

Earthquakes, fear of failure, and wellbeing: An insight from Minangkabau entrepreneurship

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ABSTRACT

Earthquakes have become a constant threat in West Sumatra, Indonesia, with the most recent occurring in 2009. This phenomenon has been observed to be due to the inhabitation of people, predominantly the Minangkabau ethnic group in the “ring of fire,” which potentially causes the megathrust earthquakes and arguably shaped entrepreneurial behaviors. Therefore, the objective of this study was to examine the relationship between earthquake impact, preparedness for megathrust, fear of failure, Small Medium Enterprise (SME) financial performance, and entrepreneurs' wellbeing. Furthermore, the fear of failure was regarded as a construct which significantly shaped the responses of entrepreneurs towards natural disasters. This investigation adopted a quantitative approach, using SmartPLS, to survey 120 small and medium enterprises affected by the 2009 West Sumatra's earthquake. The results showed the post-earthquake impact was positively and significantly related to fear of failure while the relationships between fear of failure, financial performance, and well-being of SME were also established. Moreover, the context of Minangkabau as a completely Muslim society generated arguments regarding religiosity and organizational resilience. These factors were discovered to have influenced entrepreneurship towards making a significant contribution to the body of knowledge in disaster entrepreneurship studies.

1. Introduction

Entrepreneurs have distinctive characters in society due to their ability to take risks using innovative behaviors. However, limited research has been conducted on the strategies they employ in coping with an uncontrollable crisis, extreme events, and constant threats such as earthquakes. Moreover, they are expected to participate significantly in accelerating recovery [1] and, as suggested by Sendai Framework, the concept of entrepreneurship indeed essentially helps societies in dealing with post-earthquake impacts [2]. Nevertheless, there is no comprehensive information on the influence of these threats on their financial performance and wellbeing. Although entrepreneurs are generally defined by their financial achievement rather than wellbeing despite the fact this represents their deep emotional feelings toward their role as entrepreneurs and human beings in relevance to entrepreneurship disaster research.

Literature review showed extreme events such as natural disasters affect entrepreneurship. The natural disaster has the ability to encourage necessity-driven entrepreneurship by proactively pursuing

post-earthquakes business opportunities due to the availability of limited choices [3]. At the same time, natural disaster was also discovered to have the ability to increase fear of failure which in turn reduces entrepreneurial activity and intention. This shows fear of failure as one of the most important concepts in capturing the essence of entrepreneurship in natural disaster's context and was, therefore, used as the central concept in this study to link earthquakes and business success in particular entrepreneurs' wellbeing [4]. and [5] further suggested the consideration of wellbeing in addition to financial performance is important in evaluating business success. However [6], argued the fear of failure has not been tested appropriately in the context of entrepreneurship as most of the research focuses on a single question “fear of failure would prevent me from starting a business”. Moreover, no study was found to have categorized fear of failure from earthquakes as constant threats in a particular context. Summarily, this research examined earthquake impacts and preparedness as a source of fear of failure and its further effect on financial performance and entrepreneur's wellbeing.

Entrepreneurship is inseparable from its context [7], therefore, Minangkabau was used to carry out this study, due to its unique culture.

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According to Ref. [8], it is a predominant ethnic group in West Sumatra, Indonesia regarded as a source of entrepreneurship due to its matrilineal family structure, which requires men to seek for wealth independently since the ancestral property is inherited by women. Minangkabau is one of the major ethnic groups in Indonesia located in West Sumatra. Although the Javanese are the most dominant, the Minangkabau have significantly contributed to the Indonesian culture. The spread of this ethnic group is often signified by the presence of the 'Rumah Makan Padang' restaurants from the capital of West Sumatra. Migration is an important aspect of the Minangkabau ethnic group with an estimated five to ten million of its inhabitant migrated from other countries. However, there are no official statistics regarding this claim. According to Ref. [9], in the 14th century, the majority of this ethnic group migrated to Malaysia in the first wave and the influence is still seen in Negeri Sembilan.

Minangkabau is widely known as a source of entrepreneurs in Indonesia. However, from a 7.6 and 7.7 Richter-scale magnitude recorded in 2009 and 2010 respectively for West Sumatra's earthquake, a significant change was predicted in the perception of business risks by entrepreneurs as well as its effect on their entrepreneurial activity. This led to the recognition of the area as a "ring of fire" where megathrust earthquakes were defined as the high probability of a great ($M > 8$) earthquake rupture of the subduction megathrust under the Mentawai Islands [10]. Minangkabau people are both highly religious and totally Muslim [11] and this may add some perspectives in the present study as well as disaster entrepreneurship research as a whole. Moreover, it is also possible for societies to use social capital to prepare for future earthquakes by relying on strong and supportive community relationships [1,12], communities with more trust and social interaction respond better to disasters. This system can, therefore, be adopted by the homogenous society of Minangkabau.

The present study focuses on Padang, which is the capital of West Sumatra, and located on the west coast. Out of nearly one million population [13], this city is expected to deal with a more than 15 m tsunami inundation as a result of an accumulation of a vast seismic moment deficit from 1797 to 1833 [10]). The potential tsunami risk in Padang city is becoming higher as 50% of the populations live in the lowland areas around the coast or in places that are between 0 and 5 m above sea level. Padang city is situated on very flat liquefiable ground, therefore, to reach an altitude of 5 m from the coast, one has to walk more than 3 km to presumably safe zones [14].

Summarily, this study provides some new perspectives in disaster entrepreneurship and its objective was to examine the relationships between disaster impacts (post-earthquake impacts), disaster preparedness (preparedness of megathrust earthquake), entrepreneur's fear of failure, and their financial performance and wellbeing. This means the research was intended to investigate if past earthquakes and future disasters that are constant threats affect the entrepreneurship activities in Padang. The findings are expected to provide a greater understanding to the body of knowledge concerning entrepreneurship and disaster.

2. Literature review

This section is presented in three parts. The first discusses the relationship between the post-earthquake impact, the preparedness of the megathrust earthquake, and the fear of failure. The second deals with the relationship between fear of failure, SME financial performance, and entrepreneurs' wellbeing while the last part focuses on the role of organizational resilience.

2.1. Post-earthquake impact, preparedness of megathrust earthquake, and fear of failure

Despite the fact earthquakes are categorized as uncontrollable, several people including survivors believe it is possible to manage their impacts and proper and better preparation should be made in the future

[15]. One of the management methods is a post-disaster recovery which is a multifaceted economic, political, social, and physical process. Moreover [16], emphasized the importance of disaster impact on a business as a way to understand the level of experiences and damages. It also determines the perception of business owners on future natural disasters including their preparedness [16,17]. The physical damage it causes the organization's property is considered one-off while the flow-on effects are not immediately obvious and linger for some time. This, therefore, means recovery is not just about rebuilding infrastructure, it should also include the plan for future economic growth [18]. This is essential to protect societies, assets, infrastructures, and institutions from disastrous events, and to train and exercise arrangements towards responding and recovering from them [19]. In this case [20], argued there is a strong link between disaster impact and preparedness for the possibilities of future occurrences. This is evident in the consideration and proactive communication about this issue in a business organization, especially among the top management teams. In addition, the level of preparedness has the possibility to determine the fear of failure which is the process of appraising threats in evaluative situations with the potential for failure [21]. However, a study by Ref. [22] found that geologic events did not affect entrepreneurs after two years. This means it is possible for entrepreneurs to continue their entrepreneurial activities normally a few years after the events, but its effects on financial performance and wellbeing have not been researched.

2.2. Fear of failure, financial performance, and wellbeing

Fear of failure has the ability to reduce entrepreneurship [6]. An entrepreneur with a high fear of failure usually exhibits global incompetence and does not deserve to be appreciated. However, some complexities have been identified, for example [23], argued that an entrepreneur's fear of failure can be motivating but only when the standards for success are sufficiently high. For those with more modest aspirations, it unavoidably reduces motivation and investment in the business organization. This is associated with the negative effects of failure on entrepreneurial activities.

According to ([24]; pg. 9), wellbeing and firm performance are important dependent variables in entrepreneurship research. Furthermore, entrepreneurial well-being is defined as "the experience of satisfaction, positive as well as infrequent negative effect, and psychological functioning in relation to developing, starting, growing, and running an entrepreneurial venture." Psychological functioning consists of, for example, self-acceptance, personal growth, autonomy, and positive relations [25]. also showed business failure usually leads to higher grief which indicates the fear of failure triggers expected less wellbeing. In addition [26], found affective experiences such as depressed moods to be negatively related to entrepreneurial performance. This means fear of failure has a significant influence on the financial performance of SME which has been arguably discovered to affect the overall effectiveness of the business organization compared to non-financial performance due to its ability to provide continuity [27]. In terms of wellbeing, 'Happy' entrepreneurs are expected to persist and perform better [28]. Furthermore, failure also causes negative impacts on entrepreneurs' wellbeing [29]. For example, the stressful life and fear they feel because of earthquake issues can make a business fail. Well-being, in this context, is seen as one of the indicators of happiness and life satisfaction and this is strongly related to the possibilities of Minangkabau entrepreneurs struggling to deal with earthquakes presently and in the future.

2.3. Organizational resilience

Resiliency also plays a significant role in the relationship between fear of failure and well-being. The concept is defined as the ability to bounce back or recover from stress [30]. In relation to an organization, it is the ability to maintain adaptive, proactive, and reactive strategies

required to deal with threats and risks [31] as well as the difficult times of hardships [32]. Furthermore, effective resilience-building activities are needed for the different stages of disaster risk reduction including post-earthquakes and preparedness for future occurrences [33]. Resilience enables individuals to progress in difficult times when others are discouraged to face the challenges of business.

[3] reported the ability of resilience to moderate the relationship between fear of failure and entrepreneurial intention. It is a shield to protect entrepreneurs from the negative effect of fear of failure. According to Ref. [34], individual resilience contributes to higher levels of organizational resilience which in turn enhances organizational performance. Minangkabau SME owners are the central figure of their business due to the dominance of their personal values and preference for the centralistic approach [35] and this led to the selection of organizational resilience in the evaluation of entrepreneurship. However, through the use of the 2010 post-earthquake in Canterbury, New Zealand [18], showed organizational resilience can be used to re-evaluate and create a more resilient business model but it requires more time and investment.

3. Research framework and hypotheses

In summary, the literature review shows there are relationships between post-earthquake impacts, preparedness for megathrust earthquake, and fear failure. Therefore, three hypotheses were postulated:

- H1.** Post-earthquake impact is positively and significantly related to preparedness of megathrust earthquake
- H2.** Post-earthquake impact is positively and significantly related to fear of failure
- H3.** Preparedness for megathrust earthquake is negatively and significantly related to fear of failure

The second set of hypotheses focuses on the output and outcomes of business success. Based on the previous discussion, the hypotheses formulated are as follows:

- H4.** Fear of failure is negatively and significantly related to SME financial performance
- H5.** Fear of failure is negatively and significantly related to entrepreneurs' wellbeing

The third set of hypotheses deals with the role of organizational resilience as a moderator. Resilient entrepreneurs cope with dangerous environments better and take action in the face of adversity. Organizational resilience weakens the impact of perceived danger, thereby, increasing entrepreneurial intentions [36]. This shows it has the ability to moderate the relationships between fear of failure and SME financial performance and with entrepreneurs' wellbeing.

- H6.** Organizational resilience moderates the relationship between fear of failure and the organization's wellbeing
- H7.** Organizational resilience moderates the relationship between fear of failure and SME performance

A research framework was derived from a number of studies in the manufacturing strategy area as shown in the following diagram.

4. Research methodology

This research was conducted using a quantitative approach by surveying 120 Minangkabau SME owners with the unit of analysis being the SMEs while the respondents were the owners of the businesses representing their organizations as the central figure. Moreover, the Partial Least Square (PLS) with SmartPLS was used for analysis based on the argument of [37] that it is increasingly used in business-related research because it requires smaller samples, makes fewer assumptions about the constructs' distributions, and considers measurement

error during data analysis. PLS modeling here is preferred due to its ability to specify complex inter-relationships between observed and latent variables [38]. Its overall structure consists of an inner and outer model, which includes links between the various latent variables and their indicators. The inner or structural model includes the relationships between the latent variables, which are often termed structural paths and used to examine the relationships of interest, validity and reliability. SmartPLS is software for PLS path modeling that allows researchers to achieve a balance between explanation and prediction [39]. Therefore, the model is expected to have high predictive accuracy, which leads to more significant practical implications with grounded hypotheses and causal path model explanations [40].

4.1. The sample

The snowball sampling method was used to obtain data from 120 Minangkabau SME owners operating in Padang. This city was selected because it is the center of economic growth in West Sumatra and one of the cities most affected by the earthquake as well as threatened by the megathrust earthquake and tsunami. Padang is the center of business, is one of the cities in West Sumatra affected by the disaster. The respondents selected had experienced a 7.6 Richter magnitude scale in 2009, have at least 12 years of experience in business, and aged between 18 and 70 years. The Indonesian Government's criteria used to classify businesses based on their annual sales of approximately below USD 3.5 million, was used to determine whether respondents operated SME related businesses. Entrepreneurs operating business after the 2009 earthquake in Padang were selected due to their ability to provide valid information related to the questions asked. The questionnaire was distributed directly to the respondents. In addition, the problem associated with the research includes incorrect business addresses, closures and inaccurate profiles [37]. Furthermore, it is not likely to use social media or email as most of the potential respondents failed to frequently utilize these services. Therefore, this study used a self-administered approach, in which questionnaires were hand-delivered directly to respondents and picked up after completion. Additionally, most of them represented by 60% were women and this is unsurprising due to the matrilineal society operated in Minangkabau which allows women to become entrepreneurs [35]. The majority were between 35 and 45 years as indicated by the 55% recorded followed by 26 and 34 years with 36%. It was also discovered that 90% have been running their business for 20 years and 55% graduated from high school followed by junior high school with 16% and bachelor's degree with 14%.

4.2. The constructs

[16]' disaster impacts measure was used by asking the respondents if their organization has any physical damage, business interruption, loss of utilities, disruption of operations, and shaking intensity. Moreover, preparedness for megathrust earthquake was measured using items adapted from Ref. [41] and this involved asking the respondents if their organization has engaged in any preparedness activity over the past year or any mitigation procedures to deal with possible future megathrust earthquakes in West Sumatra. Some of the measures used in the section include (i) Attended earthquake meetings/training courses outside your organization; (ii) Mentioned a potential megathrust earthquake in an organizational meeting; (iii) Held megathrust earthquake-related workshops/trainings within your organization; (iv) Discussed in an organizational meeting short-term responses to megathrust earthquake; (v) Arranged site visits by consultants or experts to better prepare for disasters; (vi) Assessed or evaluated vulnerability to disasters or estimated potential losses from disasters; (vii) Engaged in nonstructural mitigation measures such as securing computers; and (viii) Engaged in structural mitigation measures such as strengthening parts of a building. In relation to the fear of failure, the constructs developed indicate entrepreneurship process and its potential positive impact on

entrepreneurial activities as suggested by Ref. [6], and they were self-constructed as follows “fear of failure reduces our organization’s business investment”, “I am worried not to be able to fully implement our business concepts”, “I am worried not to disappoint people I love if my business fail”, “I am worried because I do not have the ability to innovate”, and “I am worried to fail because of external factors in business”.

The organizational resilience construct was measured using items adapted from Ref. [42] such as “we are able to shift rapidly from business-as-usual to respond to crises”, “we are mindful of how a crisis could affect us”, “we believe emergency plans need to be practiced and tested to be effective”, “our organization can make tough decisions quickly”, and “we build relationships with organizations we might have to work with in a crisis”. Moreover, the constructs used for the SME financial performance were adapted from Ref. [43] and it involved asking if “sales are increasing in this business”, “profits are increasing in this business”, “this business has been observing overall growth”, “this business has low debt levels except for this indicator”, and “the overall financial condition of the business is satisfactory” obtained from Ref. [4]. Furthermore, the measures of the entrepreneurs’ wellbeing were obtained from Ref. [44] and it involved items such as businesses “lead me to purposeful and meaningful life”, “make me to believe my social relationships are supportive”, “drive me to be engaged and interested in my daily activities”, “lead me to contribute to the happiness and wellbeing of others”, “make me believe I am competent and capable in important activities”, “make me believe I am a good person living a good life”, “help me to be optimistic towards my future”, and “broaden the scope to be respected by others in the society”. In all cases, a Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree) was used to obtain the required responses.

5. Results

5.1. Assessment of measurement model

The convergent validity was first examined and all the indicators have the outer loading value greater than 0.5 and this means they are valid and have convergent validity. Average Variance Extracted (AVE) was also applied and the results obtained were shown in Table 1 with all the indicators having values greater than the standard 0.5 and this also indicates the construct is worthy of a further test. Furthermore, reliability analysis was conducted through the use of Cronbach’s alpha for each scale and the results showed that all the constructs except entrepreneurs’ wellbeing exceeded 0.63 at the recommended critical point of 0.7, thereby, establishing their reliability. However, because only two items were left in the entrepreneurs’ wellbeing, it was not feasible to delete any to improve the reliability. Table 1 shows the composite reliability coefficients ranged from 0.81 to 0.96, therefore, the constructs are reliable. In terms of the discriminant validity, the correlations between the constructs were examined and no problem was observed as multiple-item constructs had acceptable measurement properties as shown in Table 2 and the models outlined in Fig. 1 were estimated.

Table 1
Construct validity, reliability and the values for composite measures.

	No of Item (Final)	AVE	SD	Mean	Composite Reliability	Cronbach’s Alpha
Entrepreneurs wellbeing	2	0.68	1.63	4.50	0.81	0.63
Fear of failure	4	0.77	1.29	3.70	0.93	0.89
Post-Earthquake impact	5	0.67	1.80	4.63	0.91	0.88
Preparedness of megathrust earthquake	6	0.56	1.48	3.89	0.88	0.85
Organizational resilience	3	0.65	0.99	5.05	0.84	0.72
SME Financial performance	7	0.76	1.70	4.74	0.96	0.94

5.2. Assessment of the structural model

All the relationships in the present study were significant but had three negative path coefficients. Table 3 shows the path between post-earthquake impact and preparedness for megathrust earthquake had a negative coefficient with $\beta = -0.45$, therefore, Hypothesis 1 was rejected. Moreover, post-earthquake impact and fear of failure had a positive path coefficient with $\beta = 1.60$, therefore, Hypothesis 2 was supported. This means SMEs with more impacts had a higher fear of failure. The same was observed with the relationship between preparedness for megathrust earthquake and fear of failure where the better prepared SMEs indicated a higher level of fear of failure, therefore, Hypothesis 3 was also rejected.

The path between fear of failure and SME financial performance as well as entrepreneurs’ wellbeing had positive path coefficients of $\beta = 0.61$ and $\beta = 0.51$ respectively. In contrast to some beliefs, these results showed fear of failure contributes positively to business success through the use of SME financial performance and wellbeing as the indicators, therefore, both Hypotheses 4 and 5 were rejected. Moreover, organizational resilience was found to have weakened the effect of fear of failure on both SME financial performance and entrepreneurs’ wellbeing. This means a higher fear of failure from resilient SMEs led to a lower level of SME financial performance and wellbeing and as a result of this, both Hypotheses 6 and 7 were supported.

6. Discussion

The study focused on two things and they include the causes of fear of failure and its effects in the context of “ring of fire” and Minangkabau SMEs. In terms of “the causes”, post-earthquake impacts and preparedness for future earthquakes (megathrust) were found to have the highest impact. This is in line with a study by Refs. [21,22] that identified natural disasters as extreme events with significant effects on fear of failure. Interestingly, the post-earthquake impact was negatively related to preparedness for the megathrust earthquake and this means the organizations do not have capabilities to prepare for future earthquakes even after suffering from the previous one. Likewise, it is also possible they have lowered their perceived risk regarding future earthquakes due to their belief that they are “extraordinary events, but not much they can do about it”. This could also be attached to the context of the study area especially which is completely a Muslim society with the focus on the concept of “tawakkal” and “sabr” strongly related to persistent and resiliency, however, some of the residents use these as an excuse not to try due to their belief that their destinies have been stipulated. This is accordance with the study carried out by Ref. [45], which identifies the use of religious terms by Muslims to explain earthquakes and their impacts. However, this does not mean that they refused the introduction of programmes on disaster risk reduction. Additionally, the collectivistic society of the area is another explanation where the entrepreneurs heavily rely on their social capital. According to Ref. [46], people in networks are better positioned to receive assistance and also supported by the findings of [47] that strong community help societies after disasters and this has been taken for granted in Minangkabau society.

Another important finding is that fear of failure was positively related to both SME financial performance and wellbeing. The results

Table 2
Latent variable correlations.

	Entrepreneurs wellbeing	Fear of Failure	Post-Earthquake impact	Preparedness of megathrust earthquake	Organizational Resilience	SME Financial performance
Entrepreneurs wellbeing	0.82					
Fear of failure	0.38	0.88				
Post-Earthquake impact	0.47	0.26	0.82			
Preparedness of megathrust earthquake	0.28	0.53	0.45	0.75		
Resiliency	0.52	0.49	0.68	0.52	0.81	
SME Financial performance	0.68	0.65	0.58	0.49	0.80	0.87

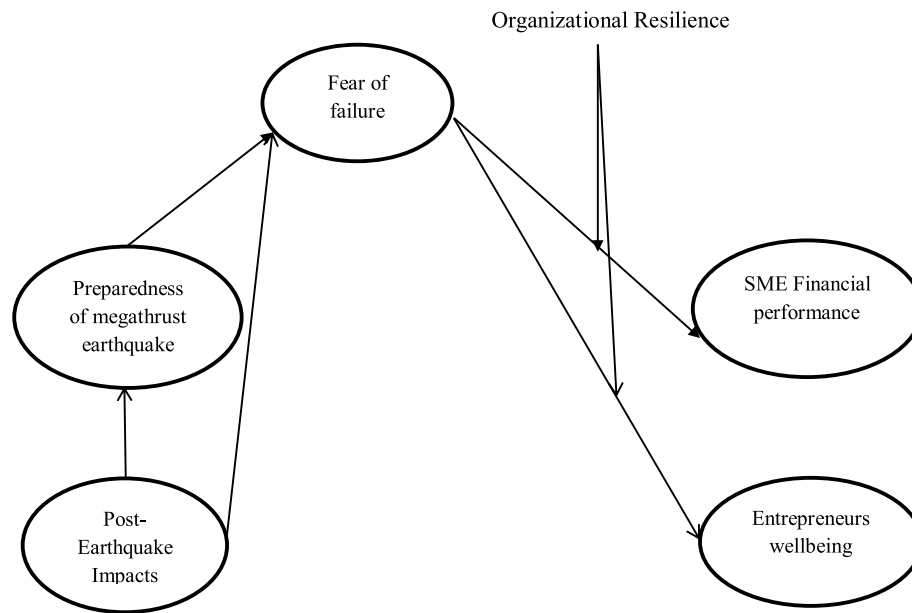


Fig. 1. The Structural model.

Table 3
Path coefficients (mean, STDEV, T-Values).

	Original Sample (O)	Sample Mean (M)	SD	Standard Error	T Statistics (O/STERR)	Decision
Post-Earthquake impact - > Preparedness of megathrust earthquake	-0.45	-0.47	0.07	0.07	6.50	Not supported
Post-Earthquake impact - > Fear of failure	1.60	1.64	0.51	0.51	3.12	Supported
Preparedness of megathrust earthquake - > Fear of failure	0.50	0.49	0.058	0.06	8.51	Not supported
Fear of failure - > SME Financial performance	0.61	0.61	0.31	0.31	1.99	Not supported
Fear of failure - > Entrepreneurs wellbeing	0.59	0.59	0.23	0.23	2.54	Not supported
Fear of failure * Organizational Resilience - > SME Financial performance	-0.84	-0.84	0.27	0.27	3.01	Supported
Fear of failure * Organizational Resilience - > Entrepreneurs wellbeing	-0.72	-0.72	0.24	0.24	3.04	Supported

showed a higher fear of failure led to better financial performance and this is in line with the findings of the previous study conducted by Ref. [23] that entrepreneurs with a high standard of success are motivated by fear of failure. Minangkabau entrepreneurs were observed to be using this concept as a way to become calculated risk-takers in order to benefit from the prudence exhibited in their businesses. Moreover, there was no contradiction discovered between the fear of failure and wellbeing and this means there is no reduction in the wellbeing of the entrepreneurs due to the fear they have in avoiding failure in their business. Therefore, no decline was expected in the entrepreneurial activities among Minangkabau entrepreneurs and this is not in

agreement with the findings of [6,48] that natural disasters reduce entrepreneurial activity. In a broader sense, this represents a notion where fear of failure is seen as a normal phenomenon embedded in the lives of entrepreneurs in a disaster-prone area and to some extent do not reduce life satisfaction. In addition [49], found an entrepreneur's affective response to the fear of failure to be reducing or magnifying based on the type of passion for the entrepreneurial activity. Therefore, the investigation of this concept requires the consideration of both the situational context and other characteristics of the entrepreneurs. Furthermore [50], also identified the significant difference between wellbeing for necessity and opportunity-driven entrepreneurs requiring

mental and financial preparations. It is possible to associate this situation with the study area where the entrepreneurs have been identified to be one of the most famous passionate [8] and opportunity-driven in Indonesia. Additionally, organizational resilience was found to have the ability to moderate the relationship between fear of failure and the indicators of both business success including SME financial performance and wellbeing. This is perhaps due to the costly and less stress-free proactive approach required associated with the concept. It is not easy to maintain a business organization that is psychologically and financially ready for future possible megathrust earthquakes.

This study showed post-earthquake impact has increased entrepreneur's fear of failure, however, their wellbeing did not reduce and this could be due to the characteristic of the study area. Minangkabau entrepreneurs have set a high standard of success for themselves, understood the consequences of their choice, and have been culturally supported [35]. For example, most of them have experienced 'merantau' (voluntary migration) and this has provided them with a new and challenging experience. Therefore, embedded challenges such as fear of failure and uncontrollable external factors such as past and future earthquakes do not reduce their wellbeing and, consequently, their entrepreneurial activities.

7. Conclusion

Entrepreneurs including SME owners are expected to play a crucial role in post-earthquakes and disaster management due to their possession of the characteristics required to help societies and ensure economic development as a whole. The concept of fear of failure was used to capture the essence of Minangkabau or disaster entrepreneurship due to the experiences had from the past earthquake leading to the warnings to prepare themselves especially their business organization for future occurrences. The Minangkabau ethnic group, tend to produce hardworking and strong willed entrepreneurs due to their voluntary migration tradition. Unfortunately, the findings of this study are in contrast to this assumption as most of the entrepreneurs evaluated are not prepared despite constant threats of living in "ring of fire" due to negligence and incapability to invest in preparedness for megathrust earthquakes. Therefore, in the context of an emerging market such as Indonesia, it is possible for entrepreneurs to anticipate failure in business due to inadequate preparation. Therefore, it is beneficial to provide some incentives for those committed to achieve success in their organizations.

In a more optimistic view, this study found fear of failure not to have the ability to reduce the financial performance and wellbeing used as the indicators of business success. Most of the entrepreneurs are highly motivated business owners optimistic to become successful and this strengthened the notion that fear of failure is possibly required in the entrepreneurship activities of disaster-prone areas. Fear of failure is seen as a way to inhibit unnecessary risk-taking and encourage performance. Moreover, while organizational resilience is required to make certain SMEs proactively prepare for possible big disasters in the future, in the short run, it may reduce their financial performance and wellbeing. Therefore, Minangkabau entrepreneurs need to balance preparedness of megathrust as well as organizational resilience with their business success indicated by SME financial performance and wellbeing. This is to confirm the notion that Muslims tend to carry out business activities irrespective of the probability of occurring natural disasters such as earthquakes. Furthermore, there was an emphasis on the importance of social capital through Minangkabau networks in accelerating recovery and, more importantly, in preparing for future big disasters. The study also offered an insight into disaster entrepreneurship by showing fear of failure does not have the ability to reduce the wellbeing in a context where the people are culturally taught to be tough with difficult external factors embedded in their daily lives as entrepreneurs for a long time.

This study contributes to the understanding of the fear of failure and disaster entrepreneurship but some limitations were observed. The study made use of small- and medium-sized businesses lacking

socioeconomic diversity and a sense of competitiveness from only one semi-urban city, Padang, in Indonesia. Moreover, the lack of infrastructure to reduce the risk of disasters in this area has led to the non-expectation for any assistance from the external environment. Future research should focus on disaster preparedness and its specific impact on fear of failure and wellbeing for those with heavy investments in business organizations. Further studies need to be carried out in other earthquake-prone areas in the affected microenterprise.

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Declaration of competing interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

Appendix A. Supplementary data

Supplementary data to this article can be found online at <https://doi.org/10.1016/j.ijdr.2020.101815>.

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