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# HOW TO IMPROVE THE ENTREPRENEURIAL MOTIVATION THROUGH ENTREPRENEURIAL INTENTION, ATTITUDES, AND ENVIRONMENTAL ASPECTS

Chairani Fadhila Pravitasari<sup>1</sup>, Widhiatmoko Herry Purnomo<sup>2</sup>, Muhammad Syah Fibrika Ramadhan<sup>3</sup>, Ekaningtyas Widiastuti<sup>4\*</sup>

<sup>1-4</sup>Universitas Jenderal Soedirman, Purwokerto E-mail: <sup>1)</sup> widtyas@gmail.com

#### Abstract

Students who enter the world of entrepreneurship show extraordinary enthusiasm and initiative in developing their own businesses. They do not only focus on academic studies, but also actively seek opportunities and are ready to take risks to build independent businesses. The focus of this study is to understand how entrepreneurial motivation among students can be improved through entrepreneurial intentions, attitudes, and environmental factors. Data were collected through questionnaires, with convenience sampling techniques, and analyzed using Multiple Regression in the SPSS program. A total of 84 respondents were involved in this study. The results show that Entrepreneurial Intention and Attitude has a positive influence on entrepreneurial motivation. However, the results of other hypothesis tests revealed that Knowledge of Available Entrepreneurial Support and Perceived Barriers to Starting a Business did not affect entrepreneurial motivation. Overall, this study emphasizes the importance of strengthening entrepreneurial intentions as a key factor in encouraging entrepreneurial motivation among students.

**Keywords:** Entrepreneurial Motivation, Entrepreneurial Intention, Attitude, Knowledge of Available Entrepreneurial Support, Perceived Barriers to Starting a Business

#### INTRODUCTION

Entrepreneurship plays an important role as a contributor in creating jobs, innovation and economic development (Sesen, 2013). Entrepreneurship has been encouraged since college, as one of the fields of science that can increase students' knowledge and practice in the field that will foster an entrepreneurial spirit. The entrepreneurial spirit inherent in graduates will make them have a competitive advantage, both as job creators and job seekers.

A statement from the UN states that a country will be more advanced if it has at least 2% of its population as entrepreneurs. The government's actions to continue to boost entrepreneurship in Indonesia are supported by data from the 2017 Global Entrepreneurship Monitor which shows that the interest and motivation of the Indonesian people to become entrepreneurs is quite high, namely 47.7%. The strengthening of entrepreneurship attempted by the government is stated in Presidential Regulation No. 2 of 2022 concerning

Entrepreneurship Development, it is explained that the government is trying to create an entrepreneurial ecosystem and achieve the target of a national entrepreneurship ratio of 3.95%, and the growth of new entrepreneurs by 4%.

Entrepreneurial intentions are formed and followed by entrepreneurial actions. There's increasing evidence in the literature that intentions matter when deciding whether or not to launch a new company (Schlaegel & Koenig, 2014). Zhang & Yang (2006) discovered a favorable correlation between entrepreneurial behavior and intentions, which lends support to this theory. While the development of entrepreneurial intentions and the pursuit of possibilities are necessary for the occurrence of entrepreneurial activity (Carsrud & Brännback, 2011), the conversion of intentions into actions that take advantage of those chances requires entrepreneurial motivation. According to Locke & Latham (2004), motivation necessitates both external and internal forces that can spur action.

The phenomenon of student entrepreneurship in higher education shows that the interest and motivation to focus on entrepreneurship among students at Jenderal Soedirman University is still relatively low. This is proven based on data from students who participated in entrepreneurship funding until 2023, the number of students participating in entrepreneurship program activities sourced and organized by universities and Dikti is an average of 1,190 people. Compared to the number of active UNSOED students, which is approximately 25,202.

According to earlier research, there is a strong correlation between entrepreneurial drive and intention (Solesvik, 2013). Many elements influence entrepreneurial motivation: the entrepreneur's view of the world and his or her own skills (Estay et al., 2013); personal traits; the entrepreneur's environment at home (Taormina & Lao, 2007); the pertinent business environment; particular business concepts; and the entrepreneur's objectives (Naffziger et al., 1994). As such, environmental factors play a critical role in both explaining the factors that drive entrepreneurial desire and contributing to the growth of entrepreneurship (Gnyawali & Fogel, 1994). Studies on the motivation of entrepreneurs and obstacles to launching a new company have also been conducted (e.g Smith & Beasley, 2011; Choo & Wong, 2006).

Entrepreneurial motivation is a soft skill that can be honed so that students are ready to become graduates who have an entrepreneurial character or spirit. Efforts are needed from universities to foster an entrepreneurial spirit in students, so that it can increase motivation and interest in entrepreneurship. The entrepreneurial spirit inherent in students

will make them individuals who have a competitive advantage when entering the work environment. This study focuses on the factors of entrepreneurial intention, attitudes, and environmental aspects in influencing entrepreneurial motivation in active students of Jenderal Soedirman University.

#### LITERATURE REVIEW

## Theory of Planned Behavior

Consciousness of conduct, subjective norms, and perceived behavioral control all influence business intention, according to the Theory of Planned conduct (Ajzen, 2015). Behavior attitudes are the subjective judgments on a specific behavior that a person holds, either favorably or unfavorably.

## **Entrepreneurial Motivation**

Entrepreneurs are activated and motivated to work harder to accomplish their goals through a process known as entrepreneurial motivation. Entrepreneurial motivation has been explained through a variety of methods. Motivational themes including the need for achievement, taking risks, tolerance for ambiguity, locus of control, self-efficacy, and goal setting are identified through quantitative methodologies. However, ideas like autonomy, drive, and selfish interests may help explain entrepreneurial motivation (Rahman & Day, 2012; Collins et al., 2004).

## **Entrepreneurial Intention**

According to Krueger & Brazeal (1994), one of the factors that predicts entrepreneurship is entrepreneurial intention. It is also associated with the movement pattern that compels an individual to confront or face people, things, activities, or experiences that are sparked by the activity itself (Shepard, 2012). Entrepreneurial intention can be defined as a person's choice because they feel intentional, happy and willing to be an entrepreneur and dare to take risks to achieve success.

#### Attitude

A person's favorable or negative assessment of a specific behavior is reflected in their attitudes toward it. Individuals' views regarding the repercussions of engaging in an action shape their attitudes (Ajzen, 2005). Depending on the person's experiences and observations of role models regarding the results of engaging in entrepreneurial behavior, these views may or may not be positive.

# Knowledge of Available Entrepreneurial Support

People frequently don't follow through on their objectives, even when they have the best of intentions (Ajzen, 2011). This is due to the possibility that people will be prevented from acting on their objectives by perceived hurdles (Ajzen, 2012). Entrepreneurs can overcome these obstacles with the use of entrepreneurial education, social and entrepreneurial support, and both (Smith & Beasley, 2011). It is necessary to remove potential barriers to behavioral performance and provide necessary resources in order to facilitate the translation of entrepreneurial intents into the creation of new companies (Ajzen, 2015; Henley, 2005).

# Perceived Barriers to Starting a Business

According to Choo and Wong (2006), these obstacles include unforgiving reality, a lack of confidence, finance, skills, and the expense of compliance. Lack of capital encompasses the inability to secure funding, the absence of personal resources or assets, and the absence of support from friends or family. Lack of knowledge about beginning a business, inexperience in management or finance, and poor marketing abilities are examples of a lack of skills. Other obstacles to starting a business and pursuing entrepreneurial goals include unexpectedly difficult work, finding the right partners, and a lack of acceptable locations (Choo & Wong 2006).

# **RESEARCH METHODS**

#### Research Data and Variable Measurement

Students at Universitas Jenderal Soedirman made up the study's population. Using the criteria of final year students (final semester) at Universitas Jenderal Soedirman, respondents were selected as samples using convenience and purposive sampling techniques. Since entrepreneurship might be one of the major professional decisions that students must make after completing their studies, this group of students was selected to research entrepreneurial goals and motives for launching a business.

This study's factors include perceived obstacles to launching a firm, knowledge of available entrepreneurial help, attitudes, and entrepreneurial drive and intention. The questionnaire was composed of items with a nominal scale using a Likert scale of five (1-strongly disagree and 5-strongly agree).

# **Data Analysis Techniques**

# a. Descriptive Statistics

Descriptive statistics give an overall view or summary of data by examining the lowest, highest, range, typical value, and size of the sample.

# b. Analysis of Multiple Regression

The aim of conducting this multiple linear regression analysis is to identify which independent variables (X1, X2, and X3) have an impact on the dependent variable (Y), essentially examining the relationship between various variables.

### c. Goodness of Fit Test and Hypothesis Test

#### 1. Coefficient of Determination

The numerical value known as  $R^2$ , or R-squared, represents the Determination Coefficient. When the coefficient of determination ( $r^2$ ) is equal to 0, it means that the independent variable does not affect the dependent variable at all (= 0% influence). Conversely, if the coefficient of determination ( $r^2$ ) is 1, it signifies that the independent variable has a complete influence of 100% on the dependent variable, as shown algebraically by  $0 \le r^2 \le 1$ .

# 2. F Test

The F test is employed to assess the precision of the research model, to determine if the expected value accurately portrays the real-life scenario.

- If F statistic > F table, or the significant value <  $\alpha$  (0.05), then the regression equation is declared to meet goodness of fit.
- If F <sub>statistic</sub> < F <sub>table</sub>, or the significant value  $> \alpha$  (0.05), then the regression equation is declared not to meet goodness of fit.

# 3. T-Test (Partial Effect Significance Test)

The t-test is applied to assess the impact of independent variables on dependent variables to some extent.

Testing Criteria:

With a level of significance of 95% with  $(\alpha) = 0.05$ 

H0 is accepted if  $t_{\text{statistic}} < t_{\text{table}}$ , or the significance level  $> \alpha$  (0.05)

H0 is rejected if  $t_{\text{statistic}} > t_{\text{table}}$ , or the significance level  $< \alpha (0.05)$ 

#### **RESULTS AND DISCUSSION**

#### Research Results

#### 1. Instrument Test

### a. Validity Test

According to the findings of the validity test, it can be inferred that all items related to Entrepreneurial Motivation, Entrepreneurial Intention, Attitude, and Knowledge of Available Entrepreneurial Support are reliable as the statistical significance of each question is less than 0.05.

# b. Reliability Test

Table 2. Reliability Test

Variables	Cronbach Alpha Coefficient	Information
Entrepreneurial Motivation	0.832	Reliable
Entrepreneurial Intention	0.867	Reliable
Attitude	0.834	Reliable
Knowledge Of Available Entrepreneurial Support	0.878	Reliable
Perceived Barriers to Starting a Business	0.918	Reliable

The results of the reliability test show that the variables Entrepreneurial Motivation, Entrepreneurial Intention, Attitude, Knowledge of Available Entrepreneurial Support and Perceived Barriers to Starting a Business have good reliability. Therefore, the results in this study can be trusted because they are consistent and stable.

# 2. Analysis of Multiple Regression

Multiple regression analysis was utilised in order to assess the connection and indicate the pathway of the link between the hedonistic lifestyle factors and financial self-belief on financial control conduct.

Table 3. Multiple Regression Analysis

Variables	Coefficient β		T	Significant
Constant		17,044	4,597	0.000
Entrepreneurial Intention		0.686	2.935	0.004
Attitude		0.422	2,058	0.043
Knowledge Of Available Entrepreneurial Support		0.066	0.606	0.546
Perceived Barriers to Starting a Business		0.007	0.235	0.815
Adjusted R Square	0.466			
Goodness of Fit (F Test)	19.136			0.000

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Based on the table of results of multiple regression analysis, the following equation can be concluded:

$$Y = 17.044 + 0.686 X1 + 0.422X2 + 0.066 X3 + 0.007$$

Based on the table 3, the R square value is 0.492, which means that the Entrepreneurial Intention variable, Attitude, Knowledge of Available Entrepreneurial Support and Perceived Barriers to Starting a Business can explain the Entrepreneurial Motivation variable by 49.2%. While the remaining 50.8% is influenced by other variables. The F test shows that the calculated Fvalue > Ftable value with df 0.05 (4; 79) and a significant value < 0.05 so that it can be concluded that the regression equation model is stated to be good (goodness of fit).

The ttable shows that partially Entrepreneurial Intention has a tstatistic (2,935) > ttable (1.990) and significance value (0.004) < (0.05) then it is concluded that Entrepreneurial Intention has a significant positive effect on Entrepreneurial Motivation. Furthermore, the variable Attitude has a calculated tstatistic (2,058) > ttable (1.990) and significance value (0.043) < (0.05) then it is concluded that the variable Attitude has a significant positive effect on Entrepreneurial Motivation.

The variable Knowledge of Available Entrepreneurial Support has a tstatistic (0.606) < ttable (1.990) and significance value (0.546) > (0.05) then it is concluded that Knowledge of Available Entrepreneurial Support does not have a significant effect on Entrepreneurial Motivation. Meanwhile, the variable Perceived Barriers to Starting a Business has a tstatistic (0.235) < ttable (1.990) and significance value (0.815) > (0.05) then it is concluded that Perceived Barriers to Starting a Business does not influence Entrepreneurial Motivation.

#### Discussion

The study's findings suggest that Entrepreneurial Intention can positively impact Entrepreneurial Motivation. This indicates that the more determined an individual is to start their own business, the more driven they are to succeed. It is crucial to raise awareness about entrepreneurship support programmes in order to boost entrepreneurial motivation. The desire for independence, a challenging work environment, the opportunity to use creative abilities, and the potential to earn higher income are all top priorities for respondents. Furthermore, having an engaging job, keeping up with current trends, and identifying market opportunities are also essential factors. These results imply that the Theory of Planned Behavior serves as a useful framework for comprehending the connection between entrepreneurial motivation, entrepreneurial intention, and the factors influencing

entrepreneurial intention. The findings of this investigation are consistent with those Achchuthan & Nimalathasan (2013) and Malebana (2014) regarding the relationship between entrepreneurial motivation and entrepreneurial intentions.

Attitude variable shows a significant and positive influence on Entrepreneurial Motivation. It means that the more positive the individual's attitude towards entrepreneurship, the higher their motivation to run a business. This positive attitude encourages individuals to be more motivated to take real steps in running a business. the theory put forth by Carsrud & Brännback (2011), according to which the connection between purpose and behavior constitutes entrepreneurial motivation. The study's findings indicate that attitudes toward starting a business, subjective norms, and entrepreneurial intentions can all be used to predict an individual's motivation for entrepreneurship. Put another way, people are more likely to be motivated to pursue entrepreneurship when they believe it will result in the achievement of their goals, when doing so will win them over from loved ones, and when they have a strong desire to do so. The results of this study are consistent with a study by Solesvik (2013), which found a positive relationship between entrepreneurial motivation and subjective norms, perceived behavioral control, attitudes toward entrepreneurship, and entrepreneurial aspirations.

According to the study's findings, perceptions of obstacles to launching a business and awareness of available entrepreneurial support had no bearing on an individual's entrepreneurial motivation. This shows that even though someone knows that there is support available and knows that there are obstacles in starting a business, it does not directly affect their motivation to become an entrepreneur. This finding is different from the results of Malebana (2014) study which stated that knowledge of available entrepreneurial support has a significant relationship with entrepreneurial motivation. Context has been shown to have a part in influencing entrepreneurial drive, according to Carsrud and Brännback's (2011) investigation. Positive social attitudes about entrepreneurship, the existence of role models in the field, and awareness of the resources available for entrepreneurship all contribute to a person's drive to pursue entrepreneurship.

#### **CONCLUSION**

According to the results of the study, Entrepreneurial Intention and Attitude play a crucial role in boosting Entrepreneurial Motivation. Essentially, the more determined someone is to start their own business and the more optimistic they feel about entrepreneurship, the greater their drive to engage in entrepreneurial activities. Conversely,

Familiarity with Entrepreneurial Assistance and Beliefs about the Challenges of Starting a Business were not found to have a significant impact on Entrepreneurial Motivation.

The implications of this study highlight the importance of fostering strong entrepreneurial intentions and positive attitudes, especially among students. Universities play a crucial role in shaping these traits through applicable curricula, entrepreneurship programs, and inspiring mentoring. The government should also focus on not only providing entrepreneurial support but also fostering a positive entrepreneurial mindset by introducing entrepreneurship early in education and encouraging young entrepreneurs through awards and recognition. This study, however, only examines a limited number of variables, leaving room for further exploration of other factors such as social environment, personal experiences, and psychological influences on Entrepreneurial Motivation.

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