

Analysis of Factors Affecting Entrepreneurial Interest in Economics Education Study Program Students

Elisabeth Margareta¹, Erni Kusrini Sitinjak²

^{1,2}Nommensen Pematangsiantar University, Indonesia

elisabeth.margareta@gmail.com, erni.kusrin@gmail.com

Abstract

This research was conducted to properly educate and prepare college graduates for entrepreneurship because many university graduates have become unemployed coupled with the Covid-19 pandemic since the beginning of 2020. The purpose of this research is to see how much income, family environment, and education affect students' interest in entrepreneurship. Economic Education in order to be able to develop an entrepreneurial spirit in students. This type of research is associative research which aims to determine the effect of independent variables (income, family environment, and education) on the dependent variable (interest in entrepreneurship) by using purposive random sampling technique. Based on the research conducted, it was found that income affects the entrepreneurial interest of students of the Economic Education study program by 79.6%, the family environment affects the entrepreneurial interest of students of the Economic Education study program by 62.5%, education affects the entrepreneurial interest of students of the Economics Education study program by 77, 9%. Furthermore, income, family environment, and education simultaneously or together have a positive and significant effect on the entrepreneurial interest of students of the Economic Education study program by 82.2%.

Keywords

Entrepreneurship; students; income; family; education



I. Introduction

Indonesia is a country with a large population. A large population is in line with a large workforce. To compensate for this, it is necessary to expand employment opportunities. However, in reality, employment is not able to accommodate the existing workforce, the number of job opportunities is not proportional to the number of graduates or the supply of new workers produced at all levels of education, resulting in the problem of unemployment. Data from the Central Statistics Agency (BPS) in February 2019 recorded that the number of unemployed in Indonesia reached 6.82 million people (5.01%). If translated, open unemployment according to the highest education completed are as follows: university (839,019), academy/diploma (269,976), vocational high school/vocational high school (1,381,964), general high school/high school (1,680,794), junior high school (1,219. 767), SD (954. 010), did not/haven't finished elementary school (435,655), didn't/had never attended school (35,655). The data shows that there are still many university graduates who are unemployed.

Another problem arises, the Covid-19 pandemic since the beginning of 2020 has also added to the unemployment rate in Indonesia. Analysis of the results of the Covid-19 impact survey on business actors conducted by the Central Statistics Agency noted that 8.76% of

companies stopped operating, 5.45% operated with the implementation of WFH for some employees, 2.05% operated with the application of WFH for all employees, 24.31% operating with reduced capacity (working hours, machines, and manpower), 0.49% operating even more than capacity before Covid-19, 58.95% still operating as usual. In general, 6 out of every 10 companies are still operating as usual. Reducing working hours is the policy that is mostly carried out by companies that are still operating as usual. The next most widely implemented policy is for workers to be laid off (unpaid) and lay off workers in a short time (BPS, 2020). This condition is certainly a threat to job seekers.

Covid-19 began to appear at the end of 2019 and began to spread in January 2020 precisely in Wuhan City, China. The presence of this virus has successfully paralyzed all world activities from various sectors, ranging from education, business, politics, tourism and so forth. This condition does not only occur in Indonesia but also affects all countries in the world. Of the various problems that arise in the middle of the community, it is felt necessary to provide a form of community empowerment practice. (Saleh, A and Mujahiddin, 2020)

Now is the time to change the mindset, the younger generation is no longer prepared as job seekers but is able to become job creators (Dewi, 2017). The government through Presidential Instruction No. 4/1995 launched the National Movement to Promote and Cultivate Entrepreneurship. The goal is to foster a creative and innovative culture in the community, both in the business world, education, and government officials. However, the movement does not get support, the community's interest in entrepreneurship is still low. This is where the role of universities. Universities must be part of government programs because they have a major influence in educating and carefully preparing graduates to become entrepreneurs through the provision of entrepreneurship education. HKBP Nommensen Pematangsiantar University in its education curriculum includes Entrepreneurship courses as a general compulsory subject. This is an effort to start preparing graduates for entrepreneurial activities. Seeing the online application business opportunity that is popular with the market, technology-based entrepreneurship (technopreneurship) is very suitable to develop at this time. Students of the Economics Education study program, they are not only prepared to become teachers but are able to fill other jobs, especially being able to see technology-based business opportunities (technopreneurship). For this reason, researchers feel the need for information about the factors that influence the entrepreneurial interest of students of the Economic Education study program in order to realize technology-based entrepreneurship (technopreneurship),

In particular, this study aims to see how much income, family environment, and education affect the entrepreneurial interest of Economic Education students in order to foster an entrepreneurial spirit in students. The urgency of this research is to cultivate entrepreneurship in the Economics Education study program so that graduates become entrepreneurs.

II. Review of Literature

2.1 Entrepreneur and Entrepreneurship

Entrepreneur is a translation of entrepreneur into Indonesian. According to the Big Indonesian Dictionary (KBBI), the notion of entrepreneurship is the same as entrepreneurship, namely people who are smart or talented in recognizing new products, determining new production methods, arranging operations for procuring new products, marketing and managing operating capital (Dewi, 2017). An entrepreneur can also be called an innovator because they are able to see and assess existing opportunities, are able to gather the necessary resources so as to create added value in the market, and they are able to think

and act quickly in making decisions to ensure success. The skills possessed by an entrepreneur are called entrepreneurship (Dewi, 2017).

Entrepreneurship is an effort to take advantage of opportunities in adversity (Hidayat, 2019). Entrepreneurship relates to a person's courage to carry out activities independently. If someone has an entrepreneurial spirit and character then he can become a successful entrepreneur. The role of entrepreneurship is very large in encouraging the national economy, because people who have an entrepreneurial spirit will be able to create jobs, not only for themselves but also for others. With the ability to expand job opportunities, an entrepreneur will help increase a country's economic growth (Saiman, 2015). The following is the entrepreneurial spirit that needs to be promoted and cultivated by leaders in general and entrepreneurs (Indonesia) in particular.

2.2 Entrepreneurship Education

Entrepreneurship is a discipline that studies a person's values, abilities, and behavior in facing life's challenges and how to obtain opportunities with various risks that they may face (Novasari, 2019). A person with entrepreneurial talent can develop his talent through entrepreneurship education (Dewi, 2017). Another opinion says that entrepreneurship education is education and training that allows students to develop and use their creativity, take initiative, responsibility, and risk. Entrepreneurship education in higher education does not mean education to open a business (business) but must be interpreted as education to build entrepreneurial character, entrepreneurial mindset, and entrepreneurial behavior. Seeing the development of online business today, technopreneurship needs to be developed in order to easily reach the market. Technopreneurship is an entrepreneurial concept that combines technology and entrepreneurship (Sosrowinarsidiono, 2010). Technopreneurship can be defined as a synergistic process from a strong ability to master technology as well as a thorough understanding of the concept of entrepreneurship.

Entrepreneurship education has been developed throughout the world considering the importance of cultivating entrepreneurial character for the younger generation who is the spearhead of a country's economic progress (Saiman, 2015). Currently entrepreneurship has become a subject taught in schools and is a compulsory subject taught in most public and private universities, both domestic and foreign universities, even in Indonesia, have been taught in various courses, seminars, workshops, and the like. Entrepreneurship education is very important because when someone becomes an entrepreneur there are several abilities that must be possessed, namely: 1) Business knowledge, 2) Imagination or fantasy 3) Practical knowledge, 4) Finding skills, 5) Foresight, 6) Counting skills, 7) Communication skills (Novasari, 2019). In an effort to anticipate competitive global dynamics and socio-economic changes in Indonesia, universities need to promote activities with an entrepreneurial dimension, both intracurricular activities (academic/lectures) and extracurricular activities (students). Entrepreneurship activities can be a vehicle for students to practice entrepreneurship and develop an entrepreneurial spirit. After completing their studies, they can create jobs and become successful entrepreneurs, not just looking for work. In addition, students can train and foster coordination with agencies and create business networks with various parties, as well as build a synergistic partnership network in a profitable business world. If the university can implement this, the university has become a new center of economic growth (Rusdiana, 2018). In addition, students can train and foster coordination with agencies and create business networks with various parties, as well as build a synergistic partnership network in a profitable business world. If the university can implement this, the university has become a new center of economic growth (Rusdiana,

2018). In addition, students can train and foster coordination with agencies and create business networks with various parties, as well as build a synergistic partnership network in a profitable business world. If the university can implement this, the university has become a new center of economic growth (Rusdiana, 2018).

2.3 Interest in Entrepreneurship

According to the Big Indonesian Dictionary (KBBI), interest is a high inclination of the heart towards something, passion, desire. Interest describes an interest in a particular field or activity (Dewi, 2017). Pros and cons arise regarding entrepreneurship being born or formed?, because there is an opinion which states that entrepreneurship is born (is born) which causes a person to have an outward talent to become an entrepreneur and another opinion states that entrepreneurship is formed or printed (is made) through entrepreneurship education or training (Mahanani, 2018). Interest in becoming an entrepreneur can be interpreted as a person's desire to work independently (self-employed) or run his own business (Saiman, 2015). A person's courage to set up his own business (entrepreneurship) is often driven by the motivation of his teacher or lecturer who provides practical and interesting Entrepreneurship subjects or courses, so that it can arouse students' interest to start trying entrepreneurship. But sometimes the interest in entrepreneurship appears by itself in a person. There are 4 things that motivate a person to become an entrepreneur, namely: 1) Profit, 2) Freedom, 3) Personal dreams, 4) Independence (Dewi, 2017). However, there are 3 things that hinder the development of college graduates' interest in entrepreneurship, namely: 1) The problem of mindset (mindset), 2) The problem of the entrepreneurship curriculum that is not adequate in quantity and quality, 3) Lack of seriousness from the government, both central and regional in creating entrepreneurship from among students. Entrepreneurship development for the younger generation (students and undergraduates) requires more serious and sustainable support from educational institutions and stakeholders.

2.4 Factors Affecting Interest in Entrepreneurship

To become an entrepreneur does not only require talent but also requires interest and hard work. There are three factors that play a role in the interest in entrepreneurship: 1) Personal factors, concerning aspects of a person's personality, 2) Sociological factors regarding relations with family or outside parties, 3) Environmental factors concerning relationships with the environment (Alma: 2013). Another opinion states that interest in entrepreneurship can be influenced by two factors, namely: 1) Intrinsic factors, are factors that arise due to stimulation from within the individual itself, among others: the need for income, motives, self-esteem, feelings of pleasure and attention; 2) Extrinsic factors are factors that arise due to external stimuli, including: family environment, community environment, opportunities, and education (Hidayatullah, 2012).

III. Research Methods

The research was conducted at the University of HKBP Nommensen Pematangsiantar. This type of research is associative research that aims to determine the effect of the independent variables (income, family environment, and education) on the dependent variable (entrepreneurial interest) by using purposive random sampling technique. The requirements for sampling are students of the Economics Education study program who are still active and have taken Entrepreneurship courses. The population in this study were 136 students of the 2018 Economics Education study program, consisting of 44 students in group A, 48 students in group B, and 44 students in group C. From the total population, 102

students were taken as research samples. The data used were primary data obtained by distributing questionnaires to respondents. The work procedure carried out to collect data begins with the validation of the questionnaire/questionnaire first by the validator. Questionnaires or questionnaires that have been validated are then distributed to respondents. Before being used in research, the instrument was first tested to find out whether it met the valid and reliable requirements as a data collection tool.

IV. Result and Discussion

The purpose of this research is to knowing the effect of the independent variable (income, family environment, and education) on the dependent variable (interest entrepreneurship) Economic Education students in order to develop an entrepreneurial spirit in students. From the analysis that has been done, the discussion of the research is obtained as follows:

1. The Effect of Income on Entrepreneurial Interest of Students of the Economic Education Study Program, HKBP Nommensen Pematangsiantar University.

The research that has been done shows that there is a very strong relationship between income and entrepreneurial interest of students of the Economic Education study program at HKBP Nommensen Pematangsiantar University, as shown from the value of correlation/relationship (R) is 0.892. The calculated F value = 331.415 with a significance level of $0.000 < 0.05$ indicates that the regression model can be used to predict entrepreneurial interest or in other words income affects student entrepreneurial interest.

Nvalue the coefficient of determination (R Square) was obtained at 0.796, which means that the effect of income on students' interest in entrepreneurship is 79.6%, with the resulting regression equation $Y = 0.159 + 0.000X_1$

2. The Influence of Family Environment on Entrepreneurial Interest of Students of the Economic Education Study Program, University of HKBP Nommensen Pematangsiantar.

The research that has been done shows that there is a strong relationship between the family environment and the entrepreneurial interest of students of the Economic Education study program at the University of HKBP Nommensen Pematangsiantar, which is indicated by the correlation/relationship (R) value of 0.790. The calculated F value = 141.473 with a significance level of $0.000 < 0.05$ indicates that the regression model can be used to predict entrepreneurial interest or in other words the family environment affects student entrepreneurial interest. The value of the coefficient of determination (R Square) was obtained at 0.625, which means that the influence of the family environment on student entrepreneurship interest is 62.5%, with the resulting regression equation $Y = 0.008 + 1.992X_2$

3. The Influence of Education on Entrepreneurial Interest in Economic Education Study Program Students at HKBP Nommensen Pematangsiantar University.

Research that has been done shows that there is a very strong relationship between education and interest in entrepreneurship for students of the Economic Education study program at the University of HKBP Nommensen Pematangsiantar, which is indicated by the correlation/relationship (R) value of 0.883. The calculated F value = 300.200 with a significance level of $0.000 < 0.05$ indicates that the regression model can be used to predict entrepreneurial interest or in other words education affects student entrepreneurial interest. The value of the coefficient of determination (R Square) was obtained at 0.779, which means that the influence of education on students' interest in entrepreneurship is 77.9%, with the resulting regression equation $Y = 0.009 + 1.194X_3$

4. The Influence of Income, Family Environment, and Education on Entrepreneurial Interest of Students of the Economic Education Study Program, University of HKBP Nommensen Pematangsiantar.

Research that has been done shows that The regression model can be used to see the effect of income, family environment, and education together on the entrepreneurial interest of students of the Economic Education study program at the University of HKBP Nommensen Pematangsiantar, which is indicated by the value of $r^2 = 0.822$, meaning the influence of income, family environment, and education together The same for students' interest in entrepreneurship is 82.2%. F value count = 127,806 (F count 127,806 > F table 2.70) with a significance level of 0.000 ($0.000 < 0.05$) indicates that income, family environment, and education simultaneously or together have a positive and significant influence on student entrepreneurship interest. The resulting regression equation is $Y = 0.086 - 0.00000654X_1 + 0.319X_2 + 0.435X_3$

V. Conclusion

From the results of research that has been carried out, the following conclusions are obtained:

1. The calculated F value = 331.415 with a significance level of $0.000 < 0.05$ indicates that income affects students' interest in entrepreneurship. Nvalue the coefficient of determination (R Square) was obtained at 0.796, which means that income affects the entrepreneurial interest of students of the Economic Education study program by 79.6%.
2. The calculated F value = 141.473 with a significance level of $0.000 < 0.05$, indicating that the family environment affects the students' interest in entrepreneurship. The value of the coefficient of determination (R Square) is 0.625, which means that the family environment affects the entrepreneurial interest of students in the Economic Education study program by 62.5%.
3. The calculated F value = 300.200 with a significance level of $0.000 < 0.05$ indicates that education affects students' interest in entrepreneurship. The value of the coefficient of determination (R Square) was obtained at 0.779, which means that education affects the entrepreneurial interest of students in the Economic Education study program by 77.9%.
4. F value count = 127,806 (F count 127,806 > F table 2.70) with a significance level of $0.000 < 0.05$ indicates that income, family environment, and education simultaneously or together have a positive and significant influence on student entrepreneurship interest. The value of $r^2 = 0.822$, it means that income, family environment, and education have a joint effect on the entrepreneurial interest of students of the Economic Education study program by 82.2%.

References

- Alma, B. (2013). Entrepreneurship. Bandung: Alfabeta.
- Ambadar, J. et al. (2010). Forming Entrepreneur Character. Bandung: Kaifa
- Central Bureau of Statistics. (2020). Analysis of the Impact of the Covid-19 Survey on Business Actors. Jakarta: BPS RI.
- Dewi, SKS (2017). Concept and Development of Entrepreneurship in Indonesia. Yogyakarta: Depublish.
- Hidayatullah, NL (2012). Interest in Entrepreneurship Study Program S1 Electrical Engineering Education Department of Electrical Engineering Faculty of Engineering, State University of Semarang. Essay. Semarang State University.

- Hidayat, R. (2019). *Cultivating an Entrepreneurial Spirit*. Yogyakarta: Depublish.
- Mahanani, E. (2018). Factors Affecting Entrepreneurial Interest in Students of the Faculty of Economics, University of Persada Indonesia YAI Ikraith-Humaniora Journal, 2 (2): 36.
- Novasari, Y. (2019). *Entrepreneurship Basics*. Klaten: Cempaka Putih
- Rusdiana. (2018). *Entrepreneurship Theory and Practice*. Bandung: CV Setia Pustaka.
- Saiman, L. (2015). *Entrepreneurship: Theory, Practice and Cases*. Jakarta: Four Salemba.
- Saleh, A and Mujahiddin. (2020). Challenges and Opportunities for Community Empowerment Practices in Indonesia during the Covid-19 Pandemic through Strengthening the Role of Higher Education. Budapest International Research and Critics Institute-Journal (BIRCI-Journal). P. 1105-1113.
- Sosrowinarsidiono. (2010). Building a Synergy of Technology with Entrepreneurial Capability to Support National Independence. National Conference of the Association of Informatics Science Universities. Bandung: Politelkom.
- .