



The Influence of Entrepreneurial Values and Subjective Norms on Entrepreneurial Intentions

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Abstract. This study aims to determine the influence of entrepreneurial values and subjective norms on entrepreneurial intentions. The grand theory of this research is the Planned Behavior Theory from Ajzen. The research method used was the Explanatory Survey Method. The population is Accounting Education students throughout Indonesia, with a sample size using the Isaac & Michael formula obtaining a sample size of 218 respondents. The data collection used was a numerical scale questionnaire. The data processing technique used was path analysis. The results showed that entrepreneurial values and subjective norms positively affected entrepreneurial intentions. It is recommended to increase the entrepreneurial values variable from the closest value indicator, which can be improved through guidance from the closest people, namely parents and siblings. The subjective norm variable can increase if the family agrees to do business through the participation of family members for internships in a company owned by one of their family members. In addition, the entrepreneurial intention variable, namely the indicator of entrepreneurial intention, can increase by being persistent in trying to become an entrepreneur, which can be done by providing motivation in preparing a business plan.

Keywords: Entrepreneurship · Entrepreneurial Values · Intention · Locus of Control · Subjective Norm

1 Introduction

Entrepreneurship is an essential element in the development of the modern global economy [1, 2] through its role in the creation of new businesses and jobs, bringing stronger competition, and even increasing productivity through technological change [3, 4]. Researchers have extensively studied its social and economic significance [5]. In developing countries, there is a great need to inspire young people to undertake entrepreneurial activities [6] by providing entrepreneurs that break unemployment and poverty. The number of unemployment has an impact on the national economic development and growth [7]. Therefore, through entrepreneurship, innovation needs to be increased [8]. The current COVID-19 pandemic has further reduced developing countries' economic

growth. This certainly makes stakeholders need to develop entrepreneurship as a solution for economic growth and creates business opportunities. Entrepreneurial intentions describe the desire to create and own a business. The field of psychology claims that intention is the best predictor of actual behavior [9]. Entrepreneurial intention as a strong antecedent of actual behavior in starting a business also finds empirical support [10, 11]. Studying entrepreneurial intentions is a practical and valuable approach to understanding actual entrepreneurial behavior. Ajzen's entrepreneurial intention model was developed based on three elements of background factors, namely personal, social, and information factors.

One of the background factors studied is the personal factor, one of which is internalizing entrepreneurial values. According to North [12], entrepreneurial values are informal institutions in the context of institutional economic theory that refers to a society's cultural factors' environment (behavior, attitudes, values, behavioral norms, and conventions). In relation to subjective norms, individuals accept entrepreneurial value as the influence of their immediate environmental assessment, according to the social capital literature, which can be attributed to the links of family or friends. The entrepreneurial value is also a factor in increasing intention [13]. While the social factor is the interaction environment, this factor examines subjective norms as social norms, which refer to pressure to do or not to do one action [14]. These two concepts of entrepreneurial values and subjective norms are essential components to be studied because, theoretically, they can increase entrepreneurial intentions. Therefore, this topic was re-examined to the Accounting Education students throughout Indonesia. Likewise, differences in entrepreneurial intentions seen from the gender aspect need to be studied to determine curriculum policies to organize lecture materials appropriate for male and female students. Based on the background of the problem, research on the factors that influence entrepreneurial intentions is needed, so the formulation of the main problem in this research is "How are the influence of entrepreneurial values and subjective norms on entrepreneurial intentions?" and "Similarly, how are the differences in entrepreneurial intentions seen from the gender aspect?"

Entrepreneurial values are defined as a social model that will be a consequence of the value or assessment of entrepreneurial activity in the community of individuals, which plays a vital role in the configuration of personal attitudes and entrepreneurial intentions from the influence of his immediate environment assessment which, according to the social capital literature, can be associated with family or friends links as well as social assessment as a culture that plays a critical role in determining entrepreneurial behavior [15]. Environmental or institutional factors reflect the social dynamics of entrepreneurship, where the level of entrepreneurial activity in a community is an unintended consequence of many individual choices regarding entrepreneurship [16]. These choices, however, can be derived from social models that impact individuals' entrepreneurial intentions [17]. These models, in turn, will be a consequence of the value or assessment of entrepreneurial activity in the community of individuals, which plays a very relevant role in the configuration of personal attitudes and entrepreneurial intentions. Similarly, North [12] explained that informal institutions -in the context of institutional economic theory- refer to environmental factors such as the culture of a society (codes of behavior, attitudes, values, norms of behavior, and conventions). In this way, individuals receive

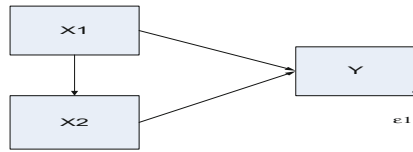


Fig. 1. The research paradigm

influences from their immediate environment on judgments which, according to the social capital literature, can be attributed to family or friends. They can exert their direct influence on perceived desirability as a consequence of cognitive values and beliefs that match individual perceptions of careers [18, 19].

On the other hand, when social judgments are considered, a culture of taking a critical role is crucial in determining entrepreneurial behavior. Since culture reinforces specific personal characteristics and punishes others [20], the value system that underlies the characteristics of a particular group or society will shape the development of certain personality traits and capacities, becoming a model for normative perceptions and abilities toward entrepreneurial activity. For example, [21] found that several socio-cultural factors hinder African entrepreneurial activity. Therefore, the social values of entrepreneurship can increase social norms, which in turn play a role in increasing entrepreneurial intentions.

Subjective norms are something individuals feel about what they think of important people or other closest groups that influence behavior [22]. According to Ajzen [14], a subjective norm is defined as something that is felt significantly by the individual's desire to do or not take specific actions (behaviors) that are influenced by partners, close friends, and parents who can encourage or reduce entrepreneurial behavior intentions. If a person's subjective norm is positive on the willingness to start a business, then the social pressure to do so will be high [14]. Therefore, subjective norms can increase entrepreneurial intentions. The influence of gender on a person's intention to become an entrepreneur has been widely studied [23]. As expected, male students have stronger intentions than female students. In general, entrepreneurs are dominated by men. [23] proved that women tend to be less inclined to open new businesses than men. Similar findings were also conveyed by Schiller and Crawson [24], who found that men's interest in entrepreneurship was more consistent than women's interest, which changed over time, so there was a significant difference in entrepreneurial success between women and men. Based on the explanation above, the higher the respondent's perception of the social entrepreneurial value and subjective norms, the higher the entrepreneurial intention, and vice versa. Therefore, the research paradigm is described in Fig. 1.

2 Methods

The objects of this research are entrepreneurial intention, entrepreneurial social values, and subjective norms variables, while the research subjects are Accounting Education students from six former LPTK universities, namely UPI Bandung, UM Malang, Unesa Surabaya, UNY Yogyakarta, UNM Makassar, UNS Surakarta and Unimed Medan which

Table 1. Continuum Scale of Research Data

20	36	52	68	84	100
	Very low	Low	Medium	High	Very high

have taken entrepreneurship courses. The research population consisted of 506 accounting education students. The research sample was calculated using Isaac Michael's formula, which obtained a sample size of 218 respondents. The variable measurement items were adopted from previous researchers, and the response to these items was in the form of an assessment of 5 points from the highest positive to the lowest positive. The indicators of Entrepreneurship Social Value (X.1) consist of closest value and social value (Linan, 2008). The questionnaire on the social entrepreneurial value uses a Numeric scale with five intervals. The indicators of the subjective norm (X2) consist of family, friends, closest friends, and significant others' agreement to do business [25]. The subjective norm questionnaire uses a Numeric scale with five intervals. While the indicators of entrepreneurial intent consist of persistence in trying the business (GMU) and b. For many business plans (BRU), as mentioned by Fishbein and Ajzen [26], The data collection technique used was a closed questionnaire. Before collecting data, the research instrument was tested, namely the validity and reliability test. Data analysis was carried out through variable description analysis, using tools such as percentage calculations, tables, and graphs. The interpretation was made by comparing the number of scores achieved with the number of ideal scores multiplied by 100%. The results are seen with the continuum in Table 1.

Before testing the hypothesis, the assumptions were tested first: the data normality test, heteroscedasticity test, and autocorrelation test. The associative hypothesis was tested using path analysis, while to test the differences in entrepreneurial intentions, the t-test was used. In addition, SPSS was used to process the data.

3 Results and Discussion

From the profile of students who became respondents, there were 24 men or 11%, and 194 women or 88.9%. Meanwhile, from family background data, it was obtained that those from entrepreneurial families were as many as 83 people or 38.1%, and those who were not from entrepreneurial families were as many as 135 or 61.9%. Entrepreneurial values are in high condition, with an average of 80.1%. The highest indicator variable of entrepreneurial values was the social value of 82.1%, while the lowest was the closest value of 75%. The subjective norm is a high condition with an average of 75%. For the subjective norm variable, the highest indicator was close friends' agreement to do business by 76%, while the lowest was the family agreement to do business by 72%. The variable of entrepreneurial intention was in high condition with an average of 79.5% with the highest indicator was the number of business plans by 81%, while the lowest was the persistence of trying to become an entrepreneur at 78.6%

This study is intended to test the model. Because it uses path analysis, the first testing model is that social entrepreneurial value positively affects subjective norms.

Table 2. Anova Test Results

Model	F	Sig	R	R Square
1	49,403	,000 ^a	.431 ^a	.186 ^a
2	105.776	,000 ^b	.704 ^b	.496 ^b

Based on the calculation, the effect of the social entrepreneurial value (X_1) on the subjective norm (X_2) is simultaneously obtained by $R^2 = 0.186$, $F = 49.403$ ($P = 0.000$) in the significant test. This means that the entrepreneurial value affects 18.6% of subjective norms, while other factors influence the remaining 81.4%. This means that the entrepreneurial value (X_1) positively affects subjective norms (X_2). This means that the proposed hypothesis is accepted. The second testing model is that entrepreneurial values and subjective norms have a positive effect on entrepreneurial intentions. Based on the calculation, it was obtained $R^2 = 0.496$, $F = 105.776$ ($P = 0.000$) in significant test. This means that the social entrepreneurial value and subjective norms have an effect of 49.6% on entrepreneurial intentions, while other factors influence the remaining 50.4%. This means that the social entrepreneurial value (X_1) and subjective norms (X_2) have a positive effect on entrepreneurial intentions (Y). Then, it means that the proposed hypothesis is accepted. The results of the testing of the two research models are shown in Table 2.

The next stage is partial testing. The first model is the magnitude of the influence of the social value variable on entrepreneurship (X_1) to the subjective norm (X_2). The test results obtained $t = 7.029$, $sig = 0.000$, meaning that the effect is significant. Thus, there is a positive influence on the social entrepreneurial value to the subjective norm of 0.431 or 43.1%. The higher the social entrepreneurial value, the higher the subjective norm. This means that the proposed hypothesis is accepted. Next is to test the second model, which is the influence of entrepreneurial value (X_1) on entrepreneurial intentions (Y). The test results obtained $t = 3.250$, $p = 0.001$, meaning that the effect is significant. This means that there is a positive influence on entrepreneurial value to the entrepreneurial intention of 0.174 or 17.4%. The higher the entrepreneurial value, the higher the entrepreneurial intention. This means that the proposed hypothesis is accepted. The results of testing the influence of subjective norms (X_1) on entrepreneurial intentions (Y) obtained $t = 11,388$, $p = 0.000$, meaning a significant effect. This means that there is a positive influence of subjective norms on entrepreneurial intention of 0.611 or 61.1%. The more positive the subjective norm, the higher the entrepreneurial intention. Then, the proposed hypothesis is accepted. Based on the hypothesis testing, subjective norms mediate the influence of entrepreneurial values on entrepreneurial intentions, as described in more detail in Table 3.

Theoretically, the entrepreneurial value is related to subjective norms. In this case, the individual receives influence from his immediate environment. According to the social capital literature, assessment can be associated with the links of family or friends. They can exert their influence directly on the perception of desires as a consequence of cognitive values and beliefs in accordance with individual perceptions of careers [18, 19]. The subjective norm variable is explained by the entrepreneurial value of

Table 3. The Influence Of Entrepreneurial Values (X_1) And Subjective Norms (X_2) On Entrepreneurial Intention (Y)

Model	Influence Variable	Koefi Beta	t _{count}	Sig	Hypothesis Testing
1	Entrepreneurial Value	0.431	7.029	,000	H ₀ Rejected
2	Entrepreneurial Value	0.174	3.250	,001	H ₀ Rejected
	Subjective norm	0.661	11,388	,000	H ₀ Rejected

0.431, which is significant. Based on the data, accounting education students have high subjective norms; if higher education emphasizes better entrepreneurial values, then it will significantly influence subjective norms. The higher the entrepreneurial value, the higher the subjective norm, and vice versa. Therefore, the entrepreneurial value is an important variable to be considered and improved because the entrepreneurial value can form subjective norms. This is in accordance with the opinion of Kennedy [27] that the expectations of family, friends, and significant others are the key variables influencing student responses. Theoretically, the entrepreneurial value is related to entrepreneurial intentions. From a cognitive perspective, both associate social relationships that can play different roles in transmitting values and ideas that may influence perceptions and, through them, on intentions [13, 28]. The entrepreneurial intention variable is explained by the influence of the entrepreneurial value of 0.174, which is significant. Based on the data, accounting education students have high entrepreneurial intentions. If universities, through lecturers and students' closest people, can emphasize values on better entrepreneurial values, it will have a significant influence on entrepreneurial intentions. Theoretically, entrepreneurial intentions are explained by subjective norms. According to Ajzen [14], significant subjective norms refer to the individual's desire to do or not do specific actions that refer to partners, close friends, and parents who can increase or decrease entrepreneurial intentions. If the subjective norm is high, social pressure towards action becomes higher [14, 29, 30]. Researchers have found that subjective norms influenced entrepreneurial intentions. The entrepreneurial intention variable is explained by its influence by the subjective norm of 0.661, significant. This means that based on the data, accounting education students have high entrepreneurial intentions if universities, through lecturers and those closest to students, can give better emphasis on subjective norms, which will have a significant influence on entrepreneurial intentions.

The hypothesis testing results support the theory of TPB (Theory of Planned Behavior) from Azjen [14]. Ajzen includes three background factors, namely personal, social, and information. Entrepreneurial values and subjective norms are social factors. Learning through interaction in the campus environment is a factor that has the biggest influence on students. Interaction can be in the form of the transformation of critical entrepreneurial values from both the closest people and the campus social environment, and this is where entrepreneurial values are essential. Interaction can also be in the form of encouragement or motivation for entrepreneurship from the campus environment, family, or significant others, which becomes the importance of subjective norms. Furthermore, an analysis

Table 4. Decomposition Between Research Variables

Variable	Influence		Total Influence
	L	TL Via X ₂	
X ₁	0.1857	0.2849	0.4706
X ₂	0.4369		0.4369
Total Influence			

Table 5. F Test Result

Independent Samples Test							
	Levene's Test for Equality of Variances						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Gender	1,207	.273	.186	216	.852	.237	1,270

was carried out to see the magnitude of the influence of each exogenous variable on the endogenous variables, presented in Table 4.

Table 4 shows that the entrepreneurial value has the biggest influence of 47.06%, while the subjective norm is 43.69%.

The entrepreneurial intention of students from the gender factor is used to test whether there is a similarity in variance between men and women through the F test (Table 5).

From the test results, it is obtained a p-value of 0.273. Thus the significance is greater than 0.05. This means that H₀ is accepted. Thus, there is no significant difference in the entrepreneurial intention of accounting education students from the gender aspect. The results of this study contradict the previous study [23, 24, 31, 32] because of the differences in the condition of students in the teaching and learning process. It turns out that many female students also participate in business activities.

4 Conclusion

Based on the results of the study, it was concluded that descriptively the variables of entrepreneurial value, subjective norms, and entrepreneurial intentions were in high conditions. Hypothesis testing showed that the entrepreneurial value had a positive and significant effect on subjective norms, while in the second model, the entrepreneurial value and subjective norms had a positive effect on entrepreneurial intentions. The entrepreneurial value was the most dominant variable in influencing entrepreneurial intentions. In addition, [34] there was no difference in entrepreneurial intention between men and women. Therefore, it is necessary to increase the values of entrepreneurship in the closest value indicators through the collaboration of lecturers and parents of students to provide meaningful values in entrepreneurship. It is recommended to increase subjective norms on family indicators through collaboration between lecturers and students'

parents to often provide students encouragement or motivation for entrepreneurship. It is also recommended that the lecturers increase the entrepreneurial intention variable on the indicator of how persistent a person tries to be an entrepreneur through entrepreneurial incubator activities, service, trade, or manufacturing business activities as part of entrepreneurship practicum.

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