

FOREWORD

Alhamdulillahirobbil'alamin, praise be to the presence of Allah SWT who has bestowed His grace and guidance, so that the author can complete the dissertation entitled “The Effects of Entrepreneurial Values and Entrepreneurial Orientation, with Environmental Dynamism and Resource Availability as Moderating Variables, on the Financial Performance and Its Impacts on Firms’ Future Intention: Empirical Evidences from Indonesian State-owned Enterprises” well and smoothly.

This dissertation writing was carried out to complete some of the requirements for obtaining a Doctor of Research in Management degree at the Faculty of Economics and Business, Universitas Pelita Harapan. The author realizes that this success is not a mere individual success, but thanks to the help and guidance of all parties. Therefore, the authors intend to thank:

1. Rector of Universitas Pelita Harapan, Dr. (Hon.) Jonathan L. Parapak, M.Eng.Sc.
2. Prof. Hendrawan Supratikno, S.E., M.B.A., Ph.D. (Promotor)
3. Dean of the Faculty of Economics and Business, Dra. Gracia Shinta S. Ugut, M.B.A., Ph.D. (Co-Promotor 1)
4. Dr. Innocentius Bernarto, S.T., M.M., M.Si., M.Si. (Co-Promotor 2)
5. Dr. dr. Ferdi Antonio, M.M., M.A.R.S. (Co-Promotor 3)
6. Menteri Badan Usaha Milik Negara RI, Bapak Erick Thohir
7. Department Chair of Doctoral Research in Management Program, Dr. Pauline H. Pattyranie Tan, S.E., M.Si.

8. Prof. Dr. Didik J. Rachbini (Examiner I)
9. Prof. Akhmad Syakhroza, M.A.F.I.S, Ph.D. (Examiner II)
10. Rosdiana Sijabat, S.E., M.Si., Ph.D. (Examiner III)
11. Dr. Rizal E. Halim (Examiner IV)
12. My family (Wife and Children)
13. My parents (Mom and Dad)
14. Dr. Indra Cahya Uno, B.S.A.E., M.S.E., M.B.A.
15. Yudistira Hasbullah, S.E., M.Sc.
16. Maria Suhardono
17. All friends of DRM Batch 1, and
18. All parties that cannot be mentioned one by one who have helped the author in completing this dissertation.

Finally, it is hoped that the results of this study will be useful for efforts to develop entrepreneurship in Indonesia, and in particular in the scope of the Ministry of State-Owned Enterprises, Republic of Indonesia.

Sandiaga Salahuddin Uno

TABLE OF CONTENTS

FINAL ASSIGNMENT STATEMENT AND UPLOAD AGREEMENT	i
ORIGINALITY STATEMENT OF THE DISSERTATION	ii
DISSERTATION SUPERVISOR'S APPROVAL	iii
DISSERTATION EXAMINATION COMMITTEE	iv
ABSTRACT	v
FOREWORD	vi
TABLE OF CONTENTS	viii
LIST OF TABLES	xi
LIST OF FIGURES	xiii
CHAPTER I	- 1 -
INTRODUCTION	- 1 -
1.1. Background of the Study	- 1 -
1.2. Problem Statement	- 37 -
1.2.1. Research Questions	- 39 -
1.3. Purpose of the Research	- 40 -
1.4. Research Contribution	- 41 -
CHAPTER II	- 43 -
LITERATURE REVIEW, HYPOTHESIS AND RESEARCH MODEL	- 43 -
2.1. Theory of Entrepreneurship and Social Learning	- 43 -
2.2. Entrepreneurial Values	- 45 -
2.3. Entrepreneurial Orientation	- 48 -
2.3.1. The Origin of Entrepreneurial Orientations (EO)	- 48 -
2.3.2. Individual vs Firm-Level Phenomenon	- 50 -
2.3.3. Uni-dimensional vs Multidimensional Construct	- 53 -
2.3.4. Studies Outside the USA	- 55 -
2.4. Financial Performance	- 56 -
2.5. Environmental Dynamism	- 59 -
2.6. Resource Availability	- 62 -
2.7. Intention to Sustainable Development	- 63 -
2.8. Intention to Collaboration	- 65 -

2.9. Hypothesis Development	- 66 -
2.9.1. Entrepreneurial Values and Firm Performance	- 67 -
2.9.2. Entrepreneurial Values and Entrepreneurial Orientation	- 71 -
2.9.3. Unidimensional EO Construct and Firm Performance	- 75 -
2.9.4. Environmental Dynamism as a Moderating Variable	- 78 -
2.9.5. Resource Availability as a Moderating Variable	- 79 -
2.9.6. Firm Performance and Intention to Sustainable Development	- 80 -
2.9.7. Firm Performance and Intention to Collaboration	- 82 -
2.10. Conceptual Model of Research	- 83 -
CHAPTER III	- 87 -
RESEARCH METHODOLOGY	- 87 -
3.1. Research Objects	- 87 -
3.2. Unit of Analysis	- 87 -
3.3. Research Type	- 87 -
3.4. Operational Definition of Variables	- 88 -
3.5. Population and Sample	- 98 -
3.6. Method of Data Collecting	- 103 -
3.7. Method of Data Analysis	- 105 -
3.7.1. Descriptive Statistics	- 105 -
3.7.2. Inferential Statistics	- 107 -
CHAPTER IV	- 113 -
DATA ANALYSIS AND DISCUSSION	- 113 -
4.1. Descriptive Statistic Analysis	- 113 -
4.1.1 General Description of Respondents	- 114 -
4.1.2 Respondent Profile by Tenure	- 114 -
4.1.3 SOE Profile by Listed in BEI Status	- 115 -
4.1.4. EV Variable	- 116 -
4.1.5. EO Variable	- 118 -
4.1.6. FP Variable	- 120 -
4.1.7. ED Variable	- 121 -
4.1.8. RA Variable	- 122 -
4.1.9. ITS Variable	- 123 -
4.1.10. ITC Variable	- 124 -
4.1.11. Unlisted SOE Analysis	- 124 -

4.1.12. Listed SOE Analysis	- 134 -
4.1.13. SOE Sample by Sector Analysis	- 143 -
4.1.14. EV and EO Scores of BUMNs.....	- 145 -
4.2. Inferential Statistic Analysis	- 149 -
4.3. Measurement Model or Outer Model Testing.....	- 150 -
4.3.1. Indicator Loading Testing Result.....	- 150 -
4.3.2. Testing Result of Internal Consistency Reliability	- 152 -
4.3.3. Convergent Validity Testing Result.....	- 153 -
4.3.4. Discriminant Validity Testing Result.....	- 154 -
4.4. Structural Model or Inner Model Testing	- 155 -
4.4.1. VIF Testing Result	- 155 -
4.4.2. Determination Coefficient (R^2) Testing Result.....	- 156 -
4.4.3. Predictive Relevance (Q^2) Testing Result.....	- 157 -
4.4.4. Value and Significance of Path Coefficient	- 158 -
4.5. Hypothesis Testing.....	- 160 -
4.6. Discussion.....	- 165 -
CHAPTER V	- 172 -
CONCLUSION.....	- 172 -
5.1. Summary	- 172 -
5.2. Theoretical and Practical Implications.....	- 173 -
5.3. Research Limitations	- 175 -
5.4. Suggestions for Future Research.....	- 176 -
BIBLIOGRAPHY	- 177 -
APPENDICES	- 188 -
APPENDIX 1: Questionnaire	- 189 -
APPENDIX 2: Central Tendency and Variability of 81-BUMN Sample (1).....	- 203 -
APPENDIX 3: Central Tendency and Variability of 81-BUMN Sample (2).....	- 204 -
APPENDIX 4: The Protocol and Result of Focused Group Discussion.....	- 205 -

LIST OF TABLES

Table 1. The performance of all economic sectors in 2017-Q1 2020 (in percent)	2 -
Table 2. Characteristics of MSMEs and Large Enterprises	4 -
Table 3. MSME & Big Business Criteria Based on Assets and Revenue.....	6 -
Table 4. Development of MSMEs and National Big Enterprises in Indonesia Year 2017-2018	6 -
Table 5. The Composition of State-Owned Enterprises.....	15 -
Table 6. State-Owned Enterprises Category by Business Size	16 -
Table 7. The Key Differences between Composite and Multidimensional EO Construct... -	25 -
Table 8. Definition of Motivational Value Types in Terms of Entrepreneurs Goals and the Values that Represent Them	45 -
Table 9. Main definitions of personal values in the literature.....	46 -
Table 10. Schwartz’s Values, EV and EO	73 -
Table 11. Operational Definition of Entrepreneurial Orientation Variable	89 -
Table 12. Operational Definition of Entrepreneurial Value Variable	90 -
Table 13. Operational Definition of (perceived) Financial Performance Variable.....	92 -
Table 14. Operational Definition of Environmental Dynamism and Resource Availability Variable.....	93 -
Table 15. Operational Definition of Intention to Sustainable Development and Intention to Collaboration Variable.....	94 -
Table 16. 106 State-Owned-Enterprises as the Population.....	98 -
Table 17. 81-State-Owned-Enterprises as the Sample.....	100 -
Table 18. List of General Company or “Perum” BUMNs	103 -
Table 19. Self-Direction (EV).....	116 -
Table 20. Achievement (EV)	116 -
Table 21. Security (EV)	117 -
Table 22. Stimulation (EV).....	117 -
Table 23. Benevolence (EV).....	118 -
Table 24. Universality (EV).....	118 -
Table 25. Innovativeness (EO).....	119 -
Table 26. Proactiveness (EO)	119 -
Table 27. Risk-Taking (EO)	120 -
Table 28. Financial Performance	121 -
Table 29. Environmental Dynamism	121 -
Table 30. Resource Availability.....	122 -
Table 31. Intention to Sustainable Development	123 -
Table 32. Intention to Collaboration	124 -
Table 33. Unlisted SOEs (BUMNs).....	124 -
Table 34. Self-Direction (Unlisted SOEs)	126 -
Table 35. Achievement (Unlisted SOEs).....	126 -
Table 36. Security (Unlisted SOEs).....	127 -
Table 37. Stimulation (Unlisted SOEs).....	127 -

Table 38. Benevolence (Unlisted SOEs).....	- 128 -
Table 39. Universality (Unlisted SOEs)	- 128 -
Table 40. Innovativeness (Unlisted SOEs)	- 129 -
Table 41. Proactiveness (Unlisted SOEs)	- 129 -
Table 42. Risk Taking (Unlisted SOEs).....	- 130 -
Table 43. Financial Performance (Unlisted SOEs)	- 131 -
Table 44. Environmental Dynamism (Unlisted SOEs)	- 131 -
Table 45. Resource Availability (Unlisted SOEs)	- 132 -
Table 46. ITS (Unlisted SOEs)	- 133 -
Table 47. ITC (Unlisted SOEs).....	- 133 -
Table 48. Listed SOEs (BUMNs)	- 134 -
Table 49. Self-Direction (Listed SOEs)	- 135 -
Table 50. Achievement (Listed SOEs)	- 135 -
Table 51. Security (Listed SOEs)	- 136 -
Table 52. Stimulation (Listed SOEs)	- 136 -
Table 53. Benevolence (Listed SOEs)	- 137 -
Table 54. Universality (Listed SOEs)	- 137 -
Table 55. Innovativeness (Listed SOEs).....	- 138 -
Table 56. Proactiveness (Listed SOEs).....	- 138 -
Table 57. Risk Taking (Listed SOEs)	- 139 -
Table 58. Financial Performance (Listed SOEs).....	- 140 -
Table 59. Environmental Dynamism (Listed SOEs).....	- 140 -
Table 60. Resource Availability (Listed SOEs).....	- 141 -
Table 61. ITS (Listed SOEs).....	- 142 -
Table 62. ITC (Listed SOEs)	- 142 -
Table 63. Comparison of Unlisted and Listed SOEs' Frequency Table	- 143 -
Table 64. SOE (BUMN) Sample Amount by Sector	- 143 -
Table 65. EV and EO Scores of Sample BUMNs.....	- 145 -
Table 66. The Frequency Distribution of BUMN Amount by EV and EO Scores.....	- 147 -
Table 67. BUMNs with Somewhat-Entrepreneurial Values of CEOs/CFOs.....	- 147 -
Table 68. BUMNs with Somewhat-Entrepreneurial EO.....	- 148 -
Table 69. BUMNs with Somewhat-Entrepreneurial EO and EV	- 149 -
Table 70. Validity and Reliability of HCM	- 151 -
Table 71. Validity and Reliability of Dimensions	- 151 -
Table 72. Validity and Reliability of Constructs	- 152 -
Table 73. Variable, Dimension and Indicators	- 152 -
Table 74. Cronbach's Alpha and Composite Reliability	- 153 -
Table 75. Average Variance Extracted (AVE)	- 154 -
Table 76. Heterotrait-Monotrait (HTMT).....	- 154 -
Table 77. Variance Inflation Factor (VIF).....	- 156 -
Table 78. Determination Coefficient (R^2).....	- 156 -
Table 79. Predictive Accuracy (Q^2)	- 157 -
Table 80. Value and Significance of Path Coefficient.....	- 159 -

LIST OF FIGURES

Figure 1. Realization of Dividend, Tax Value and Investment (Rp trillion)	- 14 -
Figure 2. Contribution of BUMNs' Dividends and Taxes to Economy	- 14 -
Figure 3. The Conceptual Model	- 85 -
Figure 4. SOE Population Composition by Respondent's Tenure.....	- 115 -
Figure 5. SOE Sample Composition by Listed in BEI Status.....	- 115 -
Figure 6. Composition of SOE (BUMN) Sample by Sectors (%)	- 144 -
Figure 7. Empirical Model with Path Coefficients	- 164 -
Figure 8. Empirical Model.....	- 171 -

