work of Geert Hofstede (1980a), a group of 170 scientists from 62 cultures around the world established the GLOBE Project, with its focus to investigate and make comparisons of leadership styles and organisational behaviour across nations. At the present time, the GLOBE Project is considered the most recent large-scale project on cross-cultural leadership, investigating leadership styles in 62 cultures quantitatively, and in 25 cultures qualitatively, based on the results of a survey distribution to 17,000 middle managers from financial services, telecommunication and food processing industries. The GLOBE Project has found that some transformational leadership attributes are universally endorsed, such as: encouraging, positive, motivational, confidence builder, dynamic, excellence-oriented and foresight.

Nevertheless, the focus of a cross-cultural leadership study gives more emphasis on culture, to investigate the antecedents of why a manager who is successful in one country might not be successful when he is exposed to a business environment with a different cultural background. Beside the universally-endorsed leadership attributes, there are other leadership attributes that may vary across cultures (Den Hartog, House, Hanges, Ruiz-Quintanilla, & Dorfman, 1999) because of the difference in norms and values (Hofstede, 1980a, 2001). According to Javidan et al. (2004), each culture develops its own culturally implicit theory of leadership – having culture-specific perceptions about the characteristics of good leaders or bad leaders. A leadership style that may be effective in the USA sometimes becomes
ineffective – or negative – when implemented in another country (Beyer, 1999; Conger, 1999; Dickson, Den Hartog, & Mitchelson, 2003; Pillai, Scandura, & Williams, 1999). In short, cross-cultural leadership believes that leadership styles have to be adjusted according to the culture of the society.

As mentioned earlier in this study, research in the field of management tends to consider American values as modern and non-American values as traditional (Adler et al., 1986; Bakhtari, 1995; Robbins & Coulter, 2012), creating the perception that everything has to be adjusted to the modern, American way. Nevertheless, Japan runs counter to what are considered sound principles of management in the Western world (Yoshino, 1968, p. ix), but now they have proved that they can be one of the most advanced industrialized countries in the world. From this perspective, it is understandable that the needs of further leadership study in another cultural setting is needed. The majority of leadership and management theories have been developed in the USA, by Americans, for the American cultural setting, and these theories may not have universal application in other cultures (Brain & Lewis, 2004).

The reason why one leadership style from one culture might not work in another cultural context is because of the belief that cultural backgrounds will strongly affect the perceiver’s interpretation of the social environment, making the characteristics of leaders variable among cultures (Den Hartog et al., 1999). People in different countries have different criteria for assessing their leaders, and a good knowledge of a culture and its influences can be useful for executives operating in multi-cultural business environments (Javidan et al., 2006). This argument was developed into the Implicit Leadership Theory (House et al., 2004, p. 16), stating that “individuals have implicit beliefs, convictions, and assumptions concerning attributes and behaviours that distinguish leaders from followers, effective leaders from ineffective leaders, and moral leaders from evil leaders”. Implicit leadership embodies the standard ideas about the traits and behaviours of leaders in general,
consisting of individual perceptions of organizational variables (Eden & Leviatan, 1975). It is obvious that people from different cultural backgrounds will have different criteria for an ideal leader, which are mainly derived from their culture of origin.

The results of the GLOBE Project’s investigation in 62 cultures confirmed that leadership style and organisational behaviour vary across cultures. The measurement was based on the score of each GLOBE dimension (Humane orientation, Assertiveness, Future orientation, Collectivism: In-group Collectivism, Collectivism: Institutional Collectivism, Performance orientation, Uncertainty Avoidance, Power Distance), resulting in 10 clusters of cultures based on the similarities of response from the GLOBE Form Alpha and Form Beta questionnaires. Nevertheless, as has been explained in the literature review section about culture, the questionnaire is too complex and too long. The wording in the questionnaire uses terms that are familiar only to researchers who work in the cross-cultural field, not to the respondents. Also, the GLOBE Project seems to ignore the cultural variation that exists inside a country. These two limitations, however, are more related to the methodological factors than the conceptual factors. The concept of cross-cultural leadership is currently the latest leadership concept that has been tested using massive samples of data and careful methodological design.

Consistent with the aim of the present study, the leadership styles of Javanese and Chinese Indonesian managers will need to be investigated based on the existing leadership theories that have been presented. The knowledge about the evolution of leadership theories from the Great Man era to the Cross-Cultural Leadership era will be a solid foundation for conducting qualitative assessment on the respondents’ leadership style. To be able to make direct comparisons of the leadership styles of Chinese Indonesian managers and Javanese managers, a quantitative instrument will also be employed. To determine the most suitable
leadership instrument to compare the leadership styles, the following section will highlight the contributions and limitations of each leadership theory.

2.4.3 Measuring the Leadership Styles of Javanese and Chinese Indonesian Managers

This section aims to highlight the contributions and limitations in the development of leadership theories. Understanding the evolution of leadership theories is important, as some early theories which are often considered “obsolete” (e.g., Great Man Theory, Trait Theory) are still applicable to Indonesians. Furthermore, understanding the evolution of leadership theories will help to determine what leadership theory and instrument can be best used to compare the leadership styles of Javanese and Chinese Indonesian managers. Each theory has their own constructive values and limitations which have raised debates among leadership scholars. The contributions and limitations of leadership theory based on the literature review are presented in Table 2.2 below:
Table 2.2 Contributions and Limitations of Leadership Theories

<table>
<thead>
<tr>
<th>Theory</th>
<th>Date</th>
<th>Contribution</th>
<th>Limitation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Man Theory</td>
<td>1840s</td>
<td>• Foundation in leadership study.</td>
<td>• Suggests imitating the personalities of Great Leaders – the fact is personalities are hard to imitate.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Provoking the awareness that leadership is an important issue that needs to be given special attention.</td>
<td>• Suitable only for case studies and biographies, not as a scientific theory.</td>
</tr>
<tr>
<td>Traits Theory</td>
<td>1930s-1940s</td>
<td>• Leaders’ traits are factors that can determine leadership success.</td>
<td>• Lack of consensus on universal lists of traits related to effective leadership.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Provoking the conscience that leadership is complex and many factors beside traits have to be considered.</td>
<td>• Debate on whether or not a leadership trait is innate.</td>
</tr>
<tr>
<td>Behavioural Theory</td>
<td>1940s-1950s</td>
<td>• Provides evidence that leadership is not an inborn trait.</td>
<td>• Did not consider any situational awareness - leadership styles that work in a certain situation might not apply in others.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Provides evidence that leadership can be taught.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Distinguishes the behaviour of leaders and non-leaders.</td>
<td></td>
</tr>
<tr>
<td>Contingency Theory</td>
<td>1960s</td>
<td>• Provides evidence that different styles/leaders have to be implemented/ installed in different conditions.</td>
<td>• Early Contingency theory has methodological flaws (Fiedler).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Provides evidence that good leadership and situational contexts are inseparable.</td>
<td>• Inability to improve employees’ motivation in some situations (Hersey &amp; Blanchard).</td>
</tr>
<tr>
<td>Servant Leadership</td>
<td>1970s</td>
<td>• A new concept of leadership where leaders should serve the followers.</td>
<td>• Utopian concept, encourages subordinates to be passive.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Argued to be the solution for the increasing unethical business conduct, since it is rooted in religious teaching.</td>
<td>• No consensus among researchers on what instrument can be best used to measure servant leadership.</td>
</tr>
<tr>
<td>Transformatio nal–Transactional Leadership</td>
<td>1978</td>
<td>• Integrating previous leadership theories: Great Man, Trait, Behavioural, and Situational.</td>
<td>• Bias toward transformational leadership concept.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Applicable universally.</td>
<td>• Transformational leader tends to abuse power.</td>
</tr>
<tr>
<td>Cross-Cultural Leadership</td>
<td>1999</td>
<td>• Combining the concept of universal cultural values with leadership.</td>
<td>• Generalisation of culture.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Applicable universally.</td>
<td>• Instrument specifically used for cross-cultural leadership measurement is complex.</td>
</tr>
</tbody>
</table>

Source: Developed by researcher for this research (2014).
Based on the literature review presented previously, the first four eras on leadership study can be considered as the refinement era, while the era of transformational-transactional leadership, servant leadership and cross-cultural leadership is considered the contemporary era. During the refinement era, the new theory that emerges replaces the previous theory. For instance, Trait theory emerges because of the scepticism about the Great Man Theory. Behavioural theory emerged because of the lack of consensus toward what trait can be best associated with effective leadership. Contingency theory finally replaced behavioural theory because leadership scholars finally realised the importance of situational variables.

Nevertheless, this cycle ceased during the emergence of the transformational-transactional concept. Van Seters and Field (1990) argue that instead of replacing the previous leadership theories, the concept of transformational leadership is a combination of the previous leadership theories: Great Man, Trait, Behavioural and Contingency. In the same period, with the emergence of the Transformational–Transactional leadership concept, Robert Greenleaf proposed the concept of Servant leadership, derived mainly from Christian concepts. Servant leadership has the opposite goal to the Transformational-Transactional leadership concept: to serve the followers and fulfil their needs, while both transformational and transactional leadership goals are the success of the organisation.

Following the increased attention being given to the importance of cross-cultural management study, the GLOBE Project’s scholars decided to investigate leadership styles and organizational behaviour across cultures. Although there is no leadership style that can be applied universally, the GLOBE Project found that some aspects of transformational leadership are universally endorsed as the contributing factors for outstanding leadership (Ahlstrom & Bruton, 2010). The emergence of the cross-cultural leadership concept, however, did not replace the theories of transformational-transactional leadership and servant leadership. To
date, recent research publications on these leadership theories are abundant (e.g., Caligiuri & Tarique, 2012; Hoption, Barling, & Turner, 2013; Kuntz, Kuntz, Elenkov, & Nabirukhina, 2013; Mittal & Dorfman, 2012; Paulsen, Callan, Ayoko, & Saunders, 2013; Peterson, Galvin, & Lange, 2012; Shim & Steers, 2012; Wang & Gagné, 2013; Wu et al., 2013), which serve as evidence that these theories are still widely accepted by leadership scholars.

The concept of cross-cultural leadership initiated by the GLOBE Project shares a lot of similarities with Hofstede’s concept of cultural values. Despite being the most recent work in leadership to be widely tested and validated, the instruments employed in the GLOBE Project’s research are considered long, complex, and hard to understand by respondents since it used too many technical words. As has been explained previously, the GLOBE’s Form Alpha questionnaire consists of 214 items, while the Form Beta questionnaire consists of 217 items.

Although it did not explicitly present the elements of culture, the concept of transformational-transactional leadership has proved itself to be applicable across different cultures. Bass and Avolio (1995) expanded this concept into the Full Range Leadership Theory, measuring 3 types of leadership along with the leadership outcomes. The measurement instrument, Multifactor Leadership Questionnaire 5X, has been used worldwide and gained consensus as the most popular instrument for transformational leadership. The validity of the instrument has been widely tested by scholars (Antonakis, 2001; Antonakis et al., 2003; Avolio, Bass, & Jung, 1997; Avolio, Bass, & Jung, 1999), and it is considered to “most appropriately and adequately capture the factor constructs of transformational–transactional leadership” (Muenjohn & Armstrong, 2008, p.3).

In the Servant Leadership Study, scholars lack consensus regarding the best instrument to measure servant leadership. Although servant leadership is hard to measure (Van Dierendonck & Nuijten, 2011), to date there are at least 5 major
instruments to measure the concept (e.g., Barbuto & Wheeler, 2006; Laub, 1999; Page & Wong, 2000; Sendjaya et al., 2008; Van Dierendonck & Nuijten, 2011). However, compared to the GLOBE’s Form Alpha and Beta and Multifactor Leadership Questionnaire 5X, none of these instruments has been widely used in large scale, multinational research. More importantly, Servant Leadership is argued to work only for specific (Christian) audiences; especially because servant leadership was taught by Jesus Christ himself (Sendjaya & Sarros, 2002, p. 58).

Referring to the analysis of each contemporary leadership theory that has been presented, the present study decided to utilise Transformational-Transactional Theory to measure the leadership styles of Javanese and Chinese Indonesian managers, using Multifactor Leadership Questionnaire 5X. Of all the leadership instruments, MLQ 5X can be considered the best instrument to measure leadership since it will distinguish the result into three leadership styles: transformational, transactional and passive avoidant. The GLOBE Project’s questionnaire cannot distinguish leadership styles into different categories – it will only present the scores of each dimension. Since the GLOBE Project’s nine dimensions were mostly derived from Hofstede’s concept of cultural values, utilising the GLOBE Project’s instrument together with Hofstede’s instrument will cause inconsistency and overlapping. The validity of Servant Leadership instruments is questioned, following the lack of consensus about the best instrument to measure the servant leadership concept. More importantly, MLQ 5X has been extensively used in various research studies by corporations and individuals, and has been determined to be a reliable instrument in determining preferences for transformational and transactional leadership techniques. During the years 1997 to 2000, “the latest version of the MLQ, Form 5X, has been used in nearly 200 research programs, doctoral dissertations and masters theses around the globe” (Bass & Avolio, 2000, p.2).
In summary, this section has discussed how leadership study has evolved over time, and also presents the new paradigm that is gradually being accepted as another leadership theory – servant leadership. It is obvious that, to date, leadership is best measured using contemporary leadership theories. Based on the analysis of each theory that has been conducted, this study decided to utilise Transformational–Transactional Leadership to measure the leadership styles of Javanese and Chinese Indonesian managers. Since the instruments that will be utilised in this study have been decided, the next section will present the research gap based on the literature reviews that have been presented.

2.5 Research Gap

This chapter has presented the literature review regarding the Javanese and Chinese Indonesians, as well as the relevant literature on culture and leadership. From the literature review, it is interesting to note that Javanese and Chinese Indonesians have similarities in cultural values and leadership styles. Both ethnic groups acknowledge hierarchical social order in the society, and also demonstrate paternalistic/patriarchal leadership. At the national level, both ethnic groups were bound to the same state philosophy: the Pancasila, which is also becoming the state guideline for all Indonesians. Despite the similarities, the report by Backman (2001), Forbes (2011) and SWA Sembada (2009), interestingly, revealed that Chinese Indonesians have better business performance compared to the Javanese.

There were negative accusations regarding the success of Chinese Indonesian business person, in which they are argued to seek support from the government through unethical ways. Nevertheless, such accusations seem to be invalid at the present time, especially since the establishment of KPK (Corruption Eradication Commission) and KPPU (Commission for the Supervision of Business Competition) to ensure healthy business competition in the country. Thus, there must be other factors that have enabled Chinese Indonesian business person to top
the list of the 10 wealthiest Indonesians and control the majority of large corporations in Indonesia. The present study believes that identifying the success antecedents of Chinese Indonesian business person will be beneficial, especially for Indonesian society in general.

As argued in the introduction chapter of this thesis, the present study aims to investigate the success antecedents of Chinese Indonesian business only from the perspective of culture and the perspective of leadership. Nevertheless, the present study will not utilise the same approach as the previous research in cross-culture or leadership. To date, the trend in both fields of study is to make a comparison of culture and leadership across countries and compare the result. Some examples were Hofstede, Hofstede, et al. (2010), who made cultural comparisons between 76 countries; Trompenaars (1993) with 50 countries; the GLOBE Project (House et al., 2004) which made leadership and culture comparisons between 62 countries; Pekerti and Sendjaya (2010) who compared servant leadership between Indonesia and Australia; Chen and Fahr (2001) who made a comparison of transformational leadership in China and Taiwan. While such an approach is beneficial to observe cultural values or leadership styles from the national perspective, nevertheless, it fails to avoid the problem of culture and leadership generalisation. Such generalisations occur when researchers assume that the country’s demographic composition is homogenous. It can be observed from the culture and leadership research in Indonesia which argues that Javanese culture and leadership is a representation of Indonesia’s culture and leadership (Antlöv & Cederroth, 2013; Goodfellow, 1997; Hofstede, 1982; Hofstede, Hofstede, et al., 2010; Irawanto, 2009; Irawanto et al., 2011; Liddle, 1996; Mann, 1996), disregarding the fact that Indonesia is a culturally-diverse country. If Javanese is the real representation of Indonesia’s culture and leadership, then the paradox of Chinese Indonesian business would never arise, since there would be no difference between the cultural values and leadership of Javanese and Chinese Indonesians. Since the present study acknowledges that Indonesia’s cultural diversity may have an effect
on the cultural values and leadership styles exhibited by each ethnic group, a more specific approach was taken: investigating cultural values and leadership differences at the sub-cultural level.

The present study believes that abandoning the cultural variations which exist in a country will produce inaccurate results which will tend to mislead people. This is in line with Hofstede, Hofstede, et al.’s (2010) statement who admit that their Indonesian cultural values score might be misleading since they only focus on Javanese culture. It is obvious that making generalisations on culture and leadership in Indonesia is inappropriate, as depicted in Figure 2.2, as follows:

**Figure 2.2 Consequences of Generalisation on Culture and Leadership**

Source: Developed by researcher for this research (2014)
The success paradox of Chinese Indonesian business person in Indonesia raises several questions: How could two ethnicities which live in the same nation, having gone through the process of assimilation and having similarities in cultural values, have such a dramatic difference in business performance? Specific to Chinese Indonesian business in the Central Java Province, how can the minority Chinese Indonesians dominate 75 per cent of large corporations in the province which is the origin of Javanese culture? The present study argues that the paradox of the Chinese Indonesians’ business superiority over the Javanese could be caused by the differences in their cultural values, or, caused by the differences in their leadership styles, and the proposed research questions are as follows:

1. What are the cultural values of Javanese managers and Chinese Indonesian managers?
2. What are the leadership styles of Javanese managers and Chinese Indonesian managers?
3. What are the distinctive characteristics of Javanese managers and Chinese Indonesian managers?

2.6 Summary of the Chapter

The early part of this chapter presents the historical background of Javanese and Chinese Indonesians, which is believed to have influenced the development of Javanese and Chinese Indonesian business. Their cultural values and leadership styles based on the literature were also presented, to give an insight regarding their particular characteristics and behaviours in daily life and in the business environment. Nevertheless, the literature review presented above still does give a clear answer to why Chinese Indonesians are able to dominate Indonesia’s business sector.
To decide the most suitable cultural framework to be employed in this study, a critical analysis of notable cultural frameworks was conducted. From 5 cultural frameworks presented in this chapter, Hofstede’s framework is considered the most suitable framework to present and measure the cultural characteristics of Javanese and Chinese Indonesian managers. More specifically, the values of both groups of managers will be measured by an instrument named Value Survey Module 08 (Hofstede et al., 2008).

A similar approach was employed to decide the best framework to measure leadership. Unlike research studies in culture, which often contradict one another, research in leadership is the result of an evolutionary process. Although not considered as the latest concept in leadership, Transformational-transactional Leadership has been chosen to measure the leadership styles of Javanese and Chinese Indonesian managers. The concept was proposed by Bass and Avolio (1995) and can be measured using an instrument named the Multifactor Leadership Questionnaire 5X (MLQ 5X). Both the Transformational-transactional Leadership concept and MLQ 5X were selected mainly for their reliability, validity and universality. The latter part of this chapter also presents the research gap observed from the review of the literature in the field of management and culture. Thus, the next chapter will present the details of the methodology used in this study.
CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

The purpose of this chapter is to present the research methods used to explore the cultural values and leadership styles of Javanese and Chinese Indonesian managers. There is a paradox in the Indonesian business sector where the minority Chinese Indonesians are argued to have better performance compared to other Indonesian ethnic groups. The antecedents of this paradox itself are hard to explained, since researchers tend to make generalisations on Indonesia’s culture rather than considering that each Indonesian subculture has its own distinctive characteristics that might have an influence in business. Research focusing on Chinese Indonesian business itself is limited, creating an urgency to conduct research which aims to investigate the paradox. In order to address research problems systematically, the present study employs a mixed method design where the use of quantitative and qualitative data was determined at the start of the research process (Creswell & Plano Clark, 2011). Employing the mixed method will improve the use of qualitative data in explaining the complex phenomena such as culture and leadership.

The decision to employ the combination of quantitative and qualitative data collection methods was based on the advice of previous studies in cross-culture. As suggested by Hofstede, Garibaldi de Hilal et al. (2010), a quantitative approach alone will not be sufficient for cross-cultural research, as research in this area needs observation and qualitative data to grasp the actual cultural nuances to give a more accurate result. The data collection was undertaken in three stages, starting with the pilot-testing in order to determine whether an Indonesian translation of VSM 08 and MLQ 5X questionnaires was required. The second stage was the distribution and collection of quantitative data, and the final stage consisted of follow-up interviews. All three stages were conducted in Indonesia.
The present study uses a sample of middle and senior managers from 7 Javanese organisations and 5 Chinese Indonesian organisations in Central Java province in Indonesia. This province was selected as Javanese culture originated there and it has the largest Javanese population in Indonesia. Nevertheless, 75 per cent of the large corporations in this province are owned by the minority Chinese Indonesians (SWA Sembada 2009). Comparing Javanese and Chinese Indonesian organisations in this province enables the present study to investigate the differences and similarities based on the perspective of culture and perspective of leadership.

The structure of this chapter is set out in Figure 3.1 below:
Figure 3.1 Overview of the Methodology Chapter

Source: Developed by researcher for this research (2014).
3.2 Research Paradigm

The choice of research paradigm in this research has gone through careful consideration. As explained in the first and second chapters, the present study decided to employ mixed methodology, combining quantitative instruments (VSM 08 and MLQ 5X) and qualitative interviews to compare and investigate the cultural values and leadership styles demonstrated by Javanese and Chinese Indonesian managers. Research utilising quantitative methods alone were mostly based on the positivist paradigm which emphasize the objective reality and cause-effect tradition. Originally, the positivist paradigm was introduced by Auguste Comte, with the intention of bringing the “positive” methods of natural sciences, such as mathematical analysis, for application in social science research. Mathematical analysis was considered as an objective research method and, therefore, in its application, positivists rely heavily on surveys or statistical analysis (Benbasat, Goldstein, & Mead, 1987). Since positivism is mostly characterised by the use of a quantitative approach (Wallace & Gach, 2008), quantitative researchers often belong to the positivist paradigm (Sale, Lohfeld, & Brazil, 2002).

On the other hand, qualitative research in management was mostly conducted using a phenomenological paradigm. The purpose of this paradigm is to describe particular phenomena as a lived experience, as what is perceived by the real actors (Speziale, Streubert, & Carpenter, 2011). In phenomenology, the structure of consciousness is described using the first person point of view (Romdenh-Romluc, 2010). The concept was established by Edmund Husserl, and was considered by him as “the science of the essence of consciousness” (Smith, 2007, p. 10). Because phenomenology explains the phenomenon from the first person perspective, it draws criticism as being too subjective.
In its early development, research in culture was mostly conducted using a qualitative approach. Examples can be seen in the work of one of the earliest theorists in cross-cultural comparison, Clyde Kluckhohn, who conducted his research using a qualitative–ethnological approach. In the 1960s, however, Clyde Kluckhohn’s works were expanded by his wife, Florence Kluckhohn, and Fred Strodtbeck as they began to develop measurements for Kluckhohn’s cultural dimension. The quantitative approach began to establish itself as the major approach to measure culture when Geert Hofstede introduced his concept of cultural values (Hofstede 1980a), which was then followed by other global-scale research studies such as Trompenaars’ (1993) and the GLOBE researchers’ (House et al., 2004).

Similar trends occurred in the development of leadership studies. The foundation of leadership study, Thomas Carlyle’s essay, “On Heroes, Hero Worship and The Heroic in History” (Carlyle, 1888), is written using a qualitative approach. This approach was used until the end of the Trait Era, before being replaced by the quantitative approach, as it was considered too subjective and too fuzzy for a leadership subject due to its inability to determine what traits made effective leadership. Quantitative instruments dominate leadership studies from the Behavioural Era until the recent Cross-Cultural Leadership Era.

However, the present study argues that the best approach in measuring both culture and leadership is not always to follow the recent trends. It has been acknowledged by Hofstede, Garibaldi de Hilal et al. (2010) that cultural research conducted using a quantitative–positivist approach will stop the researchers from capturing the actual cultural nuances of their subject. Furthermore, culture is something that could be felt but is very hard to measure, making a quantitative approach unsuitable for cultural research (Schein 1990).
The complexity of the demands in management and leadership research has been realised by the GLOBE researchers, in which they provide qualitative data (Chhokar et al., 2007) as a companion to their quantitative results data (House et al., 2004). Instead of focusing on the traditional methods – by choosing either a quantitative or qualitative approach–they find combining the positive aspects from both approaches is the answer to developing a solid research foundation and minimizing criticism. Combining both quantitative and qualitative approaches is known as “mixed methods”, and has been established over the past twenty years as the third methodological movement (Teddle & Tashakkori, 2009). Mixed method was considered the solution to ending the paradigm wars between qualitative and quantitative researchers (Yvonne Feilzer, 2010).

With regard to the research paradigm used in mixed methods research, it did not belong to either positivists – which favour quantitative methods, nor phenomenology – which favours qualitative methods. Based on this reason, an attempt to develop a new framework which can accommodate the nature of mixed methods research is needed (Creswell and Plano Clark 2007, pp. 26-28). Among many alternative paradigms proposed by researchers (e.g., Creswell & Plano Clark, 2007, p. 26; Greene, Benjamin, & Goodyear, 2001, p. 28; Teddle & Tashakkori, 2009, p. 7), pragmatism is the most common approach associated with mixed methods (Teddle & Tashakkori, 2009, p. 7). Pragmatism focuses on the problem to be researched and the consequences of the research, believing that there are single and multiple realities, with the objective being to solve practical problems in the “real world” (Yvonne Feilzer, 2010, pp. 7-8). By being a pragmatist, researchers do not have to “be the prisoner of a particular [research] method or technique” (Robson, 1993, p. 291).

In relation to the present study, the decision to combine the two instruments from different fields of study (VSM 08 in cross-culture and MLQ 5X in leadership) is determined by the researcher with the aim to best address the cultural values and
leadership styles of Javanese and Chinese Indonesian managers. Instead of using specific instruments to measure values and leadership (e.g., GLOBE Form Alpha and Beta), the present research conducts the process of analysis and comparison of cultural frameworks and leadership theories, and the results were used as the foundation to determine the most suitable instruments for the nature of this study. These processes reflect the pragmatist stance in this study, since the decision to employ the chosen instruments was decided by the researcher of the present study, without following the latest instrument or the latest trend in cross-cultural and leadership study. The most important aspect in the design of this study is to make this study useful, that is, to “aim at utility for us” (Rorty, 1999, p. xxvi).

In summary, the concept of culture and leadership contains layers that still have to be unveiled, setting researchers the task of developing a never-ending attempt to refine the concept of culture and the theory of leadership. The development of both concepts over the last nine decades has provided us with the evidence that culture and leadership are too complex to be addressed only with a single approach – qualitative or quantitative. In this era of cross-cultural management and leadership, the use of a positivist stance as the research paradigm will enable researchers to make a fair comparison between the cultural values and the leadership styles of two or more societies, nevertheless, the qualitative approach is also needed to uncover the nuances of both concepts in real-life application. The application of mixed methods research with a pragmatist paradigm allows the present study to assess some aspects of the phenomenon quantitatively and some other aspects qualitatively, with the generic intention to elevate the usefulness of this study.

3.3 Research Design

As has been explained in the previous section, the present study adopted mixed methodology, combining both quantitative and qualitative methodologies to address the Chinese Indonesian business paradox, to investigate the distinctive
cultural values and leadership styles of Javanese and Chinese Indonesian managers, and to obtain explanations regarding the implications of these cultural values and leadership styles on business.

The application of mixed methods will enable the present study to complement the weaknesses of quantitative and qualitative methodology. Research using quantitative methodology alone tends to abandon the opinion of research participants', and is argued to cause a weak understanding of the context of the research (Creswell & Plano Clark, 2011). On the other hand, qualitative research results cannot be generalized since it tends to use a small number of participants. Furthermore, the results are considered biased, because most interpretations are made by the researcher (Creswell & Plano Clark, 2011).

Besides eliminating the weaknesses of qualitative and quantitative approaches, utilising mixed methods will provide several other contributions in this study. Mixed methods enable researchers to answer research questions that cannot be addressed using other methodologies, providing better inferences and providing opportunity to present divergent views (Teddlie & Tashakkori, 2003, pp. 14-15). Additionally, employing mixed methods will minimise bias and ensure high reliability and validity (Chow, Quine, & Li, 2010, p. 495). The justification of using mixed methods in this study is also described in the five broad rationales proposed by Greene, Caracelli, and Graham (1989), as follows:

“(a) triangulation (i.e., seeking convergence and corroboration of results from different methods studying the same phenomenon), (b) complementarity (i.e., seeking elaboration, enhancement, illustration, clarification of the results from one method with results from the other method), (c) development (i.e., using the results from one method to help inform the other method), (d) initiation (i.e., discovering paradoxes and contradictions that lead to a reframing of the research question), and (e) expansion (i.e., seeking to expand the breadth and range of inquiry by using different methods for different inquiry components)” (Greene et
The above descriptions have provided the rationale for using mixed method in the present study. However, there are also challenges in utilising mixed methods, as argued by Creswell and Plano Clark (2011). The first challenges are an adequate knowledge of qualitative and quantitative methodology for the researchers. Since mixed method combines quantitative and qualitative approaches, familiarity in collecting both quantitative and qualitative data is a must for the researcher (Creswell & Plano Clark, 2011, p. 13). The researcher has experience in collecting both quantitative and qualitative data during his Bachelor and Master’s degree programs, and for various research projects during his first two years as a lecturer in Diponegoro University, Indonesia. However, to sharpen the knowledge of both methods, the researcher took three courses - Qualitative Research Methods, Quantitative Research Methods and Research Design Strategies - at Deakin University, Australia, before conducting the data collection process. The second challenge in utilising mixed methods is the question of time and resources (Creswell & Plano Clark, 2011, p. 14). This issue has been carefully considered in this study, and through the financial support of both the Government of the Republic of Indonesia and Deakin University, the present study has managed to complete the lengthy data collection process and analysis. The data collection for this study took 7 months (from August 2011–February 2012), and the data analysis took 5 months (from March 2012–July 2012). The details of the challenges confronted by the researcher will be explained in detail in the next section about data gathering procedures.

The understanding of mixed methods’ benefits and challenges alone cannot justify a researcher to employ mixed methods in the research. As explained by Creswell and Plano Clark (2007, p. 79), a rigorous and strong mixed methods design should decide several aspects according to the nature of the research: the timing of the research, the weighting of the quantitative and qualitative methods, and how these
methods are mixed. The timing decision is important, since it reflects the order of data collection in the research (Morgan, 1998). To be more detailed, timing also reflects which data are analysed and interpreted first. The second aspect is the weighting decision, where the researcher has to decide whether the weight of quantitative and qualitative methodology is equal or unequal. The choice of weighting is based on the strength of the data collection method, and very much influenced by the goal of the research (Morgan, 1998). The last aspect that has to be considered is the mixing decision, reflecting how the quantitative and qualitative data should be mixed. There are three options in mixing data: the data can be merged, embedded in the others, or they can be connected (Creswell & Plano Clark, 2007, p. 83).

Specific to the present study, sequential timing was adopted where the quantitative instruments (VSM 08 and MLQ 5X) were distributed first, followed by the qualitative interviews. The weighting which gives emphasis to the quantitative data was based on the fact that the present study relies heavily on the VSM 08 to investigate and compare the cultural values, and MLQ 5X to investigate and compare the leadership styles of Javanese and Chinese Indonesian managers. The use of qualitative methods in this study is to refine the gap found in previous studies in the cross-cultural management area, because culture is a complex phenomenon which could not be observed merely using quantitative instruments alone (Hofstede, Garibaldi de Hilal, et al., 2010; Schein, 2010). In the case of Indonesia which consists of hundreds of cultures which can easily be distinguished from one another, the use of qualitative methods is important to demonstrate the specific cultural nuances and the characters of Javanese and Chinese Indonesians. Both VSM 08 and MLQ 5X serve as an external framework used to measure and compare cultures and leadership, and the qualitative interviews provide further analysis to distinguish the cultural values and leadership styles of Javanese and Chinese Indonesian managers from within, using a set of questions. However, a decision has to be made to put the quantitative instruments into priority, since
utilising VSM 08 and MLQ 5X will enable this study to measure and compare the cultural values and leadership styles, while the use of a qualitative approach alone would not enable this study to do so.

Regarding the mixing decision in this study, both quantitative and qualitative data will be merged during interpretation. Both sets of data will be presented and analysed separately in the results section, and the two sets of results will be presented in the discussion chapter. In summary, the decision of timing, weighting and mixing in the present study is presented in Figure 3.2 below:

**Figure 3.2 Decision for Mixed Methods Criteria for Timing, Weighting and Mixing**

![Decision for Mixed Methods Criteria for Timing, Weighting and Mixing](image)

Source: Based on Creswell, Plano Clark, Gutmann, and Hanson (2003); Hanson, Creswell, Plano Clark, Petska, and Creswell (2005) and Plano Clark (2005), as cited in Creswell and Plano Clark (2007) p. 80.

As has been explained in the two previous paragraphs regarding the decision for the weighting criteria, quantitative methods are considered a dominant element in
the present study. The VSM 08 and MLQ 5X will be able to give an unbiased comparison regarding the cultural values and leadership styles of Javanese and Chinese Indonesian managers. However, the use of qualitative data will enrich the quantitative findings, as well as expanding the reliability and validity of this study (Chow et al., 2010, p. 495). Furthermore, the use of a qualitative method will support the quantitative findings. The role of quantitative and qualitative methods in this study is presented in Figure 3.3 below:

**Figure 3.3 Role of Quantitative and Qualitative Methods in this Study**


In summary, the aim of the present study is to compare and investigate the cultural values and leadership styles of Javanese and Chinese Indonesian managers, as well as investigating the implications of the differences in values and leadership styles among both groups of managers toward business. This section has described the advantages and challenges in the mixed methods study, the decision of timing, weighting and mixing criteria, and the role of quantitative and qualitative study in
this research. The greater role of quantitative instruments in this study is inevitable, in order to present an appropriate comparison between the two groups of managers. However, this section also emphasizes the importance of the qualitative instrument since unveiling the layers of phenomena such as culture and leadership can only be conducted through this approach, based on the suggestion from (Schein, 1990) and (Hofstede, Garibaldi de Hilal, et al., 2010). Thus, the results of the present study will be derived from the thorough analysis of the literature reviews, quantitative results and qualitative results, with the intention of covering the shortfall of the previous research which uses only a single method, as depicted in Figure 3.4 below:

**Figure 3.4 : Interrelations of Literature Review, Quantitative Findings and Qualitative Findings to Produce Research Results**

Source: Developed by researcher for this research (2014).
3.4 Data Gathering Procedures

3.4.1 Stage 1: Literature Review

This study aims to investigate the distinctive cultural values and leadership styles of managers from two ethnic groups in Indonesia: the Javanese and Chinese Indonesians. Cultural values will be measured using Hofstede et al.’s (2008) cultural values dimensions, and leadership styles will be measured using Bass and Avolio’s (1995) instruments which will distinguish leadership into three types: transformational, transactional and passive avoidance. The purpose of this study is to investigate the characteristics which have distinguished Chinese Indonesian business person from the largest ethnic group in Indonesia, the Javanese, based on the fact that research regarding cultural values and leadership with relation to business is lacking in Indonesia. It is also in response to the information that in provinces where Javanese are the majority ethnic group, the largest business corporations are owned by the minority Chinese Indonesians (SWA Sembada, 2009). The phenomena also seem to happen at the national level, where 9 out of 10 on the list of the 10 wealthiest Indonesians are Chinese Indonesians and the tenth is Javanese (Forbes, 2011). There is a paradox related to the success antecedents of Chinese Indonesian business that needs to be explained, and this study argues that there are differences in values and leadership styles which makes Chinese Indonesians more successful than other ethnic groups in business.

As discussed previously in the literature review chapter, studies specific to Javanese culture and leadership styles were mostly derived from anthropological and sociological perspectives. Similarly, the studies on Chinese Indonesians mostly emphasise their position as the marginal, minority ethnic group. The Chinese Indonesians’ business performance has overwhelmed the native Indonesians, ever since the establishment of the country in 1945 yet no study focuses on why Chinese Indonesians are exceptional performers in business.
Believing that culture and leadership are two facets of the multifaceted antecedents of business success, the present study aims to investigate and compare managers in Chinese Indonesian organisations with managers in Javanese organisations from the perspective of culture and the perspective of leadership. The decision to focus on only two subcultures in Indonesia was based on the gap in the previous studies which tended to make culture generalisations (e.g., Hofstede, 1982; Pekerti & Sendjaya, 2010) despite the fact that Indonesians have hundreds of local cultures and speak in hundreds of local languages. Culture generalisation has made the cultural descriptions about Indonesia inaccurate and misleading (Hofstede, Hofstede, et al., 2010, p. 158). There is a need for research which can uncover the antecedents of the Chinese Indonesian business paradox and provide answers to why they are more successful than the Javanese – the largest ethnic group in Indonesia – and present scientific evidence regarding the business performance of both culture and leadership.

3.4.1.1 Measurement instruments

In the present study, the selection of measurement instruments has been conducted carefully. The choice of measurement instrument is the most important part of the measurement process (UNIDO, 2006) and two instruments, Value Survey Module 08 (VSM 08) (Appendix 2) and Multifactor Leadership Questionnaire 5X (MLQ 5X) (Appendix 5) have been selected after careful analysis and comparison of available instruments to measure leadership and cultural values. The selection of MLQ 5X was based on the argument that it has been widely used, and its reliability and validity have been tested through numerous leadership studies (Antonakis, 2001; Antonakis et al., 2003). The Value Survey Module 08, although based on the original Value Survey Module (Hofstede 1982), has gone through many revisions, and is considered the most widely used instrument to measure cultural values by academics and practitioners round the world (Hofstede, 1984, p. 365). The robustness of Hofstede’s model was proved by the large number of
independent replications of his model (House, Wright, & Aditya, 1997). The following section will discuss the details of both instruments.

3.4.1.2 Value Survey Module 08 (VSM 08)

To obtain the score of cultural values of both Javanese and Chinese Indonesian managers and to compare their values differences, VSM 08 was employed. VSM 08 measures and compares the culturally determined value of people from different cultural groups. VSM 08 consisted of 34 items, where 28 items were used to measure culturally-influenced values and 6 questions for the demographic purpose. For the measurement of 7 cultural dimensions, respondents will indicate their answers using a 5-point Likert-type scale. VSM 08 results will be calculated using the formula provided by Geert Hofstede with the results normally ranging between 0-100. As has been explained in the previous chapter, Hofstede’s cultural framework is “the most extensive examination of cross-national values in a managerial context” (Nakata & Sivakumar, 1996, p. 62), making the VSM the obvious choice to measure and compare the cultural characteristics of Javanese and Chinese Indonesian managers in this study.

Compared to other instruments for measuring culture (e.g., Trompenaars, Kluckhohn, Hall, GLOBE), VSM is the only instrument to measure culture that has gone through continuous revisions. To date, VSM has been revised four times, making it the most recent instrument to measure culture. The first version, VSM 80 (Hofstede 1980a), is the original version of VSM which is based on the IBM attitude survey questionnaires, designed to measure four cultural dimensions (individualism vs. collectivism, power distance, masculinity vs. femininity, uncertainty avoidance). VSM 82 is the extended version of VSM 80, and was widely used in the field of cross-cultural research until the publication of VSM 94. VSM 94 has expanded Hofstede’s four cultural dimensions into five, with the additional variable named “long-term orientation” (Hofstede & Bond, 1988), and
was used for 14 years from 1994-2008. The latest version of VSM was released in 2008 (VSM 08) with two additional dimensions, namely, “indulgence versus restraint” and “monumentalism versus self-efficacy”, and, to date, is considered the most complete and least complex version of VSM.

In the present study, VSM 08 was translated into Bahasa Indonesia (Appendix 7), after consideration that some managers might not have sufficient English proficiency. The Indonesian translation of VSM 08 was not available, and the present study has undertaken the task of providing the initial translation. The final result of translation was sent to Geert Hofstede and has been uploaded on his website, as a reference for researchers who want to administer VSM 08 in Indonesia in the future. The translation process in this study refers to Brislin (1970) criteria for back translation, and the detail of the VSM 08 translation process will be explained in detail in the section on pilot testing. The correspondence with Geert Hofstede and Gert Jan Hofstede relating to the use of his framework and the submission of the Indonesian translation of VSM 08 is presented in Appendix 9.

Since VSM 08 is a relatively new instrument, the reliability and validity of the instrument has to be “taken for granted” (Hofstede et al. 2008, p. 10). However, it should be remembered that the current VSM was derived from are search project which involved 160,000 respondents from 50 countries. The four cultural dimensions in the original version of VSM (Hofstede 1980a) have reliability scores over .700. The Power Distance Index has Alpha=.842, Individualism Index has Alpha=.770, Masculinity Index has Alpha=.760 and Uncertainty Avoidance Index has Alpha=.715 (Hofstede et al. 2008, p. 11). Regarding the reliability of the instrument, Hofstede (1984) added details as follows:

The data from countries which were surveyed twice within a four-year interval allow a test of the stability of the between-country differences. It was argued that only questions should be retained for
which the differences in score level from country to country would be relatively stable from the first to the second survey round (from about 1968 to about 1972) … The stability coefficients were computed as (Spearman) rank correlations of mean country scores (based on seven occupations) between the first and the second survey rounds. They vary from .12 to .95. Arbitrarily, I consider scores as reasonably stable if the coefficient exceeds .50 (p. 55) … In this case the reliability of the measurement of country differences based on the mean of both surveys, according to the Spearman-Brown formula, will be .67 (Hofstede, 1984, p. 64).

The most important aspect that has to be considered when utilising Hofstede’s VSM are the sample criteria. The sample criteria from two or more groups have to have matching criteria, as much as possible. Hofstede (2002, p. 172) has cautioned when researchers want to use his VSM instrument, as follows:

... comparisons of countries or regions should inasmuch as possible be based on samples of respondents who are matched on all criteria other than nationality or region. So, respondents from one country to another should be chosen from the same gender, age, education level, occupation, manager/non-manager status, employer etcetera—they should be matched on any criterion other than nationality that can be expected to affect the answers. (Hofstede, 2002, p. 172)

The present study gives high regard to the Hofstede suggestion on sampling criteria. The composition of gender between two groups of companies (Javanese and Chinese Indonesian) was made as close as possible. All respondents were holding managerial positions, had a degree from a university, and had to have been working in their present company for at least four years. By following Hofstede’s suggestions and instructions, as well as avoiding Hofstede’s mistake in culture generalisation, the present study has confidence to present accurate findings related to the cultural values of Javanese and Chinese Indonesian managers.
The second measurement instrument utilised in this study is the Multifactor Leadership Questionnaire version 5X (Bass & Avolio 1995), which will be used to measure and compare the leadership styles of Javanese and Chinese Indonesian managers. Leadership styles will be distinguished into three types: transformational leadership, transactional leadership, and passive avoidant leadership. The MLQ’s ability to distinguish leadership styles from the least preferred (passive avoidant style) to the most preferred (transformational style) made MLQ a tool that can measure “full range” leadership dimensions and is referred to as a “Full Range Leadership Theory” (FRLT). In detail, MLQ measures nine leadership dimensions, which are: idealized influence (attributed), idealized influence (behaviour), inspirational motivation, intellectual stimulation, individualized consideration, contingent reward, management by exception (active), management by exception (passive), and laissez-faire (Antonakis et al., 2003; Avolio & Bass, 2004; Bass & Avolio, 1995). The MLQ (Form 5X) contains 45 questions and allows respondents to rate leadership behaviours using a 5-point Likert-type scale. The MLQ offers the participant five values, which include:

- 0 – Not at all
- 1 – Once in a while or rarely
- 2 – Sometimes
- 3 – Fairly often
- 4 – Frequently if not always

The complete form of MLQ 5X consists of 2 sections, leader form and rater form. The purpose of the full questionnaire is to enable 360 degree assessment, where the leader will evaluate his own leadership style, and followers (subordinates) will give an evaluation of their leader’s leadership style. This 360 degree assessment will be beneficial for a company’s internal leadership performance evaluation. Although directed toward different respondents, both the leader form and rater
form measure the exact same 9 leadership dimensions, and each question in both questionnaires has the exact same meaning. The present study will utilise only the MLQ leader form (Appendix 5), consistent with its purpose to measure the leadership style of Javanese and Chinese Indonesian managers, but not to conduct an internal leadership performance evaluation in the organisation.

The MLQ has been extensively used in various research studies by corporations and individuals, and has been determined to be a reliable instrument in determining preference for transformational and transactional leadership techniques. During the years 1997 to 2000, “the latest version of the MLQ, Form 5X, has been used in nearly 200 research programs, doctoral dissertations and masters theses around the globe” (Bass & Avolio, 2000, p.2). Lowe, Kroeck and Sivasubramaniam (1996, p. 387) added that the MLQ questionnaire has been “examined in over 75 research studies, appearing in journals, dissertations, book chapters, conference papers and technical reports”. The wide application of MLQ among academic researchers is one of the reasons why the present study decided to utilise this instrument to measure the leadership style of Javanese and Chinese Indonesian managers.

The next reason related to the choice of MLQ as a measurement instrument in the present study is because its validity and reliability have been proven. The reliability of all 45 items in MLQ 5X ranged from .74 to .94, which is considered high and exceeded the internal reliability standard (Avolio & Bass, 2004, p. 46). The attempt to measure the reliability and validity of MLQ 5X can also be seen in John Antonakis’s dissertation (Antonakis, 2001). The conclusion of his research regarding MLQ’s reliability and validity can be seen in Antonakis et al.’s (2003, p. 286) statement as follows:

Our results indicate that the current version of the MLQ (Form 5X) is a valid and reliable instrument that can adequately measure the nine components comprising the full-range theory of leadership.
Although the MLQ (Form 5X) and indeed, any leadership survey instrument, will never account for all possible leadership dimensions, it represents a foundation from which to conduct further research and to expand our understanding of the “new models of leadership” (Antonakis et al. 2003, p. 286).

Referring to the various leadership theories and concepts that have been presented in the previous chapter, it should be remembered that leadership dimensions measured in MLQ may not reflect all the possible theoretical constructs of leadership. Nevertheless, as has been stated by Antonakis et al. (2003), “it was never the intent of the FRLT to include all possible constructs representing leadership. The intent was to focus on a particular range and examine it to its fullest” (Antonakis et al., 2003, p. 286). Although there are leadership factors that might not be able to be grasped by the MLQ 5X questionnaire; the present study will compensate for this shortfall by conducting qualitative interviews, with the intention of capturing the leadership nuances of Javanese and Chinese Indonesian managers which might be unique because of the influence of their culture.

To summarize this section, a positive aspect of MLQ is that it can be used at all levels of leadership (Kirnan & Snyder, 1995, p. 651), has "good construct validity, adequate reliability, and a strong research base" and is "strongly recommended" for research purposes (Bessai, 1995, p. 651). Similar to the VSM 08, MLQ 5X was also translated into Bahasa Indonesia because Mindgarden, the copyright holder of MLQ 5X, did not have an Indonesian translation of the instrument (Leader Form). The permission to distribute 250 MLQ 5X questionnaires is presented in Appendix 3, while the translation agreement between the researcher in this study and Mindgarden is presented in Appendix 4. The detail of the back translation process will be further explained in the pilot testing section of this chapter.
3.4.2 Stage 2: Quantitative Data Production

The aim of this study is to investigate and compare the cultural values and leadership styles of Javanese and Chinese Indonesian managers. To achieve this goal, two instruments - VSM 08 and MLQ 5X - were used to obtain quantitative data so measurement and comparison of the cultural values and leadership styles among both groups of managers can be conducted. This section will provide the detailed explanation regarding the quantitative data gathering procedures. All procedures will be presented consecutively, starting from the pilot testing, the design of the final questionnaire, the sample of the main study, the company selection process and the process of questionnaire administration and collection.

3.4.2.1 Pilot Testing

Due to the consideration that most Javanese and Chinese Indonesian managers will not have adequate proficiency in completing the English version of VSM 08 and MLQ 5X, both instruments were translated into Bahasa Indonesia. The translated version of VSM 08 was sent to Geert Hofstede, and the result can be downloaded from his website (http://www.geerthofstede.com/vsm-08) (Appendix 7). The researcher also sought permission from Mind Garden Inc., the copyright holder of MLQ 5X, to provide an Indonesian translation for the MLQ 5X leader form (Appendix 4). The result of both translations in Bahasa Indonesia (Appendix 7 and Appendix 8) served as references for future researchers who want to utilise both instruments for Indonesian respondents.

Translating both instruments into Bahasa Indonesia is considered necessary and crucial for this study. Based on the EF Education First (2012) EPI Country Rankings for English proficiency, Indonesia belongs to the low English proficiency category, ranked 27th out of 54 countries. The present study argues that despite having a managerial position, respondents will not be able to completely
understand the exact meaning of questions in both instruments. This argument was proved to be correct, as admitted by the majority of respondents involved in the interview session.

To test the translation results of VSM 08 and MLQ 5X, pilot testing was conducted. After receiving ethics approval from Deakin University’s research ethics committee, pilot testing was arranged at the Graduate School of Management, Diponegoro University, Indonesia. The main purpose of the pilot testing is to avoid respondents’ misunderstanding the translation results and to evaluate response time. The school has a class that is specifically designed for working people with managerial positions and the participants were students and graduates. Since the researcher works in this institution, access to the participants for pilot testing is convenient. Pilot testing was conducted with a total of 40 participants which was divided into two groups.

The translation of both VSM 08 and MLQ 5X was based on Brislin’s (1970, pp. 214-215) suggestions of providing translation from English to another language. The researcher acted as a bilingual translator since he has a high proficiency in both languages, translating both instruments from English to Bahasa Indonesia. With the help of participants in Group I, the translated instruments were checked for errors which could cause different interpretations in meaning. The pilot test was evaluated based on the responses from the participants on the following factors: (1) Response time of the participants – how long they take to finish the questionnaires, (2) Clarifying the understanding of VSM 08 and MLQ 5X questionnaires to determine whether participants are interpreting the items the way the researcher intended, (3) Whether the participants had some difficulty in understanding some words, or whether some words were too sophisticated for some of the participants, and (4) Listening to what the participants think about the instructions and the items in the Indonesian version questionnaires. Questionnaires
were modified based on the suggestions and critical examinations from the Group I respondents.

The next step, according to Brislin (1970, p. 215) is to administer the questionnaires to the bilingual subjects. Both questionnaires were distributed to participants in Group II, where some of them receive the original English version, some receive the revised Bahasa Indonesia version and some both; and later they circulated both versions among themselves and give their commentaries. Respondents from Group II agreed with the revised version of the questionnaires, and the researcher used the results as the final version for the questionnaires that will be administered for the quantitative data collection.

3.4.2.2 Questionnaire Design

Since the targets in this questionnaire are managers who hold important positions in their organisations, questionnaires in the present research were designed in a professional and systematic manner. Referring to the previous research experience using Indonesian respondents, the researcher in this study understands that the layout of the questionnaire held an important role in giving the first impression for Indonesian managers. As an Indonesian, the researcher in this study understands that “manager” is a respectable position for the majority of Indonesians. Those who held positions as managers gave close attention to the aesthetic aspects of the questionnaire given to them. Thus, the present study attempted to design both research instruments as aesthetically as possible, to give a good impression of the quality of this research and also of the researcher’s professionalism.

The questionnaires in this study were designed as a booklet (Appendix 12) which consisted of a cover page, cover letter, summary of the research, VSM 08 questionnaire, MLQ 5X questionnaire, a section asking for respondents’ permission to be contacted for a follow-up interview and a statement of gratitude.
All sections of the booklet were printed in Bahasa Indonesia. The cover of the questionnaire was printed in colour using high quality glossy paper. The Deakin University logo, the title of the project, the name of the researcher and contact details were written on the cover page. The cover letter was on Deakin University letterhead, with the contact details of the researcher and researcher’s supervisors. Each booklet (Appendix 12) was administered together with the ethics approval from the Human Research Ethics office of Deakin University (Appendix 1), so that participants who had any concerns regarding the ethical conduct of this study could contact Deakin University personally.

To attract respondents to agree to participate in this research, a page containing a summary of the research and the importance of the research was attached after the cover letter. Language was made as simple as possible, and the researcher avoided using technical wording for the convenience of the participants. Although the booklet did not require participants to include their personal identification, an additional statement was included which assured the participants of the confidentiality of their personal data, if any. Additional information regarding how the data will be processed in the next step was also included – data will be aggregated and calculated according to the formula of VSM 08 and MLQ 5X, which gives further assurance that a respondent’s answers will not be able to be identified at all. These explanations and assurances were made so respondents could express their views freely.

The next section in the booklet was the VSM 08 questionnaire followed by the MLQ 5X questionnaire. The VSM 08 was put in first before the MLQ 5X due to its simple and short questions, and the responses did not require a significant thinking process. These arguments were based on the results of the pilot testing where the participants suggested that the VSM 08 gave them a wider and clearer picture of the purpose of this research. The questions for demographic purposes had already become part of the VSM 08, so the researcher did not make any
modification on the questionnaire. However, at the end of the VSM 08 questionnaire the researcher added only one question regarding respondents’ language spoken at home. The purpose of this question was to obtain further information and to classify the respondents according to the criteria used in this study. Since both groups of respondents were inhabitants of Central Java Province, the assumption is that both groups should have Javanese language proficiencies. The detail of the findings will be presented in the next chapter of quantitative results.

The last section in the booklet contained the interview invitation, where the respondents were asked whether they would be willing to be contacted for an interview session. If they gave their permission, the respondent left their telephone number so that the researcher could contact them for the interview session. At the end of the booklet, a statement of gratitude was provided and composed using the most polite words in Bahasa Indonesia. In total, the booklet consists of 18 pages, with page dimensions of 14cm x 21.59 cm.

### 3.4.2.3 Sample of the Main Study

There are two basic sampling schemes in research, probability sampling and non-probability sampling (Gerrish & Lacey, 2010, p. 44). Probability sampling should ensure that the samples have the same characteristics as the population, because each unit in the population usually has an equal chance of selection. Non-probability sampling is used when the researcher's aim is to draw samples from an unknown, unidentified population. Specific to the present study, the probability sampling method was employed because the respondents were managers in the participating organisations. All sample respondents have the same criteria: they must have worked for at least five years, and been in charge of ten or more subordinates.
The same criteria in the sampling process meant all managers working with the involved organisations who have worked for at least five years and been in charge of ten or more subordinates had an equal chance of being selected as respondents in this study. Quasi-snowball sampling method was employed in the distribution of the questionnaires, since the selection process was fully determined by each company through their Human Resources Department office or depending on the decision of the Director. Both Human Resources Department and the Director has access to the employee data, thus, they could determine whether the managers fulfilled the criteria established by the researcher. Although the researcher did not have any ability to monitor the respondent selection process, intensive communication with the Head of the Human Resource Department of each company was conducted, resulting in their commitment to distributing the questionnaire booklet according to the criteria that had been determined by the researcher. Both the researcher and participating companies wished to ensure that the result of the present research would be as accurate as possible and be of benefit to management research, especially in Indonesia. A total sample of 200 respondents participated in the quantitative research by completing the booklet, composed of 100 managers from 7 Javanese companies and 100 managers from 5 Chinese Indonesian-owned companies. The detailed process of company selection and survey administration will be explained in the section below.

3.4.2.4 Company Selection Process

The process of selecting companies to participate in this research started in May 2011 via email. The researcher sent emails to a total of 32 companies owned by Javanese and Chinese Indonesian business person within Central Java Province, Indonesia, who had minimum net assets of 5 Billion Rupiah and at least 300 employees. There were no restrictions regarding the company’s type of business in this preliminary stage. The content of the email was to explain to the targeted
companies the purpose of this study, and to seek permission to distribute questionnaires and conduct interviews with their managers.

Unfortunately, only 2 out of 32 companies indicated they were willing to participate in this study during this stage of the process, twelve companies stated their unwillingness to participate and the rest did not respond to the researcher’s emails. At this point, the researcher went to Indonesia and decided to approach the companies in person. After arriving, the researcher conducted the pilot testing, finalised the instruments translations and prepared a proposal for the targeted companies. The hardcopy proposal was sent to the Human Resources Department of the targeted companies by post. Out of the 20 proposals sent to companies, 2 companies stated their agreement to participate, 3 companies established phone contact with the researcher and apologised that they could not participate, 3 companies sent a written statement of regret to the researcher’s home address, and the rest did not give any response.

To follow-up companies who did not give their response, the researcher decided to ask for their permission in person. The companies are located in several cities in Central Java Province: Semarang, Pekalongan, Surakarta, Demak, Salatiga, Purwokerto and Ungaran. During this process, the researcher encountered some difficulties making contact with the companies’ Human Resource Departments, mainly due to the restrictions put in place by front office employees or the company’s security officers. Most of the front office officers stated that they rarely received research proposals, especially from an overseas university, thus the researcher’s request could not be granted. Even the fact that the researcher in this study is of Indonesian nationality did not persuade them to give permission easily. In some companies, the representatives stated that the distribution of the questionnaires could distract managers’ focus and concentration, making them abandon their main task. Despite the hurdles experienced by the researcher in this process, another 3 companies agreed to participate after the researcher gave a
detailed explanation and repetitive assurances that no company names will be mentioned in the research publication. Although it was explained that the confidentiality of this research was assured, as included in the inquiry letter as well as printed in the survey booklet; most companies seemed not to have paid attention to this aspect.

The researcher was fortunate enough to be invited to the alumni dinner of one of the most reputable universities in Indonesia. During this gathering, the researcher established contact with alumni who held managerial positions in some of the top companies in Indonesia. Through these individuals, the researcher was referred to several companies in Central Java which had matching criteria, that is: owned by Javanese or Chinese Indonesians, have at least 300 employees and have minimum net assets of 5 Billion Rupiah. Five out of six companies referred to the researcher during this gathering agreed to participate in this research. In total, 7 Javanese owned and 5 Chinese-Indonesian owned companies from manufacturing, financial and insurance services, health services, information and communication, wholesale and retail trade, construction and mining and quarrying sectors agreed to participate in the research.

The recruitment process of both Javanese and Chinese Indonesian organisations was successful although the process was time consuming. From the researcher’s experience of the respondent company recruitment process, it is obvious that it is almost impossible to establish agreements with companies without having a referral from an influential person. Although the researcher had addressed the staff in the targeted companies in the most polite and moderate way, they did not always give a satisfactory and friendly response. These behaviours were more obvious when the researcher was in contact with an older individual than the researcher.
One of the factors that made the first seven companies agree to participate in this research was the status of the researcher as a lecturer in the Faculty of Business and Economics, Diponegoro University. However, initially, the success rates were low: 6.25 per cent for the email inquiry process, 10 per cent for the inquiries via post, and 25 per cent for the face-to-face inquiries. In stark contrast, the success rate with the companies referred to the researcher during the alumni gathering event was 83.3 per cent. No difficulties were encountered in approaching these companies to participate in this research since the researcher had a strong reference. Subsequently, one of the six companies decided not to participate because new machinery was being installed in their main facility.

In general, the experience of recruiting both the Javanese and Chinese Indonesian companies enabled the researcher to form a good relationship and establish their reputation with the Human Resource Department of the participating organisations. As an individual who has lived in Central Java province for 23 years, the researcher understands that the principle of respect is important in establishing a connection. People should be addressed according to their status, title and age. Eye contact, voice tone and body language during conversation were also important, and the researcher managed to create a good impression with the participating organisations through these culturally-specific manners and behaviours. This was reflected in the personal statements of top management in several of the companies who were involved in the interview process.

3.4.2.5 Questionnaire Administration and Collection Process

In this process, the researcher had already established contact with each of the companies who agreed to participate in this research. In each company, there was a contact person from the Human Resources Department office to help the researcher distribute and collect the questionnaire booklets from the managers.
Any other inquiries related to the application of the study’s data collection in the company was also required to be addressed to these contact persons.

At the beginning of the process, the researcher explained that for the present study he was seeking 100 completed questionnaires from both groups of companies (Javanese and Chinese Indonesian). The contact person would then check their list of managers who matched the sampling criteria and inform the researcher regarding the estimated number of questionnaires that could be distributed in the company. Since all the companies exceeded the company selection criteria (minimum net assets of Rp. 5 billion and a minimum of 300 employees), all of the managers who fulfilled the criteria from their office branches and subsidiaries located in Central Java province were also included in this research.

For the respondent’s convenience, the researcher originally prepared two types of questionnaire; the hard copy and the soft copy (online) form. However, all companies stated their preference for the hardcopy questionnaire. When asked about the rationale of this option, most companies stated that email communication was not effective in their organisations, since most companies used email communication only between top management and its direct staff members. There was also concern that some errors might happen and managers might not receive the electronic form of the questionnaire. Based on this rationale, the researcher visited each participating company in person and handed the hard copies of the questionnaire to the Human Resources Department representative.

During the handling process of the questionnaires, the researcher reiterated the nature of the research, the targeted respondents, and the expected collection date of the finished questionnaires. The researcher wanted to ensure that the contact persons were committed to help with the data collection for this present study, and by explaining again about the expectations for this study, the researcher hoped to instil a sense of commitment and responsibility in the contact person’s mind. A
covering letter was provided to explain the purpose of the study and gave specific directions as to how to fill out the questionnaires. The researcher also explained that the participation of the managers should be voluntary. Managers were given a three-week time frame to complete the surveys during working hours. The respondents’ identities were kept confidential and their anonymity was assured. Completed questionnaires were placed in the enclosed envelopes, sealed and returned to the Human Resources Department in the participating organizations to be collected by the researcher. The final results matched the researcher’s expectations, that is, 100 completed questionnaire booklets were collected from 7 Javanese companies and another 100 from 5 Chinese Indonesian companies.

The process of questionnaire distribution and collection described above illustrates how research needs to be conducted with organisations in Javanese and Chinese Indonesian organisations in Central Java Province. The most important aspect that needs to be given appropriate attention is the demeanour of the researcher when contact is first established. Good manners and behaviour will create a good first impression, which will help the researcher to establish trust and commitment with the referrer and the Human Resources Department of each organisation. A good relationship will also enable the researcher to seek help and assistance along the way; all participating companies stated their willingness to give further help on this research. The successful generation of 100 responses for both groups of companies reflects the successful approach taken by the researcher, as well as the good communication and trust between the companies and the researcher.

3.4.3 Stage 3: Qualitative Data Collection

The aim of the present study is to investigate the cultural values and leadership styles of Javanese and Chinese Indonesian managers. To achieve this aim, the present study adopted a mixed methods approach where the qualitative data were used to explain and support the quantitative findings. The interview process will
provide a detailed understanding of the respondents’ answers on the two instruments used in the present study: VSM 08 and MLQ 5X. Both VSM 08 and MLQ 5X were used to measure the cultural values and leadership styles of Javanese and Chinese Indonesian managers, which are unique and have their own distinctive characteristics. Nevertheless, the use of quantitative instruments alone would limit the respondents’ responses since all questions used to measure cultural values and leadership styles in the instruments were designed in a multiple choice format. Interview sessions will enable the researcher to scrutinize responses further and gain deeper understanding of the values and leadership concepts of Javanese and Chinese Indonesian managers, by asking questions according to the framework in different ways, as well as asking respondents about the implementation of the concepts in their workplace.

The interview participants were taken from managers who had indicated their interest and left their contact details during the quantitative stage. At the end of the questionnaire booklet, respondents were asked whether they were willing to be contacted for an interview session, and advised that the time and place of the interview would be set according to their preference. The interviews were semi-structured and the questions were based on the cultural and leadership framework used in this study, and the results of each company’s aggregate score which was obtained in the quantitative part for both instruments. Thirty-four managers participated in the interview process, with 15 managers from the Chinese Indonesian owned companies and 19 managers from the Javanese owned companies.

3.4.3.1 Interview Procedure

After the researcher collected the completed questionnaires from each company, a list of respondents willing to be interviewed was made. The researcher then established contact with the interviewees by telephone to arrange a mutually
convenient time and place for the interviews. The interviews were electronically recorded and transcribed and sent to the interviewee to be checked and approved for use. The approved interview transcripts were stored in a locked filing cabinet that could only be accessed by the researcher.

For the purpose of the follow-up interviews, all companies provided a designated place (meeting room) to be used by the researcher. In each company, the interview process took up to one week. All interviewees from the company were interviewed during this time period. The process of interviews was conducted in strict confidentiality, with the interviewer guaranteeing that the result of the interview would only be used for the purposes of this study. Interviewees’ identity was protected, and pseudonyms will be used to protect the interests of the participants. At the beginning of the interview, a consent form was signed to give the interviewees peace of mind knowing that the interview procedure was well-documented. The interviewee was given one copy of the completed consent form and another was retained by the researcher.

The documentation process of the interviews was made using a digital voice recorder and mobile phone as a back-up. In every interview, both devices were turned on as a precautionary action if one of the devices was not working properly. Files from both devices were copied into the researcher’s personal computer and were converted into .mp3 format so the audio files could be played on audio player devices for the convenience of the researcher when analysing the interview results. All lists of respondents, their contact details and the output files were placed into an external hard drive protected with a password and could only be accessed by the researcher. The hard drive was placed in a secure, locked storage cabinet access to which was only available to the researcher.
3.4.3.2 Drawing the Interview Sample

All the completed questionnaire booklets were sorted and kept in a locked storage cabinet. The list of the participating companies, the contact details and the list of respondents from each company who indicated their willingness to be interviewed was kept in another drawer in the same locked storage cabinet. A total of 34 semi-structured interviews were conducted in both groups of companies, and the sample consisted of 19 Javanese managers and 15 Chinese Indonesian managers. It was decided that this number of interviews was sufficient to describe and support the quantitative data from VSM 08 and MLQ 5X questionnaire. The average time taken for each interview was 45 minutes, however, in some cases the interview took up to 1.5–2 hours depending on the time availability of the interviewees. In a few cases, the interview time was determined by an urgent situation that had to be taken care of by the interviewee. All interviews were carried out in a professional and co-operative manner. Nevertheless, all the interview sessions in this study were under time constraints for semi-structured interviews, which range from about 40 minutes to two hours (Willig, 2013, p. 30).

In all companies, the interview location was set up in a meeting room booked specially for the purpose of this study. The meeting room ensures a comfortable environment and minimum interruptions. Adequate chairs, a whiteboard and tables were provided; and, in some companies, a light snack and drinking water was provided for both interviewer and interviewee. The interview process took place in various cities in Central Java Province between October 2011 and February 2012.

3.4.3.3 Interview Structure

The interviews conducted in this study were semi-structured. All respondents were asked the same set of questions (Currie, 2005) derived from the cultural values and leadership framework adopted in this research. In semi-structured interviews, the
researcher asks questions to encourage participants to talk (Willig 2013, p. 29). During the interview process, the researcher sometimes utilises the funnel method to ask the interviewee questions. The funnel method is a way of discussing particular issues in which researchers ask a set of questions related to the research topic in a certain way, so that the interviewee is not able to identify the real interest of the researcher and gives their detailed individual perspective (Edwards & Skinner, 2009, p. 111). The complete list of interview questions is available for examination in Appendix 10.

The researcher understands that the perception of respondents in the interview sessions toward the researcher might be varied. The researcher tried to minimise this gap by adjusting the interview style and choice of words during the interview session. For example, senior respondents (age 45+) will be addressed using the formal form of Bahasa Indonesia and a more polite manner, while younger managers were addressed using the standard Bahasa Indonesia that is used in daily conversation. This strategy proved to be successful and the researcher managed to provide a comfortable, relaxed interview situation.

At the beginning of each interview process, the researcher gives a brief summary of the overall aggregated quantitative results to the respondents. The information was given in order to let the interviewee confirm or contrast the findings which were reflected in their answers during the interview. The questions in the interview itself were designed to be short and specific. Since it is a semi-structured interview, the overall process is non-directive although the researcher has to steer the interview process with his questions to obtain data which can be used to answer the research questions of the present study (Willig 2013, p. 29). To clarify the respondent’s responses and to gain deeper and more elaborate explanations related to the topics, the researcher employs probing techniques (Zikmund & Babin, 2012).
3.4.3.4 Interview Schedule

The interview schedule for each respondent was divided into three parts. At the beginning of every interview, the researcher allows around 5 minutes to gain information regarding the respondent’s position and their demographic information. The next section focuses on the questions related to the cultural values according to Hofstede et al.’s (2008) framework, followed by questions related to the leadership styles which mostly refer to Bass and Avolio’s (1995) framework. All questions were designed based on the questions of the VSM 08 and MLQ 5X questionnaires which have been pilot tested, as has been explained in the section 3.4.2.1. The results of the interviews are outlined in the Chapter 5 on Qualitative Results. The complete set of questions is available in Appendix 10 in both Bahasa Indonesia and English.

3.5 Summary of the Chapter

The chapter discusses the overall methodology and research procedures utilised in the present study. The early part of this chapter gives a detailed explanation regarding the research paradigm and the research design of this study. This study used a pragmatist paradigm since the intention of the researcher is to elevate the usability aspect of the present study. Mixed methods were used to cover the gaps from previous studies, and, although the quantitative method was more dominant in this study, the important role of qualitative methodology is also inevitable. The detailed process of data collection has also been presented in this chapter. The next chapter will present discussion about the quantitative findings in this study, followed by the qualitative findings.
CHAPTER 4: QUANTITATIVE FINDINGS

4.1 Introduction

The previous chapter has presented the methodology adopted in this study in order to investigate and make comparisons between the cultural values and leadership styles of Javanese and Chinese Indonesian managers. In this chapter, the quantitative results were attained from two instruments, Value Survey Module 08 (VSM 08) and Multifactor Leadership Questionnaire 5X (MLQ 5X).

The analysis techniques of both instruments were conducted according to the formula provided by Hofstede et al. (2008) and Bass and Avolio (1995). With the utilisation of these formulas, this study was able to produce the cultural values and leadership scores for both groups of managers involved. Since the goal of this study is to investigate the cultural values and leadership styles of Javanese and Chinese Indonesian managers, comparison of respondents’ response toward each item of VSM 08 and MLQ 5X were also presented in graphic format. With such way of presentation, this study aims to obtain deeper insight of the quantitative results derived from both instruments.

The presentation of quantitative findings in this chapter is divided into four parts. The first part presents the demographic characteristics of the sample, namely, sex, age, educational qualifications, position in the company, nationality, nationality at birth and language spoken at home. The second section explains the distribution of the samples according to types of industry. The third part presents the cultural values of Javanese and Chinese Indonesian managers based on VSM 08, and the last part presents the analysis of the results of the self-rated leadership evaluations based on the MLQ 5X, followed by a summary of the chapter.
4.2 Description of the Sample

The total sample of this study consisted of 200 managers from both Javanese and Chinese Indonesian organisations. The Javanese respondents included 83 males and 17 females, while the Chinese Indonesian sample had 79 males and 21 females. The sample was drawn from 12 organisations from 7 industry types based on the classification of industry by the Head of the Indonesian Statistics Bureau (Statistics Indonesia, 2009). The demographic details of respondents are outlined in Table 4.1.

The purpose of this study is to investigate and compare the cultural values and leadership styles of Javanese and Chinese Indonesian managers, to determine why Chinese Indonesian business person were able to top the list of the 10 wealthiest Indonesians and dominate the large corporations in Central Java Province in Indonesia. To achieve this research aim, the sample of the present research is comprised of only Javanese managers who work in Javanese organisations, and Chinese Indonesian managers who work in Chinese Indonesian organisations. This decision was made in order to address the research questions correctly: to investigate the cultural values, leadership styles, and the distinctive characteristics of Javanese and Chinese Indonesian managers. Furthermore, with such selection criteria, each group of managers were really representing the culture and ethnicities of the two cultural groups involved in this study: Javanese and Chinese Indonesians.

As has been explained in detail in the previous chapter, the researcher has established intensive communication and ensured the commitment of the Head of the Human Resource Departments and contact persons of each company participating in this study. The researcher explained to these individuals that the ideal sample criteria for “Javanese manager” should be a person of Javanese ethnicity working in a Javanese owned company, and a “Chinese Indonesian
manager” should be of Chinese Indonesian ethnicity working in a Chinese Indonesian owned company. Based on this instruction, the contact person in each company distributed the questionnaire booklet to managers who meet the criteria. To obtain the sample of Chinese Indonesian managers, the researcher is aware that it might be considered impolite to confirm the ethnicity of Chinese Indonesian respondents especially after the anti-Chinese Indonesian riot in 1998. However, the contact person in each Chinese Indonesian company, who was a member of the Human Resource Department, was able to select, confirm and identify managers according to these criteria as they have a good knowledge of data and information regarding personnel management within the company. Considering the process that has been conducted to ensure respondents meet the sample criteria, the researcher is confident that the samples for both the Javanese and the Chinese Indonesian managers were drawn correctly according to the purpose of the research.

Table 4.1 outlines the demographic characteristics of the respondents in further detail. To distinguish between the two groups of respondents, the researcher uses light grey shading for Javanese respondents while the Chinese Indonesian respondents are left unshaded.
Table 4.1: Main Demographic Characteristics of the Sample

<table>
<thead>
<tr>
<th></th>
<th>Javanese (n = 100)</th>
<th>Chinese Indonesian (n = 100)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Sex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>83</td>
<td>17</td>
</tr>
<tr>
<td>Female</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30-34</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>35-39</td>
<td>16</td>
<td>11</td>
</tr>
<tr>
<td>40-49</td>
<td>37</td>
<td>2</td>
</tr>
<tr>
<td>50-59</td>
<td>18</td>
<td>0</td>
</tr>
<tr>
<td>60+</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Education Qualification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 years (High School)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>13 years (1 year Diploma)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>14 years (2 year Diploma)</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>15 years (3 year Diploma)</td>
<td>8</td>
<td>0</td>
</tr>
<tr>
<td>16 years (Bachelor Degree)</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>17 years (Bachelor Degree)</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>18 years or more (Postgraduate Degree)</td>
<td>50</td>
<td>13</td>
</tr>
<tr>
<td>Position in the company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manager of one or more subordinates (non-managers) (Middle Managers)</td>
<td>52</td>
<td>6</td>
</tr>
<tr>
<td>Manager of one or more managers (Senior Managers)</td>
<td>31</td>
<td>11</td>
</tr>
<tr>
<td>Nationality and Nationality at birth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indonesian</td>
<td>83</td>
<td>17</td>
</tr>
<tr>
<td>Language spoken at home</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bahasa Indonesia</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Javanese</td>
<td>16</td>
<td>4</td>
</tr>
<tr>
<td>Bahasa Indonesia and Javanese</td>
<td>48</td>
<td>11</td>
</tr>
<tr>
<td>Bahasa Indonesia and Batak</td>
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<td>0</td>
</tr>
<tr>
<td>Bahasa Indonesia, Javanese and English</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Bahasa Indonesia, Javanese and Sundanese</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Bahasa Indonesia, Javanese and Manado</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Bahasa Indonesia, Javanese and Mandarin</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Bahasa Indonesia, Javanese, Sundanese and Betawi</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>
4.2.1 Age

The age profile of the Javanese and Chinese Indonesian managers reveals an interesting fact. Thirty-nine per cent of the Javanese managers and 40 per cent of the Chinese Indonesian managers were between 40 and 49 years old, thus the majority of the sample belonged to this age category. Furthermore, 18 per cent of Javanese managers were between 50 to 59 years old while only 8 per cent of the Chinese Indonesian managers belonged to this category. There were only two respondents aged more than 60 years old, and both were from the group of Javanese managers. The number of respondents in the age group of 30 to 34 was almost the same in each group, with 14 per cent of Javanese managers and 15 per cent of Chinese Indonesian managers. A considerable difference occurred in the age group of 35 to 39 years old, where 37 per cent of respondents are Chinese Indonesian while only 27 per cent of respondents are Javanese. From a general analysis based on age and organisation, Javanese organisations tend to employ more managers aged 50 years or more (20%) compared to Chinese Indonesian organisations (8%). Furthermore, more respondents under the age of 40 had been promoted to managerial positions in Chinese Indonesian organisations (52%) compared to Javanese organisations (41%) after working in the company for at least 5 years.

Specific to Javanese organisations, the majority of respondents were male (83%) and the largest percentage (37%) belongs to the age group of 40-49 years. The same happened in the Chinese Indonesian organisations, however, the number of managers in the age range of 35 to 39 years (29%) and those in the age group of 40 to 49 years (31%) was not too significant. Most female respondents in Javanese organisations were in the age group of 35 to 39 years (65%), while in the Chinese Indonesian organisations there were 8 females in the age group of 35 to 39 (38%), and 9 females within the age group of 40 to 49 (43%) out of the total of 21 females in all Chinese Indonesian organisations. The fact that the number of female
managers in the age range of 35 to 39 years and 40 to 49 years in Chinese Indonesian organisations is more evenly distributed gives an indication that Chinese Indonesian organisations give earlier support for women to obtain positions at managerial level compared to Javanese organisations. Figures 4.1 outline the results of the respondents’ characteristics of the current sample based on their age group.

**Figure 4.1: Age**
4.2.2 Educational Qualifications

In terms of education profile, an interesting pattern can be observed in both the Javanese and Chinese Indonesian managers. In Indonesia, the education system was divided into three parts: primary school, secondary school and post-secondary school. This system is applicable in both private and public education institutions under the supervision of the Ministry of Education and Culture. The primary school consists of the first six years of education, followed by 3 years of junior secondary school and another three years of senior secondary school. Thus, graduates of senior secondary school in Indonesia are equal with graduates of high school in the Western education system. On completion of senior secondary school, students can continue to earn their Diploma (the completion time varies between 1–3 years) or Bachelor (4 years) followed by Masters (2 years) or Ph.D (5 years).

The question asked about respondents’ education qualification was part of Value Survey Module 08 questionnaire, adopted without any modification by the researcher. Instead of asking which degree was obtained, VSM 08 only gives options based on total years of formal education completed by the respondents. Nevertheless, the majority of respondents also wrote their latest degree and put an extra explanation beside their answer. Referring to the education system in Indonesia as explained in the previous paragraph, the researcher can also identify respondents’ education qualification from the total years of formal education completed by the respondents.

The majority of Javanese managers (63%), surprisingly, had had 18 years or more of formal education, while only 21 per cent of Chinese Indonesian had completed the same education level. Therefore, the majority of Javanese managers (50 males and 13 females out of 100 respondents) had obtained their Master’s degree compared to Chinese Indonesian managers of whom only 19 males and 2 females
had a Master’s degree. The minimum education level of Javanese managers was a 2 year Diploma (3%) and a 3 year Diploma (7%) while, interestingly, 27 per cent of Chinese Indonesian managers were only high school graduates.

The data on respondents’ education qualifications implies that for Javanese managers, a high level of formal education is more necessary compared to Chinese Indonesian managers. This fact becomes more interesting because Hofstede (1982, p. 27) also stated that “not working with one’s hand” – avoiding labour and manual works – reflected high status among the Indonesians. Since Hofstede (1982) put heavy emphasis on the Javanese culture when describing the values of the Indonesians, is it possible the “Indonesians” who preferred to avoid labour and manual works that he referred to were the Javanese?

In contrast to the Javanese managers, 27 per cent of Chinese Indonesian managers were only high school graduates, yet they managed to hold managerial positions in their company. In addition, 22 per cent of Chinese Indonesian managers were Diploma graduates (ranging from a 1 year to a 3 year Diploma) while only 11 per cent of Javanese managers had reached the same education level. It seems that in the Chinese Indonesian companies involved in this study, the level of education is not the most important aspect to be considered in employees’ promotion policy. Overall, the years of formal education completed by respondents are indicated in Figures 4.2 below:
4.2.3 Position in the Company

The question regarding respondents’ position is based on the original version of VSM 08, where respondents can choose one out of 7 options: (1) no paid job, (2) unskilled or semi-skilled manual worker, (3) generally trained office worker, (4) vocationally trained craft person, technician, IT-specialist, (5) academically trained professional or equivalent (but not manager of people), (6) manager of one or more subordinates (non-managers), and (7) manager of one or more managers. The purpose of the question was to clarify whether the respondents involved in this study met the desired criteria: having a managerial position in their company.

For Javanese managers, 52 per cent of male and 6 per cent of female Javanese respondents were managers of one or more subordinates in their companies. The
remaining Javanese respondents, 31 per cent of males and 11 per cent of females, were managers of one or more managers in their companies. The results suggest that the majority of female respondents could be considered as top level managers in their company.

There were no major differences in term of respondents’ managerial positions in Chinese Indonesian companies compared to Javanese companies. A total of 55 per cent of males and 5 per cent of female managers were managers of one or more subordinates (non-managers). Also, 24 per cent of males and 16 per cent of female respondents were senior managers who supervise one or more managers. Similar to the Javanese female respondents, the majority of female Chinese Indonesian managers held top managerial positions in their company.

In summary, there were no important differences regarding the level of managerial positions between respondents from the Javanese and the Chinese Indonesian companies. The results showed that the number of managers at each level of managerial position is almost equal: 58 per cent of Javanese managers and 60 per cent of Chinese Indonesian managers were managers of one or more subordinates (non-managers), while 42 per cent of Javanese managers and 40 per cent of Chinese Indonesian managers were senior managers who supervise one or more managers. The results of the level of managerial positions among respondents are presented in Figures 4.3 below:
4.2.4 Nationality and Nationality at Birth

The questions regarding respondents’ nationality and nationality at birth are part of VSM 08 questionnaire. The results show that 100 per cent of Javanese and Chinese Indonesian respondents were born in Indonesia and have Indonesian nationality. There were no foreign managers involved in this study, thus, the respondents’ criteria serve the purpose of this research: to compare the cultural values and leadership styles of Javanese and Chinese Indonesian managers in Central Java Province, Indonesia.

4.2.5 Language Spoken at Home

The last demographic questions were to ensure that the respondents actually represented Javanese and Chinese Indonesian managers in Central Java Province. Since Javanese is the dominant ethnic group in this province, the Javanese language is widely spoken in daily conversation beside Bahasa Indonesia. In the case of Chinese Indonesians, the assimilation policy implemented during the President Soeharto era (1967–1998) required Chinese Indonesians to dismantle their Chinese identities such as their Chinese names, language and culture. Thus,
The Chinese Indonesians who lived in Central Java Province were required to assimilate with the local inhabitants (the Javanese), and to speak in the Javanese language in their social interactions.

The results showed that the majority of respondents tended to use both Bahasa Indonesia and Javanese for communication at home. These two languages were used by 59 per cent of the Javanese managers and 56 per cent of the Chinese Indonesian managers. Nevertheless, 20 per cent of the Javanese managers and 11 per cent of the Chinese Indonesian managers prefer to speak only in Javanese, while 6 per cent of Javanese managers and 10 per cent of Chinese Indonesian managers prefer to talk only in Bahasa Indonesia while at home.

The remaining Javanese respondents use more than 2 languages (Javanese and Bahasa Indonesia) at home, namely, English (5%), Sundanese (6%), Manado (2%) and Betawi (2%). Of the Chinese Indonesian respondents, 7 per cent of the respondents also speak in English, Sundanese (6%) and Mandarin (7%). Specific to the Chinese Indonesian respondents, there was 1 male and 2 female managers (3%) who speak in the Bahasa Indonesia and Batak languages at home. The details of the languages spoken by respondents at home is presented in Figures 4.4 below:
In summary, the analysis of demographic data in the sample shows that the majority of respondents from the Javanese and Chinese Indonesian companies tend to speak in both Bahasa Indonesia and Javanese at home. The most interesting result is that Chinese Indonesians have their own distinctive characteristic compared to, for example, the ethnic Chinese in Malaysia and Singapore who prefer to maintain their language of origin such as Mandarin, Hokkiens and Cantonese in their daily conversation (Ghazali, 2010; Lee, 2001). This finding is of interest because it serves as evidence that, in terms of the language, Chinese Indonesians have been able to assimilate with the local inhabitants, yet, it is likely they maintain their own distinctive characteristics that have made them able to top the list of the 10 wealthiest Indonesians and to dominate 75 per cent of the 86 large corporations in Central Java and Yogyakarta Province.
4.3 Distribution of the Sample

This section presents the comparison of data according to gender distribution, which is presented in Table 4.2. As has been explained in Chapter 3, the sample of the present study consists of 7 Javanese owned companies and 5 Chinese Indonesian owned companies which, overall, are scattered through 7 industry categories according to the Indonesian Bureau of Statistic (Statistics Indonesia, 2009). The Javanese companies represent each type of industry, while 2 Chinese Indonesian companies represent four industry types through its subsidiaries: construction, mining and quarrying, manufacturing and wholesale and retail trade. The remaining industry types were financial and insurance services, health services, and information and communication. Although the company’s requirements in the present study were minimum net assets of Rp. 5 billion and a minimum of 300 employees, all companies involved were considered as large organisations. All of the organisations’ net assets and employee numbers exceeded the minimum company requirements in this study.

Table 4.2 Distribution of the Sample According to Sex and Industry Type

<table>
<thead>
<tr>
<th>Industry Type</th>
<th>Javanese n=100</th>
<th></th>
<th>Chinese Indonesian n=100</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>30</td>
<td>5</td>
<td>25</td>
<td>5</td>
</tr>
<tr>
<td>Financial and Insurance Services</td>
<td>8</td>
<td>2</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Health Services</td>
<td>4</td>
<td>6</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>Information and Communication</td>
<td>8</td>
<td>2</td>
<td>13</td>
<td>5</td>
</tr>
<tr>
<td>Wholesale and Retail Trade</td>
<td>10</td>
<td>1</td>
<td>14</td>
<td>2</td>
</tr>
<tr>
<td>Construction</td>
<td>13</td>
<td>0</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>10</td>
<td>1</td>
<td>5</td>
<td>2</td>
</tr>
</tbody>
</table>

Since all demographic data have been presented, the next section will present the results obtained from VSM 08 and MLQ 5X questionnaires.
4.4 Calculation of Cultural Dimensions Scores using Value Survey Module 08

In the present study, cultural values of Javanese and Chinese Indonesian managers were compared and investigated using Value Survey Module 08 (VSM 08) – a 34 item paper and pencil questionnaire designed by Hofstede et al. (2008). This instrument measures 7 cultural values dimensions (i.e., power distance index, individualism vs. collectivism, masculinity vs. femininity, uncertainty avoidance index, long-term vs. short-term orientation, indulgence vs. restraint and monumentalism index) and the results are presented in a score which normally ranges between 0–100.

The researcher would like to emphasise that the results of cultural scores in the present study are not comparable to Hofstede’s cultural score of Indonesia (i.e., Hofstede, 1982; Hofstede, Hofstede, et al., 2010). Indonesia was not included in Hofstede’s original IBM database (Hofstede, 1980a) until the publication of the booklet “Cultural Pitfalls for Dutch Expatriates in Indonesia” (Hofstede 1982). The sample for this booklet is only 20 respondents who originated only from one location: Jakarta. Despite the fact that Jakarta is the home of the Betawi ethnic group, Hofstede’s (1982) publication has a strong emphasis on Javanese culture which raises the question of whether or not his sample was mostly Javanese. Since the present study uses larger numbers and a more specific respondent sample based on ethnicity in order to avoid culture generalisation, it is obvious that the present study cannot be directly compared to Hofstede’s (1982) scores of Indonesia. Also, the present study uses VSM 08 (Hofstede et al., 2008) which is different from the version used by Hofstede in 1982. Thus, a direct score comparison is not possible and the present study will calculate its own scores for the seven cultural dimensions based on the formula provided in the Hofstede et al.’s VSM 08 manual.
The calculation method for VSM 08 was based on the formulas provided by Hofstede et al. (2008). Calculating the questionnaire data using these formulas will reveal the score of each cultural dimension which is normally between 0–100 (Hofstede et al. 2008). The calculation formula for the VSM 08 questionnaire is presented in Table 4.3.

### Table 4.3 Calculation Formula for Value Survey Module 08 (VSM 08)

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Distance (PDI)</td>
<td>( PDI = 35(m07 - m02) + 25(m23 - m26) + C(pd) )</td>
</tr>
<tr>
<td>Individualism vs. Collectivism (IDV)</td>
<td>( IDV = 35(m04 - m01) + 35(m09 - m06) + C(ic) )</td>
</tr>
<tr>
<td>Masculinity vs. Femininity (MAS)</td>
<td>( MAS = 35(m05 - m03) + 35(m08 - m10) + C(mf) )</td>
</tr>
<tr>
<td>Uncertainty Avoidance (UAI)</td>
<td>( UAI = 40(m20 - m16) + 25(m24 - m27) + C(ua) )</td>
</tr>
<tr>
<td>Long-term vs. Short-term Orientation (LTO)</td>
<td>( LTO = 40(m18 - m15) + 25(m28 - m25) + C(ls) )</td>
</tr>
<tr>
<td>Indulgence vs. Restraint (IVR)</td>
<td>( IVR = 35(m12 - m11) + 40(m19 - m17) + C(ir) )</td>
</tr>
<tr>
<td>Monumentalism vs. Self-effacement (MON)</td>
<td>( MON = 35(m14 - m13) + 25(m22 - m21) + C(mo) )</td>
</tr>
</tbody>
</table>

Source: Adapted from Hofstede et al. (2008).

In the formula presented above, \( m \) reflects the mean score of each VSM question, for example, \( m07 \) is the mean score of question 7, and so on. The numbers 35, 25 and 40 located outside the brackets represent the weighting factor of the equations. Constants are symbolised by \( C(pd) \), \( C(ic) \), \( C(mf) \), \( C(ua) \), \( C(ls) \), \( C(ir) \) and \( C(mo) \), and it can be either positive or negative. As the index normally ranges between 0 and 100, the constant can be individually chosen in a range of scores between 0 and 100. In the present study, the constant for all variables is positioned at 50 points to set the scores between 0–100.

Under this constant score, the results of the first 5 dimensions were between 0–100, but, for the Indulgence versus Restraint and Monumentalism dimensions the constant score was set at 0. The next section of this chapter presents the results from the VSM 08 data.
4.4.1 Power Distance

Power Distance is the extent to which less powerful members of organizations/institutions accept that power is distributed unequally. It reflects the values of the less powerful members in society and also those who have more power (Hofstede, 2001). Power distance can be distinguished into two poles of a continuum: high power distance and low power distance poles (Hofstede, Hofstede, et al. 2010). In the low power distance society, the emotional distance between superior and subordinates is relatively small: subordinates can easily approach and contradict their bosses. On the contrary, large power distance society subordinates are unlikely to approach and contradict their bosses directly since the emotional distance is great between them.

Using a formula provided by Hofstede et al. (2008), the Power Distance scores of Javanese and Chinese Indonesian managers are presented as follows:

Table 4.4 Power Distance Scores of Javanese and Chinese Indonesian Managers

<table>
<thead>
<tr>
<th>Javanese Respondents</th>
<th>Chinese Indonesian Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean question m07</td>
<td>2.02</td>
</tr>
<tr>
<td>Mean question m02</td>
<td>2.41</td>
</tr>
<tr>
<td>Mean question m23</td>
<td>3.18</td>
</tr>
<tr>
<td>Mean question m26</td>
<td>2.49</td>
</tr>
<tr>
<td>Constant (C)</td>
<td>50</td>
</tr>
<tr>
<td>PDI = 35*(m07 – m02) + 25*(m23 – m26) + C</td>
<td>PDI = 35*(m07 – m02) + 25*(m23 – m26) + C</td>
</tr>
<tr>
<td>53.60</td>
<td>64.95</td>
</tr>
</tbody>
</table>

According to the calculations, Javanese managers have a lower power distance score (53.60) compared to Chinese Indonesian managers (64.95). The overall result is not too surprising, considering Hofstede (1982) finding Indonesia is a
country with a very high power distance score and a ranking of 43-44 out of 50 countries. Nevertheless, there was a difference regarding Hofstede’s conclusion on the power distance of Javanese and Chinese Indonesians. Hofstede argued that the Javanese are more status-oriented compared to the Chinese Indonesians, and this made them score higher in power distance (1982, p. 24). This study, however, found the opposite results, and the power distance of Chinese Indonesian managers is higher than for Javanese managers.

To examine what made Chinese Indonesian managers score higher in power distance compared to Javanese managers, the answers to each question that became the indicator for power distance were analysed in detail, with results as follows:

4.4.1.1 Question m7

The question m7 asked respondents about the importance of being consulted by their boss on decisions involving their work. Figure 4.5 shows the comparison from both groups of managers, where interestingly there were more Javanese managers who considered this aspect important. A total of 18 per cent of Javanese managers opted for utmost importance and 66 per cent opted for very important, compared to 21 per cent and 51 per cent, respectively, for the Chinese Indonesian managers. The higher score of power distance for Chinese Indonesian managers was also influenced by the results of 23 per cent of managers who considered this matter as of moderate importance, 3 per cent for little importance and 2 per cent for very little or no importance. This is one aspect that made Chinese Indonesian managers score higher than Javanese managers, because in a high power distance culture subordinates will expect to be told what to do rather than to be consulted by their boss (Hofstede, Hofstede, et al., 2010, p. 76).
4.4.1.2 *Question m23*

The question m23 asks respondents about how frequently subordinates are afraid to contradict their boss. The result in Figure 4.6 shows that there were only slight differences in responding to this question between Javanese and Chinese Indonesian managers. There were 4 per cent of Javanese managers who admitted that they were always afraid to contradict their boss, while 27 per cent stated that they were usually afraid to do so, compared with only 1 per cent of Chinese Indonesian managers who were always afraid and 26 per cent who were usually afraid. The majority of managers (54% Javanese, and 49% Chinese Indonesian) stated that they were only ‘sometimes’ afraid to contradict their boss. Also, the percentage of managers who were seldom afraid to contradict their boss is bigger for Chinese Indonesian managers (21% compared to 13%). Although the result shows that there were only slight differences between both groups of managers, the analysis of question m23 shows that the Chinese Indonesian managers are more likely to contradict their bosses than the Javanese managers.
4.4.1.3 Question m2

The question m2 asks respondents about the importance of having a direct superior who can be respected. Interestingly, there were more Chinese Indonesian managers who considered this aspect as of “utmost importance” (25%) and “very important” (44%), compared to Javanese managers (21% and 32%). Moreover, a total of 10 per cent of Javanese managers considered that having a respected superior was of “little importance” (5%) and “very little or no importance” (5%), while only 3 per cent of Chinese Indonesian managers share the same opinion.

The analysis results for this question illustrate that although the majority of Javanese (53%) and Chinese Indonesian managers (69%) believe in the importance of having a respected boss, the degree is not as high as is claimed by Hofstede (1982). As representatives of the largest ethnic group in Indonesia, Javanese respondents in this study considered this aspect to be only of moderate importance – a behaviour that contradicts the principle of respect in Javanese culture. Hofstede himself considers one of the factors that put Indonesians in the
high power distance category is the deep respect toward older persons, both in the workplace and in social intercourse (Hofstede 1982, p. 24). The variation of answers to question m2 is presented in the Figure 4.7 below:

**Figure 4.7 Question m2: Have a boss (direct superior) you can respect**

![Figure 4.7](image)

4.4.1.4 Question m26

The last question to measure power distance asked respondents’ opinion regarding an organisation structure where subordinates have more than one boss. According to Hofstede, Hofstede et al. (2010), the more the respondents agree with this question, the higher their power distance score, because high power distance in the workplace is reflected in the centralisation of power and the number of supervisors. Again, the result refutes Hofstede’s claim that the large power distance in Indonesian society is more likely to be caused by the Javanese (Hofstede 1982). Although the variation of answers between both groups of managers is not substantial, Figure 4.8 demonstrates further evidence where Chinese Indonesian managers exhibit greater power distance compared to Javanese managers, based on their response.
Figure 4.8 reveals that the greater part of Javanese respondents (61 per cent, i.e., 17 per cent “strongly agree” and 44 per cent “agree”) and Chinese Indonesian respondents (60 per cent, i.e., 21 per cent “strongly agree” and 39 per cent “agree”) stated their support that subordinates should not have too many supervisors, reflecting their low power distance side. However, on the opposite side, 23 per cent of Chinese Indonesian managers and 20 per cent of Javanese managers had contradictory views, opting for “disagree” and “strongly disagree”. Thus, Chinese Indonesian respondents, with an aggregate score of 2.44, have a higher power distance compared to Javanese managers with the aggregate score of 2.49, since a lower aggregate score for this question will result in a higher power distance score according to VSM formula.

**Figure 4.8**  Question m26: An organization structure in which certain subordinates have two bosses should be avoided at all cost

4.4.2 Individualism vs Collectivism

Individualism is the tendency of people to watch themselves and their close relatives only, while collectivism is the tendency of people to join in a group or collective and take care of one another in exchange for loyalty among them.
In an individualist society, the relationship between employee and employer is merely a contract between parties, whereas, in a collectivist society, the relationship between employee and employer is based on a moral, family-like relationship.

Using a formula provided by Hofstede et al. (2008), the scores for the individualism-collectivism of Javanese and Chinese Indonesian managers are presented as follows:

Table 4.5: Individualism Score of Javanese and Chinese Indonesian Managers

<table>
<thead>
<tr>
<th></th>
<th>Javanese Respondents</th>
<th>Chinese Indonesian Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean question m04</td>
<td>1.80</td>
<td>Mean question m04</td>
</tr>
<tr>
<td>Mean question m01</td>
<td>1.96</td>
<td>Mean question m01</td>
</tr>
<tr>
<td>Mean question m09</td>
<td>2.16</td>
<td>Mean question m09</td>
</tr>
<tr>
<td>Mean question m06</td>
<td>2.03</td>
<td>Mean question m06</td>
</tr>
<tr>
<td>Constant (C)</td>
<td>50</td>
<td>Constant (C)</td>
</tr>
<tr>
<td>IDV</td>
<td>48.95</td>
<td>IDV</td>
</tr>
</tbody>
</table>

In this dimension, a smaller individualism score will reflect the tendency toward a collectivist society, while a larger individualism score will reflect the tendency toward an individualist society. Table 4.5 provides evidence that Chinese Indonesians are, in fact, more collectivist compared to the Javanese with an individualism score of 36.00 to 48.95, meaning that both groups of managers can be considered as “collectivist”. Nevertheless, the 48.95 score of Javanese managers demonstrates that their sense of collectivism is moderate, whereas Chinese Indonesian managers have a strong sense of collectivism, with the score of 36.00. In Hofstede, Hofstede, et al.’s (2010) publication, Indonesia was ranked 70-71 out of 76 countries, reflecting a very strong sense of collectivism.
As has been explained in the literature review chapter, both Javanese and Chinese Indonesians were known for their collectivist culture. For the Javanese, there is a concept of *gotong royong* where people voluntarily involve themselves in construction works for mutual benefit, or to give help to co-workers even though it is outside their job description. Within the Chinese Indonesian culture, Lasserre (1993) has explained the intense utilisation of family networking in Chinese Indonesian family businesses. Since the calculation results of this dimension reveal new evidence that Chinese Indonesians have more of a sense of collectivism compared to Javanese managers, each indicator of individualism indexes was analysed in detail, with results as follows:

4.4.2.1 Question m4

Question m4 asked respondents about the importance of security of employment. The majority of Javanese respondents admit that having security in employment is utmost important (46%) and very important (34%), compared to the Chinese Indonesian respondents (39% “utmost important”, 35% “very important”). Interestingly, the number of Javanese managers who consider this aspect as only of “little importance” (2%) and “very little or no importance” (2%), which is also greater than Chinese Indonesian managers (1% “little importance, 0% “very little or no importance”).

Research has provided evidence that higher collectivism orientation will be positively associated with a preference for human resources management practice, which emphasises job security (Ramamoorthy & Carroll, 1998), supporting the result for question m4, since both groups of managers belonged to the collectivist side. Nevertheless, the analysis of question m4 revealed that Chinese Indonesian respondents with higher collectivism were less concerned about the need to have a secure job compared to Javanese respondents with lower collectivism scores. This finding will be further examined with an analysis of the three remaining indicators.
of the individualism vs collectivism dimension. Meanwhile, the response comparison for question m4 is presented in Figure 4.9:

**Figure 4.9  Question m4: Have security of employment**

![Graph showing response comparison for question m4](image)

4.4.2.2 *Question m9*

The next indicator for the individualism versus collectivism dimension is question m9, asking the importance of having a job which is respected by friends and family. As depicted in Figure 4.10, more Chinese Indonesian managers put this aspect as their top priority compared to Javanese managers. The percentages of Chinese Indonesian managers who opted for “utmost importance” and “very important” were 26 per cent and 34 per cent, while, for Javanese managers, the percentage was 18 per cent and 48 per cent, respectively. However, there were also 9 per cent of Chinese Indonesian managers who considered having a respected job as of “very little or no importance”.

Overall, the analysis of this question supports Hofstede, Hofstede et al. (2010) statement that a high power distance society tends to be collectivist. Specific to question m9, it supports Hofstede’s (1982) statement that Indonesians see status
difference as something positive, and having respected jobs is a way to increase one’s status within the society.

**Figure 4.10** Question m9: Have a job respected by your family and friends


4.4.2.3 Question m1

The question m1 reflected individualist attributes, asking respondents about the importance of having sufficient time for themselves and their families. From this question, the Javanese managers obviously demonstrated more individualist attributes compared to Chinese Indonesian managers. Only 57 per cent of Chinese Indonesian managers opted for “utmost importance” (27%) and “very important” (30), while, surprisingly, 24 per cent of Javanese managers opted for “utmost importance”, and 58 per cent opted for “very important”, making an overwhelming number of 72 per cent in total. The majority of Chinese Indonesian managers (43%) consider this aspect as only of moderate importance. The comparison of responses to question m1 between Javanese and Chinese Indonesian managers is depicted in Figure 4.11.
Figure 4.11  Question m1: Have sufficient time for your personal or home life

4.4.2.4 Question m6

Investigating the last indicators for the individualism/collectivism dimension is question m6, asking about the importance of doing interesting work. A major difference can be noticed between Javanese managers (32%) who put doing interesting work as their top priority compared to only 15 per cent of Chinese Indonesian managers. There were also noticeable differences between respondents who consider having interesting work only as “moderate importance” (Javanese 21%, Chinese Indonesian 33%). Furthermore, the number of Chinese Indonesian managers (11% “little importance”, and 2% “very little or no importance”) who disregarded having interesting work is also greater than Javanese managers (7% “little importance”, and 0% “very little or no importance”), which is likely to explain why Chinese Indonesian managers have a higher sense of collectivism compared to Javanese managers. The analysis of question m6 is presented in Figure 4.12.
4.4.3 Masculinity

Masculinity is a situation in which the dominant values in society are “success, money and possessions”. Hofstede’s masculinity dimension measures the differences between two poles of a continuum, so that a lower degree of masculinity means that a society is “feminine”. On the other hand, femininity reflects a situation in which the dominant values in the society are “concern to others, harmony and tranquillity of life” (Hofstede, 2001). According to Hofstede, Hofstede, et al. (2010), a masculine society will place more concern on earnings, recognition, advancement and challenge, while a feminine society emphasizes harmony: having a good relationship with their boss, co-operation, living area and employment security.

In the present study, the Masculinity Index was conducted using Hofstede et al.’s (2008) formula, with the results as follows:
Table 4.6: Masculinity Score of Javanese and Chinese Indonesian Managers

<table>
<thead>
<tr>
<th>Javanese Respondents</th>
<th>Chinese Indonesian Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean question m05</td>
<td>1.84</td>
</tr>
<tr>
<td>Mean question m03</td>
<td>1.83</td>
</tr>
<tr>
<td>Mean question m08</td>
<td>1.88</td>
</tr>
<tr>
<td>Mean question m10</td>
<td>1.98</td>
</tr>
<tr>
<td>Constant (C)</td>
<td>50</td>
</tr>
<tr>
<td>MAS = 35(m05 – m03) + 35(m08 – m10) + C(mf)</td>
<td>46.85</td>
</tr>
</tbody>
</table>

In the masculinity dimension, a larger score will reflect more of a tendency toward a masculine society, while the lower score reflects a tendency toward a feminine society. Based on Table 4.6, there were noticeable gaps between both groups of managers, where Chinese Indonesian managers were more masculine (63.30) and Javanese managers have a tendency toward femininity (46.85). In Hofstede, Hofstede, et al.’s (2010) publication, Indonesia was ranked 41-42 out of 76 countries with a Masculinity score reflecting the tendency toward a feminine society.

As has been explained in the first and second chapter of this thesis, Hofstede’s score for Indonesia was based on his project in 1982 using a sample of only 20 respondents (Hofstede, 1982, 1997) which is argued to have been predominantly Javanese. The score for Indonesia in his study was 46 (Hofstede, 1982; Hofstede, Hofstede, et al., 2010), which is similar to the masculinity score of Javanese managers in this study. The findings on the masculinity–femininity dimension reveals that the previous cultural values study in Indonesia (Hofstede 1982) had tended to generalise the variations in local culture, causing a failure to capture the important differences of values among cultural groups. The analysis of each masculinity dimension is presented as follows:
4.4.3.1 Question m5

The first question to measure masculinity is question m5, asking respondents about the degree of importance in having pleasant people to work with. The result is presented in Figure 4.13, where, surprisingly, the majority of Javanese managers (44%) consider this aspect as the highest priority compared to Chinese Indonesian managers (6%). The majority of Chinese Indonesian managers consider this aspect only as very important (52%), of moderate importance 32%) and 10 per cent opted for little importance (6%), and “very little or no importance” (4%). Only 3 per cent of Javanese managers considered pleasant co-workers as of “little importance”. This finding supports the literature review discussion about the Javanese principle of “Rukun”, and is presented in Figure 4.13 below:

**Figure 4.13**  Question m5: Have pleasant people to work with

![Figure 4.13](image)

4.4.3.2 Question m8

The next question is question m8, which asks about the importance of living in a desirable area. Overall, there was not too much difference between the answers of
Both groups of managers considered this aspect of top importance (Javanese 32%, Chinese Indonesian 28%) and very important (50% Javanese and 44% Chinese Indonesian). A smaller number of Javanese managers (16%) and Chinese Indonesian managers (20%) opted for moderate importance. However, the response of 8 Chinese Indonesian managers likely creates the difference in the aggregate score for question m8. Seven per cent of them stated that there is only little importance in living in a desirable area, and 1 manager stated that this aspect has “very little or no importance”. There were major differences compared to the Javanese managers, where only 2 per cent gave little importance to this aspect.

**Figure 4.14  Question m8: Live in a desirable area**

4.4.3.3 Question m3

Question m3 asks respondents about the importance of receiving recognition for their good performance. The analysis of the responses to this question revealed a large difference between the Chinese Indonesian respondents and the Javanese respondents. According to the analysis of respondents who opted for “utmost
importance” and “very important”, most Javanese managers (81%) wanted to be rewarded and recognized when they show good performance, but fewer Chinese Indonesian managers share the same opinion (62%). A more interesting result comes from the Chinese Indonesian managers, because 6 per cent opted for “little importance” and 5 per cent for “very little or no importance”, compared to only 2 per cent of Javanese managers. The results for question m3 are presented in Figure 4.15.

Figure 4.15  Question m3: Get recognition for good performance

4.4.3.4 Question m10

The variation of the answers in question m10 also indicated a large difference between the masculinity index score of Javanese and Chinese Indonesian managers. When asked about the importance of having chances for promotion, 40 per cent of Chinese Indonesian managers stated it was of “utmost importance” and 37 per cent stated “very important”, compared to Javanese managers. There was a significant number of Javanese managers who considered promotion opportunities in the workplace only as of “moderate importance” (31%). This aspect supports
the rationale on why Chinese Indonesian managers score higher in masculinism, because the majority of them have a higher desire to be promoted, reflecting the need for advancement at work.

**Figure 4.16** Question m10: Have chances for promotion

![Graph showing the comparison of Javanese and Chinese Indonesian managers on the importance of chances for promotion.](image)

4.4.4 Uncertainty Avoidance

Uncertainty Avoidance is the extent to which people would feel threatened by uncertain situations, and would create trust or institutions to avoid this uncertainty (Hofstede, 2001). Uncertainty avoidance is defined as the extent to which the members of institutions and organizations within a society feel threatened by uncertain, unknown, ambiguous, or unstructured situations (Hofstede et al., 2008). With regard to Javanese and Chinese Indonesian managers, the scores for Uncertainty Avoidance are presented in Table 4.7.
Table 4.7: Uncertainty Avoidance Score of Javanese and Chinese Indonesian Managers

<table>
<thead>
<tr>
<th>Javanese Respondents</th>
<th>Chinese Indonesian Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean question m20</td>
<td>1.96</td>
</tr>
<tr>
<td>Mean question m16</td>
<td>3.07</td>
</tr>
<tr>
<td>Mean question m24</td>
<td>3.58</td>
</tr>
<tr>
<td>Mean question m27</td>
<td>2.56</td>
</tr>
<tr>
<td>Constant (C)</td>
<td>50</td>
</tr>
<tr>
<td>UAI = 40(m20 - m16) + 25(m24 - m27) + C(ua)</td>
<td>UAI = 40(m20 - m16) + 25(m24 - m27) + C(ua)</td>
</tr>
<tr>
<td></td>
<td>31.10</td>
</tr>
<tr>
<td></td>
<td>29.80</td>
</tr>
</tbody>
</table>

The scores for the Uncertainty Avoidance Dimension indicated that both Javanese and Chinese Indonesian were positioned in the low uncertainty avoidance category—that is, they have high tolerance toward different ideas, are relatively unemotional and tend to negotiate while facing an unstructured situation (Hofstede 1982). In Hofstede, Hofstede, et al. (2010), Indonesia was also located among countries with low power distance, with the rank of 62nd-63rd out of 76 countries. To be able to obtain more information regarding the answers of the respondents, each uncertainty avoidance indicator was analysed, with the results as follows:

4.4.4.1 Question m20

The first question asks respondents about their state of health, and found a huge gap in the numbers of managers who stated that they were in “good” health condition (69% Javanese, 42% Chinese Indonesian). Furthermore, some 24 per cent of Chinese Indonesian managers considered their well-being as “fair”, and 12 per cent stated their health is in “poor” condition, compared to only 9 per cent and 3 per cent of Javanese managers, respectively.
According to Kogan (2013), people in a high uncertainty avoidance society tend to have stronger faith which is positively correlated with subjective well-being. There was a unique fact that was obtained from the analysis of this question, because Javanese managers have greater confidence in their health condition (indicating their strong faith) yet they indicated low uncertainty avoidance. Although it is not as surprising as the results of Javanese managers, Chinese Indonesian managers who scored low on the Uncertainty Avoidance dimension also had a positive belief about their well-being. The result of question m20 shows that both groups of managers have a strong religious yet their uncertainty avoidance was low.

**Figure 4.17** Question m20: All in all, how would you describe your state of health these days?

![Graph showing the state of health for Javanese and Chinese Indonesian managers](image)

### 4.4.4.2 Question m24

For question m24, respondents were asked whether someone can be a good manager without having a precise answer to every question that a subordinate may raise about his or her work. As presented in Figure 4.18, there were similar trends between Javanese and Chinese Indonesian managers. A total of 70 per cent of managers from both the Javanese and Chinese Indonesian groups either “strongly
disagreed” (16 per cent Javanese, 19 per cent Chinese Indonesian) or “disagreed” (54 per cent Javanese and 51 per cent Chinese Indonesian). Although there were also managers who “agree” and “strongly agree” with this statement, the numbers were far less (22 per cent of Javanese managers and 25 per cent of Chinese Indonesian managers) compared to those who “disagree” and “strongly disagree”.

Specific to question m24, disagreeing with the statement reflects the tendency toward a high uncertainty avoidance society (Hofstede, Hofstede, et al., 2010, p. 217). Nevertheless, the number of managers who agree with this statement (22 per cent of Javanese and 25 per cent of Chinese Indonesian) is likely to reduce the overall score of uncertainty avoidance. The response from both groups of managers is presented in Figure 4.18:

**Figure 4.18** Question m24: One can be a good manager without having a precise answer to every question that a subordinate may raise about his or her work
4.4.4.3 Question m16

The next question to measure uncertainty avoidance asked respondents about the frequency with which they feel nervous or tense. An interesting result is that 5 per cent of Javanese managers always feel nervous and stressed, while none of the Chinese Indonesian managers experiences the same feeling. For those who “usually” experienced nervous and tense feelings, the number of Javanese managers (18 per cent) is tripled compared to the Chinese Indonesian managers (6 per cent). The majority of managers admitted that they only “sometimes” experienced the feelings (44 per cent Javanese and 55 per cent Chinese Indonesian), and also a large number of managers seldom experienced nervousness (31 per cent Javanese and 33 per cent Chinese Indonesian). The comparison of the responses between Javanese and Chinese Indonesian managers is presented in Figure 4.19:

**Figure 4.19**  Question m16: How often do you feel nervous or tense?
4.4.4.4 Question m27

The analysis of responses to question m27 shows that Chinese Indonesian managers are more likely to obey the organisation’s rules at all costs, compared to Javanese managers. There were 27 per cent of Chinese Indonesian managers who put this aspect as their top priority, while, for Javanese, only 9 per cent of the managers held the similar perspective. Although they did not strongly agree, the majority of Javanese managers (56 per cent) and Chinese Indonesian managers (31 per cent) shared their agreement on this subject. Nevertheless, 37 per cent of Chinese Indonesian and 26 per cent of Javanese managers either disagreed or strongly disagreed with this notion. The complete result is presented in Figure 4.20:

**Figure 4.20** Question m27: A company’s or organization’s rules should not be broken -not even when the employee thinks breaking the rule would be in the organization’s best interest
4.4.5 Long-term Orientation

Eight years after the publication of Hofstede’s *Culture Consequences* in 1980, Hofstede and Bond (1988) developed an additional cultural dimension called “Confucian dynamism”. This dimension was later renamed as Long-term Orientation, distinguishing society into long-term orientation or short-term orientation (Hofstede, 2001). Long-term Orientation stands for a society which fosters the virtues oriented towards future rewards, in particular, adaptation, perseverance and thrift. The opposite pole, Short-term orientation, stands for a society which fosters virtues related to the past and present, in particular, respect for tradition, preservation of “face”, and fulfilling of social obligations.

The calculation results of the long-term orientation dimension are presented in Table 4.8, as follows:

**Table 4.8: Long-term Orientation Score of Javanese and Chinese Indonesian Managers**

<table>
<thead>
<tr>
<th>Javanese Respondents</th>
<th>Chinese Indonesian Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean question m18</td>
<td>2.07</td>
</tr>
<tr>
<td>Mean question m15</td>
<td>1.84</td>
</tr>
<tr>
<td>Mean question m28</td>
<td>1.73</td>
</tr>
<tr>
<td>Mean question m25</td>
<td>1.51</td>
</tr>
<tr>
<td>Constant (C)</td>
<td>50</td>
</tr>
<tr>
<td>LTO = 40*(m18 - m15) + 25*(m28 - m25) + C</td>
<td>LTO = 40*(m18 - m15) + 25*(m28 - m25) + C</td>
</tr>
<tr>
<td>64.70</td>
<td>64.75</td>
</tr>
</tbody>
</table>

The power distance score for Indonesia was not available until the publication of Hofstede, Hofstede, et al.’s (2010) research which was based on the data from the World Value Survey. Indonesia was ranked 26-27 among 93 countries with a power distance score of 62, reflecting a tendency toward a long-term orientation.
society. The comparative results of long-term orientation indicate a very small difference between Javanese and Chinese Indonesian managers; both groups have a tendency toward a long-term orientation society. In order to further scrutinize the factors that made both groups of managers belong to long-term orientation society, analysis of each indicator was conducted with results as follows:

4.4.5.1 Question m18

Question m18 is related to the aspect of personal adaptiveness and personal stability of the respondents. Respondents were asked whether they were the same individual at work and at home. In a long-term orientation society, people give more attention to personal adaptiveness, whereas, a short-term oriented society gives more attention to personal stability. Although the respondents in this study have a tendency toward a long-term orientation society, the score was positioned in the middle (64.70 and 64.75) on the 0-100 scale.

Question m18 is just one of the indicators to measure the long-term orientation index. From Figure 4.21, Javanese managers tend to demonstrate the same behaviour in the home and the office, with 80 per cent of managers stating that they were “quite the same” and “mostly the same” person at home and at work. The number of Chinese Indonesian managers who agree with this statement was smaller, with only 52 per cent of respondents opting for “quite the same” and “mostly the same”. Although these answers reflect the tendency toward a short-term orientation society (Hofstede, Hofstede, et al., 2010, p. 243), 38 per cent of Chinese Indonesian managers and 14 per cent of Javanese managers stated they were “mostly different” and “quite different” at home and at work – reflecting a tendency toward a long-term orientation.
4.4.5.2 Question m28

The next long-term orientation indicator is question m28, asking respondents about the importance of honouring heroes from the past. There was no important difference between Chinese Indonesian and Javanese managers, with the majority of Javanese managers (46%) and Chinese Indonesian managers (54%) expressing that they strongly agree with the statement. The number of respondents who expressed their agreement was also high - 40 per cent of Javanese managers and 38 per cent of Chinese Indonesian managers. Although a small number of Javanese managers disagreed (5%) and Chinese Indonesian respondents who strongly disagreed (7%), the results of this question complement Schreiner’s (2005) argument regarding Indonesian society.

According to Schreiner (2005), Indonesians have a high respect for their heroes. Since 1959, the Indonesian government has established a list of Indonesian national heroes, which they then used to name streets in Indonesian cities and regencies (Schreiner 2005). According to the Jakarta city map which was released in 1989, there were 56 main streets which bear the name of Indonesian national heroes.
heroes. Based on this practice, it is not surprising that the majority of respondents stated their agreement with question m28.

**Figure 4.22 Question m28: We should honour our heroes from the past**

![](image)

4.4.5.3 *Question m15*

The next question to measure long-term orientation is question m15, asking respondents what they would do when they wanted to buy something expensive but did not have enough money. The respondents’ answers reflect the tendencies to save money and things, a reflection of a long-term orientation society (Hofstede, Hofstede, et al, 2010, p. 275).

As presented in Figure 4.23, 41 per cent of Javanese managers save the money first before buying, and 38 per cent stated that they would usually save first before buying. On the other side, the majority of Chinese Indonesian respondents could be considered more flexible based on their statement that sometimes they will borrow money to obtain the goods and sometimes they will save first. The complete results of question m15 are presented in Figure 4.23, as follows:
Figure 4.23 Question m15: If there is something expensive you really want to buy but you do not have enough money, what do you do?

4.4.5.4 Question m25

The last indicator in determining the long-term orientation index is question m25, asking respondents’ agreement on whether persistent efforts are the surest way to achieve results. The responses to this question are likely to cause both Javanese and Chinese Indonesian managers appear to be long-term oriented. As stated by Hofstede, Hofstede, et al. (2010, p. 275), a society with a long-term orientation demands that the children learn perseverance. The results of question m25, surprisingly, put the majority of respondents (98% of Javanese and 94% of Chinese Indonesians) in a long-term oriented society, since they “strongly agree” and “agree” with this statement. Respondents’ statements in response to question m25 are presented in Figure 4.24.
4.4.6 Indulgence versus Restraint

Indulgence versus restraint is one of the additional dimensions in VSM 08 (Hofstede et al. 2008). Indulgence is the social order which allows relatively free fulfilment of some desires and feelings, particularly those that have to do with leisure, amusement with friends, spending, consumption and sex. The opposite pole, restraint, stands for a society which controls such fulfilment, and where people feel less able to enjoy their lives (Hofstede et al., 2008).

The calculation for indulgence versus restraint in the present study was conducted according to a formula provided by Hofstede et al. (2008), with the result as follows:
Table 4.9: Indulgence versus Restraint Score of Javanese and Chinese Indonesian Managers

<table>
<thead>
<tr>
<th>Javanese Respondents</th>
<th>Chinese Indonesian Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean question m12</td>
<td>2.94</td>
</tr>
<tr>
<td>Mean question m11</td>
<td>2.59</td>
</tr>
<tr>
<td>Mean question m19</td>
<td>3.09</td>
</tr>
<tr>
<td>Mean question m17</td>
<td>1.67</td>
</tr>
<tr>
<td>Constant (C)</td>
<td>0</td>
</tr>
<tr>
<td>IVR = 35*(m12 – m11) + 40*(m19 – m17) + C(ir)</td>
<td>69.05</td>
</tr>
</tbody>
</table>

According to Hofstede, Hofstede, et al. (2010), Indonesia was ranked 55-56 out of 93 countries, reflecting the moderate indulgence versus restraint behaviour. In a moderate indulgence versus restraint society, there are moderate percentages of very happy people and people who feel healthy, moderate importance of leisure and average level of optimism and thrift (Hofstede, Hofstede, et al., 2010, p. 281).

Specific to this dimension, the constant score was set at 0 based on two reasons: 1) to keep the score of both dimensions between 0–100, and 2) to anchor the score based on the analysis results of each indulgence versus restraint indicator. From the analysis results, most Javanese managers consider keeping time for fun as important, while most Chinese Indonesian managers consider this aspect as unimportant. Also, there were major differences in happiness: Javanese managers were happier compared to Chinese Indonesian managers. The analysis of each indulgence versus restraint indicator is presented as follows:

4.4.6.1 Question m12

The first indicator of indulgence serves as the minuend in the IVR formula which is paired with question m11. The question m12 asks about the importance of being
modest and having few desires. Specific to this question, considering moderation and having few desires as “utmost importance” reflect the restraint pole, while the option “very little or no importance” reflects the indulgence pole.

Figure 4.25 shows that the majority of Javanese (50%) and Chinese Indonesian (42%) managers consider this statement only as of moderate importance. Chinese Indonesian respondents can be considered more indulgent compared to Javanese respondents. This is based on the greater number of Chinese Indonesian respondents who consider moderation and having few desires as of “little importance” (37%) and “very little or no importance” (4%), compared to Javanese managers (20% “little importance”, 4% “very little or no importance”). Since there were more indulgent Chinese Indonesian managers (a total of 41%) than Javanese managers (a total of 24%), Javanese can be considered to have more “restraint” compared to their Chinese Indonesian counterparts.

Figure 4.25  Question m12: Moderation: having few desires
4.4.6.2 Question m19

Question m19 also serves as the minuend in IVR formula which is paired with question m17. This question asked about the frequency of respondents being prevented from doing what they really want to by other people. The majority of respondents (67% Javanese and 72% Chinese Indonesian) admitted that this circumstance sometimes happened to them. Interestingly, only Chinese Indonesian managers admitted that they were “always” being prevented from doing what they like (2%) and also were “never” prevented from doing what they like (4%).

In general, there was no major difference between the responses of Javanese and Chinese Indonesian managers, as presented in Figure 4.26. Nevertheless, from the aggregate score in Table 4.9, Chinese Indonesian (3.10) respondents were slightly more indulgent compared to Javanese managers (3.9). The overall response to question m19 is presented in Figure 4.26 below:

**Figure 4.26** Question m19: Do other people or circumstances ever prevent you from doing what you really want to?
4.4.6.3 Question m11

The response from question m11 reveals the fact that keeping time for fun was more important for Javanese managers than Chinese Indonesian managers. A total of 46 per cent of Javanese managers stated that this aspect was of “utmost importance” and “very important”, compared to only 19 per cent of Chinese Indonesian managers. From both groups of managers, the majority of respondents (40% Javanese and 44% per cent Chinese Indonesian) consider this aspect only as of moderate importance. Surprisingly, a significant number of Chinese Indonesian managers admit that, for them, keeping time free for fun was considered to be of “little importance” (30%) and of “very little or no importance” (7%) compared to only 14 per cent of Javanese managers. The complete results are presented in Figure 4.27 following:

Figure 4.27 Question m11: Keeping time free for fun

4.4.6.4 Question m17

The last indicator for indulgence versus restraint is a self-assessment question, asking respondents whether they are a happy person or not. There is a huge gap
showing that more Javanese managers are likely to consider themselves as a very happy person (43%) compared to only 15 per cent of Chinese Indonesian managers. There was also an interesting fact which found that 3 per cent of Chinese Indonesian managers considered themselves as individuals who lacked happiness. The overall results of question m17 are presented in Figure 4.28:

**Figure 4.28** Question m17: Are you a happy person?

![Graph showing the percentage of Javanese and Chinese Indonesian managers who consider themselves happy.]

4.4.7 Monumentalism Index

Monumentalism describes a society which rewards people who are, metaphorically speaking, like monuments: proud and unchangeable. Its opposite pole, Self-Effacement, indicates a society which rewards humility and flexibility (Hofstede et al., 2008). The Indonesians’ score for this dimension is not available, since monumentalism versus self-effacement is the latest addition to Hofstede’s cultural framework. Based on the calculation formula provided by Hofstede et al. (2008), the monumentalism score for Javanese and Chinese Indonesian managers is presented as follows:
Table 4.10: Monumentalism Score of Javanese and Chinese Indonesian Managers

<table>
<thead>
<tr>
<th>Javanese Respondents</th>
<th>Chinese Indonesian Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean question m14</td>
<td>2.49</td>
</tr>
<tr>
<td>Mean question m13</td>
<td>2.20</td>
</tr>
<tr>
<td>Mean question m22</td>
<td>4.07</td>
</tr>
<tr>
<td>Mean question m21</td>
<td>1.53</td>
</tr>
<tr>
<td>Constant (C)</td>
<td>0</td>
</tr>
<tr>
<td>MON = 35(m14 – m13) + 25(m22 – m21) + C(mo)</td>
<td>MON = 35(m14 – m13) + 25(m22 – m21) + C(mo)</td>
</tr>
<tr>
<td></td>
<td>73.65</td>
</tr>
<tr>
<td></td>
<td>70.30</td>
</tr>
</tbody>
</table>

Similar to the results for the indulgence versus restraint dimension, the constant score in this dimension was set to 0 to anchor the score between 0-100. The result from both Javanese and Chinese Indonesian managers reveals the tendency toward a self-effacement society. This finding complements Hofstede, Hofstede, et al.’s (2010, p. 275) statement – a society with a long-term orientation will exhibit self-effacement behaviour. The analysis of each monumentalism indicator is presented as follows:

4.4.7.1 Question m14

The question m14 asked respondents' opinions about the importance of being modest in life. From Figure 4.29, more Javanese managers consider this aspect as of “utmost importance” (21%) than Chinese Indonesian managers (2%). About forty per cent of Chinese Indonesian managers and 35 per cent of Javanese managers consider this aspect as very important. However, the majority of Chinese Indonesian respondents (47%) consider that being modest is only of moderate importance.
4.4.7.2 Question m22

The next question to measure monumentalism asks respondents whether they are proud to be Indonesian citizens. Although, in general, both groups of managers stated that they are fairly proud of being Indonesian citizens, there were surprisingly 9 per cent of Javanese managers and 2 per cent of Chinese Indonesian managers who were not very proud of being citizens of Indonesia. Furthermore, 2 per cent of Javanese and 1 per cent of Chinese Indonesian managers stated that they were not proud at all of being an Indonesian citizen. The complete result is presented in Figure 4.30, as follows:
4.4.7.3 *Question m13*

Based on the graph below, the number of Javanese managers (63%) who stated that generosity is very important was significantly higher compared to Chinese Indonesian managers (46%). Most Chinese Indonesian managers (50%) consider generosity as being only of “moderate importance”.

*Figure 4.31*  *Question m13: Being generous to other people*
4.4.7.4 Question m21

The last indicator for the monumentalism dimension reflects clearly that, for Indonesian society in general, religion is the most important aspect in their life. Surprisingly, 6 per cent of Javanese managers consider religion as being only of moderate importance and another 2 per cent consider it is of little importance. Although there were only slight differences in the overall comparisons, Chinese Indonesian managers are likely to be more religious compared to Javanese managers.

**Figure 4.32 Question m21: How important is religion in your life?**

Since all findings derived from the Value Survey Module 08 (VSM 08) have been presented, the next section of this chapter will present the score comparison of leadership styles from Javanese and Chinese Indonesian managers based on the Multifactor Leadership Questionnaire 5X (MLQ 5X).
4.5 Calculation of Leadership Dimensions Scores with Multifactor Leadership Questionnaire 5X (MLQ 5X)

The present study utilised the Multifactor Leadership Questionnaire 5X (MLQ 5X) to investigate and compare the leadership styles of Javanese and Chinese Indonesian managers. MLQ 5X consists of 45 items which can be used to measure the full range of leadership: transformational, transactional, passive avoidant and the leadership outcome. Thus, the results of MLQ 5X will not distinguish the leadership style into either transformational, transactional or passive avoidant, since it is argued that these three leadership styles can co-exist in one individual. This section presents the calculation results of MLQ 5X based on the formula provided in the MLQ 5X manual.

The calculation score of MLQ 5X was based on the MLQ calculation formula (Appendix 6) and converted into a 0–100 scale by the researcher for this study. The MLQ calculation results are presented in Table 4.11, as follows:
Table 4.11 Calculation Results of MLQ Dimensions

<table>
<thead>
<tr>
<th>MLQ Dimension</th>
<th>Score range 0–100</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Javanese Respondents (n=100)</td>
</tr>
<tr>
<td>Transformational</td>
<td></td>
</tr>
<tr>
<td>Idealized Influence (attributed)</td>
<td>71</td>
</tr>
<tr>
<td>Idealized Influence (behaviour)</td>
<td>87</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>83</td>
</tr>
<tr>
<td>Intellectual Stimulation</td>
<td>79</td>
</tr>
<tr>
<td>Individual Consideration</td>
<td>78</td>
</tr>
<tr>
<td>Transactional</td>
<td></td>
</tr>
<tr>
<td>Contingent Reward</td>
<td>78</td>
</tr>
<tr>
<td>Management-by-Exception (active)</td>
<td>63</td>
</tr>
<tr>
<td>Passive-Avoidant</td>
<td></td>
</tr>
<tr>
<td>Management-by-Exception (passive)</td>
<td>23</td>
</tr>
<tr>
<td>Laissez-faire</td>
<td>21</td>
</tr>
<tr>
<td>Outcome</td>
<td></td>
</tr>
<tr>
<td>Extra Effort</td>
<td>81</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>83</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>85</td>
</tr>
</tbody>
</table>

From the comparison of each MLQ score as presented in Table 4.11, Javanese managers always score higher in all MLQ dimensions compared to Chinese Indonesian managers. In other words, Javanese managers demonstrate higher transformational leadership, higher transactional leadership, and higher passive-avoidant behaviour and produce higher leadership outcomes compared to Chinese Indonesian managers. From this result, a question arises: if Javanese managers demonstrate better leadership compared to Chinese Indonesians, why do Chinese Indonesian businesses dominate Indonesia’s economy (Forbes 2011) and large corporations in Central Java Province (SWA Sembada, 2009)?

To answer those questions, a detailed analysis of each MLQ dimension was conducted and the results were presented in the form of a radar chart. The scale used in the radar chart was based on the 0–4 MLQ scale. The 0 scores reflect the
response “not at all”, 1 is “once in a while”, 2 is “sometimes”, 3 is “fairly often” and 4 is “frequently, if not always”. To accompany the radar charts presented in this chapter, an item per item analysis is also available in Appendix 11 of this dissertation.

4.5.1 Transformational Leadership

4.5.1.1 Idealized Influence (Attributed)

The score for idealized influence (attributed) is higher in Javanese owned companies (71) compared to the results of managers working in Chinese-Indonesian companies (64). These results were likely caused by deviations in question 10 and question 21. In question 10, Chinese Indonesian managers are less likely to instil pride with people who are associated with them, whereas, question 21 shows that Chinese Indonesian managers are less likely to act in respectful ways, compared to Javanese managers. There was also an interesting finding that 5 per cent of Chinese Indonesian managers admit that they never display any sense of power and confidence (Appendix 11, Question 25). These differences lead to the lower “Idealized Influence (Attributed)” score for managers in Chinese Indonesian owned companies, as presented in Figure 4.33 below:
4.5.1.2 Idealized Influence (Behaviour)

For the idealized influence (behaviour) dimension, Javanese managers also scored higher (87) compared to Chinese Indonesian managers (81). The difference in score is mainly affected by question 23, where a significant number of Chinese Indonesian managers stated that they occasionally consider the moral and ethical consequences of their decisions (Appendix 11, Question 23), and question 34, where there were more Javanese managers who emphasized the importance of having a collective sense of mission. It is also interesting to know that 22 per cent of Chinese Indonesian managers and 18 per cent of Javanese managers
occasionally talk about their most important values and beliefs (Appendix 11, Question 6).

4.5.1.3 Inspirational Motivation

As can be seen in Figure 4.35, Javanese managers have higher scores in all Inspirational Motivation Dimensions compared to Chinese Indonesian managers. In a more detailed analysis of question 26 (Appendix 11), a larger number of Chinese Indonesian respondents compared to Javanese managers indicated they occasionally articulate a vision for the future. Additionally, the number of Chinese
Indonesian managers who stated that they “frequently, if not always” articulate a vision for the future was only half of the number of Javanese managers who gave the same response (Appendix 11, question 26).

It is likely that based on all the inspirational motivation dimension scores, Javanese managers always score higher compared to Chinese Indonesian managers. With this result, it is clear that Javanese managers are more able to inspire and motivate their followers than Chinese Indonesian managers.

Figure 4.35  Comparison of Inspirational Motivation Response
4.5.1.4 Intellectual Stimulation

The score for Javanese managers’ intellectual stimulation was 79, while Chinese Indonesian managers score was 71. It is interesting to know that some Chinese Indonesian managers never seek different perspectives while dealing with problems (Appendix 11, question 8). This deviation is likely to cause Chinese Indonesian managers to score lower in intellectual stimulation compared to Javanese managers. The comparison of responses to the Intellectual Stimulation dimension between Javanese and Chinese Indonesian managers is presented in Figure 4.36, as follows:

Figure 4.36  Comparison of Intellectual Stimulation Response
4.5.1.5 Individual Consideration

The individual consideration scores differ significantly between Javanese managers and Chinese Indonesian managers, from 78 to 66, respectively. As can be seen in Figure 4.37 and Appendix 11, question 19, most Javanese managers treat their subordinates as individuals rather than just as a member of the group, while, on the other hand, Chinese Indonesian managers are less concerned with this issue. For the remaining indicators, Javanese managers also scored higher than managers from Chinese-Indonesian companies. Therefore, in summary, Javanese managers are more capable of exhibiting individual consideration compared to Chinese Indonesian managers.

Figure 4.37 Comparison of Individualized Consideration Response
4.5.2 Transactional Leadership

4.5.2.1 Contingent Reward

Regarding the first indicator of transactional leadership, Javanese managers scored 78 while Chinese Indonesian managers scored 75. The difference in score, however, is not too significant between the two groups of managers. There is also an interesting finding which shows that some Javanese managers rarely give assistance to their subordinates (Appendix 11, question 1). Both groups of managers are also very transactional (Question 16) because the majority of managers give a clear statement of what can be expected when goals are achieved.

Figure 4.38 Comparison of Contingent Reward Response
4.5.2.2 Management by Exception (Active)

The score for Management by Exception (Active) for both groups of managers is not significantly different. Javanese managers scored 63 while Chinese Indonesian managers scored 61. Interestingly, the answer from Chinese Indonesian managers to question 27 (which can also be seen in Appendix 11, question 27) shows clearly that most of them never direct their attention to failure to meet standards. The higher score of Management by Exception (Active) shows that Javanese managers are more likely to exhibit this style compared to Chinese Indonesian managers.

Figure 4.39  Comparison of Management by Exception (Active) Response
4.5.3 Passive Avoidant

4.5.3.1 Management by Exception (Passive)

Although there is no major difference in the score for Management by Exception (Passive) between the two groups of managers (23 Javanese and 20 Chinese Indonesian), there are more Chinese Indonesian managers who sometimes fail to interfere until a problem has become serious (Appendix 11, question 3). Also, as presented in Figure 4.40 and Appendix 11, question 17, there were moderate numbers of managers who quite often hold to the principle that “if something is not broken, don’t fix it”. Another interesting finding is the fact that Javanese managers are more likely to wait until things go wrong before taking action (Figure 4.40, question 12) compared with Chinese Indonesian managers. Nevertheless, the overall score for this dimension determines that both groups of managers demonstrate low scores for Management by Exception (Passive).
4.5.3.2 Laissez-faire

Both Javanese and Chinese Indonesian managers score low in *laissez-faire* behaviour. There were some details such as Question 5 and Question 28 where Javanese managers sometimes avoided being involved when certain issue arose and were often absent when their presence was needed. More detailed findings regarding their answers can be seen in Appendix 11 of this dissertation.
4.5.4 Leadership Outcome

4.5.4.1 Extra Efforts

The results for the extra effort dimensions show that the trend from the three indicators is relatively consistent among both groups of managers. Interestingly, 6 per cent of Javanese managers admitted that they never ask their subordinates to do more than they are expected to do (Appendix 11, Question 39).
4.5.4.2 Effectiveness

The self-assessment of leadership effectiveness indicates that Javanese managers consider themselves effective in meeting their subordinates’ job-related needs, effective in representing them to higher authority, effective in meeting organisational requirements, and believed themselves to lead effective groups. The comparison of Javanese and Chinese Indonesian managers can be seen in Figure 4.43, as follows:
4.5.4.3 Satisfaction

Regarding the last dimension in MLQ, Javanese managers believe that they have a satisfactory leadership style with a score of 85, while managers from Chinese Indonesian companies only scored 74. The comparison of responses is presented in Figure 4.44 below:
This chapter outlined the results of the three major areas of the research questions. The investigation of the cultural values of Javanese and Chinese Indonesian managers revealed that Chinese Indonesians have a higher power distance, higher collectivism, higher masculinity index and a lower indulgence versus restraint index compared to Javanese managers. For the leadership aspect, Javanese managers appear to demonstrate higher transformational, transactional and passive avoidant behaviour compared to Chinese Indonesian managers. As outlined in the methodology chapter, the present study aims to cover the gap in the previous research in culture and leadership by using qualitative interviews to support the

4.6 Summary of the Chapter

This chapter outlined the results of the three major areas of the research questions. The investigation of the cultural values of Javanese and Chinese Indonesian managers revealed that Chinese Indonesians have a higher power distance, higher collectivism, higher masculinity index and a lower indulgence versus restraint index compared to Javanese managers. For the leadership aspect, Javanese managers appear to demonstrate higher transformational, transactional and passive avoidant behaviour compared to Chinese Indonesian managers. As outlined in the methodology chapter, the present study aims to cover the gap in the previous research in culture and leadership by using qualitative interviews to support the
quantitative findings. The following chapter will present the qualitative results obtained from the interview process.
CHAPTER 5: QUALITATIVE FINDINGS

5.1 Introduction

As explained in the Methodology chapter, the present study utilises mixed methodology by combining two quantitative instruments (VSM 08 and MLQ 5X) and qualitative interviews. Although the use of quantitative instruments enables the researcher to measure and compare constructs such as culture and leadership, nevertheless, there are nuances that can only be obtained by employing qualitative research (Schein 1990; Hofstede, Garibaldi de Hilal et al. 2010). Therefore, the present study chose to conduct qualitative interviews with Javanese and Chinese Indonesian managers to expand the quantitative findings and gain deeper understanding regarding the cultural values and leadership styles of managers from both ethnic groups. The findings from the qualitative interviews will amplify and explain the quantitative results, allowing enhanced analysis of the research questions.

A semi-structured interview schedule was constructed based on the quantitative findings. The interview consisted of questions regarding cultural values and questions about leadership styles. The interviews were focused on the key areas of the research questions, and a probing technique was used to gain deeper and more elaborate explanations related to the topics, as well as clarifying respondents’ responses. At the beginning of each interview, the interviewer presents the quantitative findings to the interviewees, which are accompanied by a follow-up question.

The conceptual frameworks in this study (Hofstede et al., 2008; Bass and Avolio, 1995) were used to guide the analysis of the interview data. All interviews were transcribed and the researcher independently coded each interview and identified keywords. Specific analytical technique was also employed, namely pattern
matching technique (Saunders, Hemphill and Thornhill, 2009). In this technique, the analysis of qualitative data follows a predicting pattern of outcomes which derived from the conceptual framework (Saunders et al., 2009). If the pattern of the collected data matches the prediction, then an explanation has been found (Saunders et al., 2009). The researcher did not encounter any obstacle, nor used any qualitative data analysis software since this task was largely guided by the cultural values and leadership frameworks utilised in this study.

The following section outlines the interview questions and the qualitative responses obtained from both Javanese and Chinese Indonesian managers. The qualitative data is presented according to the sequence of cultural values and leadership dimensions as presented in the previous chapter of quantitative findings. Respondents’ perceptions and views in relation to the semi-structured interview are presented in direct and indirect quotations.

5.2 Demographic Characteristics of the Interviewees

The demographic information on interviewees consists of respondent’s name, company classification, age group, their highest educational qualification and the date of interview. To protect interviewees’ identity, all names and company names were presented using pseudonyms. There were 19 managers who participated in the follow-up interviews in the Javanese sample (12 males and 7 females), and 15 managers in the Chinese Indonesian sample (11 males and 4 females). These numbers (34 interviews) were considered adequate to represent managers from both cultural groups according to the criteria established by Francis, Johnston, Robertson, Glidewell, Entwistle, Eccles & Grimshaw (2010). The demographic characteristics of the interview sample are presented in Table 5.1 and Table 5.2, as follows:
Table 5.1 Demographic Characteristics of the Javanese Interviewees

<table>
<thead>
<tr>
<th>Name</th>
<th>Company Classification</th>
<th>Age group (years)</th>
<th>Highest educational qualification</th>
<th>Date of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Male Managers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sasongko</td>
<td>Manufacturing</td>
<td>50-59</td>
<td>Currently studying PhD</td>
<td>November 2011</td>
</tr>
<tr>
<td>Maher</td>
<td>Health Services</td>
<td>60+</td>
<td>Master of Health Services Management</td>
<td>November 2011</td>
</tr>
<tr>
<td>Raharja</td>
<td>Manufacturing</td>
<td>60+</td>
<td>Masters of Law (LLM)</td>
<td>November 2011</td>
</tr>
<tr>
<td>Ridwan</td>
<td>Manufacturing</td>
<td>30-34</td>
<td>MSc (Agricultural Engineering)</td>
<td>November 2011</td>
</tr>
<tr>
<td>Arif</td>
<td>Mining and Quarrying</td>
<td>40-49</td>
<td>BSc (Geology)</td>
<td>February 2012</td>
</tr>
<tr>
<td>Dimas</td>
<td>Manufacturing</td>
<td>30-34</td>
<td>MAcc (Accounting)</td>
<td>November 2011</td>
</tr>
<tr>
<td>Radit</td>
<td>Manufacturing</td>
<td>30-34</td>
<td>Master in Management</td>
<td>December 2011</td>
</tr>
<tr>
<td>Azhar</td>
<td>Wholesale and Retail</td>
<td>50-59</td>
<td>Masters of Law (LLM), Master in Management</td>
<td>December 2011</td>
</tr>
<tr>
<td>Aji</td>
<td>Construction</td>
<td>30-34</td>
<td>Master in Management</td>
<td>January 2012</td>
</tr>
<tr>
<td>Ahmad</td>
<td>Finance and Insurance Services</td>
<td>40-49</td>
<td>Bachelor of Law (LLB)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Sonny</td>
<td>Information and Communication</td>
<td>35-39</td>
<td>BEng (Computer Engineering)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Purnomo</td>
<td>Finance and Insurance Services</td>
<td>35-39</td>
<td>BBus (Management)</td>
<td>December 2011</td>
</tr>
<tr>
<td><strong>Female Managers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aida</td>
<td>Information and Communication</td>
<td>40-49</td>
<td>MAcc (Accounting), Master in Islamic Finance</td>
<td>January 2012</td>
</tr>
<tr>
<td>Salmah</td>
<td>Wholesale and Retail</td>
<td>40-49</td>
<td>Bachelor in Social Science</td>
<td>December 2011</td>
</tr>
<tr>
<td>Saras</td>
<td>Wholesale and Retail</td>
<td>30-34</td>
<td>Master in Accounting</td>
<td>December 2011</td>
</tr>
<tr>
<td>Dilla</td>
<td>Health Services</td>
<td>30-34</td>
<td>Master in Management</td>
<td>November 2011</td>
</tr>
<tr>
<td>Putri</td>
<td>Finance and Insurance Services</td>
<td>35-39</td>
<td>Bachelor in Business Administration</td>
<td>December 2011</td>
</tr>
<tr>
<td>Sulasstri</td>
<td>Manufacturing</td>
<td>30-34</td>
<td>B.Bus (Finance)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Suharni</td>
<td>Manufacturing</td>
<td>35-39</td>
<td>B.Bus (Marketing)</td>
<td>December 2011</td>
</tr>
</tbody>
</table>
Table 5.2 Demographic Characteristics of the Chinese Indonesian Interviewees

<table>
<thead>
<tr>
<th>Name</th>
<th>Company Classification</th>
<th>Age group (years)</th>
<th>Highest education qualification</th>
<th>Date of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andika</td>
<td>Manufacturing</td>
<td>35-39</td>
<td>MAcc (Accounting)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Bambang</td>
<td>Manufacturing</td>
<td>40-49</td>
<td>BEng (Electrical Engineering)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Rahardi</td>
<td>Manufacturing</td>
<td>40-49</td>
<td>BEng (Mechanical Engineering)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Sukamto</td>
<td>Manufacturing</td>
<td>50-59</td>
<td>BEng (Industrial Engineering)</td>
<td>January 2012</td>
</tr>
<tr>
<td>Suyono</td>
<td>Health Services</td>
<td>50-59</td>
<td>Bachelor in Public Health, Master in Management</td>
<td>November 2011</td>
</tr>
<tr>
<td>Okto</td>
<td>Information and Communication</td>
<td>35-39</td>
<td>BEng (Computer Engineering)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Anton</td>
<td>Wholesale and Retail</td>
<td>35-39</td>
<td>BBus (Marketing)</td>
<td>January 2012</td>
</tr>
<tr>
<td>Andreas</td>
<td>Finance and Insurance Services</td>
<td>35-39</td>
<td>BBus (Finance)</td>
<td>January 2012</td>
</tr>
<tr>
<td>Pranoto</td>
<td>Mining and Quarrying</td>
<td>35-39</td>
<td>BSc (Geology)</td>
<td>February 2012</td>
</tr>
<tr>
<td>Herlambang</td>
<td>Construction</td>
<td>40-49</td>
<td>BEng (Civil Engineering)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Ivan</td>
<td>Information and Communication</td>
<td>50-59</td>
<td>BBus (Marketing)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Female Managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Berlian</td>
<td>Manufacturing</td>
<td>30-34</td>
<td>BEng (Chemical Engineering)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Puspita</td>
<td>Wholesale and Retail</td>
<td>35-39</td>
<td>High School (Vocational)</td>
<td>December 2011</td>
</tr>
<tr>
<td>Linda</td>
<td>Manufacturing</td>
<td>35-39</td>
<td>BEng (Chemical Engineering)</td>
<td>January 2012</td>
</tr>
<tr>
<td>Astuti</td>
<td>Manufacturing</td>
<td>35-39</td>
<td>High School (Vocational)</td>
<td>January 2012</td>
</tr>
</tbody>
</table>

As indicated in Table 5.1 and Table 5.2, the majority of managers involved in this study were male, comprised of 12 Javanese managers and 11 Chinese Indonesian
managers. Regarding their age group, respondents with the age group of 30-34 years were dominant for Javanese interviewees (7 out of 19 managers), while respondents from the age group of 35-39 yearsold (8 managers) were prevalent for the Chinese Indonesian interviewees. As has been explained in the previous Methodology chapter, respondents have to have a minimum of 5 years’ working experience in their present company in order to be involved in this study. All interviewees confirmed that they fulfil this criteria, indicating that the contact person in each company has carefully selected the samples according to the criteria determined by the researcher.

In relation to the respondents’ educational profile, the lowest education qualification was a bachelor degree (8 respondents). The majority of Javanese interviewees interestingly hold a postgraduate degree (11 out of 19), and from this number, six of them were young managers from the age group of 30-34 years old. During the interview, all of these young Javanese managers specified that they undertook their postgraduate degree during the first six years after they completed their bachelor study. Two of them graduated overseas: Ridwan obtained his masters from Japan, while Saras graduated in The Netherlands. The remaining managers with a postgraduate degree had graduated from universities in Central Java and Yogyakarta province.

Among Javanese managers, the highest education qualification was held by Sasongko, who was studying for his PhD at the time of the interview. In 2009, Sasongko was officially promoted as director in Prambanan Charitable Foundation – a non-profit organisation created by the owner of his company – which focuses on the education sector in Central Java Province. Thus, by the time of the interview, he held two managerial positions in two organisations. As an individual who also has a passion for the academic world, Sasongko intended to share his practical expertise once he had completed his PhD study in universities and business schools. The researcher was informed that he graduated in mid-2012 after
spending more than 5 years doing his doctorate study specialising in development policy.

Opposite to the education profiles of Javanese managers which were dominated by managers with postgraduate degrees, the majority of Chinese Indonesian managers (11 out of 15) were bachelor graduates from universities in Central Java, West Java, Yogyakarta and Jakarta. Only 2 Chinese Indonesian managers held a postgraduate degree: Andika and Suyono, who had graduated from a public university in Yogyakarta. In Andika’s case, undertaking a postgraduate degree gave him the opportunity to be promoted. His expectation was proven to be correct as he has held positions as a senior manager in the company since 2010, becoming the youngest senior manager in the company’s history. Suyono began his masters study in 2004 and finished in 2006. In his case, completing a masters degree was a compulsory requirement for the company, because all of his direct subordinates at that time had begun to undertake masters study in management.

The educational profile for Chinese Indonesian managers also reveals an interesting finding: 2 managers; Puspita and Astuti, were only high school graduates. Puspita has been working with the company from a very young age: 19 years old, as cashier. In 2008, her direct superior was away on maternity leave and Puspita was entrusted to fill her position temporarily. The company recognised Puspita’s capability, and finally in 2011 she was promoted into the position of accounting manager. Astuti shares a similar story to Puspita’s, starting her career as a machinist in 1995. However, Astuti enjoyed a position as supervisor in the personnel department in 2008, several years earlier than Puspita. Both Astuti and Puspita indicated their interest in completing their bachelor degree to be able to cope with the new recruits who were bachelor graduates in general.

To summarize this section, the demographic information on the interviewees has given an indication that Javanese managers have a high regard for education
compared to the Chinese Indonesian managers. Referring to the numbers of Javanese managers who undertake their postgraduate degrees during the first six years after the completion of their bachelor degree, they seem to have a mindset that education is the key to their career advancement. Having a masters degree is important for Javanese managers, and there was a trend that young managers tended to obtain their masters degree as early as possible. Oppositely, this appears not to be too important for Chinese Indonesian managers. Despite their level of education, mostly bachelor graduates only, they were able to obtain a managerial position in their company. The possible explanation for this aspect, if any, will be presented in the following section about cultural values and will also be closely examined in the next chapter.

5.3 Cultural Values

In order to understand the cultural values perceptions of Javanese and Chinese Indonesian managers, interviews were conducted with the senior and middle managers who had stated their availability to be interviewed. As presented in Table 5.1 and Table 5.2, there were 19 Javanese managers and 15 Chinese Indonesian managers involved in this process. All interviews were conducted at a time and location convenient to the respondent. In most cases, each company provided a meeting room equipped with tables and chairs so that the interview process could be conducted without any disruption. However, some senior managers preferred to use their own office during the interview process because it gave them the flexibility to respond to urgent messages.

At the beginning of each interview process, the respondent was given an explanation about the definition of terms together with the quantitative findings on culture, which were segregated into seven cultural dimensions: power distance, individualism versus collectivism, masculinity versus femininity, uncertainty avoidance, long-term versus short-term orientation, indulgence versus restraint,
and monumentalism versus self-effacement. The main findings obtained from the interviewees are reported in the following sections.

5.3.1 Power Distance

The interview regarding the dimension of power distance was designed to obtain information from the managers about the degree of inequality in both the Javanese and Chinese Indonesian companies. According to the quantitative results on the power distance dimension, Chinese Indonesian managers demonstrated a higher power distance compared to Javanese managers. This means that there was a higher emotional distance between superior-subordinates in Chinese Indonesian companies. Although the findings from the interviews gave support to this quantitative finding, there were aspects that needed to be given attention. During the interview stage, the researcher noticed that in manufacturing companies and wholesale and retail trade companies, the power distance between its organisation members was more obvious compared to the other types of companies involved in this research.

Both Javanese and Chinese Indonesian manufacturing companies are large manufacturing plants with more than 1500 employees. The management office of both companies was located in the middle of the large plant complex. In the Javanese manufacturing company, the contact person was Pak Anto (Pak means “Mr” in English) while in the Chinese Indonesian manufacturing company Bu Wati (Bu means “Mrs” in English) was responsible for giving assistance to the researcher. Accompanied by the company’s contact person, the researcher had to follow a long pathway to reach the management office. In these companies, similar behaviour toward the company’s contact person could be observed from the factory workers. Every time the company’s contact person walked past the other factory workers, the workers paused for a moment, bowing their head, smiling and addressing them with “Pak” or “Bu” with deep respect. A similar behaviour could
also be observed in the Javanese and Chinese Indonesian wholesale and retail trade companies, which have around 500 to 700 employees.

In the Central Java Province, the Javanese ethnic group comprises 97.5 per cent of the province’s total population (Statistics Indonesia 2011). Therefore, it is not surprising that the workers in both the Javanese and Chinese Indonesian companies involved in this research are predominantly Javanese. In the Chinese Indonesian manufacturing company and the Chinese Indonesian wholesale and retail trade company, the Javanese ethnic group works mostly as a low-level employee, such as a machinist, operator, security officer, cashier, travelling sales person, driver etc. No Chinese Indonesians work as low level employees, however, the middle and top managerial position were dominated by Chinese Indonesian ethnicities. A Chinese Indonesian working as a low-level employee is a very rare case, according to Sukamto, a 53-year-old senior manager. He further explained that when a Chinese Indonesian realised that they do not have adequate competence (degree or skills) to compete in the market, they would rather start their own business, becoming a small scale entrepreneur or opening a grocery store, rather than applying for a low-level position in the company. Additionally, Sukamto explained that there is a sense of insecurity for a Chinese Indonesian if they have to work at the same level as the lowly-educated Javanese individuals, since they will be easily played off against other workers who have a different cultural background. Sukamto added a statement as follows:

\[
\text{Whether we want to believe it or not, ethnic prejudice still exists. The more educated the people, this prejudice will become lower. That is why there is no Chinese (Indonesian) who apply for a low level position. Most of them started as management trainees in this company, holding their bachelor or diploma degree. (Sukamto, 53-year-old Chinese Indonesian)}
\]

Within the Javanese manufacturing company, there were also some Chinese Indonesians who hold positions as middle managers, nevertheless, they were not
involved in this study because they did not match the sample criteria. This fact was based on the researcher’s observations while visiting the Javanese manufacturing company for interviews. The researcher was allowed to use the company’s main meeting room for interview purposes. Pak Anto – the contact person – asked the researcher to wait in front of the main meeting room because an important meeting was still occurring at that time. The researcher waited patiently until the meeting finished and all personnel left the room. The first interviewee was Raharja, a senior manager, who still looks hale and hearty at the age of 62. The researcher began the interview by presenting the fact about the 10 wealthiest Indonesians being dominated by Chinese Indonesian ethnicities, followed by the quantitative results of both Javanese and Chinese Indonesian managers.

In the middle of the discussion, Raharja asked whether the researcher saw several Chinese Indonesian managers who came out from the previous meeting. The researcher admitted that he saw two Chinese Indonesian, and asked a further question to Raharja about their position and the total number of Chinese Indonesian workers in his company. Raharja explained that there were less than 7 Chinese Indonesian workers in the company, with positions ranging from supervisory level to the head of the marketing department. All of these Chinese Indonesian managers did not start their career with Raharja’s company and had worked there for less than 5 years.

Interestingly, there was a statement from Raharja which is in line with Sukamto’s statement regarding the preference of Chinese Indonesians to pursue managerial positions in the company. According to his opinion, Chinese Indonesian ethnicities have gone through a very difficult life. He recalled the anti-Chinese riot which occurred in the city of Surakarta in 1980, and the more recent incident which occurred in Jakarta in 1998. Their status as a minority ethnic group with a distinctive physical appearance often made them the target of society’s dissatisfaction. According to this background, Raharja believes that Chinese
Indonesians will always seek middle to high managerial positions within a company. By obtaining a managerial position, Chinese Indonesians will have greater authority over other employees which gives them a feeling of security. Regarding his perception about Chinese Indonesian education levels and their working preferences, Raharja also made a statement, as follows:

*They (Chinese Indonesians) tend to seek an important position within the society, such as doctor, businessman, priest, accountant – a type of work which made them not have to rely on other people. In the company, it is impossible for you to find them in a low managerial position. Also, they prefer to work with other Chinese (Indonesian), just like Javanese who prefer to work with Javanese.*  
(Raharja, 62-year-old, Javanese)

Occupation and education level are among the factors that will affect power distance (Hofstede, Hofstede, et al, 2010). This fact was realised by Ridwan, a 33-year-old manager in the same company as Raharja, who often feels awkward with the way his subordinates treat him. When he joined the company 5 years ago, he had recently completed his masters degree from Japan in the field of agricultural engineering. Unexpectedly, his overseas education background was noticed by all of his subordinates, even those who had not got acquainted with him. On his second day working at the company, all the factory workers he met greeted him with high respect and addressed him using *Jawa Krama* – the polite form of Javanese language. Recalling this situation, Ridwan adds a statement, as follows:

*I was shocked by the way they treated me. They give too much respect. I became uneasy when a 50-year-old foreman addressed me using Krama, because I feel that I’m the one who should address him that way and not the opposite.*  
(Ridwan, 33-year-old, Javanese)

After working for several months in the company, Ridwan realised that the antecedents of the high respect given by his subordinates was due to the fact that he had earned his degree overseas. Within the factory site, there were very few
people with an overseas degree, and one of them was the company’s president
director who had earned an MBA from the USA. There were hundreds of low-
level employees in his company who were only middle school graduates, yet, most
of the staff in the management office had a university education. This condition
made Ridwan respected by other subordinates who always consider him and many
other managers who had earned their university degree as “smart, educated and
knowledgeable”, while, on the other hand, they considered themselves the opposite
despite their years of experience working in the factory.

The difference in occupation and educational level can also become a problem in a
Chinese Indonesian manufacturing company. As stated by Andika, a 37-year-old
senior manager, motivating the factory workers in his company is very hard,
because they tend to underestimate their own skill and knowledge. He also noticed
the biggest shortcomings among his subordinates were their lack of initiative and
their tendency to be afraid of their superior (referring to himself). When the
researcher asked about the possibility that such shortcomings were caused by the
difference in ethnicity – that most workers are Javanese yet the middle and top
managers were predominantly Chinese Indonesians – Andika’s voice tone
escalated and he stated that he never judged people based on their ethnicity, but
always by their work performance. According to him, the antecedents of these
behaviours were very much related to culture; the Javanese are submissive by
nature and tend to hide their true feelings.

Although Andika explained that in his company people were evaluated based on
their performance regardless of their ethnicity, the researcher noticed that Javanese
manners were taken lightly in the Chinese Indonesian manufacturing company.
The Chinese Indonesian managers used a high tone of voice and Javanese ngoko –
the coarsest form of Javanese language – when giving instructions to the low-level
employees. The employee would reply to the manager using the simplest form of
Javanese krama (high) or using Bahasa Indonesia. In the workplace, addressing
people in a higher position using Javanese *ngoko* is impolite and can trigger the superior’s anger. It is also impolite to address older people using Javanese *ngoko*, yet, Chinese Indonesian managers demonstrate this behaviour toward their elderly employees. In the Javanese manufacturing company, most instructions toward subordinates were conducted using the Javanese *madya* (middle) and Bahasa Indonesia, while subordinates replied in either Bahasa Indonesia or Javanese *krama*.

A similar conversation style can also be observed in both Javanese and Chinese Indonesian wholesale and retail trade companies. While the researcher was interviewing Azhar, a 56-year-old Javanese senior manager, both persons heard a loud voice speaking in Javanese *ngoko* from a meeting room nearby, where the speaker was accusing a specific person of incompetence in doing a job. Azhar explained that the meeting was lead by Roni, the supplier manager, who is known for his hotheaded behaviour. Because of this disturbance, Azhar politely apologised to the researcher on Roni’s behalf and suggested continuing the remaining interview in his private office. Afterwards, Azhar explained that a leader should not scold a subordinate in a meeting, or in front of other subordinates. Roni’s action could have a negative effect on the morale and the motivation of his subordinates, because they would be ashamed because their incompetence and mistakes had become known by other employees. According to Azhar, employees should be respected and treated as part of the company’s family. Azhar’s company has been rapidly expanding and survived the 1998 Indonesian monetary crisis, and he stressed that the employees' dedication was the key to those successes.

The power distance in the remaining companies which participated in this research: information and communication, health services, finance and insurance services, mining, and construction companies, was not as high as in both the Javanese and Chinese Indonesian manufacturing and wholesale and retail trade
companies. In these remaining companies, employees rarely used Javanese and tended to use Bahasa Indonesia. Because it does not have different levels like the Javanese language, the use of Bahasa Indonesia avoids the inequality in superior–subordinates' conversations at these companies. As explained by Ahmad, a 45-year-old manager in a finance and insurance services company, all employees were encouraged to use the proper and formal form of Bahasa Indonesia, because of the nature of their business which deals directly with consumers from various cultural backgrounds.

Another factor distinguishing the remaining participating companies from both the Javanese and Chinese Indonesian manufacturing and wholesale and retail trade companies, was the level of education and the total number of employees working in the company’s head office, not including their branch offices or their subsidiaries. Among these companies, only one company in the field of health services had more than 300 employees, while the rest had between 100 to 250 employees. However, as explained by the interviewees, the minimum education level in these companies was a high school graduate, and that was only for a low position such as security officers or the drivers. Security officers at these companies received periodic training from the Indonesian police, and there were also periodical tests for the company’s drivers to check their fitness and awareness. Specific to the role of security officer, Aida, a 49-year-old Javanese manager added a statement, as follows:

*Do not underestimate the security officers, they have an important role for the company and have to go through special training. The security manager in this company has gone through more than 500 hours of training, have the Gada Utama certificate and earns as much as any other manager in this company.* (Aida, 49-year-old, Javanese)

During the interview session with Aida, the researcher also shared the findings of the interviews and observations from the manufacturing and wholesale and retail
trade companies, explaining the large education gap which tends to make employees give over-respect toward their superiors. In her opinion, those conditions did not happen in her company, because most of the employees are required to have at least a Diploma degree by the time they join the company. Aida agrees that a low level of education would cause the feelings of inferiority, and, in fact, her company has a clear scheme of promotion and provides opportunity for employees to pursue further education. The same opinion was also expressed by managers in healthcare industries, finance and insurance services, construction, mining and quarrying. In the health services company, employees have to possess a certain qualification: having a degree in medicine, nursing, healthcare management, pharmacist, nutrition and dietetics etc. Most of the managers in construction companies and mining and quarrying companies were engineers, and low-level employees were mostly vocational school graduates who have adequate knowledge in machinery or construction basics. As stated by Herlambang, a 47-year-old manager in the Chinese Indonesian construction company, some of the low-level employees had their own areas of work specialization which gave them higher self-confidence and motivation because they felt that their existence was vital for the company.

From the information provided above, and the researcher’s observations, the inequality in the superior-subordinate relationships were more obvious in companies with a large number of employees, where there were large gaps in the education levels among employees. In companies with such structure, the use of the Javanese language in the workplace is common, and some superiors tended to use the Javanese ngoko toward their subordinates, which makes the levels of hierarchy very clear. In companies with fewer gaps in education, low-level employees are likely to earn more respect from their superior, giving them higher motivation and self-confidence at work. Bahasa Indonesia is widely used by employees in these companies, making the inequalities between superior-subordinates less obvious.
Although the observation results have helped describe the differences in power distance in different types of companies, along with the antecedents, the quantitative results presented in the previous chapter indicate the difference in power distance levels between Javanese and Chinese Indonesian managers. To gain a deeper understanding of why Chinese Indonesian managers obtain a higher power distance score compared to Javanese managers, a question was designed to ascertain the evidence on emotional distance that separates the superior from subordinates: within superior-subordinate relationships, should employees be afraid of their superior?

This question was proven to successfully reveal the difference in power distance between Javanese and Chinese Indonesian managers. Javanese managers have a shared opinion that a good leader should not be feared by their employees, because Javanese believe that a leader tends to be deceived when he/she is feared by subordinates. For example, when a subordinate is exaggerating his respect toward his leader, it seems that the subordinate is seeking attention from the leader for certain purposes. According to Sasongko, this practice will lead to so called “Asal Bapak Senang” (Keep the Boss Happy) which has negative connotations and was a famous term associated with the Indonesian New Order Government. In the “Asal Bapak Senang” concept, subordinates are willing to do anything to please the leader, to steal the leader’s heart, for their self-interest or for their career’s benefit. That is why Javanese managers believe that a good leader has to be able to identify what is the real purpose behind someone’s action; and should be careful with praise and compliments. If the leader is feared by the employees, the leader would not be able to recognize whether the praise, compliment or obedience of the subordinate is genuine or not. One of the Javanese managers, Azhar, stressed the importance of an open relationship between superior-subordinates which is based on mutual respect, and shared his family life story related to this aspect, as follows:
My father was firm and authoritative, and feared by all his subordinates. At the end, he was cheated by his most trusted and obedient subordinate. People, including my father, tend to be delirious when receiving praise, which made them very easy to be cheated. That is why leaders have to position themselves as a friend for the employees, building relationships based on mutual respect (Azhar, 56-year-old, Javanese).

Azhar’s father was a famous jeweller in the city of Semarang until the mid-1980’s when his business went bankrupt because he was cheated by his employees. Based on this experience, Azhar stated that he will not repeat the same mistakes in leading people. For him, authoritative behaviour is a path toward leadership failure.

In short, Javanese managers stated their dislike of the statement that a leader should be feared by the employees, or employees should be afraid of the leader. For them, an ideal relationship between superior-subordinate is when the subordinate can openly express what they have in mind to the leader. A superior should act as a friend, a teacher, and provide solutions to all problems faced by the employees and their families. This type of relationship is argued to encourage subordinates to share their concerns with the leader. As explained by Sasongko, the Javanese culture shows very high concern toward the feelings of others, making people have the feeling of “ewuh pakewuh”, which literally means uneasiness or reluctance. Ewuh pakewuh feelings make the subordinates uneasy and reluctant to engage in a long conversation with the leader because they feel it is improper and will only waste the leader’s time. Although such behaviour is regarded positively in social interaction, demonstrating ewuh pakewuh at work will result in decreased productivity and unidentified problems, since employees will be reluctant to tell their superior about the company’s actual condition. Javanese managers believe that such behaviour should be changed incrementally by treating employees as part of their own family, by becoming their “parents”. Additionally,
Sasongko said that a good leader would be able to eliminate *ewuh pakewuh*, because it is just a matter of communication between superior-subordinate.

The argument of Chinese Indonesian managers was divided into two: 10 managers explicitly stated that superiors should not be authoritative, while the rest argued that instilling fear in the employees was necessary to ensure that they work diligently. The first group of managers believed that having a sense of fear toward the superior would make the subordinates lose their creativity, because they would focus themselves on how not to make mistakes at work. Nevertheless, these managers also stressed that there should be a clear boundary between superior and subordinate. Subordinates should never forget about their position, and they should always respect their leader in every situation. As stated by Bambang, a 43-year-old Chinese Indonesian manager, there were cases where employees could address their superior informally in the office, when they feel they are well-acquainted with their boss. Such action was considered inappropriate for Chinese Indonesian managers, because it would ruin their image in the office. Specific to this condition, Bambang shared his experience as follows:

* I used to invite my staffs to go fishing or playing tennis together. Several weeks later, when I had lunch in the cafeteria, one of them approach me and said: “Mas (big brother), when is our next fishing schedule?” in front of other employees. I almost cannot control my anger, because he was embarrassing me in front of other employees. What will happen if other employees imitate his behaviour and address me in the same way? He just forgot that in the office, I am his boss! (Bambang, 43-year-old, Chinese Indonesian)

In contrast with Bambang, who stated his disagreement toward authoritative behaviour yet emphasized the importance of being respected by employees, 5 Chinese Indonesian managers (2 males and 3 females) explicitly stated that a leader should be firm and authoritative. According to them, Bambang’s problems would not happen if his staff had a sense of fear toward him. A sense of fear
toward a leader would automatically create a sense of respect, and the leader will not be underestimated by the followers. Additionally, Puspita, a 37-year-old manager from a wholesale and retail trade company, stated that fear is much more effective compared to charisma, because it will make employees obey anything that is ordered by the leader.

The reason why some Chinese Indonesian managers supported the idea of authoritarianism was caused by their disappointment about the leadership style in their company. According to them, most managers in their companies were too soft and compromising. They argued that some subordinates tended to use this situation for their own benefit, making excuses, and taking lightly any warnings given by their boss. These arguments from Chinese Indonesian managers reflect the need for a hierarchy in a company, which made them score higher in power distance compared to Javanese managers. Since all findings obtained from the interviews and observations of the power distance dimension have been presented, the following session will present the findings for the next cultural dimension: individualism versus collectivism.

5.3.2 Individualism/Collectivism

The previous section has provided the information regarding the internal situation of each company that participated in this study, revealing that Chinese Indonesian managers score higher in power distance because of the high need for status and prestige in their working environment. In this section, the findings obtained from the interviews and observations for the second cultural dimension, individualism versus collectivism, will be presented. According to Hofstede, Hofstede, et al. (2010), individualism reflect the condition where people give more attention to themselves and their immediate family. The opposite, collectivism, reflects the condition where people are integrated into strong, cohesive in-groups which provide protection in exchange for unquestioning loyalty. Although the
quantitative results for this dimension has indicated that both groups of managers are collectivist, the collectivism score of Javanese managers is lower compared to the Chinese Indonesian managers.

To obtain information on why Chinese Indonesian managers demonstrate stronger collectivism, two questions were designed for interview purposes: “Could you describe an ideal relationship between superior and subordinate?” and “Which one is more important for you: having personal time for yourself and your family, or giving priority to the interests of your groups and organisation?” The response to these questions provides evidence on why both groups of managers are collectivist, and on why Chinese Indonesian managers have higher scores for collectivism compared to Javanese managers.

In responding to the first question, both Javanese and Chinese Indonesian managers stated that the ideal relationship between subordinates and superiors is a family-like relationship where the superior acts as parent and protector for the subordinate. In a family-like relationship, the relationship between superior and subordinates is much stronger than just a contractual relation. Javanese managers agree that Javanese companies should not only be responsible for the prosperity of their employees, but should also give attention to their employee’s family. An illustration of this condition was given by Azhar, a 56-year-old Javanese manager, after one of his subordinates, Tarno, was involved in a car accident in 2006. Although at the time the company had covered all expenses for Tarno’s medication, Azhar also assigned one of the company’s drivers to provide daily transportation for Tarno’s wife and children. He was aware that Tarno’s children had to travel 15 kilometres to their school, and since Tarno was hospitalised and his car was wrecked, the family did not have anyone else to rely on. It took 3 months for Tarno to fully recover, and once he had fully recovered the company helped him to purchase a replacement car with a low interest loan from the
company’s co-operative. To stress the importance of having a family-like relationship with his employees, Azhar added a statement as follows:

*I want to be close with them (the employees), because I am their father in this organisation. I have to know my subordinates’ family, their children, their parents. I pay attention to their personal life, because whatever happens to them is my responsibility.* (Azhar, 56-year-old, Javanese)

Although some Chinese Indonesian managers believe that leaders should be authoritative and instil fear in their subordinates, all of them share a similar opinion with the Javanese managers, that creating a family-like relationship in the workplace is important. However, there is a strong expectation from Chinese Indonesian managers that the superior should always give protection to the subordinates. People in higher positions are expected to be wise, considerate and able to provide solutions for all problems faced by the subordinates. According to Okto, a 35-year-old manager in Chinese Indonesian information and communication company, a superior has to be close to their subordinates to let them share their feelings and problems. Also, superiors have to share their happiness as much as possible with subordinates, because subordinates are their family at the office.

Furthermore, Chinese Indonesian managers also emphasize the importance of understanding the needs of the subordinates in special circumstances. As stated by Rahardi, a 47-year-old manager in a Chinese Indonesian manufacturing company, sometimes his subordinates were too afraid to ask for leave of absence, even though the company had allocated 8 days’ annual leave of absence for all employees. In early 2011, he was about to assign one of his subordinates, Budiman, to attend a product exhibition in Jakarta for one week. Shortly after he gave the assignment to Budiman, he happened to receive information that Budiman’s son was just recovering after being hospitalised for 2 weeks with
dengue fever. After hearing this information, Rahardi went to Budiman’s room to ask him to take approved leave so he could spend some time with his family.

_He took the boy to Tanjung Kodok (an amusement park in East Java), and the boy was very happy. During the company’s birthday party, the boy approached me, introduced himself and kiss my hand (as a sign of respect toward the elder)._ (Rahardi, 47-year-old, Chinese Indonesian)

The statements of both Javanese and Chinese Indonesian managers, as presented above, reflect their beliefs that the relationship between superior and subordinates should involve a strong emotional bond, a family-like relationship, where members who have more power should patronize members with less power. Within the organisation, the people in higher positions are expected to be wise, giving protection and acting as parents for their subordinates. The interview findings to the first question give evidence that both Javanese and Chinese Indonesian managers are collectivist. The second question for this dimension; “Which one is more important for you: having personal time for yourself and your family, or giving priority to the interests of your groups and organisation?” provided evidence as to why Chinese Indonesian managers have higher scores for collectivism compared to Javanese managers.

In answering the second question, 14 out of 19 Javanese managers stated that their family should be given priority over the interests of their groups or their organisation. In one of the interviews, the researcher was criticised by Arif, a senior manager in a Javanese mining and quarrying company, because he believed that the second question is incorrectly worded to ascertain the respondents’ opinions on individualism and collectivism. According to him, if someone was asked to choose between spending time with family or organisation, he or she will always choose the family as a priority. Arif’s argument was backed up by Dimas, who stated that if he has to choose between spending a weekend with his wife and children or attending a company gathering, he would definitely choose his family.
Despite the criticism from Arif and Dimas, 5 Javanese managers gave an opposite statement, that they would put the interests of their groups or organisation over the interests of their family. These 5 managers stated that the family life and work life should be balanced, but the company’s interests should be the top priority. For them, attending the company’s social event is part of their responsibility to the company, because everything that they earn and they gave to their family comes from the company where they work. As stated by Purnomo, there is a risk that has to be faced when someone joins an organisation – that someone can no longer act individually, because whatever they do, there will also be further consequences for their organisation. For some people, their responsibility toward their jobs and work life is more important compared to having free time for themselves or with their families, making the criticism from Arif and Dimas incorrect.

In answering the second question, the response of Chinese Indonesian managers was also divided into two opinions. There were 9 out of 15 managers who tended to give more attention to their immediate family, by spending their free time with them rather than attending any other social activities, company gatherings or group events. They argued that family is the most important possession they have in life, therefore, they will do anything to make their family happy. An example was given by Berlian, a 30-year-old manager, who chose to resign from her previous company despite being promoted to supervisor in the city of Medan, North Sumatra. Her main consideration was not being away from her parents. Specific to her past experience, Berlian added a statement as follows:

*It was 6 years ago, when I was 24. I have a good career and high salary, but when they want to promote me to Sumatra, I choose to resign although I still have another 3 year contract with them. I don’t want to leave my parents, what if something happens to them while I’m away? I believe that I can get another job easily.*

(Berlian, 30-year-old, Chinese Indonesian).
The remaining Chinese Indonesian managers who made the opposite statements believe that the interests of the group and the organisation should not be under-emphasized. According to them, it is almost impossible for Indonesians to disregard social relationships and be individualistic. They mentioned a regulation made by the Indonesian government, *Rukun Tetangga*, in which a person will be elected by the society as *Ketua RT* (the head of *Rukun Tetangga*) to be responsible for organising a maximum number of 50 families in his or her neighbourhood to maintain order and harmony in the area. Thus, it is impossible for one family to live in a neighbourhood without knowing their neighbour. Failure to join the event held by *Rukun Tetangga* would result in excommunication from the neighbourhood, because he or she would be considered as antisocial. Sukamto, a 53-year-old manager in a Chinese Indonesian manufacturing company, stated that he encouraged his children to get involved in social activities held by a youth association in his neighbourhood. Sukamto believes that his neighbour is the very first person who will help when his family faces trouble, with a statement as follows:

*If I pass away, it is not my family who will bury my body; it is my neighbours, the society. If I never involve myself and only cares for my family, will they care if something happens to me? Will they come to my funeral?* (Sukamto, 53-year-old, Chinese Indonesian)

Another Chinese Indonesian manager with a similar perspective to Sukamto is Andika. He holds the principle that his organisation (his workplace) is the main priority, more important than spending time together with his family during the weekend. For Andika, the prosperity of the company will also be his prosperity. Anytime the company needs Andika, even during holidays, he will come to the company and leave his family behind. In the past, Andika used to work overtime voluntarily whenever his task was not yet finished. He then shared a memorable moment which happened in 2004 with the researcher, where he and four of his team members had to work for 48 hours voluntarily during the weekend because
there was a failure in the main equipment. He always tells this story to give an example to his subordinates that if someone gives their best effort to the company, the chance for promotion will be wide open. In 2010, at the age of 36, Andika became the youngest senior manager in the company's history.

To summarize this section, both Javanese and Chinese Indonesian managers demonstrate collectivist behaviour, based on their responses to the first question regarding the ideal relationship between superior-subordinate. For these managers, the ideal relationship between superior-subordinate is a family-like relationship where the superior acts as parent and protector. Nevertheless, there were differences in the number of managers who stated their preference to spend their free time by themselves or with their family: 14 (out of 19) Javanese managers, compared to 9 (out of 15) Chinese Indonesian managers. Although this finding needs further analysis, the response to the second question indicates that Javanese managers are more individualistic compared to Chinese Indonesian managers. This finding, together with other findings, will be further analysed in the next discussion chapter.

5.3.3 Masculinity/Femininity

This section will present the qualitative findings for the third cultural dimension: masculinity and femininity. According to the quantitative result, Chinese Indonesian managers demonstrate a higher masculinity score compared to Javanese managers. This indicates that Chinese Indonesian managers demonstrate higher needs for challenge, recognition and career advancement compared to Javanese managers. To obtain more information about the perception of both Javanese and Chinese Indonesian managers related to this aspect, two questions were asked during the interview: “What is your main consideration when choosing places to work?” and “How important is ambition in your life?”
In responding to the first question, the majority of Javanese managers consider that the most important aspect in selecting places to work is a pleasant working environment. When the researcher asked them to give further explanation about a "pleasant working environment", they mentioned several aspects such as having friendly and co-operative subordinates and co-workers, having a nice boss, and working with fellow Javanese or working in a place with a strong Javanese environment. According to Saras, a 30-year-old Javanese manager, having a co-operative and friendly co-worker creates a good atmosphere at work. She argued that working in such an environment would make her more productive, and lessen the possibility of experiencing stress. When the researcher asked Saras about the importance of having a big salary for her work, she said that it is not her main priority. Saras admits that she knows how much a person with her qualification is paid, which is more or less the same in any large wholesale and retail trade company.

Among the Javanese managers, there were 3 managers who stated that the most important aspect in finding a job is the salary and the opportunity to be promoted. One of them, Dimas, a 31-year-old manager, admitted that the main reason he is working in his present company is because of the amount of salary offered to him. So far, Dimas feels satisfied with the environment of his workplace because his co-workers are never troublesome. During the last 6 years, he has been promoted three times, nevertheless, he also admits that if another company offered him a bigger salary, he is ready to leave and adapt to the new environment.

In contrast with the opinion of the majority of Javanese managers, the majority of Chinese Indonesian managers explained that the most important aspect in finding a job is the company size, the amount of salary, and the company's performance. They are also more concerned about the existence of a fair career system rather than a harmonious working environment. One of the managers, Linda, admitted that she chooses to work in her current company because of its reputation and
performance, despite the fact that the competition among the newly-recruited employees is very high due to the performance-based evaluation system. Her company is the market leader in Central Java province, and she believes that she can learn a lot from the company, because of its integrated production process. Last but not least, Linda smiled when she mentions the amount of monthly salary she receives from the company: Rp.15.000.000 - which is equal to US$1500 - not including other incentives. For most Indonesians, Linda's salary is considered high, remembering the salary of a civil servant with a bachelor degree receives only around US$250 per month.

The statements of Chinese Indonesian managers reveals their preference for a job that is challenging and rewarding. One Chinese Indonesian manager, Andika, openly criticised the consideration of Javanese managers who choose their workplace mainly because of the pleasant working environment. He believed that the bigger the challenge in a workplace, the more the reward that will be obtained. Andika gave the researcher the following advice:

Mas (younger brother), remember, if you remain in the comfort zone, you will never be able to develop your skill and knowledge (Andika, 37-year-old, Chinese Indonesian).

For some Javanese managers, Andika's comment and criticism could be regarded as assertive behaviour. In responding to the second question about the importance of having ambition in life, most Javanese managers gave a positive response; they stated the importance of having ambition, which is mainly to avoid a stagnant performance and shows someone's determination to achieve their goal in life. Nevertheless, when someone explicitly states his or her ambition, Javanese managers will see this as a sign of assertive behaviour, which can ruin the harmony in the company. Some Javanese managers tend to avoid working with assertive individuals, because of the suspicion that assertive people tend to manipulate others for their own advantage. As added by Dilla, a 33-year-old
Javanese manager, assertive people tend to be competitive and arrogant, because they always want to be the best in every aspect. Her expression changed when she told the researcher about her biggest fear when dealing with an assertive individual:

\textit{What I am afraid most is that they (assertive people) will use every possible way to reach their goal. For them, something haram (forbidden, by the religion) can be halal (permissible, legal by the religion) as long as it suits what they want (Dilla, 33-year-old, Javanese).}

Dilla's opinion related to assertive individuals was also shared by half of the Javanese respondents in this study. They stated that assertive individuals have a higher probability of using unethical ways in reaching their goal. Interestingly, there was also one Javanese senior manager who suddenly became furious during the interview process when the researcher asked him about the importance of showing ambition in the workplace. The manager is Maher, who work as Dilla's superior in the health services company. Maher suddenly stated in a high tone of voice that such behaviour (showing ambition explicitly) is wrong and intolerable. After calming himself and apologising to the researcher for his spontaneous response, he said that during his 40 years of working experience he was always able to identify subordinates who were ambitious and assertive. Such subordinates tend to talk behind his back, spread negative information about someone they do not like, and show their good, obedient behaviour in front of him yet doing the opposite in reality. Fifteen years ago, when he was appointed as one of the top managers in his company, Maher always took firm action toward such subordinates by preventing their promotion, or moving the person to a less-important department within the company. Maher has his personal reason for such action, which is described in his following statement:

\textit{Such person is a parasite, which will destroy a solid team and spoil the harmony in the workplace. I always "erase" them from my list, no matter how smart they are.} (Maher, 61-year-old, Javanese).
To the same question, Chinese Indonesian managers gave an identical opinion that ambition is important since it reflects targets that need to be achieved in someone's life. In contrast to the Javanese managers, no extraordinary action is taken for over-assertive individuals in any of the Chinese Indonesian companies. Some managers did admit that over-assertive individuals were likely to disadvantage them, however, they consider that such individuals would act as a counterweight for the majority of the employees who are mostly passive and bound to the routine. Andika gave a rough estimation that there is one assertive individual in every 10 of his employees, who plays a role as "motivator" for the nine other co-workers. He further stated that as long as the individuals do not commit any criminal activities in the workplace, assertive behaviour is always considered as a strength in his team. Lastly, Andika proudly admitted that he himself is very ambitious and assertive; under his leadership, the company manages to compete with other companies that have better human resource input.

During the interview session with Ivan, a 54-year-old Chinese Indonesian manager working in an information and communication company, the researcher was given a reminder that the laws of nature will apply to assertive and ambitious individual. According to him, ambition can only be reached by those who are able to integrate their ambition with adequate skills and capabilities. If a person employs unethical ways to pursue his or her ambition, it reflects that he/she does not have the proper skills and capabilities. For this reason, Ivan stated that he never worried or felt troubled whenever he has to work with an ambitious individual.

5.3.4 Uncertainty Avoidance

The fourth dimension of cultural values is uncertainty avoidance, which is literally defined as “the extent to which the members of a culture feel threatened by ambiguous or unknown situations” (Hofstede, Hofstede, et al., 2010, p. 191). According to the quantitative results, there is not much difference regarding the
uncertainty avoidance score of Javanese and Chinese Indonesian managers, where both groups of managers demonstrate a relatively weak uncertainty avoidance. The close scrutiny during the interview process used two main questions, as follows: "Do you have worries about your future career in this company," and, “In general, have you ever felt afraid in facing uncertainty in life?"

In responding to the first question, none of the Javanese respondents expressed worries about the future of their career. They were optimistic that their education level, working experience and capabilities would allow them to survive in future career challenges. As stated by Sonny, a 38-year-old Javanese manager, he currently does not have any worries about career uncertainty, since he has been able to measure his own capacity and capability. However, he admits that during his life as a student, he did have a lot of ungrounded worries about his future career. He recalled during that time, his status as a student in a local private university made him pessimistic about competing with the public university’s graduates in the job market. After graduation, it took 2 years until Sonny was accepted in his present company. Sony added a statement, as follows:

*Before I have this job, most of my day was full with anxiousness. But if you ask me now, that feeling has gone. I can always survive with my skills and capabilities.* (Sonny, 38-year-old, Javanese).

When the researcher asked the same question of the Chinese Indonesian respondents, they gave similar responses that none of them is worried about the future of their career. As stated by Andreas, a 38-year-old manager in a Chinese Indonesian financial and insurance services company, he holds a principle that skills are the most important thing to possess to face career uncertainty. During the first nine years of his career, Andreas worked in 6 different companies, until he finally decided to join his current workplace. Andreas added that because of his principle, he was able to find a workplace that gave him financial satisfaction – his current workplace.
Strong uncertainty avoidance is an undesirable trait for Chinese Indonesian managers. During an interview with Suyono, a 55-year-old senior manager in a Chinese Indonesian health services company, the researcher was reminded that it is inappropriate for someone in his position (senior manager) with years of working experience to be haunted by the feeling of anxiety, since it would give a bad impression to his subordinates. He added that for a trainee and low-level employees, being anxious is normal, especially if they realize that they do not have any special skills needed by the company. A good boss should be able to minimise the anxieties of his or her subordinates, ensuring they focus on their work and do the best for the company. Furthermore, Suyono emphasised that a leader should not be too soft and sentimental about his or her own misfortune, because a leader is the role model for the followers. To the researcher, he added a statement, as follows:

Mas (younger brother), let me give you an example: what will your future son have in mind when you are always pessimistic and feel anxious? You know the answer – you have to be a good role model for him. That is why, someone in higher position should not ever feel that way. (Suyono, 55-year-old, Chinese Indonesian)

There was an example given by Aida regarding one of her subordinates who displayed strong uncertainty avoidance. In the past, the subordinate, Joko, always behaved strangely whenever a new staff member joined her department. Joko would abandon his main task and start to give advice to the new staff member – he informally told them about the do’s and don’ts, and the characteristics of each individual in the department. According to Aida, Joko’s action was based on his unwillingness to improve his own skills, yet he was afraid the company would dismiss him from his current position. Joko tried to befriend the newly joined staff member so that they would do his work for which he did not have the necessary skills. Eventually, Aida put his name on the list of employees proposed for early retirement. Aida uses Joko’s case to illustrate the importance of having adequate skills and knowledge to face uncertainty, with a statement as follows:
My success is when my staffs are promoted to higher positions. However, there were people who just want to maintain their status quo, do not want to upgrade themselves, and at the end, they feel stressed with their condition. If only they’re willing to update their skills, it won’t happen. (Aida, 49-year-old Javanese)

In addition to the importance of having adequate skills and knowledge to face uncertain situations in a career, a response from one Chinese Indonesian manager, Herlambang, mentioned the correlation of his weak uncertainty avoidance behaviour with the current economic situation in Indonesia. In his opinion, Indonesia’s economy had been very stable for the last decade, and there was a prediction that Indonesia’s economy would be among the world’s 10 largest economies in 2030. With this economic prediction, Herlambang was optimistic that he would have a successful career, as long as he always updated his skills and capabilities. He added that if Indonesia’s economic condition was in crisis, there was a greater chance for him to be dismissed from his job, despite his great skills and experience.

Although the respondents’ responses to the first question indicated the tendency towards weak uncertainty avoidance behaviour, the researcher proposed a second question to ascertain the respondents’ opinion toward uncertainty. The researcher asked all interviewees the following question: “In general, have you ever felt afraid of facing uncertainty in life?”

In responding to this question, Javanese managers stated that uncertainty in life is unavoidable. They also have a firm belief that life has been designed by the God Almighty and they only have to do the best in life. As stated by Salmah, a 48-year-old manager in a Javanese wholesale and retail trade company, uncertainty is a part of life that needs to be accepted, and should be considered as something normal. However, she added that one has to be prepared if the situation in the future becomes unfavourable. Similar to the response from Javanese managers, Chinese Indonesian managers believe that their life belongs to God Almighty.
Whenever they feel afraid about facing challenges in life, they will ask God’s help through prayer. For both Javanese and Chinese Indonesian managers, faith and religion seem to be the most important factor that enables them to face uncertainty in life.

### 5.3.5 Long-term Orientation

The next dimension after uncertainty avoidance is the long-term orientation. Long-term orientation stands for a society which fosters virtues related to future rewards whilst the opposite, short-term orientation, fosters the virtues related to the past and present (Hofstede, Hofstede et al., 2010, p. 239). The quantitative results presented in the previous chapter revealed that both Javanese and Chinese Indonesian managers demonstrate a moderate level of long-term orientation. This means that both groups of managers acknowledged the importance of future rewards, yet, they also have concern for the conditions in the past and present.

To obtain detailed information regarding the perceptions of both Javanese and Chinese Indonesian managers of the past, present and future, two questions were asked of all interviewees. The first question asked respondents’ opinions about the importance of being frugal in life, which would reveal their view of the future. The next question would give information related to respondents’ perceptions of the past and present times, asking their opinion on the importance of tradition in society.

The responses of Javanese managers to the first question illustrate their view that frugality is important, but, being too frugal will cause an inability to enjoy life. Javanese managers related their answer to the Javanese concept of “rejeki”, which literally means someone’s economic fate. Javanese managers believe that rejeki has been determined by God: someone’s economic fate has been designed by God before he or she was born into this world. It is impossible for someone’s rejeki to
be taken by someone else, because God is the Most Righteous and will not misplace someone’s rejeki with others. In relation to this concept, Raharja added that someone has to strive to give the best in life, and work industriously, but should not be “ngoyo”. Ngoyo literally means “doing something beyond his strength”, or “undertake more than he has the right to undertake” (translation taken from Kartomihardjo, 1981, p. 183). According to Raharja, if someone has been able to fulfil their basic needs in life (food, clothing, and shelter) and yet he or she is still “ngoyo”, it is a sign of greediness. Referring to the first question, Raharja argues that being too frugal in life is a sign of “ngoyo” and denied the concept of “rejeki”. Following is an additional statement from Raharja regarding the concepts of rejeki and ngoyo:

After giving your best effort, stop and wait for the result. If the result is unfavourable, try again! Bear in mind that if we are destined to be a rich person, at the end, wealth will surely come. (Raharja, 62-year-old Javanese)

In general, Javanese managers acknowledged the importance of being frugal in life, yet, felt that frugality should not be someone’s life priority. As argued by Azhar, Javanese people have a high regard for the concept of modesty in life. Most of the Javanese people hold firm to the principle of “Samadyo”, which literally means “in the middle position”, not too high nor too low, not too rich or too poor. Azhar also added that the principle of Samadyo was taught by Wali Songo – The Nine Saints – who spread Islam on Java Island in the 15th century. The teaching of Wali Songo has been blended into and become part of Javanese culture, and is argued as one of the principles that is found in every true Javanese. When the researcher asked Azhar about the relationship between “Rejeki”, “Ngoyo” and “Samadyo”, Azhar explained with a statement, as follows:

It is interrelated. Samadyo is the embodiment of the belief in the concept of rejeki, making them to not be ngoyo in life. Living samadyo does not mean that they do not have any (economic) plan for their future, it just shows their focus, which gives greater
Similarly, Chinese Indonesian managers agree with the statement about the importance of being frugal, or being thrifty in life. Chinese Indonesian managers instil this principle in their children as early as possible, because they want this value to be embedded in them. As stated by Astuti, she does not want her son to become heavily indebted in his future, because his expenses are bigger than his income. For her, family is the place where the children gain the basic principles in life, therefore, she has to be able to be a good role model for her son, so he values the importance of being thrifty, being frugal and being modest in life. In the case of Rahardi, he stated that there is no benefit in spending money on things that he does not really need. He prefers to save the money and use it in an emergency situation. Among all Chinese Indonesian respondents, none of them specifically mentioned the importance of the *Samadyo* principle as explained by the Javanese managers.

In responding to the second question, the Chinese Indonesian managers stated that the preservation of tradition within a society is always conditional. According to them, if a tradition did not have good implications for the society, it should be left behind. An example given by one Chinese Indonesian manager, Andika, was a criticism of the traditions of marriage in Central Java which is very costly and complicated. He added that people should disregard the traditions if they do not have adequate money to do it. Regardless of whether people want to preserve marriage traditions or not, Andika added that the most important thing is to have a sense of belonging to the traditions.

Still related to the importance of preserving tradition, Bambang, a 43-year-old Chinese Indonesian manager gave an example regarding the type of traditions which do not need to be preserved. During the interview session, Bambang took an
old picture of his family from his wallet and showed it to the researcher. He told
the researcher that the people in the picture are himself, his mother, and his
grandparents. He recalls a moment in his childhood when he always spent the
school holidays at his grandmother's house in the Pat region. His grandfather
passed away in the late 1970s, and his grandmother seems to have always been in
grief since then. On the birthday of his late grandfather, his grandmother often asks
a pedicab driver who lives nearby, and is believed to have a supernatural power, to
become the medium for the spirit of his late grandfather. During the process, the
voice of the medium changes and was able to resemble the voice of his late
grandfather. However, Bambang was suspicious when he recalled that event:

Every time the spirit wants to leave his body, he (his grandfather)
always asks my grandmother to be generous toward the medium.
My grandmother always gives a generous amount of money, rice,
sugar and cooking oils afterwards. When I think about it now, it’s
purely a drama. The pedicab driver uses us for his own benefit.
(Bambang, 43-year-old, Chinese Indonesian)

Bambang argues that such a tradition, calling the spirits of the dead, should not be
preserved and should be left behind. Bambang, now a devout Christian, added that
all traditions which are against the religious teaching should be left behind and
should not be preserved. The statement from Bambang was in line with those from
the majority of the Javanese managers. Some Javanese managers told the
researcher about the practice of placing a buffalo’s head under a building during
construction to avoid future misfortune. This practice, according to Maher, is part
of the Kejawan ritual which is not in line with the Islamic teaching. Kejawan is the
Javanese religious tradition which mixes animistic belief with the teaching of
Hinduism, Buddhism and Islam. According to Maher, every Muslim who practises
the ritual of putting a buffalo’s head under a building will be condemned to hell,
because the person is asking for the help of the spirits rather than seeking help from
God. In Islam, such an action is considered one of the greatest sins.
To summarise this section, the opinions of both Javanese and Chinese Indonesian managers regarding the importance of being frugal and thrifty in life indicate their concern for future rewards, which is a characteristic of a long-term oriented society. Specific to Javanese managers, their beliefs in the concept of *rejeki* and *Samadyo* focus them on the present, thus explaining their moderate score for long-term orientation. For Chinese Indonesian managers, their moderate score for long-term orientation is reflected in their response to the importance of preserving tradition. Similar to Javanese managers, Chinese Indonesian managers believe that a selective approach should be implemented to the preservation of tradition. Traditions which are not in line with the current beliefs of the society should not be preserved and have to be left behind. This selective behaviour indicates their concern with the past, the present and the future, supporting the quantitative findings of their moderate long-term orientation score.

### 5.3.6 Indulgence versus Restraint

The sixth cultural dimension in Hofstede’s framework is indulgence versus restraint. As presented in the previous chapter of quantitative results, the indulgence versus restraint dimension is a new dimension adopted from the study by Michael Minkov. With an indulgent society, there is a tendency toward free gratification of basic human desires related to enjoying life and having fun, whereas in a restraint society, such gratification needs to be controlled by strict social norms (Hofstede, Hofstede, et al., 2010, p. 281). Referring to the quantitative results presented in the previous chapter, Javanese managers have higher levels of indulgence compared to Chinese Indonesian managers. To ascertain these findings, all respondents were asked the following question: “Which one is more important: leisure or hard work?”

Interestingly, a large number of managers from both Javanese and Chinese Indonesian companies refused to choose one of the two options given by the
researcher; 15 out of 19 Javanese respondents and 11 out of 15 of Chinese Indonesian managers insisted that leisure and hard work should be balanced. According to these groups of managers, it is nonsensical if someone works very hard but is not able to enjoy the results. As added by Saras, a 30-year-old Javanese manager, every six months she will take a vacation, going to places she has never been before. She argued that such activities will replenish her mood and stamina at work. Saras’s statement was supported by Berlian, a 30-year-old Chinese Indonesian manager who believes in the concept of work-life balance in order to maintain her health and prevent stress. Regarding the importance of the work-life balance concept, an interesting statement was made by Sukamto, as follows:

*If you ask me, most of my friends are suffering from diseases because they were too stressed and too focused with their work. Kidney failure, high blood pressure, stroke, heart attack, diabetes is common diseases which will appear when your life is not balanced. You have to think about your own happiness too. Luckily, in my case, I have realised this concept since I was young.*

(Sukamto, 53-year-old Chinese Indonesian)

The remaining managers, both Chinese Indonesians and Javanese, argue that hard work is more important than leisure. Interestingly, all respondents who gave this statement were from the age groups of 30-34 and 35-39 years old. They believe that hard work is the only key to success, and only through hard work can they release their full potential. Andika was among the managers who agree with this statement. He argues that working hard is a manifestation of his responsibility toward his wife and children. Additionally, he stated that one of his goals as a father is to be an example for his children that every success has to be earned with hard work, with “sweat”.

In summary, although the majority of managers believes in the balance between leisure and hard work, there were more Chinese Indonesian managers who give higher priority to hard work compared to Javanese managers. This result can likely explain the quantitative score of indulgence versus restraint, a dimension which
shows a higher level of indulgence among Javanese managers. Further analysis of this finding will be presented in the next chapter.

5.3.7 Monumentalism versus Self-effacement

The last cultural dimension question asked interviewees about the importance of religion in their life. The question was designed to clarify the quantitative findings which indicate that both Javanese and Chinese Indonesian managers have a tendency toward the high monumentalism society. As stated by Minkov (2011, p. 97), monumentalist societies are characterised by their immutable identities, values, norms, and can be associated with their strong religious belief.

Indonesians can be considered as a very religious society. As has been presented in the literature review chapter, the government of Indonesia acknowledges six official religions: Islam (with all of its branches), Catholicism, Protestant, Hinduism, Buddhism and Confucian beliefs, which are managed by the Ministry of Religious Affairs. The major religious festivities of each religion are regarded as national holidays; and it is obligatory for the President of the Republic of Indonesia to appear on public television and congratulate those who celebrate the religious events. The support from the government can be regarded as one of the most important factors in maintaining a religious Indonesian society.

Specific to the present study, all of the respondents involved in the interview sessions represented one or other of five of Indonesia’s official religions: Islam, Catholics, Protestant, Buddhism and Confucianism. The majority of Javanese managers are Muslim, and some of them are Catholic or Protestant. Chinese Indonesian managers are mostly Protestant, and some of them were either Catholic, Buddhist, Confucian or Muslim.

When being asked about the importance of religion in their life, all Javanese managers stated that religion is the most important thing in their life. They believe
that religion distinguishes right from the wrong, and every action has to be in line with the teaching of religion. Furthermore, Javanese managers stated that they needed religion to control their life, to make life organised and civilised. Religion gives guidance, and without religion, Javanese managers believe that their life would be ruined.

Similar to the Javanese managers, all Chinese Indonesian managers place high importance on religion in their life. They share the same perspective that religion is the basic foundation and guidance in life. As added by Anton, a 35-year-old manager in a wholesale and retail trade company, he regards religion as a lantern that will help him to walk in the dark. For him, religion is a guide through life, because without religion, humans would behave like animals.

5.3.8 Summary of Qualitative Findings in Cultural Values

The interview findings for the cultural values dimension illustrate three key differences between Javanese and Chinese Indonesian managers: power distance, individualism/collectivism and masculinity/femininity. Power distance is more obvious in companies with large numbers of employees and a large gap between employees’ and management’s education levels. Related to the power distance scores for both groups of managers, Chinese Indonesian managers demonstrate higher power distance, based on their statements, which encourage leaders to be authoritative and to instil fear in their subordinates.

The interview results for the second cultural dimension indicate that Javanese managers demonstrate higher individualistic behaviour based on the numbers of Javanese managers who prefer to spend their free time by themselves or with their family. However, this finding needs to be further scrutinized, since both Chinese Indonesian and Javanese managers also clearly demonstrated their collectivist side:
their relationship with their subordinates is based on amoral relationship, and is not merely contractual.

The most obvious differences between Javanese and Chinese Indonesian managers are reflected in the masculinity dimension. The interview responses give a strong indication that Chinese Indonesian managers are far more ambitious, assertive and competitive. Opposite to the Javanese managers who often feel uneasy with such behaviours, Chinese Indonesian managers encourage their employees to be competitive at work. Furthermore, Chinese Indonesian managers put more emphasis on their career and all of its challenges, whereas Javanese managers put more emphasis on harmony within the working environment.

Referring to the Chinese Indonesian business paradox presented in the first chapter, there is a possibility that the success of the Chinese Indonesian business person was caused by their distinctive characteristics in the cultural dimension of power distance, individualism–collectivism and masculinity–femininity. Nevertheless, it may be too soon to conclude that these differences are the antecedents of Chinese Indonesian business success in Indonesia. Since this research also uses another variable to predict the distinctive characteristics of the Chinese Indonesian business person, the following section will present the qualitative results from the perspectives of other variables: leadership.

### 5.4 Leadership Measure

The general aim for the second part of the interview is to attain detailed information related to the leadership perceptions of the Javanese and Chinese Indonesian managers. The interview was conducted directly after completing the first interview session on culture with the same Javanese and Chinese Indonesian managers. All questions were based on the leadership dimension which originated
from the Multifactor Leadership Questionnaire 5X, with one additional question which asks respondents about the characteristics of an ideal leader.

Unlike the interview session on cultural values in which the researcher gave a detailed explanation regarding the definition of the term in relation to a culture, no similar explanation was given to the respondents about the definition of leadership terms. The researcher was afraid that such an explanation might change the perception of the respondents, making them regard themselves as a “transformational” leader. The main findings obtained from the interviewees are reported in the following sections.

5.4.1 Leader’s Characteristics

The purpose of this section is to obtain the general perspectives of both the Javanese and the Chinese Indonesian managers’ preferred characteristics of an ideal leader. At the beginning of the interview, respondents were asked to describe an ideal leader and effective leadership qualities. With this method, the researcher was able to find out the “generic criteria” of an ideal leader from each interviewee.

The interview results for the Chinese Indonesian managers indicate that for them, the most important leader’s characteristic is the ability to be a good example to the subordinates. It is very important for a leader to be honest, have good manners and good morality. Although a leader has been bestowed with power and authority by the top management within the company, a disgraceful action, such as adultery or embezzlement, will cause the subordinates to withdraw their support, losing their work motivation, and propagating negative issues about the leader. For the majority of Chinese Indonesian managers, a good leader has to be able to build an image as an exemplary figure for the followers.

In addition to being an exemplary figure, a good leader has to be a positive influence on the followers. To be able to demonstrate this behaviour, Andreas, a
38-year-old Chinese Indonesian manager, argues the importance of being a religious individual. He stated that the more religious a leader is, the more respect he or she will get from the followers. Andreas regards himself as a very religious individual, and he added that in Indonesia, being religious is a must-have characteristic of a good leader. Religiousness is the second to top leader’s characteristic proposed by Chinese Indonesian managers.

The third most popular leadership characteristic among the Chinese Indonesian managers was the ability to give protection to the subordinates. The leader is personified as a large banyan tree, giving shelter and protection for the followers. Furthermore, the leader is also expected to direct and provide a solution to every problem faced by the subordinates.

The preferences of Chinese Indonesian managers for a leader who is firm and authoritative can be seen from the comments made by Linda and Astuti, who both work in the same manufacturing company. Although they did not make similar comments when the researcher asked them about the ideal relationship between superior–subordinates in the previous subsection of power distance, they replied to this question that the characteristics of a good leader should be “tough, firm and feared by the employee”. Beside those characteristics, they added that a good leader should also be wise and give protection to the subordinates.

During the interview session with Sukamto, the researcher shared some of the qualitative findings that there were some Chinese Indonesian managers who believe that a good leader should be authoritative, tough, firm and feared by the employees. The researcher asked Sukamto whether he also agreed with those statements. According to Sukamto, he believed that what was meant by the other Chinese Indonesian managers (including Linda and Astuti, who are his subordinates) was firm action in giving sanctions for mistakes and infringements of the company’s rules. He admits that some of his subordinates complain about
the attitude of the company’s management which is considered too soft, causing a lack of discipline among the subordinates. Such a situation can only be solved by a leader using firm discipline. According to Sukamto, sometimes a person who uses firm discipline is considered by the subordinates as “fierce and frightening”, making the subordinates tend to maintain their distance from the leader.

The last characteristic of an ideal leader mentioned by Chinese Indonesian managers is “professionalism”, which was mentioned by only 2 managers. According to them, a good leader has to be able to distinguish between business and personal affairs. They complained to the researcher that their workplace pays too much attention to the personal life of others. Okto was among these two managers, telling the researcher how his colleagues were defying one of the senior managers in his office named Harsoyo, because they know that Harsoyo was cheating on his wife. According to Okto, the behaviour of his colleagues clearly reflects unprofessional behaviour at work – they do not have the ability to separate office-related affairs and someone’s personal affairs. He added that a professional person should always obey his or her superior at work, regardless of the superior’s behaviour outside the office.

Javanese managers share similar perspectives with the Chinese Indonesians that the most important characteristic of a leader is the ability to be a good example to the subordinates. Interestingly, 11 out of 19 Javanese respondents, gave an additional statement that an exemplary leader should demonstrate the behaviour of Prophet Muhammad. These managers, 10 Muslims and 1 Catholic, explicitly stated that a leader should be Siddiq (trustworthy), Amanah (upholding trust), Fathanah (intelligent) and Tabligh (informative). When the researcher asked them which characteristic among those 4 is the most important, they agreed that “trustworthy” should be named as the most important characteristic of an ideal leader. Thus, a trustworthy leader will act as an ideal role model for Javanese managers.
The second characteristic preferred by Javanese managers is to be “responsible”. According to them, a good leader has to be responsible for the consequences of his or her actions, including the mistakes made by the subordinates. As stated by Arif, there were leaders who tended to run from their responsibility, and tended to blame someone else whenever mistakes happen. Such action will lower the leader’s prominence among the employees, and if conducted continuously, the respect of the employees for the leader will completely disappear.

The next characteristic preferred by Javanese managers are firmness and discipline. The leader has to be firm in enforcing the rules of the company, and sanctions for violations of the company’s rules have to be equal for all employees. Discipline reflects the leader’s commitment to the company. As told by Aji, he learns a lot from the company’s CEO, who always come to the office 45 minutes before the actual working hours start, and leaves the office a maximum of 30 minutes after office hours end. Aji argues that the CEO’s behaviour encourages the subordinates to use the office hours effectively, and to be disciplined in regard to the working hours of the company. Aji, and other managers who emphasize the importance of firmness and discipline, agree that the ability to demonstrate these behaviours will increase the sense of admiration for the leader.

The ability to give protection to the followers becomes the next preferred characteristic of a good leader for the Javanese managers. Interestingly, some Javanese managers also personified a good leader as a banyan tree, who will protect everything under its shade from sun and rain. They expect the leader to take care and protect all of the followers from the very top to the lowest level. Sasongko uses his previous CEO – currently acting as President Commissioner, Mr. Agus Salim – as an example of a leader who is successful in this endeavour. Mr. Agus Salim was able to memorise the names of all the employees in his factory, detailed information about their family, and provide moral and financial help to all of the employees. Such action is believed to give the employees a
secure feeling, because they know that they have a “father” who is caring and reliable. Sasongko confessed to the researcher that his admiration and respect for Mr. Agus Salim is the main reason why he still works at the company after 32 years (as per November 2012).

The last characteristic reported by Javanese managers was a leader who is willing to work amongst the subordinates. As explained by Ridwan, some leaders tend to “lock” themselves in their office, creating distance from the subordinates. He argues that when the leader is able to disregard this gap and work amongst the subordinates, it creates a safe, supportive working environment since the leader can interact, communicate and hear the complaints of the subordinates.

With the descriptions from both Javanese and Chinese Indonesian managers, as presented above, it is clear that for them, the most important leader’s characteristic is the ability to be a good example to the subordinates. They want a leader who is honest, trustworthy, has good morality and demonstrates good behaviour. Chinese Indonesian managers also consider “religiousness” as the next important characteristic, similar to Javanese managers who refer to Prophet Muhammad as the best example of a leader. The demand for a leader who is firm yet protective and who acts like a “father” also comes from both groups of managers, however, Chinese Indonesians emphasise the importance of an authoritarian and professional leader, and the Javanese prefer a leader who can work amongst the subordinates. Although there were some differences, the Javanese and Chinese Indonesian managers share more similar criteria for an ideal leader. These findings on leadership will be further expanded on by presenting the interview results for transformational leadership in the next section.
5.4.2 Transformational Leadership

This section presents the interview results for the transformational leadership behaviour of Javanese and Chinese Indonesian managers. As explained in the literature review chapter, transformational leadership is described as a superior leadership concept, in which the leader will demonstrate one or more of the following: (1) idealized influence, where leaders will behave in ways that allow them to be a role model for their subordinates, (2) inspirational motivation, by motivating and inspiring their subordinates to work above standard, (3) intellectual stimulation, stimulating their employees to be more creative and innovative, and (4) individualized consideration, acting as coach and mentor for each individual in the group.

According to the quantitative results presented in the previous chapter, Javanese managers demonstrate higher transformational behaviour compared to Chinese Indonesian managers, with aggregate scores of 0.796 compared to 0.716, respectively. The qualitative interviews aim to investigate the score difference in transformational leadership, and for this purpose, four questions were designed according to the four dimensions of transformational leadership: idealized influence, inspirational motivation, intellectual stimulation and individual consideration. Respectively, the questions for each dimension are as follows: (1) “Could you describe the employees’ perception toward yourself?” (2) “Do you have any method to motivate your subordinates to work above standards?” (3) “What do you do to stimulate your subordinates’ creativity?” and (4) “What do you do to help your subordinates improve their strength?” In addition to the main questions, probing was also used with each of the Javanese and Chinese Indonesian respondents in this session.

In answer to the first question, 4 Chinese Indonesian managers were unwilling to give their answer to the researcher. They argued that it is impossible for them to
make a self-assessment, and they were afraid that if they gave their answer, the result would be very subjective. Despite their unwillingness to answer the first question, they stated that they were open to any criticisms and suggestions from their subordinates. Nevertheless, any criticisms should be delivered in polite language because, by nature, no one likes to be criticized by others. A comment added by Andreas was that, although he sometimes becomes emotional when his subordinates disagree with his decision, every night he always contemplates and gives consideration to his subordinates’ criticisms.

In response to the same question, the majority of Chinese Indonesian respondents (10 managers) were confident that they were favoured by their subordinates because of their exemplary behaviour and their sense of responsibility toward the company. As added by Sukamto, for 23 years he had always treated his subordinates in a good and respectable way, providing assistance and protection. Sukamto was considered an influential employee since he is able to significantly increase the company’s production, thus giving an example of a person who acts beyond self-interest. In the early 1990s, Sukamto persuaded his team to work overtime without being paid; in order to invent the most optimal settings for machinery in the production department. His success and dedication to the company gained him deep respect from his colleagues at work. With full confidence, Sukamto affirmed that all the workers, a total of 1700 employees, would always give him support, respect and co-operation.

Among the Chinese Indonesian managers, there was one manager who admits that his behaviour tends to create a sense of dislike among the subordinates. This manager, Herlambang, explained to the researcher that several times he had noticed his subordinates talking behind his back. The subordinates were not satisfied with the way Herlambang led the team, nor with his inflexible nature and his high tone of voice. Nevertheless, Herlambang said that he did not take the opinions of his subordinates to heart, with a statement as follows:
My high tone of voice is because I was born in the East Java region, and it is hard for me to change my dialect. My inflexible nature is because I always do what I think is right! Some people do not like that. To be honest, I don’t care about their (the subordinates) perception to me... At the end, they have to follow my order because I am the boss. (Herlambang, 46-year-old Chinese Indonesian).

Contrary to the responses of the Chinese Indonesian managers, all Javanese managers were willing to answer the first question. Seventeen out of 19 Javanese managers were confident that they had positive images among the employees in their companies, mainly because of their personalities. On the other hand, two managers stated that some of their co-workers might have a negative perception of them because of a disagreement and their inability to co-operate with specific individuals.

There were several reasons why the majority of Javanese managers confidently stated that they were favoured by employees in their company: because they are accommodating, communicative, have a high sense of responsibility, are transparent and able to provide solutions. In the case of Salmah, a 48-year-old manager in a wholesale and retail trade company, her open personality and honesty has been acknowledged by her superior, co-workers and subordinates; gaining her deep respect from everyone. Another Javanese manager, Arif, told the researcher that he became accustomed to taking leadership responsibility from the time he was in junior high school until he became the chairman of the university senate. He stated that he always “Amanah” – upheld trust – whenever he is elected as the leader in an organisation. When the researcher asked about why he was always being elected as a leader, Arif said that he is very dominant in meetings, and people tend to always listen to his ideas. The additional statement from Arif, which clearly demonstrate the idealized influence behaviour, is as follows:

*I always speak and behave confidently, and whenever I come up with an idea, it’s always do-able. Sometimes I feel that I was born*
For the second question regarding inspirational motivation, the responses of both the Javanese and the Chinese Indonesian managers were relatively similar. They believe that in order to motivate employees to work above a standard, there should be a sense of consciousness among the employees that the loss of the company will greatly affect their prosperity. According to one Javanese manager, Raharja, instilling such a sense of consciousness would be impossible without a harmonious, supportive working environment. Supportive working environment enables the leader to speak heart-to-heart with the followers, making them understand the importance of giving their best effort at work. To create and maintain a harmonious working environment, Raharja’s company conducts periodic outbound training (nature-based leadership and team building training) for all of his employees.

Andika, a senior manager in a Chinese Indonesian manufacturing company uses a different method to make his employees work harder. As explained previously, Andika told the researcher that his company was able to compete with another company which had better human resource input. Andika gave a further explanation to the researcher that, back in 2007, his company’s market was eroded by the emergence of a new foreign direct investment manufacturing company located in Jakarta. To be able to compete and fulfil the market demand, Andika’s company decided to increase production with the recruitment of new employees. However, Andika carried out an experiment with his subordinates, expanding their job description and forcing them to learn new things. Although the success rate of his experiment was less than 65 per cent, Andika was able to significantly improve the quality of human resources in his company, and several years later, he was promoted as the youngest senior manager in the company’s history. Regarding his past experience, Andika added a statement as follows:
At first, my subordinates were complaining since they feel that their new task is beyond their capabilities. However, in 6 months I was able to transform a middle school graduate machinist into an advanced MYOB (an accounting software) operator! I firmly told them that if they do not want to try and give their best effort, the company will go bankrupt and they will lose their job. (Andika, 37-year-old Chinese Indonesian)

Although no further explanation could be obtained from either group of managers regarding an example of the inspirational motivation dimension, the statement from Raharja and Andika reflects that there were two possible methods to make the employees work above their usual standard. In Raharja’s case, employees were instilled with moral values which enable them to increase their sense of ownership toward the company they work for. In the second case, employees were faced with an urgent, critical company situation that could have caused them to lose their job if they refused Andika’s orders.

The respondents’ comments regarding the next question about intellectual stimulation somewhat overlap with the fourth dimension of individual consideration. For managers in both groups of companies, a leader can be considered as successful if he or she is able to produce new leaders. Based on this argument, it is forbidden for a leader to keep their knowledge and abilities to themselves. Everything has to be shared and taught to the subordinates. The sharing process itself will benefit the leader since it will always provide motivation to increase their knowledge and capability.

Both Javanese and Chinese Indonesian managers agree that the process of leadership regeneration is vital for the survival of a company. In the implementation of this concept, the primary aim is to share and improve the knowledge and capabilities of their direct subordinates. As stated by Andika, no matter how great a leader is, he or she will need the help of others to accomplish goals, thus making the leadership regeneration and nurturing process vital in an
organisation. With regeneration, all the best methods and the culture in a company can be passed down and preserved.

Nevertheless, leaders should be aware that a good process of regeneration is not merely to copy someone’s personality and pass it down to another person. As added by Arif, there is no perfect leader, and leaders also make mistakes. A good leadership regeneration process should also consider this aspect and be innovative, making continuous leadership improvements.

Specific to the process of intellectual stimulation, there were differences in the way the managers stimulated the subordinates. In manufacturing companies, employees tend to be nurtured by their superior. According to Bambang, the nurturing process aims to give the employees new knowledge about different types of production lines in the company along with the problems. On the other hand, managers in the healthcare company and the information and communication company tend to have a loose nurturing process, where the superior only acts as a facilitator. As mentioned by Aida, a senior manager in a Javanese information and communication company, all employees who work in her company have gone through a very selective recruitment process, making her believe that everyone has his or her own distinctive characteristics and skills. Therefore, she does not want to act as if she is the most knowledgeable person in the company; she only wants to facilitate the needs of the subordinates and do a periodic evaluation of their performance. With regard to the process of intellectual stimulation and individual consideration in her company, Aida added a statement as follows:

*Although I tend to facilitate their needs, I am always open to any questions and will teach them if they ask me. Employees have different characteristics; there are those who are always actively collecting information, and there are those who believe that their own work method can solve the problems. I want them to be mature, creative and independent.* (Aida, 49-year-old, Javanese).
Within the healthcare service companies, the employee nurturing process also tends to give freedom to the employees to work in the way they like most. There are certain rules that have to be obeyed by healthcare service employees, and they tend to work independently or in a small team according to their specialization. At the managerial level, however, intellectual stimulation was conducted by a superior for direct subordinates. For Maher, a Javanese senior manager, the intellectual stimulation process happens when he discusses problems and exchanges ideas with his secretary – the person he most commonly spoke with in the office. Due to his talkative nature, Maher admits that he needs a secretary who is smart and does not have a sense of hesitation when engaging in a long conversation with a superior. Maher shared his story about his secretary and people he used to work closely with:

Most people who have worked closely with me in a certain period of time were likely to be promoted to the higher position. Some of them also left the company, because of better career opportunity. However, all of them were sought after because of their skill and capabilities. I constantly discuss issues and ask for their opinion, and in fact this routine habit was able to change their way of thinking in dealing with problems, they became more critical and propose a different solution to a problem. Indeed, we need different view when dealing with the problem. (Maher, 61-year-old, Javanese).

In general, the interview results show that both groups of managers demonstrate transformational leadership behaviour. Specific to the idealized influence dimension, although there was 1 Chinese Indonesian and 2 Javanese managers who stated that their action might not please other employees in their workplace, the majority of respondents from both groups of managers demonstrated a high level of idealized influence. These managers were favoured by their co-workers and subordinates because they displayed exemplary behaviour, good communication, were willing to go beyond their self-interest, had confidence in their action, and had a high sense of responsibility and transparency. The second transformational leadership dimension, inspirational motivation, can be awakened
in two ways: internal and external. Stimulating internal inspirational motivation can be done by instilling a sense of ownership of the company in the employees, while, for external inspirational motivation, external factors such as the company’s financial condition likely “forced” the employees to work above the standard. Javanese and Chinese Indonesian managers shared a similar point of view about the third and fourth transformational leadership dimensions which are intellectual stimulation and individualized consideration, believing that the main task of a good leader is to be able to create another leader. All these findings will be further discussed in the next discussion chapter.

5.4.3 Transactional Leadership

Despite the agreement of both the Javanese and Chinese Indonesian managers on the concept of transformational leadership, the quantitative results presented in the previous chapter revealed that they also scored highly on transactional leadership. For the contingent reward dimension, the Javanese managers scored 0.78 and the Chinese Indonesian managers scored 0.75. To ascertain the quantitative findings, respondents were asked the question “Do you think it is necessary to give rewards to employees if they are able to fulfil the target?”

In responding to the question, both Javanese and Chinese Indonesian managers delineated the importance of the financial and non-financial rewards, as well as complimenting employees who are able to finish their job properly. In fact, there were 12 Javanese managers and 11 Chinese Indonesian managers who stated that this aspect – giving proper rewards – has to be fulfilled first before the leader can motivate employees to work above the standards. According to one of the Javanese senior managers, Sasongko, the company has to ensure that all employees receive their financial rights (salary, incentives, etc.) on time, receive fair treatment and have a fair workload. He added that when all these basic aspects have been fulfilled, stimulating employees’ motivation can be done easily.
There is an interesting finding where both Javanese and Chinese Indonesian managers stated their beliefs that financial rewards are more effective to stimulate employees’ motivation. As stated by Aji, a manager in a Javanese construction company, bonuses are available for those who are able to finish a building construction according to the predefined schedule. This policy has proven to be very effective, especially among employees who work at the operational level. He added that employees at the operational level will be more focused and use the time effectively whenever they understand that a certain amount of bonus will be given if they can finish the project on time.

In a Javanese manufacturing company, Sasongko argues the importance of balancing the financial and non-financial rewards in his company. Referring to the large numbers of Javanese workers in his company, he underlines the importance of treating them with respect. All achievements should be appreciated so the people will be happy. He mentioned that Javanese people tend to be inward looking; whenever they do an excellent work yet do not receive proper appreciation, they will not make any explicit complaint. However, if such things keep happening, the employees' morale will be lowered and they will tend to do their work without any sense of commitment. Besides giving financial incentives, Sasongko has his own way to keep his employees’ morale high, which he described as follows:

*During my weekly control to the company’s production facilities, I always took time to having a conversation with the workers there. I ask whether the problem has been solved, their suggestion and idea, and for those who can give a good answer, I will pat them on their shoulder and express my sincere compliment. Those (low-level) workers use all of their salary and bonuses to feed their family, and compliment from the top management means so much for them. They were touched by such compliment, and I know, that they will maintain their work performance. (Sasongko, 55-year-old, Javanese).*
The non-financial reward also seems to be effective for the middle level employees. As stated by Aida, all of her direct staff already receive a good salary; and additional financial rewards will not make any significant change to their motivation. Based on this situation, Aida relies on the personal approach toward her staff, expressing her satisfaction whenever a certain target is achieved and giving compliments to those who demonstrate good performance. If there is any dissatisfaction with her staff’s performance, Aida will express it at the daily morning briefing. However, dissatisfaction should not be expressed toward a specific individual during the meeting, since it can cause embarrassment and stress. On the other hand, Aida believes in the importance of complimenting someone for their achievements in the meeting since it will motivate others to do the same.

Within the Chinese Indonesian manufacturing and wholesale and trade companies, non-monetary rewards seem to be less personal. Chinese Indonesian managers tend to believe in the system of hierarchy created by the company, making the interaction between managers and low-level employees minimal. As told by Rahardi, a manager in a Chinese Indonesian manufacturing company, several supervisors will accompany him on a routine inspection to the company’s production facility. Rahardi will express his satisfaction or dissatisfaction directly to the supervisors, not to the workers. When the researcher asks Rahardi whether he also pats his employees on the shoulder (similar to what Sasongko did to his subordinate), he grinned and argues that such an action would cause the employee to be “nglunjak” (which literally means to behave improperly, becoming arrogant and delirious) and forget their position. He added that whenever he gives a compliment to an employee, he always gives it verbally.

The remaining Chinese Indonesian managers seem to put great emphasis on the importance of monetary rewards to maintain the employees’ motivation. As stated by Linda, a manager in a Chinese Indonesian manufacturing company, most
Chinese Indonesian workers in her company were performance-oriented. She mentioned several cases where the employees earn additional bonuses or incentives from the company: those who are able to finish more work should earn more reward, those who did not take their annual holiday will get more bonuses compared to the others, and those who are able to contribution a new idea or invention will also be handsomely rewarded.

Among the Chinese Indonesian managers, the comment that reflected the strongest transactional statement was made by Andika, a senior manager in a Chinese Indonesian manufacturing company. He stressed that employees should provide evidence that they are worthy of being employed in his company. During the three-monthly briefings in front of all of the company’s workers, he reminds the employees that their main duty in the company is to work and make the company prosper. Metaphorically, employees have to “sell” their service and competence, and in return, the company will “buy” those with high dedication and competence for a high price.

5.4.4 Management by Exception

Although they did not specifically mention the importance of focusing on irregularities and mistakes, 10 Javanese managers and 7 Chinese Indonesian managers believe that preventive action should be taken in order to avoid problems. The remaining managers argued that focusing on irregularities and mistakes will prevent creativity. As commented by Maher, no person is free from making mistakes; even though they have referred to the operational procedures provided by the company. Therefore, focusing on mistakes is unnecessary, since there are more important aspects that have to be dealt with rather than wasting time waiting until mistakes happen. Furthermore, none of the respondents wants to wait until the problem becomes chronic; which explains their moderate score of
management by exception (active) and the lowest score of management by exception (passive).

Interestingly, a significant number of respondents gave detailed explanations on the probing question used for this dimension: “Do you believe that all problems have to be handled immediately?” For this question, 13 Javanese managers and 8 Chinese Indonesian managers stated their agreement, believing that any delay in solving a problem will incur an additional cost. However, there were also managers, such as Arif and Putri, who stated that problems should be handled based on the situations, depending on whether there is a time restraint or not. If there are no time restraints, problems can be shared and discussed together, because other staff can learn and avoid the same mistakes.

Arif gave an additional statement, that not all problems should be handled reactively. He believes that everything has to be shared and discussed together with other organisation members. In regard to Arif’s answer, the researcher gave his opinion that additional costs might be incurred if the problem is not dealt with immediately. In response to the researcher’s argument, Arif stated that he was never afraid of facing those consequences. He affirms that he would not take any decision before he understood the nature of the problem. His statement follows:

No, no, I don’t want to be reactive because I tend to take foolish decision. I try not to panic and always discuss the problem with my managers. Even though it means I will spend more money, more time, experiencing loss, I will face it. I am a senior manager, and I will be ashamed if someone in my position cannot give a good description about a problem faced by this company. I want all my decisions will be the best decisions at the present time. I have to be rational and comprehensive. (Arif, 45-year-old, Javanese).

For managers who believe that problems should be handled immediately, they argued that the bigger the problem, the more people will be involved and the
companies will earn less profit. One Chinese Indonesian manager, Rahardi, shared his experience when he had to deal with an urgent matter concerning the company’s safety. During the 2008 Christmas holiday, Rahardi was contacted by the security officer in his company who reported that there was smoke coming out of a machine in the production facility. The security officer had tried to contact the maintenance manager, however, he could not be reached. In desperation, the security officer contacted Rahardi and told him about the incident. Rahardi immediately went to the company and checked the machine, although it was out of his authority. In dealing with such an urgent situation, Rahardi did not consult his superior because he believed the company’s safety is above everything.

5.4.5 Laissez-faire

To ascertain the quantitative findings on the laissez-faire dimension which stated that this style is insignificant for both Javanese and Chinese Indonesian managers, respondents were asked their opinion of a leader who tended to avoid taking responsibilities and was absent when needed. The responses of both Javanese and Chinese Indonesian managers were obvious: they believed that a person with such characteristics is not worthy of being a leader. The respondents’ responses are presented in the following paragraphs.

According to Radit, he believes that a leader has to be able to make a decision. A laissez-faire leader is likely to be unable to give a proper solution to a problem, which would always make things difficult. He added that with such a style, the problem will become more complex. Similar to Radit’s statement, Maher believes that a person with laissez-faire characteristics cannot be considered as a leader, and is likely to bring “bad luck” for the followers.

However, respect for a leader with laissez-faire characteristics was shown by Ridwan, saying that every person is free to choose a leadership style that suits their
personalities. Although he personally did not demonstrate *laissez-faire* behaviour, he has seen a lot of people with such a style. He also admits that some *laissez-faire* people exist in his workplace, and they tend to be risk-avoiders, who become a burden to their subordinates. To the researcher, Ridwan gave a final statement regarding *laissez-faire* leaders: that a person who does not have any leadership capabilities should never accept a leadership position.

From the Chinese Indonesian managers’ point of view, for a person with *laissez-faire* characteristics, *laissez-faire* is not the type of leader they want. They believed that before someone is appointed to a leadership position, he or she should pass an evaluation. Since the minimum standard of being a leader is the ability to make decisions, a person with *laissez-faire* characteristics would never pass such an evaluation.

According to Pranoto, a manager in a Chinese Indonesian mining and quarrying company, people are free to choose their own leadership style. However, being a *laissez-faire* leader would cause negative consequences for the employees, and a leader with such characteristics would have to change their personalities in order to match the expectations of their followers. For the remaining Chinese Indonesian managers, they also satirized *laissez-faire* behaviour, giving the researcher examples of *laissez-faire* individuals in their company and how they were finally dismissed from their position. From their responses, it is obvious that a *laissez-faire* style is unacceptable for Chinese Indonesian managers, as well as for Javanese managers.

### 5.4.6 Leadership outcome

Contrary to the results of the quantitative instrument which showed high leadership scores for both the Javanese and Chinese Indonesian managers, the majority of respondents involved in the interview sessions stated that they still
wanted to improve their leadership style, to become a better leader in the future. This response, nevertheless, seems to reflect their sense of “ewuh pakewuh” – they hesitate to convey their success in leading people to the researcher, whom they met only a short time ago. Not only the Javanese managers, but also the majority of Chinese Indonesian managers exhibited the same behaviour, reflecting their esteem toward Javanese etiquette. Some statements which reflect the sense of hesitation by both the Javanese and the Chinese Indonesian managers are presented as follows:

*I don’t know. I think I still have much to learn. For example, sometimes my subordinates will give argument to my order, meaning that I am not yet a good leader.* (Linda, 38-year-old, Chinese Indonesian)

*Despite of my age, I still want to improve my leadership style. I have seen people with better leadership style, and I want to learn from them, too.* (Raharja, 62-year-old, Javanese)

The majority of Javanese and Chinese Indonesian managers started their statement with a humble sentence, such as demonstrated by Linda and Raharja in the above quotations. Usually, after finishing the opening sentences, the managers give information regarding some of their achievements in leading people.

Most of the Javanese managers admit that they were satisfied with their current leadership style. As admitted by Maher, his leadership style is satisfactory and proven to be successful. He used the fact that most of his subordinates and ex-subordinates were still getting in touch with him via the phone, and whenever he attends events such as a wedding banquet and meets his ex-subordinates, they still address him respectfully.

*It is a joy to be treated such way. I am very happy.. Most of them were having a successful career. If we always make other people happy, Insha’Allah (God willing, hopefully), all of our good deeds will return to us.* (Maher, 61-year-old, Javanese)
Most of the Chinese Indonesian managers also measure their leadership outcomes by how other people treat them outside the office hours. One example is Sukamto, who has been working in the company for more than 23 years. He was confident that his leadership style is satisfactory. According to him, he is a type of person who can easily give suggestions and can be a good friend for other employees. He shares his knowledge and experience, with the hope that other employees can be motivated. At the end of the interview, Sukamto invited the researcher to his office for a coffee, while showing a photo album that contains pictures of his ex-subordinates. He talked about their current companies and positions, and most of them had reached the level of senior manager.

5.4.7 Summary of Qualitative Findings in Leadership

The interview process to ascertain respondents’ perceptions about leadership was able to find similarities and some differences. They share a lot of similarities regarding a leader’s preferred characteristics, the demonstration of transformational and transactional leadership, an aversion to management by exception and laissez-faire styles, and satisfaction with their leadership outcomes.

Despite those similarities, differences can also be observed in the characteristics of an ideal leader according to both groups of managers. Chinese Indonesian managers underline that a leader has to be authoritarian and professional, while Javanese managers are more concerned about having a leader who can work amongst the subordinates.

Differences can also be observed through the statements of the Javanese managers who tend to stimulate employees’ conscience to increase their work performance, while Chinese Indonesian managers choose to combine the stimulation of employees’ conscience with transactional behaviour. As presented in the transformational leadership section, Andika told the employees that there was a
possibility that the company could go out of business if they refused Andika’s plan for job enrichment.

The last observable differences between the Javanese and Chinese Indonesian managers can be seen in the section on transactional leadership, where Javanese managers use a more personal approach as a form of non-monetary reward; while in the Chinese Indonesian companies, the relationship between superior-subordinates is more professional and puts more emphasis on monetary rewards.

5.5 Summary of the Chapter

In conclusion, this chapter has presented all the findings obtained from the interview sessions with the Javanese and Chinese Indonesian managers from seven industry types: mining and quarrying, manufacturing, financial and insurance services, information and communication, wholesale and retail trade, construction, and health services. The findings of this chapter and the previous quantitative chapter will be further analysed as well as contrasted with the findings in the literature from previous researches in the next Discussion chapter.
6.1 Introduction

As has been presented in the previous two chapters on quantitative and qualitative results, there were similarities and differences between the Javanese and Chinese Indonesian managers on their cultural values and perceptions of leadership. The quantitative chapter was able to present a comparison of cultural values and leadership scores based on the Value Survey Module 08 and Multifactor Leadership Questionnaire 5X. The qualitative chapter interestingly unveiled the distinctive characteristics of each group of managers through the observations and interviews conducted by the researcher. All these results might be useful to find explanations for the argument that Chinese Indonesians are more successful compared to other Indonesian ethnic groups in business, based on the fact that 9 out of the 10 wealthiest Indonesians were from Chinese Indonesian ethnicities.

The quantitative findings on cultural values reveal an obvious gap between the scores for power distance, collectivism, masculinity, and indulgence versus the restraint dimensions. High power distance can be easily observed in companies with large numbers of employees and companies with large education level divergence among their employees. In this dimension, Chinese Indonesians were considered to have higher power distance because of their preference for an authoritative leadership style and their belief in the importance of instilling fear in the employees. The results of the second cultural dimension, showed the Javanese were considered to be less collectivist compared to the Chinese Indonesians due to their responses about prioritising spending their free time with their family, although the qualitative results reveal that both groups were collectivist. The third dimension – masculinity - clearly reflects the dominance of assertive traits among the Chinese Indonesian managers whereas the Javanese managers considered maintaining harmony to be their top priority. Another major difference was found
in the indulgence versus restraint dimension scores, where the Javanese managers were considered to be more indulgent (less restrained) compared to the Chinese Indonesian managers.

With regard to respondents’ leadership perceptions, the quantitative results revealed that Javanese managers have higher scores on transformational leadership, transactional leadership (contingent reward), management by exception, laissez-faire as well as leadership outcomes. Although the scores for the Javanese managers were higher than for the Chinese Indonesian managers, the score differences were not too significant, reflecting the general similarities of both groups of managers in the perception of leadership. Valuable findings were obtained from the qualitative results on leadership, revealing the similarities and differences in leadership perception among both groups of managers. The Chinese Indonesian managers prefer a leader who is authoritarian and professional, while the Javanese managers’ demand a leader who can work amongst the subordinates. In relation to the transformational-transactional leadership behaviour, the Javanese managers tended to stimulate employees’ consciences to increase their work performance while the Chinese Indonesian managers choose to combine the stimulation of employees’ consciences with transactional behaviour. Although it is evident that both groups of managers regard transactional behaviour as important, non-monetary reward seems to be the popular transactional method in the Javanese companies, whereas the Chinese Indonesians emphasised professionalism between superior-subordinates and monetary rewards.

The distinctive characteristics of the Chinese Indonesian managers in their cultural values and leadership style could be the factors that gave them superior business performance compared to the Javanese managers. As has been explained previously, respondents involved in this research are from Central Java Province, where 75 per cent of the 86 large corporations in the province are owned by Chinese Indonesian business person (SWA Sembada, 2009). To give justification
to those findings, this chapter will compare and discuss all findings presented in the previous two chapters in detail to draw the conclusions for this research.

6.2 Differences in Cultural Values

As has been explained previously, Javanese and Chinese Indonesian cultural values in this study were compared using Value Survey Module 08, measuring 7 cultural dimensions: power distance, individualism–collectivism, masculinity–femininity, uncertainty avoidance, long-term orientation, indulgence versus restraint and monumentalism index. The first four dimensions in VSM 08 were based on Hofstede’s original cultural dimensions which he developed when he worked at IBM.

Based on data from 20 Indonesian respondents, Hofstede calculated the country scores for Indonesia based on his first four cultural dimensions. The results were accompanied by an explanation of the scores obtained from interviews with a number of managers in Jakarta (Hofstede, 1997). Interestingly, Hofstede’s publication derived from his results and interviews in Jakarta (Hofstede, 1982) clearly presents the culture of the Javanese as the national culture of Indonesia. His results seem strange since Jakarta is home for the native Betawi ethnic peoples who have major differences in culture from the Javanese. Furthermore, the presentation of Javanese culture as the national culture of Indonesia is arguable, since Javanese is only one ethnic group among hundreds of ethnicities in Indonesia. Although it is true that Indonesia's population was dominated by the Javanese, the percentage of Javanese ethnic people is only 40 per cent of Indonesia's total population. There are many local cultures that have to be taken into consideration, making it unwise to generalise that the Javanese culture is the national culture of Indonesia. Regarding Hofstede's findings, there is a strong possibility that his interviewees in Jakarta were Javanese, thus creating a strong Javanese bias when explaining the national culture of Indonesia.
Perhaps it is understandable why there were so many limitations in Hofstede's research in Indonesia. The scores of the first four cultural values for Indonesia were derived from his IBM study – it was never intended as a research project. Therefore, his work lacked appropriate planning, design and evaluation (Javidan et al., 2006). For example, Indonesia's cultural scores were not presented in Hofstede's first publication (Hofstede, 1980a), and only after reducing the limit of his sample to twenty respondents, could Indonesia's scores be calculated. If, from the beginning, Hofstede had intended to treat his research in Indonesia as a real research project, more appropriate respondents could have been chosen who were able to represent all of Indonesia's ethnicities.

In the qualitative explanation of Indonesia, Hofstede places strong emphasis on the Javanese culture (Hofstede, 1982). Regarding this aspect, the researcher believes that there is a strong correlation between Hofstede's decision to present the Javanese culture as the national culture of Indonesia with the political situation of the country in the 1980s. At that time, Indonesia was ruled by President Soeharto who was famous for his strong Javanese character. When Hofstede conducted his interviews in Jakarta in 1982, Soeharto had ruled the country for 15 years and his influence was at its height. This fact, of course, could not be put aside by Hofstede, making him justify his findings with the Javanese culture and philosophy. Quoting Retnowati Abdulgani-Knapp, the authorised author of Soeharto's biography, "to understand President Soeharto, one has to learn about the Javanese people, the farming culture and the military" (Abdulgani-Knapp, 2007, p. 17). While perhaps Hofstede's decision at that time is excusable, the present situation in Indonesia has changed significantly. Leaders from non-Javanese backgrounds have begun to emerge and gain national sympathy, for example, Jusuf Kalla (Buginese), Anis Baswedan (Arab-Indonesian) and Basuki Tjahaja Purnama (Chinese Indonesian). In the current situation, understanding Indonesians through the Javanese culture perspective alone is not sufficient. A new approach has to be taken, and the influence of other cultures needs to be also considered. All these aspects make
Hofstede's cultural scores for Indonesia obsolete and in need of updating, which becomes a challenge for cross-cultural researchers.

Apart from Hofstede's 1982 research in Indonesia which only involved 4 cultural dimensions, the VSM used in this study (VSM 08) has an additional three new dimensions: long-term orientation, indulgence versus restraint and monumentalism index. Long-term orientation was adopted in 1988, while the last two dimensions were adopted in 2008. From the adoption of the long-term orientation dimension (Hofstede & Bond, 1988) until 2010, Hofstede has never made an attempt to test this dimension on Indonesian respondents. In his latest book, Hofstede finally presents the long-term orientation score for Indonesia together with the score for indulgence versus restraint. However, the scores for these two dimensions were taken from the 1995–2004 Ronald Inglehart’s World Value Survey (WVS) data. In other words, the data for the calculation of those two dimensions were secondary, they used different respondents and were collected in a different time frame compared to the data for Hofstede’s first four dimensions for Indonesia (Hofstede, 1982). By adopting the data from the World Value Survey, Hofstede repeats the mistake he made in 1982 – making cultural generalisations about Indonesia, since the ethnic identity of the WVS’s respondents remains unclear. Hofstede’s inconsistency in obtaining the data for his cultural framework – using primary data at the beginning and secondary data for the additional dimensions – gives the impression that it was never his intention to test his new framework every time he added a new dimension to it.

The present study is fully aware of all the limitations mentioned regarding Hofstede's study in Indonesia. Therefore, the present study has taken up the challenge to conduct research that fully recognises Indonesia's large cultural variations, and the current situation in Indonesia. In order to avoid the mistakes made by the previous cultural researchers who studied Indonesia (e.g., Goodfellow, 1997; Hofstede, 1982; Mann, 1996), all respondents involved in this
study have been through a careful selection process which has been explained in
detail in Chapter 3.

It was never the intention of this study to rival Hofstede’s colossal work. However,
as an Indonesian, the researcher in this study felt obligated to correct the reigning
misconceptions on the culture of Indonesia. The comparative results of the two
Indonesian ethnic groups in this study could be used as a foundation for a larger
cultural framework of Indonesia, involving more of Indonesia’s major ethnic
groups and islands. The comparison of the results of the cultural values of the
Javanese and the Chinese Indonesians for each cultural dimension are presented
and discussed in detail in the following sub-sections:

6.2.1 Power Distance Index (PDI)

The quantitative findings for the power distance dimensions reveal the fact that the
level of power distance among the Javanese and the Chinese Indonesian managers
was moderate-high. Nevertheless, the score comparison showed us that the power
distance score is higher for the Chinese Indonesian managers (64.95) compared to
the Javanese managers (53.60). From an analysis of the respondents' responses to
questions used to measure power distance dimensions, there were two factors that
causcd the differences in the power distance score. The first factor is the finding
that the Chinese Indonesian managers consider respect towards superior is of great
importance, while the second factor was the tendency of the Javanese managers to
emphasize the smoothness of communication between superior-subordinate. These
two factors can also be observed from the qualitative findings, which also identify
several issues related to the power distance level between the Javanese and the
Chinese Indonesians. A detailed discussion related to the findings on the power
distance dimension is in the section below.
6.2.1.1 Power Distance: The Effect of Company Size and Education Level

As explained in the previous chapter, the present study draws its samples from managers working in 7 industry sectors: manufacturing, wholesale and retail, health services, mining and quarrying, information and communication, finance and insurance services, and construction. Among these industries, the manufacturing and wholesale and retail industries were considered as labour-intensive industries, with more than 1500 employees in the manufacturing companies, and more than 500 in the wholesale and retail companies. Surprisingly, an observation of all the labour-intensive companies that participated in this study concludes that the degree of power distance is higher and more obvious in those companies compared to the remaining companies.

Direct observation plays an important role in studying the degree of power distance in this research. In this study, the researcher, an Indonesian national who understands the culture and the etiquette especially in the Central Java region, encountered several behaviours associated with high power distance, only in manufacturing and retail and trade companies. In these companies, workers will pause, smile and bow their head whenever they meet someone with a higher position in their companies, an undeniably strong gesture of deep respect. With the exception of the manufacturing and wholesale and retail trade companies, no similar gesture can be observed in the other types of industry.

From further analysis, it seems that power distance in manufacturing and retail and trade companies is higher because of the large gaps in power and education levels among the workers. In these companies, the majority of employees are low-level employees who work in the production department and on the factory floor. On the other hand, the number of university-educated employees is very few. As stated by Ridwan, a manager in a Javanese manufacturing company, this discrepancy made his subordinates with a low level of education feel inferior. They always
considered themselves as “incapable” and “less knowledgeable” – despite their years of experience.

In contrast, the remaining interviewees from the industry sector other than manufacturing and retail and trade, stated that there were very few high school graduate employees in their companies. There are specific education qualifications that have to be obtained by employees in healthcare services and mining and quarrying companies, whereas front office employees in finance and insurance services and communication and information companies have to obtain at least a 3 year Diploma. In construction companies, although there were significant numbers of employees without university degrees, the majority of them were from a vocational school in building construction. These employees were proud of their specific skills and capabilities, believing that their presence is vital for their company. Based on this evidence, the present study argues that power distance is likely to be higher in companies with a large gap in education levels among the employees.

6.2.1.2 Power Distance in Language and Manners

As has been explained in the previous section, lower level employees in the manufacturing and retail and trade companies consider themselves as incapable and less knowledgeable, due to their low educational attainment. Unfortunately, this inferior feeling was exacerbated by the use of the Javanese language in their workplace. Most employees will address their superior in *Krama* (high), even to those who are much younger than them, creating the image of exaggerated respect. In the remaining participating companies (finance and insurance services, mining and quarrying, health services, construction, information and communication), the researcher’s observation was not able to detect behaviour reflecting high power distance, mainly because most conversation were conducted in Bahasa Indonesia. Of course, all communication among employees in these companies was
conducted according to accepted norms and etiquette, with subordinates showing their respect toward their superior. However, there was no indication of exaggerated respect, such as happened in both the Javanese and Chinese Indonesian manufacturing and retail and trade companies.

With regard to the difference in language used in the workplace, the use of the Javanese language clearly reflects the preference of the speakers for a hierarchical society. In the working environment, the status of the speakers can easily be identified if the speaker and the interlocutor used the different levels of Javanese in the conversation. When a speaker uses Javanese *Krama* and the interlocutor replied in *Ngoko*, it is obvious that the status of the speaker is lesser compared to the interlocutor. Such types of conversation are observable in the manufacturing companies and retail and trade companies. On the opposite side, the remaining companies tend to use Bahasa Indonesia as their preferred language in the workplace. Unlike the Javanese language, Bahasa Indonesia does not have levels of hierarchy. It is regarded as less traditional and more democratic, allowing speakers to have more freedom of expression (Kuntjara, 2001, p. 201), as well as omitting status differences among the speakers. Supported by evidence obtained from the researcher’s observations, the present study concludes that power distance will be higher in companies whose employees prefer to use the Javanese language at work, compared to companies whose employees speak in Bahasa Indonesia.

Still in relation to the choice of language used in the workplace, the researcher identified situations which can be described as a “cultural clash” between Javanese and Chinese Indonesians. Such a situation happened in the Chinese Indonesian labour-intensive companies, where most low-level employees were Javanese, and almost all employees from the Chinese Indonesian ethnic group worked in the management office. During the conversation, especially on the factory floor, the superior (Chinese Indonesian) tended to address his subordinates using Javanese
Ngoko, regardless of the age of the subordinate. It means that even with older employees, the Chinese Indonesian managers still use the Javanese Ngoko – the coarsest form of Javanese.

Although it is true that Javanese Ngoko (low) can be used by a superior to address subordinates, there is also a rule of respect toward the elders in the Javanese culture. According to Javanese norms, addressing elderly people should be conducted using a more appropriate level of Javanese language – Javanese Krama (high). Although there is some justification for Javanese Ngoko to be used by a superior to subordinates, the principle of respect and etiquette toward the elder should not be forgotten by the Chinese Indonesian managers. Such actions could cause misunderstanding, where Javanese employees might think that their superior (the Chinese Indonesians) is disrespecting Javanese culture and etiquette even though the Chinese Indonesians might not have had any intention to do so.

The opposite action toward elderly subordinates was shown by the Javanese managers, where they addressed their subordinates using Javanese Madya (middle) and the subordinates replied in Javanese Krama (high). Although it is acceptable by tradition for a superior to reply in Ngoko, their choice to use Javanese Madya implies that the superior is willing to forfeit their right (to reply in Ngoko) and use a softer level of Javanese (Javanese Madya) in order to treat their subordinates with more respect. A more extreme act was also shown by a Javanese manager, Ridwan, who believes that the superior should speak in Krama toward any employee who is much older, which, at the same time, contravenes and complements the traditional Javanese norms. Ridwan contested the tradition that the superior should speak Ngoko (low) toward the subordinates, by using Krama (high); yet, he agreed with another tradition where it is obligatory for the young to speak in Krama to the elders.
The actions of the Javanese managers show the moderate implementation of Javanese culture and their willingness to sacrifice their status and rights in terms of the use of Javanese language when speaking to their subordinates. Despite having lived in Javanese regions for years and having an adequate knowledge of Javanese culture and language, the Chinese Indonesian managers seem to be more “rigid” in implementing Javanese language customs. Their selection of language – using Javanese ngoko – reflects their emphasis on the importance of hierarchy in the workplace. Nevertheless, since employees in both groups of companies are predominantly Javanese, it was unclear which communication style is more effective for a company’s productivity and which one is more preferable for the employees: the Javanese style or the Chinese Indonesian style.

6.2.1.3 Preserving vs. Mitigating the Gap of Power

The next characteristic that distinguishes the Javanese from the Chinese Indonesians can be recognized in their actions toward the existing gap of power. As presented in the qualitative chapter, Javanese managers believed that the relationship between superior and subordinates should be made as affectionate as possible. Javanese managers believed that subordinates tend to have a feeling of uneasiness and hesitance toward their superior, which according to them, should be minimized. To achieve this expectation, Javanese managers believed that the superior should act as good “parents”, as a friend, mentor and protector of their employees including their families. There is a confidence among Javanese managers that employees’ feelings of uneasiness and hesitance toward the superior can be changed incrementally using this method.

Unlike Javanese managers who tend to minimize the “gap of power” with their subordinates, Chinese Indonesian managers prefer to preserve this gap. They delineate the importance of respecting the superior in the working environment, and the importance of clear boundaries between business and personal affairs.
Also, some managers believe that authoritative behaviour and instilling a sense of fear in subordinates is necessary, because it will make subordinates obedient and more diligent at work. All of the qualitative evidence of power distance clearly supports the quantitative findings, that the level of power distance in Chinese Indonesian companies is higher compared to Javanese companies.

Although this study revealed that there is a preference for Javanese managers to reduce the gap in power, it should be remembered that these managers have backgrounds which might be different compared to Javanese society in general. These managers have a good education – mostly university graduates – and enjoy special status in their company as middle and senior managers. There is a possibility that their perception regarding power distance might be different with Javanese who only work as regular employees. Since culture is crystallized in one’s mind, perhaps it is hard for the hierarchical Javanese society in general to reduce the power gap since it is the key foundation of Javanese culture.

6.2.1.4 Education and Leadership Behaviour

This section proposes the antecedent for the Chinese Indonesian manager's preference toward authoritative behaviours. An analysis of respondents’ qualitative responses and respondents’ demographic data reveals the fact that Javanese managers involved in the qualitative study have higher educations compared to the Chinese Indonesian managers. Most of the Javanese respondents are postgraduates from either universities in Indonesia, The Netherlands or Japan, comprising 58 per cent of the total interview sample. The lowest education qualification is a bachelor degree, gained by 42 per cent of all Javanese interviewees. Major differences can be observed from the Chinese Indonesian interviewees, where only 1 person (7%) had obtained a masters degree, 12 persons (80%) obtained bachelor degrees and 2 persons (13%) were high school graduates.
In the larger picture, there was also a large gap in the educational qualifications of the Javanese and the Chinese Indonesian respondents. The overall Javanese respondents involved in this study, exceptionally, consisted of 63 postgraduates, 26 with bachelor degrees and 11 with diplomas. For the Chinese Indonesian respondents, there are only 27 postgraduates, 30 with bachelor degrees, 22 with a diploma and, surprisingly, 27 high school graduates. These differences in the educational backgrounds are argued as factors influencing the tendency of the Chinese Indonesian managers to demonstrate authoritative behaviour.

Previous research has proposed that high levels of education are associated with high social status in society (Farrell & Schiefelbein, 1985). This is particularly true in Javanese society and Indonesia in general. During the colonial era, only the children of noblemen or wealthy merchants were given the privilege to study in the best schools, making people associate high education with high social status. Hollingshead (2011) uses education and position in the company as the main component of determining social status in society. In his study, people with postgraduate degrees were given the highest score – 7, and those with positions as managers the second-highest score in the occupation group (score of 8 out of 9). Based on calculations of social status proposed by Hollingshead (2011), all respondents who had already completed their postgraduate education must have a very high social status, because of their position in the company (manager) and their education level (postgraduate). In summary, it is clear that higher educational attainment will also heighten a person’s social status in society.

In 1975, Bass et al. (1975) argued that a leader with high status is likely to demonstrate participative leadership behaviour, using their own personal power to influence others. On the other hand, a leader with low status tends to use their position power toward the subordinates, demonstrating authoritative-directive leadership. In the present study, Chinese Indonesian managers’ preference for an authoritative leadership style could be caused by their education level, which is
relatively low compared to the Javanese managers. The relatively large number of Chinese Indonesian managers who only obtained a high school certificate puts them in the low-social status categories and they demonstrate authoritative-directive behaviour. On the other hand, the majority of the Javanese managers is highly educated, putting them in higher social status categories. They have the intention to minimize the power gap with their subordinates, and eliminate the communication barrier caused by tradition and the difference in status. As stated by Sasongko, a Javanese senior manager, smooth communication between superior-subordinate will increase productivity and enables the leader to understand the actual condition of the company.

The results of this study complement the findings of Rafieei, Pourreza, Kazemzadeh and Jahantigh (2013) which show that the higher the education of the managers, the better their attitude toward employees, treating them with respect and asking them to collaborate at work. Despite the finding that the Javanese managers are lower in power distance and tend to demonstrate a better attitude toward employees, the education profile of the Chinese Indonesian managers also shows that the Chinese Indonesian companies offer better career opportunity. This is not merely based on educational attainment, but is due to the fact that there were large numbers of Chinese Indonesian managers who were only high school graduates and diploma graduates.

6.2.1.5 *Comparison with Hofstede (1982) Results*

The only power distance score for Indonesia was calculated by Hofstede in 1982, based on the Indonesian respondents who were asked to complete his survey in 1967 and 1972 (Hofstede, 1982, p. 10). Among the 50 countries whose power distance results were presented, Indonesia’s score of power distance was given the rank of 43-44 with a power distance score of 78 (out of 100). It means that the power distance level in Indonesia was extremely high.
The calculation of the power distance dimension in this study was given the constant score of 50, based on the list of countries used in Hofstede’s (1982) research. Again, this study is fully aware that exact comparisons cannot be made due to the different time of the data collection and the different version of VSM used. Apart from that, the comparison with Hofstede (1982) is presented, in order to gain a general view that the power distance level of managers in the 1960s and 1970s differs from the power distance perception of managers at the present time. Referring to the influence of Confucianism in Chinese Indonesian society, the power distance score of China is also presented.

<table>
<thead>
<tr>
<th>Indonesia</th>
<th>China</th>
<th>Javanese</th>
<th>Chinese Indonesians</th>
</tr>
</thead>
<tbody>
<tr>
<td>78</td>
<td>80</td>
<td>53.60</td>
<td>64.95</td>
</tr>
</tbody>
</table>

*Based on Hofstede (1982) results
*Based on Mirwan Perdhana (2014) results

In Table 6.1, the power distance score of Indonesia is lower compared to the power distance score in China, yet both countries are known for their hierarchical culture. In the case of Indonesia, Hofstede gives emphasis to the Javanese culture, which has as a core value, Hormat (principle of respect). This core value is believed to have shaped the hierarchical Javanese society (Koentjaraningrat, 1985; Liddle, 1996; Woodward, 2010). One example of the implementation of Hormat can be observed in Javanese language, where one has to adjust the language style when communicating with other people, based on their social status. On the other hand, the Chinese are known for their Confucianism values, believing that “the stability of society is based on unequal status relationships between people” (Hofstede, Hofstede, et al., 2010, p. 237). Although power distance in China is higher compared to Indonesia, the close power distance score demonstrates that both cultures share similar universal values with regard to the inequality of power
distribution. This similarity might be used to explain why Chinese immigrants in Indonesia are willing to mix and assimilate with Javanese society which also has high power distance.

Interestingly, the results of the present study loosely resemble the results of Hofstede’s IBM study on China and Indonesia. A comparison of the power distance scores between the Javanese managers and the Chinese Indonesian managers reveals that the difference in scores is not too significant. There is an 11.35 point difference, giving the Chinese Indonesian managers a slightly higher power distance score compared to the Javanese managers.

A comparison of power distance scores between Hofstede’s (1982) study with the scores of the present study reveals evidence that there has been a decline of power distance over the last four decades. According to Hofstede (2001, p. 121), increased education level can be one of the key factors which causes the lower level of power distance. Also, during the past 15 years in Indonesia, the political situation has changed greatly. The downfall of President Soeharto’s regime in 1998 resulted in the Reform Movement, creating a new climate where the Indonesians today have greater freedom of speech, increased liberation, emancipation and education.

In the long term, it will be interesting to monitor the power distance scores of the Javanese and the Chinese Indonesians. The globalization effect could result in two possibilities: (1) that both Javanese and Chinese Indonesians become a low power distance society in the next several decades, or (2) they will be able to maintain their distinguished values, because of their strong cultural roots and civilization.

6.2.2 Individualism – Collectivism (IDV)

The calculations of VSM 08 for individualism–collectivism indicate that the Chinese Indonesian managers (IDV score: 36) have a lower individualism score
compared to the Javanese managers (IDV score: 48.95). Despite the difference, both the Javanese and the Chinese Indonesian managers can be considered as a collectivist society based on two findings: that both groups of managers consider having security of employment and having a job that is respected by family and friends are important. The qualitative findings also support the quantitative, where both the Javanese and the Chinese Indonesian managers put strong emphasis on the importance of a family-like relationship in the workplace, which has become an indication of a collectivist society. The detailed discussion based on the qualitative and qualitative findings is presented in the following section.

6.2.2.1 Comparison with Hofstede’s (1982) Results

According to Hofstede’s (1982) results, Indonesia has a very high collectivist society, ranked at 6-7 from a total of 50 countries. The collectivism score of Indonesia was higher compared to China, whose cultural values are argued to be affected by the teaching of Confucianism. Since Hofstede (1982) put strong emphasis on Javanese culture to represent the culture of Indonesia at that time, there is an indication that Javanese culture was more collectivist compared to the culture of China at the time of his research. Interestingly, the current IDV score of the Javanese managers is lower compared to the Chinese Indonesian managers, who it is also argued are affected by Confucianism teaching (Suryadinata, 1978a). A comparison of the IDV scores of Indonesia and China according to Hofstede’s IBM result, together with the IDV score obtained from the Javanese and the Chinese Indonesian managers, is presented in Table 6.2 below:
Table 6.2 Comparisons of Collectivism Scores

<table>
<thead>
<tr>
<th>Indonesia</th>
<th>China</th>
<th>Javanese</th>
<th>Chinese Indonesians</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>20</td>
<td>48.95</td>
<td>36.00</td>
</tr>
</tbody>
</table>

*Based on Hofstede (1982) results

In describing the strong collectivism among his Indonesian respondents, Hofstede (1982) mentioned the special characteristics of the Indonesians which are gotong royong and musyawarah. He also believes that Indonesian children were taught to think in terms of “we” rather than “I”, that the relationship between employer and employee is morally based rather than contractual, and he mentioned that an employer is frequently obliged to accept his/her unemployed relatives to work in their company. All these aspects indicated Indonesians could be considered as a highly collectivist society.

If, three decades ago, Indonesia’s collectivism was considered stronger than a Confucian-influenced society such as China, the present situation based on the findings of this study reveals the opposite. The respondents from the indigenous Javanese ethnic group is “less collectivist” or “more individualist” compared to the Chinese Indonesians, which culture is argued to be influenced by Confucianism teaching (Suryadinata, 1978a). A score comparison between Hofstede’s score for Indonesia (in which he puts strong emphasis on Javanese culture) and the score of the Javanese managers, indicates that there has been a declining trend toward an individualistic society.

It seems that the decline in collectivism among the Javanese has been forecast by several scholars. A few years after Hofstede (1982) published the cultural value score of Indonesia, Koentjaraningrat (1984, 1985) wrote about the weakening of gotong royong in Javanese society, especially within the sambatan institution,
because of the increased dependency on commercial goods and the increased numbers of workers such as bricklayers and carpenters. *Sambatan* itself is an institution which facilitates mutual help for corporate functions among neighbours such as house building and repairs, preparation for a wedding or funeral events and farming (Koentjaraningrat, 1984). This evidence is reinforced by the fact that only 27 per cent of 200 couples in East Java stated that they participate in building neighbourhood houses (Megawangi, Sumarwan, & Hartoyo, 1994). Furthermore, if we refer to the research conducted by ethnographers on Javanese society more than five decades ago (e.g., Castles, 1967; Dewey, 1962; Geertz, 1963), we find that the Javanese were not as collectivist as is thought. These ethnographers present the evidence that “excessive individualism” can be identified among the Javanese micro-scale entrepreneurs, making the inexistence of collectivism in business matters.

Despite the fact that collectivism in Javanese society has been declining compared to several decades ago, the present study argues that the presence of collectivism among the Javanese respondents involved in the present study is still high. Of course, this argument was not based on criteria such as *gotong royong* or their way of doing business such has been presented by earlier research in Javanese society (e.g., Castles, 1967; Dewey, 1962; Geertz, 1963; Koentjaraningrat, 1985; Megawangi et al., 1994), but by using Hofstede’s indicator of a collectivist society. The present study has presented evidence regarding the strong moral-based emotional relationship between employer and employee in Javanese companies, which is the main indication of collectivism at the workplace. Similar findings can also be observed among the Chinese Indonesian respondents, which also supports the quantitative findings on the high collectivism score of the Chinese Indonesians. This evidence will be presented in detail in Section 6.2.2.3 of this chapter. Beforehand, the next section will present an extensive argument related to the lower scores of collectivism of the Javanese managers which are
based on the item analysis of the VSM 08 questionnaire, as well as the arguments given by the respondents during the qualitative interviews.

6.2.2.2 The Lower IDV Score of the Javanese: Are They Individualist?

Hofstede, Hofstede, et al. (2010) describe individualism as a condition where people give more attention to themselves and their immediate family, and collectivism as a condition where people are integrated into strong, cohesive in-groups which give protection in exchange for unquestioning loyalty. In the present study, an analysis of the results of question m1 from the VSM 08 questionnaire provides evidence that more of the Javanese managers stressed the importance of having sufficient time for their personal or home life compared to the Chinese Indonesian managers. This finding can be interpreted in two ways: that the Chinese Indonesians are more collectivist compared to the Javanese managers, or, that the Javanese managers are more individualistic than the Chinese Indonesians. Either way, the VSM score, which is below 50, indicates that both groups of managers have a tendency toward a collectivist society.

During the qualitative stage, respondents were again asked a question which is similar to question m1 on the VSM 08: "Which one is more important for you: having personal time for yourself and your family, or giving priority to the interests of your groups and organisation?" Surprisingly, 14 out of 19 (73%) Javanese managers chose to spend time with their family, and only 5 people were (27%) willing to give priority to the interests of the organisation. Similar trends can be observed from the Chinese Indonesian respondents, however, the percentage of respondents who give priority to their groups and organisations was higher: 40 per cent (6 people). Interestingly, the Chinese Indonesian managers also mentioned the importance of being involved in social activities, while none of the Javanese managers did the same. The Chinese Indonesian respondents emphasized
that one cannot merely choose only between family, groups or the organisation; because there is a society that also needs to be given attention.

All findings from the quantitative and qualitative stages can be summarised as follows: (1) that Chinese Indonesian managers' IDV scores are lower than the Javanese managers' scores, indicating their tendency toward a collectivist society; (2) that the number of Javanese managers who choose to spend their free time with their family is larger compared to the Chinese Indonesian managers; and (3) that the Chinese Indonesian managers also mentioned the importance of allocating time for social activities, while no Javanese managers gave a similar response. However, the question is raised: Can we conclude that Javanese are individualist, because they give more attention to their immediate family? (Hofstede, Hofstede, et al., 2010).

Considering Javanese as an individualist society will contradict the historical evidence as well as results from the previous research. As stated by Abdullah (2009, p. 49), Indonesian independence activists in 1935 reached an agreement during The National Congress of Education that the future nation of Indonesia (Indonesia itself gained its independence on 17 August 1945) should be based on the system values of collectivism, spiritualism and anti-materialism. The high collectivist nature of the Javanese was also acknowledged by Rademakers and van Valkengoed (2001, p. 72) and Barnes (2007, p. 107). To give further justification to this argument, similar statements regarding the collectivist nature of Javanese society can also be found in anthropologists’ studies such as Hildred Geertz (1961), Koentjaraningrat (1985) and Niels Mulder (1978). They delineated the Javanese practice such as “gotong royong”, “musyawarah” and “mufakat” as a reflection of collectivism among the Javanese. Since literature has suggested that the Javanese are highly collectivist, the findings of the present research obtained from question m1 of the VSM 08 questionnaire need to be further scrutinized to
identify factors that made the Javanese managers “less collectivist” or “more individualist” compared to the Chinese Indonesian managers.

Referring to the previous statement about whether it can be argued that the Javanese managers in this study are individualistic based on their responses that they prefer to spend their free time with their family, the present study would like to present its own argument. During the interview stage, the researcher debated with two Javanese managers, Arif and Dimas, who argued that the question which asked respondents to choose between spending their free time with family, groups or organisations is incorrect. They argued that anyone would definitely choose to spend their free time with their family, especially their children, since they bring joy and happiness (Geertz, 1961; Koentjaraningrat, 1985). Nevertheless, the results proved that they were wrong, since there were Chinese Indonesian and Javanese managers who chose to prioritise their company, groups, and even allocating time for society before their family. No Chinese Indonesian respondents presented a similar argument to that of Arif and Dimas.

In relation to Arif and Dimas’s disagreement with the question asked by the researcher, the present study argues that their action has a relationship to a famous Javanese proverb "mangan ora mangan kumpul" which can be translated as "eat or not eat, as long as (we are) together" (Hull, 2005, p. 133). In the view of foreigners, such as the American anthropologist Clifford Geertz, this proverb reflects “shared poverty” among the Javanese (Hull, 2005, p. 133). However, the Indonesians view this proverb from a different point of view. Umar Kayam, an Indonesian sociologist, argues that this proverb emphasizes the importance of being together with one’s large family, even though they have to live in poverty (Mujani, 2007, p. 132). Family is very important for the Javanese, making them reluctant to live far away from each other (Siahaan, 2004, p. 136).
Referring to the proverb “mangan ora mangan kumpul”, it is understandable why Arif and Dimas have the opinion that the qualitative question is incorrect. In their mind, if a Javanese has to choose between family togetherness or economic profit or group/organisations, family will definitely come first. It is not surprising why 72 per cent (of an estimated 69 million people) of the total Javanese population in Indonesia remain on Java Island – the most populous island on earth – it is because of their reluctance to move far away from their families. Java Island itself only consists of 7.2 per cent of the total land area of Indonesia, yet, almost 60 per cent of the country’s population lives on this island.

The implications of this proverb, which is popular among the Javanese, could also be seen in the Chinese Indonesian respondents. Having been born and raised in Central Java province, Berlian, a Chinese Indonesian female manager, refused to be promoted to Sumatra Island because she would have been far away from her parents. As stated by the Chinese Indonesian respondents, family is their most important possession in life, and they will prioritize their family above everything. Such a statement is very obvious and beyond contestation, making this study begin to question the appropriateness of question m1 to be used to measure an individualism score. There are many characteristics to distinguish a society into “individualist” or “collectivist”, as presented in Hofstede, Hofstede, et al. (2010, pp. 113, 117, 124, 130); yet, Hofstede chose to use a “leading question”, asking respondents to measure the importance of spending free time with themselves and their family. The present study believes that such a question needs to be further evaluated, in order to improve the measurement accuracy of Hofstede’s Individualism–Collectivism dimension.
6.2.2.3 Father Figure and Family-Like Relationship

The second finding obtained from the qualitative section provides further evidence that both the Javanese and the Chinese Indonesian managers belong to a collectivist society. From the VSM 08 questionnaire results on the dimension of individualism–collectivism, both the Javanese and the Chinese Indonesian managers’ responses indicate that, for them, having security of employment and a job which is respected by their family and friends is important. These are indications of a collectivist society, placing high value on respectable jobs (Price, 2011, p. 135) and discouraging occupational mobility (Hofstede, Hofstede, et al., 2010, p. 124). To support the quantitative findings, the qualitative interviews demonstrate that almost all the Javanese and Chinese Indonesian managers share the opinion that the most ideal relationship between superior and subordinate is a family-like relationship. This criterion suits Hofstede’s description of a collectivist society, where work relationships are basically moral, like a family link (Hofstede, Hofstede, et al., 2010, p. 124).

A strong collectivism bond can be observed from the responses of both the Javanese and the Chinese Indonesian managers. According to their perception, the superior in the office should act as protector and patron. They had to be wise, caring, knowledgeable, and act as a good and kind father toward the subordinates. As exemplified by both the Javanese and the Chinese Indonesian respondents, the obligation of a superior is not limited to their employees, but also applies to the employees’ families. In the case of Azhar, a Javanese manager, he supported the family of one of his subordinates who had been involved in an accident until the person was fully recovered. Azhar further stated that he “pay attention to the personal life” of his subordinate, considering himself as a father who bore responsibility for his children. Another example was shown by Rahardi, a Chinese Indonesian manager, who had managed to obtain information about the condition of the family of one of his subordinates. Based on the news he received, Rahardi
changed a decision he has made, ordering the subordinate to spend time with his family instead of sending him on a company assignment.

From the individualist point of view, the affectionate attention given by the superior in both the Javanese and the Chinese Indonesian companies could be regarded as an intrusion on one’s personal affairs. However, Azhar and Rahardi – both are senior managers – admit that they had assumed responsibility as a “father” for their subordinates, in which they are responsible for giving attention, assistance and protection to their children. The present research argues that such behaviour is a manifestation of the Javanese principle of respect, where people in higher positions will act as a father or mother for those in lower positions (Magnis-Suseno 1993).

With regard to the family-like relationship demonstrated by the Javanese and the Chinese Indonesian managers, it is argued that such relationships create a strong emotional bond between superior and subordinate (Barnes, 2007, p. 107). In the case of Indonesia, such a condition is often associated with the so-called “Bapakism” (Father-ism) term (Pye & Pye, 1985). Bapakism is a paternalistic leadership style where a leader demonstrates the power in a smooth and delicate manner (Panggabean, Murniati, & Tjitra, 2013). In the view of the non-Indonesian researcher, bapakism is strongly associated with the patron-client relationship which is believed to be a source of corruption and misuse of power in Indonesian bureaucracy (Colfer & Resosudarmo, 2003; Pye, 1999). This is because someone who becomes a government official or military officer is likely to feel deeply indebted to the “father” (Barnes, 2007, p. 107), believing that it is impossible for them to have reached such a position without the father’s involvement. Furthermore, bapakism is argued to lead to the infamous “Asal Bapak Senang” (keep the father happy) practice (Ferrazzi & Rohdewohld, 1999). In the view of the non-Indonesian researchers, bapakism seems to have more negative consequences than benefits.
Despite the criticism of the family-like relationship between superior and subordinate in Indonesia, the present study has been able to gather evidence that such relationships should not always be given negative associations. The affectionate attention given by Azhar toward his subordinate’s family implies a deep moral responsibility, which interestingly, is never written in a contractual agreement. Furthermore, the company’s action in helping this unfortunate employee obtain a low-interest loan from the company’s co-operative reflects the deep concern for the welfare of the employee. Such actions would obviously elevate the employees’ preference for the leader, improving the quality of leader–employee relationship (Organ, Podsakoff, & MacKenzie, 2006). All in all, such attention given by the leader and the company will build the employee’s commitment and encourage them to reciprocate (Bishop, Scott, & Burroughs, 2000; Organ et al., 2006).

The decision taken by Rahardi to ask his subordinate to take a family vacation rather than sending him on a company assignment can be viewed as an act concerning the feelings of others. Among the Javanese, such an action is named “tepo seliro”, which literally means the ability to understand the feelings of others. It is argued that a leader who has tepo seliro characteristic will not act arbitrarily towards a subordinate (Tugiman, 1998, p. 65). Rahardi shows a deep empathy when he found that the son of his subordinate, Budiman, was recuperating after suffering from dengue fever. He tried to place himself in Budiman’s position, and in his own view, such a situation requires the presence of a father to please the recovering boy. In an informal talk with the researcher, Rahardi mentioned one of his life principles which is similar to one of Confucius’s key teachings – not treating others in a way that you would not like to be treated yourself (Hofstede, Hofstede, et al., 2010, p. 237). Rahardi surely would not have wanted to be in Budiman’s situation, yet, at the same time, he had been assigned to an intercity assignment by his superior. As for Budiman, the present study shows that
Rahardi’s decision made him and his family emotionally indebted, hence he asked his son to pay respect to Rahardi during the company birthday event.

Unlike the perceptions of the non-Indonesian, the present study was unable to recognise negative actions or behaviour related to the family-like relationships between superiors and subordinates based on the respondents’ responses. Thus, the findings of the present research contradict the opinion that family-like relationships, or bapakism, are negative behaviours that should be avoided (e.g., Colfer & Resosudarmo, 2003; Ferrazzi & Rohdewohld, 1999; Pye, 1999). For a non-Indonesian researcher, it is interesting to note that family-like relationships, or bapakism, remain associated with corruption, collusion and nepotism.

From the researcher’s point of view, the term bapakism has negative associations because of its misuse during the Indonesian New Order government with the former President Soeharto as its prominent figure. Many people have forgotten that the bapakism practice could be traced back to the times of the Indonesian war of independence (1945-1949) against The Netherlands (Penders, 2002, p. 184). At that time, a fighting squad, consisting of volunteers (students and peasants) and the ex-Japanese-military trained Indonesians, was led by a commander who was chosen based on charisma and fighting skills. In the eyes of the soldiers, a commander is expected to act as a father, providing food and shelter, and give paternal interest to the welfare of the soldiers and their families (Penders, 2002, p. 185). In return, the soldiers gave their unquestionable loyalty to the commander, because the commander had taken care of them and their family during such a hard period. The finest example of a “Bapak” during this period was Sudirman (1916-1950), a charismatic figure and the first Commander-in-Chief of the Indonesian Armed Forces (Chalmers, 2006, p. 180). Using moderate weaponry, the Indonesian army under Sudirman’s leadership successfully retook the vital city of Yogyakarta for 6 hours during the General Offensive of 1 March 1949 from the Dutch Army. This event is regarded as one of the most important events in the
history of Indonesia, forcing the Dutch to negotiate with the Indonesian government in the Roem-van Roijen Agreement in April 1949. Later that year, Indonesia obtained its unconditional sovereignty from The Netherlands. Without the ability to act as a “Bapak” for his troops, perhaps Sudirman’s leadership would not have been as successful as people remember nowadays. Using the same argument, we do not know what Azhar and Rahardi would become without their character as a “Bapak” who pays attention to the personal and family affair of their subordinates; or whether their subordinates would give them the same respect as they do nowadays.

In summary, the present study gives supporting evidence about the collectivist nature of the Javanese and the Chinese Indonesian managers which is characterized by family-like relationships. In both groups of companies, people in higher positions will assume responsibility as a father or mother and monitor the welfare of their subordinates and their family. Nevertheless, in contrast with what has been described by the literature regarding the family-like relationship, the present study argues that such relationships can only bring positive effects for the employees of all companies that participated in this study. If previous research argues that family-like relationships are the source of corruption, collusion and nepotism in Indonesian bureaucracy, the present study gives evidence that family-like relationship also exist within the Indonesian private sector. The present study could also argue that an employee who is indebted because of the kindness of their superior and the company will become more committed and show higher participation in the company.

6.2.3 Masculinity Index (MAS)

The results obtained from the masculinity-femininity dimension demonstrate an important difference between the groups of managers. The tendency toward feminine behaviour was shown by the Javanese managers, with an MAS score of
46.85; while the Chinese Indonesian respondents showed tendencies of masculine behaviour with a score of 63.30. According to the results of the VSM questionnaire, more of the Javanese managers gave priority to working with pleasant people, while more of the Chinese Indonesian managers emphasised the importance of being recognised for their performance and earning a chance for promotion at work. The findings about the masculine Chinese Indonesians and the feminine Javanese were also obtained from the qualitative interviews, which complemented the quantitative results from the VSM questionnaire. The detailed discussion and analysis are presented in the following section.

6.2.3.1 Masculinity – Femininity: Comparison with Hofstede (1982) Results

Hofstede’s (1982) study has revealed that Indonesian society has a relatively low score for masculinity, ranked 22nd lowest out of 50 countries. The result implies that there is a tendency in Indonesian society to demonstrate feminine behaviour, emphasizing harmony and tranquillity of life. Similar to the previous two dimensions, Hofstede’s (1982) explanation of the masculinity-femininity score of Indonesia was full of descriptions of Javanese. He borrows the opinion of the anthropologist, Niels Mulder (1982, p. 28), that Javanese culture disapproved of ego-motives, assertive behaviour, material success and pride in performance.

According to the literature, Javanese culture is often associated with feminine behaviour which reflected the rukun principle, which emphasizes maintaining harmony, inner peace and avoiding conflict with others (Magnis-Suseno, 1993). On the other hand, it is argued that the hard life of the minority ethnic Chinese in Indonesia has made them more competitive to ensure their survival (Suhandinata, 2009). The present research presents evidence that the masculine behaviour which is argued to be embedded in the Chinese Indonesians is true, if we compare it with the behaviour exhibited by the Javanese respondents. The score comparison based on the quantitative results is presented in Table 6.3 below, together with the
previous scores for Indonesia and China (Hofstede, 1982; Hofstede, Hofstede, et al., 2010).

### Table 6.3 Comparisons of Masculinity Scores

<table>
<thead>
<tr>
<th>Indonesia</th>
<th>China</th>
<th>Javanese</th>
<th>Chinese Indonesians</th>
</tr>
</thead>
<tbody>
<tr>
<td>46</td>
<td>66</td>
<td>46.85</td>
<td>63.30</td>
</tr>
</tbody>
</table>

*Based on Hofstede (1982) results

*Based on Mirwan Perdhana (2014) results

It is interesting to know that the MAS score of Indonesia back in 1982 was very similar to the MAS score of Javanese managers in this research, strengthening the argument that Hofstede’s Indonesian respondents were strongly exposed to Javanese culture. Additionally, the similarity between the Chinese Indonesians’ score in the present study and Hofstede’s country score for China based on his IBM database, weakens the argument that Chinese Indonesians’ competitive nature is the result of centuries of racial discrimination. There is a possibility that a competitive nature was a common trait among Chinese people. Although such arguments can only be answered by an anthropologist specialising in Chinese studies, history has recorded that Chinese people formed a significant population in 16th century Batavia – now Jakarta – which was the headquarters of the Dutch colonialists in Indonesia until 1942. Such evidence shows that the 16th century Chinese people were willing to leave their native country to pursue a better living in a foreign land.

With regard to the evidence obtained from the results of the present study, the qualitative interviews complement the results of the VSM questionnaire showing that the Chinese Indonesian respondents are more masculine compared to the Javanese respondents. During the interviews, Chinese Indonesian respondents stated that company size, company performance and the amount of salary were
their main considerations in finding a job. Their highest concern is the existence of a fair career system in their company, while, in contrast, the majority of Javanese managers regard a harmonious working environment as their utmost consideration. The desire of Javanese managers to have a pleasant working environment was criticised by one Chinese Indonesian manager, Andika, who believed that such a factor would prevent someone from achieving greater success.

Another result obtained from the qualitative interviews was the greater acceptance by the Chinese Indonesian managers of assertive behaviour, incomplete contrast to the statements obtained from the Javanese managers. There were no objections to an individual who exhibited ambition explicitly from any of the Chinese Indonesian respondents, and surprisingly, such behaviour was considered an asset. For Javanese managers, assertive behaviour was considered a threat, since most of them believe that an assertive individual, including those who show their ambition in a career explicitly tend to use unethical ways and unsporting behaviour, to achieve their goals. An unexpected response was obtained from an interview with Maher, a Javanese senior manager, who unequivocally stated his dislike of assertive and ambitious individuals, and will cast aside any of his direct subordinates with such characteristics. Although Javanese managers respect ambition, it should be kept and never shared with other people, since it will likely cause negative sentiment. All results manifest Hofstede’s characteristics of masculine and feminine society.

With regard to Hofstede’s conclusion on masculinity-femininity in Indonesia, the present research has presented strong evidence that the observation of two different Indonesian cultures could produce a different result. Indeed, the results of the Javanese respondents who show a tendency toward a feminine society complement Hofstede’s argument on Indonesia’s stance on masculinity-femininity, but only because Hofstede has focused his attention on the Javanese culture alone. The present research reveals that Indonesia not only consists of a
feminine ethnic group; there were also masculine ethnic groups such as the Chinese Indonesians. The present study is confident that if more ethnic groups were taken into consideration, the results would show two clusters: feminine Indonesian ethnic groups and masculine Indonesian ethnic groups.

6.2.3.2 Ambition and Education Level

The next finding for the MAS dimension seems to have a strong correlation with the respondents’ educational attainment. As explained in the previous section, Chinese Indonesian respondents admitted that they regard masculine-oriented characteristics in finding a job as utmost important. Their main considerations were the existence of a fair career system, company size, company performance and the amount of salary. Although some Javanese managers share such perspectives, the majority of them were more concerned about the harmonious working environment and whether or not they have nice co-workers to work with. The Chinese Indonesian managers also had a higher tolerance toward ambitious, assertive individuals while the majority of the Javanese managers considered assertiveness and explicit ambition as factors that will impair a solid team and ruin the tranquillity of the workplace. The responses of the Chinese Indonesian respondents reflect masculine values, while the Javanese respondents’ responses indicate feminine values.

Despite the direct findings from the quantitative and qualitative stage, a scrutiny of respondents’ demographic information indicates that the Javanese managers involved in this study were not as feminine as it seems. This argument was based on the surprising number of Javanese managers (50 male, 13 female; n=100) who have completed their Masters degree, in contrast with the Chinese Indonesian respondents (19 male, 2 female; n=100). Also, as presented in the demographic information in the qualitative chapter, 6 out of 11 interviewees with Masters Degree (n=19) obtained their title at a relatively young age, below 35 years old.
Among them, 2 of the managers were overseas graduates from Japan and The Netherlands; and the company where they currently work is their first workplace after graduating from university. Based on these facts and numbers, the present study would like to raise a question: Why is there a trend among Javanese managers to obtain a postgraduate degree? Why do they seem to have a greater conscience in pursuing higher levels of education compared to the Chinese Indonesian managers?

The present study argues that pursuing higher education can be considered as representative of the ambition of the Javanese managers. As has been explained by several managers in this study, possession of a specific skill is required to get career promotion. In the case of the Chinese Indonesian managers, they want their superior to know that they have such specific skills through the demonstration of assertive and competitive behaviour. Later on, if their desired position also requires the possession of a formal educational title, Chinese Indonesian managers will undertake it, such as Suyono who works in the health services sector. There is also an undeniable expectation that the opportunity for promotion will be bigger if someone has higher education compared to others who possess the same skills. Andika, a senior manager of a Chinese Indonesian manufacturing company, is a fine example of this condition.

As for Javanese managers, the trend to pursue higher education might reflect their expectation to be a candidate for promotion in their company. Such behaviour can also be argued as presentation of the principle of conflict avoidance, Rukun, in the workplace. Instead of openly demonstrating assertive behaviour and explicit ambition to their counterparts, Javanese managers choose to compete indirectly, using a more subtle, gentle way: by increasing their competence with formal education. With higher education, they are likely to be considered as the main candidate for promotion. The company is likely to choose an individual who already has the desired competence for a certain position, which could explain why
there are so many Javanese managers who have their postgraduate degree (61 out of 100). It can also explain the trend among all young Javanese managers (below 35 years old) involved in the interview, who admit that they obtained their postgraduate degree within the first six years after they finished their bachelor degree. Such strategy is considered successful, since at the time of the interview all those respondents were sitting in a managerial position in their company. Implicitly, employees who decide to continue their education to the higher level expect a faster career path, expect to be the main candidate for promotion. Thus, the statement of a Javanese manager, Maher, who openly stated that ambitious and assertive individuals would ruin the harmony in the workplace does not mean that the Javanese are not ambitious. *They have ambition, however, direct confrontation to fulfil the goal should be avoided.*

The motivation to pursue higher education among managers can also be linked with the general perception of the Indonesians, believing that higher education has a strong correlation with a big salary. With a bachelor degree someone will be able to have an office job, while uneducated workers will likely become labourers or low-level employees. There was a huge gap in the salary range for these professions. The 2011 Survey of Japanese-Affiliated Firms in Asia and Oceania revealed that in Indonesia, the salary of general workers was $209/month, non-manufacturing staff $409/month and managers’ salary ranged from $995-$1448/month (Japan External Trade Organization, 2012). Meanwhile, the minimum labour cost for Central Java Province in 2013 based on the Governor of Central Java Decree No. 561.4/58/2012 is only Rp.830.000 (Governor of Central Java, 2012), - or US$74 per month- a huge difference compared to the salary of office workers, as mentioned previously. The final objective for all respondents is to achieve a high position in the company, using two different ways: Chinese Indonesians in Chinese Indonesian companies behave assertively, showing explicit ambition in order to be recognized by their superior, while Javanese in Javanese
companies try to obtain education as high as possible as a sign of their competence, showing that they are ready for promotion.

6.2.4 Uncertainty Avoidance Index (UAI)

Uncertainty Avoidance is the last dimension of Hofstede’s original cultural framework (Hofstede 1980a), which he also used for his 1982 research in Indonesia. In this study, the calculation results for this dimension illustrate that there is no major difference between the Javanese managers (UAI 31.10) and the Chinese Indonesian managers (UAI 29.80) regarding their perception of uncertainty avoidance. In line with the quantitative results, the qualitative results also demonstrate the relatively low uncertainty avoidance behaviour for both the Javanese and the Chinese Indonesian managers, which will be discussed in detail in the following section.

6.2.4.1 Uncertainty Avoidance: Comparison with Hofstede’s (1982) Results

Indonesia was categorised as a low uncertainty avoidance society according to Hofstede’s (1982) study, ranked 12th-13th in a total of 50 countries. A society with low uncertainty avoidance is argued to have a high tolerance toward deviant ideas and behaviour, is accustomed to unstructured situations and is relatively unemotional (Hofstede, 1982). Hofstede argued that the low uncertainty avoidance nature of the Indonesians was very similar to the nature of the Dutch. Such conditions create a tolerance between both parties, providing an explanation for why the Dutch colonial government rule in Indonesia lasted for centuries (Hofstede, 1982, p. 24).

Similar to the previous three dimensions, the score of uncertainty avoidance in the present research is compared with the previous Hofstede (1982) score, as well as the score for China based on Hofstede’s IBM result. The present study argues that Chinese Indonesian values have been influenced by Confucian values, which
originated from China (Suryadinata, 1978a). The score comparison is presented in Table 6.4 below:

<table>
<thead>
<tr>
<th>Indonesia</th>
<th>China</th>
<th>Javanese</th>
<th>Chinese Indonesians</th>
</tr>
</thead>
<tbody>
<tr>
<td>48</td>
<td>30</td>
<td>31.10</td>
<td>29.80</td>
</tr>
</tbody>
</table>

*Based on Hofstede (1982) results
*Based on Mirwan Perdhana (2014) results

It is interesting to know that although Hofstede stated that Indonesians belonged to a low uncertainty avoidance society, the UAI score of China proved to be lower compared to Indonesia’s. The same condition can also be observed in a country with a significant Chinese population, such as Hong Kong or Singapore – in fact, Singapore has the lowest uncertainty avoidance score in the world (Hofstede, Hofstede, et al., 2010, p. 194). Such data support the findings of the present study where the Chinese Indonesian managers, who, it is argued have been influenced by Confucianism, scored lower UAI than the Javanese managers.

Evidence from the quantitative analysis indicates that the low score for uncertainty avoidance in this study can be explained based on respondents’ responses to each UAI indicator. The majority of respondents believed that they were in a “very good” or “good” state of health, reflecting their optimism toward their overall health condition. Also, although the majority of Javanese (44%) and Chinese Indonesian (55%) managers admit that they were “sometimes” nervous and tense, there was also a significant number of respondents (31% Javanese, 33% Chinese Indonesians) who stated that they scarcely experienced such feelings.

The weak uncertainty avoidance score was also driven by respondents’ responses to question m24 and question m27. Question m24 clearly reflects ambiguity,
asking respondents’ agreement or disagreement to the statement that someone can be a good manager without having a precise answer to every question that a subordinate may raise about his or her work. Respondents who disagree with this statement are argued to have stronger uncertainty avoidance, because they were afraid that more people who do not have adequate knowledge to answer the problems are promoted into managerial positions. Similar ambiguity can also be observed from question m27, asking the respondents’ opinion of the statement that the company’s rule should not be broken - not even when the employee thinks breaking the rule would be in the organization's best interest. Those who agree with this statement reflect strong uncertainty avoidance, worrying about the consequences if employees start to act as they please at the office. Although the majority of the Javanese and the Chinese Indonesian managers disagree with question m24 and agree with question m27; there were also considerable numbers of managers who believed the opposite, leading the aggregate score of both groups of managers toward weak uncertainty avoidance.

Based on the qualitative results, the present study argues that the respondents did not have any worries or feelings of anxiety with regard to their present job and the economic conditions in the future. Specific to these matters, they were optimistic that their skills and capabilities would allow them to survive in any conditions. Anxiousness, which became the main character of high uncertainty avoidance, was considered a negative trait by respondents in this study, since they believe that a good leader should be able to minimize his/her anxious feelings, by acting as a role model for the subordinates.

6.2.4.2 Religious Observance and Low Uncertainty Avoidance

Despite stating that Indonesians belonged to the low uncertainty avoidance category, Hofstede (1982) did not give much explanation regarding the antecedent to the low uncertainty avoidance in Indonesia. The present study complements
such shortcomings, presenting the fact that no respondents involved in this study forgot to mention the importance of strong religious observance to help face the uncertainty in life. They believe that their life has been designed by God, and their duty as a human being is to give their best efforts in all aspects of life. Religiosity was admitted as the main haven whenever things did not happen according to plan, thus shielding respondents from stress, frustration and disappointment.

Religion was often regarded as the antecedent of the fatalistic behaviour of the Javanese, believing that fate is predestined and life has been designed by God (Alatas, 1977; Kartodirdjo, 1988). They also argued that one must always accept the will of God as an explanation for events (Florida, 1995, p. 190; Kesoebjono & Sarwono, 2003, p. 392). Such beliefs were argued to create passiveness and reluctance to work hard; making them live a relaxed life since they believed that time would determine what they become (Kartodirdjo, 1988). If someone is predestined to be poor or rich, then, working too hard will only become a waste of time. During the 19th century, the foreign missionaries often considered the Javanese as lazy and sluggish because of their fatalistic nature (Partonadi, 1990, p. 18). The characteristics derived from the Javanese fatalistic nature was argued to make them unsuccessful in business (Abdullah, 1994).

It is unfortunate if, at the present time, people still regard the fatalistic attitude as demonstrated by respondents in this study as an obstacle to build a successful business or career. The present study proves that the Chinese Indonesian respondents in the present study also believe in the so called “fatalistic” attitude, yet they can be considered “successful” in their career, and have managerial positions in their company. Also, it should not be forgotten that the Chinese Indonesians also managed to dominate the list of the 10 wealthiest Indonesians. Despite their belief in predetermined destiny, all respondents, in fact, stated that “their duty as a human being is to give their best efforts in all aspects of life”, which does not reflect any sign of irrational fatalism toward their life in the future.
In the present study, religious observance proved to be the determinant of both Javanese and Chinese Indonesian managers to minimize worries and anxious feelings in their life, explaining their low scores for uncertainty avoidance. Such results reinforced Hofstede, Hofstede, et al.’s (2010) proposition, which also stated that religious beliefs help people to accept uncertainties against which they cannot defend themselves. Modern study has reported that employees who practise their religion experienced less stress and burnout in the workplace (Kutcher, Bragger, Rodriguez-Srednicki, & Masco, 2010; Taylor, Chatters, & Levin, 2004; Williams, Larson, Buckler, Heckmann, & Pyle, 1991; Yi et al., 2006), have better physical and mental health (Taylor et al., 2004; Williams et al., 1991), demonstrate better job attitudes (Sikorska-Simmons, 2005, Kutcher et al., 2010), and better ethical decision-making (Fernando & Jackson, 2006).

6.2.5 Findings from the Remaining Cultural Dimensions

The present study has explained that Hofstede’s cultural dimensions have been expanded several times. The original cultural dimensions were based on Hofstede’s IBM study during the 1970s with only four dimensions (power distance, collectivism, masculinity, uncertainty avoidance). Long-term orientation was added in 1988 (Hofstede & Bond, 1988) while indulgence versus restraint and monumentalism was added in 2008 (Hofstede et al., 2008). Surprisingly, there has never been an attempt to test the new framework whenever a new dimension is added: the calculation results for the first four dimension were based on Hofstede’s IBM study, while the calculation for the remaining dimension is based on the secondary data, such as the World Value Survey (Hofstede, Hofstede, et al., 2010).

Based on such explanation, the present study results for the remaining dimensions – long-term orientation, indulgence versus restraint and monumentalism – cannot be compared with Hofstede’s results. Discussion of these three dimensions will be
based only on the explanation regarding these three dimensions. The detailed analysis and scrutiny are presented in the following section.

6.2.5.1 Long-term Orientation (LTO)

According to the quantitative results, both the Javanese (LTO score 64.70) and the Chinese Indonesian managers (LTO score 64.75) have a moderate score for long-term orientation. Their moderate stance indicates that despite having a tendency toward a long-term oriented society, they still also pay attention to the present and the past. Using the World Value Survey data from 1995-2004, Indonesia was also categorized as having a tendency toward long-term orientation, ranked 26th-27th highest among 93 countries with an index score of 62 (Hofstede, Hofstede, et al., 2010, p. 256).

The interview results indicate the importance of thrift and frugality for both the Javanese and the Chinese Indonesian managers, which confirms their concern for the future. The Chinese Indonesian respondents believe that life should be modest, and that thrift and frugality have to be embedded in young people in the early stage of life. Although the Javanese managers share a similar opinion, being too frugal in life was considered inappropriate because of their beliefs in rejeki— the concept of someone’s economic fate. Some Javanese interviewees mentioned that each person has their own rejeki, therefore, one should not be afraid to fall into poverty if they give their money to the poor or to charity, because the money that has been donated will became rejeki for others. Although such a concept seems good, the present study argues that it could also lead the Javanese into consumerism behaviours because of the combination of 2 beliefs: that being too frugal is discouraged, and that someone’s economic fate has been determined. Nevertheless, the quantitative analysis reveals that the Chinese Indonesian managers seem to be more consumerist compared to the Javanese managers, based
on 44% of them stating that they “sometimes save and sometimes borrow” money for goods that they want to possess.

The other factor distinguishing the Javanese from the Chinese Indonesians could be observed in the Javanese concept of *Samadyo* – believing that someone’s economic life should always be in the middle; not too rich or too poor. The concept of *Samadyo* was absent from all the Chinese Indonesian respondents, despite their beliefs on the importance of being thrifty and frugal. Such findings indicate that, for the Javanese, there is a limit in their life where they should stop thinking about the accumulation of wealth; on the other hand, such a limitation does not exist for the Chinese Indonesians.

Another criterion used to determine whether a society has short or long orientation is the perception of tradition. A short-term society will likely preserve tradition, whereas a long-term oriented society hastens to give respect to the circumstances. With regard to this aspect, the qualitative findings give supporting evidence to the LTO score which stated that both groups of managers tended to demonstrate moderate long-term orientation. In other words, it can be said that they have respect for traditions yet also place emphasis on the current circumstances (Hofstede, Hofstede, et al., 2010, p. 243). An example of the emphasis on current circumstances was given by a Chinese Indonesian manager who criticized the costly traditional marriages in Central Java Province, arguing that such tradition should not be imposed on individuals who cannot afford it. There were also managers who criticized the rituals of spirit calling among the Chinese Indonesians, and a Javanese manager who criticized the *kejawen* (Javanese spiritual belief) since it was considered irrelevant in the present times. Despite their statements, 92 per cent of the Chinese Indonesians and 86 per cent of the Javanese, surprisingly, agreed and strongly agreed with the statement asking respondents to honour heroes from the past – a strong indication of a short-term society.
Overall, the findings from this study have provided evidence that both the Javanese and the Chinese Indonesian respondents showed a tendency toward long-term orientation, accompanied with a great deal of respect the past (tradition). The findings challenge Zittema (1981, p. 78) who stated that the time horizons for Indonesian management do not exceed six months, as well as Hofstede’s (1982) argument that Javanese society tends to be short-term oriented.

6.2.5.2 Indulgence versus Restraint (IVR)

There is very little literature related to the Indulgence versus Restraint dimension, as this dimension first appears on the latest revision of the Value Survey Module questionnaire in 2008 (Hofstede et al., 2008). It is argued that Indonesia belongs to the high restraint categories which means the society has high moral discipline (Hofstede, Hofstede, et al., 2010). Javanese society was known for their high esteem for self-denial and self-restraint through fasting, going without sleep, abstaining from sex and other worldly pleasures (Geertz, 1960). Furthermore, the study of Kevin (2003) in the city of Yogyakarta, also reveals that the social restraint in Javanese society is high.

Despite the arguments regarding the highly restrained Javanese society, it seems that Javanese respondents in this study had a higher degree of happiness compared to the Chinese Indonesian managers (question m17), which could mean that Javanese high social restraint does not have a direct association with the degree of happiness. Furthermore, Javanese respondents also put higher emphasis on the importance of keeping free time for fun (question m11). The relatively moderate score for both groups of managers was explained by the results obtained from the interviews, where the majority of both groups of managers share similar perspectives that there should be a balance between leisure and hard work. Interestingly, all the managers who argued that hard work is much more important compared to leisure were from the age groups of 30–34 and 35–39-years-old. This
fact is interesting, because respondents from the same age groups also stated the importance of high salaries, ambition and a good career, as has been presented in the qualitative section of the masculinity dimension. There is a possibility that there is a certain age range where people will put more emphasis on their career rather than anything else; and further research could clarify such an assumption.

The literature also said that ethnic Chinese were argued to value frugality and asceticism in life. Frugality emphasises saving, conserving resources and displaying wealth modestly; while asceticism emphasises controlling desires for wealth, power, pleasures and fulfilling social responsibilities (Cleary, 1998). Cleary’s argument was supported by the Chinese Indonesian managers’ admission that, for them, being moderate and having few desires in life is less important (question m12). This evidence supports the argument that has been presented in the previous section regarding the Samadyo principle, which could be argued as the principle which limits the motivation of Javanese respondents in pursuing wealth, believing that life should be in the middle; not too rich or too poor. Opposite to the Javanese managers’ belief, the response to question m12 indicates that the Chinese Indonesian respondents were against the Samadyo principle – that having few desires in life is discouraged. Despite the findings, there is a need to further scrutinize the culture-derived values of the Javanese and the Chinese Indonesian managers, such as the Samadyo principle, to find out whether it is still relevant in the present economic situation, and whether this principle is being applied by successful Javanese business person. There is a possibility that the adoption of the Samadyo principle will limit the potential of the Javanese, and that it indicates complacency.

6.2.5.3 Monumentalism Index (MON)

There was also not too much information that could be obtained with regard to the monumentalism index, since this dimension also originated from Michael
Minkov’s study (Minkov, 2007, 2011). According to Minkov (2011. p. 97), a monumentalist society is characterised by their high pride, immutable identities, values, norms, and beliefs, and is associated with strong religiousness. Its opposite pole is flexumility, which is also referred to by Hofstede et al. (2008) as Self-Effacement, and reflects a society which values humility, having flexible identities, values, norms and beliefs, as well as weak religiousness (Hofstede et al., 2008; Minkov, 2011, p. 97). It should also be noted that the degree of religiousness (strong or weak) is an important factor to determine whether a society endorses high monumentalism or high self-effacement.

In Minkov’s (2011) publication, the monumentalism score of Indonesia was calculated using secondary data derived from the World Value Survey, revealing that Indonesia has a higher monumentalism score than the United States. However, after the creation of the VSM 08, which provides a list of questions and formulae to measure monumentalism, no new score has ever been released. Thus, the result of the present study could be argued as the first monumentalism index score that has ever been calculated in the Indonesian context using VSM 08.

The analysis of the indicators of this dimension revealed that both the Javanese and the Chinese Indonesian managers tend to be monumentalist. This conclusion was based on the results of the quantitative analysis, revealing that both groups of managers have very high national pride and place high value on the importance of religion in their life. Looking at another monumentalism barometer, generosity, both groups of managers demonstrate a moderate-high score toward the importance of being generous to other people. However, the respondents’ responses to the last indicator tend toward the self-effacement criteria, revealing moderate-high importance in regard to modesty.

If the main criterion for measuring monumentalism is religiosity (Minkov, 2011), it is not surprising that Indonesian society would belong to the high monumentalist
group. History has associated the Indonesian people with strong religiosity, with hundreds of ancient Hindu-Buddhist temples originating from the 7th-14th century spread across the country’s various regions. Shortly before the colonial era began in the 16th century, the majority of sultanates and kingdoms in Indonesia adhered to Islam, with some kingdoms remaining animistic such as the Bataks and Hindu Balinese kingdoms. At the present time, religious harmony in Indonesia is managed by the Ministry of Religion, acknowledging six official religions: Islam, Protestant, Catholic, Hindu, Buddhist and Confucianism. For animistic beliefs, such as Javanese kebatinan (mysticism), the Indonesian government also provides support through the Ministry of Education and Culture. With such support, it is evident that Indonesian society gives high importance to religion in their life.

6.2.5.4 Minkov-Based Dimensions: Issues on Formula?

Although the adoption of VSM 08 has managed to distinguish the values adopted by the Javanese and the Chinese Indonesian managers, further scrutiny of the quantitative results has revealed an inconsistency between the description of indulgence versus restraint and monumentalism versus self-effacement (Hofstede et al., 2008). The index score of IVR and MON was described as normally ranging between high indulgence to high restraint and high monumentalism to high self-effacement. If we refer to such explanations, then the Javanese respondents with the IVR score of 69.05 would be considered a restraint society while the Chinese Indonesian respondents would be considered as high indulgence (IVR score of 38.15); disregarding the facts based on the analysis of each indicator of IVR, as presented previously. Also, such a description would mean both the Javanese and the Chinese Indonesian respondents could be considered self-effacement societies, with scores of 73.65 and 70.30, respectively.

The present study is fully aware of the existence of the Constant score in the VSM formula to anchor the final score to a range between 0-100, and the comparison of
only two ethnic groups in this study makes the constant score unusable. The constant score for both the IVR and MON dimensions – the most recent dimensions added to the VSM – in the present study was set to 0, to prevent the score exceeding 100 points. Although such a factor was considered as a limitation, it should be remembered that one of the backgrounds of this study is to contest the results of Hofstede’s (1982) study in Indonesia, which tends to make generalisations about culture. Hofstede’s (1982) study itself only consists of four cultural dimensions, thus, the additional results of the remaining three dimensions in this study can be considered as the foundation to expand cultural comparisons of the wider ethnic groups in Indonesia.

With regard to the calculation formula for IVR, the present study argues that the score should range from high restraint to high indulgence, and not the opposite. The present study creates a scenario where a group of respondents could obtain the maximum and minimum scores in the IVR dimension, as presented in Table 6.5. Each VSM 08 question related to the IVR dimension was scrutinized and presented according to its dimension of origin, as follows:
<table>
<thead>
<tr>
<th>Question</th>
<th>Indicator</th>
<th>Reflect</th>
<th>Condition for Max Indulgence Score</th>
<th>Condition for Max Restraint Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>m11</td>
<td>Keeping time for fun</td>
<td>Indulgence</td>
<td>1 - Utmost Importance</td>
<td>5 - No Importance</td>
</tr>
<tr>
<td>m12</td>
<td>Having few desires</td>
<td>Restraint</td>
<td>5 - No Importance</td>
<td>1 - Utmost Importance</td>
</tr>
<tr>
<td>m17</td>
<td>Happiness</td>
<td>Indulgence</td>
<td>1 - Always</td>
<td>5 - Never</td>
</tr>
<tr>
<td>m19</td>
<td>Hindered by Circumstances</td>
<td>Restraint</td>
<td>5 - No, never</td>
<td>1 - Yes, always</td>
</tr>
</tbody>
</table>

**Formula**

\[ \text{IVR} = 35(m12 - m11) + 40(m19 - m17) + C(ir) \]

**Calculation Scenario with zero (0) constant score**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<tbody>
<tr>
<td>300</td>
<td>-300</td>
</tr>
</tbody>
</table>

**Definition (Hofstede et al. 2008)**

Indulgence stands for a society which allows relatively free gratification of some desires and feelings, especially those that have to do with leisure, merrymaking with friends, spending, consumption and sex.

Restraint, stands for a society which controls such gratification, and where people feel less able to enjoy their lives.

To achieve a maximum score for high indulgence, the score for question m12 has to be (5), indicating the lowest importance for having a few desires. Also, the score for question m11 has to be minimum (1), indicating the highest importance for keeping time free for fun. Similarly, the score for question m19 should also be maximum (5), indicating that the respondents never felt hindered by any circumstances or other people in doing things that they want to do. Lastly, the score for question m17 has to be minimum, which indicates that respondents are always happy individuals. Such scenarios will suit the description of indulgence, which is the social order which allows relatively free fulfilment of some desires and feelings, particularly those that have to do with leisure, amusement with friends, spending, consumption and sex (Hofstede et al. 2008). If the scenario wants to be set into high restraint, the score for each IVR indicator should be reversed. Table 6.5 clearly presents that the score should range from high restraint...
(minimum score) to high indulgence (maximum score). With the revised score range as argued in this study, the Javanese were considered as more indulgent, while the Chinese Indonesians were considered to be more restrained; which exactly matches the description of an indulgent and restrained society. Such a score range is correct without any contestation, unlike the original score range given by Hofstede et al. (2008) which creates confusion and errors for amateur VSM users who do not have adequate knowledge regarding the definitions and the origin of the dimension.

Similar problems arise with regard to the calculation formula of MON, where this study argues that the score should range from high self-effacement to high monumentalism, and not the opposite. A similar scenario was created to demonstrate a scenario where a group of respondents could obtain the maximum and minimum MON score, as presented in Table 6.6, as follows:
Table 6.6 Condition for Maximum Score of Monumentalism and Self-Effacement

<table>
<thead>
<tr>
<th>Question</th>
<th>Indicator</th>
<th>Reflect</th>
<th>Condition for Max Monumentalism Score</th>
<th>Condition for Max Self-Effacement Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>m13</td>
<td>Generosity</td>
<td>Monumentalism</td>
<td>1 Utmost Importance</td>
<td>5 No Importance</td>
</tr>
<tr>
<td>m14</td>
<td>Modesty</td>
<td>Self-Effacement</td>
<td>5 No Importance</td>
<td>1 Utmost Importance</td>
</tr>
<tr>
<td>m21</td>
<td>Religiosity</td>
<td>Monumentalism</td>
<td>1 Utmost Importance</td>
<td>5 No Importance</td>
</tr>
<tr>
<td>m22</td>
<td>National Pride</td>
<td>Monumentalism</td>
<td>5 Very Proud</td>
<td>1 Not Proud at all</td>
</tr>
</tbody>
</table>

**Formula**

\[
\text{MON} = 35(m_{14} - m_{13}) + 25(m_{22} - m_{21}) + C(mo)
\]

**Calculation Scenario with zero (0) constant score**

<table>
<thead>
<tr>
<th></th>
<th>240</th>
<th>-240</th>
</tr>
</thead>
</table>

**Definition (Hofstede et al. 2008)**

Monumentalism describes a society which rewards people who are, metaphorically speaking, like monuments: proud and unchangeable.

Self-Effacement describes a society which rewards humility and flexibility.

In achieving the maximum MON score, respondents must regard generosity (m13) as of utmost importance (score 1), since it was argued that a monumentalist society places high importance on achieving social status, and believes that being generous to other people will surely increase their status in the society (Minkov 2011). A monumentalist society wants to look “big” not “small”, therefore, they place no importance on modesty (score 5). As religion is the major determinant factor of a monumentalist society, the score for m21 should reflect the respondents’ view that religion is very important to their life (score 1). Finally, respondents should have a high sense of nationalism, and high national pride for their country, reflected by the score of 5. The maximum MON score scenario suits the description of a monumentalist society, making it evident that the score should range from high self-effacement to high monumentalism, and not the opposite.
It is interesting to know that since its first release in 2008 until now, mistakes in the score range description of IVR and MON have never been notified. Also, very recently, Geert Hofstede and Michael Minkov released another version of VSM which they called VSM 2013 (Hofstede & Minkov, 2013), with a very minor revision compared to VSM 08 used in this study, as well as the decision to exclude the MON dimension since it has a strong correlation with short-term orientation. Surprisingly, the description of the IVR dimension in the VSM 2013 manual did not change from that in VSM 08, still ranging from high indulgence to high restraint. It seems that Hofstede and Minkov (2013) did not realise the mistake, or, they assume that all VSM users will have an adequate knowledge of the origin of each indicator and appropriate awareness of the formula. Whatever the reason was, the issues regarding the VSM formula which have been explained in this study should serve as a caveat for all VSM users in the future.

The criticisms of the formula for the cultural dimensions derived from Minkov’s study conclude the discussion of the cultural values of the Javanese and the Chinese Indonesian managers. The next section will present a discussion of quantitative findings obtained from the MLQ questionnaire, accompanied by the results of the qualitative interviews regarding respondents’ leadership perspectives.

### 6.3 Differences in Leadership Styles

Explaining the differences in leadership style between the Javanese and the Chinese Indonesian managers is not as simple as just presenting the evidence from the quantitative instrument used in this study – MLQ 5X. The quantitative results reveal that the Javanese managers in this study have higher transformational scores, transactional scores, passive avoidant scores and leadership outcome scores than the Chinese Indonesian respondents. Despite our success in measuring the leadership scores of both groups of managers, such findings were inadequate to explain the business paradox raised in this study: that Chinese Indonesian business
person were more successful compared to other ethnic groups. Fortunately, the present study has benefited from the use of qualitative interviews in revealing the leadership perspectives of the Javanese and the Chinese Indonesian respondents. The complete discussion on leadership findings is presented in the following sections.

6.3.1 Similarities and Differences in Preferred Leader’s Characteristics

The following section examines the similarities and differences in the preferred leader’s characteristics between the Javanese and the Chinese Indonesian managers. The results were obtained from the qualitative interview, where all respondents were asked to describe their criteria for ideal leader and effective leadership qualities.

As reported in Chapter 6, the Javanese and the Chinese Indonesian managers share a lot of similarities in their preferred leader’s criteria. Interestingly, all respondents consider each of their answers as mandatory requirements that should be possessed by a leader. The most important criterion shared by both groups of managers is the ability to display good behaviour and a moral example to subordinates, as well as the possession of positive traits such as honesty and trustworthiness. It is surprising to know that the leadership perspectives of both groups of respondents were still based on the trait theory which has often been considered “traditional” (Zhang & Fjermestad, 2006). Such results complement the argument presented in the literature review section on leadership, with an additional new finding: that trait theory in leadership is not only adhered to by Indonesian Muslims, but also by Indonesian non-Muslims.

The second factor that needs to be given attention is the fact that both groups of managers consider religiosity as one of the most important leader’s characteristics. So far, there is no solid research that can give scientific evidence that religiosity
can drive successful leadership in the business context, however, it is argued that a religious belief system will shape leadership decision-making processes (Coogan, 1998). Specific to the Javanese context, the anthropologist, Clifford Geertz, described the Javanese as hard working with strong religious observance which will drive their business success. During an interview with the most successful Javanese business person in the town of Modjokuto, Geertz asked what the business person thought the reason for his success was. The business person replied that all he did was “work and pray, work and pray; and it only takes a few minutes to pray”, and be thankful to God for every good fortune he obtained (Geertz, 1963, p. 50-51).

Earlier in this chapter, it was revealed that the majority of both the Javanese and the Chinese Indonesian managers consider religion as the most important aspect in their life. Therefore, it is not surprising if the respondents in this study also want a leader that is religious. Historical evidence has presented evidence that religion often becomes an uncompromising factor for the Indonesians, especially if we look back to the 1960s during the transition of power from Soekarno to Soeharto; thousands of people were massacred because they were accused of being atheist-communist (Cribb, 2004, p. 930).

Despite the obvious fact that religion cannot be separated from life in Indonesian society, research on the effect of religion on leadership has often been neglected to focus on spirituality (Day & Antonakis, 2013, p. 231). Conducting such research which focuses on religion and leadership in Indonesia would be interesting, especially because the Chinese Indonesians who top the list of the 10 wealthiest Indonesians were, in fact, non-Muslim.

The third finding demonstrates that both groups of managers expect a leader who can also act as parents, provide protection and is able to solve their problems. Such findings reinforce previous research (Antlöv & Cederroth, 2013; Jackson, 1978;
Panggabean et al., 2013) which describes paternalism as the preferred leadership type for the Indonesians. Nevertheless, there is a slight difference between the paternalism model perceived by the Chinese Indonesian managers and the paternalism model perceived by the Javanese managers.

Referring to the previous section on individualism-collectivism, it is obvious that both the Javanese and the Chinese Indonesian managers consider family-like relationship as the most ideal relationship form between superior and subordinate. Senior managers also admit that they regard themselves as a father who will protect their children – the subordinates. However, from the perspectives of the Chinese Indonesian managers, such criteria must also be accompanied by firmness and authoritative behaviour. The present study argues that such behaviours were based on the self-reflection of the Chinese Indonesian respondents, based on their responses, such as, “At the end, they have to follow my order because I am the boss”, or, “He just forgot that in the office, I am his boss!” which reflects their authoritative stance. In order to not be underestimated by the subordinate, a leader should also be firm and feared.

The Javanese managers give an opposite statement to the Chinese Indonesian managers’, arguing that a leader who demonstrates authoritative behaviour tends to be cheated by the subordinate. They want a leader who can act as a kind parent (Bapak/Ibu), who is communicative and able to eliminate the communication barrier with the children. The main challenge for a Javanese leader is to eliminate the culture of ewuh pakewuh which they argued to have a negative effect on the company’s performance.

Two different types of paternalistic leadership demonstrated by both groups of managers could only be explained through cultural lenses. The paternalistic leadership styles demonstrated by the Chinese Indonesian managers have a strong resemblance to the paternalistic leadership styles in Taiwan, which are argued to
be influenced by the Confucian values (Cheng, Chou, & Wu, 2004). Paternalistic leadership in relation to the Confucian values consists of three moral elements: authoritarianism, reflecting leaders’ absolute power; benevolence, reflecting leaders’ concern toward the familial wellbeing of the employee; and moral leadership, which demonstrates personal virtues and unselfishness (Cheng et al., 2004).

On the contrary, paternalism in the Javanese context took the form of Bapakism (Rademakers, 1998), which focuses only on the noble values of the Bapak, such as caring, forgiving and being kind (Panggabean et al., 2013). This explains why the Javanese managers in this study demand their ideal leader to be “a kind father”. With regard to the culture of ewuh pakewuh, the Deputy Chief of the Indonesian National Police, General Oegroseno, confirmed that, at the present time, such culture should be minimized. He added that *ewuh pakewuh* creates a large gap between superior and subordinate, making the subordinate afraid to remind, criticize or report whenever the superior misbehaves; which is very dangerous especially if it happens in an Indonesian public institution (Shihab, 2013).

6.3.2 Similarities and Differences in Transformational Leadership

The comparison of transformational leadership scores demonstrate that the Javanese managers always score higher in all dimension than the Chinese Indonesian managers. For the idealized influence dimension, the Chinese Indonesian managers are less likely to instil pride in people who are associated with them, less likely to act in respectable ways, and less likely to consider moral and ethical consequences of decisions. The present study tried to ascertain these findings with qualitative interviews, asking the respondents to describe the perception of their subordinates toward themselves. The majority of both the Javanese and the Chinese Indonesian managers thought that they were perceived positively by their subordinates, which they believed to be caused by their positive
behaviours such as honesty, open personalities, innovative, rational and acting beyond their self-interest.

Nevertheless, there were also negative characteristics that were only observed in the Chinese Indonesian managers involved in the interview sessions: that they do not like to be criticised by others. This might explain the lower score for the idealized influence dimension of the Chinese Indonesians, as well as reinforcing the argument presented in the previous section that the Chinese Indonesian managers demonstrated paternalism which emphasised authoritarianism and absolute power (Cheng et al., 2004). The unwillingness of the Chinese Indonesian managers to be criticized resembles authoritarian leadership, which is characterized by one-way, downward communication and the lack of feedback from subordinates (Hackman & Johnson, 2009). At this point, the differences in leadership behaviour between the Javanese and the Chinese Indonesians became more obvious.

The fact that none of the Javanese respondents gave similar statement to the Chinese Indonesians’ could be caused by the fact that the Javanese put high importance on harmony and a conducive working environment, as demonstrated in the earlier section on Masculinity/Femininity. From the subordinate’s perspective, the principle of conflict avoidance (rukun) and the ewuh pakewuh feeling could hinder them from criticising their leader. Criticism has been regarded as one of the antecedents of conflict within the workplace (Baron, 1988, 1990), and for the Javanese who tend to avoid conflict and praise harmony, criticism is better to be avoided.

The analysis of the second transformational dimension, inspirational motivation, reveals that both groups of managers agree that the most effective way to increase employees’ motivation is to develop their sense of ownership and responsibilities toward the company. However, both groups of managers use contradictory ways to
reach such a goal. The Javanese managers emphasise the importance of a personal approach toward their employees, such as speaking heart-to-heart, to instil moral values and to better understand their problems and feelings. However, there is a prerequisite that should be fulfilled to enable Javanese managers to demonstrate such action: a supportive working environment. Considering the commitment showed by the Javanese managers to ensure a harmonious working environment, as presented in the earlier section of masculinity/femininity, a personal approach could increase the employees’ motivation in Javanese companies.

A different approach was exhibited by the Chinese Indonesian managers to elevate employees’ conscience toward the company’s performance. A more straightforward approach was employed, such as the “do it or the company will go bankrupt and you will lose your job” command used by Andika, a senior manager in a Chinese Indonesian manufacturing company to increase his employees’ skills and competence in a short period. It should also be noted, however, that such a command was given in a situation where Andika’s company market share was being eroded by competitors several years ago. This is in line with the argument presented in this study’s literature review of transformational leadership, in which we argue that transformational leaders will create revolutionary change in a period of crisis. In a normal situation, perhaps such an approach would not be suitable to increase employees’ motivation in the long run.

With regard to the next finding on the transformational dimension, intellectual stimulation and individualized consideration, both groups of managers agreed that the main purpose of a leader is to create another leader. Leadership regeneration is important in this stage, and both groups of managers indicate the importance of nurturing and the knowledge-sharing process to smooth out the regeneration process. To improve their subordinates’ creativity, managers tend to use intense communication and act as a facilitator. Nevertheless, there were findings that should also be underlined; that the Chinese Indonesian managers were deemed as
rarely seeking different perspectives in solving problems, and rarely considered their subordinates as individuals who have different needs, treating them merely as a member of the group. It is understandable if the authoritarian, paternalistic leadership style of the Chinese Indonesians caused them to unwillingly seek alternative suggestions in making decision, since authoritarian leaders often make independent and unilateral decisions (Hackman & Johnson, 2009).

The lower individualized consideration score of the Chinese Indonesian managers can be argued to lower the harmony in the workplace, because they tend to treat their subordinates merely as “part of the group”, and not to view them as an individual who has different needs compared to others. This finding seems to indicate the lack of a person-to-person relationship, disregarding the fact that most of their subordinates were from the Javanese ethnic group which places high emphasis on harmony. The present study argues that such conditions would cause dissatisfaction among the Javanese employees working in the Chinese Indonesian owned companies. In another study conducted by (Panggabean et al., 2013) on Indonesian sojourners and local co-workers in Indonesian-Chinese and Indonesian-Singaporean work groups, it was also reported that the Indonesian respondents were dissatisfied with their Chinese sojourners because they were “too demanding” and “too controlling”. Indeed, cultural clashes often happen when people with different cultural backgrounds work together, and it is the job of a cross-cultural researcher to minimise the negative consequences in such conditions.

6.3.3 Similarities and Differences in Transactional Leadership (Contingent Reward)

The existence of the high contingent reward scores in this research implies that both the Javanese and the Chinese Indonesian managers also demonstrate transactional along with transformational leadership. The scores are quite high,
0.78 for the Javanese and 0.75 for the Chinese Indonesians in a 0.00 to 1.00 scale, reflecting its high importance in both groups’ leadership behaviour.

With regard to the contingent reward, the quantitative results revealed that the Chinese Indonesian managers were less likely to express satisfaction about the good work of their subordinates in contrast to the Javanese managers. This result drove the researcher to ask the same question during the interview sessions, and the results show substantial differences between the Javanese and the Chinese Indonesian managers.

The first finding was that both the Javanese and the Chinese Indonesian managers agree that employees who are able to accomplish their work must be rewarded. However, they also accentuate the balance between financial and non-financial reward. Financial reward is the most effective motivator for employees, especially for those who work at the operational level. However, a demonstration of non-financial rewards such as a compliment, showing respect, kindness and attention is more appropriate in Javanese companies. Javanese managers demonstrate a more personal and affective model of non-financial reward, involving an expression of sincerity such as a smile and tapping the employee’s shoulder – an expression of non-verbal communication which expresses the leader’s satisfaction. On the other hand, the Chinese Indonesian managers seem to ignore the importance of non-verbal communication, arguing that such practices will make the employee “nglunjak” – behave improperly. This is interesting, since the majority of the employees in both groups of companies were actually the same: the Javanese. The Javanese managers tended to treat their subordinates from a Javanese point of view, while the Chinese Indonesians tended to judge the effect of an action from their own cultural perspective.

Thus, the qualitative findings explain the lower contingent reward score of the Chinese Indonesian managers, as well as explaining why they were perceived to be
less likely to express satisfaction for the good work of their subordinates. The Javanese people were known for their sensitive, intuitive inner feelings, called *rasa* (Geertz, 1976; Mulder, 2005), making them more sensitive toward things that might not be realised by others. The Javanese working in Chinese Indonesian companies might be able to feel the insincerity of their Chinese Indonesian superiors when giving compliments, due to their sensitive *rasa*. However, this condition might not be a concern for the authoritative Chinese Indonesian managers, since they have also clearly explained that the main duty of the workers is to make the company prosper, and in return, they will get their reward from the company.

The second aspect that also needs to be given attention is the contradiction between Hofstede, Hofstede, et al.’s (2010) statement regarding how the Javanese will react toward praise given by others, and the findings obtained in this study. It is obvious that Javanese managers consider praising as an act of respecting their subordinates, as the manifestation of the *Hormat* principle and, as stated by one Javanese respondent, Sasongko – “*memanusiakan manusia*” (humanize humans). Interestingly, Hofstede, Hofstede, et al. (2010) tried to convince their readers that the Javanese do not like to be praised. Quoting Hofstede, Hofstede, et al. (2010, p. 158), a Javanese student replied to the compliment given by the teacher with, “You embarrass me. Among us, parents never praise their children to their face.” The present study was not able to identify how Hofstede, Hofstede, et al. (2010) could present such an argument, however, the evidence obtained from this study shows the complete opposite.

### 6.3.4 Perception of Management by Exception & *Laissez-Faire*

Both the Javanese and the Chinese Indonesian managers demonstrate an active form of Management by Exception. Nevertheless, active management by exception itself appears to be a less preferable style for both groups of managers,
which is demonstrated by their moderate MBE active score as well as their interview results. Both groups of managers argue that if they follow the indicators used to measure MBE active, which mainly ask about the importance of focusing on irregularities and mistakes, it will only waste their time and prevent them from thinking creatively. Many respondents argued about the importance of preventive action to avoid mistakes and irregularities, however, such an indicator was not explicitly present in the MLQ questionnaire.

Earlier in this section, it was explained that the Javanese managers always have higher scores in all MLQ dimensions, including passive Management by Exception and Laissez-Faire, compared to the Chinese Indonesian managers. A closer look at the quantitative results of passive Management by Exception, surprisingly, reveal that the Javanese managers more frequently “waited for things to go wrong before taking action”. Also, the higher laissez-faire score indicates that the Javanese managers avoid making decisions more frequently and avoid getting involved when important issues arise. If this evidence is true, such behaviour could cause huge negative consequences for the company, since passive management by exception correlates negatively to business unit performance (Howell & Avolio, 1993), and laissez-faire is considered to be the least effective leadership style (Bass & Avolio, 1994).

The present study argues that the leaders who demonstrates passive management by exception and laissez-faire do not have adequate competency to lead people. All respondents in this study consider such a style as inappropriate, unacceptable, and tends to become a burden for the subordinates. A good leader should not have a laissez-faire character, nevertheless, the Javanese managers have admitted that they notice individuals with laissez-faire styles in their companies. Among the Chinese Indonesian managers, there was no tolerance given to the individuals with laissez-faire styles, and such a person would not be elected as a leader in the Chinese Indonesian companies. The Chinese Indonesian respondents admitted that
there were certain leadership criteria and evaluations that have to be fulfilled before someone can be appointed to sit in a managerial position.

Researchers have argued that the demonstration of passive management by exception and *laissez-faire* leadership will have a negative correlation toward organisational performance (Den Hartog, van Muijen, & Koopman, 1997; Howell & Avolio, 1993), as well as increasing employees’ stress (Kelloway, Sivanathan, Francis, & Barling, 2005). In relation to this study, the higher demonstration of both styles by Javanese managers could be used to explain the argument why Chinese Indonesians are more successful than other ethnic groups, such as the Javanese. In Central Java Province, 75 per cent of the 86 large corporations are owned by Chinese Indonesians (SWA Sembada, 2009), despite the fact that more than 95 per cent of the inhabitants in this province are Javanese. The Chinese Indonesian managers have proved themselves to be less tolerant toward passive management by exception and, especially, *laissez-faire*, than the Javanese managers.

What could be the antecedents of the higher *laissez-faire* scores of the Javanese managers? The present study would like to represent the findings obtained from the masculinity-femininity dimension, in which the Javanese managers consider a harmonious working environment as the most important factor in finding a job. Preserving harmony means avoiding conflict (*rukun*), which is argued to be the nature of the Javanese, causing them to have antipathy toward things that can trigger conflict and destroy the harmony, such as competition, the explicit statement of ambition and assertive behaviour. A harmonious working environment can only be preserved if the leader acts as a kind *Bapak* (father) who is caring, forgiving and kind toward the children. Being *laissez-faire* can be argued as an act to maintain harmony, to avoid conflict, by avoiding getting involved when important issues arise, or avoiding making decisions; because the emphasis of the Javanese managers is on *harmonious working environments*, not the
company’s performance or the amount of salary as for the Chinese Indonesian managers. Also, the admission of the Javanese managers that *laissez-faire* individuals exist in their company could be argued to be caused by the kind and forgiving Javanese leader who displays such behaviour in order to eliminate *ewuh pakewuh*.

An opposite situation occurred with the Chinese Indonesian respondents, who never mentioned the importance of harmony. Their competitive, assertive, ambitious nature and authoritarian paternalistic leadership style creates no room for *laissez-faire* leaders. Our argument was, to some extent, reinforced by Panggabean et al.’s (2013) findings, that Chinese workers consider a forgiving attitude toward failure as a sign of weak leadership. Thus, there is a greater chance that *laissez-faire* styles will be present in the Javanese companies which are lead by kind and forgiving paternalistic leaders rather than in the Chinese Indonesian companies lead by an autocratic, paternalistic leader.

### 6.3.5 Leadership Outcome

Although there were no major differences in the scores of leadership outcomes, the Javanese managers themselves indicated that they had higher leadership outcomes compared to the Chinese Indonesian managers. Although this result could explain the higher transformational leadership and contingent reward score of Javanese managers, it contradicts the argument and the fact that they more frequently demonstrated passive management by exception and *laissez-faire* styles. Nothing much can be obtained from the qualitative interviews, except a common pattern in which all managers tended to give a humble response. Although they were satisfied with their leadership performance, many aspects still need to be improved to enable them to become better leaders.

At this stage, the researcher in the present study regrets the decision to employ only the leader form of the MLQ, and to disregard the rater form. The use of both
MLQ forms would have enabled a 360-degree evaluation, in which the managers assess their own leadership style and direct subordinates would also give their assessment of the leadership style exhibited by their superior. However, such an attempt would have consumed enormous time, considering the fact that the data collection period for the present study itself took more than 7 months. Future leadership researchers intending to use both the MLQ leader and rater forms should take these aspects into consideration.

6.4 Summary of the Chapter

In summary, the quantitative and qualitative data analyses of the present study has presented a comparison of the cultural values and leadership styles of a group of Javanese and of Chinese Indonesian managers. Despite sharing a lot of similarities, both groups of respondents also demonstrated major differences in many aspects which, the present study argues, will affect their behaviour in the workplace.

The results obtained from the VSM 08 indicated that the groups of managers showed differences in power distance, degree of individualism, masculinity and indulgence versus restraint dimensions. The qualitative interviews and observations enrich the findings, revealing how various aspects, such as company size, language, education, religion and gender, might also have impacted respondents’ perceptions of cultural values. Regarding the findings on the leadership section, the use of a quantitative instrument has enabled the present study to gather evidence that the Javanese managers are more likely to demonstrate the least-preferred leadership style than the Chinese Indonesian managers. Schein’s statement (Schein, 2010, p. 22) is, thus, proven to be correct, that leadership and culture are inseparable, because many leadership findings from the interview results can only be explained through cultural lenses.
With regard to the critics of cultural and leadership generalisation in Indonesia, the results of this study have provided solid evidence that each culture in Indonesia is unique and has its own distinctive characteristics. The fact that the leadership findings in this study can only be explained from cultural perspectives creates an awareness that other sub-cultures should also be given attention, especially in a multi-cultural country like Indonesia.

The following chapter will conclude the arguments presented in this research, summarise the key findings and highlight the limitations. Practical implications and areas for future research will also be suggested.
CHAPTER 7: CONCLUSION

7.1 Introduction

The problem of culture generalisation has always occurred in research on Indonesia’s business culture and leadership. To date, the seminal research on Indonesia’s culture and leadership has been dominated by non-Indonesian scholars (e.g., Goodfellow, 1997; Hofstede, 1982; Hofstede, Hofstede, et al., 2010; House et al., 2004; Mann, 1996; Schwartz & Bardi, 2001; Trompenaars, 1993), who have disregarded the vast cultural diversity of Indonesia. The culture and leadership style of the country was argued to be represented by the culture and leadership style of the Javanese – the largest ethnic group in Indonesia (Mann, 1996; Goodfellow, 1997; Hofstede, 1982; Irawanto 2009) – despite the fact that the Javanese are only one out of 31 major Indonesian ethnic groups, and are dominant in only 3 out of 34 Indonesian provinces (Statistics Indonesia, 2011). It is obvious that making generalisations on Indonesia’s cultural diversity is inappropriate, indicating a lack of understanding of the ethnic composition and cultural diversity of the country.

The present study argues that the generalisation of Indonesia’s culture is misleading, due to the fact that there are other ethnicities that should also be taken into consideration. This is particularly correct in the Indonesian business sector which is dominated by another Indonesian ethnic group: Chinese Indonesians. It was reported that prior to the 1998 economic crisis, 72 per cent of the 300 Indonesian conglomerates were owned by Chinese Indonesians (Backman, 2001, pp. 193-194). The situation at present has not changed much, with 9 out of the 10 wealthiest Indonesians being Chinese Indonesians (Forbes, 2011), and 75 per cent of the 86 conglomerates in provinces with the largest Javanese population also owned by Chinese Indonesian business person (SWA Sembada, 2009). Indeed, the Javanese cannot be argued as representing Indonesia’s society, because in the
economic sector another ethnic group has proven to be dominant and more successful and that group is the Chinese Indonesians.

The Chinese Indonesian business paradox has produced evidence on how Indonesia’s cultural variation needs to be well understood since it has significant implications in the business sector. The present study argues that distinctive characteristics of the Chinese Indonesians have enabled them to demonstrate better business performance than other Indonesian ethnic groups. To investigate this argument, the present study has investigated Javanese and Chinese Indonesian managers working in 7 industry types, to address the three research questions of this study: (1) What are the cultural values of Javanese managers and Chinese Indonesian managers? (2) What are the leadership styles of Javanese managers and Chinese Indonesian managers? and (3) What are the distinctive characteristics of Javanese managers and Chinese Indonesian managers?

The investigation results produced evidence that the Javanese and Chinese Indonesian managers have distinctive characteristics in their values, behaviours, attitudes, leadership styles and their perceptions of an ideal leader’s characteristics. These findings make a significant contribution to the body of cross-cultural knowledge, revealing the fact that the adoption of the concept of a national culture should be undertaken with the caveat that it will not work in a country with high cultural complexity, such as Indonesia. A comparison of the cultural values and leadership styles from the quantitative and qualitative analyses provided a profound understanding of how Javanese and Chinese Indonesian managers have major differences in the cultural dimensions of power distance, collectivism, masculinity and indulgence versus restraint, as well as in leadership, despite the fact that both ethnic groups are living in the same provincial boundaries. The key findings from both the quantitative and qualitative analyses are emphasised in the following section.
7.2 Key Research Findings

The overall findings of the present study highlight the similarities and differences in cultural values, and in the perception of ideal leadership characteristics as well as leadership styles between the Javanese and the Chinese Indonesian managers involved in this study. Despite our beliefs that each culture is unique and has its own distinctive characteristics, this study also argues that such distinctive characteristics will influence the decision-making process in leadership and management. Key research findings in this study are presented in the following sections.

7.2.1 Research Question 1: What are the cultural values of the Javanese and the Chinese Indonesian managers?

With regard to the first cultural values dimension, power distance, the Chinese Indonesian managers demonstrate a higher power distance score than the Javanese managers. Further observation showed that power distance will be more obvious in the Javanese and the Chinese Indonesian labour-intensive companies in manufacturing and retail and trade, due to the large education gap among the employees. Labour intensive companies in this study also have a tendency to use the hierarchical Javanese language which the researcher believes causes the relatively high power distance scores for both groups of managers. The high power distance situation was considered preferable by the Chinese Indonesian managers, since it is likely to make employees more obedient toward their superiors. To achieve this goal, the Chinese Indonesian managers admitted that firm action and demonstrations of authoritative behaviour are necessary. On the contrary, the Javanese managers view high power distance negatively, since it is argued to strengthen the undesirable culture of *ewuh pakewuh*. In relation to the educational characteristics of both groups of managers, the present study also finds an interesting fact where employees are more likely to be promoted into
managerial positions in the Chinese Indonesian companies, regardless of their educational attainment, than in the Javanese companies. This finding suggests that although the power distance scores among the Chinese Indonesian managers is higher, the power distance between fellow Chinese Indonesians seems to be relatively low.

The second cultural values dimension, **individualism vs. collectivism**, also verified that the Chinese Indonesian managers are more collectivist compared to the Javanese managers. Despite the differences in the VSM 08 scores, further scrutiny concludes that both groups of respondents demonstrate the characteristics of a collectivist society in their working environment, emphasizing a strong moral-based relationship between superior and subordinate. Respondents in this study accentuate that they prefer a family-like relationship where the superior will act as Father/Bapak and Mother/Ibu, providing protection and assistance for their subordinates. The fact that the present study found only the good characteristics of a family-like relationship contests the argument that such relationships are unhealthy, and lead to corruption, collusion, nepotism (KKN) and “Asal Bapak Senang” (Keep the Boss Happy) behaviour. Family-like relationships reflect the unique and distinct collectivist nature of both the Javanese and the Chinese Indonesian managers, which are argued to make employees more committed and to show greater participation in the workplace.

The most significant difference in cultural values between both groups of managers can be observed in the third cultural values dimension, **masculinity vs. femininity**. In the workplace, the Chinese Indonesian managers showed assertive behaviour, explicit ambition and a spirit of competitiveness while, on the contrary, the Javanese managers gave more priority to a harmonious working environment. To maintain rukun, direct competition with their co-workers was avoided by the Javanese managers, choosing instead to pursue their ambition implicitly by increasing their skills and competence through higher education.
Investigation of this dimension also revealed that the Chinese Indonesian female managers were more career-oriented and independent than the Javanese female managers, who chose to pay more attention to their family.

In the fourth cultural dimension, uncertainty avoidance, the scores of both groups of managers were relatively low. This is due to the respondents’ regarding religion as an important aspect of their life. Previous studies have demonstrated the positive effects of religious observance on attitudes and ethical decision-making, and in preventing stress and burnout in the workplace as well as increasing physical and mental health. More importantly, it is the strong religious observance of both groups of managers which enabled them to accept the uncertainties in life, and minimize their worries and anxiousness. There was no evidence that the strong religious observance demonstrated by both groups of managers led them to irrational fatalism, passiveness or caused a reluctance to work hard, as argued by Kartodirdjo (1988). In fact, all respondents in the present study were considered to be successful since they were able to hold managerial positions. Considering the high religiousness among the Javanese and the Chinese Indonesians, there is a need for further study to investigate the religion-derived values and their implications for employees’ behaviour.

The Javanese and the Chinese Indonesian managers also shared similarities in the long-term orientation dimension, scoring moderate-high. This indicates their respect for the past (tradition), yet also emphasises the current circumstances. Long-term oriented societies are also characterised by their positive views regarding thrift and frugality, which also complement the findings of this study. When responding to the qualitative question about this dimension, the Javanese respondents, interestingly, mentioned the concept of *Samadyo*, the belief that someone should position his/her economic condition in the middle – not too rich or too poor. The *Samadyo* principle indicates that there is a limit where the
Javanese stop thinking about the accumulation of wealth; while, for the Chinese Indonesians, no such limitation was present.

The *Samadyo* principle could also be used to explain the difference in the **indulgence versus restraint dimension**, where the Javanese managers tend to be more indulgent and the Chinese Indonesian managers tend to be more restrained. The present study believes that the *Samadyo* principle influenced the responses of the Javanese managers who give higher importance to having few desires in life, contrary to the Chinese Indonesian managers who regard such aspects as unimportant. Compared to their Chinese Indonesian counterparts, the Javanese managers have proven themselves to have a higher degree of happiness, and to put more emphasis on the importance of keeping time free for fun. Despite the findings, it should also be realised that the *Samadyo* principle adhered to by the Javanese managers could also limit the potential of the Javanese by causing complacency, especially when they believe themselves to have reached “the middle point” in their economic life. Obviously, such an argument needs to be further scrutinized by future research which emphasizes the effect of the culturally-derived life principles and their implications for business and management.

The last cultural values dimension, **monumentalism**, scores very highly for both groups of managers. A monumentalist society has often been considered to have strong religious observance and strong national pride, and both characteristics are present among the Javanese and the Chinese Indonesian respondents. This finding reinforces the finding for the uncertainty avoidance dimension, in which all respondents admit that their strong religiosity has successfully helped them to face uncertainties in life.

The similarity in some of the cultural values indicates that the Javanese and the Chinese Indonesians shared some perspectives as two ethnic groups living within
the same provincial and national boundaries. Nevertheless, key differences in the remaining cultural values dimensions provided evidence that Indonesia’s culture cannot be assumed to be singular and homogenous. This thesis has identified how the differences in culture could lead to the demonstration of different behaviour between the Javanese and the Chinese Indonesian managers, which may also influence their perceptions of the western notions of success (e.g., achievement, motivation). In future, the similarities and differences in cultural values between both groups of respondents should be acknowledged and well understood in order to increase cultural competencies and ensure effective communication with the Javanese and the Chinese Indonesians.

7.2.2 Research Question 2: What are the leadership styles of the Javanese and Chinese Indonesian managers?

Similar to the findings on cultural values, there are also similarities and differences in the leadership styles of the Javanese and the Chinese Indonesian managers. The present study confidently presents the fact that the trait theory of leadership is still widely accepted and popular among both groups of respondents. For them, a good leader should be able to be a role model for the subordinates, demonstrating good behaviour, honesty and trustworthiness. Furthermore, the respondents in this study demand a leader who has good religious observance. This finding is not surprising, given the fact that all respondents in this study consider religiosity as one of the most important aspects of their life. Last but not least, the interview questions about the respondents’ preferred leadership criteria reveal that paternalistic leadership is widely preferred compared to other leadership styles, due to the respondents’ perception, revealed previously, that the ideal relationship between superior and subordinate is a family-like relationship. However, the respondents’ perceptions of paternalistic leadership differ. Being kind and communicative are the two most sought-after criteria for a Javanese leader, while the Chinese Indonesian managers consider being firm and
authoritative are the main characteristics required of a Chinese Indonesian paternalistic leader.

This study would also like to highlight the fact that both the Javanese and the Chinese Indonesian managers demonstrated a **high level of transformational and transactional leadership**, providing evidence that the styles are complementary, not opposed to each other (Avolio et al., 1999; Hetland & Sandal, 2003; MacKenzie et al., 2001; Tejeda, Scandura, & Pillai, 2001). Over the years, research on leadership has produced an imbalance of information, emphasizing that an “effective” leader is a transformational leader (Bono & Anderson, 2005; Conger, 1999; Krishnan, 2004; Lim & Ployhart, 2004; Schwepker Jr. & Good, 2013; Spinelli, 2006). Such research has created a perception that transformational characteristics are more favourable than transactional, which is contrary to the finding that respondents in this study consider transactional behaviour as the most effective way to motivate employees.

The Javanese **transformational leadership** score is higher than the Chinese Indonesian managers’ score. Nevertheless, the difference is minor, and both groups of managers still demonstrate a high level of transformational leadership. The qualitative analysis, to some extent, reinforces the findings from the power distance dimension and the preferred leadership characteristics regarding the preference of the Chinese Indonesian managers for an autocratic-authoritative paternalistic leadership style. The Chinese Indonesian managers admitted that they are less likely to be open to accepting criticism, tend to give straightforward commands, rarely seek different perspectives in making decisions, and demonstrate a lack of individualized consideration toward their employees – all characteristics of an authoritarian leader. In contrast, criticism seems to be absent from the Javanese working environment to avoid conflict and maintain the harmony. The Javanese managers also tend to motivate their subordinates using a
personal approach, which they believe to be effective in minimising the culture of *ewuh pakewuh*. It is evident that although both groups of managers demonstrate transformational leadership styles, the implementation of the concept was conducted quite differently.

A minor difference could be observed in **transactional leadership**, where the scores of the Javanese managers are slightly higher than the Chinese Indonesian managers’ scores. Both groups of managers agree that transactional behaviour (contingent reward) is the most effective way to motivate their employees. Despite the fact that financial reward is the most widely used transactional behaviour for elevating employees’ motivation, differences between the groups of managers could be observed in their perception of non-financial reward. In the view of the Chinese Indonesian managers, the demonstration of non-financial rewards such as expressing satisfaction or giving a compliment is unimportant. They argue that the main duty of the employee is to make the company prosper, and, in return, the company will give them their right in the form of salary and incentives. On the other side, the Javanese managers argue that expressing satisfaction with good work is vital to honour and maintain the feelings of their employees, thus contesting Hofstede, Hofstede, et al.’s (2010) claim that the Javanese react negatively to praise and compliments.

The findings obtained on the **passive-avoidant style** seem to be the most important findings which can be used to explain the dominance of Chinese Indonesian business over the Javanese. This study found that the Javanese managers more frequently demonstrate the least preferred leadership style – *laissez-faire*, avoid making decisions and do not get involved when important issues arise, which could have a negative effect on business unit performance (Howell & Avolio, 1993). A good leader should not have a *laissez-faire* character, nevertheless, individuals with *laissez-faire* characteristics were deemed to exist in the Javanese companies involved in this study. The Chinese Indonesian
managers have zero tolerance for individuals with a *laissez-faire* style, and such persons would never be elected as a leader in the Chinese Indonesian companies. The orientation of the Chinese Indonesian managers is toward good company performance, and the existence of a *laissez-faire* individual could hinder them from achieving that goal. Opposite to the Chinese Indonesians, the nature of the Javanese managers who place more emphasis on a harmonious working environment provide the opportunity for individuals with a *laissez-faire* style to survive. Indeed, there are benefits and consequences of every leadership style; and, in this study, the Javanese companies created greater opportunity to sacrifice their performance due to a lenient attitude to their *laissez-faire* individual employees, in order to preserve workplace harmony.

As has been identified in this thesis, the variations in leadership styles between the Javanese and the Chinese Indonesian managers could prove to have a consequential impact on management. These variations should be acknowledged and taken into consideration, due to the importance of leadership on management and business success.

### 7.2.3 Research Question 3: What are the distinctive characteristics of the Javanese and the Chinese Indonesian managers?

All the key findings on cultural values and leadership styles presented in the two previous sections, indicate the distinctive characteristics of both groups of respondents that need to be highlighted. Both the Javanese and the Chinese Indonesians demonstrated that they are different in four cultural values dimensions, and also have different perspectives on leadership.

The first distinctive characteristic lies in the dimension of power distance. The Javanese have previously been known for their high power distance culture but have reduced the power gap between superior and subordinate. This is contrary to
the historical facts about the regions of Central Java, East Java and Yogyakarta which were Javanese kingdoms from the 8th until the 20th century (Younce, 2001). The Javanese court was known to uphold their specific manners and hierarchy, which obviously showed in the different levels of Javanese language. This finding, although interesting, needs further investigation to clarify whether it is applicable to all levels of Javanese society or only to the educated Javanese – such as the Javanese respondents who participated in this study.

The power distance of the Chinese Indonesian managers is higher than that of the Javanese managers. Such a finding is understandable for two reasons: (1) The Ethnic Chinese in Indonesia are often associated with the teachings of Confucius, and uphold their hierarchy in society; and (2) Given the historical fact of the hierarchical Javanese society, the culture of the Chinese Indonesians fits in well. While the power distance of the Javanese is declining (as exposed in the power distance results of the Javanese managers), the power distance of the Chinese Indonesian managers remains strong, perhaps due to the influence of Confucianism.

The second distinctive characteristic is the fact that both groups of respondents demonstrate a family-like relationship, where the superior will give protection and ensure the well-being of the subordinates. Although some researchers might argue that, in general, organisations in Asia demonstrate family-like relationships, the present study believes that the level of attention afforded organisation members will vary among organisations. In relation to the Javanese and the Chinese Indonesian businesses, the section on individualism-collectivism in the qualitative results chapter of this thesis presents fine examples of how intense the practice of family-like relationship can be in the Javanese and Chinese Indonesian companies.
The third distinctive characteristic demonstrates the contrasting behaviour between the Javanese and the Chinese Indonesian managers in the masculinity dimension. For the Javanese, harmonious working relationships are of the utmost importance, making Javanese leaders discourage any behaviour that can upset the harmony. Such behaviours may include assertiveness, showing explicit ambition and having a sense of competitiveness. Interestingly, behaviours that are less preferable for the Javanese are well received by the Chinese Indonesian managers. The Javanese female managers are also less career-oriented than the Chinese Indonesian female managers.

The fourth distinctive characteristic lies in the indulgence versus restraint dimension, in which the quantitative results demonstrate that the Chinese Indonesian managers are more hard-working (due to their argument that keeping time free for fun is less important), and have less desire for moderation in life compared to the Javanese managers.

The fifth distinctive characteristic could be observed from the adoption of the Trait Theory of leadership among the Javanese and the Chinese Indonesian managers. While the Trait Theory of leadership is considered as obsolete and old-fashioned, both groups of managers share the perception that an ideal leader should be able to act as a parent in the workplace, and demonstrate good traits such as being an exemplary figure, religious, trustworthy, protective, firm and disciplined. For both groups of managers, an ideal leader should be able to combine the concept of paternalistic leadership with virtuous traits. However, it should also be underlined that both groups of managers demonstrate different styles of paternalistic leadership, as has been discussed in the previous discussion chapter. Of the three aspects of paternalistic leadership (Cheng et al., 2004), authoritarianism and moral aspects are more visible in the Chinese Indonesians’ leadership style, based on the statements that reflect their fondness for authoritative behaviour as well as the virtuous traits mentioned earlier. In the case
of the Javanese managers, benevolence and the moral aspect are more visible in their leadership style, since they were inspired by leaders who are caring and able to work closely with their subordinates as well as showing virtuous traits.

The sixth distinctive characteristic is the fact that the Javanese and the Chinese Indonesian managers demonstrate both transformational and transactional leadership in the workplace. Despite this similarity, there is also an indication that the Chinese Indonesian managers’ leadership style tends to put more focus on the outcome, while the Javanese leadership style tends to focus on process more. The qualitative section on transformational and transactional leadership provides evidence on how the Javanese managers improved the knowledge and capability of their followers by setting up a harmonious working environment, facilitating their needs, and giving compliments on routine inspections. On the other hand, the Chinese Indonesian managers demand that their subordinates master new skills (such as learning a particular accounting software) in a short period of time while disregarding the importance of verbal and non-verbal compliments. In addition, they also stated explicitly that the employees have to “sell” their skills and the company will “buy” it.

The seventh distinctive characteristic lies in the different behaviour shown toward laissez-faire individuals. The Javanese managers admit that there are laissez-faire managers in their companies, while the Chinese Indonesian managers clearly stated that laissez-faire individuals would never be elected as leaders in their companies. As presented earlier, the desire to preserve workplace harmony and the benevolent-paternalistic leadership of the Javanese managers provides the opportunity for the existence of laissez-faire individuals.

Despite the fact that culture and leadership are only two aspects of the multifaceted antecedents of business success, the significant differences in these characteristics should be taken into account to explain the paradox of the Chinese
Indonesian business domination over the Javanese. The uniqueness of both groups is part of a very complex puzzle and needs to be researched further.

A summary of the key research findings in this study is presented in Table 7.1 below:

**Table 7.1 Key Research Findings**

<table>
<thead>
<tr>
<th></th>
<th>Javanese Managers</th>
<th>Chinese Indonesian Managers</th>
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<tbody>
<tr>
<td><strong>Cultural Values</strong></td>
<td></td>
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</tr>
<tr>
<td>Tendency to reduce power distance.</td>
<td>•</td>
<td>• Tendency to preserve power distance.</td>
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<tr>
<td>Family-like relationships, superiors act as parents for subordinates.</td>
<td>•</td>
<td>• Family-like relationships, superiors act as parents for subordinates</td>
</tr>
<tr>
<td>Disregard assertive behaviour, explicit statements of ambition and put strong emphasis on workplace harmony.</td>
<td>•</td>
<td>• Encourage assertive behaviour and explicit statements of ambition.</td>
</tr>
<tr>
<td>Female managers are less career-oriented.</td>
<td>•</td>
<td>• Female managers are more career-oriented.</td>
</tr>
<tr>
<td>Keeping time free for fun is more important.</td>
<td>•</td>
<td>• Hard work is more important.</td>
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<tr>
<td><strong>Leadership Styles</strong></td>
<td></td>
<td></td>
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<tr>
<td>Ideal leader should demonstrate virtuous traits.</td>
<td>•</td>
<td>• Ideal leader should demonstrate virtuous traits.</td>
</tr>
<tr>
<td>Leader as a father, with emphasis on moral and benevolence aspects.</td>
<td>•</td>
<td>• Leader as a father, with emphasis on moral and authoritarian aspects.</td>
</tr>
<tr>
<td>Demonstration of both transformational and transactional leadership, with focus on process.</td>
<td>•</td>
<td>• Demonstration of both transformational and transactional leadership, with focus on results.</td>
</tr>
<tr>
<td>Tolerant toward <em>laissez-faire</em> individuals.</td>
<td>•</td>
<td>• Less tolerant toward <em>laissez-faire</em> individuals.</td>
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</tbody>
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7.3 Contribution to the Literature

The results of the present study elevate the need to study culture and leadership at the sub-cultural level, which is the first contribution of this study to the literature on cross-culture management and leadership. It is evident that understanding the culture of a particular country on the national level alone is inadequate, which is particularly true in an archipelagic and culturally-complex country such as Indonesia. Despite being the target of an assimilation policy under President Soeharto’s government (Suryadinata, 2001), Chinese Indonesians have demonstrated that they have preserved their own distinctive characteristics. The Chinese Indonesian respondents in this study live in a Javanese-dominated province and are able to speak Javanese; however, it does not mean that they have the same cultural values and leadership styles as the Javanese. The present study demonstrates that there are differences in cultural values and leadership styles between the two Indonesian sub-cultures – Javanese and Chinese Indonesians – reinforcing the claim about the importance of studying the sub-cultures within a country (Hofstede, Garibaldi de Hilal, et al., 2010; Lenartowics & Roth, 2001).

The second contribution to the literature in cross-culture management and leadership is the procedure for appropriate respondents selection. The findings of this study have been able to demonstrate that there are differences in the cultural values and leadership styles of two Indonesian sub-cultures, confirming the inappropriateness of focusing only on the culture of the largest ethnic group to represent the national culture of Indonesia (e.g., Goodfellow, 1997; Hofstede, 1982; Hofstede, Hofstede, et al., 2010; Irawanto, 2009; Irawanto et al., 2011; Mann, 1996; Schwartz & Bardi, 2001), and also the inappropriateness of not providing any information about the ethnic origin of the Indonesian respondents (e.g., House et al., 2004; Pekerti & Sendjaya, 2010; Suutari et al., 2002). Research that attempts to present the culture of Indonesia at the national level should be able to incorporate the cultural variability of Indonesia by selecting a
proportional number of respondents that represent Indonesia’s 31 major ethnic
groups, or, that represent Indonesia’s 34 provinces.

The third contribution is more specific to the leadership literature. This study
demonstrated that transformational and transactional leadership are inseparable
and complimentary concepts, and are not opposed to each other. This finding
reinforces the findings of previous studies (e.g., Avolio et al., 1999; Hetland &
Sandal, 2003; MacKenzie et al., 2001; Tejeda et al., 2001). As an addition, it is
also revealed in this study that transactional leadership is the most effective way
to motivate employees in the Javanese and the Chinese Indonesian companies,
contrary to the belief that transformational leadership will always be the most
effective form of leadership (e.g., Bono & Anderson, 2005; Conger, 1999;
Krishnan, 2004; Lim & Ployhart, 2004; Schwepker Jr. & Good, 2013; Spinelli,
2006).

The fourth contribution of this study is the demonstration that an early leadership
theory, namely, the Trait Theory of Leadership, is still well-established among
the Javanese and the Chinese Indonesian managers studied. Referring to the
literature review of leadership theory presented in Chapter 2, this study draws the
conclusion that although many new theories have emerged since the decline of
the Trait Theory among scholars, it does not mean that the Trait Theory of
Leadership is extinct and obsolete. The Trait Theory is part of the evolution of
leadership theory (van Seters & Field, 1990), and is incorporated into later
theories of leadership. In fact, the aspect of charisma found in transformational
leadership is the result of the Trait Theory’s influence (Judge & Bono, 2000).

In relation to the literature about Indonesia, Javanese, and Chinese Indonesians;
the present study has provided scientific evidence that integrating and comparing
two Indonesian sub-cultures could be used to explain the previously unanswered
business paradox that has happened in Indonesia. For centuries, the success of
Chinese Indonesian business person has often been viewed with jealousy; many indigenous Indonesians have accused Chinese Indonesian business person of bribing government officials to enjoy special privileges or monopoly rights. This condition was exacerbated with the minimal information available about the culture of the ethnic Chinese in Indonesia, and culminated in the anti-Chinese riots that have occurred several times since Indonesian independence. In the present study, the researcher’s aim— to demonstrate the distinctive characteristics of the Chinese Indonesians that have made them more successful in business—has been fulfilled.

7.4 Practical Implications

The findings from this study demonstrate that there are similarities and differences between the Javanese managers and the Chinese Indonesian managers related to their values, behaviour and leadership styles; illustrating that the cultural variations within one national culture should be taken into account. Based on the findings of this study, some practical implications are presented in this section.

According to the findings of this research, it would be beneficial for the company if they managed their staff based on their cultural values. The first aspect that needs to be considered is the level of power distance in the company. High power distance is argued by the Javanese managers to foster *ewuh pakewuh* behaviour, where the employee shows excessive respect and humility to their superior. There is an indication, however, that such behaviour could have negative effects on the company; such as a reluctance to criticise the misbehaviour of employees in higher positions, and the hiding of actual situations that might agitate a superior. In the larger scope, the *ewuh pakewuh* behaviour is also argued to obstruct attempts to eradicate corruption (Transparency International Indonesia, 2008, p. 75). A company, especially one with a majority of employees from a Javanese
background, has to be aware of the degree of power distance in their working environment, and analyse whether it also leads to *ewuh pakewu*h* behaviour.

The second aspect that needs to be considered by the company is that both the Javanese and the Chinese Indonesian respondents in this study consider familial working relationships as the most ideal working relationship between superior and subordinate. The superior is expected to act as father or mother, providing protection and attention, and ensuring the well-being of the subordinates and their family. As argued in the discussion chapter of this thesis, the affectionate attention given by a superior in the workplace toward employees and their families will strengthen employees’ loyalty to the organisation and encourage them to reciprocate. Both groups of companies in this study are characterised by a moderate-high degree of collectivism, something that should be considered by a company that wants to operate in a Javanese-dominated region, or wants to recruit employees with Javanese or Chinese Indonesian backgrounds.

In relation to the masculinity dimension, a Javanese worker would prefer a feminine way of communication, using a gentle tone and language and a harmonious relationship with their co-workers. On the other hand, the Chinese Indonesians would be more likely to accept a challenging work task than the Javanese employee. As the Javanese managers in this study consider that it is unimportant to show ambition explicitly, it should be harder to measure their capability compared to that of the Chinese Indonesians who are more explicit in stating their goals and ambitions. The consequence is, no matter how smart the employee, if they do not show their ambition in work, they will have less chance of being promoted to higher positions. Therefore, an adequate knowledge of an employee’s cultural background should be possessed by a good Human Resources manager to be able to identify the actual strengths, weaknesses and capabilities of their employees.
The findings related to the remaining cultural dimensions may not be too surprising for the Indonesian business person, but should be given attention by non-Indonesians who employ Javanese or Chinese Indonesian workers. For example, the results for the uncertainty avoidance and monumentalism dimensions demonstrate how both groups of managers have a high regard for religion. This fact has implications that need to be carefully considered by companies, such as providing a room in the office environment where employees, especially Muslims, can pray, because they are obligated to pray 5 times in a day. Furthermore, companies need to adjust their working days to the religious holidays in Indonesia; giving permission to employees who want to participate in religion-related activities (e.g., pilgrimage, celebrating Eid al Fitr, Christmas, Chinese New Year etc.). The fact that both the Javanese and the Chinese Indonesian managers are very religious has implications that need to be considered fully by the company; nevertheless, it should also be remembered that the actual conditions might be more varied than the examples provided in this thesis.

The findings in the leadership section clearly highlight the ideal leader’s criteria for the Javanese and the Chinese Indonesian managers. As demonstrated in the results of the individualism versus collectivism dimension, both groups of respondents expect their leader to act as a father, who demonstrates a paternalistic leadership style with the emphasis on the moral aspect. Leaders should demonstrate virtuous behaviour and be exemplary models for the subordinates. A leader should give attention to these aspects of leadership in order to be fully accepted by their Javanese or Chinese Indonesians followers.

The decision to adopt a Javanese benevolent-paternalistic leadership style or a Chinese Indonesian authoritarian-paternalistic leadership style needs to be carefully considered by the leader. In this study, the Javanese and the Chinese Indonesian managers indicate that both styles are suitable to be implemented in
their company, where the majority of the employees are Javanese. This study believes that it would be beneficial if managers could always communicate with the employees and listen to their thoughts and feelings regarding his/her leadership performance. This practice, however, would only be successful if the company’s managers are open-minded and willing to take criticisms directed at them.

The findings of the transformational and transactional leadership section highlights important points that need to be remembered by managers. First, both the Javanese and the Chinese Indonesian managers consider a successful leader is someone who is able to create another leader. The demonstration of all the transformational leadership dimensions by a leader to the followers will smooth the process of leadership regeneration in a company. Secondly, transactional leadership is regarded as the most effective form of motivation by both the Javanese and the Chinese Indonesian managers; underlining the importance of reward and/or punishment in the day-to-day company operation.

Last but not least, the finding about the laissez-faire dimension suggests that it is better if an individual with a laissez-faire character is not selected to sit in a managerial position. As presented earlier, previous research has indicated the negative implications caused by a leader with a laissez-faire character (Howell & Avolio, 1993). Appreciation should be given to the Chinese Indonesian companies in this study, based on their statement that a laissez-faire individual would never be given a managerial position. When a company has decided to relieve a laissez-faire individual from a managerial position, it must always be remembered that the procedure should be conducted politely without causing any embarrassment to the individual, as the morale of the relieved individual could be negatively affected.
In the future, the findings of this study could be used to promote the leadership style that works in the Indonesian context. This could be achieved by conducting training programs in leadership and management as well as through the development of curriculums in universities, higher education institutions and business schools in Indonesia.

7.5 Limitations and Future Research

The limitations of this study are mainly on its general applicability. The respondents of the present study are very specific, comparing only two out of 31 major ethnic groups in Indonesia. Although this study could be used to represent a Javanese population of more than 90 million and up to 8.8 million Chinese Indonesians in Indonesia, there is still a strong need to investigate the cultural values and leadership styles of the remaining major ethnic groups in Indonesia.

This study has provided evidence that there are significant differences in some aspects of the cultural values and leadership styles of the two ethnic groups living in the same provincial boundary. Based on this fact, there is a great possibility that Indonesia’s other ethnic groups who live in different provinces and on different islands will also have their own distinctive cultural and leadership characteristics. It is suggested that future research could replicate and expand the present study into Indonesia’s other provinces and islands; especially since there are other ethnic groups which are known for their competence in doing business, such as the Minangese on the island of Sumatra, the Buginese and the Makassarese on the island of Sulawesi, the Madurese on Madura island as well as the Arab-Indonesians.

The second limitation of this study was the sampling method which involved the Human Resources department in each company. A possible bias could have occurred since the researcher was not in a position to determine the number of
respondents in each company. It could be argued that not all individuals who fitted the criteria were given the chance to participate in this research by the Human Resource department. However, this method was necessary to ensure that the data collection process did not cause any disruption to the daily operation of the company’s involved in this study.

The third limitation is the fact that this study was unable to find any valuable findings on the leadership outcome dimension. During the attempt to obtain data for this dimension, the researcher received a relatively similar response from all interviewees: that, in general, they are satisfied with their leadership style, yet, they still want to improve it in order to become a better leader in the future. Such responses create the inability to come to conclusions about any differences regarding the leadership outcomes of both groups of managers. Actually, this situation could easily have been solved if the researcher had decided to conduct the 360 degree evaluation using the rater form of the Multifactor Leadership Questionnaire, which asked for confirmation from the manager’s direct subordinates to clarify all responses given to the researcher. Nevertheless, such attempts would require a lengthy data collection process which needs to be carefully considered by future researchers. The data collection procedures for this study took 7 months.

Another limitation of the present study is the decision to observe the Javanese and the Chinese Indonesian business paradox only from the cultural and leadership perspectives. Culture and leadership are just two facets of the multifaceted antecedents of business success. There are many other aspects which are vital for organisational success which are not covered in this study, such as business experience, adaptability to the environment and a productive business network (Peña, 2002); market orientation (Narver & Slater, 1990); quality management (Flynn et al., 1995); and business strategy and technology (Zahra & Covin, 1993), among others.
There is a wide opportunity to conduct future research based on the findings of this study. For example, researchers could study: the effect of educational attainment on managerial performance, the career aspirations of Javanese and Chinese Indonesian women, or the effect of religion on work performance. In addition, there is also some urgency to study whether or not culturally-derived principles, such as Samadyo, are still relevant to the present situation.

7.6 Concluding Remarks

The present study has reported differences between the Javanese and the Chinese Indonesian managers in terms of the cultural values dimensions of power distance, collectivism, masculinity, indulgence versus restraint, as well as their leadership style. All findings were acquired by employing quantitative and qualitative data collection and analyses, which revealed significant differences in values, behaviours and attitudes and also influenced the ideal leader’s characteristics and leadership styles of the managers in both sub-cultures.

With the results of this study, the distinctive cultural values and leadership characteristics of Chinese Indonesian managers should be taken into consideration as factors that might contribute to their business success. The success of the Chinese Indonesians is not merely because of their connections to the government and military (Lasserre, 1993), or their political and economic activity (Chua, 2008), or because of their flexibility in doing business (Dieleman, 2007). They also have their own distinctive values: a tendency to preserve high power distance, higher acceptance of assertive behaviour, the females are more career oriented, and they consider hard work as more important than leisure. Their paternalistic leadership styles emphasise the moral and authoritarian aspect, and are result-oriented, with little tolerance for laissez-faire individuals. For indigenous Indonesian ethnic groups, such as the Javanese, some of these
characteristics are undesirable, and they demonstrate the opposite behaviour to that of the Chinese Indonesian managers.

In conclusion, this study has demonstrated and provides evidence that utilising cultural and leadership perspectives is beneficial in demonstrating the distinguishing characteristics of two ethnic groups that live within the same national and provincial boundaries. It clarifies the argument that culture generalisations, especially in a culturally-diverse country such as Indonesia, is inappropriate since each ethnic group has its own values that are likely to remain distinct. On a larger scale, the business paradox which involves different ethnicities in Indonesia can be better understood by creating comparisons of their values and leadership styles, as demonstrated in this study. Future research in this area should be continued and encouraged so that Indonesian society has a better knowledge and deeper understanding of the distinctive characteristics of their major ethnicities, especially the populations living outside Java Island.
References


Mangundjaya, W. L. (2013). Is there cultural change in the national cultures of Indonesia? In Y. Kashima, E. S. Kashima & R. Beatson (Eds.), *The Cultural Dynamics: Selected Papers from the 2010 Congress of the International Association for Cross-Cultural Psychology* (pp. 59-68): Copyright 2013 International Association for Cross-Cultural Psychology


APPENDIX 1: ETHIC APPROVAL

10 August 2011
Dear Minvan,

BL-EC 51-11 Comparison of Cultural Values and Leadership Styles Among Indonesian Companies

Thank you for submitting the above project for consideration by the Faculty Human Ethics Advisory Group (HEAG). The HEAG recognised that the project complies with the National Statement on Ethical Conduct in Research Involving Humans (2007) and has approved it. You may commence the project upon receipt of this communication.

The approval period is for three years. It is your responsibility to contact the Faculty HEAG immediately should any of the following occur:

- Serious or unexpected adverse effects on the participants
- Any proposed changes in the protocol, including extensions of time
- Any changes to the research team or changes to contact details
- Any events which might affect the continuing ethical acceptability of the project
- The project is discontinued before the expected date of completion.

You will be required to submit an annual report giving details of the progress of your research. Failure to do so may result in the termination of the project. Once the project is completed, you will be required to submit a final report informing the HEAG of its completion.

Please ensure that the Deakin logo is on the Plain Language Statement and Consent Forms. You should also ensure that the project ID is inserted in the complaints clause on the Plain Language Statement, and be reminded that the project number must always be quoted in any communication with the HEAG to avoid delays. All communication should be directed to katrina.fleming@deakin.edu.au

The Faculty HEAG and/or Deakin University Human Research Ethics Committee (HREC) may need to audit this project as part of the requirements for monitoring set out in the National Statement on Ethical Conduct in Research Involving Humans (2007).

If you have any queries in the future, please do not hesitate to contact me.

We wish you well with your research.

Kind regards,

Katrina Fleming
HEAG Secretariat
Faculty of Business and Law
Please think of an ideal job, disregarding your present job, if you have one. In choosing an ideal job, how important would it be to you to ... (please circle one answer in each line across):

1 = of utmost importance  
2 = very important  
3 = of moderate importance  
4 = of little importance  
5 = of very little or no importance

1. have sufficient time for your personal or home life
2. have a boss (direct superior) you can respect
3. get recognition for good performance
4. have security of employment
5. have pleasant people to work with
6. do work that is interesting
7. be consulted by your boss in decisions involving your work
8. live in a desirable area
9. have a job respected by your family and friends
10. have chances for promotion

In your private life, how important is each of the following to you: (please circle one answer in each line across):

11. keeping time free for fun
12. moderation: having few desires
13. being generous to other people
14. modesty: looking small, not big

15. If there is something expensive you really want to buy but you do not have enough money, what do you do?
   1. always save before buying
   2. usually save first
   3. sometimes save, sometimes borrow to buy
   4. usually borrow and pay off later
   5. always buy now, pay off later

16. How often do you feel nervous or tense?
   1. always
2. usually
3. sometimes
4. seldom
5. never

17. Are you a happy person?
   1. always
   2. usually
   3. sometimes
   4. seldom
   5. never

18. Are you the same person at work (or at school if you’re a student) and at home?
   1. quite the same
   2. mostly the same
   3. don’t know
   4. mostly different
   5. quite different

19. Do other people or circumstances ever prevent you from doing what you really want to?
   1. yes, always
   2. yes, usually
   3. sometimes
   4. no, seldom
   5. no, never

20. All in all, how would you describe your state of health these days?
   1. very good
   2. good
   3. fair
   4. poor
   5. very poor

21. How important is religion in your life?
   1. of utmost importance
   2. very important
   3. of moderate importance
   4. of little importance
   5. of no importance

22. How proud are you to be a citizen of your country?
   1. not proud at all
   2. not very proud
   3. somewhat proud
4. fairly proud
5. very proud

23. How often, in your experience, are subordinates afraid to contradict their boss (or students their teacher?)
   1. never
   2. seldom
   3. sometimes
   4. usually
   5. always

To what extent do you agree or disagree with each of the following statements? (please circle one answer in each line across):

\begin{align*}
1 & = \text{strongly agree} \\
2 & = \text{agree} \\
3 & = \text{undecided} \\
4 & = \text{disagree} \\
5 & = \text{strongly disagree}
\end{align*}

24. One can be a good manager without having a precise answer to every question that a subordinate may raise about his or her work.
   1  2  3  4  5

25. Persistent efforts are the surest way to results.
   1  2  3  4  5

26. An organization structure in which certain subordinates have two bosses should be avoided at all cost.
   1  2  3  4  5

27. A company's or organization's rules should not be broken - not even when the employee thinks breaking the rule would be in the organization's best interest.
   1  2  3  4  5

28. We should honour our heroes from the past.
   1  2  3  4  5

Some information about yourself (for statistical purposes):

29. Are you:
   1. male
   2. female

30. How old are you?
   1. Under 20
   2. 20-24
   3. 25-29
   4. 30-34
   5. 35-39
   6. 40-49
7. 50-59
8. 60 or over

31. How many years of formal school education (or their equivalent) did you complete (starting with primary school)?
   1. 10 years or less
   2. 11 years
   3. 12 years
   4. 13 years
   5. 14 years
   6. 15 years
   7. 16 years
   8. 17 years
   9. 18 years or over

32. If you have or have had a paid job, what kind of job is it / was it?
   1. No paid job (includes full-time students)
   2. Unskilled or semi-skilled manual worker
   3. Generally trained office worker or secretary
   4. Vocationally trained craftsperson, technician, IT-specialist, nurse, artist or equivalent
   5. Academically trained professional or equivalent (but not a manager of people)
   6. Manager of one or more subordinates (non-managers)
   7. Manager of one or more managers

What is your nationality? ________________________________

What was your nationality at birth (if different)? ____________________

Thank you very much for your cooperation!
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Multifactor Leadership Questionnaire
Instrument (Leader and Rater Form)
and Scoring Guide
(Form 5X-Short)
English and Indonesian (Rater Form only) versions

by Bruce Avolio and Bernard Bass

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info@mindgarden.com
www.mindgarden.com

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Multifactor Leadership Questionnaire (MLQ) – Leader Form – all 45 items – Bahasa Indonesian
Requestor/Translator: Mirwan Perdhana

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Agreement Requested: January 11, 2012
Invoice Number: 17035
Invoice Date: August 11, 2011

Translation Agreement Number: TA-278
Translation Agreement Number assigned: January 31, 2012

Mirwan Perdhana
19 Stockdale Avenue Clayton VIC 3168 Australia
mperdhana@deakin.edu.au
Deakin University

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Translation Agreement Number TA-278
Multifactor Leadership Questionnaire (MLQ) – Leader Form – all 45 Items – Bahasa Indonesian
Requestor/Translator: Mirwan Perdhana

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Date: 7 February 2012

Mind Garden, Inc.

Mind Garden Representative Signature: [Signature]
Date: February 15, 2012
APPENDIX 5: MLQ 5X ENGLISH (SAMPLE)

MLQ Multifactor Leadership Questionnaire
Leader Form (5x-Short)

My Name: ____________________________ Date: __________
Organization ID #:________________________ Leader ID #:________________________

This questionnaire is to describe your leadership style as you perceive it. Please answer all items on this answer
sheet. If an item is irrelevant, or if you are unsure or do not know the answer, leave the answer blank.

Forty-five descriptive statements are listed on the following pages. Judge how frequently each statement fits you.
The word “others” may mean your peers, clients, direct reports, supervisors, and/or all of these individuals.

Use the following rating scale:

<table>
<thead>
<tr>
<th>Not at all</th>
<th>Once in a while</th>
<th>Sometimes</th>
<th>Fairly often</th>
<th>Frequently, if not always</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

1. I provide others with assistance in exchange for their efforts ........................................ 0 1 2 3 4
2. I re-examine critical assumptions to question whether they are appropriate ........................ 0 1 2 3 4
3. I fail to interfere until problems become serious .......................................................... 0 1 2 3 4
4. I focus attention on irregularities, mistakes, exceptions, and deviations from standards .... 0 1 2 3 4
5. I avoid getting involved when important issues arise ........................................................ 0 1 2 3 4
APPENDIX 6: MLQ 5X SCORING KEYS (SAMPLE)

MLQ Multifactor Leadership Questionnaire
Scoring Key (5x) Short

My Name: ___________________________ Date: _____________
Organization ID #: __________________ Leader ID #: ____________

Scoring: The MLQ scale scores are average scores for the items on the scale. The score can be derived by summing the items and dividing by the number of items that make up the scale. All of the leadership style scales have four items; Extra Effort has three items, Effectiveness has four items, and Satisfaction has two items.

<table>
<thead>
<tr>
<th>Not at all</th>
<th>Once in a while</th>
<th>Sometimes</th>
<th>Fairly often</th>
<th>Frequently, if not always</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

- Idealized Influence (Attributed) total/4 =
- Idealized Influence (Behavior) total/4 =
- Inspirational Motivation total/4 =
- Intellectual Stimulation total/4 =
- Individualized Consideration total/4 =
- Contingent Reward total/4 =
- Management-by-Exception (Active) total/4 =
- Management-by-Exception (Passive) total/4 =
- Laissez-faire Leadership total/4 =
- Extra Effort total/3 =
- Effectiveness total/4 =
- Satisfaction total/2 =

1. Contingent Reward ........................................ 0 1 2 3 4
2. Intellectual Stimulation ........................................ 0 1 2 3 4
3. Management-by-Exception (Passive) .............. 0 1 2 3 4
4. Management-by-Exception (Active) .............. 0 1 2 3 4
5. Laissez-faire ............................................. 0 1 2 3 4
Mohon pikirkan sebuah pekerjaan yang ideal, diluar pekerjaan yang anda miliki sekarang (jika Anda sudah bekerja). Dalam memilih sebuah pekerjaan yang ideal, seberapa pentingkah bagi Anda untuk.... (mohon lingkari satu jawaban di setiap baris mendatar).

1 = sangat amat penting  
2 = sangat penting  
3 = penting  
4 = agak penting  
5 = kurang / tidak penting

1. Memiliki cukup waktu luang untuk diri sendiri / keluarga Anda............................................................ 1 2 3 4 5
2. Memiliki atasan (langsung) yang dapat dihormati..... 1 2 3 4 5
3. Mendapat pengakuan bila kinerja Anda bagus.......... 1 2 3 4 5
4. Memiliki jaminan kelanggengankerja....................... 1 2 3 4 5
5. Bekerja dengan orang-orang yang menyenangkan.... 1 2 3 4 5
6. Melakukan pekerjaan yang menarik……………………… 1 2 3 4 5
7. Diajak berdiskusi oleh atasan Anda dalam pengambilan keputusan yang terkait dengan tugas pokok Anda di kantor........................................ 1 2 3 4 5
8. Tinggal di lingkungan yang menyenangkan............. 1 2 3 4 5
9. Memiliki pekerjaan yang dihormati oleh keluarga dan teman-teman Anda............................................. 1 2 3 4 5
10. Memiliki peluang untuk dipromosikan ke jenjang karir (jabatan) yang lebih tinggi............................. 1 2 3 4 5

Dalam kehidupan pribadi Anda, seberapa penting hal-hal berikut bagi Anda:  
(Mohon lingkari satu jawaban di setiap baris)
11. Memiliki waktu luang untuk bersenang-senang......... 1  2  3  4  5
12. Tidak memiliki keinginan yang muluk-muluk ............. 1  2  3  4  5
13. Murah hati kepada orang lain.................................. 1  2  3  4  5
14. Kesederhanaan : rendah hati, cenderung menyembunyikan kelebihan yang Anda miliki daripada menunjukkannya terang-terangan kepada orang lain.............................................................. 1  2  3  4  5
15. Jika anda ingin membeli sebuah barang mewah, namun tidak memiliki cukup uang, apakah yang akan Anda lakukan?
   a. Selalu menabung terlebih dahulu sebelum membeli
   b. Biasanya menabung terlebih dahulu sebelum membeli
   c. Terkadang menabung terlebih dahulu, terkadang meminjam uang (berhutang) untuk membeli
   d. Biasanya meminjam uang (berhutang) dan membayar belakangan.
   e. Selalu meminjam uang (berhutang) dan membayar belakangan.
16. Seberapa sering Anda merasa gugup atau tegang?
   a. Selalu
   b. Sering
   c. Kadang-kadang
   d. Jarang
   e. Tidak pernah
17. Apakah Anda pribadi yang bahagia?
   a. Selalu
   b. Sering
   c. Kadang-kadang
   d. Jarang
   e. Tidak pernah
18. Apakah Anda merasa menjadi pribadi yang sama saat berada di rumah dan di kantor?
   a. Ya, menjadi pribadi yang sama
   b. Kebanyakan sama
   c. Tidak tahu
   d. Seringnya berbeda
   e. Tidak, saya menjadi pribadi yang sangat berbeda
19. Apakah orang lain atau situasi tertentu pernah menghalangi Anda dalam melakukan hal yang Anda inginkan?
   a. Ya, selalu
   b. Ya, seringnya begitu
   c. Terkadang
   d. Tidak, jarang
   e. Tidak, tidak pernah

20. Secara keseluruhan, bagaimana Anda menjabarkan kondisi kesehatan Anda sekarang?
   a. Sangat baik
   b. Baik
   c. Biasa saja
   d. Buruk
   e. Sangat buruk

21. Seberapa pentingkah agama dalam kehidupan Anda?
   a. Sangat amat penting
   b. Sangat penting
   c. Agak penting
   d. Sedikit penting
   e. Tidak penting

22. Seberapa bangga Anda menjadi menjadi Warga Negara Indonesia?
   a. Tidak bangga sama sekali
   b. Tidak begitu bangga
   c. Agak bangga
   d. Bangga
   e. Sangat bangga

23. Berdasarkan pengalaman Anda, seberapa sering bawahan merasa takut untuk mengemukakan pendapat yang berlainan dengan atasan mereka?
   a. Tidak pernah
   b. Jarang
   c. Terkadang
   d. Sering
   e. Selalu
Seberapa jauh Anda setuju / tidak setuju dengan pernyataan berikut? (lingkari satu jawaban di masing-masing baris)

1 = Sangat setuju
2 = Setuju
3 = Tidak tahu
4 = Tidak setuju
5 = Sangat tidak setuju

24. Seseorang dapat menjadi manajer yang baik tanpa harus memiliki jawaban yang tepat terhadap setiap pertanyaan yang ditanyakan oleh bawahan di tempat kerja........................................ 1 2 3 4 5

25. Usaha yang tekun akan selalu membuahkan hasil............................................................................ 1 2 3 4 5

26. Dalam struktur perusahaan, seorang bawahan tidak boleh melapor kepada dua atasan yang berbeda, apapun resikonya........................................................ 1 2 3 4 5

27. Aturan perusahaan hendaklah jangan dilanggar oleh karyawan, walaupun mungkin hal tersebut dirasa akan menguntungkan perusahaan........................................ 1 2 3 4 5

28. Kita harus menghargai pahlawan-pahlawan kita dari masa lalu.......................................................... 1 2 3 4 5

Beberapa informasi mengenai diri Anda (untuk keperluan statistik)

29. Apakah Anda
   a. Laki-laki
   b. Perempuan

30. Berapa usia Anda?
   a. Dibawah 20
   b. 20-24
   c. 25-29
   d. 30-34
   e. 35-39
   f. 40-49
   g. 50-59
   h. 60 atau lebih
31. Berapa tahun pendidikan formal (atau setara) yang telah Anda jalani dan selesaikan (dimulai dari sekolah dasar)?
   a. 10 tahun atau kurang
   b. 11 tahun
   c. 12 tahun
   d. 13 tahun
   e. 14 tahun
   f. 15 tahun
   g. 16 tahun
   h. 17 tahun
   i. 18 tahun atau lebih

32. Apakah Anda memiliki pekerjaan dan mendapatkan gaji dari pekerjaan tersebut? Jika ya, pekerjaan apakah itu?
   a. Tidak memiliki pendapatan dari pekerjaan (termasuk pelajar/mahasiswa)
   b. Pekerja tidak terlatih atau semi terlatih
   c. Pekerja kantor terlatih / sekretaris
   d. Pekerja terlatih; pekerja seni, teknisi, IT-spesialis, perawat, artis atau sejenisnya
   e. Profesional yang terdidik secara akademis atau sejenisnya (tetapi bukan manajer dari sekelompok orang)
   f. Manager dari satu orang atau lebih yang tidak memiliki posisi manajerial
   g. Manajer dari satu orang manajer atau lebih

33. Apakah kewarganegaraan Anda? ............................................................

34. Apakah kewarganegaraan Anda saat lahir (jika berbeda)..........................

Terima kasih atas kerjasama Anda
APPENDIX 8: MLQ 5X – BAHASA INDONESIA (SAMPLE)

Multifactor Leadership Questionnaire
Leader Form (5x-Short)

Nama saya: .......................................................... Tanggal: ................................

No. Identitas Organisasi: .............................................. No. Identitas Atasan: .................

Kuisioner ini bertujuan untuk mendeskripsikan gaya kepemimpinan Anda. Anda dimohon untuk mengetik semua pertanyaan dalam lembar ini. Jika ada pertanyaan yang tidak relevan, atau Anda ragu-ragu dalam menjawabnya, mohon kosongkan lisan dalam pertanyaan tersebut.

Berikut adalah empat puluh lima pertanyaan yang akan digunakan. Mohon tentukan seberapa sering masing-masing pertanyaan sesuai dengan deskripsi gaya kepemimpinan Anda.

“Orang lain” dalam pertanyaan berikut dapat berarti rekan kerja, klien, bawahan langsung, supervisor, dan/atau kesenamannya.

Gunakan skala berikut dalam menjawab:

<table>
<thead>
<tr>
<th>Tidak sama sekali</th>
<th>Sesarai</th>
<th>Kadang-kadang</th>
<th>Cukup sering</th>
<th>Sering, bahkan selalu</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

1. Saya membantu orang lain sebagai ganti dari usaha yang telah mereka berikan ................................................................. 0 1 2 3 4
2. Saya memeriksa ulang asumsi-asumsi terhadap sebuah pertanyaan, apakah sudah sesuai atau bukan .................................................. 0 1 2 3 4
3. Saya selalu gagal memberikan intervensi sehingga masalah menjadi serius .............................................................................. 0 1 2 3 4
4. Saya memutuskan perhatian terhadap ketidakpuasan, kesalahpahaman, pengecualian dan penyerangan dari stan dar ........................... 0 1 2 3 4
5. Saya tidak pernah terlibat jika persoalan penting muncul ................................................................. 0 1 2 3 4

"Research edition Translation TA-278 - Multifactor Leadership Questionnaire - Leader form - 45 items performed by Mirwan Perwara on this date February 7th 2012. Translated into Bahasa Indonesia and retranslated by special permission of the Publisher Mind Garden, Inc, www.mindgarden.com from Multifactor Leadership Questionnaire by Bernard M. Bass & Bruce J. Avolio. Copyright © 1995 by Bernard M. Bass & Bruce J. Avolio. All rights reserved in all media. Further reproduction is prohibited without the Publisher’s written consent. Published by Mind Garden, Inc, www.mindgarden.com."

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Published by Mind Garden, Inc, www.mindgarden.com
RE: Revision for VSM 94 (Indonesian)

Hofstede, Gertjan <Gertjan.Hofstede@wur.nl> 10 March 2011 06:36
To: Hofstede <hofstede@bart.nl>, Minwan Surya Perdana <mperdhana@deakin.edu.au>

...it should be visible at the Web site now. Thank you!

Gert Jan Hofstede

---

From: Hofstede [hofstede@bart.nl]
Sent: 09 March 2011 10:26
To: Minwan Surya Perdana
Cc: Hofstede, Gertjan
Subject: RE: Revision for VSM 94 (Indonesian)

Dear Minwan, thank you very much - this is real help. We'll change it on our website.

Kind regards, Gert Hofstede

Van: Minwan Surya Perdana [mailto:mperdhana@deakin.edu.au]
Verzonden: woensdag 9 maart 2011 2:43
Aan: hofstede@bart.nl
CC: info@gertjanhofstede.com
Onderwerp: Revision for VSM 94 (Indonesian)

Dear Mr. Hofstede,

My name is Minwan Surya Perdana, PhD student from Deakin University – Australia. I would like to thank you for your manefulous works, and herewith I attach some minor revision for VSM 94 (Indonesian) taken from your website. I fix some spelling mistake without changing the words/content. As an Indonesian, I cannot just sit down and do nothing when looking for some mistake in a questionnaire like this. I hope my revision will be useful for you and those who will use this Indonesian translation questionnaire in the future. Thank you for your time.

Best regards,

Minwan Surya Perdana
PhD Student
Deakin University – Australia
E (1) : mperdhana@deakin.edu.au</mailto:mperdhana@deakin.edu.au>
E (2) : kingmirwan@gmail.com</mailto:kingmirwan@gmail.com>
Dear student, you certainly can use the dimension model for different regional societies within one complex nation like Indonesia; but do read our experiences in Brazil (attached). Yours, GH

Van: kingmirwan@gmail.com [mailto:kingmirwan@gmail.com] Namens Mirwan Surya Perdhana
Verzonden: zondag 10 april 2011 7:01
Aan: hofstede@bart.nl
Onderwerp: Sub-cultural Comparation using VSM 94

Dear Mr Hofstede,

I would like to know whether it is possible to compare to sub culture within a country using your five cultural dimensions. For example: Indonesia consist of hundreds of cultural groups, can I compare the cultural values of Javanese managers to Batak managers? Or your five dimensions of culture only applicable to compare among countries?

Any response will be greatly appreciated,

Best regards,

Mirwan Surya Perdhana
PhD Student, Deakin University - Australia
E-mail: mperdhana@deakin.edu.au
RE: Sub-cultural Comparison using VSM 94

Hofstede <hofstede@bart.nl> 17 May 2011 18:25
To: Mirwan Surya Perdhana <msperdhana@deakin.edu.au>

Dear Mirwan, always use the most recent insights. Most items in the VSM94 return in the VSM08 anyway, so you can still compare item scores. But do read my book and the VSM08 Manual carefully before you start! Best regards, Geert Hofstede

Van: kingmirwan@gmail.com [mailto:kingmirwan@gmail.com] Namens Mirwan Surya Perdhana
Verzendend: dinsdag 17 mei 2011 8:43
Aan: hofstede@bart.nl
Onderwerp: Fwd: Sub-cultural Comparison using VSM 94

Dear Mr. Hofstede,

I am doing my PhD theses right now, and my research will compare cultural values and leadership styles of Indigenous Indonesian (Javanese) managers to Chinese-Indonesian managers. The Javanese samples will be taken from Central Java province - with 97% Javanese population while Chinese-Indonesian samples will be taken from Jakarta province & its surroundings area. I will use Value Survey Module, Multifactor Leadership Questionnaire and in depth interview for this research.

Since I plan to use your VSM, it will be translated into Bahasa Indonesia and will conducted the pilot study to to determine whether participants are interpreting the items the way the researcher intended.

Previously, I have submitted my revision for the Indonesian version of VSM 94 to you, and it has been uploaded in your website (which is a great honor for me).

Since now I have two options (VSM 94 and VSM 08), which one is better for me to use, VSM 94 or VSM 08? Numerous scholars has used VSM 94, and that becomes my concern, whether I have to go for VSM 94 or VSM 08.

After I gain approval for my ethics application, I will send you the written permission to use your VSM in my research. I would be happy to (again) share the translated Indonesian version to you soon after I get the result of my pilot study.

With kind regards,

Mirwan Surya Perdhana
Indonesian Translation of VSM 08

Hofstede <hofstede@bart.nl> 26 November 2011 02:35
To: Mirwan Surya Perdhana <mperdhan@deakin.edu.au>
Cc: gertjan.hofstede@wur.nl

Dear Mirwan, thank you very much. This will be very useful for other researchers. We will add your translation to the list on our website. Yours, Geert Hofstede

---

Van: kingmirwan@gmail.com [mailto:kingmirwan@gmail.com] Namens Mirwan Surya Perdhan
Verzonden: donderdag 24 november 2011 8:27
Aan: Hofstede
CC: gertjan.hofstede@wur.nl
Onderwerp: Indonesian Translation of VSM 08

Dear Mr Hofstede,

Herewith I attach the Indonesian translation of VSM 08. I have pilot test this questionnaire to 100 students from Department of Management, Faculty of Economics and Business, Diponegoro University Indonesia. I presented them the translation of VSM 08 and the original copy of VSM 08 (in English); and ask them whether they can understand the translation or not, and whether they have better translation for every question.

I hope this translation can be useful.

Best regards,

Minwan Surya Perdhan
PhD Student in Management
School of Management and Marketing
Faculty of Business and Law
Deakin University, Melbourne - Australia
70 Elgar Road Burwood
Postal: 221 Burwood Highway Burwood Victoria 3125 Australia
Email: mperdhan@deakin.edu.au
Website: http://www.deakin.edu.au/buslawmanagement-marketing/
Indonesian Translation of VSM 08

To: Mirwan Surya Perdhana <mperdhana@deakin.edu.au>, Hofstede <holshte@hart.nl>

26 November 2011 21:35

Hofstede, Gertjan

Dear Mirwan,

Thank you very much for your thorough work! We have now uploaded your translation, and you can find it here:

http://www.geerthofstede.com/research-vsm/vsm-08.aspx

Kind regards and good luck

Gert Jan Hofstede

---

From: kingmirwan@gmail.com [kingmirwan@gmail.com] On Behalf Of Mirwan Surya Perdhana
[mperdhana@deakin.edu.au]

Sent: 24 November 2011 08:26

To: Hofstede

Cc: Hofstede, Gertjan

Subject: Indonesian Translation of VSM 08

Dear Mr Hofstede,

Herewith I attach the Indonesian translation of VSM 08. I have pilot test this questionnaire to 100 students from Department of Management, Faculty of Economics and Business, Diponegoro University Indonesia. I presented them the translation of VSM 08 and the original copy of VSM 08 (in English), and ask them whether they can understand the translation or not, and whether they have better translation for every question.

I hope this translation can be useful.

Best regards,

---

Mirwan Surya Perdhana
PhD Student in Management
School of Management and Marketing
Faculty of Business and Law
Deakin University, Melbourne - Australia
70 Elgar Road Burwood
Postal: 221 Bunwood Highway Bunwood Victoria 3125 Australia
## APPENDIX 10: INTERVIEW SCHEDULE

<table>
<thead>
<tr>
<th></th>
<th>Bahasa Indonesia</th>
<th>English</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dalam hubungan atasan – bawahan, haruskah karyawan merasa takut kepada atasan mereka?</td>
<td>Within superior-subordinate relation, should employee be afraid toward their superior?</td>
</tr>
<tr>
<td>2</td>
<td>Dapatkah Anda menjelaskan seperti apa hubungan yang ideal Antara atasan dan bawahan?</td>
<td>Could you describe the ideal type of relationship between superior and subordinate?</td>
</tr>
<tr>
<td>3</td>
<td>Manakah yang lebih penting bagi Anda: memiliki waktu khusus untuk diri sendiri dan keluarga, ataukah memprioritaskan kepentingan kelompok dan organisasi?</td>
<td>Which one is more important for you: having personal time for yourself and your family, or give priority to the interest of your groups and organisation?</td>
</tr>
<tr>
<td>4</td>
<td>Apa pertimbangan utama Anda saat memilih tempat kerja?</td>
<td>What is your main consideration when choosing places to work?</td>
</tr>
<tr>
<td>5</td>
<td>Seberapa pentingkah ambisi bagi diri Anda?</td>
<td>How important is ambition in your life?</td>
</tr>
<tr>
<td>6</td>
<td>Apakah Anda memiliki kekhawatiran terkait masa depan karir Anda di perusahaan ini?</td>
<td>Do you have worries about your future career in this company?</td>
</tr>
<tr>
<td>7</td>
<td>Secara umum, apakah Anda pernah merasa takut dalam menghadapi ketidakpastian hidup?</td>
<td>In general, have you ever feel afraid in facing uncertainty in life?</td>
</tr>
<tr>
<td>8</td>
<td>Apakah sikap hemat penting dalam hidup Anda?</td>
<td>Is frugality important in your life?</td>
</tr>
<tr>
<td>9</td>
<td>Menurut pendapat Anda, haruskah tradisi yang ada dalam masyarakat dilestarikan?</td>
<td>In your opinion, should the tradition in the society be preserved?</td>
</tr>
<tr>
<td>10</td>
<td>Mana yang lebih penting bagi Anda: waktu luang atau kerja keras?</td>
<td>Which one is more important for you: leisure or hard work?</td>
</tr>
<tr>
<td>11</td>
<td>Seberapa pentingkah agama dalam hidup Anda?</td>
<td>How important is religion in your life?</td>
</tr>
<tr>
<td>12</td>
<td>Dapatkah Anda menjelaskan karakteristik-karakteristik pemimpin ideal dan ciri-ciri kepemimpinan yang efektif?</td>
<td>Could you describe the characteristics of ideal leader and effective leadership qualities?</td>
</tr>
<tr>
<td>13</td>
<td>Dapatkah Anda menjelaskan persepsi karyawan terhadap diri Anda?</td>
<td>Could you describe the employees’ perception toward yourself?</td>
</tr>
<tr>
<td>14</td>
<td>Apakah Anda memiliki metode untuk memotivasi karyawan untuk dapat bekerja melebihi standar?</td>
<td>Do you have any method to motivate your subordinates to work above standards?</td>
</tr>
<tr>
<td>15</td>
<td>Apa yang Anda lakukan untuk menstimulasi kreatifitas bawahan?</td>
<td>What do you do to stimulate your subordinates’ creativity?</td>
</tr>
<tr>
<td>16</td>
<td>Apa yang Anda lakukan untuk membantu karyawanan dalam meningkatkan kecakapan mereka?</td>
<td>What do you do to help your subordinates improve their strength?</td>
</tr>
<tr>
<td>Bahasa Indonesia</td>
<td>English</td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>---------</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Menurut Anda apakah kita perlu memberikan penghargaan kepada karyawan ketika mereka berhasil memenuhi target?</td>
<td>Do you think it is necessary to give rewards to employees if they able to fulfil the target?</td>
</tr>
<tr>
<td>18</td>
<td>Menurut pendapat Anda, haruskah pemimpin memfokuskan perhatian mereka pada penyimpangan-penyimpangan dan kesalahan-kesalahan?</td>
<td>In your opinion, should leader focus their attention toward irregularity and mistakes?</td>
</tr>
<tr>
<td>19</td>
<td>Menurut pendapat Anda, haruskah seorang pemimpin menunggu hingga masalah menjadi kronis?</td>
<td>In your opinion, should leader wait until the problem becomes chronic?</td>
</tr>
<tr>
<td>20</td>
<td>Apakah Anda percaya bahwa semua masalah harus ditangani sesegera mungkin?</td>
<td>Do you believe that all problems have to be handled immediately?</td>
</tr>
<tr>
<td>21</td>
<td>Bagaimana pendapat Anda terhadap pemimpin yang cenderung menghindar dalam mengambil tanggung jawab dan cenderung absen ketika mereka dibutuhkan?</td>
<td>What is your opinion toward leader who tend to avoid taking responsibilities and tend to be absent when needed?</td>
</tr>
<tr>
<td>22</td>
<td>Apakah Anda puas terhadap gaya kepemimpinan yang Anda terapkan?</td>
<td>Do you satisfied with the leadership style that you have demonstrated?</td>
</tr>
</tbody>
</table>
APPENDIX 11: RESPONDENTS’ RESPONSE ON LEADERSHIP QUESTIONNAIRE

Idealized Influence (Attributed)

Question 10: I instill pride in others for being associated with me

Question 18: I go beyond self-interest for the good of the group
Question 21: I act in ways that build others’ respect for me

<table>
<thead>
<tr>
<th></th>
<th>Javanese</th>
<th>Chinese Indonesian</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOT AT ALL</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>ONCE IN A WHILE</td>
<td>6</td>
<td>22</td>
</tr>
<tr>
<td>SOMETIMES</td>
<td>13</td>
<td>43</td>
</tr>
<tr>
<td>FAIRLY OFTEN</td>
<td>53</td>
<td>43</td>
</tr>
<tr>
<td>FREQUENTLY, IF NOT ALWAYS</td>
<td>31</td>
<td>6</td>
</tr>
</tbody>
</table>
**Idealized Influence (Behaviour)**

Question 6: I talk about my most important values and beliefs

![Bar chart](chart6.png)

Question 14: I specify the importance of having a strong sense of purpose

![Bar chart](chart14.png)
Question 23: I consider the moral and ethical consequences of decisions

Question 34: I emphasize the importance of having a collective sense of mission
**Inspirational Motivation**

**Question 9:** I talk optimistically about the future

**Question 13:** I talk enthusiastically about what needs to be accomplished
Question 26: I articulate a compelling vision of the future

Question 36: I express confidence that goals will be achieved
**Intellectual Stimulation**

Question 2: I re-examine critical assumptions to question whether they are appropriate

![Graph showing the frequency of examining critical assumptions by Javanese and Chinese Indonesian respondents.]

Question 8: I seek differing perspectives when solving problems

![Graph showing the frequency of seeking differing perspectives by Javanese and Chinese Indonesian respondents.]

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Question 30: I get others to look at problems from many different angles

Question 32: I suggest new ways of looking at how to complete assignments
Individualized Consideration

Question 15: I spend time teaching and coaching

Question 19: I treat others as individuals rather than just as a member of a group
Question 29: I consider an individual as having different needs, abilities, and aspirations from others

Question 31: I help others to develop their strengths
Contingent Reward

Question 1: I provide others with assistance in exchange for their efforts

Question 11: I discuss in specific terms who is responsible for achieving performance targets
Question 16: I make clear what one can expect to receive when performance goals are achieved

Question 35: I express satisfaction when others meet expectations
Management By Exception (Active)

Question 4: I focus attention on irregularities, mistakes, exceptions, and deviations from standards

Question 22: I concentrate my full attention on dealing with mistakes, complaints, and failures
Question 24: I keep track of all mistakes

![Graph showing the frequency of tracking mistakes]

Question 27: I direct my attention toward failures to meet standards

![Graph showing the frequency of directing attention to failures]
Management By Exception (Passive)

Question 3: I fail to interfere until problems become serious

![Graph showing responses to Question 3]

Question 12: I wait for things to go wrong before taking action

![Graph showing responses to Question 12]
Question 17: I show that I am a firm believer in “If it ain’t broke, don’t fix it.”

Question 20: I demonstrate that problems must become chronic before I take action.
Laissez Faire

Question 5: I avoid getting involved when important issues arise

[Graph showing responses for Javanese and Chinese Indonesian]

Question 7: I am absent when needed

[Graph showing responses for Javanese and Chinese Indonesian]
Question 28: I avoid making decisions

Question 33: I delay responding to urgent questions
Extra Efforts

Question 39: I get others to do more than they expected to do

Question 42: I heighten others’ desire to succeed
Question 44: I increase others’ willingness to try harder

Effectiveness

Question 37: I am effective in meeting others’ job-related needs
Question 40: I am effective in representing others to higher authority

Question 43: I am effective in meeting organizational requirements
Question 45: I lead a group that is effective

Satisfaction

Question 38: I use methods of leadership that are satisfying
Question 41: I work with others in a satisfactory way

![Bar chart showing responses to the question.](image)
APPENDIX 12: QUESTIONNAIRE BOOKLET

Penelitian

CULTURAL VALUES
AND LEADERSHIP STYLES
AMONG INDONESIAN COMPANIES

NILAI BUDAYA
DAN GAYA KEPEMIMPINAN
DI PERUSAHAAN-PERUSAHAAN INDONESIA

Dilakukan oleh:

Mirwan Surya Perdiana
Email: mperdiana@deakin.edu.au

Dengan menggunakan instrumen:

VALUE SURVEY MODULE 08
MULTIFACTOR LEADERSHIP QUESTIONNAIRE 5X

DEAKIN UNIVERSITY
FACULTY OF BUSINESS AND LAW
SCHOOL OF MANAGEMENT AND MARKETING
70 ELGAR ROAD, BURWOOD 3125
VICTORIA - AUSTRALIA
Surat Permohonan Untuk Berpartisipasi Dalam Penelitian

Subyek: Perbandingan Nilai Budaya dan Gaya Kepemimpinan di Perusahaan-Perusahaan Indonesia

Bapak/ibu yang terhormat,

Saya Mirwan Surya Perdhana, mahasiswa program PhD Manajemen dari Deakin University, Australia. Saat ini saya sedang melakukan penelitian terkait dengan nilai budaya dan gaya kepemimpinan di perusahaan-perusahaan Indonesia. Sebagai manajer dalam perusahaan ini, saya mengundang Anda untuk berpartisipasi menjadi responen dalam penelitian ini. Jika Anda setuju untuk berpartisipasi, kami mohon Anda berkenan untuk meluangkan waktu sekitar 20 menit guna mengisi kuesioner terkait dengan nilai budaya dan gaya kepemimpinan yang telah kami siapkan.

Hasil penelitian ini kami jamin kerahasiaannya. Jika hasil penelitian ini suatu saat dipublikasi, kami menjamin bahwa hasil publikasi tidak akan dapat digunakan untuk mengidentifikasi identitas Bapak/ibu, kecuali apabila Bapak/ibu menginginkan dan memberikan ijin tertulis untuk hal tersebut. Semua catatan penelitian akan disimpan di tempat penyimpanan yang aman, dan hanya dapat diakses oleh peneliti. Segala bentuk catatan akan disimpan untuk kurun waktu maksimal 6 tahun, kemudian akan dihancurkan.

Peneliti lapangan dalam penelitian ini adalah Mirwan Surya Perdhana, dengan pembimbing utama Assoc. Prof. Dianne Waddell – dapat dihubungi melalui email di dianne.waddell@deakin.edu.au dan Dr Uma Jogulu – dapat dihubungi melalui email uma.jogulu@deakin.edu.au, segala bentuk pertanyaan dapat ditujukan ke nomer telepon (+62) 81228966310 (Indonesia), (+61) 425745758 (Australia) atau melalui email di moerdhana@deakin.edu.au.

"Saya telah membaca informasi yang tertulis di atas. Maksud dan tujuan dari penelitian ini telah dijelaskan kepada saya, dan segala pertanyaan yang saya miliki telah terjawab. Saya setuju untuk berpartisipasi dalam penelitian ini."

Nama terang

Tanda tangan

Tanggal
Cultural Values and Leadership Styles Among Indonesian Companies
By: Mirwan Surya Perdhana

Sekilas Mengenai Penelitian Ini

Apa tujuan dari penelitian ini?
Penelitian ini bertujuan untuk mengetahui nilai-nilai budaya dan gaya kepemimpinan yang dimiliki oleh manajer di perusahaan-perusahaan di Indonesia, khususnya propinsi Jawa Tengah.

Mengapa Penelitian Ini Penting?
Saat ini di universitas-universitas di Indonesia, hampir mayoritas buku dan jurnal yang dipelajari oleh mahasiswa berasal dari barat, khususnya Amerika Serikat. Ketika mahasiswa tersebut lulus dari bangku kuliah, dan bekerja di daerah-daerah di Indonesia, apa yang mereka pelajari sama sekali berbeda dengan apa yang dihadapi di lapangan. Hal ini dikarenakan pengaruh budaya lokal di Indonesia masih sangat kuat.

Siapa yang mendanai penelitian ini?
Penelitian ini didanai oleh Deakin University – Australia, dimana penelitiannya (Mirwan Surya Perdhana) merupakan penerima beasiswa program S3 dari Dirjen Pendidikan Tinggi – Kementerian Pendidikan Nasional Republik Indonesia.

Apa saja tahapan dari penelitian ini? Apa yang harus saya lakukan?

Apalagi yang dapat saya bantu dalam penelitian ini?
Bapak/ibu dapat berpartisipasi lebih jauh dalam penelitian ini apabila Bapak/ibu berkenan untuk diwawancara terkait dengan persepak Bapak/ibu mengenai nilai-nilai budaya dan gaya kepemimpinan. Mohon tinggalkan nama dan nomor telepon yang dapat dihubungi, dan kami akan menghubungi Bapak/ibu untuk mengatur waktu wawancara yang sesuai.

Terima kasih atas bantuan yang diberikan
Salam hormat saya,

Mirwan Surya Perdhana
Kandidat Doktor
Deakin University, School of Management and Marketing
70 Elgar Road Burwood 3125
Victoria – Australia
Telepon 081-2289-66310
Email mperdhana@deakin.edu.au

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VALUES SURVEY MODULE 08
INTERNATIONAL QUESTIONNAIRE (VSM 08)

Mohon pikirkan sebuah pekerjaan yang ideal, diikur pekerjaan yang anda miliki sekarang (jika Anda sudah bekerja). Dalam memilih sebuah pekerjaan yang ideal, seberapa pentingkah bagi Anda untuk.... (mohon lingkari satu jawaban di setiap baris mendatar).

1 = sangat anat penting  
2 = sangat penting  
3 = penting  
4 = agak penting  
5 = kurang / tidak penting

<p>| | | | | |</p>
<table>
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</tr>
</tbody>
</table>

1. Memiliki cukup waktu luang untuk diri sendiri / keluarga Anda......
2. Memiliki atasan (langsung) yang dapat dihormati...........................
3. Mendapat pengakuan bila kinerja Anda bagus..............................
4. Memiliki jaminan kelanggengan kerja...........................................
5. Bekerja dengan orang-orang yang menyenangkan..........................
6. Melakukan pekerjaan yang menarik...............................................
7. Diajak berdiskusi oleh atasan Anda dalam pengambilan keputusan yang terkait dengan tugas pokok Anda di kantor............................
8. Tinggal di lingkungan yang menyenangkan..................................
9. Memiliki pekerjaan yang dihormati oleh keluarga dan teman-teman Anda..........................................................
10. Memiliki peluang untuk dipromosikan ke jenjang karir (jabatan) yang lebih tinggi..........................................................

Dalam kehidupan pribadi Anda, seberapa penting hal-hal berikut bagi Anda: (Mohon lingkari satu jawaban di setiap baris)

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<td>d</td>
</tr>
</tbody>
</table>

11. Memiliki waktu luang untuk bersenang-senang................................
12. Tidak memiliki keinginan yang muluk-muluk..................................
13. Murah hati kepada orang lain.....................................................
14. Kesederhanaan : rendah hati, cenderung menyembunyikan kelebihan yang Anda miliki daripada menunjukkannya terang-terangan kepada orang lain..................................................
15. Jika anda ingin membeli sebuah barang mewah, namun tidak memiliki cukup uang, apakah yang akan Anda lakukan?
   a. Selalu menabung terlebih dahulu sebelum membeli
   b. Biasanya menabung terlebih dahulu sebelum membeli
   c. Menabung lebih dahulu, terkadang meminjam uang (berhutang) untuk membeli
   d. Biasanya meminjam uang (berhutang) dan membayar belakangan.
   e. Selalu meminjam uang (berhutang) dan membayar belakangan.
16. Seberapa sering Anda merasa gugup atau tegang?
   a. Selalu
   b. Sering
   c. Kadang-kadang
   d. Jarang
   e. Tidak pernah

17. Apakah Anda pribadi yang bahagia?
   a. Selalu
   b. Sering
   c. Kadang-kadang
   d. Jarang
   e. Tidak pernah

18. Apakah Anda merasa menjadi pribadi yang sama saat berada di rumah dan di kantor?
   a. Ya, menjadi pribadi yang sama
   b. Kebanyakan sama
   c. Tidak tahu
   d. Seringnya berbeda
   e. Tidak, saya menjadi pribadi yang Sangat berbeda

19. Apakah orang lain atau situasi tertentu pernah menghalangi Anda dalam melakukan hal yang Anda inginkan?
   a. Ya, selalu
   b. Ya, seringnya begitu
   c. Terkadang
   d. Tidak, jarang
   e. Tidak, tidak pernah

20. Secara keseluruhan, bagaimana Anda menjabarkan kondisi kesehatan Anda sekarang?
   a. Sangat baik
   b. Baik
   c. Biasa saja
   d. Buruk
   e. Sangat buruk

21. Seberapa pentingkah agama dalam kehidupan Anda?
   a. Sangat amat penting
   b. Sangat penting
   c. Agak penting
   d. Sedikit penting
   e. Tidak penting
22. Seberapa bangga Anda menjadi warga negara Indonesia?
   a. Tidak bangga sama sekali
   b. Tidak begitu bangga
   c. Agak bangga
   d. Bangga
   e. Sangat bangga

23. Berdasarkan pengalaman Anda, seberapa sering bawahan merasa takut untuk
genomunakakan pendapat yang berlainan dengan atasan mereka?
   a. Tidak pernah
   b. Jarang
   c. Terkadang
   d. Sering
   e. Selalu
Seberapa jauh Anda setuju / tidak setuju dengan pernyataan berikut? (lingkari satu jawaban di
masing-masing baris):

<table>
<thead>
<tr>
<th>1 = Sangat setuju</th>
<th>2 = Setuju</th>
<th>3 = Tidak tahu</th>
<th>4 = Tidak setuju</th>
<th>5 = Sangat tidak setuju</th>
</tr>
</thead>
</table>
24. Seseorang dapat menjadi manajer yang baik tanpa harus memiliki
   jawaban yang tepat terhadap setiap pertanyaan yang ditanyakan
   oleh bawahanannya di tempat kerja.                          |
25. Usaha yang tekun akan selalu membuka hasil.                  |
26. Dalam struktur perusahaan, seorang bawahan tidak boleh
   melapor kepada dua atasan yang berbeda, apapun resikonya.     |
27. Aturan perusahaan hendaklah jangan dilanggar oleh karyawan,
   walaupun mungkin hal tersebut dirasa akan menguntungkan
   perusahaan.                                                   |
28. Kita harus menghargai pahlawan-pahlawan kita dari masa lalu...

Beberapa informasi mengenai diri Anda (untuk keperluan statistik)
29. Apakah Anda
   a. Laki-laki
   b. Perempuan
30. Berapa usia Anda?
   a. Dibawah 20
   b. 20-24
   c. 25-29
   d. 30-34
   e. 35-39
   f. 40-49
   g. 50-59
   h. 60 atau lebih
31. Berapa tahun pendidikan formal (atau setara) yang telah Anda jalani dan selesai (diniulai dari sekolah dasar)?
   a. 10 tahun atau kurang
   b. 11 tahun
   c. 12 tahun
   d. 13 tahun
   e. 14 tahun
   f. 15 tahun
   g. 16 tahun
   h. 17 tahun
   i. 18 tahun atau lebih

32. Apakah Anda memiliki pekerjaan dan mendapatkan gaji dari pekerjaan tersebut? Jika ya, pekerjaan apakah itu?
   a. Tidak memiliki pendapatan dari pekerjaan (termasuk pelajar/mahasiswa)
   b. Pekerja tidak terlalat atau semi terlalat
   c. Pekerja kantor terlalat / sekretaris
   d. Pekerja terlalat; pekerja seni, teknisi, IT-spesialis, perawat, artis atau sejenisnya
   e. Profesional yang terdidik secara akademis atau sejenisnya (terapi bukan manajer dari sekelompok orang)
   f. Manager dari satu orang atau lebih yang tidak memiliki posisi manajerial
   g. Manajer dari satu orang atau lebih yang memiliki posisi manajerial

33. Apakah kewarganegaraan Anda?

34. Apakah kewarganegaraan Anda saat lahir?

* Apa bahasa yang biasa Anda gunakan di rumah? (boleh lebih dari satu)
   a. Indonesia
   b. Jawa
   c. Sunda
   d. Betawi
   e. Madura
   f. Mandarin
   g. Ambon
   h. Bugis
   i. Lainnya (Mohon sebutkan)

** Apakah Anda bersedia diwawancara terkait dengan nilai-nilai budaya dan kepemimpinan yang Anda anut? Jika Anda bersedia, mohon tinggalkan nama dan nomer telepon yang dapat kami hubungi. Wawancara akan disesuaikan dengan kesediaan waktu yang Anda miliki. Hasil wawancara Anda kami jamin keamanannya, dan apabila kelip dikripuakian, identitas Anda akan tetap terjaga kerahasiaannya.

Ya, saya bersedia untuk diwawancara guna kepentingan penelitian ini. Silahkan hubungi saya di nomer telepon __________________________ atau __________________________
Saya dapat dihubungi antara jam __________________________
### MULTIFACTOR LEADERSHIP QUESTIONNAIRE

**LEADER FORM**

Gunakan skala penilaian berikut:

<table>
<thead>
<tr>
<th></th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tidak sama sekali</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sesekali</td>
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<td></td>
</tr>
<tr>
<td>Kadang-kadang</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Cukup sering</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Sering, bahan selalu</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

1. Saya membantu orang lain sebagai ganti dari usaha yang telah mereka berikan................................................................. 0 1 2 3 4
2. Saya menerima uang asumsi-asumsi terhadap sebuah pertanyaan, apakah sesuai atau tidak........................................... 0 1 2 3 4
3. Saya selalu gagal memberikan inti dari segala masalah menjadi serius........................................................................... 0 1 2 3 4
4. Saya memusatkan perhatian terhadap keterlambatan, kesalahan, pengecualian dan penyimpangan dari standar...................... 0 1 2 3 4
5. Saya tidak mau terlibat jika persoalan penting muncul......................... 0 1 2 3 4

### UCAPAN TERIMA KASIH

Bapak/ibu yang budiman,


Wawancara akan dilakukan di waktu dan tempat sesuai dengan keleluasaan waktu yang Bapak/ibu miliki. Apabila Bapak/ibu berkenan, mohon dapat meninggalkan nama beserta nomor telepon yang dapat kami hubungi.

Demikian, terima kasih yang sebesar-besarnya atas partisipasi yang telah diberikan.

Salam hormat saya,

Minwan Surya Perdhana
Kanditat Doktor
Deakin University, School of Management and Marketing
70 Edgar Road Burwood 3125
Victoria – Australia
Telepon 081-2289-66310
Email mperdh@deakin.edu.au

Apabila Bapak/ibu berkenan untuk diwawancara, mohon tinggalkan nama, telepon dan waktu terbaik untuk menghubungi Bapak/ibu. Terima kasih.

Nama:
Telepon:
Waktu terbaik untuk menghubungi Anda: