

EXPLORING ENTREPRENEURIAL ORIENTATION AMONG HIGHER EDUCATION STUDENTS IN GREATER JAKARTA INDONESIA

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ABSTRACT

Entrepreneurship is a vital component of success in today's increasingly dynamic business environments. While entrepreneurial orientation described as an organization's attitudes and beliefs, it is also a method of education that enables students to acquire entrepreneurial knowledge that enhances comprehension and fosters a positive mental image of entrepreneurship. Entrepreneurial education usually prepares students with the requisite skills to succeed as entrepreneurs. This study aims to compare entrepreneurial experience among university students who obtain it and those who do not. The Rash Model Approach analyses the results, including the validity and reliability tests of the research instrument. The findings suggest that university students who obtain entrepreneurial experiences have a greater propensity for entrepreneurship. This study bolsters the claim that university education informed by students' entrepreneurial experiences will stimulate entrepreneurship growth in Indonesia.

Keywords: Entrepreneurial Orientation, Entrepreneurial Experience.

INTRODUCTION

Numerous universities are investing in entrepreneurship programs intending to encourage students to pursue entrepreneurial endeavors. Additionally, entrepreneurial courses usually provide students with the ability to observe effective role models, allowing for the emergence of vicarious learning. Individuals interested in future business owners, business breeders, and potential investors can benefit from understanding Entrepreneurial Orientation (EO). Apart from imparting required information on how to run a company, educational support can also assist students in achieving business success as an intrapreneur in a competitive industry (Mutlutürk & Mardikyan, 2018; Sutanto et al., 2018).

Earlier research established that firms with a robust entrepreneurial orientation would outperform those with a weak entrepreneurial orientation. This point predicated on the notion that entrepreneurialism can serve as a source of competitive advantage (Kurniawan et al., 2019; Manzano-García & Ayala-Calvo, 2020).

One may argue that successful entrepreneurship education will catalyze individuals to pursue entrepreneurship by increasing their entrepreneurial motivation. The dimensions found the need for achievement, independence, passion, opportunity identification, and locus of control. Among these, autonomy, opportunity identification, and locus of control had the most excellent entrepreneurial motivation (Almeida et al., 2019; Gochhait & Pokharnikar, 2020). According to

previous research, educational institutions engaged in entrepreneurial activity significantly contribute to the entrepreneurial orientation that innovative endeavors and a research-oriented culture will foster. (Hoffman & Peters, 2021; Ismail et al., 2015; Kurniawan et al., 2019; Sahoo & Panda, 2019).

Scholars have recognized the significant influence of experiential entrepreneurship education and situational antecedents on students' EO. (Cho & Lee, 2018; Gochhait & Pokharnikar, 2020; Sahoo & Panda, 2019). Entrepreneurial orientation is apparent in one's action, and the interpersonal perceptions of university students will ascertain their entrepreneurial orientation over a given period (Cho & Lee, 2018; Gochhait & Pokharnikar, 2020; Sahoo & Panda, 2019). In this perspective, the study's objective is to compare the EO of university students with and without entrepreneurial experience.

LITERATURE REVIEW

Entrepreneurial Orientation

Scholars explain that there are three dimensions for entrepreneurial orientation: innovativeness, risk-taking, and pro-activeness. The innovation dimension entails identifying possibilities, creating innovative concepts, incorporating the ideas, and finally applying. The risk-taking factor entails the willingness to function in the face of uncertainty and the prospect of losing income or assets due to borrowing or making a firm commitment to specific sources. The pro-activeness factor encompasses self-initiative, role-taking, selling incentive problems, and advocating for improvement (Gochhait & Pokharnikar, 2020; Kurniawan et al., 2019; Sahoo & Panda, 2019).

These three dimensions are a unified whole or mixture that cannot exist in isolation from one another—entrepreneurship best exemplified by innovation. Among the EO elements, risk-taking refers to the propensity for taking calculated risks, such as venturing into unknown markets and allocating a sizable portion of capital to unpredictable projects. Innovativeness described as a desire to foster innovation and new goods, develop new processes, and become leaders. While, pro-activeness is a market-shaping attitude that involves launching new goods or services in expectation of potential demand and reshaping the market (Gochhait & Pokharnikar, 2020; Mutlutürk & Mardikyan, 2018; Sahoo & Panda, 2019).

Entrepreneurial Orientation

A vast amount of studies carried out to analyze the effect of EO on students' entrepreneurial behaviors. The study of Sánchez (2013) found that entrepreneurial education was significantly related to students' risk-taking and pro-activeness abilities. Another study reported that students who immersed in entrepreneurial education show higher levels of innovativeness. Accordingly, universities play a significant role in training entrepreneurs as more excellent knowledge and a higher level of expertise and abilities provide an individual with a greater competency to engage in entrepreneurial activities and acquire entrepreneurial attitudes. The study found that students with more experience related to entrepreneurship had a higher EO than those that did not have any experience with entrepreneurship (Cho & Lee, 2018; Mutlutürk & Mardikyan, 2018; Sutanto et al., 2018).

Entrepreneurial orientation manifests itself in one's attitudes and beliefs, focusing on proactively pursuing opportunities and innovating. EO is also a process of training that enables students to obtain entrepreneurial knowledge that provides insight, raises awareness, and

discloses a solid mental picture of entrepreneurship. Based on the argument that entrepreneurship can be taught and learned, entrepreneurial education seems to enable students to obtain the skills needed for successful performance throughout the entrepreneurial process. This skill set can facilitate future entrepreneurs and promote entrepreneurship capability (Cho & Lee, 2018; Sahoo & Panda, 2019; Sutanto et al., 2018). With the appropriate entrepreneurship education, students will develop the necessary self-confidence to go into their businesses during, before, or after their higher education programs or EO has been well embedded in students' minds. Furthermore, education plays a vital role in developing students' entrepreneurial efficacy by involving them in various entrepreneurial activities (Cho & Lee, 2018; Hoffman & Peters, 2021; Sahoo & Panda, 2019; Sutanto et al., 2018). In this context, the proposed research hypothesis as follows.

Hypotheses

H₁: There is a significant difference in entrepreneurial orientation between university students who gain the entrepreneurial experience with those who do not

RESEARCH METHODOLOGY

This study aims to compare EO between university students who gain entrepreneurial experience and those who do not. The research conducted in Indonesia's greater Jakarta district and concluded in January 2021. The EO questionnaire created in response to the literature review findings. While 360 university students from various institutions participated in this study, only 324 answers are suitable for further analysis.

Characteristics		Frequency	%
Gender	Female	217	67
	Male	107	33
University	Entrepreneurial Experience	127	39
	Non - Entrepreneurial Experience	197	61

The Rasch Model Approach analyses the data, including the research instrument's validity and reliability test. The Rasch Model using Winstep performed in version 3.73. The Rasch Model is a data analysis method that can transform ordinal responses from Likert rating scales into interval values (Miftahuddin et al., 2020). It also helps to predict the respondents' answers to be correctly predicted on all items. The Rasch Model rearranges item scores into a set of ordinal values (measure) called "unit of opportunity logarithms" (logit) (Miftahuddin et al., 2020).

The research instrument is a three-dimensional assessment of entrepreneurial orientation. These include innovativeness, pro-activeness, and risk-taking. Table 2 reveals that the Cronbach's alpha for measuring research instrument reliability is 0.89, indicating an excellent interaction between the items and the respondents' responses (Sumintono, 2014). The person's accuracy in their responses is 0.87, suggesting a consistent reaction of the respondents. The accuracy of the test item reliability is 0.94, meaning that the research instrument's items are also outstanding. The values explain that there is a firm consistency in respondents' responses, and the quality of the items is excellent to measure the research variable (Sumintono, 2014). However, the validity test results indicate that all instrument items can be accepted since no outliers as the logit values are below 1.5 logit (Sumintono, 2014).

SUMMARY STATISTICS	PERSON	ITEM
Reliability	0.87	0.94
Cronbach Alpha	0.89	

FINDINGS AND DISCUSSION

The study focuses on university students' entrepreneurial orientation. The results indicate that university students who gain entrepreneurial experiences are higher in their entrepreneurial orientation (2.49 logit) since the measured value is higher than the total mean measure (2.15 logit) at the 0.05 stage of significance. Additionally, university students who do not gain entrepreneurial experiences are lower in their entrepreneurial orientation (1.93 logit), as mentioned by a lower measure value than mean measure value (2.15 logit) at the 0.05 level of significance (Sumintono, 2014). It implies that the research hypothesis was accepted "there is a significant difference in entrepreneurial orientation between university students who gain the entrepreneurial experience with those who do not" at a significance level of 0.05.

University Students	Measure	
Entrepreneurial Experience	127	2.49
Non Entrepreneurial Experience	197	1.93
Total (mean)	324	2.15
Significance level 0.05	0.006 < 0.05	

The results of this study corroborate prior studies indicating that students with entrepreneurial experience have a higher EO than students without entrepreneurial experience (Cho & Lee, 2018; Hoffman & Peters, 2021; Sahoo & Panda, 2019; Sutanto et al., 2018).

Additionally, this result explains pro-activeness is the most prevalent dimension among students gaining entrepreneurial experience.

This finding explained that the entrepreneurial experience enabled students to hone their practical entrepreneurial skills in areas of their interest, which accomplished through classroom activities. Additionally, this entrepreneurial experience explicitly linked to the three dimensions of EO. Students were encouraged to use their creative thinking to develop business concepts and prototypes (innovativeness dimension). Furthermore, they took the risk of market validation for their product/service (risk-taking dimension). Finally, the students were motivated by the desire to generate revenue and expand their business (pro-activeness dimension). Figure 1 shows that students who acquire entrepreneurial experience are more optimistic, more focused on their desired outcomes, and more daring in their decision-making. Moreover, pro-activeness became the essential EO characteristic, as entrepreneurial experience primarily defined by market performance rather than business ideas or risk validation. Hence, the results have significant consequences for Indonesia's economic development. Entrepreneurship is critical for Indonesia, accounting for 99% of total business units and has an employment capacity of approximately 97.30%. However, since Indonesian entrepreneurs lack an entrepreneurial orientation, they are unable to expand rapidly. This study bolsters the argument that entrepreneurship growth in Indonesia can be sparked by university education informed by students' entrepreneurial experiences.

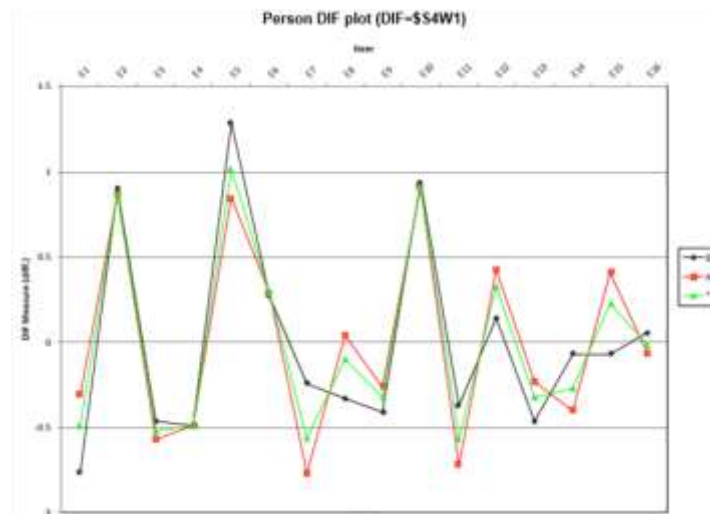


FIGURE 1
THE ENTREPRENEURIAL ORIENTATION AMONG UNIVERSITY STUDENTS

CONCLUSION

Entrepreneurship is a necessary component of success in today's highly volatile business environments. Entrepreneurial Orientation (EO) described as one's attitudes and beliefs. Still, it is also a method of education that enables students to acquire entrepreneurial knowledge that provides insight, enhances comprehension, and fosters a positive mental picture of entrepreneurship. Entrepreneurial education tends to equip students with the requisite skills for successful entrepreneurial behaviors. These entrepreneurship skills will benefit future entrepreneurs and will increase one's entrepreneurial spirit.

The results indicate that students who obtain entrepreneurial experience have a more entrepreneurial mindset. It means that students' entrepreneurial experiences during their studies directly affect the development of their entrepreneurial spirit. The results presented here shed new light on university-based entrepreneurial education. Education will effectively grow future entrepreneurs. The results will also be relevant to Indonesia's economic growth, which characterized by entrepreneurialism. Universities must emphasize entrepreneurial experience to produce active future entrepreneurs. However, the study requires additional analytical methods, especially to examine the effect of entrepreneurial education on the development of entrepreneurial orientation. Moreover, other further research may be beneficial in elucidating the techniques and competencies of entrepreneurial education to enhance entrepreneurial orientation.

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