



Identification Characteristic and Behavior of Entrepreneurial Orientation of BUSINESS's Millennial Generation of Padang City

Chichi Andriani^(✉), Ilham Thaib, and Yuki Fitria

Universitas Negeri Padang, Padang, Indonesia
chichiandriani@fe.unp.ac.id

Abstract. This research aims to identify the characteristics and behavior of the entrepreneurial orientation of business millennial generation in the city of Padang. The participants in this study are young adults from the millennial generation. This business is coffee shops in Padang City. Sampling technique using purposive sampling technique with criteria 1) coffee shop owners are generation with birth years 1995–2010, 2) The coffee shop is between 1 and 5 years old, and 3) It employs more than 3 people. From the characteristics of these respondents, a sample of 180 coffee shop businesses were obtained who filled out questionnaires. Questionnaires are used to gather research data, which is then analyzed using descriptive statistical methods. The research data processing outcomes revealed that the coffee shop's entrepreneurial orientation behavior in Padang City has characteristics 1) Innovation Behavior has an average characteristic of Good with TCR 83%, 2) Proactive Behavior has an average of good characteristics with TCR 81% and 3) Risk-Taking Behavior has good characteristics with TCR 84%.

Keywords: entrepreneurial orientation · Innovation Behavior · Proactive Behavior · Risk Taking Behavior

1 Introduction

Entrepreneurial orientation is an orientation that is able to create a self-effort to become a superior business in the market. Miller [1] states that to have an entrepreneurial orientation must have the nature of innovation, proactiveness and the courage to take risks. Businesses with a strong entrepreneurial mindset will be more innovative than other businesses, more pro-active, and more willing to take risks.

Innovation is the inclination of a business to engage in and support novel concepts, creative processes, and experimentation that lead to new technological procedures, services, and products. Thus, innovation is more like a climate or culture than it is results-oriented [2]. A proactive business has the drive and foresight to seize new opportunities, making it a leader rather than a follower. The first mover in the pursuit of excellence to change the environment by introducing products or advancing competition is said to have a proactive nature.

The willingness of managers to devote risky resources is referred to as risk taking. There is a spectrum of risk taking, ranging from relatively little risk to very high risk. Although many risks can reduce performance, the risk itself cannot be avoided because performance cannot be known in advance.

Today, In the business world such as MSMEs, the most dominating business actor is generation Y. According to Indrawati and Kurniawan [3], of the total population of Indonesia, generation Y has reached approximately 33.75 percent, which is 88 million people. Kaifi, Nafei, Khanfar and Kaifi [4] revealed that Generation Y is also often referred to as the millennial generation because they were born and grew up in the era of media and digital technology. Millennials have the advantage of operating computers and understanding new technologies so that they have more value in their work [4].

Currently in the Padang City, MSME business actors are also dominated by the millennial generation. The MSME business pioneered by the millennial generation that is mushrooming in the Padang City today is the Coffee shop business. Due to the custom that coffee shops are used for more than just drinking coffee and other vital activities, the coffee shop industry is beginning to boom in Padang City. Coffee Shops must be strong in the face of environmental changes. There are many conditions in which a coffee shop that has just opened does not last long because it is crushed by intense competition and many competitors. To maintain the existence of a coffee shop, business actors must have entrepreneurial orientation behavior, such as having innovative behavior, proactiveness and courage in taking risks [1].

The purpose of this study is to pinpoint the behavioral traits associated with millennial business actors in Padang City’s entrepreneurial mindset. This research is expected to help the development of MSMEs in helping the economy of the Padang City, especially in the current new normal era.

Table 1. TCR Results of Innovation Behavior Characteristics

No	T					TrSL					n	TCR	%	Note
	strongly disagree	do not agree	Neutral	agree	strongly agree	1	2	3	4	5				
1	2	1	30	74	73	2	2	90	296	365	180	755	84	Good
2	2	5	50	72	51	2	10	150	288	255	180	705	78	Good
3	2	4	47	75	52	2	8	141	300	260	180	711	79	Good
4	1	5	44	74	56	1	10	132	296	280	180	719	80	Good
5	5	8	49	66	52	5	16	147	264	260	180	692	77	Good
6	1	1	18	74	86	1	2	54	296	430	180	783	87	Good
7	4	3	36	82	55	4	6	108	328	275	180	721	80	Good

2 Methods

In this kind of research, the features and entrepreneurial orientation behavior of millennial generation start-ups in Padang City are identified. The main data used in research, or surveys, are the source of the information. All startups founded by members of the millennial generation in Padang City are the study's subject. characteristics of the innovation behavior of the millennial generation of business actors in the Padang City.

Every coffee shop in Padang City served as the study's population. Purposive sampling was employed during the sample process. Using the sample criteria, (a) coffee shop owners and employees must have been born between 1995 and 2010; (b) the coffee shop must have been open for at least one year; and (c) it must have more than 3 employees. According to Hairs, et al. [5], sampling in this study was done using a sample size that was 10 times the number of research indicators. As a result, 180 coffee shop enterprises in Padang City make up the sample for this study.

This study's data analysis method makes use of descriptive analysis techniques, namely by identifying all variables that are considered to represent the characteristics of entrepreneurial orientation, namely innovation, proactiveness and the courage to take risks.

3 Result and Discussion

3.1 Result

3.1.1 Total Respondents' Achievements (TCR) Characteristics of Innovation Behavior

This study uses quantitative descriptive analysis, which is the analysis used to see the characteristics of innovation behavior in Padang City. Table 1 shows the results of the TCR of the innovation behavior characteristics derived from the findings of this study.

Based on the TCR's findings in Table 1 of the entrepreneurial attitude and innovative traits of the millennial generation of business players in Padang City, it can be seen that business actors have good characteristics with an average TCR of 83%.

3.1.2 Total Respondents Achievement Characteristics (TCR) of Proactivity

This study uses quantitative descriptive analysis, This analysis is utilized to determine the traits of the millennial generation's pro-active conduct among business actors in Padang City.

The traits of proactive conduct for the entrepreneurial orientation of the millennial generation business players in the Padang city are based on the TCR results in Table 2, it can be seen that business actors have good characteristics with an average TCR of 81%.

3.1.3 Total Respondents Characteristics (TCR) of Taking Risks

This study uses quantitative descriptive analysis, which is an analysis used to see the behavioral characteristics of Courage to Take Risks by business people of the millennial

Table 2. TCR Result Characteristics of Proactive Behavior

No	T					TrSL					n	TCR	%	Note
	strongly disagree	do not agree	neutral	agree	strongly agree	1	2	3	4	5				
1	1	3	29	80	67	1	6	87	320	335	180	749	83	Good
2	5	2	21	74	78	5	4	63	296	390	180	758	84	Good
3	2	0	31	70	77	2	0	93	280	385	180	760	84	Good
4	1	0	21	85	73	1	0	63	340	365	180	769	85	Good
5	1	3	34	78	64	1	6	102	312	320	180	741	82	Good
6	2	0	42	77	59	2	0	126	308	295	180	731	81	Good
7	1	2	27	83	67	1	4	81	332	335	180	753	84	Good
8	2	2	32	86	58	2	4	96	344	290	180	736	82	Good

generation of Padang city. Table 3 shows the results of the TCR features of innovation behavior based on the findings of this study.

According to Table 3 TCR data, business actors exhibit favorable traits with an average TCR of 84 percent when it comes to their willingness to take risks and their entrepreneurial attitude.

4 Discussion

Based on the results of TCR tests on 180 coffee shop businesses in Padang City obtained the results that coffee shop business actors have good characteristics. This means that padang city coffee shop business actors already have the characteristics and behavior of entrepreneurial orientation in their business, namely having innovation behavior, proactive and courage in taking risks. Millennials are one of the generation that is always receptive when facing something. They are always open to innovation. That’s why they are quickly adapting to the digital world. Millennials are considered as a generation that has its own attitudes, values, and characteristics. No wonder today many startup companies are advancing under the leadership of the millennial generation.

A high degree of entrepreneurial orientation is strongly tied to the primary driver of profit, allowing an entrepreneur to seize opportunities as they arise and eventually improve business performance. [6] (Wiklund, 1999). The ability of businesspeople to outperform rivals through a combination of aggressive and proactive actions, such as launching new products or services above the competition and undertaking activities to predict future demand in order to bring about change and reshape the environment, is reflected in the term “proactive”. Innovativeness refers to a businessperson’s willingness to experiment creatively with new concepts in order to develop new production techniques and create new goods or services for both the current market and untapped markets.

Table 3. TCR Results Characteristics of Risk-Taking Courage Behavior

No	T					TrSL					a	TCR	%	Note
	strongly disagree	do not agree	neutral	agree	strongly agree	1	2	3	4	5				
1	1	5	27	80	67	1	10	81	320	335	180	747	83	Good
2	0	3	27	81	69	0	6	81	324	345	180	756	84	Good
3	1	3	35	80	61	1	6	105	320	305	180	737	82	Good
4	0	4	19	80	77	0	8	57	320	385	180	770	86	Good

The results of this study are consistent with prior research that has highlighted the importance of entrepreneurial orientation behavior in the workplace. For example, research by Susanto et al. [7] (2019) and [8] Dhamayanti & Fauzan (2017) found that entrepreneurial orientation has a positive and significant impact on the performance of the SME industry. The findings are also in line with abbas' research [9] (2018), stating that entrepreneurial orientation can be the most important way of measuring how a company is organized and is an important contribution of entrepreneurship to the company's performance. The younger generation is a productive generation with creative ideas can open a business. The more young people who are in the business world, it is expected to help the government in reducing the unemployment rate.

According to Hidayati [10] (2021) in running a business, millennials have characteristics such as 1) idealists; Millennials have an awareness of the importance of corporate social responsibility (CSR), they tend to choose and run a business that is in line with their idealism, 2) Open-minded; Millennials are an adaptive generation because they have an open mind pattern. The important thing for millennials is creativity and community, always want to work with others to get maximum results, 3) technology friendly; Millennials are the generation that appears in the use of technology. This generation grows and develops in line with the growth of technology so it tends to use technology in their work and 4) likes change; Millennials have an open mind so this generation really likes the changes that occur in the business world.

5 Conclusion

Based on research findings and debate, it can be deduced that the padang city coffee shop business has features of an entrepreneurial attitude 1) Innovation Behavior has an average characteristic of Good 2) Proactive Behavior has an average characteristic of Good and 3) Risk-Taking Behavior has Good Characteristics.

This study has some limitations, including that it only looked at coffee shops, making it unable to extrapolate its findings to MSMEs in Padang City. Additionally, this study only used one variable to determine entrepreneurial orientation behavior, which is entrepreneurial orientation. Therefore, it is anticipated that scholars would continue to look at additional factors such corporate motivation, customer satisfaction, market orientation, and consumer behavior in order to improve management science research.

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