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Exploring Entrepreneurial Leadership: A Case Study On Small Medium Enterprise's Owner In Jakarta

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Abstract. Leadership style becomes the important things a crucial factor to ensure the success of how the SME's small business owners in managing their business operation successfully. This study aims to analyzing the leadership style of the Small and Medium-sized Enterprise's owner whom located in Jakarta. By using the Leader Behavior Description Questionnaire (LBDQ), this empirical study will analyzes whether the entrepreneur has acquire initiating structure or consideration while governed its business. The research method issues mixed method, both quantitative using survey through purposive sampling toward 30 entrepreneurs that located in Jakarta, and qualitative ones method using is applied through in-depth interview toward on several key informants. The result is shows behavioral pattern of the entrepreneurs have is high initiating structure which means they focus on the production and slightly high consideration that described that they also maintain its their staff as a member of the big family at their business.

Keywords: entrepreneur, leadership, small and medium-sized enterprises

Abstrak. Gaya kepemimpinan merupakan salah satu hal penting yang dapat digunakan untuk mengukur kesuksesan para pemilik Usaha Mikro Kecil dan Menengah (UMKM) dalam menjalankan operasional bisnisnya. Penelitian ini bertujuan untuk menganalisis gaya kepemimpinan para pelaku bisnis Usaha Mikro Kecil dan Menengah (UMKM) yang berlokasi di Jakarta. Penelitian ini ini menganalisis apakah para pelaku usaha (wirausaha) memiliki gaya kepemimpinan yang mengarah pada initiating structure atau consideration didalam menjalankan bisnis mereka. Alat bantu yang digunakan dalam mengukur gaya kepemimpinan para pelaku UMKM adalah Leader Behavior Description Questionnaire (LBDQ). Penelitian ini menggunakan pendekatan mix method, dimana pendekatan kuantitatif dilakukan dengan mengumpulkan kuesioner sebanyak 30 pelaku usaha di Jakarta dengan menggunakan teknik purposive sampling, dan metode kualitatif dilakukan dengan melakukan wawancara mendalam kepada beberapa informan. Hasil penelitian ini menunjukkan bahwa pola perilaku para pelaku usaha UMKM memiliki skor yang tinggi pada initiating structure, artinya mereka lebih cenderung fokus pada produksi, namun skor condiration juga cukup tinggi dimana selain fokkus pada produksi mereka juga menerapkan prinsip kekeluargaan dengan para karyawannya didalam menjalankan bisnis mereka.

Kata kunci: wirausaha, kepemimpinan, usaha mikro kecil dan menengah (umkm)

INTRODUCTION

Small Medium Enterprise (SME) plays a significant role related to government efforts to reduce unemployment, decrease poverty, and equalize income. Positive effects of SME improvement can be indirectly seen from the National Statistics (bps.go.id) data showing that open unemployment rate (OUR) in Indonesia continue to decline annually. Indirectly, an increasing number of SME relations are expected to get balance with employment. If the average SME can recruit 3-5 employees, in the presence of annual SME increase, 3-5 folds of total SME subjects can be employed. Due to number of SME's, it is expected that the number of unemployment can be decreased annually.

Indonesia has become one of Countries with the biggest urban population in East Asia-Pacific and nearly half of them live in cities. In 2010, data showed that the number of Indonesian citizens living in cities is 49.8%. Rapid urbanization rate is a big chance for Indonesians to improve productivity, make opportunities in economy

sector, and increase urban resident income (<http://www-wds.worldbank.org>). Nowadays, Indonesia has dozens of cities spreading in existing provinces, ten of which are metropolitan cities. Metropolitan cities have more than 1 million residents and certain characteristics that other cities do not own. One of them is Jakarta. An increasing number of residents in Metropolitan cities indicates that the cities have larger business market than other cities in Indonesia, including SME improvement.

SME improvement generally cannot be apart from its entrepreneurial factor. Characterization and style of entrepreneurial leadership in leading business have a big influence in maintaining and improving the business. A research conducted by Safitri, et al (2012) found that a person who needs to start entrepreneurship must have these following three top priorities, first is capital (53.7%), the second is courage (57.5%) and the last priorities is leadership (47%). This data show that leadership is one of the important factor to enhance the business success in SME's.

Most of SME's are startups companies that need a

good and effective leadership who establish the long-term company vision and they can lead their employees to achieve it. Without good and effective leadership, the business will grow slowly, no have direction and fall behind competitors.

The result of this research indicates that leadership is one of important factors that an entrepreneur must have. Several studies about leadership have been conducted, one of which is a study conducted by OHIO University. Leadership study in OHIO State University in 1945 collected leadership in two types of common leader's behaviors, i.e. initiating structure and consideration. Initiating structure shows leader's behaviors which emphasize employee's activity supervision collectively or individually. Meanwhile, in consideration, a leader emphasizes relation behavior to what extent the leader has relation with his/her employees.

This study tries to map behaviors and leadership styles of SME entrepreneurs in Jakarta. From this study, it is expected to explain behaviors and leadership styles of SME entrepreneurs who are successful, able to survive, and keep developing their business so that SME can survive, grow, and improve.

The leadership theory which conducted by Ohio State University will be used in this study as a basic theory. Studies about theory of leadership behaviors states that specific behaviors differentiate leaders and non-leaders. Several studies on leadership have been widely practiced and the most common discussion of leader behavior is in term of the democratic, autocratic, or laissez faire approach. But this approach has limitation, that this theory tends to lead which are good and bad leadership styles in society.

In 1945, researchers from Ohio University doing investigations on leadership The theory of leadership behaviors. The most publicized aspect of the studies was the identification of two dimensions of leadership behavior that is 'initiating structure' and 'consideration.' This theory very simple and easy to applied in order to mapping the behavior of leader and their leadership style.

Leadership is a complex phenomenon involving a leader, an employee and situation (Hughes, 2009). Robbins (2002) defines leadership as an ability to affect groups in order to achieve purposes, while Stoner (1995) states that leadership is a supervision process and affect activities related to tasks given by group members.

Ohio State University conducts an effective survey of leadership behaviors. Factor analysis from the answers of questionnaires indicates that employees firstly consider employer's behavior in relation to two dimensions or categories of meaning from behaviors, hereinafter referred to as "consideration" and "initiating structure". Consideration is a level to what extent a leader acts in a friendly way as well as support, give attention to the employees, and taking care of them. However, initiating structure is a level to what extent a leader determines and structures his roles and his employee's roles in order to achieve grouping formal goals.

A study in OHIO State University has improved questionnaires to measure leadership behaviors known as Leader Behavior Description Questionnaire (LBDQ). LBDQ has improved up to 100 questions with 12 subscales, i.e. Representation, Demand Reconciliation, Tolerance of Uncertainty, Persuasiveness, Initiation of Structure, Tolerance and Freedom, Role Assumption, Consideration, Production Emphasis, Predictive Accuracy, Integration and Superior orientation. However, in this research, Initiation Structure used in subscales consists of 10 questions and Consideration also consists of 10 questions. Hence, total questions measuring behavior and leadership style are 20 questions.

The next leadership study is conducted by University of Michigan. Similar to OHIO University, University of Michigan maps leader's behavior characteristics related to the level of performance effectiveness. Michigan groups also divide leader's behaviors in two dimensions, which are employee-oriented leader and production-oriented leader. Employee-oriented leader emphasizes interpersonal relations, gives personal attention to employees in need and accepts individual differences among members. Meanwhile, production-oriented leader tends to emphasize technical aspects or tasks from particular jobs. Their main attention is on their grouping task completion, and group members are a tool for this final purpose.

By using the result of research in OHIO State University and University of Michigan, Blake and Mouton from University of TEXAS develops a Leadership Grid to show that a leader can help organization to achieve his goals through two orientations, namely: (1) Concern for Production and (2) Concern for people. Both orientations are similar to work behavior and relation behaviors or initiating structure and consideration as happened in University of Michigan and Ohio State University.

By using the grid, Blake and Mouton creates 5 leadership styles, i.e. Country Club, Team Leader, Middle of the road and Team Leader, Impoverished and Authoritarian. They can be seen in the following grid.

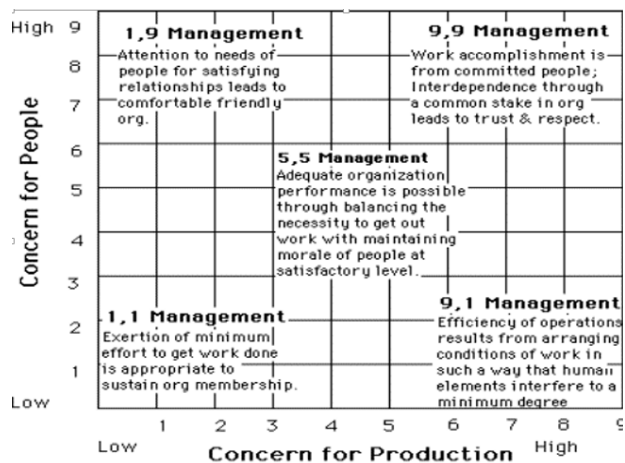


Figure 1 Leadership Grid
 Source: Blake, R and Mouton.1966

An authoritarian style describes a leader controlled by results or target achievement, with little or even no concern for people unless they are involved in finishing their job. A country-club style describes a leader with high concern for people but low concern for results or production. An impoverished describes a leader whose little concern for people or production. The leader with this style is considered as the leader but they is actually isolated and not involved in organization. This leader frequently has little relation with followers and can be deemed heedless, surrendered, and careless. This is commonly known as *laissez faire*.

A leader with middle of the road style describes a compromised leader whose moderate concern for jobs and employees. The leader avoids conflicts and emphasizes production level and moderate personal relation. The leader with team leader style emphasizes jobs or interpersonal relations proportionally. This style encourages the high level of participation and work team in the organization so that the leader can fulfill employee's basic necessity to make the employees feel being involved and strongly committed in their jobs. Words that can describe a leader who practices team management style are: stimulating, participatory, action determinant, issue opener, priority explanatory, breakthrough maker, open, and workaholic.

Based on several studies of leader behaviors above, they basically narrow them down into two matters that leadership behaviors have two dimensions related to relations (consideration and employee-oriented leader) and related to tasks (initiating structure/production-oriented leader).

Entrepreneur is one who creates a new business in the face of risk and uncertainty for the purpose of achieving profit and growth by identifying significant opportunities and assembling the necessary resources to capitalize on them (Zimmerer, 2008.P.3).

Entrepreneurs usually start with nothing more than an idea and then organize the resources necessary to transform that idea into a sustainable business. In essence, entrepreneurs are disrupters, upsetting the traditional way of doing things by creating new ways to do them. An entrepreneur is "someone who takes nothing for granted, assumes change is possible, and follows through; someone incapable of confronting reality without thinking about ways to improve it; and for whom action is a natural consequence of thought. (Zimmerer, 2008.P.3)

An Entrepreneur has some character as known as the entrepreneurial profile. The descriptions of entrepreneurial profile as follows: (1) Desire and willingness to take initiative. Entrepreneurs feel a personal responsibility for the outcome of ventures they start. They prefer to be in control of their resources and to use those resources to achieve self-determined goals. They are willing to step forward and build businesses based on their creative ideas. (2) Preference for moderate risk. Entrepreneurs are not wild risk-takers but are instead calculating risk-takers. Unlike "high-rolling, riverboat gamblers," they rarely gamble. Entrepreneurs often have a different perception of the risk involve in a business situation. The goal may

appear to be high—even impossible—from others' perspective, but entrepreneurs typically have thought through the situation and believe that their goals are reasonable and attainable. (3) Confidence in their ability to succeed. Entrepreneurs typically have an abundance of confidence in their ability to succeed, and they tend to be optimistic about their chances for business success. Entrepreneurs face many barriers when starting and running their companies, and a healthy dose of optimism can be an important component in their ultimate success. (1) Self-reliance. Entrepreneurs do not shy away from the responsibility for making their businesses succeed. Perhaps that is why many entrepreneurs persist in building businesses even when others ridicule their ideas as follies. (2) Perseverance. Even when things don't work out as they planned, entrepreneurs don't give up. They simply keep trying. Real entrepreneurs follow the advice contained in the Japanese proverb, "Fall seven times; stand up eight." (3) Desire for immediate feedback. Entrepreneurs like to know how they are doing and are constantly looking for reinforcement. (4) High level of energy. Entrepreneurs are more energetic than the average person. That energy may be a critical factor given the incredible effort required to launch a start-up company. (5) Competitiveness. Entrepreneurs tend to exhibit competitive behavior, often early in life. (6) Future orientation. Entrepreneurs tend to dream big and then formulate plans to transform those dreams into reality. They have a well-defined sense of searching for opportunities.

In general, most of entrepreneurs start their own business from small and micro business. In accordance to Indonesian laws especially the SME Act no. 20 in 2008, SME in Indonesia can be defined as follows: (1) A micro enterprise is based in a traditional industry and is managed privately, and has net assets of no more than Rp 50,000,000 (not including land or buildings) and annual sales of no more than Rp 300,000,000. (2) Small enterprises are managed privately or by a corporate entity, but are independent from and are not the subsidiary or branch office of a medium or large enterprise. They have net assets of at least Rp 50,000,000, and no more than Rp 500,000,000 (not including land or buildings), and they have annual sales of between Rp 300,000,000 and Rp 2,500,000,000. (3) Medium enterprises have net assets of between Rp 500,000,000 and Rp 10,000,000,000 (not including land or buildings), and have annual sales of between Rp 2,500,000,000 and Rp 50,000,000,000.

The resume of SME definition is shown below:

Table 1 Criteria of SME based on Act No. 20 in 2008 (In Million)

	Criteria	
	Asset	Sales
Micro Business	Max 50	Max 300
Small Business	>50 – 500	>300 – 2.5 B
Medium Business	>500 – 10B	>2.5 B -50B

Source: Act No. 20 in 2008

RESEARCH METHOD

Based on the theory of behavior and leadership style developed by OHIO State University, University of Michigan, and Blake and Mouton, this research use a positivist approach. To gathering the data, this research use survey methods with LBDQ questionnaires which are questionnaires to measure behaviors and leadership styles arranged by Ohio State University. In-depth interview is conducted to complete analysis of discussion with some informants and SME field observation. In this strategy, the researchers collect two kinds of

data at one time and combine them into one information in the whole result interpretation.

Research design in this research is descriptive, because this research will describe and analyze behavior and leadership style maps of SME entrepreneurs in Jakarta.

Population in this research is SME entrepreneurs (SME Owners) in Jakarta with total samples of 30 entrepreneurs. Used sampling techniques are non-probability sampling techniques with purposive sampling whose some determined criteria as follows: (1) Having employees minimum 5 people or minimum sales >=Rp. 300,000,000,- (Three Hundred Million Rupiah) per year. (2) Running business for more than or

equal to 5 years.

These criteria are considering that SME's are startups company whose still new in running their business. With 5 year experiences in running their business that assume they having high continuity which marks effectively running leadership pattern. While, the minium employees number is 5 people or minimum sales >=Rp 300,000,000,- are according to definition of SME's based on Act. 20 and National Beareu Statistic in Indonesia.

Data analysis is conducted descriptively and mapping toward style and leadership behaviors are conducted by referring to leadership grid developed by Blake.

RESULT AND DISCUSSION

Jakarta or known as Capital Region (CR) of Jakarta is a small city which further becomes development and administration center in Indonesia. Economic growth in Jakarta every year is relatively stable with growth level ranging from 6.5% to 6.7%. Relatively stable Jakarta Gross Regional Domestic Product (PDRB) growth also becomes one of factors which have important roles in growth of Small Medium Entreprises (SME) in Jakarta (see table 2).

Table 2. Total SME in Jakarta Year 2010

No	Wilayah	Uraian	Usaha		Jumlah (Unit)	Share (%)
			Kecil	Menengah		
1	Jakarta Utara	Potensi	108,022	28,943	136,965	16%
		Binaan	2,645	618	3,263	
2	Jakarta Timur	Potensi	147,440	31,748	179,188	21%
		Binaan	3,083	678	3,761	
3	Jakarta Selatan	Potensi	148,584	31,933	180,517	22%
		Binaan	3,200	682	3,882	
4	Jakarta Barat	Potensi	146,527	31,425	177,952	21%
		Binaan	5,300	298	5,598	
5	Jakarta Pusat	Potensi	133,048	30,070	163,118	19%
		Binaan	2,794	642	3,436	
6	Kepulauan Seribu	Potensi	120	45	165	0%
		Binaan	-	-	1	
Jumlah		Potensi	683,741	154,164	837,905	100%
		Binaan	17,022	2,918	19,940	

Source : Department of Cooperatives, SME and Trade of Jakarta Province, 2010

An increasing number of SME in Jakarta also plays a role in employment. From potential 837,905 SME, up to 6,503,445 workers can be employed. High employment

from SME sectors indicates that SME can play a role in reducing level of unemployment in Jakarta, as shown in the following table :

Table 3. Total SME Workers in Jakarta

No	Wilayah	Uraian	Usaha		Jumlah (Unit)	Share (%)
			Usaha Kecil	Menengah		
1	Jakarta Utara	Potensi	108,022	28,943	136,965	16.35
		Jumlah TK	540,110	578,860	1,118,970	17.21
2	Jakarta Timur	Potensi	147,440	31,748	179,188	21.39
		Jumlah TK	737,200	635,320	1,372,520	21.10
3	Jakarta Selatan	Potensi	148,584	31,933	180,517	21.54
		Jumlah TK	742,920	638,660	1,381,580	21.24
4	Jakarta Barat	Potensi	146,527	31,425	177,952	21.24
		Jumlah TK	732,635	628,500	1,361,135	20.93
5	Jakarta Pusat	Potensi	133,048	30,070	163,118	19.47
		Jumlah TK	665,240	601,400	1,266,640	19.48
6	Kepulauan Seribu	Potensi	120	45	165	0.02
		Jumlah TK	1100	1500	2,600	0.04
JUMLAH		Potensi	683,741	154,164	837,905	100.00
		Jumlah TK	3,419,205	3,084,240	6,503,445	100.00

Source : Department of Cooperatives, SME and Trade of Jakarta Province, 2010

In cope with SME capitalizing problems, Jakarta government executes revolving funds through Urban Village Social Economic Empowerment (UVSEE) program. In 2011, total fund distributed by Department of Cooperatives, SME and Trade of Jakarta Province was Rp. 222,613,800,000 with total 89,999 users distributed to 267 urban villages.

Based on the region, then East Jakarta becomes a region with the biggest revolving fund compared to 5 other regions, which is Rp 57,513,500,000 or 25.84% of

total distributed fund. However, based on the total fund user, West Jakarta region becomes a municipality with the largest amount of users which is 20,510 users. This fund usage has not been accepted yet in all urban villages in Jakarta, where only 248 of 267 urban villages receive revolving fund already, while 19 other urban villages have not proposed yet to receive revolving fund.

The following table is fund distribution in Jakarta year 2011

Table 4. Fund Distribution Year 2011

No	Region	Total Fund	Total KJK PEMK	Total User	Total Urban Village	KJK PEMK Which Has Not Proposed Yet
1	North Jakarta	25.733.300.000	30	11.748	31	1
2	East Jakarta	57.513.500.000	60	20.169	65	5
3	South Jakarta	57.079.000.000	59	18.920	65	6
4	West Jakarta	43.118.000.000	54	20.510	56	2
5	Central Jakarta	38.330.000.000	43	18.432	44	1
6	<u>Kep. Seribu</u>	840.000.000	2	220	6	4
Total Distribution		222.613.800.000	248	89.999	267	19

Source : Department of Cooperatives, SME and Trade of Jakarta Province, Pocket Book 2012

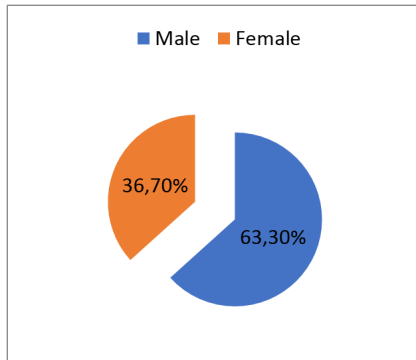
Small Medium Enterprises (SME) in Jakarta can be divided into 8 sectors, i.e. trading, service, industrial, transportation, tourism, fishery, crop, and animal husbandry sectors. Based on the research of Bank of Indonesia about Commodity, Product and Featured Business Type (CPFTB) of Jakarta in 2012, it was found that featured CPFTB in Jakarta is a trading sector, followed by service and industrial sectors in second and third ranking. However, based on across sectors, the featured CPFTB Jakarta is industrial sector with food/cake industry business subsector, followed by motorcycle reparation service and expedition-specializing public transportation in second and third ranking.

The result of this Bank of Indonesia research

also consider the featured CPFTB per municipality in Jakarta, where for East Jakarta region, the most featured CPFTB across sector is Service sector with car repair station business subsector and trading sector with clothing store subsector. In South Jakarta, the featured CPFTB across sector is trading sector with restaurant/cafe and grocery store subsectors. Meanwhile in West Jakarta region, the featured CPFTB across sector is industrial sector with food/cake subsector, and in North Jakarta, the most featured CPFTB across sector is industrial sector with clothing store (convection) and tofu and soybean cake subsectors. This CPFTB convection becomes the most featured in North Jakarta because most entrepreneurs in Small Industrial Village (SIV) in Pulo Gadung have clothing business

(convection). In Central Jakarta region, the featured CPFTB across sector in the region is trading sector with spare part and vehicle accessories subsectors, while in Kepulauan Seribu, the featured CPFTB across sector is Tourism with Homestay subsector. This is due to high tourism potential in Kepulauan Seribu, especially in Tidung island and Pramuka island so that the homestay business can be more progressive.

The result of the research shows that the majority of respondent's gender involved is male which is 63.3%, with average age 47 years old (see graph 1).



Graph 1. Respondent's Sex (n=30)
 Source: Primary Data, 2013

Based on marriage status, most respondents have marriage status (96.7%), only 3.3% is single. Majority, respondent's last educational level is High School graduate (60%), followed by College graduate (23.3%) and Middle School graduate (6.7%), while the rest of them are not graduated from Elementary, Middle, High School and College (9.9%). This data shows that to be an entrepreneur does not need to be graduated from University or College, but still requires basic education until High School as basic knowledge and skill in managing their business.

The result of the survey also shows that before starting entrepreneurship most respondents worked in Company (70%) especially Private Company (66.7%), and the others are housewives (20%), while the rest of them have run self business (6.7%) from the beginning and continued running family business (3.3%).

This shows that most respondents still consider being an entrepreneur as second choice after working in Company. The result of in-depth interview with one of SME entrepreneurs in Jakarta are that his decision to be an entrepreneur is because he is bored by his job being an employee, the following quote in the in-depth interview with an interviewee :

So, I have been work in Korean Company for 18 years. But, during the years, I felt like being servant all the time, being told to do everything, as a manager assistant. I think that Indonesian people are less appreciated, my skill is still underestimated. More or less, that is what Korean people think. I have boring point as well. For 18 years, I felt like that. The income does not matter for me. (The result of in-depth interview with Mr. Ngatino, SME entrepreneurs Sarung Tangan Kulit Jakarta, 8 November 2013)

Other data also shows that 26.7% of 70% respondents

who works in Company are still employees so that now they are running business as side job or supporting job only. Types of businesses that these entrepreneurs are running in Jakarta in this research are commonly fashion and its accessories (bag, shoes), handcraft, furniture, and food. There are many reasons from the respondents who encourage them to start entrepreneurship, but the main reason is to get income (67.9%) and other reason is hobby and personal satisfaction (23.4%) and the rest is to help fulfilling family needs (6.7%).

When starting entrepreneurship, the respondents evaluate that there are some important things to be an entrepreneur. In priority scale 1-3 (one to three), respondents evaluate that the first necessary priority is capital (50%), the second is courage (43.3%), and the third is leadership (33.3%). Capital and courage are considered as the most important things in starting entrepreneurship. This is what SME entrepreneurs feel in Jakarta as the following quote of in-depth interview:

I have to be brave and do certain efforts to improve my performance all the time. Today must be better than yesterday. (The result of in-depth interview with Mr. Bob Noviandi, SME entrepreneurs Jakarta, 9 November 2013)

Accordingly, an entrepreneur in starting entrepreneurship must have at least three important things above, which are basic capital in the form of money, ability and skill, courage to start the business, and leadership to manage employees well.

This research utilizes 20 indicators to measure each dimension where 10 indicators are utilized to measure Consideration dimension and 10 indicators are utilized to measure Initiating Structure dimension. The result of the survey shows that the highest score of SME entrepreneur's perception is found in "I concern for my employee's prosperity" indicator and "I am friendly and easy going" indicator, this shows that leadership styles practiced by SME entrepreneurs in Jakarta tend to be kinship where hospitality and intimacy values with employees are really concerned. Employee's prosperity becomes top priority for SME entrepreneurs because by maintaining the prosperity then the employees can survive and business will run well. SME entrepreneurs tend to do tiny things which make their employees happy in the company and make any change in order to manage the business better.

Meanwhile, there are two low mean scores, which are "I refuse to explain my action" and "I implement advice given by my employees in company operational activities". This statement indicates that SME entrepreneurs in Jakarta asses leader's decisions or actions in starting entrepreneurship independently, which means that SME entrepreneurs as leaders in free organization to do an action or make decision in company operational activities without consultation or explanation to the employees.

On another indicator, it is found that 60% SME entrepreneurs treat all employees equally, this is based on respondent's answers stating that more than 70% SME entrepreneurs always give notification to the employees if there is a change in the company and more than 50% respondents tend to hide something from the

employees.

Based on initiating structure aspect, the result of the survey shows that respondent's perception toward indicators on initiating structure dimension tends to be on score 4, this indicates that SME entrepreneurs as organization leaders are highly job-oriented. In table 7, it can be seen that the highest average scores are on the statement, "I assure that my role in the company is understood by my employees" and statement "I publish my ideas in the company." These two statements show that SME entrepreneurs as a leader in major organization have played their roles as leader for their employees and execute many things so that the employees in the company know what the leaders expect.

Table 5. Descriptive Statistics of Consideration Indicator

Indicator	Mean
I am friendly and easy going.	4.4333
I do tiny things that make my employees happy in the company	4.0667
I implement advice given by my employees in the company operational activities.	2.9333
I treat all employees equally.	3.5667
I give notification for any change.	3.9667
I take care something for myself.	3.2667
I concern for my employee's prosperity.	4.6667
I want to make a change.	4.2333
I refuse to explain my action.	2.3333
I do action without consultation with my employees.	4.0333
Valid N (listwise)	

Source: Primary Data, 2013

Table 6. Descriptive Statistics of Initiating Structure Indicator

Indicator	Mean
I make my employees know what I expect from them.	4.2667
I encourage the most standard procedure usage in my company.	4.1000
I publish my ideas in the company.	4.3667
I am determined in the company.	4.0000
I decide what I have to do and how it is done.	4.3000
I assign the employees to do certain tasks.	3.9000
I assure that my role in the company is understood by my employees.	4.4333
I make job schedule that has to be done.	4.3667
I concern for particular performance standards.	4.0333
I ask the employees to follow standard rules.	4.3000
Valid N (listwise)	

Source: Primary Data, 2013

In the theory of leadership, explained that Consideration and Initiating Structure are separate, meaning that a leader with high consideration also can have high or low Initiating Structure and vice versa. The result of this research shows that SME entrepreneur's leadership behaviors in Jakarta have high Initiating Structure behavior and high Consideration, but consideration mean scores are a bit lower than initiating structure mean scores, so it can be concluded that SME entrepreneur's behaviors in Jakarta are more dominant in initiating structure behavior.

On the other hand, SME entrepreneurs also have relatively high consideration behavior scores which are behaviors with full of friendly consideration, open communication, team work building and employee's prosperity-oriented.

After knowing SME entrepreneur's behaviors in Jakarta, the next step is to map leadership or known as Leadership Grid. Leadership Grid is utilized to show that a leader can help organization to achieve his/her goals through two orientations, namely: (1) Concern for production and (2) Concern for people. Theoretically, Black and Mouton utilizes 1-9 scales to map leadership styles in the grid leadership. However, in the context of this research, simplification of scale 1 up to 5 is conducted because it is adjusted to measurement scales in LBDQ questionnaires which become major instrument in this research. The result of processed statistic data on SME entrepreneur's leadership behaviors in Jakarta can be presented in the following cross table and grid leadership (see table 9 and figure 2). Based on the figure, it can be seen that the result in the field shows that SME entrepreneur's leadership style in Jakarta is Team Leader.

A leader with Team Leader style emphasizes job or interpersonal relation proportionally. This style encourages level of high participation and work team in the organization in order to fulfill employee's basic necessity so that the employees feel being involved and strongly committed in their jobs. Words that can describe a leader who practices team management style are: stimulating, participatory, action determinant, issue opener, priority explanatory, breakthrough maker, open, and workaholic.

Table 7. Leadership Behaviors Mean Score Comparison Dat

	N	Min	Max	Mean	Std. Deviation
Initiating Structure Score	30	33.00	49.00	42.0667	4.34649
Consideration Score	30	30.00	43.00	36.2333	3.37008
Valid N (listwise)	30				

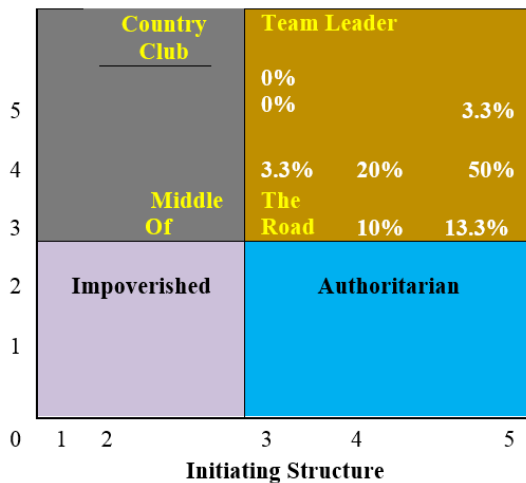
Source : Primary Data, Result of Processed SPSS Data, 2013

Table 8. Table of Cross Consideration and Initiating Structure

			Initiating Structure			
			3.00	4.00	5.00	Total
Consideration	3.00	Count	0	3	4	7
		% of Total	.0%	10.0%	13.3%	23.3%
	4.00	Count	1	6	15	22
		% of Total	3.3%	20.0%	50.0%	73.3%
	5.00	Count	0	0	1	1
		% of Total	.0%	.0%	3.3%	3.3%
Total	Count	1	9	20	30	
	% of Total	3.3%	30.0%	66.7%	100.0%	

Source : Primary Data, 2013

Chart 2. SME entrepreneurs using leadership style in Jakarta



Source : Result of Processed Primary Data, 2013

Based on the figure of leadership grid above, it is found that only 3.3% respondents who are at the point (5.5) or practicing Team Leader style in perfectly. The rest 3.3% disjoint with country club style area and 23,3% disjoint with authoritarian style area, where authoritarian style describes a leader controlled by results or target achievement, with little or even no concern for people unless they are involved in doing their job. Country-club style describes a leader with high concern for people but low concern for result or production. However, based on the position of the number point, the overall results of the survey show closer direction to team leader area.

CONCLUSION

From the discussions, it can be concluded that more than 50% SME entrepreneur leadership styles in Jakarta are team leaders, but 23% of them are using authoritarian leadership style. This is emphasized by the descriptive result of mean score comparison between initiating structure behavior and consideration where initiating structure has higher score 42.07 than consideration 36.23. This indicates that SME entrepreneurs leadership styles in Jakarta are more oriented on organization's purpose achievement such as production, sales and other business operational activities. Built family relation

is a relation which is harmonized with organization's purpose achievement in order to gain profit in each party. SME entrepreneurs can achieve their business target by building good relation with their employees.

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