



Factors Affecting Entrepreneurship Intention in Indonesia: Perception of Vocational High School Students

Achmad Imam Agung¹(✉) and Rifqi Firmansyah²

¹ Department of Electronics Engineering, Universitas Negeri Surabaya, Surabaya, Indonesia
achmadimam@unesa.ac.id

² Department of Electrical and Computer Engineering, King Abdulaziz University, Jeddah, Saudi Arabia

Abstract. More emphasis must be placed on teaching entrepreneurship in technical high schools. Vocational training is intended to help students become successful in the workplace, as well as to help them become more well-rounded individuals. One approach is to teach young people the skills they'll need to start their own successful businesses. Studying what factors influence people to have an interest in starting their own businesses may be thought of as a means to an end—finding the data that can be put to use in creating successful new business owners. Future propensity to start enterprises will be influenced by the attitudes, actions, and information that are formed regarding entrepreneurship. The poll of 130 people includes a preliminary look at demographics including age, education, and employment history. We used a multivariate regression analysis to decipher the data. Conclusion: Students' sense of self-efficacy affects their enthusiasm for starting businesses in Indonesia. A student's motivation might shift based on their sense of their own ability to succeed. Students' levels of engagement can also be predicted by their prior knowledge and experience. There is no evidence that educational attainment, chronological age, or gender have a role in one's propensity to start a business. According to the findings of the regression analysis, the level of entrepreneurial curiosity was most strongly predicted by a combination of demographic and personality factors.

Keywords: Demographics · Entrepreneurial intentions · Achievement needs · Entrepreneurial strategies

1 Introduction

According to the Central Statistics Agency, the number of unemployed persons in the economy in August of 2019 was 7.05 million, up from 7 million in the same month last year. Data from August 2019 shows that 10.42% of all graduates from Vocational High Schools are still unemployed. When compared to lower levels of education (such as elementary school) and higher levels of education (such as college), it is comparatively higher. It has become an issue for the people of Indonesia because just 27.86% of the workforce has completed secondary education.

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According to Government Regulation 19 of 2005, a vocational secondary school's primary goal is to help students become well-rounded professionals who are ready to enter the workforce. As a result, teaching young people to think like business owners is a key component of vocational high school [9]. There has to be an awareness of how to foster the emergence of future business leaders among today's youth while they are still in school. The propensity to start new firms in the future will be shaped by one's perspective on entrepreneurship, as well as one's understanding and practice of the concept. Future entrepreneurs might also be spawned by the interests and aspirations of today's youth in business [7].

To succeed as an entrepreneur, it is crucial to have a strong drive for success. To succeed in such a cutthroat environment, one needs both determination and natural speed. The motivation for one's allegiance is another important consideration. Successful entrepreneurs are adept at enhancing management abilities and mobilizing others through positive interpersonal connections [12].

The writers devote a lot of time and energy to discussing the importance of a person's level of entrepreneurial desire. Finding resources that may be put to use in achieving the goals of establishing a firm can be seen of as an example of entrepreneurial interest [5]. The preparedness to advance in the business being managed will be higher in someone who has an interest in beginning a business than in someone who does not. As research has shown, interest is a strong indicator of potential business success. Therefore, the motive can serve as a sensible starting point for predicting future entrepreneurs [3].

In a nutshell, entrepreneurs are people who take a fresh look at three major factors: (1) their own unique personality traits; (2) the demographics of their target market; and (3) their immediate surroundings. Personality traits, such as a drive for success [6] and confidence in one's own abilities [11], have been shown to be strong indicators of an entrepreneur's propensity to take risks.

This research focused on students from Surabaya 1 Vocational High School and St. Louis Vocational High School, both of which offer entrepreneurship courses this academic year. A representative and randomly selected sample of 130 participants was used for the study.

A person's age, gender, level of education, and professional experience are all considered demographic criteria that influence their likelihood of venturing out on their own. For instance, [1] discovered that a person's interest in and ability to operate a business are both determined by their educational background. Entrepreneurial motivations can be influenced by environmental elements as social networks, physical infrastructure, institutional frameworks, and cultural norms.

The study's overarching goal is to identify the personality traits most strongly associated with an interest in entrepreneurship by integrating three different lines of inquiry [11]. (3) demographic variables, including gender, age, education level, and job experience. (1) the need for accomplishment and self-efficacy; (2) environmental factors, viewed in three contextual elements: access to capital, information, and social networks; and (3) demographic characteristics.

2 Data and Methodology

A literature review is the method of investigation. Previous research was used to compile demographic data on the respondents [11], including gender, age, level of education, and professional experience. In earlier studies, data collection took place all over campuses and schools, particularly in common areas like cafeterias, libraries, and computer labs. Table 1 summarizes respondent characteristics.

Table 2 displays the results of a multiple regression analysis performed on the questionnaire responses.

2.1 Achievement Needs

Table 2 shows that the need for achievement has a positive effect.

2.2 Self-efficacy

Evidence suggests that young Indonesians' sense of self-efficacy has an effect on their propensity to start their own businesses (see Table 2). The younger generation, defined as those above the age of 18, has a larger willingness to become entrepreneurs when they have a high level of confidence in their ability to try a business. In agreement with the findings of other researchers [2], it demonstrates that a person's belief in their own abilities has an impact on their entrepreneurial goals.

Table 1. Demographic characteristics of respondents

Characteristic	Indonesia (n = 130)	
	n	%
Gender		
Man	66	50,8
Woman	64	49,2
Age (years)		
<25	110	84,6
>= 25	20	15,4
Educational background		
Business and Economics	72	55,4
Non-Business and Economic	58	44,6
Work experience		
None	73	56,2
Public Sector/Government	8	6,2
Private Sector	47	36,2
Both Sectors	2	1,5

Source: Primary data processed

Table 2. Results of Analysis

Description	Indonesia (n = 130)
	β
Achievement needs	-0.038
Self-efficacy	0.351
Age	0.155
Gender	-0.130
Education	-0.180
Work Experience	-0.119

Source: Primary data processed

Notes: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

2.3 Testing Demographic Variables

2.3.1 Gender

Young men do not have more entrepreneurial aspirations than young women, according to a regression analysis. As a result, the findings of the writing are at odds with the prior findings [7].

2.3.2 Age

Another claim that is not supported by the text is that today's youth are more likely to start businesses than previous generations [10].

2.3.3 Educational Background

Educational background tests will only be conducted on the younger generation of Indonesia. The results of the analysis for Indonesian students with a significant $\beta = -0.180$ value (see Table 2) indicate that young people with a background in economic and business education have low entrepreneurial intentions.

2.3.4 Work Experience

The data proves that young Indonesians who have work experience will have lower entrepreneurial intentions than those who do not.

3 Results and Discussion

These numbers show that young Indonesians with job experience are less likely to be entrepreneurial than their less-experienced counterparts.

3.1 Information

Factors such as the individual's strengths and weaknesses, the market, the state of the competition, the policies of the government, and the opportunities available to the business are taken into account when compiling this data. Information sources:

- a. Library: Books on a variety of topics about inventions.
- b. Internet: various information from websites that are always updated.

In addition, aspiring business owners need to pick a viable industry to enter. It is possible to begin an entrepreneurial venture by implementing the following strategies:

3.2 Mimicking the Successful Products

Almost every product has a counterfeit product that successfully matches it. You can do the same thing. You may copy a best-selling product from a side that has not been protected by patent.

3.3 Market Other People Products

- a. Consumer magazines, trade magazines, and trade shows contain the producers of the products who are looking for local distributors, or other parties who can be invited to work together to sell their products.
- b. The reliable marketing capability is a gold mine that never dries.

3.4 Combine Different Things for a Product

Find new ways to enhance the quality (comfort, usability, and simplicity) of the things that already exist.

3.5 Substitution of Raw Materials or Production Methods

In order to increase sales and profits, it is advisable to search for means to reduce production costs, such as by switching to a less expensive raw material or employing more efficient production methods.

3.6 Take Over Failed Products

Generally speaking, poor advertising, rather than subpar goods, is to blame when a product fails in the marketplace. There are instances when a product's shall be in accordance could be changed with only a little bit of a modern design or a little bit of refining to make it look distinctive, and the result is a new product that is effective and lucrative in the market.

3.7 Reproduction of Famous Items

A new generation appears every ten years. Check out some back issues of magazines or mail order catalogs to see if you can find anything relevant. Find out what you find, and you may be surprised. Try to keep in mind that everything in the world is actually recyclable. Some long-forgotten items are currently awaiting a comeback. Free your mind and your creativity will soar.

3.8 Trade Shows and Exhibition of Writing Results/Discovery

Trade shows and inventors' fairs are where a lot of novel products first appear to the public. Many commercial expos occur each year. Keep in mind that many bright minds who come up with new products are not good at selling them. It's for this reason that most patents don't see widespread production.

3.9 Government Departments

The Department of Commerce, the Department of Agriculture, and the Department of Cooperatives and SMEs are just few of the government entities that regularly release publications that might serve as sources of fresh ideas for expanding your company. Management training and advisory services are also available through this division or regional office.

3.10 Universities and Colleges of Business Administration

Consulting services at universities and colleges can be very useful. Avoid hesitating to get in touch with them. Some of them have extensive experience in the realms of commerce, appropriate technology, business incubators, and the growth of small businesses.

3.11 Make a Book, Manuscript or Video/Audio Recording

- a. Pack your hobbies, skills, or knowledge in a book, script, or recording program.
- b. The most widely read books in Indonesia are how-to guides, such as those that detail how to set up an aquarium or care for ornamental sheep. Don't be shocked by how much you know if you decide to write a book on your experience or accomplishments in the business world. Don't be shocked by how much money this kind of employment may bring in.

3.12 Develop Your Seminars, Lectures, and Workshops

- a. Our society has an extraordinary thirst for knowledge, and you can fulfill it in many ways.
- b. If you do have certain special knowledge, you might be able to organize your seminars, lectures, and workshops.

- c. Seminars can be offered to the general public through the academic community, professional organizations, and the education and teaching sectors. Get in touch with your local institution's office of communication to get some ideas rolling for possible seminar topics. It has the potential to immediately give rise to several other opportunities, such as publishing books and creating audio and video recordings. All of your endeavors will yield financial success.

3.13 Mail Order Catalogues

The many different mail-order catalogs available online are another great place to find innovative new things. Get in touch with some of the mail-order companies that specialize in the kinds of things you're looking for, and see if they can send you a catalog. Order only one thing and pay; there's no need to inquire as to who made the products. You can usually locate the manufacturer's contact information on the product's packaging or the accompanying user manual.

3.14 Business Journals, for Example, the Wall Street Journal and the Marketing-Business Journal

- a. The newspaper always lists new products, new business discoveries, and new services in the business world.
- b. Marketing Magazine includes issues of incentives, audiovisuals, business gifts, and special things about advertising. The magazine can provide hundreds of new ideas every month.

3.15 Foreign Trade Attaché

- a. Foreign trade attaché offices are usually located in every embassy or consulate of a friendly country. They are also looking for potential recipients of the right licenses for products that have been developed in their countries.
- b. If you are ready to do business, you can write to the Department of Commerce. Attach a copy of your company brochure along with a description of the industry you are in. Then, the Ministry of Trade will assist you in dealing with buyers of suitable foreign products.

3.16 Commercial Banks

- a. You can get the opportunity to work on new goods or services by asking for part or all of the business being done by another party.
- b. Many small companies and high-quality products and services may need your company's strengths to better succeed.
- c. The power may be in the form of equipment, facilities, human resources, or knowledge of production, marketing, management, or capital ownership.
- d. Your local bank can be a reliable source of information regarding companies that need help that is the potential to become business partners.

4 Conclusion

There are a few takeaways from this description: (1) Several factors are found to affect a person's willingness to take the risk of starting a business. It has been shown that students' levels of self-efficacy influence their motivation in Indonesia. The results of the regression analysis show that the variables related to personality and demographics together significantly determine entrepreneurial intentions; (2) the need for achievement, age, and gender have not been proven as a significant predictor of entrepreneurial intentions; and (3) the recent background of education has become a determining factor in the business interests of Indonesian students. Researchers hope their work will encourage new business owners to take the necessary strategic steps toward discovering untapped opportunities. It is assumed that as more possibilities become known, the resulting outcomes will improve until they are at their best.

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