

Self-Efficacy, Entrepreneurship Education, and Entrepreneurial Intention

Taruli Serefina Simatupang¹ Kurjono² Rasto³

^{1,2,3}Indonesia University of Education

Email: ulikserafina@upi.edu

ABSTRACT

This research aims to: 1) find out the effects of undefined self-efficacy of student entrepreneurship on students' entrepreneurial intentions, 2) find out the effect of undefined entrepreneurship education on student on entrepreneurial intentions, 3) find out the effect of self-efficacy on entrepreneurship and student entrepreneurship education on student entrepreneurial intentions. This research is an explanatory survey research with a questionnaire as an instrument of data collection. The population of this study was all 2016 and 2017 class students with 153 students as a sample. The data were analysed by descriptive analysis. The results showed a significant effect of self-efficacy and entrepreneurship education on entrepreneurial intentions.

Keywords: *self-efficacy, entrepreneurship education, entrepreneurial intention*

1. INTRODUCTION

The progress of the Indonesian people lies in the younger generation who will improve the problems in Indonesia. One of the problems faced to date is employment, namely the number of job seekers is more than the number of jobs available. This causes the number of unemployed to increase, because a person's level of education has not guaranteed to get a job, including college graduates. Recording conducted by the Badan Pusat Statistik (BPS) in 2015-2018 shows the highest number of unemployed college graduates after secondary school graduates. In full, can be seen in Table I.

Table 1. Open Unemployment Rate Based on Education Level In Indonesia 2015-2018

Level of Education	Open Unemployment Rate Based on Education			
	2015	2016	2017	2018
Never School	1,25%	1,46%	1,63%	1,83%
Primary School	3,94%	3,88%	3,61%	2,79%
Secondary School	11,16%	9,63%	9,48%	7,58%
High School	6,68%	5,15%	5,57%	5,92%

Source: Badan Pusat Statistika (BPS).

This shows that college graduates who are the highest level of education do not guarantee that someone has a job. This condition is also supported by Neddy Rafinaldy

Halim, Deputy of Marketing and Business Network of the Ministry of Cooperatives and Small and Medium Enterprises that only about 6.12% of graduates are interested in becoming entrepreneurs, the rest 83.18% are more interested in becoming employees. Therefore, cooperation between government, universities and business actors is very necessary for the development of entrepreneurship.

The tertiary level is filled by people who are called as graduates. Students are expected to be able to build an Indonesian nation to be better by overcoming current problems, but in fact, the problem of interest in entrepreneurship has not stopped until now. The interest in entrepreneurship is also experienced by students in the Accounting Education Study Program at the Universitas Pendidikan Indonesia (UPI).

If this problem continues to be left, the number of unemployed will be even greater. One effort to reduce unemployment by creating jobs that can be taken by entrepreneurship, because the entrepreneurial spirit that someone has can give birth to entrepreneurs. Broadly speaking, entrepreneurial intentions are influenced by external and internal factors. External factors include in environmental conditions. Bandura's learning theory states that behavior is learned from the environment through the learning process, children observe the behavior of the people around them in various ways [1] Growing up in families where parents set up and run a business provides a supportive environment, and provides information on managing somatic and

emotional states [2]. Individuals with high self-efficacy levels of entrepreneurship may also have strong work intentions for entrepreneurial careers [3] Based on the background of the research described, it is necessary to do research on self-efficacy, entrepreneurship education, and entrepreneurial intention.

2. LITERATURE REVIEW

According to Fishbein and Ajzen [4] intention is “a person location on a subjective probability dimension involving a relation between himself and some action. A behavioral intention, therefore, refers to a person's subjective probability that he will perform some behavior.” Elliot et al. [5], state that intention is a psychological aspect that directly influences a person's behavior or actions. Ajzen [6] emphasized in the theory reasoned action which was later refined to become a theory of the planned behavior. Both theories, Ajzen positions intention as the cause of behavior. Based on the definition of experts it can be concluded that intention is an individual subjective dimension that allows a behavior to be carried out. In other words, the stronger the intention to engage in a behavior, the more likely the behavior is to be carried out.

Entrepreneurial intention reflects a person's commitment to start a new business and a central issue that needs to be considered in understanding the entrepreneurial process of establishing a new business [7] According Lee and Wong [8] entrepreneurial intentions can be interpreted as the initial step of a business establishment process which is generally long-term. It can be concluded that entrepreneurial intentions are a guideline for a person in entrepreneurship, so they have confidence in realizing the process of achieving business.

The theory of planned behavior Tjahjono and Ardi [9] is believed that factors such as attitudes toward behavior that refer to the extent to which someone evaluates things that are beneficial or detrimental or an assessment of the behavior in question, subjective norms will shape one's intentions and then it will directly affect the behavior. Therefore, an understanding of one's intentions for entrepreneurship can reflect people's tendency to establish business in real terms [10] to measure entrepreneurial intentions, Linan and Chen [11] use the following indicators (1) ready to do everything to become entrepreneurs, (2) the purpose of my profession is to become an entrepreneur, (3) I will face every obstacle to start and run a business myself, (4) I am determined to create a business in the future, (5) I am very serious about thinking of starting a business, (6) I have a strong intention to start a business someday. By using these indicators, it can be seen the extent to which students have the intention to become entrepreneurs.

Entrepreneurial intention associated with self-efficacy was first put forward by Shapero and Sokol [12] in a theory which came to be known as the Theory of Entrepreneurial Event (TEF). There are two basic types of perceptions of entrepreneurship, namely perceived desirability, referring to a person's level of interest in a behavior (to become an entrepreneur) and perceived feasibility or self-efficacy, the level of feeling someone who is personally capable of doing behavior (becoming an entrepreneur). Self-efficacy is a part that plays an important role in controlling thoughts, feelings, motivations, and actions. The fact that one's trust in their ability to complete tasks successfully is the potential needed by entrepreneurs to succeed in running their business [13].

According to Bandura [14] self-efficacy determines whether a person will show certain behaviors, how strong they can survive when facing difficulties or failures, and how success or failure in a particular task affects their behavior in the future. Therefore, the variable self-efficacy is thought to affect one's entrepreneurial intentions. Self-efficacy comes from four types of information, namely: 1) Performance experience, experience in carrying out expected behavior or similar behavior; 2) Vicarious experience, seeing other people doing the behavior or behavior that is more or less the same; 3) Verbal persuasion, persuasion or advice from others who aim to encourage or bring down; and 4) Emotional arousal, an emotional reaction that shows his feelings about the intended behavior. The four information, experience is the most important source of information, and then sequentially see other people's experiences, verbal persuasion, and emotional reactions.

The Ministry of National Education Balitbang Curriculum Center in Budihati [15] states that entrepreneurship education is an educational methodology that aims to form a whole person, as a person who has character, understanding and skills as an entrepreneur. Entrepreneurship education is applied to the curriculum by identifying the types of activities that can realize entrepreneurship education and realize students in everyday life.

According to Soemanto [16] entrepreneurship education can be carried out at three levels of education namely family education (informal), school education (formal), and non-formal education. Entrepreneurship education that is the focus of this research is entrepreneurship education organized by universities. According to Kuratko [17] entrepreneurship education was officially launched in 1971 by the University Of South Carolina (USC) which was marked by the opening of entrepreneurial concentration in the MBA program. After that, entrepreneurship education was quickly accepted so that in the 1980s more than 300 universities and 1,050 schools reportedly organized this program Kuratko [17] Education in the United States (US) has

relatively become an educational center in the world, so this entrepreneurship education program was then followed by universities throughout the world, including Indonesia.

The notion of entrepreneurial education is quite extensive and almost summarizes previous opinions expressed by Linan [18] as follows “The whole set of education and training activities-within the educational system or not that try to develop in the participants the intention to perform entrepreneurial behaviors, or some the elements that affect that intention, such as entrepreneurial knowledge, desirability of the entrepreneurial activity or its feasibility”. This indicates that the purpose of entrepreneurship education is to develop or generate one’s intention to become entrepreneurs. This is in line with the opinion of [19] that educators must concentrate on creating and strengthening entrepreneurial intentions.

Alberti [20] explain in detail that there are eight goals to be achieved by entrepreneurship education, namely:

1. To Acquire knowledge germane to entrepreneurship
2. To acquire skills in the use of techniques, in the analysis of business situations and in the synthesis of action plans
3. To identify and stimulate entrepreneurial drive, talent and skill
4. To undo the risk-adverse bias of many analytical techniques
5. To develop empathy and support for the unique aspects of entrepreneurship
6. To revise attitudes toward change
7. To encourage new start-ups and other entrepreneurial ventures
8. To stimulate the ‘affective socialization element.

Hypothesis

H₁ = Self-efficacy has a positive effect on entrepreneurial intentions.

H₂ = Entrepreneurship education has a positive effect on entrepreneurial intentions.

H₃ = Self-efficacy and entrepreneurial education have a positive effect on entrepreneurial intentions.

3. METHODS

The method used in this study is an explanatory survey. The population and sample are students of the 2016 and 2017 Accounting Education Universitas Pendidikan Indonesia (UPI) who have contracted

entrepreneurship courses with a total sample of 153 students. Data collection was done using a questionnaire, then analysed using descriptive statistics and inferential statistics. Hypothesis testing is done by using regression analysis assisted by SPSS 25. Before conducting a hypothesis test, a prerequisite test for data analysis is carried out including normality test, linearity test, and multicollinearity test.

4. RESULTS AND DISCUSSION

4.1. Result

Family background are measured through the work of parents or guardians by striking the family background of the 2016 and 2017 Accounting Education students at the Universitas Pendidikan Indonesia (UPI). The following is the percentage of students’ family backgrounds.

Table 2. Percentage Of Background For Student Families In The Universitas Pendidikan Indonesia (Upi) 2019

Family Profession Background	Answer Frequency	Percentage Score
Family of entrepreneurs	66	43,1%
Family is not entrepreneurs	87	56,9%
Total	153	100%

Source: Data processed

Based on Table II shows that students who come from entrepreneurial families are fewer than students who come from non-entrepreneurial families. Sex variables can be seen in Table III.

Table 3. Percentage Of Gender For Students Of The Universitas Pendidikan Indonesia (Upi) 2019

Gender	Answer Frequency	Percentage Score
Male	31	20,3%
Female	122	79,7%
Total	153	100%

Source: Data processed

Based on Table III students who are male sex are fewer than female students. The next analysis is self-efficacy variables of entrepreneurship measured through five items of questionnaire statements. Entrepreneurship education variables are measured through four items of questionnaire statements, and intention variables are measured through four items of questionnaire statements. More details can be seen in Table IV.

Table 4. Self-efficacy, Entrepreneurship Education, and Student Entrepreneurial Intention of UPI 2019

Variabel	Mean	Category
<i>Self-Efficacy (SE)</i>		
Confidence in the ability to manage a business	3,08	High Enough
Leadership in starting a business	2,91	High
Average	2,99	High
<i>Entrepreneurship Education (EE)</i>		
Increase intention	2,28	Effective
Increase business knowledge	3	Very Effective
Ability to take advantage of opportunities	2,73	Effective
Average	2,67	Effective

Table 5. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		
	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>	<i>t</i>	<i>Sig.</i>
(Constant)	5,612	1,519		3,696	0,000
SE	0,606	0,102	0,444	5,966	0,000
EE	0,297	0,114	0,195	2,613	0,010

Source: Data processed

Based on Table V, a multiple linear regression equation can be arranged:

$$Y = a + b_1x_1 + b_2x_2$$

$$Y = 5,612 + 0,606 + 0,297$$

The results of the equation, a constant of 5.61 means that if there is no change in the self-efficacy variable of entrepreneurship and entrepreneurship education variables, then the magnitude of entrepreneurial intention is 5.61. The coefficient of X_1 self-efficacy entrepreneurship is 0.444 that every addition, there is one self-entrepreneurial self-efficacy score will increase by 0.444. The coefficient of X_2 entrepreneurship education is 0.195 that each addition of one score of entrepreneurship education will increase by 0.195. To see how much influence the self-efficacy variables of entrepreneurship and entrepreneurship education variables have on entrepreneurial intentions can be seen in Table VI.

Table 6. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,552	0,305	0,295	2,492

<i>Entrepreneurial Intention (EI)</i>		
Business lines rather than working for other people	2,72	High
Entrepreneurial career	3,29	High Enough
Planning to start a business	2,89	High
Average	2,98	High

^a Source: Data Processed.

Based on Table IV self-efficacy of entrepreneurship and entrepreneurial intentions of Accounting Education study program students at UPI are in a high category and the implementation of entrepreneurship education is in the effective category, until entrepreneurial intention is obtained in the high category. Data analysis using multiple linear regressions with the help of SPSS 25. This is to find out how much influence the self-efficacy of entrepreneurship and entrepreneurship education have on student entrepreneurial intentions.

Source: Data processed

Based on Table VI, it is known that the influence of self-efficacy of entrepreneurship and entrepreneurship education on entrepreneurial intention is 30.5%, 69.5% is influenced by other factors not included in this study. Testing the hypothesis of this study using F test ANOVA can be seen in Table VII.

Table 7. Anova

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	403,381	2	204,190	32,873	0,000
Residual	931,737	150	6,212		
Total	1340,118	152			

Source: Data processed

The results of Table VII obtained F count value of 3.056 and a significance value of 0.000. The results obtained that F count (32,873) F table (3,056), and significance value 0,000 and alpha 0.05. The conclusion is that the self-efficacy of entrepreneurship and entrepreneurship education have a positive effect on entrepreneurial intentions.

4.2. Discussion

The results showed that self-efficacy of entrepreneurship and entrepreneurship education had a positive effect on entrepreneurial intentions. Based on the data in this study, it can be seen that not all students have a high level of self-efficacy. According to Feist [21] that human beliefs about self-efficacy affect the form of action they will choose to do, how much effort will be put into activities to survive in the face of obstacles, failures, and resilience when experiencing setbacks. Based on this opinion clearly self-efficacy will influence the actions chosen by someone, one of them is to desire entrepreneurship. Experience is the biggest factor that influences one's self-efficacy.

Therefore, there needs to be an effort to be able to create an attractive person for everyone. The self-efficacy of entrepreneurship is also an important trigger for the intention to build a new business or business [3]. This finding supports the findings from Bayron and Ed [2] that personality and environmental factors incorporated in entrepreneurship and self-efficacy are strong predictors of entrepreneurial intentions.

Entrepreneurial intentions can be a predictor of success in entrepreneurial behavior that people have a high desire for entrepreneurship as a potential entrepreneur. Efforts to stimulate intentions are entrepreneurial programs with an important role. This is because entrepreneurship can be learned or minimally driven through a formal education. Entrepreneurship education programs are developed to teach and encourage entrepreneurial behavior and understand the impact on factors that influence intention and shape individuals to choose entrepreneurship as important careers [22].

Entrepreneurship education as an exogenous factor has a direct effect on entrepreneurial intentions. This is in line with research Zhang [23] that entrepreneurship education is a factor that influences students to have a greater intention of entrepreneurship. The results show that students who take entrepreneurship education show a greater intention to start an entrepreneur.

In general, entrepreneurship education is defined as the process of providing individuals with the concepts and skills to recognize opportunities that others have overlooked and to have the insight and self-esteem to act where others have hesitated McIntyre and Roche [24] This indicates that someone who has learned entrepreneurship education is expected to provide opportunities and skills in entrepreneurship.

5. CONCLUSION

Based on the results of the study it can be concluded that the self-efficacy of student entrepreneurship is in a

high category, meaning that the self-efficacy of entrepreneurship has a positive effect on entrepreneurial intentions. Student entrepreneurship education is in the effective category meaning entrepreneurship education has a positive effect on entrepreneurial intentions. The self-efficacy of entrepreneurship and student entrepreneurship education simultaneously has a positive effect on entrepreneurial intentions.

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