Factors Influencing Entrepreneurial Intention (Study on 2018 New Entrepreneur Program Participants in West Java Province)

Yudi Satriadi  
Departemen Magister Manajemen  
Universitas Komputer Indonesia  
Bandung, Indonesia  
yudi@wpu-bandung.com

Herman Surdian Soegoto  
Departemen Magister Manajemen  
Universitas Komputer Indonesia  
Bandung, Indonesia  
herman@unikom.ac.id

Abstract— This study aims to investigate the factors influencing entrepreneurial intention on participants of the new entrepreneur program, which is a program from the Government of West Java Province to create new entrepreneurs. There were 105 participants in the New Entrepreneur Program involved as the research respondents. This was obtained using accidental sampling technique. Factors analyzed were the factors of socio-demography and attitudes. The result of the Mann Whitney Test on the factor of socio-demography is gender, parent’s occupation, education background, and being entrepreneurs before participating in a new entrepreneur program, obtained a bigger P-value than alpha value. The factor of attitude, the result of simulant hypothesis, show that variable of economic opportunity and challenge, self-realization and participation, and variable of perceived confidence have sig value that less than (α). Whereas variables of autonomy and authority, security and workload, avoid responsibility, social environment, and career obtained sig value that more than (α). Based on the result, the study concluded that the factor of demography did not influence the entrepreneurial intention of new entrepreneur program participants. Regarding the factor of attitude, it is concluded that there is an influence on it. They are economic opportunity and challenge, self-realization, and participation, as well as perceived confidence significantly influenced partially towards entrepreneurial intention on participants of the new entrepreneur program (New Entrepreneur).

Keywords—Entrepreneurship, Entrepreneurial Intention, New Entrepreneur Programs

I. INTRODUCTION

Entrepreneurship is one solution to the problem of unemployment. The entrepreneur is able to create new jobs in order to be able to absorb labors to reduce unemployment. One of the efforts made by the government of West Java Province to give birth and develop new entrepreneurs to overcome the unemployment problem is the Hundred Thousand New Entrepreneurs printing program. New Entrepreneurial printing program in West Java is an attempt of the West Java provincial government to develop entrepreneurial which aims to develop the potential skills and business independence that can generate local potential to be ready to face global competitiveness and to address the problems faced, starting from the level of unemployment that is increasingly high, low welfare and poverty level. One Hundred Thousand Entrepreneurs printing program in West Java has been stipulated based on the Regulation of the Governor of West Java No.79 of 2015.

To become an entrepreneur, the entrepreneurial intention is important. Someone with the intention to start a business will have more confidence, progress, and readiness in running a business compared to someone who has no intention to start a business. Entrepreneurial intention can be interpreted as the initial step of the process of establishing a business that is generally long-term [1]. Entrepreneurial intention reflects someone's commitment to start a new business [2]. The entrepreneurial intention is someone's determination to be an entrepreneur or to start being an entrepreneur. Entrepreneurial intention is a search for information that is used to achieve the objectives of forming a business [3].

The entrepreneurial intention has proven to be the best predictor of entrepreneurial behavior; therefore, entrepreneurial intention can be used as a reasonable basic approach to a logical understanding of who will become entrepreneurs [4]. Entrepreneurial intention reflects someone's commitment to start a new business and is a central issue that needs to be considered in understanding the entrepreneurial process of establishing a new business [5]. Entrepreneurial intention is the desire in someone to do an entrepreneurial action. [6] Entrepreneurial intention is a cognitive representation to explore business opportunities by applying entrepreneurial learning [7]. Entrepreneurial intention is prediction which is believed to measure entrepreneurial behavior and activities, as well as to reflect the commitment of individuals in starting a new business and a central issue that needs to be understood in the process of establishing a business [8]. Entrepreneurial intention can be interpreted as the initial step of a business establishment process that is generally long term [9]. Entrepreneurial intention reflects one's commitment to start a new business and is a central issue that needs attention in understanding the entrepreneurship process of establishing a new business [10]. Based on the description above, it can be concluded that an entrepreneurial intention is a form of indication of strong determination to do something that may be raised in behaving.
Research on entrepreneurial intention in Indonesia is still relatively limited. Several studies that have been conducted related to entrepreneurial intention include research on the effect of self-efficacy on entrepreneurial interest [11]. The influence of the need for achievement and locus of control on entrepreneurial intention [12]. The relationship between self-efficacy and entrepreneurial intention [13], student’s entrepreneurial motivation [14], research on the motivation of college alumni to become entrepreneurs[15], student’s entrepreneur profile [16], intention of management students to become entrepreneurs [17], profile of educated young entrepreneurs in Jogjakarta [18], comparative study of entrepreneurial intention of Javanese and Non-Javanese students [19]. These research studies are generally still in assessment, descriptive, and partial studies [20]. Apart from relatively few, most of the research related to student entrepreneurial intention comes from abroad (for example Galloway et al., 2006; Rasheed, 2000; Gerry et al., 2008; Gurbuz & Aykol, 2008), of whose research findings found do not necessarily apply to the Indonesian context.

Based on the background, this research is focused to investigate the effect of various factors, namely 1) investigating the influence of socio-demographic factors consisting of gender, parents' occupation, entrepreneurial experience, background in the field of study, on entrepreneurial intention of new entrepreneur participants; and 2) investigating the influence of attitude factors consisting of autonomy and authority, economic opportunity and challenge, security and workload, avoid responsibility, self-realization, and participation, social environment, perceived confidence towards the entrepreneurial intention of participants new entrepreneur program.

According to previous background, the study aims to investigate the influence of some factors 1) to investigate the influence of socio-demography factor which consists of gender, parent’s occupation, entrepreneurial experience, education background on entrepreneurial intention of participants new entrepreneur program; 2) to investigate the influence of attitude factor which consists of autonomy and authority, economic opportunity and challenge, security and workload, avoid responsibility, self-realization and participation, social environment, perceived confidence, on entrepreneurial intention of participants new entrepreneur program. The participants of the new entrepreneur program, involved as respondents were 105 that were obtained using accidental sampling technique. The technique of multiple linear regression analysis, using SPSS (Statistical Product and Service Solution) software version 17.00 version, was employed to test the hypothesis on the influence of socio-demography and attitude factors towards entrepreneurial intention.

II. METHODS

The population in this study were all participants of the New Entrepreneurs Program held by the West Java Provincial Government in 2018. Samples taken for the measurement of the questionnaire in this study were the participants of the West Java Provincial Government New Entrepreneur Program in 2018 as many as 105 people with a tolerable error rate of 10%. In this study, primary data were collected using a structured research questionnaire, which was divided into 3 parts, namely socio-demographic factors, attitude factors, and entrepreneurial intention. Socio-demographic variables, namely; gender, parents’ occupation, the field of study, and entrepreneurial experience were measured by dichotomous questions using a nominal measurement scale.

Measurement of individual attitudes using the TPB index (Theory Planned Behavior) part I: an occupational status choice index that aims to measure a person's attitude to entrepreneurship. This instrument contains statements about autonomy/authority, economic challenge, self-realization, security, and workload, avoid responsibility, social career, and perceived confidence [21]. Finally, to measure the variable of entrepreneurial intention, respondents were asked to determine their level of interest in establishing their own business with 3 questions adopted from Gerry et al. [22-24], which showed the level of their intention to start entrepreneurship.

Overall, for attitudes, contextual factors, and entrepreneurial intention, statements were measured using a 5-point Likert scale, where respondents were asked to answer with a choice of numbers between 1 until 5 (1 = strongly disagree, and 5 = strongly agree). To analyze the influence of socio-demographic factors on entrepreneurial intention, the mean difference test (t-test) was used, and the arena of the two variables to be tested was the independent variable, the t-test to be used was the twin sample t-test. If the value of the t-count was greater than the value of the t-table, it means there was a significant difference, showing a significant difference between the mean data of the first group and the mean data of the second group. If the t-count value was smaller than the t-table, it means there was no significant difference, showing no significant difference between the mean of the first group data with the mean of the second group data. To test the hypothesis about the influence of attitude factors and social demographic factors on entrepreneurial intention, it was used the multiple linear regression analysis techniques, the SPSS (Statistical Product and Service Solution) software version 17.00 was employed.

The formulation of hypotheses tested in this study are as follows:
1. **Hypothesis 1**: Socio-demographic factors, namely gender, parents' occupation, the field of study, and entrepreneurial experience, influenced the entrepreneurial intention of participants in the West Java new entrepreneur program.
2. **Hypothesis 2**: Attitude factors, namely autonomy/authority, economic challenge, self-realization, security, and workload, avoid responsibility, social career, and perceived confidence influenced by entrepreneurial intention of participants on West Java new entrepreneur program.
III. RESULTS AND DISCUSSION

To answer the formulation of the research problem in the first hypothesis, namely the socio-factors influencing the entrepreneurial intention of participants in the new entrepreneur program, a comparative test was conducted on unpaired data groups. Before conducting a comparison test, the data normality test was first performed using the Kolmogorov Smirnov method. The followings are the results of the normality test calculations for each data group.

**TABLE I. DATA NORMALITY TEST**

<table>
<thead>
<tr>
<th>Demography</th>
<th>Group</th>
<th>n</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
<td>Male</td>
<td>34</td>
<td>0.000**</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>71</td>
<td>0.000*</td>
</tr>
<tr>
<td>Parents’ Occupation</td>
<td>Entrepreneur</td>
<td>41</td>
<td>0.000**</td>
</tr>
<tr>
<td></td>
<td>Not Entrepreneur</td>
<td>64</td>
<td>0.000*</td>
</tr>
<tr>
<td>Latest Education Background</td>
<td>Non-Exact/Natural Science</td>
<td>66</td>
<td>0.000*</td>
</tr>
<tr>
<td></td>
<td>Exact/Natural Science</td>
<td>39</td>
<td>0.001**</td>
</tr>
<tr>
<td>Being Entrepreneurs before Participating in the NEW ENTREPRENEUR Program</td>
<td>Yes</td>
<td>85</td>
<td>0.000*</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>20</td>
<td>0.039**</td>
</tr>
</tbody>
</table>

*Kolmogorov Smirnov
** Shapiro Wilk

To find out whether socio-demographic factors affected the entrepreneurial intention of participants in West Java new entrepreneur program, a test was conducted using the Mann Whitney test method because the distribution of data across all data groups was not normally distributed. The following is presented the results of the Mann Whitney Test.

Ho: There is no significant effect
Ha: There is a significant effect
Assessment criteria:
Reject Ho and accept Ha if p value alpha 5% (0.05)
Accept Ho and reject Ha if p value alpha 5% (0.05)

**TABLE II. COMPARISON TEST MANN WHITNEY TEST**

<table>
<thead>
<tr>
<th>Demography</th>
<th>Group</th>
<th>n</th>
<th>Mean</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
<td>Male</td>
<td>34</td>
<td>4.49</td>
<td>0.053</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>71</td>
<td>4.31</td>
<td></td>
</tr>
<tr>
<td>Parents’ Occupation</td>
<td>Entrepreneur</td>
<td>41</td>
<td>4.41</td>
<td>0.408</td>
</tr>
<tr>
<td></td>
<td>Not Entrepreneur</td>
<td>64</td>
<td>4.33</td>
<td></td>
</tr>
<tr>
<td>Latest Education Background</td>
<td>Non-Exact/Natural Science</td>
<td>66</td>
<td>4.38</td>
<td>0.798</td>
</tr>
<tr>
<td></td>
<td>Exact/Natural Science</td>
<td>39</td>
<td>4.33</td>
<td></td>
</tr>
<tr>
<td>Being Entrepreneurs before Participating in the NEW ENTREPRENEUR Program</td>
<td>Yes</td>
<td>85</td>
<td>4.41</td>
<td>0.304</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>20</td>
<td>4.18</td>
<td></td>
</tr>
</tbody>
</table>

For the second hypothesis, the attitudes influencing the entrepreneurial intention of participants in West Java new entrepreneur program, a multiple linear regression test was performed. Prior to the multiple linear regression test, the classical assumptions were tested in the form of normality, multicollinearity, and heteroscedasticity. The data normality test results, multicolored test results, and heteroscedastic test results are as follows:

**TABLE III. MULTICOLLINEARITY TEST**

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autonomy and Authority</td>
<td>.572</td>
<td>1.748</td>
</tr>
<tr>
<td>Economic opportunity and challenge</td>
<td>.582</td>
<td>1.717</td>
</tr>
<tr>
<td>Security and Work load</td>
<td>.684</td>
<td>1.461</td>
</tr>
<tr>
<td>Avoid Responsibility</td>
<td>.742</td>
<td>1.348</td>
</tr>
<tr>
<td>Self realization and participation</td>
<td>.682</td>
<td>1.467</td>
</tr>
<tr>
<td>Social Environment and Career</td>
<td>.703</td>
<td>1.422</td>
</tr>
<tr>
<td>Perceived confidence</td>
<td>.592</td>
<td>1.688</td>
</tr>
</tbody>
</table>

The results of the calculation of the regression coefficient are as follows:
TABLE IV. REGRESSION COEFFICIENT VALUE

<table>
<thead>
<tr>
<th>Coefficient</th>
<th>Standardized Coefficients</th>
<th>B (Unstandardized)</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>-15.02</td>
<td>-5.92</td>
<td>1.879</td>
<td>0.015</td>
<td>3.2</td>
<td>0.002</td>
</tr>
<tr>
<td>Autonomy</td>
<td>-0.179</td>
<td>-0.171</td>
<td>1.621</td>
<td>0.017</td>
<td>1.0</td>
<td>0.154</td>
</tr>
<tr>
<td>Security</td>
<td>-0.279</td>
<td>-0.267</td>
<td>2.173</td>
<td>0.032</td>
<td>1.0</td>
<td>0.154</td>
</tr>
<tr>
<td>Commitment</td>
<td>-0.067</td>
<td>-0.064</td>
<td>0.898</td>
<td>0.033</td>
<td>1.0</td>
<td>0.154</td>
</tr>
<tr>
<td>Avoidability</td>
<td>0.030</td>
<td>0.040</td>
<td>0.469</td>
<td>0.026</td>
<td>1.0</td>
<td>0.154</td>
</tr>
<tr>
<td>Self</td>
<td>1.057</td>
<td>1.071</td>
<td>3.551</td>
<td>0.000</td>
<td>1.0</td>
<td>0.154</td>
</tr>
<tr>
<td>Perceived</td>
<td>-0.161</td>
<td>-0.162</td>
<td>-1.235</td>
<td>0.224</td>
<td>1.0</td>
<td>0.154</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Entrepreneurial Intention

For normality data testing, the assessment criteria are as follows:

**TABLE V. CORRELATION COEFFICIENT AND DETERMINATION COEFFICIENT**

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.620</td>
<td>0.394</td>
<td>0.340</td>
<td>0.4515</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Perceived confidence, Avoid Responsibility, Social Environment and Career, Economic opportunity and challenge, Security and Work load, Autonomy and Authority

b. Dependent Variable: Entrepreneurial Intention

**TABLE VI. SIMULTANEOUS HYPOTHESIS TEST 1**

<table>
<thead>
<tr>
<th>ANOVA</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>31.228</td>
<td>104</td>
<td></td>
</tr>
<tr>
<td>Residual</td>
<td>19.222</td>
<td>97</td>
<td>0.001</td>
</tr>
<tr>
<td>Regression</td>
<td>12.007</td>
<td>7</td>
<td>1.716</td>
</tr>
</tbody>
</table>

For normality data testing, the assessment criteria are as follows:

**TABLE VII. SIMULTANEOUS HYPOTHESIS TEST 2**

Simultaneous Hypothesis Testing 1
Test Hypothesis:
H0 → bYXi = 0 There is no significant effect of simultaneous attitudes on entrepreneurial intention;
H1 → bYXi ≠ 0 There is a significant influence of simultaneous attitudes on entrepreneurial intention.

Test statistics:
Significance level (α) = 5%.
Test criteria:
Reject H0 and accept H1 if Sig (α); or Accept H0 and reject H1 if Sig (α).

Simultaneous Hypothesis Testing 2
Test hypotheses:
H0 → bYXi = 0 There is no significant influence of attitudes factors partially on entrepreneurial intention;
H1 → bYXi ≠ 0 There is a significant influence of attitudes on Entrepreneurial intention.

Test statistics:
Significance level (α) = 5%.
Test criteria:
Reject H0 and accept H1 if Sig (α); or Accept H0 and reject H1 if Sig (α).

Based on the calculation of the significant value as follows:

For normality data testing, the assessment criteria are if the sig./p value is less than alpha (sig./p value 0.05), then the data are not normally distributed if the sig./p value is more than alpha (sig./p value 0.05) then the data is normally distributed. Based on Table 1, it can be seen that all data groups in each group have p values less than alpha values (0.05). Based on these results, it can be concluded that the entire data group is not normally distributed. Based on the results of the normality test, it can be established that to determine whether socio-demographic factors affect the entrepreneurial intention of participants in West Java new entrepreneur program, it was conducted testing using the Mann Whitney test method because the distribution of data in all data groups was not normally distributed.

Based on Table II, it can be seen that the influence of demographic factors on entrepreneurial intention of West Java new entrepreneur program participants. In the gender factor, the male group consisting of 34 respondents has an average entrepreneurial intention of 4.49, while the female group consisting of 71 respondents has an average entrepreneurial intention of 4.31. Based on the results of the Mann Whitney Test on gender demographic factors, the p value of 0.053 was bigger than the alpha value (0.053 0.05). Therefore, it can be concluded that Ho was accepted, and Ha was rejected, which means that gender demographic factors had no significant effect on the entrepreneurial intention of participants in West Java new entrepreneur program.

In the demographic factors of parents' occupation, the entrepreneurial group consisting of 41 respondents had an average entrepreneurial intention of 4.41, while the non-entrepreneurial group consisting of 64 respondents had an average entrepreneurial intention of 4.33. Based on the results of the Mann Whitney Test on the demographics of parents' occupation, the p value was 0.408, which was more than the alpha value (0.408 > 0.05). Thus, it can be concluded that Ho was accepted and Ha was rejected, stating that the demographic factors of parents' occupation did not significantly influence the entrepreneurial intention of participants in West Java new entrepreneur program.

In the demographic factor of the latest educational background, the non-exact/non-natural science educational group consisting of 66 respondents had an average entrepreneurial intention of 4.38, while in the exact education/natural science education group consisting of 39 respondents had an average entrepreneurship intention of 4.33. Based on the results of the Mann Whitney Test on the demographic factors of

educational background, the p value of 0.798 was bigger than the alpha value (0.798 > 0.05). Thus, it can be concluded that Ho was accepted, and Ha was rejected, which means the educational background demographic factors did not significantly influence the entrepreneurial intention of participants in the West Java new entrepreneur program.

In demographic factors of being an entrepreneur before joining the new entrepreneur program, in the group that has been an entrepreneur before joining the new entrepreneur program consisting of 85 respondents had an average entrepreneurial intention of 4.41, whereas in the group who has never been an entrepreneur before joining the new entrepreneur program consisting of 20 respondents have an average entrepreneurial intention of 4.18. Based on the results of the Mann Whitney Test on demographic factors related to whether the participants have been entrepreneurs before joining the new entrepreneur program, the p value of 0.304 was greater than the alpha value (0.304 > 0.05). Therefore, it can be concluded that Ho was accepted and Ha was rejected, which means that the demographic factors of having been an entrepreneur before joining the new entrepreneur program did not significantly influence the entrepreneurial intention of participants in West Java new entrepreneur program. Based on the results of the analysis that has been done in relation to the demographic factors towards the entrepreneurial intention of participants in West Java new entrepreneur program, it can be concluded that there is no influence of the demographic factors on entrepreneurial intention of West Java new entrepreneur program participants.

For the second hypothesis, the attitudes that influenced the entrepreneurial intention of participants in West Java new entrepreneur program, a multiple linear regression test was performed. Prior to the multiple linear regression test, the classical assumptions were tested in the form of normality, multicollinearity, and heteroscedasticity. Based on the Figure 1. Test Data Normality, it can be seen that the distribution of the data in the multiple linear regression model was normally distributed.

Based on Table III. Multicollinearity test, it can be seen that the VIF value of each independent variable was below 10. The tolerance value showed that all independent variables had values of more than 0.1. Based on these criteria, it can be concluded that there is no multicollinearity problem in the multiple linear regression model.

From the output in Table IV the Regression Coefficient Value is known the intercept value and regression coefficient so that it can be formed multiple linear regression equations as follows:

\[ Y = 1.025 - 0.179X_1 + 0.279X_2 - 0.067X_3 + 0.030X_4 + 0.277X_5 - 0.101X_6 + 0.512X_7 \]

Based on the above equation of regression, it can be explained the direction and how much changes in the variable entrepreneurial intention when there is a change in the attitude factor variables. The positive sign of the regression coefficient indicates when an increase in the independent variable will be followed by an increase in the dependent variable. In this case, independent variables that have a positive influence on entrepreneurial intention are the economic opportunity and challenge variables, avoidance of responsibility, self-realization, and participation, and perceived confidence variables. Meanwhile, the regression coefficient marked negative indicates that when an increase in the independent variable will be followed by a decrease in the dependent variable. Independent variables that have a negative influence on entrepreneurial intention are autonomy and authority variables.

Based on Table V. Correlation Coefficient and Determination Coefficient, we can find out the correlation magnitude of 0.620. The figure shows that the attitude factors variable has a strong relationship with the entrepreneurial intention variable. The R square value obtained was 0.384 or 38.4%, which showed that attitudes contributed 38.4% to entrepreneurial intention, while the remaining 61.6% was the influence of other factors not observed in this research.

Based on Table VI. Simultaneous Hypothesis 1 Test, it was obtained sig. of 0.000. This value was then compared with (α) = 5%. This indicates that the value of sig. smaller than (α) = 5% or (0.000 > 0.05) so that H0 was rejected and H1 was accepted, which means attitudes have a significant effect simultaneously on entrepreneurial intention.

Based on Table VII Simultaneous Hypothesis Test 2, it can be seen that the economic opportunity and challenge variable, self-realization and participation, and the perceived confidence variable obtained sig. less than (α). This indicates that H0 was rejected, and H1 is accepted, which means the economic opportunity and challenge variable, self-realization, and participation, and the variable perceived confidence has a partially significant effect on entrepreneurial intention. While the autonomy and authority variables, security and workload, avoidance of responsibility, and social variable and career variables obtained sig values of more than (α). This indicates that H0 was accepted, and H1 was rejected, which means that the autonomy and authority variables, security and workload, avoid responsibility, and social-economic and career variables do not have a significant effect partially on entrepreneurial intention.

IV. CONCLUSION

Based on the results of the analysis that has been done related to the demographic factors of the entrepreneurial intention of participants in West Java new entrepreneur program, it can be concluded that there is no influence of the demographic factors on the entrepreneurial intention of participants in West Java new entrepreneur program. While relating to the factors of attitudes (attitudes) affect the entrepreneurial intention of participants in West Java new entrepreneur program, it can be concluded that there is an influence of the factors of attitudes towards attitudes of entrepreneurship in West Java new entrepreneur program participants.
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