

# INFLUENCE ABILITY, PERCEPTION OF CHANGE AND MOTIVATION TO INTENTION OF ENTREPRENEURSHIP: OVERVIEW OF ANALYSIS IN STUDENTS OF FACULTY OF ECONOMICS UNIVERSITAS NEGERI JAKARTA

Henry Eryanto, Universitas Negeri Jakarta  
Darma Rika Swaramarinda, Universitas Negeri Jakarta

## ABSTRACT

*The purpose of this research is to know Influence Ability, Perception of Change and Motivation to Intention of Entrepreneurship. Respondents in this research are 166 students of Faculty of Economics UNJ. The method used is descriptive quantitative. Analysis technique used in this research is Structural Equation Model (SEM) with analyst is confirmatory factor. The results are:*

- 1. There is positive and significant influence between ability to Motivation.*
- 2. There is a positive but not significant influence between ability to Intention of Entrepreneurship.*
- 3. There is Indirect Influence between ability to Intention of Entrepreneurship through Motivation.*
- 4. There is a positive and significant influence between perceptions of change on Motivation.*
- 5. There is a positive and significant influence between perceptions of change to Intention of Entrepreneurship.*
- 6. There is no significant influence between perceptions of change on Intention of Entrepreneurship through Motivation.*
- 7. There is a positive and significant influence between Motivations with Intention of Entrepreneurship.*

*Theoretical and practical implications are entrepreneurship learning at university is very useful to improve the quality of university graduates and practical policies, and also in this study see that entrepreneurial intentions can be optimized through motivation, ability and perception to change. Entrepreneurial learning must be interactive and facilitated by faculties and universities so that students have the motivation and desire to become entrepreneurs. Need to combine good conventional and online learning (but not fully online) to learn more interactive entrepreneurship*

**Keywords:** Ability, Intention of Entrepreneurship, Motivation, Perception of Change.

## INTRODUCTION

The phenomenon of the low quality of Indonesia's workforce has recently become a major challenge for the people of Indonesia. The Government strives to make changes by doing many innovations in the field of education. The main objective is for the people of Indonesia to improve the welfare of his life. Through education is expected to improve the ability, both in the

form of hard competency and soft competency. When a person has the ability, it will expand his chances of getting better welfare.

Today, it is widely known that entrepreneurs are the engine of economic growth and development, in both developing and developed countries (Farsi et al., 2012). The entrepreneurial learning process in schools has not been followed by the application of skills, knowledge and real entrepreneurial skills. Not optimum entrepreneurial learning process, finally make the graduates do not have the spirit of entrepreneurship and just like to be employees or workers (Vemmy, 2012). Education policies are constantly being improved. The government's desire is that graduates not only become workers but also become entrepreneurs. Students as agents of change in the field of education continue to improve their skills in the hope of increasing their motivation so that it can impact on the desire to entrepreneurship after graduation later, in the future leads to improvements in the quality of university graduates in Indonesia.

In addition to preparing the ability (soft competency and hard competency) is not less important is to prepare the perception of change itself (Balcioglu & John, 2014). Perception is a unique interpretation of each individual within an organization. Perception is not a recording of a situation. Therefore, it is important to review and build in order to contribute to organizational change and in accordance with organizational goals (Luthan, 2006)

All issues related to the quality of the workforce are nationally problematic, and the researcher wants to contribute to the problem. It's just that in this study, researchers discussed more about how to improve the quality of university graduates not only become employees but also become entrepreneurs. For that reason, the researcher conducted a review of the analysis of the students of the Faculty of Economics, State University of Jakarta (UNJ) and further explored the influence of Ability and Perception of Change on Motivation and Intention of Entrepreneurship.

## LITERATURE REVIEW

### Intention of Entrepreneurship

Research to see aspects of one's entrepreneurial intentions has received considerable attention from researchers. The intention of entrepreneurship can be interpreted as a process of seeking information that can be used to achieve the goal of forming a business (Katz and Gartner, 1988). A person with an intention to start a business will have better readiness and progress in the business run than someone without the intention to start a business. As stated by Krueger and Carsrud (1993), the intention has proven to be the best predictor of entrepreneurial behavior. Therefore, the intentions can serve as a reasonable basic approach to understanding who will become entrepreneurs (Choo and Wong, 2006).

Intention of entrepreneurship is the determination of a person to become an entrepreneur or for entrepreneurship. Novitaloka & Nurtjahjanti (2015), the intention of entrepreneurship is the first step individual before choosing to take the step of entrepreneurship. Tubbs & Ekeberg, (1991) states that the intention of entrepreneurship is a representation of the actions planned to engage in entrepreneurial behavior. Before a person starts a business (entrepreneurship) it takes a strong commitment to start it. Tung (2011), states that understood entrepreneurial intention as the personal commitment of the potential entrepreneur to start up. According to Tung (2011) states that entrepreneurship intention is a cognitive representation of actions for exploiting a business opportunity by applying entrepreneurial learning (knowledge and skills).

Jones (2011) mentions whereas medical students graduate as doctors, engineering students as engineers and education students as educators, students of entrepreneurship/enterprise rarely graduate as entrepreneurs. But, why medical, engineering, and education students should not become entrepreneurs? Students of some fields are significantly weak in some aspects, however, some others, in a different degree, have more entrepreneurial characteristics. (Salamzadeh et al., 2014).

### **Ability**

To perform the various tasks assigned by an organization or company to its employees, every employee needs to be required to have the abilities that are usually listed on the organization/organization job desk. Ability can be obtained through various ways (for example, through education, training or experience). Robbins & Judge (2008) defines ability means the capacity of an individual to perform various tasks in a job. Subkhi (2013) defines the ability that is the meaning of the term ability is the capacity of a person to carry out several activities in one job. In line with the two terms of ability according to the experts above, it can be concluded that ability is the capacity of a person to perform the various tasks assigned to him in a job.

The whole ability of an individual is essentially composed of two sets of factors namely intellectual ability and physical ability. This factor is then taken into dimensions to measure the abilities developed based on the theory of Robbins and Judge.

### **Perception of Change**

According to Subkhi (2013) states that perception is a process, in which individuals organize and interpret their sense impressions to give meaning to the environment. Whereas, Moorhead & Griffin (2013) defines perception as a set of processes that individuals perceive and interpret information about the environment. It can be concluded that perception is the process of a person understanding and interpreting the environment based on the impression of their senses.

From the above view of perception it can be understood that perception needs to be established to interpret precisely information received by the individual regarding his organization. Robbins (Ardana, 2013) states the factors that influence perception are: Perception/Performer perception, Target/object and Situation.

Change is an absolute thing in our lives. Every individual should not resist the change. In the context of an organization or company, changes are generally interpreted by the change of rules within the organization. Wahjono (2010) suggests there are two sources of resistance to change: From individuals and from organizations.

### **Motivation**

Motivation is the psychological processes that cause stimulation, direction, and persistence towards a volunteer activity directed at a goal (Kreitner and Kinicki, 2014). Today, there have been many theories about Motivation. Almost all Motivation Theory suggests the linkage of Motivation with human needs. By fulfilling the human needs, work motivation will automatically be realized. According to Robbin (2003) who says that a process that produces an individual's intensity, direction and persistence in an attempt to achieve a goal. While general motivation is concerned with efforts toward each goal. According to Prihartanta (2015),

motivation is a psychological phenomenon in the form of impulse that arises in a person consciously to perform an action with a specific purpose.

Motivation is a concept that describes the forces within each individual to initiate and direct behavior. This concept is used to explain differences in the intensity of behavior in which the vibrant behavior is the result of a strong level of motivation. In addition, the concept of motivation is used to indicate the direction of behavior.

Then according to Nimran (2005) defines motivation is as a condition where effort and one's hard will be directed to the achievement of certain results. The results can be:

- a) Productivity.
- b) Presence or Creative work behavior.

Meanwhile, according to Adair (2007) motivation is what makes people do something, but the more important meaning of this word is that motivation is what makes people really try and expend energy for what they do. A simple definition of the word '*motivation*' may be getting people to do what must be done willingly and well.

## METHODS

### Research Methodology

The population in this research is all 4th semester students of Faculty of Economics UNJ. The number of affordable population is 270 respondents. The number of questionnaires that returned and can be studied only 166 respondents. The type of this research is Descriptive Quantitative. Analysis technique used in this research is Structural Equation Model (SEM) with analyst is confirmatory factor.

Questionnaires to be used in advance tested the validity and reliability, so that the questionnaire used to provide the desired information and reliable. In this study used 5% significance level for two-way test. If the item in the questionnaire is declared invalid, then the item is not used in this research.

### Research Hypothesis

Based on the framework of thinking that has been described, then the hypothesis in this study are (Figure 1):

*H<sub>1</sub>: There is a significant influence between ability to Motivation.*

*H<sub>2</sub>: There is significant influence between ability to Intention of Entrepreneurship.*

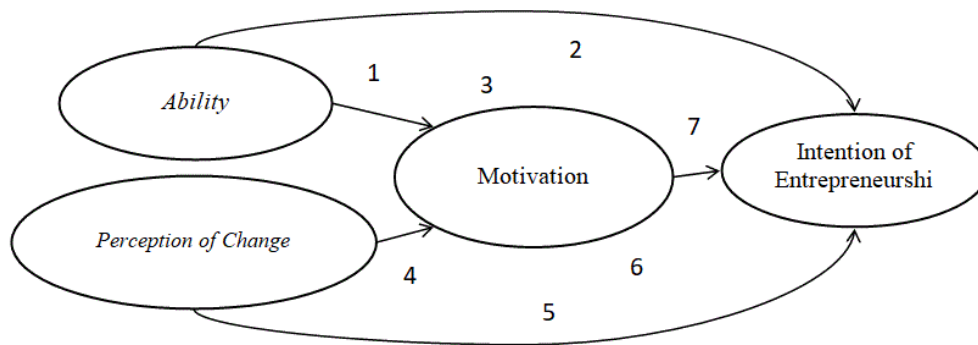
*H<sub>3</sub>: There is a significant influence between ability to Intention of Entrepreneurship through Motivation.*

*H<sub>4</sub>: There is a significant influence between the perceptions of change on Motivation.*

*H<sub>5</sub>: There is a significant influence between the perceptions of change on the Intention of Entrepreneurship.*

*H<sub>6</sub>: There is a significant influence between the perceptions of change on the Intention of Entrepreneurship through Motivation.*

*H<sub>7</sub>: There is a significant influence between the Motivation and Intention of Entrepreneurship.*



**FIGURE 1  
RESEARCH MODEL**

**RESULTS AND DISCUSSION**

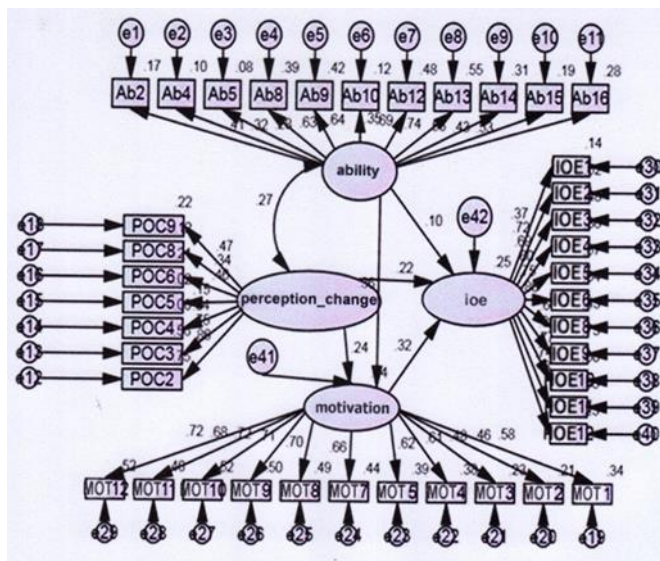
**Results**

In this study the researchers took a sample of 166 respondents who are students of 4<sup>th</sup> semester Faculty of Economics UNJ who have taken entrepreneurship courses (Figure 2).

The magnitude influence between observed variables can be seen in Table 1 as follows:

Table 1 STRUCTURAL MODEL ANALYSIS RESULTS						
		CR	P	Results	Standardize total effect	Interpretation
Ability	→ Motivation	3.063	0.002	Significant	0.359	Moderately strong effects
Ability	→ IOE	1.060	0.289	Not significant	0.218	Mild effects
perception_change	→ Motivation	2.502	0.012	Significant	0.243	Mild effects
perception_change	→ IOE	2.204	0.028	Significant	0.299	Mild effects
Motivation	→ IOE	2.708	0.007	Significant	0.324	Moderately strong effects

Source, data processed 2017



**FIGURE 2**  
**ESTIMATION RESULTS SEM MODEL**

Based on the results of data processing that has been obtained from the analysis of Structural Model or Structural Equation Model I (SEM) can be concluded hypothesis test results as follows:

***H<sub>1</sub>: Influence between Ability to Motivation***

This first hypothesis is the test of influence between the variable Ability to the variables Motivation by showing the results of hypothesis testing between these two variables have a significant influence because the value of  $P < 0.05$  that is 0.002, CR value 1.96 is 3.063 and the relationship that occurs marked positive (unidirectional) with the power of influence seen from standardize total effects is Moderately strong effects (influence is strong tends) that is equal to 0.359. Thus it can be concluded this hypothesis test accept  $H_a$  and reject  $H_o$ .

***H<sub>2</sub>: Effect between Ability against the Intention of Entrepreneurship***

This second hypothesis is the test of influence between the variables Ability to the Intention of Entrepreneurship variables by showing the results of hypothesis testing between these two variables have an insignificant influence because the value of  $P > 0.05$  is equal to 0.289, CR value  $< 1.96$  of 1.060 and relationships that occur marked positive (unidirectional) with the power of influence seen from standardize total effects is mild effects (i.e. smooth influence) that is equal to 0.218. Thus it can be concluded that this hypothesis test rejects  $H_a$  and accepts  $H_o$ .

***H<sub>3</sub>: Effect between Ability against the Intention of Entrepreneurship through Motivation***

The third hypothesis is the influence test between the variables Ability to the Intention of Entrepreneurship through intervening variables Motivation. By showing the results of hypothesis testing between these two variables were seen from the standardized total effects obtained amounted to 0.218 is mild effects (smooth effect). To see the effect of indirectly or directly can

be obtained by multiplying the estimated coefficient on the path capability (ability) and motivation ( $0.503 \times 0.184=0.093$ ). The coefficient of estimation of indirect effect is greater than the direct effect ( $0.093>0.080$ ), it means there is an indirect effect. It can be concluded the influence of Ability of Intention of Entrepreneurship indirectly influence through Motivation. It means  $H_o$  is rejected and  $H_a$  accepted.

#### ***H<sub>4</sub>: Influence between Perceptions of Change to Motivation***

This fourth hypothesis is the influence test between perception of change variable to motivation by showing the result of hypothesis test between these two variables have influence of positive and significant influence, expressed with P value $<0.05$  that is 0.012. With CR $>1.96$ , that is 2.502. If viewed from the standardized total effects obtained amounted to 0.243 was mild effects (smooth effect).  $H_o$  can be concluded rejected and  $H_a$  accepted.

#### ***H<sub>5</sub>: Influence between Perceptions of Change on Intention of Entrepreneurship***

This fifth hypothesis is the test of influence between perception of change to Intention of Entrepreneurship by showing the result of hypothesis test between these two variables have influence Positive and significant influence, expressed with value P $<0.05$  that is equal to 0.028. With CR $>1.96$ , that is 2.204. The power of influence seen from standardize total effects is mild effects of 0.299. Concluded  $H_a$  accepted and  $H_o$  rejected.

#### ***H<sub>6</sub>: Influence between Perceptions of Change on Intention of Entrepreneurship through Motivation***

This sixth hypothesis is the test of influence between Perception of Change on Intention of Entrepreneurship through Motivation. By showing the results of hypothesis testing between these two variables were seen from the standardized total effects obtained amounted to 0.299 is mild effects (smooth effect). To see the effect of indirectly or directly can be obtained by multiplying the estimated coefficient on the track will change perception of change and motivation ( $0.143 \times 0.184=0.026$ ). The coefficient of indirect effect estimation is smaller than direct effect ( $0.026<0.074$ ), meaning the effect is direct. It can be concluded the influence of Perception of Change on Intention of Entrepreneurship directly influence. Means  $H_a$  rejected and  $H_o$  accepted.

#### ***H<sub>7</sub>: Influence between Motivations to Intention of Entrepreneurship.***

This seventh hypothesis is the test of influence between the variables Motivation to the variables intention of entrepreneurship by showing the results of hypothesis testing between these two variables have a positive and significant influence, expressed by the value of P $<0.05$  that is equal to 0.007. With CR $>1.96$ , that is 2.708. With the power of influence seen from standardize total effects is Moderately strong effects that is equal to 0.324. Thus it can be concluded this hypothesis test accept  $H_a$  and reject  $H_o$ .

## **DISCUSSIONS**

In this study it can be seen that the intention of entrepreneurship can be influenced by any variable. The results of this study show that the ability does not affect the intention of

entrepreneurship. This is aligned and supported by other studies that not only look at capabilities but also require experience, without sufficient experience and finance, entrepreneurs will not be able to start. Lack of finance and experience is the most important reason for not working for yourself and lacking confidence and height. Uncertainty in the market is one of the most influential factors of students (Salamzadesh et al, 2013).

Referring to the results obtained and supported by other research, the researcher can conclude that the ability of students does not play more in terms of intention of entrepreneurship, although the researchers concluded that the ability of students who viewed from the ability to assess the situation and ability to find opportunities by students can increase motivation them to work. It turned out that the ability to assess the situation and look for opportunities is not enough to foster intention of entrepreneurship. In addition to these capabilities, as well as financial and experience needs (Salamzadesh et al., 2013), the researchers assessed the need for another capability that is the ability to take risks. Why take a risk? Because without financial capital and experience for example, it takes finance through loans, and only people who have the ability to take risks that can solve financial problems. This is what has not been included in this research.

The results of this study indicate that the perception to change does not affect significant of entrepreneurship intentions through motivation as mediation. This is supported by other researchers who see that before there is a perception to change, a compulsory course is needed in advance so that they have a thought to change their concept of entrepreneurship and entrepreneurship. The aim of this research is to find out the perception change of the students towards entrepreneur and entrepreneurship. A survey was conducted among 925 students who participated in these courses and who did not in Aksaray University and the results show that the compulsory courses have positive impact on perceptions toward Entrepreneurship, along with the intention to start their own businesses. We hope that similar studies which will focus on the context of the course, the qualifications of the lecturers, the practices of students after graduation, their innovative behaviors in their business life will contribute to the Entrepreneurship Education field (Akin and Demirel, 2015). The researcher concludes that perception to change cannot influence the intention of entrepreneurship through motivation, but need existence beforehand before existence of equation of perception to change mind-set of entrepreneurship concept and entrepreneurship that is existence of training or course.

The growth of motivation through the ability of students must begin with interactive entrepreneurial learning so that they are interested to learn. The practice of entrepreneurship interactive and directly apply the ability of students certainly can foster desire to entrepreneurship. Practice by students at state universities in Jakarta in groups and directed by advisors at the practice site. The entrepreneurship practices that students undertake today are project-based and apply and teach how they can apply the ability to assess situations and seek opportunities so that practices can run conventionally.

Unlike other researchers who learn can also be done online. Online courses require new teaching and different teaching-new approaches to pedagogy and behavior. Students are empowered to learn on their own. They are usually much more intensive writing than the traditional class ever. In online courses, general discussions, requests for elaboration or assistance, answers to focused questions, group projects, most tasks, and many tests and quizzes are being written (Radović-Marković and Salamzadeh, 2012).

Researchers see online learning there are still shortcomings in terms of requiring different new approaches as well as students cannot be entirely left to self-study. So researchers still consider that project-based learning on entrepreneurial practices implemented in the Faculty is



still good applied in a conventional way. But it is possible that this online learning can be used as an additional suggestion for universities and faculty to also be able to apply a combination of entrepreneurial learning not only conventionally but added online.

## **CONCLUSIONS, IMPLICATIONS AND SUGGESTIONS**

### **Conclusions**

Based on the results of data analysis can be concluded take from 7 hypotheses tested, there are 2 rejected hypothesis that there is no influence between ability to intention of entrepreneurship and perception of change apparently direct influence on intention of entrepreneurship without motivation mediation. The results of the research may be different if the sample criteria used are different and the indicator dimensions of instrument size used are different.

### **Implications**

1. Theoretical implications, entrepreneurship learning at university is very useful to improve the quality of university graduates and in this study see that entrepreneurial intentions can be optimized through motivation, ability and perception to change. Need to add the ability to take risks for the future research.
2. Practical implications (policy), the results of this study are used as input for universities and faculties in practical policies and entrepreneurial learning must continue to run and be improved in quality. Need to apply a combination of entrepreneurial learning not only conventionally but added online.

### **Suggestions**

From the conclusion above, the researcher wants to give suggestions for improvement quality of student's ability and intention of entrepreneurship among students and for future research that are:

1. Entrepreneurial learning must be interactive and facilitated by faculties and universities so that students have the motivation and desire to become entrepreneurs.
2. Need to combine good conventional and online learning (but not fully online) to learn more interactive entrepreneurship and can increase ability and perception to change that motivates students and intention of entrepreneurship.
3. Sample criteria and measurement tools are important for further research development.
4. To consider other variables such as age, gender, etc., in future comparisons.

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