# THE INTENTIONS TO BECOME ENTREPRENEURS IN THE INDONESIAN VOCATIONAL SCHOOL GRADUATES

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### ABSTRACT

The purpose of this study is to determine the extent to which people, especially fresh graduates in Indonesia, have the intention to become an entrepreneur and to find out how much influence attitudes towards entrepreneurship, subjective norms, and perceptions of behavioral control have on their intentions to become entrepreneurs. The results showed that there is a significant influence on attitudes towards entrepreneurship, subjective norm, and perceived behavior control on vocational graduates in Jakarta and Yogyakarta. This study shows that the subjective norm has the largest contribution to the intention to be an entrepreneur. Entrepreneurship education has been shown to have a significant influence on the emergence of intentions to become entrepreneurs on the learner. Therefore, the government needs to be more serious in dealing with the curriculum and the learning process on entrepreneurship in vocational subjects. In addition, the curriculum subjects of entrepreneurship should be integrated with the business needs of daily life within the scope of the school for the cooperation with other areas teachers need to be done to form the competencies that needed to become entrepreneurs.

**Keywords:** Attitudes Towards Entrepreneurship, Subjective Norm, Perceived Behavioral Control, Intentions to Become Entrepreneurs.

### **INTRODUCTION**

Strengthening entrepreneurship in vocational high schools is a strategy that could increase new entrepreneurs in all regions in Indonesia. However, in reality, 50% of vocational high school graduates are directly hired, just 1-2% successfully instantly become entrepreneurs, and while the rest of the graduates contributed to the number of unemployed (Riani, 2010). The number of unemployed graduates of vocational high schools ranked highest compared to graduates of elementary, junior high, high school, and university (BPS, 2015). This phenomenon does not happen only in Indonesia but also in other countries such as Malaysia. Research in Malaysia (Othman et al., 2012); found that vocational high school graduates are not much involved in the process of new business even though they have a good readiness. In Sweden, Hamidi et al. (2008) found three entrepreneurship programs successfully increasing entrepreneurship as a strategy promoting career opportunities. One of their entrepreneurship education programs provides a training session aimed at shaping attitudes and creative thinking. We can assume that being an entrepreneur is a process; people who have a professional interest in entrepreneurship can train to become entrepreneurs.

Interest or desire to become entrepreneurs in the theory of psychology is called intention. The intention is a person's belief which influences attitude toward behavior (Ajzen, 2002). There

is research which states that attitude; subjective norms, and perceived control behavior, entrepreneurship education, and self-efficacy affect entrepreneurial intention among university students in East Java (Utami, 2017). Indeed, there have been studies using these variables, but there have been no similar studies examining vocational high school students who have recently graduated. Based on the phenomenon, the researchers want to research intentions to become entrepreneurs in vocational high school students who have recently graduated in Jakarta and Yogyakarta, Indonesia.

### LITERATURE REVIEW

Fishbein & Ajzen (2005), intention is defined as a person's position in the dimensions of subjective probability that involve a relationship between himself and some action. To see the level of entrepreneurship intention, it is interesting to use the Ajzen theory of planned behaviour/TPB (Cahyani et al., 2018). According to Fishbein and Ajzen (in Riyanti, 2009), the intention is formed of the three beliefs that exist in the individual. That belief namely behavioural belief, normative belief, and control beliefs. Perceived behaviour (Ajzen, 2002). The stronger the person's intention to become an entrepreneur, the more likely the person will do in the future. Vespers (1986) says that entrepreneurship educators can facilitate the process of entrepreneurship by creating awareness that there will be opportunities to be entrepreneurs. A longitudinal study conducted by Barret & Feng (2021) found that food safety curricula were effectively improving students' knowledge, and also increasing students' perceived behavioural control.

Potter (2008) found that entrepreneurship education is one of the key elements which can improve the attitude of entrepreneurs in a person. Vyakarmam (2009) outlines the three purposes of entrepreneurial education that is personal development, business development, and development of entrepreneurial skills. In Indonesia vocational education generally aims to prepare humans for Indonesia to have the ability to live as individuals and citizens, who believe, are productive, creative, innovative, and effective, and able to contribute to the society, nation, state, and world civilization (Ramadhan & Ramdani, 2014).

Therefore, the purpose of this study are: (1) to determine the influence of attitude toward behaviour to the intention to become entrepreneurs in vocational high school graduates in the cities of Indonesia, Jakarta, and Yogyakarta; (2) to determine the influence of norm subjective to the intention to become entrepreneurs in the vocational high school graduates; (3) to determine the influence of perceived behavioural control on intentions to become entrepreneurs in the vocational high school graduates the influence the intention to become entrepreneurs in the vocational high school graduates (Wikantiyoso et al., 2019). The following research hypotheses are (1) Attitude towards entrepreneurship influences intention to become entrepreneurs; (2) Subjective norm influences Intention to become entrepreneurs; (3) Perceived behavioural control influences intention to become entrepreneurs; (2) Subjective norm influences intention to become entrepreneurs; (3) Perceived behavioural control influences intention to become entrepreneurs influences intention to become entrepreneurs; (3) Perceived behavioural control influences intention to become entrepreneurs; (3) Perceived behavioural control influences intention to become entrepreneurs; (3) Perceived behavioural control influences intention to become entrepreneurs; (3) Perceived behavioural control influences intention to become entrepreneurs; (3) Perceived behavioural control influences intention to become entrepreneurs; (3) Perceived behavioural control

## METHODOLOGY

The research design in this study is non-experimental. Data will be analysed with descriptive statistics and multivariate statistical techniques. That technique is multiple regression analysis. From the 274 questionnaires distributed, only 258 questionnaires were complete and fit

to use. In the end, the number of respondents is 258 that will be used in further analysis. In this study, we used 4 instruments based on the theory of planned behaviour from Fishbein & Ajzein (in Riyanti, 2009). There are four instruments of this research. The distribution of the dimensions of the 20 items on 4 questionnaires in this study. Attitude regarding entrepreneurship measured by developing instrument consisted of 5 items (reliability 0,892), subjective norm regarding entrepreneurship by 3 items (reliability 0,894), perceived behavioural control by 6 items (reliability 0,899), and intention to be an entrepreneur by 6 items (reliability 0,892).

#### RESULTS

Participants in this study consist of 131 males (51%) and 127 females (49%). The number of participants that studies in Jakarta vocational high school are 152 (59%) and the number of participants that studies in Yogyakarta vocational high school are 106 (41%). The regression equation is significant with: Y = 0,236 X1 + 0,541X2 + 0,328X3 + 4,544.

Attitude regarding entrepreneurs, subjective norm, and perceived behavioural control affecting the intention to become entrepreneurs (F=80.330, p=0.000). Taken together the three variables contributed 48.7% to the intention to become entrepreneurs. Our results accepting three hypotheses in this study (1) attitude regarding entrepreneurship behaviour gives a significant effect on the intention to become entrepreneurs in vocational graduates (t=2.607, p=0.010). (2) The subjective norm regarding entrepreneurship behaviour gives a significant effect on the intention to become entrepreneurship behaviour gives a significant effect on the intention to become entrepreneurship behaviour gives a significant effect on the intention to become entrepreneurs in vocational high school graduates (t = 7.186, p = .000). (3) Perceived behavioural control regarding entrepreneurship gives a significant effect on the intention to become entrepreneurs in vocational high school graduates (t=6.619, p=0.000). Thus all the variables: attitude toward behaviour, subjective norm and perceived behavioural control exert significant influence on the intention to become entrepreneurs in the vocational high school graduates. When the results are viewed on the magnitude of the effect, the subjective norm regarding entrepreneurship behaviour gives the greatest influence in the amount of 41.5 %, followed by perceived behavioural control of 32, 3%, and the latter is the attitude regarding entrepreneurial behaviour at 14, 2 % (Krueger et al., 2020).

#### DISCUSSION

The first hypothesis, attitude affecting the intention, is theoretically supported by Ajzen (2002); Law and Breznik (2017). This time, this study increases psychological and entrepreneurial knowledge. Subjective norm affects intention to become entrepreneurs. Hypothesis two supported the previous study by Yang (2013) and Utami (2017) that researched at the level of the university. An individual who has the intention to become an entrepreneur is because of the suggestion by the people around that individual. The effect of subjective norm on intention to become entrepreneurs is highest amongst other variables in this study. The third hypothesis in this study is perceived behavioural control affects intention to become entrepreneurs and supported by Yang (2013); DINC & Budic (2016); and Utami (2017). When an individual perceives that becoming an entrepreneur is a difficult thing to do, an actual easy thing becomes an intention challenge to become an entrepreneur. The level of effect on perceived behavioural control to become entrepreneurs.

The results of this study are interesting to be discussed. Firstly, the study was conducted immediately after vocational high school students pass state exams. At that time they were faced with a situation that determines whether his life is work, study, or open a business. Secondly, two

items that is not valid in the subjective norm instrument. This item analysis results indicate that the views of people into something that interfere with the determination of career choices Indonesian people, especially vocational high school graduates of the respondents of this study. Assumptions researchers strengthened by the results of the regression analysis reveals that the subjective norm is the most powerful variable that contributes to the intentions of respondents.

According to Cholil (2015); this can happen because of the encouragement, support, and input that play a role such as family, relatives, and colleagues in achieving entrepreneurial behaviour success that is higher than himself. This means that entrepreneurial theory and practice must receive a sufficient portion to form a reliable entrepreneurship (Wuisang et al., 2019). Entrepreneurship is something that can be learned and should be internalized with entrepreneurship education. Wikantyoso et al. (2019) said that "personality dynamics of the narrative life story as a hero journey archetype can affect competence and business success".

In addition to continuously improving the curriculum and entrepreneurial learning methods in vocational high schools, the government should capture those who have the intention to become entrepreneurs into intensive learning. This approach is important, which is to understand which of these people will become entrepreneurs in the future and also shaping entrepreneurial behavior. Someone who has the intention to start a business will have the readiness and progress better when he runs his business than someone who has no intention to start a business. However, the intentions are not enough. Individuals who are ready for this are a resource that needs to be given a briefing continued, for example, draw them into the business incubation program. The programs, which are still looking for a candidate to be trained, can take advantage of these vocational high school graduates to accelerate the birth of new entrepreneurs.

#### CONCLUSION

Intentions to become entrepreneurs of this study tend to be high. Attitude toward behaviour gives a significant influence on the intention to become entrepreneurs in vocational high graduates in Jakarta and Yogyakarta. Subjective norm behaviour toward entrepreneurship has a significant effect on the intention to become entrepreneurs in the vocational high school graduates. Perceived behavioural control behaviour regarding entrepreneurship gives a significant effect on the intention to become entrepreneurs in the vocational school graduates.

Entrepreneurship education has been shown to significantly influence the emergence of intentions to become entrepreneurs on the learner. Therefore, the government needs to be more serious in dealing with the curriculum and the learning process on entrepreneurship in vocational subjects that should emphasize practice. Besides the curriculum subjects of entrepreneurship should be integrated with the business needs of daily life within the scope of the school. This method can be raised with the business units within the schools run by the students. For cooperation with other areas, teachers need to form the competencies that are needed to become entrepreneurs. For instance competence in financial matters, competence in terms of marketing.

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