

# THE COMPETENCE OF YOUNG ENTREPRENEUR CANDIDATE IN UNIVERSITY, INDONESIA

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## ABSTRACT

*Some of the most important issues in the global economy that affect the financial crisis in developing countries. Especially in Indonesia, the firstly is the problem of high unemployment rates, and secondly, the unevenness of opinions caused by education that is irrelevant to the world of work. Based on World Bank data in 2016, there are more than 620 million workers, especially non-working of school alumni, most of who are in Asia and Africa. Entrepreneurship is highly concentrated applied by the government to the entire community, not least in the university. The curriculum of entrepreneurship courses has been developed at public and private universities in Indonesia. The determining of the level of entrepreneurial competence of students in improving the quality of young entrepreneurial candidates in the university.*

*This research is descriptive quantitative. The research subjects are students who have vision and mission based on entrepreneurship. The Questionnaire as a research tool filled by 160 respondents. Data analysis using comparative analysis of t-test method. The results showed that entrepreneurial competence of students explained of the competence to understand the production process and technology in the high category.*

*While the result of t-test method analysis there are significant differences of entrepreneurship competence between a student in public and private university. The level of entrepreneurial competence is very influential on the environment of student learning. The findings of this research will be very important for universities and the Ministry of Education in the terms of strengthening the curriculum of the university education.*

**Keywords:** Competence, Curriculum, Entrepreneurship Education, University, Young Entrepreneur Candidate.

## INTRODUCTION

The development of education, especially universities is quite fast, accompanied by a relatively high population growth. Currently, human resources in the productive age are very abundant. So it takes the transformation of human resources through education. The relatively high population growth, then the number of the young workforce increases as the need for goods and services continues to increase (Barba-Sánchez and Atienza-Sahuquillo, 2018) so that to fulfil it requires entrepreneurship. Entrepreneurship is a potential for economic development and the growth of modern society (Bikse et al., 2014; Stamboulis and Barlas, 2014). Ideal for meeting people's welfare requires at least 2% of the entrepreneurial population (McClelland, 1987).

Previous research has much to discuss entrepreneurship education among the younger generation as the economic growth potential of modern society. Starting from research on Competence-Based Perspective of Entrepreneurship Education: Conceptual and Empirical

Insights (Morris et al., 2013). Research Zhang et al. (2014) on the role of entrepreneurship education as a predictor of student entrepreneurial intentions. Kolvereid, (2016) in his study predicted students' intentions to start a new business and work on it. Premand et al. (2016) conduct research on the potential of entrepreneurship education to enable youth to acquire skills and create their own jobs. So that Entrepreneurship education is encouraged in universities is expected to produce university graduates who are capable of independent and entrepreneurial spirit (Din et al., 2016; Ismail et al., 2015; Maresch et al., 2016).

### COMPETENCE OF ENTREPRENEURSHIP EDUCATION

The growing entrepreneurial spirit of the students required entrepreneurial competence. Entrepreneurship competencies are indicated of is characteristics and skills of students so that they can become successful entrepreneurs (Bacigalupo et al., 2016; Ismail et al., 2015; Komarkova et al., 2015).

The indicator of entrepreneurial competencies shows in table 1 which developed by the Sulawesi Economics Development Strategy (SEDS) Project program coordinated by Humber Institute of Technology and Advanced Learning, Canada (Gervan, 2017).

<b>Tabel 1</b> <b>INDICATORS OF ENTREPRENEURSHIP EDUCATION COMPETENCIES</b> <b>BY SEDS PROJECT PROGRAM</b>	
<b>Indicators of Entrepreneurship Education Competencies</b>	<b>Description</b>
Ability to distinguish entrepreneurial type	This competency discusses the types of entrepreneurs that are composed of socialpreneur (Shukla et al., 2016), intrapreneurs (Baruah and Ward, 2015), technopreneurship (Barreira et al., 2015).
Ability to identify entrepreneurial character	This competence deals with the characteristics that characterize an entrepreneur (McClelland, 1987), such as the ability to recognize opportunities (Short et al., 2010), risk-taking, creativity (Kusmintarti et al., 2016), and the ability to innovate (Huggins and Thompson, 2015).
Ability to draw up a business plan	This competency deals with business plans that begin by identifying opportunities and business ideas that can be applied in the real world (Skinner, 2014). Existing business ideas should be based on market needs or create new market needs (Hatten, 2012). Ability to elaborate several elements so that students can see a thorough plan picture of their business idea (Osterwalder et al., 2011).
The ability to understand the production process and technology	This competence describes the forms and types of processes of production and technology, the forms of process flow diagrams, the importance of production processes and technology (Brotchie et al., 2017).
ability to parse emotional branding steps	This competence deals with business branding, understanding the meaning, purpose, and benefits of brand image brands (Metz and Davies, 2017). knowing the branding steps to build loyalty and emotional relationship between brand and consumer (Jamwal and Soodan, 2014). Innovation is names, slogans and logos according to the type of business (Bresciani and Del Ponte, 2017; Peterson et al., 2015).
ability to implement marketing mix strategy	This competency deals with marketing, the conceptual distinction between sales and marketing (Armstrong et al., 2015), marketing research, marketing mix strategy (Khan, 2014), and its application to a product (Armstrong et al., 2014).
the ability to calculate the company's break-even point	This competency discusses about the management of company finance, that is financial management function, company financial report, business feasibility calculation and Break Even Point (BEP) analysis (Kampf et al., 2016).

The most critical issue of the low number of entrepreneurs in Indonesia is due to the low self-employment of the entrepreneurs themselves in the young generation, especially high school graduates and even universities. It is necessary for the development strategy of entrepreneurship education for the young work force, especially students who are independent, tough and competitive. As for the purpose of the research is to be able to know the entrepreneurship competence of the students as young business candidates in the future.

## METHODS

The study was a quantitative descriptive research designed to assess how level of entrepreneurship competence in universities is been improving quality of young entrepreneur in Makassar, Indonesia. The subjects of this study are students who were in college in fifth semester, the campus has a vision and mission based entrepreneurship. Instruments used in this study in the form of questionnaires filled by research subjects. The questionnaire contains a number of statements used to obtain information from research subjects related to the entrepreneurial competence of students in college (Kemp et al., 2018). Questionnaire data obtained from each respondent will be made recapitulation based on each indicator of achievement of entrepreneurship learning composition. Further data were analyzed using comparative analyze technique using t-test method with SPSS software (Nwambam et al., 2018). This technique is used to find the comparison between the two variables are significantly different or not (Aidara, 2018).

### Overview of Research Respondents

There were 160 students as respondent by random from two universities in South Sulawesi namely Universitas Negeri Makassar (UNM) representing the state university and Muhammadiyah University of Makassar (UNISMUH) representing private university. The university selection is due to the concentration of entrepreneurship education that can be seen in the vision and mission documents of the university.

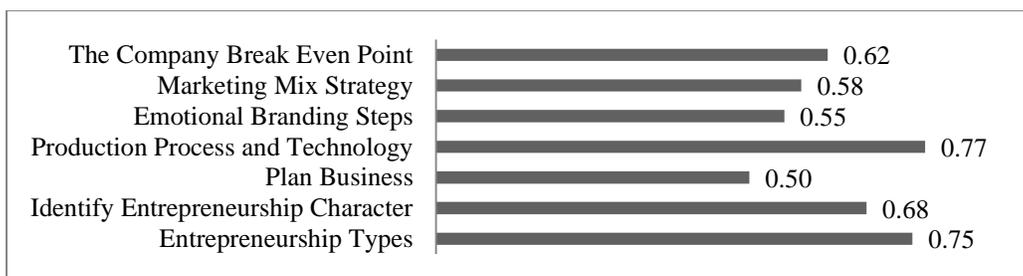
In this study there are 7 indicators of entrepreneurial competence to be measured based on the SEDS Project program by Humber Institute of Technology and Advanced Learning, Canada (Gervan, 2017):

1. The ability to distinguish between entrepreneurial types.
2. Ability to identify entrepreneurial character.
3. Ability to plan business.
4. Ability to understand production process and technology.
5. Ability to parse emotional branding steps.
6. Ability to implement marketing mix strategy.
7. The ability to calculate the company's break-even point.

## RESULTS AND DISCUSSION

### Results Analysis of Entrepreneurship Competence

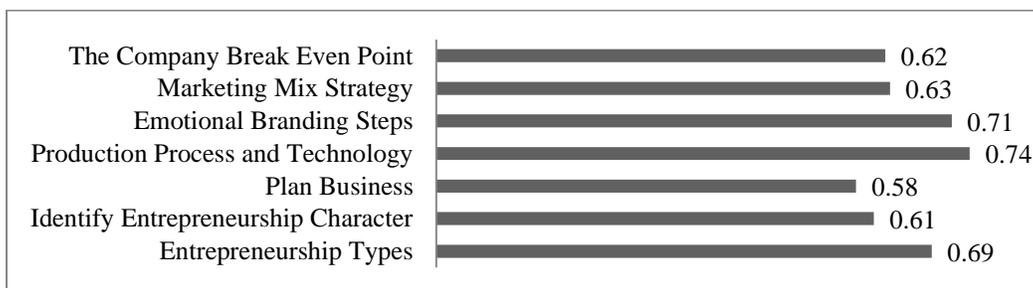
The entrepreneurship competence analysis the students of state university low category. Complete data of entrepreneurial competence is presented in Figure 1.



**FIGURE 1**  
**GRAPH OF VALUE ON ENTREPRENEURSHIP COMPETENCE OF STATE UNIVERSITY**

Thus, based on the average value of entrepreneurial learning competence, students have the highest score on the ability to describe the production process and technology.

Result of entrepreneurship competence analysis on the student of private university high category. Complete data on the entrepreneurial competence is presented in Figure 2.



**FIGURE 2**  
**GRAPH OF VALUE ON STUDENT ENTREPRENEURIAL COMPETENCE OF PRIVATE UNIVERSITY**

Thus, based on the average value of entrepreneurship learning competencies, the students have the ability to describe the production process and technology very high score. This is further corroborated by the value of other research results which also reveal that students' perceptions of the entrepreneurial climate depend only on a given level of entrepreneurship (Bergmann et al., 2018).

Analysis sig. (2 tailed) assessment competence entrepreneur between both of university (Table 2).

Indicators of entrepreneurship education competencies	Mean	
	State university	Private university
Ability to distinguish entrepreneurial type	0.75	0.69
Ability to identify entrepreneurial character	0.68	0.61
Ability to draw up a business plan	0.50	0.58
Ability to understand the production process and technology	0.77	0.74
Ability to parse emotional branding steps	0.55	0.71
Ability to implement marketing mix strategy	0.59	0.63
Ability to calculate the company's break-even point	0.62	0.63

### HYPOTHESIS

$H_o: \mu_1 = \mu_2$  (There is no significant difference between the average value of student competence on the State University and Private University).

$H_a: \mu_1 \neq \mu_2$  (There is a significant difference between the average value of student competence on the State University and Private University).

Basic decision making: firstly, if the value of significance or Sig. (2-tailed) > 0.05, then  $H_o$  accepted and  $H_a$  rejected, and secondly, if the value of significance or Sig. (2-tailed) < 0.05, then  $H_o$  is rejected and  $H_a$  accepted.

In Table 3 below, explains the competence of each-indicator of entrepreneurial ability to students in state and private universities.

No	Indicators of entrepreneurship education competencies	Sig. 2 tailed	Conclusion
1	Ability to distinguish entrepreneurial type	0.044	There is a difference between the average value Ability to differentiate types of entrepreneurship in public universities and private universities
2	Ability to identify entrepreneurial character	0.034	There is a difference between the average value Ability to identify entrepreneurial character in public university students and private universities
3	Ability to draw up a business plan	0.012	There is a difference between the average value Ability to draw up a business plan to the state university students and private universities
4	Ability to understand the production process and technology	0.192	There is no difference between the average value of Ability to understand the production process and technology in public university students and private universities
5	Ability to parse emotional branding steps	0.000	There is a difference between the average value Ability to parse emotional branding steps on the student state university and private universities

6	Ability to implement marketing mix strategy	0.289	There is no difference between the average value Ability to implement marketing mix strategy at the state university students and private universities
7	Ability to calculate the company's break-even point	0.948	There is no difference between the average value Ability to implement marketing mix strategy at the state university students and private universities

Table 3 explains that there are four indicators that have significant differences between a student of the university, namely; Ability to distinguish entrepreneurial type, identify the entrepreneurial character, draw up a business plan and Ability to parse emotional branding steps.

### Analysis t-Test Assessment

The following in Tables 4 & 5 is a t-test assessment between public universities and private universities in the entrepreneurship compositions of students at both universities.

	University	N	Mean	Std. Deviation	Std. Error Mean
Value	State University	80	0.2257	0.11886	0.04493
	Private University	80	0.2829	0.09087	0.03435

Result		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Value	Equal variances assumed	.949	.349	-1.010	12	.332	-.05714	.05655	-.18036	.06607
	Equal variances not assumed			-1.010	11.228	.334	-.05714	.05655	-.18130	.06702

The result of t-test shows that t value=-1.010 (sig<0.05), meaning there is a significant difference between entrepreneurship competence of student studying at public university and private college. Many reasons about the differences competence of both group; firstly, learning environment in private university different from the state university. Specifically, the admission of new students in state universities requires high academic quality. The high student causes the standard students to tend to focus on academic achievement and less interested in entrepreneurship. Secondly, the state university has an intensively regulated curriculum, so it does not provide enough time for students to develop entrepreneurship.

Thirdly, the cost of public university education is relatively cheaper and there are many scholarships available. Conversely, at private universities tuition is relatively more expensive. The high financial needs of students at private universities encourage them to seek additional income. Time constraints make students unable to work as employees in companies that have regular working hours. The choice for entrepreneurship is highly relevant as an additional source of income for students. Similar opinion was expressed in the research (Aithal and Kumar, 2016; Mazzucato, 2015) that private universities have acknowledged importance in improving the quality of higher education due to their autonomy, motive and capacity to introduce innovations.

## CONCLUSION AND FUTURE STUDY

Based on the results of the study, it can be concluded that most students have high entrepreneurial competence on the ability to break down production process and technology, but have low entrepreneurial competence on the ability to calculate the break-even point of the company (BEP). There are significant differences entrepreneurial competence between state universities and private universities in South Sulawesi, Indonesia. The Research, also resulted that there are four indicators that have significant differences between a student of the university, namely; Ability to distinguish entrepreneurial type, identify the entrepreneurial character, draw up a business plan and Ability to parse emotional branding steps.

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