Determinant Of Entrepreneurial Intention

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Abstract - The high percentage of educated unemployment rate in North Sumatra who graduated from universities and diplomas is caused by the low supply of employment, high-income expectations, and skills that do not fit into the needs of employment providers. Therefore, students and undergraduates should overcome this problem by becoming entrepreneurs and even creating employment. In other words, students should have an intention in entrepreneurship or interest in starting a business. The purpose of this study was to determine the influence of several contexts that influence entrepreneurial intentions. This research is quantitative. The number of samples in this study was 68 people from students majoring in Islamic Economics, UIN North Sumatra. Data collection was carried out by distributing questionnaires. This study uses multiple linear regression analysis with the IBM SPSS Version 23.0. This study indicates a positive but insignificant influence between the family context variables on entrepreneurial intentions and a positive and significant influence between the educational context variables on entrepreneurial intentions. In contrast, the constraints context variable in starting a business does not significantly affect entrepreneurial intentions. Simultaneously, the context of the family, education, and the barriers to starting a business significantly affect entrepreneurial intentions, as indicated by the significant value of F <α (0.001 <0.05).

Keyword : Entrepreneurial Intention, Family, Education, Obstacles of Starting Business.

1. INTRODUCTION

Data from the Central Bureau of Statistics Indonesia's current labour conditions as of February 2019 show that the unemployment rate has decreased to 5.01 per cent or a decrease of 50 thousand people over the past year. The open unemployment rate (TPT) as of February 2019 was 6.82 million people. Based on the Katadata.co.id site, the unemployment rate has decreased, but in terms of education, more and more university graduates are not working. For the education of the unemployed as of February 2019, Diploma I/II/III rose by 8.5%, while for University education, it rose by 25%.

For the North Sumatra region, 7.45 million people, 7 million people work, and the remaining 414,000 are unemployed. From this group, the highest open unemployment rate came from those with a university education background, namely 8.76% and diploma as much as 7.57%. Meanwhile, those with elementary and junior high school education backgrounds had a lower open unemployment rate (TPT) with 2.94% and 4.88%, respectively (Bisnis.com. 2019).

The position and role of youth are vital in development so that the nation's future is in their hands. Likewise, with the paradigm when graduating from college, many think they want to become employees or find jobs. Employment opportunities have not increased significantly, while the number of college graduates ready to work is increasing every year.

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Finally, what happened was the increasing number of unemployed (Sunarji Harahap. 2016:3). So students must have the intention or interest in entrepreneurship as well as the confidence they have. Entrepreneurial intention is a person's interest or intention to become an entrepreneur.

A psychologist researcher in Spain in 2007 conducted a study aimed at identifying which profiles belong to a personality type of entrepreneurship. From the research, some variables influence a person's interest in becoming an entrepreneur: family context variables, work experience, education, barriers to starting a business, social support, individualism, and collectivist values.

This study indicates a positive and significant relationship between the variables of family context, work context, entrepreneurship education, social support, and individualism on entrepreneurial intentions. Specifically, the study found that the variables of family context, work context, entrepreneurship education, social support, barriers and individualism values can predict students' entrepreneurial intentions. The study analyzes the low intention to become entrepreneurs because the stimulation of entrepreneurial activities to create new businesses provided by the University is still low. Participants who became the study sample also believed that their relatives (parents, siblings, and partners) encouraged them to pursue careers as entrepreneurs (Leon J.A. 2007:75).

Researchers researched undergraduate students of the Faculty of Islamic Economics and Business, Department of Islamic Economics, State Islamic University of North Sumatra, class 2016. One of the students who participated in learning was from the Entrepreneurship and Introduction to Business class, which made students understand more about entrepreneurship and made students interested. to become an entrepreneur.

2. THEORETICAL REVIEW

a. Entrepreneurial Intention

According to Meredith, entrepreneurs are people who can see and assess business opportunities and gather the necessary resources to take advantage of them and take appropriate action to ensure success. Likewise, in Islam. Entrepreneurial success in view Islam is not seen from the number of advantages or assets obtained but from how the efforts made increase the closeness and pleasure of Allah SWT because entrepreneurship in the view of Islam is considered worship. In Islam for Entrepreneurship is used in terms of hard work, independence (Riyadh), and not being a crybaby. As narrated by Abu Dawud in his hadith, which reads, "The most good is work done with one's own sweat." Muslim entrepreneurs will keep in their hearts that Allah does not look at the results of their efforts but at the process, they have done. If prosperous and successful, they will benefit from the world and the hereafter (Sunarji Harahap. 2016:7-9). Entrepreneurial intention can be defined as the process of seeking information that can be used to achieve the goal of establishing a business. Someone with intentions to start a business will have better readiness and progress in the business than someone without the intention to start a business (Nurul I and Rokhima R. 2008:370).

b. Factors Affecting Entrepreneurial Intentions

Research related to the determinants of intention entrepreneurship by combining three approaches. One of the approaches used is demographics. According to several previous studies conducted by Indarti & Rostiani, demographic factors such as background education, type of school, and the background of parents influence intention to become an entrepreneur. They also argue that access to capital is a classic obstacle for a person to start a business in running a business. If someone has access to sufficient capital, the intention or tendency to opening a new business will be higher (Nurul I and Rokhima R. 2008:370). This matter is also supported by research conducted by Priyanto, who examined tobacco farmers in Central Java found that access to capital is one of the determinants of entrepreneurs. Access to capital dramatically affects a person's
intentionality in conducting business activities (Hadi Sumarsono. 2013:69). So, it can be concluded that the factors Demographics (educational and family background) and capital determine intention in entrepreneurship.

The theory developed by Fishbein and Ajzen, namely "Theory of Planned Behavior", also explains several factors that determine entrepreneurial intentions. This theory is widely used to explain how entrepreneurial intentions are formed. Someone will become an entrepreneur if he has the intention (intention) and is supported by skills and behaviour. Skill factors, such as the courses obtained and benches for lectures or courses, and the environment, such as the availability of opportunities to carry out entrepreneurial activities. The emergence of entrepreneurial intentions is determined by three things: thing, namely the individual's attitude towards entrepreneurial activities (whether the individual evaluates the entrepreneurship as a sound/profitable activity), the norms around individuals about entrepreneurial activities (are there people around the individual who become an entrepreneur or do the people around the individual support the activities entrepreneurship), and the individual's beliefs about his ability to become an entrepreneur. In other words, a person will have entrepreneurial intentions if he views entrepreneurship as something good and profitable. Besides, In addition, there are also family or closest people who become successful and successful entrepreneurs.

This is a motivation for someone to become an entrepreneur. Even if he does not have family or close people who can support entrepreneurship activities, he must believe that he can become an entrepreneur. If all three things are met, then a firm intention as an entrepreneur will emerge. If it continues, intention This will be realized with the support of skills and the environment (opportunities in the form of capital, place, tools, etc.). In addition to the three factors that directly influence The Theory of Planned Behavior also states that there are other factors that indirectly affect entrepreneurial intentions, namely a person's background, which includes individual background (such as personality, mood, emotions, values, stereotypes, general attitudes, willingness to take risks, and experiences), social (including education, age, gender, income, religion, race, ethnicity, culture), and access to information (access to knowledge, media, or the presence or absence of intervention) and outside) (Anang Firmansyah. 2020:94-96).

Based on the previous research and the Theory of Planned Behavior above, the researcher uses three factors: family factors, educational factors, and barriers to education to start a business with capital, risk-taking, access to information, and an idea.

1) Family Context

The family environment is the first and primary environment that influences child development and behaviour. In the family environment, children get attention, affection, encouragement, guidance, example, and fulfilment of needs economy from parents so that children can develop all their potential for future development. Apart from that in the family values of life norms will be instilled and in the end, will be used by children in their life personal growth and hope for the future. In the family environment, Children's behaviour begins to form because of the guidance, encouragement, attention and motivation given by both parents and other family members, so that children can develop their potential in the future the influence of parents and interaction in the family in the family environment has a considerable influence on choosing a child's job or career (Wulan Purnamasari. 2018:11).

2) Educational Context

Entrepreneurship can shape students' mindset, attitudes, and behaviour to become true entrepreneurs so that it directs them to choose entrepreneurship as a career choice. Entrepreneurial learning methods must be able to transfer knowledge and skills and the ability to realize a real business and get the soul of entrepreneurship itself (Siswadi. 2013:9). Entrepreneurship education significantly
depends on the acceptance of the entrepreneurial mindset in the University and the creation of environmental entrepreneurship in and around the University (Ni Putu Ayu Aditya. 2016:538). In Islam, the ultimate goal in entrepreneurship is towards alfalah by having education according to sharia norms and obeying the rules or regulations the law of Allah SWT regarding the implementation in the business itself.

3) Context of Obstacles in Starting a Business
The European Commission states that the principal problem of an entrepreneur is the complex financial and policy or bureaucratic problems of a country. With the significant activity and size of a business, entrepreneurs need more funds significant, and sometimes entrepreneurs cannot meet the necessary resources for entrepreneurship (Leon J.A. 2007:74). Simply put, an entrepreneur is a person who dares to take risks to open a business on various occasions. Having the courage to take risks means being mentally independent and daring to start a business without being overwhelmed by fear or anxiety even in uncertain conditions. Soul Entrepreneurship encourages a person's interest in professionally setting up and managing a business (Made. 2016:684). In this case, capital and courage to take risks are essential things that an entrepreneur must own.

3. METHODS
This study was conducted to analyze the factors that affect the intensity of entrepreneurship. This research is included in quantitative research with an associative approach. The purpose of quantitative research is to develop and use mathematical models, theories and hypotheses related to natural phenomena. The population in this study were all students of the Islamic Economics study program North Sumatra UIN class of 2016 which amounted to 208 students with a total sample of 68 obtained using the Slovin formula. The sampling technique used simple random sampling.

4. RESULT AND DISCUSSION

<table>
<thead>
<tr>
<th>Classic Assumption Test</th>
<th>Statistic</th>
<th>Value</th>
<th>Test Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normality Test</td>
<td>Kolmogorov-Smirnov Test</td>
<td>Sig 0,181 &gt; 0,05</td>
<td>Normal</td>
</tr>
<tr>
<td>Multikolonierity Test</td>
<td>Collinearity Statistics</td>
<td>tolerance 0,905;0,936;0,954 &gt; 0,10 and VIF 1,105;1,069 ;1,048 &lt; 10</td>
<td>There are no symptoms of multicollinearity</td>
</tr>
<tr>
<td>heteroscedasticity Test</td>
<td>Sig</td>
<td>Sig 0,678;0,819 &gt; 0,05</td>
<td>does not contain heteroscedasticity</td>
</tr>
<tr>
<td>Autocorrelation Test</td>
<td>DurbinWatson</td>
<td>dw &gt; du 2,031 &gt; 1,7001</td>
<td>there is no autocorrelation</td>
</tr>
</tbody>
</table>
a. **Hypothesis Test Results**

**Table 2. Multiple Linear Regression Test Results**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>Correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Zero-order</td>
</tr>
<tr>
<td>(Constant)</td>
<td>15,628</td>
<td>2,676</td>
<td></td>
<td>.191</td>
<td></td>
</tr>
<tr>
<td>Total_X1</td>
<td>.798</td>
<td>.485</td>
<td>.191</td>
<td>1.644</td>
<td>.105</td>
</tr>
<tr>
<td>Total_X2</td>
<td>.321</td>
<td>.107</td>
<td>.342</td>
<td>3.000</td>
<td>.004</td>
</tr>
<tr>
<td>Total_X3</td>
<td>-.083</td>
<td>.073</td>
<td>-.128</td>
<td>-.1138</td>
<td>.260</td>
</tr>
</tbody>
</table>

From table 2, it can be seen that the regression coefficient of the family context variable or X1 is 0.798. The regression coefficient for the educational context variable or X2 is 0.321. The regression coefficient of the context variable of obstacles in starting a business or X3 is -0.083. Thus, the regression equation model obtained is as follows:

\[
Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e
\]

\[
Y = 15,628 + 0.798X_1 + 0.321X_2 - 0.083X_3
\]

b. **Individual Parameter Significance Test (t Test)**

**Table 3. T Test**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
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</tr>
</tbody>
</table>

From the search results the t table value is 1.9973, then the results of the above study for the value of the family context variable 1.644 < 1.9973 it is concluded that the family context variable has no significant effect. The value of the educational context variable is 3.000 > 1.9973, it is concluded that the educational context variable has a significant influence significant. The value of the family context variable -.1138 <1.9973 concluded that the context variable of obstacles in starting a business did not have a significant effect.

c. **Simultaneous Test (F Test)**

**Table 4. F Test**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>92,374</td>
<td>3</td>
<td>30,791</td>
<td>6.073</td>
<td>.001</td>
</tr>
<tr>
<td>Residual</td>
<td>324,508</td>
<td>64</td>
<td>5,070</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>416,882</td>
<td>67</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
To see the results of the F test, the researcher uses table F with a probability of 0.05% by determining df1 (N1) and df2 (N2) with the formula df1 = k - 1; df2 = n – k. Where "n" is the number of samples forming the regression and "k" is the number of independent and dependent variables.

From the results of the search for the F table value with df1 = 3 and df2 = 64, the F table value is 2.75. From the results of the table above, it is known that the calculated f value > f table (6.073 > 2.75) and a significant value < 0.05 (0.001 < 0.005). The conclusion is that the variables of family context, educational context, and the context of obstacles in starting a business simultaneously significantly influence the entrepreneurial intention of students majoring in Islamic Economics at UINSU.

d. Coefficient of Determination Test (R)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.471</td>
<td>.222</td>
<td>.185</td>
<td>2.252</td>
</tr>
</tbody>
</table>

It is known that the R Square value is 0.222 or 22.2%. This shows that the family context, educational context, and obstacles in starting a business effect 22.2% of entrepreneurial intentions. At the same time, the remaining 77.8% is influenced by other factors outside the study.

The results showed that the family context had a positive effect but did not affect the entrepreneurial intention of students majoring in Islamic Economics at UINSU. So that the research hypothesis testing is Ha is rejected and H0 is accepted. In contrast to previous research by Diah Ayu Widi Astuti, which stated that those with an entrepreneurial family background would be more interested in entrepreneurship, researcher Nety Meinawati stated that family background and entrepreneurship education had a direct influence on entrepreneurial intentions.

The educational context affects the entrepreneurial intention of students majoring in Islamic Economics at UINSU. So that the research hypothesis testing is Ha is accepted and H0 is rejected. Because basically, education is critical to help someone who is preparing someone to become an entrepreneur to face the problems that will come and must understand the knowledge of financial management systems, planning and markets. As in the theory of planned behaviour, the skill factor, for example, through courses obtained and lectures or courses can foster interest in doing entrepreneurship, all obtained from one's educational background. Likewise, Indarti & Rostiani, in their research, stated that there are factors that influence entrepreneurial intentions, namely demographic factors such as educational background, type of school, and parental background.

The context of obstacles in starting a business is concluded that the context variable of obstacles in starting a business does not affect the entrepreneurial intention of students majoring in Islamic Economics at UINSU. So that the research hypothesis testing is Ha is rejected and H0 is accepted. This is different from previous research by Diah Ayu Widi Astuti, which states that the higher the respondents encounter obstacles in starting a business, the higher the entrepreneurial intention. Conversely, the lower the respondent encounters obstacles in starting a business, the lower the entrepreneurial intention. The results of this study also differ from the Theory of planned behaviour which states that
several factors indirectly affect entrepreneurial intentions, namely, willingness to take risks, income, and access to information (access to knowledge, media, or the presence or absence of external intervention). The study results simultaneously show that family context, education, barriers to starting a business have a significant effect on entrepreneurial intentions.

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5. CONCLUSION

Based on the research analysis and discussion above, it can be concluded that the family context has a positive but not significant effect on Entrepreneurial Intentions (Case Study of Islamic Economics Department Students, Islamic Economics and Business Faculty, UIN North Sumatra). Educational context has a positive and significant effect on Entrepreneurial Intentions (Case Study of Students of the Islamic Economics Department, Faculty of Islamic Economics and Business, UIN North Sumatra, class of 2016). The Context of Barriers to Starting a Business has a negative and insignificant effect on Entrepreneurial Intentions (Case Study of Students of the Department of Islamic Economics, Faculty of Islamic Economics and Business, UIN North Sumatra, class of 2016). Family Context, Educational Context and Context of Obstacles in Starting a Business Simultaneously (together) have a significant effect on Entrepreneurial Intentions.
REFERENCES


