

Student Entrepreneur: Antecedents and Consequences of Intrinsic Motivation

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ABSTRACT

Entrepreneurship is an important economic driver by fostering an entrepreneurial spirit, which can be trusted as a solution to limited employment opportunities and poverty alleviation. Intrinsic Motivation is the key to the success of student in entrepreneurship. This study aims to explain the effect of entrepreneurship education and social norms on entrepreneurial intention which is mediated by the intrinsic motivation of student. Sampling using purposive sampling technique, a total of 108, with quantitative approach, data were collected using Structural Equation Model. The research findings are that there is no influence of entrepreneurship education on entrepreneurial intention; there is a positive influence of social norms on entrepreneurial intention; Intrinsic motivation can moderate the relationship between entrepreneurship education and entrepreneurial intentions; Intrinsic motivation can moderate the relationship between social norms and entrepreneurial intentions.

Keywords: *An Entrepreneurial Spirit, Intrinsic Motivation; Entrepreneurship Education; Social Norms; Entrepreneurial Intention*

INTRODUCTION

The entrepreneurial intention of young entrepreneurs in Indonesia is still low, Widayati in 2013 stated that 0.18% or around 400,000 people out of 220 inhabitants. In general, universities in Indonesia tend to focus on how to produce graduates who are ready to use in the world of work where educational curricula, student activities to learning practices are all prepared to meet industry needs. In addition, the campus has not played an optimal role in creating an entrepreneurial culture (Mars & Ginter, 2012).

The involvement of universities in entrepreneurship education plays an important role in creating jobs, increasing economic growth (Ajzen, 2005) and reducing poverty (Armitage & Conner, 2001) because entrepreneurship education can shape the development of multidimensional attitudes, skills, character, and entrepreneurial thinking skills method, namely identifying opportunities to start a business (Ajzen, 1991; Aldrich & Cliff, 2003). One of the factors that can influence entrepreneurship education and entrepreneurial intentions is motivation. Intrinsic motivation prompts attraction and pleasant behaviour in an activity, resulting in internal satisfaction and pleasure for the performer of the action (Lee et al., 2014). One of the planned behaviours that influence entrepreneurial intentions is social norms, which refers to the approval or disapproval of social reference groups such as family, close friends, or mentors about individual involvement in behaviour (Winarno, 2009).

This article discusses the antecedents and consequences of intrinsic motivation for poor and orphaned pesantren students in Pandeglang. Most (80%) of the students came from Pandeglang, 20% came from Ambon, Lombok, Sumatra, and the island of Java. The level of education is at the level of a Vocational High School (SMK) called Madrasah Aliyah (MA). They get all the facilities free of charge, such as school fees, food, and housing. Their intrinsic motivation is very high in entrepreneurship practice activities such as farming and raising catfish in entrepreneurship education subjects. Unfortunately, these business activities have not developed, especially since the covid virus hit. This is due to the limited knowledge, skills, sources of capital, and experience from teachers and school administrators. Currently, the business activity being carried out is selling used clothes given by donors at the end of the month. Related to the above, it is time for students to take a role in strengthening the people's economy by entrepreneurship. Because the number of Islamic boarding schools in Indonesia in the first quarter reached 31,385 units and the majority were on the island of Java, with a total of 4.29 million students. (<https://www.medcom.id/economy/business/GNlg91GK>).

However, the magnitude of this potential has not been maximized, because the students' interest in entrepreneurship is still low. Although the schools have businesses, these businesses are not managed professionally like modern businesses. The business is managed in a perfunctory manner, with low human resources and low quality. This of course will affect the mindset of students when they become entrepreneurs. This study aims to explore the variables that affect intrinsic motivation, namely the variables of entrepreneurship education and social norms, so that they can be input for the Islamic boarding school. In addition, it also examines the impact of intrinsic motivation on the entrepreneurial intention variable, which is considered important in improving the economy. Research in the context of special boarding schools for the poor and orphans is still relatively small. This gap is an opportunity to analyse the antecedents and consequences of intrinsic motivation in students.

METHOD

This study uses quantitative methods with survey techniques, where primary data is obtained directly from respondents by distributing questionnaires through online internet media. Each indicator is measured by a Likert scale with a value of 1 to 5. Hypothesis testing using the analysis of Structural Equation Model (SEM) using AMOS 22. The research population is boarding school students, a total of 132 people. This study used a non-probability sampling method by using purposive sampling, namely sampling based on certain considerations (Smith et al., 2006). The considerations were: 1) active students who are taking entrepreneurship courses at Islamic boarding schools; 2) between the ages of 15 - 18 years. The minimum number of samples that represent the population is determined by the criteria of 5-10 times the number of indicators (Hair et al., 2014). Then the minimum number of samples = $20 \times 5 = 100$ respondents. To obtain more accurate results and represent the population, the number of samples taken was 108 samples, exceeding the minimum number. All instruments used in this study are adaptations based on previous research. In this qualitative data, entrepreneurship education and social norms are independent variables which have 5 indicators, intrinsic motivation is the moderating variable which has 5 indicators; the entrepreneurial intention is the dependent variable also has 5 indicators. Entrepreneurship education

is a learning process to change students' attitudes and mindsets (Ajzen, 1991, 2005). Social norms that individuals are more likely to adopt behaviour observed in *family*, close friends, or mentors (Ajzen, 1991, 2005). Intrinsic motivation is a motivation driven by aspects from within the individual without external stimulation (Armitage & Conner, 2001). Entrepreneurial Intention is the desire of students to be independent or to run their own business (Aldrich & Cliff, 2003; Krueger Jr et al., 2000).

A validity test is used to measure whether the questionnaire is valid if the questions in it can reveal something that will be measured in the questionnaire. A validity test can be done by comparing the p-value with a significance level of 5 percent. If the p-value < 0.05 then the question or indicator is valid, if the p-value is 0.05 then the question or indicator is invalid. A reliability test is a tool that can be used to measure a questionnaire whose indicators are variables using Cronbach's Alpha. The questionnaire is said to be reliable if the answers are consistent and can be trusted. A variable is said to be reliable if the value of Cronbach's Alpha is 0.6 (Sekaran & Bougie, 2016).

RESULT AND DISCUSSION

Presenting the Results

A validity test is used to test the accuracy of the instrument in measuring the variables to be studied. The following are the results of validity testing which are presented in Table 1.

Table 1 Validity Test Result

| No | Construct | Statement Item | Correlation Coefficient | p-value | Decision |
|----|---------------------------------|----------------|-------------------------|---------|----------|
| 1. | Entrepreneurship Education (X1) | X1.1 | 0.780 | 0.000 | Valid |
| | | X1.2 | 0.770 | 0.000 | Valid |
| | | X1.3 | 0.832 | 0.000 | Valid |
| | | X1.4 | 0.757 | 0.000 | Valid |
| | | X1.5 | 0.768 | 0.000 | Valid |
| 2. | Social Norms (X2) | X2.1 | 0.627 | 0.000 | Valid |
| | | X2.2 | 0.741 | 0.000 | Valid |
| | | X2.3 | 0.692 | 0.000 | Valid |
| | | X2.4 | 0.633 | 0.000 | Valid |
| | | X2.5 | 0.600 | 0.000 | Valid |
| 3. | Intrinsic Motivation (Z) | Z1 | 0.770 | 0.000 | Valid |
| | | Z2 | 0.718 | 0.000 | Valid |
| | | Z3 | 0.759 | 0.000 | Valid |
| | | Z4 | 0.728 | 0.000 | Valid |
| | | Z5 | 0.777 | 0.000 | Valid |
| 4. | Entrepreneurial Intentions (Y) | Y1 | 0.780 | 0.000 | Valid |
| | | Y2 | 0.801 | 0.000 | Valid |
| | | Y3 | 0.723 | 0.000 | Valid |
| | | Y4 | 0.831 | 0.000 | Valid |
| | | Y5 | 0.852 | 0.000 | Valid |

The samples were taken 108 male students; 13 respondents (12%) aged 15-16 years and 95 respondents (88%) aged 17-18 years; as many as 98 respondents (91%) had entrepreneurship in the trade sector, and 10 respondents (9%) had no entrepreneurial experience; The main factor that influences entrepreneurship, most of which comes from oneself, which is 35%, and the second is the factor of friends or social environment, which is 27%, followed by family factors by 20% and factors

from school 18%.

Table 2 Reliability Test Result hypothesis testi

| No | Construct | Number of Statement Item | Cronbach's Alpha | Decision |
|-----|---------------------------------|--------------------------|------------------|----------|
| 1. | Entrepreneurship Education (X1) | 5 | 0.786 | Reliable |
| 2. | Social Norms (X2) | 5 | 0.782 | Reliable |
| 3. | Intrinsic Motivation (Z) | 5 | 0.778 | Reliable |
| 4.. | Entrepreneurial Intention (Y) | 5 | 0.826 | Reliable |

Reliability tests on measuring instruments need to be carried out to ensure that the instruments used in the research are consistent and accurate. Table 2 shows the results of the reliability test. Analysis of results and interpretations was carried out based on the results of. Hypothesis testing is done by using a structural equation model (SEM). The error tolerance limit used is 5%. Table 3 describes the results of hypothesis testing.

Table 3. Test Results Significant Structural Model Research

| Hypothesis | Hypothesis Statement | Effect | P | Decision |
|------------|---|--------|-------|---|
| H1 | Entrepreneurship Education ∇ Intrinsic Motivation | 0.002 | 0.869 | Positive, not significant, data does not support the research Model |
| H2 | Social Norms ∇ Entrepreneurial Intention | 0.184 | 0.000 | Positive, significant, data support the research model. |
| H3 | Entrepreneurship Education ∇ Intrinsic Motivation ∇ Entrepreneurial Intention | 0.013 | 0.047 | Positive, significant, data support the research model |
| H4 | Social Norms ∇ Intrinsic Motivation ∇ Entrepreneurial Intention | 0,025 | 0.034 | Positive, data support the research model |

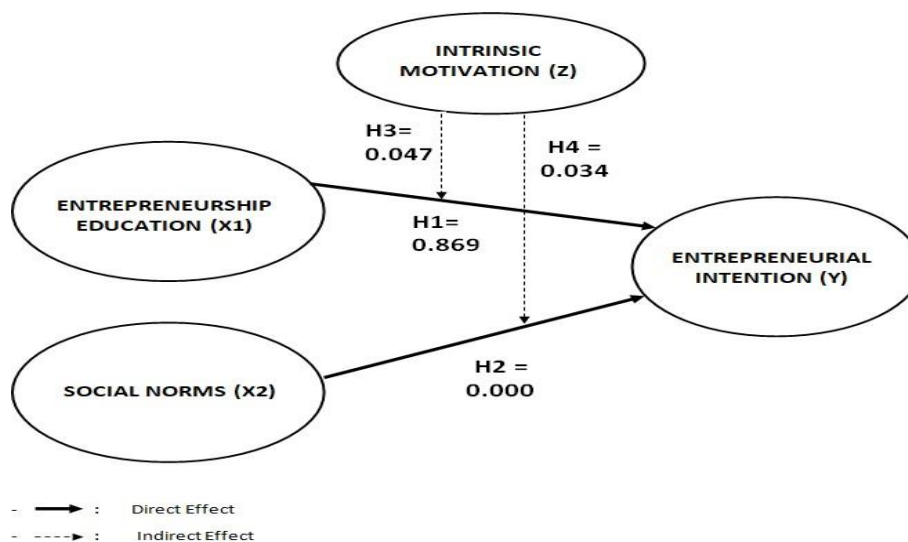


Figure 1 The result and testing of moderating variables in the study

Create a Discussion

The results of the validity test based on table 2 show, that the 20 statement items used in the research instrument, to measure entrepreneurial education, social norms, intrinsic motivation, and entrepreneurial intention are declared valid. This means that the statements above are accurate or appropriate to measure the variables to be studied because each construct in each statement item has a p-value of 0.000 less than alpha 0.05. Likewise in table 3 show that the results of reliability testing on each construct have a Cronbach's Alpha value greater than 0.60. This means that the respondents' answers to each statement item on the entire construct are consistent and can be trusted.

The result and testing of moderating variables in the study can be seen in Figure 1. Based on the results of hypothesis testing in Table 3, it can be explained as follows:

Effect of entrepreneur education on entrepreneurial intention

Table 3 shows that entrepreneurial education has no effect on entrepreneurial intention, where the probability level is $0.869 > 0.05$, so the hypothesis is rejected. This means that entrepreneurial education is not enough to influence students to be interested in entrepreneurship. This result is supported by Winarno (2009) where the selection of materials and learning models is not yet effective. Nastiti et al. (2010) found that the seminars and workshops that were given on campus did not necessarily foster interest in entrepreneurship. Aidha (2017) and Khan (2007) said that they have low self-confidence in their abilities and are afraid to take risks. Students tend to take these courses that tend to be value-oriented. Another case is the finding by Indarti & Kristiansen (2003), that students in Norway prefer to be workers than entrepreneurship. Meanwhile Solesvik et al. (2012) found that students in India had less entrepreneurial intentions, although they had a positive relationship with entrepreneurial intentions. This is due to entrepreneurship they will not receive social security from the government. In general, they will wait in the long term to become entrepreneurs.

If entrepreneurship education is provided in a quality manner, with an appropriate curriculum and learning model, it will increase the entrepreneurial intention of students. In this case, entrepreneur education has a positive and significant effect on entrepreneurial intention. This is supported by Farhangmehr et al. (2016), Liñán et al. (2011), Paray & Kumar (2020) where entrepreneur education is a process of transmitting knowledge and skills in entrepreneurship to students, related to taking advantage of opportunities and changing student behaviour and mindset that entrepreneurial intention is a career choice (Harianti et al., 2020).

In this case, the teacher's ability as a facilitator is still limited, including funds, experience in providing skills such as farming and raising catfish, which they have done at the school. Lack of access and limited funds are also obstacles in improving the skills of the facilitators to transfer their knowledge to the students. Although in general, students have been entrepreneurship on a micro-scale, schools must continue to strive so that the entrepreneurial culture in the environment can be optimized. This activity will gradually affect the behaviour and mindset of students as young entrepreneurs later. The right method of entrepreneurship education is to combine theory and practice, skills, and the ability to create a real business, which includes multidisciplinary knowledge and the experiences of successful entrepreneurs as the development of an entrepreneurial attitude (Harris & Gibson, 2008).

Effect of social norms on entrepreneurial intention

Table 3 shows, that social norms have a positive and significant effect on entrepreneurial intention, where the probability level is $0.000 < 0.05$, so the hypothesis is accepted. This means that the higher the perception of social norms, the more students will be interested in entrepreneurship. These results are supported by Ajzen (1991), Armitage & Conner (2001) and Paray & Kumar (2020), where there is a tendency for individuals to consider the perceptions of others such as family, close friends, or people who are considered important in their lives, as a tool to guide them in their life, decide to become an entrepreneur. Furthermore, individuals as role models not only provide opportunities for involvement in entrepreneurship but also help develop the skills needed in entrepreneurship (Buunk et al., 2007). Le (1999) said that family background, individual skills, employment status, and ethnicity had a positive effect on entrepreneurial intention. The same thing Aldrich & Cliff (2003) said that entrepreneurial intention is influenced by the immediate environment that surrounds them, and their families, where entrepreneurial behaviour has legitimacy and acceptance. Mohamed et al. (2012), and Scherer et al. (1989) said that students' experiences in family businesses will affect entrepreneurial intention. Research conducted by Autio et al. (2001) and Krueger Jr et al. (2000) found that social norm did not affect interest in entrepreneurship, where social norm was a weak predictor and not significant at all with interest in entrepreneurship.

The data shows, that in general, the students are children from poor families, they are taught to live independently by being given skills such as farming and raising catfish even though in the end the business does not develop because they are not guided by experts. They carried out this business activity supported by teachers with limited skills. However, the entrepreneurial culture which is quite large in the school environment and also the encouragement from parents so that they can be independent affects their intention to become entrepreneurs. Until now, they are still doing business even though on a small scale. One of them is selling used clothes which are abbreviated as "BarBeKue", which are still suitable for use from donors every Friday which they call "Friday Market".

The indirect effect of entrepreneurship education on entrepreneurial intentions moderated by intrinsic motivation.

Table 3 shows that Entrepreneurship Education has an indirect effect on Entrepreneurial Intentions moderated by Intrinsic Motivation, so the hypothesis is accepted, where the probability level is $0.047 < 0.05$. So it can be interpreted that intrinsic motivation increases with a quality entrepreneurship education curriculum, thereby encouraging students' interest in entrepreneurship. The results of this study are supported by Baba (2014). This means that entrepreneurship education is the initial capital that determines the motivation of students. If entrepreneurship education is carried out properly, including theory and through skills training programs, it will encourage motivation to improve self-ability, which will foster entrepreneurial intentions with the creation of new businesses (Keat et al., 2011). Motivation is considered as the key to success to achieve something. However, intrinsic motivation tends to play a stronger role than extrinsic motivation, because intrinsic motivation is related to pleasurable behaviour to be carried out, which will result in internal satisfaction and pleasure for him (Lee et al., 2014; Warr et al., 1979).

Based on the data obtained, the highest factor that influences students' entrepreneurship is 35% from themselves, 27% from their social circle or friends. In addition, 95% of students have been

entrepreneurs. The experience and skills possessed by students in entrepreneurship education are more structured and effective and will increase intrinsic motivation and shape the mental attitude of students so that it will indirectly encourage greater interest in entrepreneurship. This opinion is supported by Grant (2008) that high intrinsic motivation in young entrepreneurs will result in optimal business because young entrepreneurs are faced with cognitive aspects that are full of abilities and skills. Shalley et al. (2004) said that young entrepreneurs who are oriented to intrinsic motivation will be more creative without thinking about rewards, recognition, or profit-oriented alone.

The indirect effect of social norms on Entrepreneurial Intentions moderated by Intrinsic Motivation

Table 3 shows that social norms have an indirect effect on Entrepreneurial Intentions moderated by Intrinsic Motivation, so the fourth hypothesis is accepted, where the probability level is $0.034 < 0.05$. This means that Intrinsic Motivation can moderate the indirect effect of social norms on Entrepreneurial Intentions. It can be concluded that Intrinsic Motivation increases with strong social norms, and will encourage entrepreneurial interest. The results of this study are supported by Maresch et al. (2016) where the higher the motivation for good opinions from family and colleagues in making decisions to start a business, which encourages stronger entrepreneurial intentions.

The data shows, that the interest in entrepreneurship is 35% from themselves, 27% from the closest environment or friends, 20% from family, and 18% from the school. This shows that social norms shape individual behaviour in a certain way, thereby increasing intrinsic motivation, and encouraging entrepreneurial interest. Strong intrinsic motivation tends to be a more persistent and creative individual. Moreover, the high solidarity from the immediate environment will also increase the enthusiasm to create social enterprises, because intrinsic motivation is voluntary and not profit-oriented. It is further strengthened by Carsrud & Brännback (2011) that the long-term success of intrinsic motivation will be more beneficial than extrinsic motivation because they work for the welfare of many people.

CONCLUSION

This research showed the following main conclusions, entrepreneurship education has no positive effect on entrepreneurial intention; social norm has a positive effect and significant on entrepreneurial intention; entrepreneurship education has an indirect effect on entrepreneurial intention which is moderated by intrinsic motivation and social norms have an indirect effect on entrepreneurial intention which is moderated by intrinsic motivation.

ACKNOWLEDGMENT

Special thanks go to Dr. Astri Rinanti, MT, Director of Research and Community Service Trisakti University, and Dr. Yolanda Masnita Siagian, MM, Dean of Faculty of Economics and Business, Trisakti University, for their continuous guidance and support.

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