

Creating of Student Entrepreneurship Intentions in Jakarta: A Case Study

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Abstract—One alternative to solving the problem of unemployment in a country is an entrepreneurial program. Entrepreneurship, at present, is an important concern in developing economic growth. Entrepreneurship is expected to be able to provide employment opportunities, various consumer needs, services, and can foster prosperity. The aim of the study was to analyze the influence of entrepreneurial knowledge, family environment and income expectations on student Entrepreneurship intentions. The object of the research was students at the Mercu Buana University in Jakarta. This study was conducted on 196 respondents. The method of collecting data uses a survey method with a closed questionnaire. Data processing is done by Statistical Package for the Social Sciences (SPSS). The results showed that entrepreneurial knowledge and income expectations had a positive and significant effect on the intention of student entrepreneurship. While the family environment does not affect the intention of student entrepreneurship.

Keywords: *entrepreneurship knowledge, family environment, income expectation, entrepreneurship intention*

I. INTRODUCTION

Indonesia is a large country, consisting of five large islands and thousands of small islands. With the many islands, it is no wonder Indonesia has abundant and very rich natural resources. The population of Indonesia is also relatively large, reaching more than 255 million people in 2016. According to the Central Statistics Agency (BPS), the large number of Indonesians is still unable to contribute significantly to the Indonesian economy, even though 70% of Indonesia's total population is productive (ages 15 to 64 years). Of the many productive ages (called demographic bonuses), it is actually expected to improve the Indonesian economy [1].

The demographic bonus, should be able to provide a big advantage for the Indonesian economy. In fact, until now, unemployment is still a big problem for Indonesia, because employment cannot accommodate all existing prospective workers. Minimal education and few jobs are the main factors that make unemployment difficult to overcome. But on the other hand, the concern is that the highly educated productive age is also inseparable from the problem of unemployment.

Based on data from the Central Statistics Agency, the number of unemployed people in Indonesia is still high. In general, unemployment is caused by a lack of expertise and quality possessed by prospective workers. In fact, besides the lack of quality of prospective workers, it turns out that someone who has a higher education also does not guarantee that someone gets a job. This is evidenced by the number of unemployed people who hold bachelor degrees [1].

According to Dharmawati, so far, undergraduate graduates can be likened to frogs in coconut shells. This means that in their minds embedded only one choice after finishing college, namely looking for work. In fact, many other things can be done to be successful after graduation, one of which is entrepreneurship. In other words, to be successful, a person can create his own job by becoming an entrepreneur [2].

Entrepreneurship is people who see opportunities and then create an organization to take advantage of these opportunities. Becoming an entrepreneur requires great courage, enthusiasm and perseverance in running his business [3]. Most students are afraid to take risks when becoming entrepreneurs, given the risks include financial risk, competition, production, market, and risk of failure.

Entrepreneurship knowledge is important for students so that the student orientation becomes a job maker rather than a job seeker. At Mercu Buana University in Jakarta, provision of entrepreneurial knowledge has been provided early. Even courses on entrepreneurship are not only given one course, but there are three courses. This proves that Mercu Buana University Jakarta understands the importance of entrepreneurial knowledge. Understanding of entrepreneurial knowledge is a person's first step in starting entrepreneurship. With entrepreneurial knowledge, students can find out various solutions to overcome problems that arise when entrepreneurship.

Entrepreneurship knowledge possessed by students is able to create Entrepreneurship intentions for students [4]. Entrepreneurship requires high commitment and courage so that the goal of entrepreneurship can be achieved. Entrepreneurship intentions, besides being influenced by

entrepreneurial knowledge, other factors that influence include the family environment.

A family environment is a place where a person's personality is formed. In this case parents can influence how the future of students in choosing their jobs. Support for entrepreneurship provided by parents can foster the intention of student entrepreneurship. Students will be more confident and braver to entrepreneurship. Entrepreneurial support from the family is directly proportional to the intention of entrepreneurship in students. The greater the support given by the family, the greater the student's intention in entrepreneurship. Most families who have started a business will first support their children to do business rather than work for a company.

The attraction of other Entrepreneurship intentions, for students, among others, is the existence of greater income expectations. Entrepreneurship is often considered to have a fantastic income that can exceed employees or even managers in a company. Although income from entrepreneurship is uncertain or unpredictable, but there is no income limit for entrepreneurs [5]. Thus, it can be concluded that income expectations can encourage the creation of student Entrepreneurship intentions.

Based on the description above, the objectives of this study are: (1) to analyze the influence of entrepreneurial knowledge on student entrepreneurship intentions, (2) analyze the influence of family environment on student entrepreneurship intentions, and (3) analyze the effect of income expectations on student entrepreneurship intentions.

II. LITERATURE REVIEW

A. Human Resource Management

The definition of human resource management according to Byars & Rue in Siti Al Fajar is an activity design that includes the procurement and coordination of human resources [6].

B. Entrepreneurship Knowledge

Entrepreneurship knowledge is the ability to do something creative and innovative to find business opportunities to succeed. The essence of entrepreneurship is the ability to create something new and different through creative thinking and innovative actions for the sake of creating opportunities. Many people, both entrepreneurs and non-entrepreneurs, achieve success because they possess creative and innovative abilities [7].

C. Family Environment

Understanding the family environment according to Slameto, states that children receive influence from the family in the form of ways parents educate children, relations between family members, household atmosphere, and family economic conditions. These factors if they can run according to their respective functions and roles properly, are likely to create situations and conditions that can encourage children to be more active in learning [8].

D. Income Expectations

Income expectation is a person's expectation of the income he receives, both in the form of money and goods to fulfill his life. Expectations or expectations for better income is one of the factors that influence a person's desire for entrepreneurship. If someone hopes to generate higher income to become an entrepreneur, he will be motivated to become an entrepreneur [9].

E. Entrepreneurship Intention

The definition of Entrepreneurship intentions according to Joseph Schhumper in Buchari, defines entrepreneurship as people who break down the existing economic system by introducing new goods or services, by creating new organizational forms or processing new raw materials. In terms of characteristics, entrepreneurs are those who establish, manage, develop, and institutionalize their own companies [10].

III. HYPOTHESIS

Based on the description above, three research hypotheses can be arranged as follows:

H1: Entrepreneurship knowledge has a positive and significant effect on the intention of student entrepreneurship.

H2: The family environment has a positive and significant effect on the intention of student entrepreneurship.

H3: Income expectations have a positive and significant effect on the intention of student entrepreneurship.

IV. RESEARCH METHODS

The population in this study were students of the Management Study Program, Faculty of Economics and Business, Mercu Buana University Jakarta. The sampling technique, in this study using purposive sampling technique. The criteria that researchers use are students who have taken entrepreneurship courses and passed the course. To find out the size of the representative sample obtained based on Slovin formula as many as 196 respondents. Data analysis technique, in this study using quantitative analysis techniques using Statistical Package for the Social Sciences (SPSS) program version 23. With this analysis, it will be known multiple linear regression tests, test coefficient of determination, F test, and t test.

V. RESULTS AND DISCUSSION

A. Results of Multiple Linear Regression Analysis

Multiple linear regression analysis to analyze the effect of independent variables on the dependent variable. The results of multiple linear regression analysis are presented in Table 1.

TABLE I. MULTIPLE LINEAR REGRESSION TEST RESULTS

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
1 (Constant)	13,311	2,501		5,323	,000
PK_Mhs	,262	,061	,298	4,309	,000
LK_Mhs	,107	,069	,100	1,541	,125
EP_Mhs	,366	,120	,211	3,038	,003

Based on Table 1 above, it can be obtained the formulation of multiple linear regression equations. This analysis is to determine the effect of independent variables (entrepreneurial knowledge, family environment, and income expectations) on the dependent variable (entrepreneurship intention). The formulation of multiple linear regression equations is:

$$Y = 13,311 + 0,262 \text{ PK_Mhs} + 0,107 \text{ LK_Mhs} + 0,366 \text{ EP_Mhs}$$

Where:

- Y = entrepreneurship intention
- PK_Mhs = entrepreneurial knowledge
- LK_Mhs = family environment
- EP_Mhs = income expectations

The definition of the multiple linear regression equation above can be explained in detail as follows:

- Constants 13.31; meaning that if the entrepreneurial knowledge variable, family environment variable, and income expectation variable are considered to be worth 0, then the student's entrepreneurial intention is as much as 13,311.
- Entrepreneurship knowledge variable coefficient of 0.262. That is, if entrepreneurial knowledge has increased by one unit, then the intention of entrepreneurship will increase by 0.262, assuming the value of the other independent variables remains.
- The regression coefficient of the family environment variable is 0.107. That is, if the family environment experiences an increase of one unit, then the intention of entrepreneurship will increase by 0.107, assuming the value of the other independent variables remains.
- Income expectation variable regression coefficient of 0.366. That is, if the work environment experiences a one-unit increase, the entrepreneurial intention will increase by 0.366, assuming the other independent variable values remain.

B. Determination Coefficient Test (R^2)

The coefficient of determination is used to know how much the independent variables, together, can affect the dependent

variable. The coefficient of determination used in this study is adjusted R square. The results of the test analysis of the coefficient of determination (R^2) in full are presented in Table 2.

TABLE II. DETERMINATION COEFFICIENT TEST RESULTS (R^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,434 ^a	,188	,175	3,739

Based on Table 2 above, it is known that the results of the coefficient of determination (R^2) are 0.175, indicating that 17.5% of entrepreneurial intentions can be explained by the three independent variables namely knowledge of entrepreneurship, family environment, and income expectations. While the remaining 82.5% (100% - 17.5%) is explained by other variables not included in this research model. This result also shows that the correlation test is 3.739. This result means that the relationship between the three independent variables, namely entrepreneurial knowledge, family environment, and income expectations on the dependent variable, namely entrepreneurial intention, has a weak level of relationship.

C. Simultaneous Significance Test (F Test)

Simultaneous significance test (F test) to determine the effect of the three independent variables, namely knowledge of entrepreneurship, family environment, and income expectations on the dependent variable, namely entrepreneurial intention, significant or not. The amount of significance used is equal to 0.05. If the probability or significance is greater than 0.05 then H_0 is accepted or H_a is rejected and if the probability or significance is smaller than 0.05, then H_0 is rejected or H_a is accepted. The results of the simultaneous significance test (F test) are presented in Table 3.

TABLE III. SIMULTANEOUS SIGNIFICANCE RESULTS (TEST F)

Model	Sum of Square	df	Mean Square	F	Sig.
1 Regression	621,717	3	207,239	14,822	,000 ^b
Residual	2684,584	192	13,982		
Total	3306,301	195			

Based on Table 3 above the significance of the F value is 14.822 with a probability of sig 0,000 < 0.05. The results above show that the independent variables of entrepreneurial knowledge, family environment, and income expectations simultaneously have a significant effect on the dependent variable, namely entrepreneurship intention.

D. Partial Significance Test (t Test)

T test or test of significance is used to determine whether the independent variable partially (individually) has an effect on the dependent variable. In other words, this test is used to answer the hypothesis. The magnitude of the standard significance used is 0.05. The results of the partial significance test (t test) are presented in Table 4.

TABLE IV. T TEST RESULTS (PARTIAL)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	13,311	2,501		5,323	,000
PK_Mhs	,262	,061	,298	4,309	,000
LK_Mhs	,107	,069	,100	1,541	,125
EP_Mhs	,366	,120	,211	3,038	,003

Table 4 above aims to determine the magnitude of each independent variable partially on the dependent variable, by looking at the probability value of each independent variable. The results of the t test show the following conclusions:

- Test the entrepreneurial knowledge hypothesis on entrepreneurial intentions. Based on Table 4 above, the probability of sig entrepreneurial knowledge of 0,000 is smaller than 0.05. Thus, it can be concluded that entrepreneurial knowledge has a positive and significant effect on entrepreneurship intentions.
- Test the Hypothesis of the Family Environment Against Entrepreneurial Intention. Based on Table 4 above, the probability of a family environment sig of 0.125 is greater than 0.05. Thus, it can be concluded that the family environment does not have a significant effect on entrepreneurship intentions.
- Hypothesis Test of the Effect of Income Expectations on Entrepreneurial Intention. Based on Table 4 above, the sig probability of the expectation effect of 0.003 is smaller than 0.05. Thus, it can be concluded that income expectations have a positive and significant effect on entrepreneurship intentions.

E. Discussion of Research Results

1) *Effect of entrepreneurship knowledge on entrepreneurial intention:* The results of the t-test calculation for the influence of entrepreneurial knowledge variables on the variable entrepreneurial intention are 0,000 <0,05 and the coefficient is 0,262. That is, entrepreneurial knowledge has a positive and significant effect on entrepreneurial intentions. The results of this study reinforce the results of research by Setiawan (2016), Azzam (2016), and Santoso (2016). These results have the meaning that an increase in entrepreneurial knowledge will be followed by an increase in entrepreneurship intention.

2) *The effect of the family environment on entrepreneurial intention:* The results of the T test calculation for the effect of family environment variables on the entrepreneurial intention variable are 0.125 > 0.05 and the coefficient is 0.107. That is, the family environment has no effect on entrepreneurial intentions. This means that the size and smallness of support in the family environment, has not been able to encourage interest in student entrepreneurship. This is partly due to the

large number of parents who want their children to become civil servants or work as private employees.

3) *Effect of income expectations on entrepreneurial intention:* The results of the t-test calculation for the effect of income expectation variables on the entrepreneurial intention variable are 0.003 <0.05 and the coefficient is 0.366. That is, income expectations have a positive and significant effect on entrepreneurial intentions. The results of this study reinforce the results of research by Setiawan (2016) and Santoso (2016). This means that if income expectations are higher, the interest in student entrepreneurship will be even greater. Likewise vice versa if income expectations are lower then the interest in student entrepreneurship will decrease.

VI. CONCLUSION

- Knowledge of entrepreneurship has a positive and significant effect on the intention of student entrepreneurship. This means that if student entrepreneurship knowledge increases, it will encourage increased student entrepreneurial intentions.
- The family environment does not affect the intention of student entrepreneurship. This means that the size and smallness of support in the family environment, has not been able to encourage interest in student entrepreneurship.
- Income expectations have a positive and significant effect on student entrepreneurial intentions. This means that the higher the income expectation, the greater the intention of student entrepreneurship.

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